



2023

A long-term and sustainable future for all parties...

SUSTAINABILITY REPORT



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ABOUT SABIRLAR FINDIK

Sabirlar Fındık is a privately-held and family-owned hazelnut processing company headquartered in Trabzon, Turkey. The company sorts, processes, and packs (whole, chopped, paste, meal, sliced, roasted, etc.) hazelnuts. Sabirlar sources raw hazelnut kernels from the Black Sea region of Turkey, especially

from Giresun, Ordu, and Samsun, and processing and packing occurs in Trabzon, Turkey. The company started with a small cracking plant in 1965 and, in 1977, Sabirlar established their first integrated processing plant in Trabzon.

MEMBERSHIPS AND CERTIFICATES

Quality and Food: Certificates

Halal	Kosher	EOS (Organic)
NOP (Organic)	BRC	FSSC 22000
Rainforest Alliance		

Ethical Trade: Memberships

Fair Labor Association	Ecovadis	SAI Platform
Global Compact	SEDEX	BSCI



Sedex Member



PRESIDENT'S MESSAGE

Dear Stakeholders,

As we present this year's annual sustainability report, I am filled with immense pride in the strides we have made at our Hazelnut Processing Plant. Our commitment to sustainability is unwavering, and this year we have placed a particular emphasis on ethical farming and combating child labor through education.

Ethical farming lies at the heart of our operations. We believe that the prosperity of our business is intrinsically linked to the well-being of the environment and the communities we serve. This year, we have worked tirelessly to ensure that our farming practices not only meet but exceed ethical standards. Our partnerships with local farmers have strengthened, providing them with the support and resources needed to adopt these sustainable practices. By doing so, we are not only enhancing the quality of our products but also ensuring the long-term viability of hazelnut farming. Our capacity is increasing every season with our Rainforest Project.

One of our most significant initiatives this year has been the establishment of a summer school program for children. We recognize that child labor is a critical issue in many agricultural sectors, including hazelnut farming. Our summer school project aims to tackle this issue head-on by providing children with a safe, engaging, and educational environment during the peak harvest season. This program offers a range of academic and

extra curricular activities designed to inspire and educate, keeping children away from the fields and in the classroom where they belong. By investing in their education, we are investing in the future of our community and breaking the cycle of child labor.

These efforts are just a part of our broader commitment to sustainability and social responsibility. We are dedicated to creating a positive impact on the environment and society, and we will continue to pursue innovative solutions and practices that uphold our values.

Thank you for your continued support and trust in our vision. Together, we can build a sustainable future for our industry, our communities, and the generations to come.

Warm regards,

*Hasan Osman SABIR
President*

PRODUCTS

WHOLE

CHOPPED

PASTE

MEAL

SLICED

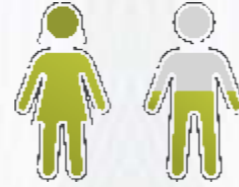
ROASTED



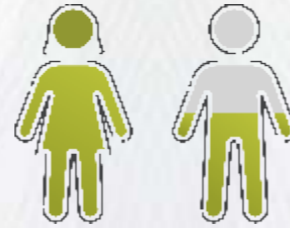
NUMBER OF EMPLOYEES AND FACILITY CAPACITY



We have a total of 138 contracted employees, of whom 108 women and 30 men.



Administrative staff consists of 20 men and 10 women, totaling 30 people.



Production employees consist of 98 women and 10 men, totaling 108 people.



Total Facility Area: 8.300 m²

ABOUT THE REPORT

Sabırlar Fındık, one of the most important actors in hazelnut exports in Turkey, is creating this report with its responsibility for a sustainable future.

Through our sustainability report reflecting the economic, environmental and social performance of Sabırlar Fındık in 2023, we offer the opportunity to evaluate our impacts resulting from our activities and the improvement steps we have taken to manage these impacts. At Sabırlar Fındık, we transparently share our corporate governance, social and environmental performance with our stakeholders every year. This report includes the activities we realized in 2023, our strategic planning for the future, progress towards our new goals and our contribution to the Sustainable Development Goals. Progress is shared under the four areas of our sustainability approach: Responsible Procurement, Environment, Social Responsibility and Employees. We continue our efforts to develop together with our stakeholders, from soil

to farmers, from employees to customers, by touching our entire value chain.

In our sustainability journey, we present the results of our activities between January 1, 2023 and December 31, 2023, our environmental, social and governance performance indicators, and our future goals to all our stakeholders with the Sabırlar Fındık 2023 Sustainability Report.

For feedback on the report, please contact us at the e-mail address below:

ecengiz@sabirhazelnut.com.tr

*Report Prepared by: Emine ANKARALI
Sustainability and Social Compliance Officer*

SUSTAINABILITY GOVERNANCE

Our sustainability and human resources unit plays an active role in ensuring that our sustainability approach is adopted by all stakeholders and in carrying out activities in the four areas we have identified. The responsibilities of the sustainability team include determining sustainability-related policies, strategies and targets, communicating with stakeholders to receive feedback on sustainability, monitoring and auditing performance. We adopt ethical and transparent governance, which is at the center of our corporate governance approach, in our sustainability governance model and see sustainability governance as part of our corporate governance approach.

The sustainability department consists of 1 sustainability officer and 3 agricultural engineers. There are three different committees under the Sustainability Department: Evaluation and Steering Committee, Complaint Committee and Gender Committee. These committees meet regularly once a year. These committees include a member of management, the sustainability team, human resources, employee representatives and our farmers, and work is carried out with an integrated approach. Sustainability coordination between all committees and within the company is carried out by the Sustainability Officer.



The Sustainability and Social Compliance Officer, who has been appointed to carry out sustainability activities, is responsible for carrying out sustainability-related activities, preparing policies, procedures and documents related to sustainability, being responsible for the social responsibility projects carried out, holding meetings for the preparation, execution and development of plans and programs related to projects and activities, making all necessary organization from the beginning to the end of the projects carried out, creating training modules on the subjects deemed necessary and planning the trainings, taking responsibility for corporate process activities (improvement, internal audits, etc.), accompanying social audits, ensuring compliance with global standards to which the company adheres and preparing sustainability reports, ensuring product traceability and reporting all these actions to the General Manager.), accompanying social audits, ensuring compliance with global standards to which the company adheres and preparing sustainability reports, ensuring product traceability and reporting all these actions to the General Manager.

Agricultural Engineers are responsible for carrying out activities related to sustainability and responsible for social responsibility and agricultural projects to be carried out by the company by ensuring continuous communication with suppliers, ensuring product traceability, creating training modules for agricultural issues and planning trainings, providing training to hazelnut producers on good agricultural practices, providing training to farmers on increasing hazelnut quality and yield, carrying out all necessary organization from the beginning to the end of the projects carried out, taking responsibility in corporate

process activities (improvement, internal audits, etc.), accompanying social audits, carrying out and reporting all these operations in coordination with the General Manager and Sustainability and Social Compliance Officer, accompanying social audits, conducting and reporting all these operations in coordination with the General Manager and Sustainability and Social Compliance Officer.

The Evaluation and Steering Committee is a system that ensures that child labor, forced labor, discrimination and workplace violence and harassment will not be tolerated and that the management takes an evaluation and steering approach to such cases. The scope of work of the Evaluation and Steering Committee includes identifying risks and implementing and monitoring the necessary practices related to these risks. The scope of work of the Assessment and Steering Committee is to identify risks and to implement and monitor the necessary practices related to these risks. This committee consists of the General Manager, Social Compliance Officer, Human Resources, Agricultural Engineer, Labor Representative and a farmer who can be considered a pioneer in a village representing the local community.

Duties of Complaint Committee includes the evaluation of incoming complaints and suggestions, measurement of employee satisfaction and activities to be carried out for the resolution of authority, responsibility and complaints. It ensures that complaints of any kind of technical, social or economic nature can be made in the event that certain business activities or operations are adversely affected.

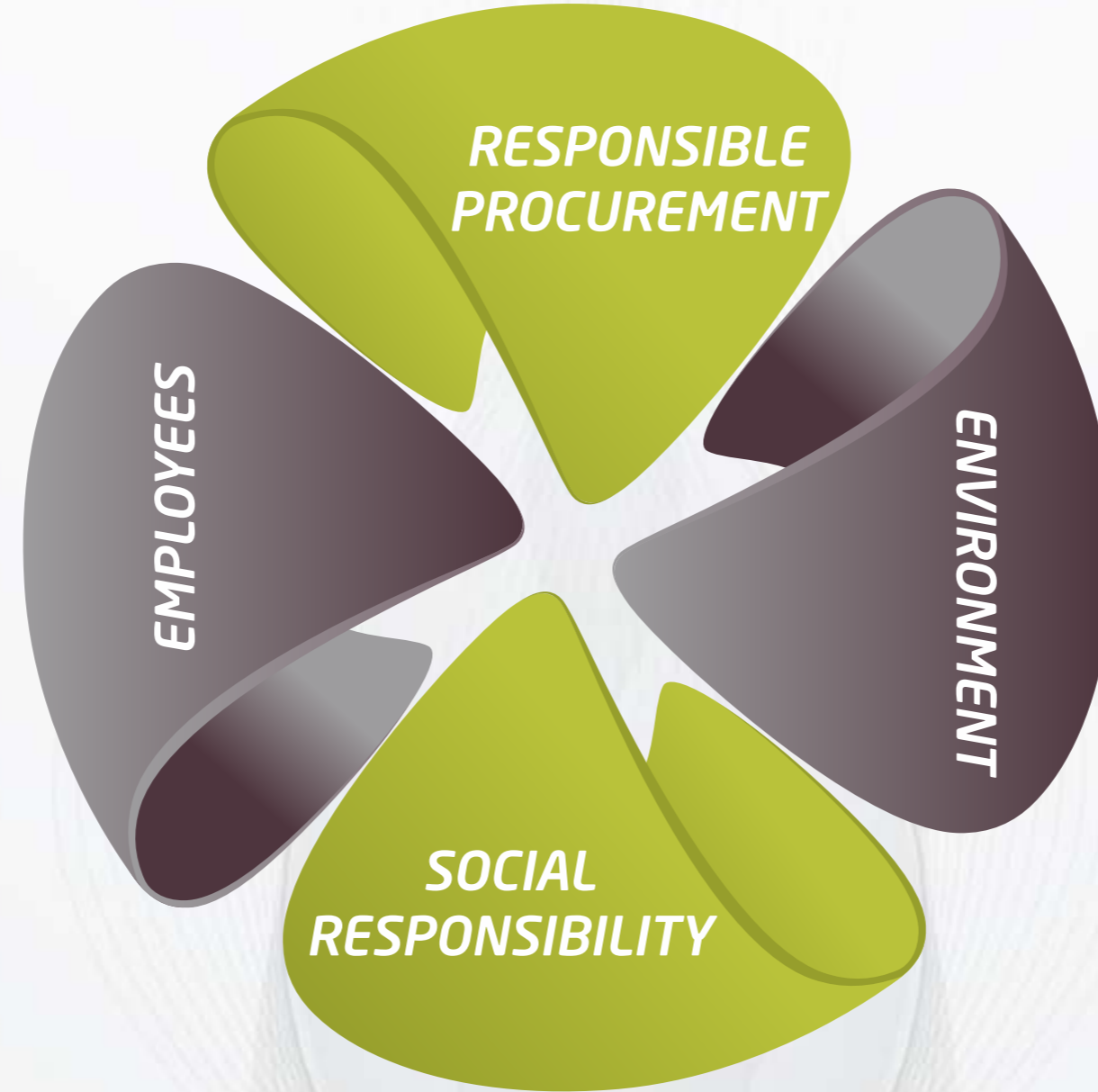
The complaint committee is composed of persons with decision-making authority, knowledgeable about complaints, impartial, easily accessible and gender-sensitive. It is responsible for explaining the Complaint Mechanism to all relevant parties (workers, farmers, crushers, and greengrocers), raising awareness and taking necessary actions. This committee consists of the General Manager, Social Compliance Officer, Human Resources, Labor Representatives and a farmer who can be considered a pioneer in a village representing the local community.

The Gender Committee is responsible for implementing, monitoring and evaluating measures to promote gender equality and women's empowerment. The Gender Equality Committee works to ensure equal rights, responsibilities and opportunities between men and women. This committee consists of the General Manager, Social Compliance Officer, Human Resources, Agricultural Engineer, Labor Representative and a woman farmer who can be considered a pioneer in a village representing the local community.

OUR APPROACH TO SUSTAINABILITY

Our sustainability approach has a holistic dimension by evaluating social, economic, environmental and governance aspects. In addition, we continue to work on the traceability of products. We hope to achieve measurable and lasting positive changes in the areas in which we operate. We base our

sustainability approach on four main focus areas: Value Chain, Environment, Social Responsibility and Employees. We shape our sustainability performance and progress around the four main focus areas we have identified and share our activities accordingly throughout this report.



We formulate our sustainability strategy in parallel with global sustainability issues and the dynamics of the sector in which we operate. In this context, we prioritize practices that restore nature by focusing on responsible procurement. In this way, we aim to develop together with our employees, stakeholders and society. In this direction, At Sabırlar Fındık, we adopt full compliance with our code of conduct in accordance with international and national standards as a principle. With our code of conduct, we define labor norms that aim to provide decent and

humane working conditions. We expect our stakeholders and business partners we work with to embrace these principles and we regularly monitor their compliance with these principles. In cases where these principles cannot be realized or ensured, At Sabırlar Fındık, we expect our suppliers or stakeholders to make progress and improve their sustainability activities.

Our code of conduct covers the following principles:

EMPLOYMENT RELATIONS

DISCRIMINATION

HARASSMENT AND BAD BEHAVIOR

FORCED LABOR

CHILD LABOR

FREEDOM OF ASSOCIATION AND
COLLECTIVE BARGAINING

HEALTH, SAFETY AND ENVIRONMENT

WORKING HOURS

FAIR REMUNERATION

PRIORITIZATION ANALYSIS

In line with our company strategy, values and purpose, we conducted a materiality analysis to determine our priorities within the scope of our sustainability approach, which we have placed on four main themes. In line with the results of the analysis, in this report, we focused on the issues of greatest importance for our strategy and stakeholders. We categorized our material issues as primary and secondary material. We assessed the extent of the current or potential impact of material issues on our business and our impact on these material issues. We prepared our sustainability report based on these material issues.

Stakeholder Identification

In line with this goal, we first asked the question "Who are the stakeholders that have the greatest impact on us?" and identified the stakeholders with whom we are in constant interaction as follows:

Our code of conduct covers the following principles:

- ✓ EMPLOYEES
- ✓ CUSTOMERS
- ✓ PUBLIC AND REGULATORY AUTHORITIES
- ✓ LOCAL SOCIETY AND LOCAL GOVERNMENTS
- ✓ CIVIL SOCIETY ORGANIZATIONS
- ✓ SUPPLIERS

Communication with Stakeholders

Employees	Employee Satisfaction Survey Monthly Complaint and Suggestion Evaluation Meetings Suggestion and Complaint Mechanism Goal Setting Meetings Trainings Internal Audit
Customers	Customer Satisfaction Surveys Website Google Ads Telephone Line and Mail Exhibitions Congresses
Public and Regulatory Authorities	Meetings Visits Conferences/Trainings/Projects
Local Society and Local Governments	Awareness Raising Meetings/Trainings Stakeholder Engagement Activities Visits at Regular Intervals Social Responsibility Projects Suggestion and Complaint Mechanism
Civil Society Organizations	Social Responsibility Projects Meetings Trainings
Suppliers	Monthly Face-to-Face Meetings Inspections Trainings

SETTING PRIORITIES

While conducting our prioritization analysis, we first conducted an extensive external environment analysis and literature review. In this way, we gained information about the risks and opportunities faced in our own sector in terms of sustainability, and examined how other companies or institutions/organizations manage these risks and opportunities. We identified the priorities of other national and global sector

actors in sustainability. We presented the reports, studies, projects and good examples that emerged in this regard. Based on all these studies, we created an inventory of material issues.

As a result of all these efforts, we identified 16 material issues around 4 main themes: Responsible Procurement, Environment, Employees and Social Responsibility.

ENVIRONMENT	SOCIAL RESPONSIBILITY	RESPONSIBLE PROCUREMENT	EMPLOYEES
Sustainable Agriculture	Positive Impact on Society and Environment	Traceability	Employee Health and Safety
Climate Crisis	Social Responsibility Projects	Food Safety Quality	Human Rights
Waste Management		Responsible Procurement and Economic Impact	Employee Training and Development
Water Management		Digitized Value Chain	Remuneration Policy
Energy Management			Employee Satisfaction

High priority issues are the most prominent and our main focus. While high-priority issues are predominantly covered in the report, issues ranked higher among material issues are also

included. In the following sections of our report, we have included how we have embedded these material issues into our sustainability approach and our related actions.

SUSTAINABLE DEVELOPMENT GOALS

At Sabırlar Findik, we carry out our efforts to achieve the Sustainable Development Goals within our sustainability program and operations.



GOAL 1. No Poverty



Eliminating poverty in all its forms remains the greatest challenge facing humanity today. Many people still struggle to meet their most basic human needs. For social welfare to increase, other people must also be prosperous. Rising inequalities hinder economic development and undermine social cohesion. This includes targeting the most vulnerable, increasing access to basic resources and services, and supporting

GOAL 3. Good Health and Well-Being



The third Sustainable Development Goal aims to eliminate epidemics, provide access to health care for all, and reduce deaths and illnesses caused by hazardous chemicals and environmental, water and soil pollution.

Agricultural work, one of the worst and most dangerous forms of child labor, can expose children to many health problems such as pesticide poisoning, insect bites, snake and bee stings. Seasonal agricultural workers also face health risks such as sunstroke, falls and injuries as a result of working unprotected for long hours.

As Sabırlar Hazelnut, we continue our work in line with this purpose. Personal hygiene trainings, first aid information in case of minor injuries that may occur in working areas (such as

communities affected by conflict and climate-based disasters. As Sabırlar Fındık, we are involved in extensive work with seasonal agricultural workers, the most vulnerable group, to eliminate inequalities and expand access to basic resources and services. We continue to provide training and various awareness-raising activities for seasonal agricultural workers to access hygiene and basic services.

insect bites, sunstroke, bee stings, falls) are explained to both workers and farmers. Personal protective equipment was distributed to all farmers free of charge and information trainings on personal protective equipment were provided. In addition, first aid kits were distributed to each farmer and it was ensured that they were kept in the gardens during the work. Personal care and protective equipment was provided for the workers in order to ensure that they work in healthy conditions.

GOAL 4. Quality Education

4
QUALITY
EDUCATION

Education is a fundamental human right and a means by which people can free themselves from inequality and poverty. Education unlocks the potential of individuals and builds their capacity to participate in social, economic and cultural life.

As Sabırlar Findik, we carry out summer school programs and projects to protect children from child labor and exploitative

understanding. In order to prevent children from working in hazelnut orchards and to support their academic success, we carry out summer school projects with non-governmental organizations, thus contributing to both academic and social development of children and thus contributing to quality education.

GOAL 8. Decent Work and Economic Growth

8
DECENT WORK AND
ECONOMIC GROWTH

As Sabırlar Findik, we provide trainings for farmers, workers, agricultural intermediaries and suppliers to achieve the goal of living and working in decent

conditions. Our social experts provide trainings for farmers and workers under the titles of decent working conditions, living wages, discrimination, forced labor and child labor, seasonal agricultural work contract, occupational health and safety, record keeping, wages and recruitment, workers' rights, hygiene training. With these organized trainings, we aim to raise awareness among farmers and workers. We conduct internal audits and take actions based on these standards during the harvest period. In order to improve the wage conditions of workers, we provide consultancy to agricultural labor intermediaries and support them in obtaining agricultural labor intermediary certificates. We also provide our suppliers with annual trainings on decent work, traceability and sustainability, and conduct audits.

Target 8.7. Prevent forced labor and child labor: Take urgent and effective measures to eliminate forced labor, end modern slavery and human trafficking, and prohibit and eliminate the worst forms of child labor, including the use of children as soldiers, and end all forms of child labor by 2025.

We are particularly working on target 8.7 of the sustainable development goals. To prevent forced labor and child labor, we provide comprehensive trainings to all suppliers, farmers, workers and agricultural business intermediaries on the legal aspects of child labor and its impact on children. We lobby public institutions to share common roles and responsibilities. We provide safe spaces to prevent child labor and prevent children from working in gardens. We open summer schools for children. By preventing children from working, we ensure that they receive qualified education in our summer school. We provide quality education to divert children from gardening. We conduct unannounced inspections of farmers to prevent forced and child labor in the gardens and ensure that action is taken where necessary.

GOAL 10. Reducing Inequalities

10 REDUCED
INEQUALITIES



Sabırlar Findik provides children with access to education during harvest time in order to prevent poverty and income inequality caused by poverty, especially child labor, for the goal of reducing inequalities. Seasonal agricultural workers, one of

the poorest and most disadvantaged groups in Turkey, receive training on labor rights, labor rights and children's rights. Thus, it carries out activities aimed at preventing child labor, poverty and income inequality.

GOAL 12. Responsible Production and Consumption

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



It is aimed to ensure sustainable management and effective use of natural resources. As Sabırlar Findik, we carry out activities to encourage sustainable production and consumption in line with this goal. Global climate change and decreasing resources significantly affect the agriculture and food sector. We are aware that productivity, sustainability and human health in hazelnut agriculture are possible with the protection of natural balance and environment. For this purpose, we have established a waste management system. In order to prevent the pesticide boxes used by farmers from harming the environment, we have placed containers for the collection of empty pesticide boxes in the villages where our farmers are located. In addition, we collect empty pesticide boxes from these containers and deliver them to recycling facilities. We raise awareness among farmers in our region and in our supply chain through our studies and trainings. In our production facility, the cardboard and nylon packaging we use is recycled. Hazardous

wastes are delivered to waste disposal companies. We organize trainings on sustainability and sustainable consumption for both factory workers and farmers at the field level. The electrical system in our facility consists of led lights, thus saving energy. In addition, we have implemented the Solar Power Plant (SPP) project in order to leave a more livable environment for future generations. With the transition to the solar energy system, we support environmentally friendly energy consumption by meeting energy needs without harming nature, reducing air pollution and carbon emissions.

GOAL 13. Climate Action



Our goals in the hazelnut sector stand out as ensuring food safety, ensuring sustainable food production systems, increasing production, protecting the environment, and protecting ecosystems compatible with climate risks and natural disasters. To this end, we are taking bold steps to overcome climatic and environmental problems.

We inform our stakeholders in our supply chain to reduce and prevent the impacts of climate change. In order to increase the yield and quality of hazelnuts produced by our producers and to ensure food safety, we carry out practices that ensure

GOAL 15. Life on Land



As Sabırlar Findik, we are working to reduce the loss of natural habitats and biodiversity, which are part of our common heritage. In order to support terrestrial life and especially agriculture, we provide agricultural consultancy to our farmers and contribute to the protection of terrestrial life. We aim to increase the quality and productivity of the hazelnuts they produce by explaining good agricultural practices to our farmers one-on-one. We carry out activities for the farmers in our supply chain to ensure the sustainability of hazelnut agriculture and production. We encourage sustainability and the production of

sustainability and traceability. We pay particular attention to protecting the environment and biodiversity. We visit the gardens of our producers and observe the work carried out one-on-one. We organize agricultural and environmental trainings. Our agricultural engineers follow the activities of our producers in the farms. With the belief that the business world has a key role in combating climate change, we conducted analyses to map our environmental impact and carbon footprint. At Sabırlar Findik, we calculate our corporate carbon footprint and make the necessary improvements to reduce our carbon footprint in order to combat climate change, which is the greatest danger awaiting humanity.

reliable and healthy food. We work to ensure that the resources used in hazelnut agriculture are used at the optimum level as much as possible and to provide a good life for our future generations. We carry out practices aimed at protecting agricultural lands, farmers, the environment, natural agricultural resources and forests.

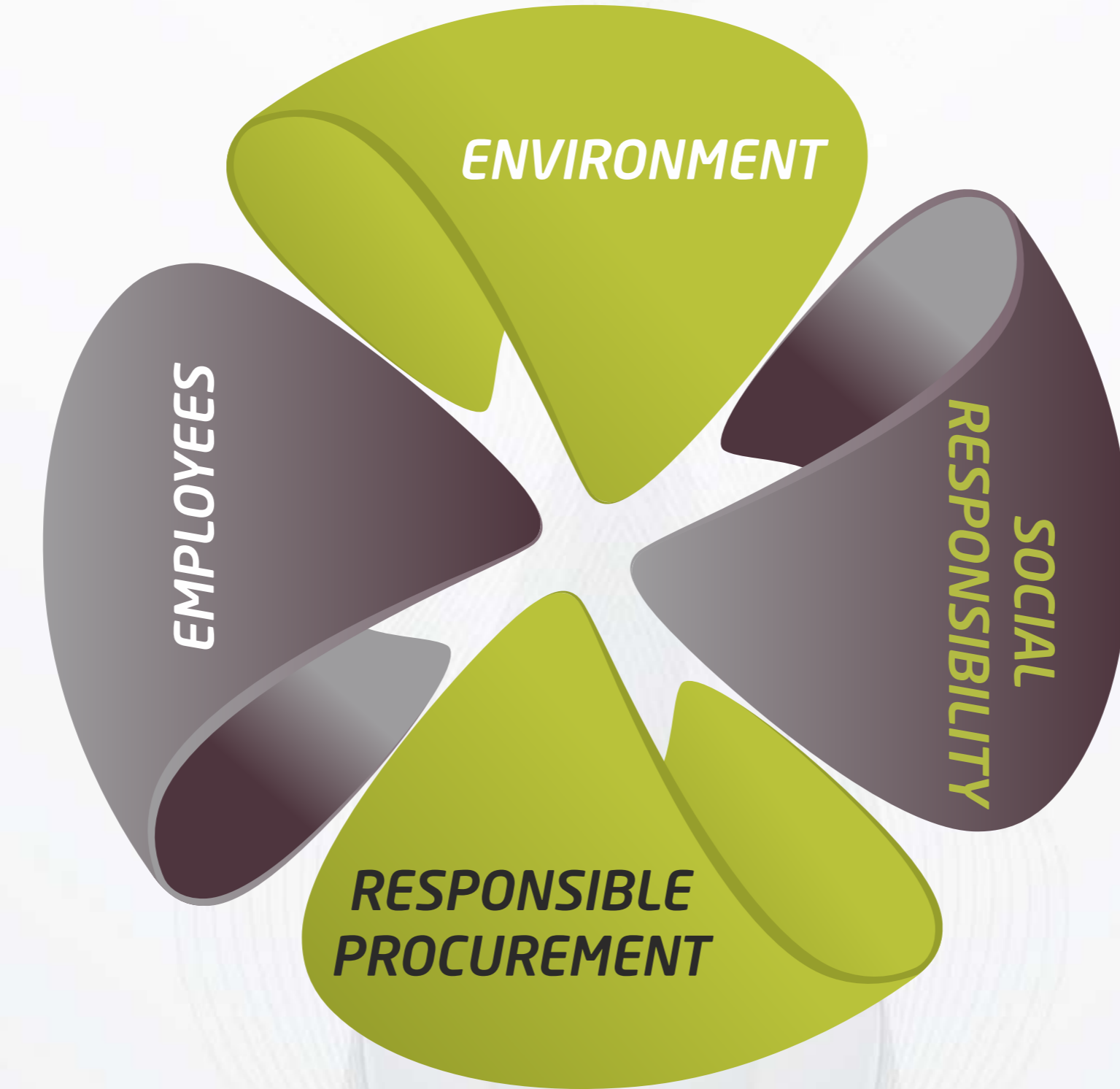
GOAL 17. Partnerships for the Goals**17** PARTNERSHIPS
FOR THE GOALS

Partnerships between governments, civil society, the private sector, multinational organizations, academic institutions and other stakeholders are essential to fight poverty and hunger, protect our planet and create peaceful societies. As Sabırlar Fındık, we regularly visit public institutions and organizations and non-governmental

organizations on human rights and agriculture in the regions where we carry out our work. We have cooperation protocols with multiple public institutions and we carry out joint works. We carry out various projects with civil society organizations. We also come together with other private sector representatives and take part in various joint projects.



SUSTAINABILITY AT A GLANCE



ENVIRONMENT

The concept of environmental sustainability encompasses the dimension of sustainability related to the protection of the environment and the natural order. In order for human activities to continue, the resources of our planet must not be depleted. In this direction, we believe that environmental impact should be managed individually and corporately in order to leave a livable world not only

for today but also for future generations. Some human activities, the effects of the global economy and inefficient use of resources cause the destruction of the ecosystem. At Sabırlar Fındık, we are working to protect the soil, nature and reduce our environmental impact. We carry out studies on sustainable agriculture, climate crisis, waste management, carbon footprint and energy.

SUSTAINABLE AGRICULTURE

Agriculture is the starting point of the food chain. At this point, sustainable agriculture involves the production of food at affordable costs and under humane conditions, and the protection of agricultural land, farmers and the environment. With sustainable agriculture, we aim to increase food production and thus contribute to the economy. Farmers' expenses, increasing costs, increasing demands of consumers/buyers, unconscious use of fertilizers and

chemicals cause many agricultural problems and sustainable agriculture will be the most valuable heritage for future generations as it will harm nature, environment, society and human health in the long term. With this awareness, At Sabırlar Fındık, we continue our efforts for the realization and widespread use of sustainable agricultural practices.



We carry out activities for the farmers in our supply chain to ensure the sustainability of hazelnut agriculture and production. We encourage sustainability and the production of reliable and healthy food. We work to ensure that the resources used in hazelnut agriculture are used at the optimum level as much as possible and to provide a good life for our future generations. We carry out practices



We take sustainability into account in our farmer trainings. We provide applied trainings in our farmers' gardens and theoretical trainings in indoor areas. The content of our trainings includes main topics such as pruning in hazelnuts, environmental education, hazelnut harvesting and pests, fertilizers and fertilization in hazelnuts, environmental education, hazelnut harvesting and

aimed at protecting agricultural lands, farmers, the environment and natural agricultural resources. We carry out Sabırlar Findik Sustainable Agriculture Project and Rainforest Alliance certified hazelnut production programs for our farmers in our supply chain, all stages of which can be monitored.



threshing stages. Throughout the year, we reached 354 farmers in Giresun province and 1138 farmers in Ordu province with agricultural trainings. A total of 1492 farmers received agricultural trainings by our agricultural engineers.



We are aware that women make the most important contribution to the agricultural sector in the world and in our country. Trainings were provided to 75 women farmers in Giresun and 263 women farmers in Ordu in order to increase the knowledge and skills of our women farmers at every stage of agricultural production, to ensure sustainable agricultural activities and to increase the quality of products.

With our farmers in our supply chain, we carry out practices in the fight against agricultural diseases and pests in accordance with the technical instructions for integrated struggle, based on food safety and not harming the environment and people. We prioritize the application of cultural struggle methods in the gardens. We do

not use pesticides unless it is compulsory. The rate of pesticide use by our producers in hazelnut orchards is very low. We record all elements such as fertilizers, pesticides, etc. used by our farmers.





We are aware that the use of personal protective equipment is very important in terms of occupational health and safety in agricultural areas. For this purpose, we provide our farmers in our



supply chain with personal protective equipment such as overalls, gloves, 3M masks, goggles and hats free of charge.



Our agricultural engineers carry out studies to combat diseases and pests. For this purpose, they examine air temperatures,



humidity values and climate data in the regions where hazelnut production farms are located.

They inform the producers during the periods when the risk of disease and pest emerges. First of all, they recommend cultural struggle methods.

Fertilization program in hazelnut is prepared by our agricultural engineers as a result of plant needs and soil analysis. According to the results of soil and leaf analysis, we apply fertilizers in a sufficient amount and in a balanced

according to plant and soil characteristics; at the appropriate time and in the appropriate form through soil or foliar application.

We organize trainings to ensure that pruning in hazelnuts is done correctly and consciously in accordance with the technique. We inform our producers about what needs to be done in the harvest, threshing and post-harvest stages of hazelnut.

At Sabırlar Fındık İhracat Ltd. Şti., we carry out joint projects with public institutions, non-governmental organizations and farmers. As a stakeholder with Ünye District Directorate of Agriculture and Ünye Chamber of Agriculture, we provided our producers with Plant Protection Products Application Training.

At Sabırlar Fındık İhracat Ltd. Şti., we carry out joint projects with public institutions, non-governmental organizations and farmers. As a stakeholder with Ünye District Directorate of Agriculture and Ünye Chamber of Agriculture, we provided our producers with Plant Protection Products Application Training.

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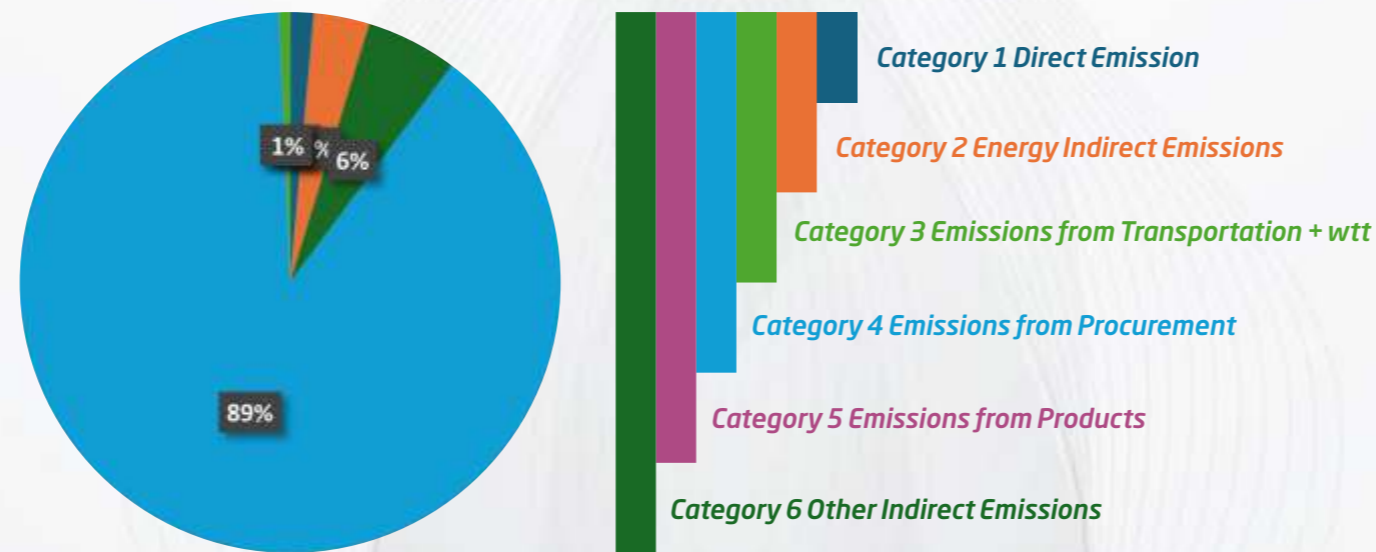


CLIMATE CRISIS

The climate crisis is one of the biggest problems that humanity has to face with its social and economic impacts as well as the environment and natural life. Extreme weather events such as rising temperatures, changing precipitation regimes, regional seasonal shifts, floods and droughts directly affect the way most sectors do business. Damage to crops due to increasing temperatures and destruction of land due to frequent floods pose a great risk especially for the agriculture and food sector. The food sector, which is among the sectors most affected by the climate crisis, also stands out with its impacts on the climate crisis. Inefficient agricultural practices, land use and intensive use of energy resources in production processes increase carbon emissions along the value chain. On the other hand, restorative

agricultural practices increase the carbon sequestration capacity of natural ecosystems and mitigate the impacts of the climate crisis.

With the belief that the business world has a key role in combating climate change, we conducted analyses to map our environmental impact and carbon footprint. At Sabırlar Fındık, we calculate our corporate carbon footprint and make the necessary improvements to reduce our carbon footprint in order to combat climate change, which is the greatest danger awaiting humanity. The carbon footprint calculation and reporting studies carried out in our organization were carried out according to the principles of ISO 14064-1:2018 standard. As a result of our evaluations, we realized that a significant portion of our impact is due to procurement.



We ensure that our employees receive environmental training to combat climate change and its impacts. We organize environmental awareness-raising trainings for both our factory

employees and farmers in our supply chain who provide raw material products. With the trainings received, we inform our employees about climate change and environmental impacts.

WATER MANAGEMENT

Factors such as changing precipitation regimes and droughts due to climate change, as well as the rapid increase in human population, are rapidly increasing our water consumption. The fact that the amount of fresh water we can directly use on Earth is constant and very small requires us to use our water more efficiently. The rapid increase in the world's population and the increasing demand for water and food resources make access to water a global risk.

Our efforts to reduce our environmental impact in the field of water management and efficiency are among the priorities of our 2024 targets. All handwashing areas in our company have sensor faucets that allow water to flow only as long as it is needed and the water flow stops automatically. Thus, we both save water and prevent waste.

We have improved our water management in our factory with our clean water treatment and waste water treatment system. This year, the water usage rate in our facility is 228 m³

At Sabırlar Fındık İhracat Ltd. Şti., we organize trainings for effective, efficient and lesser use of water. We continue to work on this issue in our supply chain. Our farmers who supply raw materials to our facility do not irrigate their hazelnut gardens. In the Black Sea region, this need of the plant is met naturally. Therefore, no water is used in the production process at the garden level, but we regularly raise awareness of our farmers and organize trainings to protect the environment and the future of our waters. In addition to all these, we prevent pollution of our environment and waters by collecting empty pesticide boxes from our farmers and sending them for recycling.

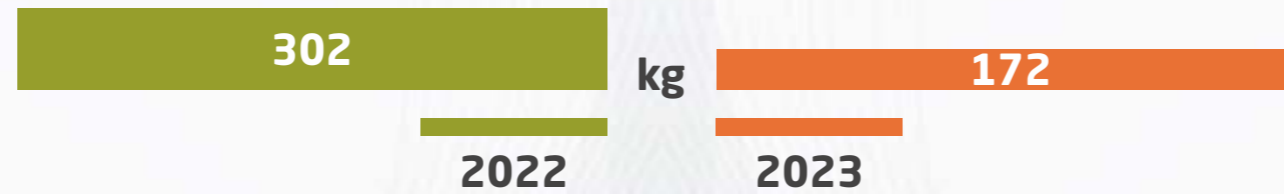


WASTE MANAGEMENT

We are aware that productivity, sustainability and human health in hazelnut agriculture are possible by protecting the natural balance and the environment. For this purpose, we have established a waste management system for the farmers in our supply chain. In order to prevent the pesticide boxes used by farmers from harming the environment, we have placed containers for the collection of empty pesticide boxes in the villages where our farmers are located. In addition,

we receive empty pesticide boxes from these containers and deliver them to recycling facilities. We raise awareness among farmers in our region and in our supply chain through our studies and trainings. Compared to 2022, we can say that there is a decrease in the number of pesticide boxes collected from our farmers this year. Based on this, it is possible to say that pesticide use among farmers has also decreased. Thus, with less pesticide use, the damage to nature and soil is minimized.

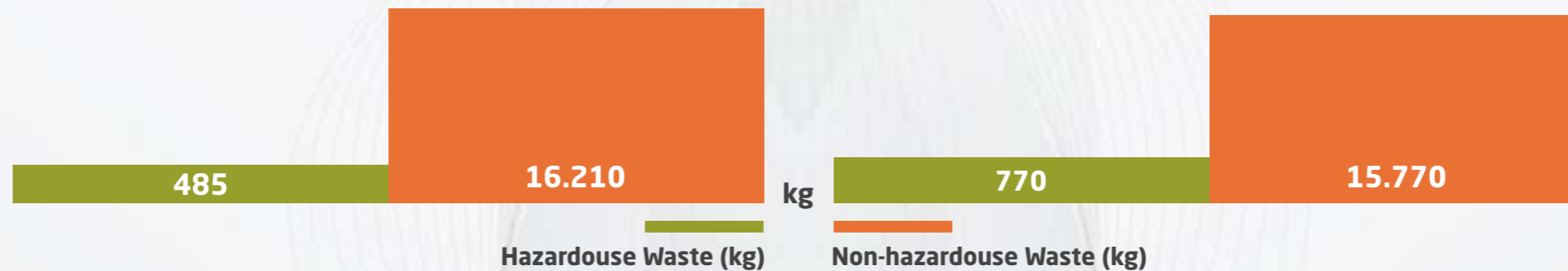
Rates of Pesticide Boxes Collected by Year



We have received a 'zero waste certificate' in our facility to promote sustainable production and consumption habits, to support the efficient use of resources, to avoid waste and to support the prevention, reduction, reuse and recycling of waste. Our waste in our facility consists of hazardous and non-hazardous waste. Our non-

hazardous waste is mostly paper, cardboard and plastic, while our hazardous waste consists of chemical laboratory products. While all of our non-hazardous waste is given to recycling facilities, we send our hazardous waste to the relevant facilities for disposal.

Rates of Pesticide Boxes Collected by Year



Plastic Reduction

We continue our efforts to make our waste management model plastic reduction-oriented. In this context, we prevent plastic waste by not using disposable plastic eating utensils such as forks, knives and straws in the kitchen area used in our facility.

Since our products are industrial products, we do not produce products directly for consumers, so our use of plastic is also limited. By directing our customers to use large packaging, we reduce the plastic packaging per kg.

Paper Consumption

We see reducing paper consumption as one of the important steps to be taken to reduce our environmental footprint. At Sabırlar Fındık, we have

Recycling

We prioritize the reuse of used resources without disposing them away, and in cases where waste generation cannot be prevented, we reduce the amount of waste to be disposed of by collecting it separately at the source and recycling or recycling it. In our company, there are recycling bins that can be used by employees in the office, cafeteria and outside the company where waste can be separated without mixing. In this way, we aim to protect human health and natural resources by preventing

ENERGY MANAGEMENT

The electrical system in our facility consists of led lights, thus saving energy. In addition, we have implemented the Solar Power Plant (SPP) project in order to leave a more livable environment for future generations. With the transition to the solar energy system, we support environmentally friendly energy consumption by meeting energy needs

worked to reduce paper use in our office. We reduced the use of printers and switched to a digital system, thus reducing the rate of paper use.

environmental pollution.

In our production facility, the cardboard and nylon packaging we use is recycled. Hazardous wastes are delivered to waste disposal companies. We organize trainings on sustainability and sustainable consumption for both factory workers and farmers at the field level.

without harming nature, reducing air pollution and carbon emissions.

The SPP project per year, generates 731,250 electricity prevents the production of 345,877 kg Co2 and saves 8,002 trees.

SOCIAL RESPONSIBILITY

POSITIVE IMPACT ON SOCIETY AND ENVIRONMENT

In addition to the various trainings it organizes to popularize good agricultural practices, our company also aims to add value to these lands with some of the corporate social responsibility projects it has developed. Aiming to make social benefit a corporate tradition, our company offers benefits to the people of this country through various activities. We believe that we have a responsibility to be a part of solving social problems and helping people adapt to the future. We always believe that social responsibility is very important for our company in order to positively affect change and support the development of society. We expand our sphere of

Good Social Practices for Farmers in our Supply Chain

We organize awareness-raising trainings for our farmers on many topics and areas, primarily child labor, and carry out various projects. Our social experts organize awareness raising trainings for farmers and workers on issues such as decent working conditions, living costs, discrimination, forced labor and child labor. With these organized trainings, we aim to raise awareness among our farmers. In social trainings, we provide trainings to our farmers

influence through different social benefit investments that create shared value linked to our field of activity. By increasing our social benefit, we also contribute to the local economy. We prioritize investments that provide social benefit to farmers, workers and all stakeholders in our value chain. In this direction, we carry out projects that will create value for society.

under the titles of child labor, youth labor, discrimination, seasonal agricultural work contract, occupational health and safety, record keeping, wages and recruitment, workers' rights, hygiene training. In the social trainings we organized, we reached 197 farmers in total with 66 women and 131 men.



After the social trainings, we distributed personal protective equipment bags (work gloves, masks, overalls, goggles, hats and first aid kits) to our farmers. We put up banners and posters covering all social issues in the houses and gardens of all our



farmers or in the common points used in the villages. Thus, we raised awareness both through verbal communication and visuals. After the trainings, it was observed that our farmers' awareness on social issues increased.



Following our trainings, we subject our farmers to an internal audit on social and agricultural standards and issues during the hazelnut harvest period. We conduct unannounced inspections of our farmers during the harvest, and if there are any nonconformities in social issues, we intervene and implement



We created a 24/7 toll-free hotline (suggestion and complaint line) for our farmers and their workers, thus making our dialog with our farmers and their workers open. We explained the Sabırlar support, suggestion and complaint line to our farmers and their workers, and the feedback we received from our farmers contributed to the development of our program. We offered the complaint line with Turkish, Kurdish and Arabic language options to eliminate language and access barriers. We have established a system where our farmers or workers can share any social concerns or problems directly with us and we will produce solutions together.

improvement steps. We take joint steps to improve the nonconformities identified in our internal audits by discussing them with the farmer and support them in making the necessary corrections.



Thus, we aimed to produce solutions to any social concerns or problems together through mutual dialogue. While adding value to social and economic life on the one hand, we believe that we strengthen the ties between us and the society in the geographies where we operate as Sabırlar Fındık.

Good Practices for Workers in our Supply Chain

Seasonal agricultural workers generally migrate from the Eastern and Southeastern regions to the regions where the agricultural sector is concentrated for planting, planting, hoeing and harvesting. They usually migrate with their families. Seasonal agricultural workers, who prefer this job to make a living, migrate to the provinces where hazelnut agriculture is carried out every year, starting in August and continuing until mid-September for the hazelnut crop. Seasonal agricultural workers are usually involved in this process to work with all their family members, supplies and tools.

At Sabırlar Fındık, we are aware that the biggest risk we may encounter in the supply chain is human rights violations and

especially child labor in the risk analysis and prioritization studies we carry out, and we concentrate our efforts in risky areas in this direction. We prioritize the issue of cleanliness, hygiene and occupational safety as one of the greatest human rights for seasonal agricultural workers who come to the cities where hazelnut agriculture is carried out from the cities where they live to work in hazelnut agriculture, and we prepare and distribute hygiene packages for them. We distributed hygiene packages containing shampoo, liquid soap, wet wipes, sanitary napkins, work gloves, hats, toothbrushes, toothpaste and first aid kits to all workers free of charge.



We organized trainings covering all social issues for seasonal agricultural workers who come to work in hazelnut harvest in our project regions. We organized our trainings with the priorities of improving the employment practices of seasonal mobile and temporary labor and combating child labor. This year, we reached 1,931 workers as a result of the trainings we organized both in Şanlıurfa in January and in Ordu in August during the hazelnut



In February, thanks to our collaboration with Ofi Tarım and Yavuz Gıda, we visited the cities where seasonal agricultural workers live and organized joint trainings in the areas where they live. The origin trainings lasted one week. Some trainings were organized as home visits and some as collective trainings. At the end of the trainings, free promotional bags were distributed to all participants, as in all other trainings. Training topics included

harvest. Under the title of social education, we provided trainings on child labor, youth labor, discrimination, complaint mechanism, workers' rights (working hours, wages, MTI Convention); under the title of agricultural education, we provided trainings on hazelnut harvest training, hazelnut harvesting techniques, waste management and environmental protection training.



child labor, youth labor, discrimination, complaint mechanisms, workers' rights (working hours, wages, CTI Convention). With the trainings organized in Şanlıurfa, we reached a total of 1634 workers (1149 women and 485 men). Considering both the cooperation and the results we obtained as a result of the trainings, it is seen that the trainings organized in Şanlıurfa have achieved their purpose.



In August and September, which is the hazelnut harvest time, we provided trainings to seasonal agricultural workers who come to the Eastern Black Sea region from their hometowns to work by going to the places where they stay when the hazelnut collection

work is over. In these trainings, we reached a total of 297 workers. Thus, in 2023, we provided social benefits by contacting a total of 1931 workers.



SOCIAL RESPONSIBILITY PROJECTS

Let Children Grow in Schools, Not in Orchards

In our country, a large number of agricultural workers leave their hometowns in April and May due to the circumstances and set up a new routine to work until November. In order to keep up with this pattern, their children leave their schools every year before the end of the school year and have to go with their families to the regions where they will work, so their educational life is interrupted in real terms. During this period of seasonal migration, families are unable to fulfill their children's basic needs, health, physical or psychological development. These disruptions result in children's inability to develop life skills; these children turn into unskilled labor force in later ages and cause their poverty to become permanent.

At Sabırlar Fındık, we have implemented our Let Children Grow in Schools, Not in Orchards project to minimize the loss of education of these children. This year, in Ünye district of Ordu province, we started to implement the school project where our children who came to these regions with seasonal migration and whose families work in hazelnut harvesting can acquire basic life skills. In August, when the hazelnut harvest continues, we carried out studies to ensure that the education of the children of seasonal agricultural worker families who spend 4-5 months of the year away from their

homes and schools in the Black Sea region is not interrupted. At Sabırlar Fındık, we implemented this project with the aim of changing the lives of these children through education and continuing their hope for a brighter future.





We undertook the renovation of an idle, unused village school in one of the villages where we carry out our project and ensured

that it is used for educational, social, cultural and sports activities for the children of seasonal agricultural workers.



BEFORE



AFTER

In cooperation with the District Directorate of National Education, we opened our summer school with a total of 5 staff consisting of 1 coordinator, 1 kindergarten teacher and 3 classroom teachers affiliated to the Ministry of National Education. Between 04-31 August 2023, a total of 140 activities were carried out with 12 pre-school students and 54 primary school students in all groups.

From the last two weeks of the training, it was observed that the students showed improvements in terms of Psychomotor Development, Social-Emotional Development, Language Development, Cognitive Development and Self-Care Skills. It was observed that the children were eager in the activities, in harmony with their friends, started to work cooperatively, obeyed the classroom rules, used the tools and equipment regularly, tried to be attentive in their speech, established relationships between concepts, behaved in accordance with the commands, socialised, paid attention to self-care, could play games, learned and sang children's songs, learned and played traditional children's games, became

aware of Children's Rights and became happier.

Between 04-31 August 2023, breakfast and lunch were given to children in order to teach them regular eating habits. Regular and balanced eating habits were tried to be formed in children, and they were also provided to learn the rules of etiquette at breakfast and meal times. We have turned our school into an educational school where seasonal agricultural worker children learn by socializing while at the same time supplementing the lessons they are lagging behind. We brought together children with academic courses (Mathematics, Turkish, etc.) that children are lagging behind in formal education, various workshops to support children's cognitive and emotional development, trainings in fields such as culture-arts, robotic coding, science, creative drama, hygiene and personal hygiene trainings. In our school, we have created a "kindergarten" where children will have fun and do many activities; a "life skills class" that aims to develop children's small muscles and motor skills and helps them gain skills





such as disassembly and assembly; a “gastronomy class” that enables them to make simple dishes (cake, lemonade), healthy nutrition, and get to know the food of different cultures; painting activities; and an “art class” where they will learn by living through creative drama and theater to know and protect their rights and learn simple first aid rules. With our summer school activities, we prevented children from going to the garden and contributed to their education. With these classes, children continued their learning activities by having fun and experiencing. The summer school project enabled children who had to

continue their lives away from their homes and schools in very disadvantaged social conditions to continue their personal development while socializing with their peers.

This renovated and idle school became a project school not only for the children of seasonal agricultural workers during the harvest season, but also for the children in the region during all other months. Thus, we have realized the sustainable school project.



Harvesting the Future Project

In August 2019, FLA launched the Harvesting the Future Project, which aims to eliminate child labor in agricultural supply chains. The main objective of the project was to improve recruitment and employment practices of seasonal mobile and temporary labor and combat child labor in Turkey through multi-stakeholder engagement. Within the scope of the project, we are mapping our supply chain and actors in the chain to establish an effective monitoring and improvement system, conducting risk assessments in these areas, and determining our monitoring and improvement strategies in light of this information.

In the context of the project, we are mapping the agricultural labor intermediaries who come to the region at harvest time and we support undocumented agricultural labor intermediaries to obtain

documents until the next harvest period. In these trainings, child labor, working conditions, the importance of the seasonal agricultural work contract and the necessity of having a certificate were mentioned. In 2023, after all these trainings, we ensured that 5 agricultural business intermediaries in our supply chain received agricultural business intermediary certificates and we renewed the certificates of 5 agricultural intermediaries. In total, we organized agricultural business intermediary trainings for 32 agricultural business intermediaries in 2023. In the 2023 harvest period, we reached 4 new agricultural business intermediaries. We mapped these agricultural business intermediaries, identified the regions where they live and the worker groups. In 2024, we will organize a new training for the agricultural business intermediaries we mapped and ensure that they receive a certificate.



RESPONSIBLE PROCUREMENT

At Sabırlar Fındık, we do not limit sustainability only to our own operations. We strive to encourage the actors in our value chain for sustainability efforts. For a more sustainable world, we expand our environmental, social and governance efforts throughout our entire

supply chain. We carry out efforts to monitor, implement, develop and integrate our priorities in environmental, social and governance areas throughout the supply chain.

TRACEABILITY

Traceability of agricultural products is one of the most important issues in terms of ensuring food safety. Our goal in traceability is to record all information related to the storage, transportation and transportation of a product from the beginning of the production phase to the final point of sale and to be able to follow up retrospectively in times of crisis. In this direction, our company is moving forward with the goal of 100% product traceability.

We prioritize transparency and traceability in our supply chain. We source our products directly (100%) from crushing factories. We transparently track all products from producers to grocery stores, crushers and our facility and monitor them with our Enterprise Resource Planning (ERP) system.

Agricultural Engineers and field teams are responsible for monitoring the product until it leaves the producer at the agricultural field stage and arrives at the greengrocers and crushers, the Warehouse and Shipment Officer is responsible for ensuring the traceability of the products in the warehouse, the Production Manager is responsible for selecting, determining and monitoring the product arriving at the factory according to the customer, the Export Manager is responsible for exporting and monitoring the selected product, and all these stages are kept under record and monitored.

FOOD SAFETY AND QUALITY

Our company is committed to the development, implementation and continuous improvement of the effectiveness of Quality and Food

Safety Management Systems in order to meet customer demands and expectations by adhering to legal and regulatory requirements.

Food safety and Quality Certificates

Our company continues to obtain certifications of food safety standards such as BRC since 2000, ISO 22000 since 2007 and FSSC 22000 since 2017. We also have FSMA, FDA, HALAL, KOSHER, ORGANIC (NOP, EOS) certificates.

HACCP (Hazard Analysis Critical Control Point)

Hazard analysis plan has been implemented since 1999 according to Codex Alimentarius principles. A HACCP team has been established and HACCP trainings are provided to the HACCP team. Hazard analyses have been performed for all process steps, Operational pre-requisite programs and Pre-requisite programs have been established and the identified Critical control points are continuously monitored. Verification and validation of the entire HACCP plan has been carried out and documentation and record keeping processes are followed.

Internal Audits

An internal audit program determined according to risk analysis is implemented throughout the year (at least in 3 different time periods). Internal audit training has been provided to the personnel in the internal audit team and while planning, plans are made to audit departments outside their own field.

*Supplier and Input Approval and Performance Tracking
Input quality control standards have been established for all*

incoming raw and packaging materials and input quality controls are carried out accordingly. The performance of suppliers is evaluated monthly. Supplier selection is based on risk analysis and high-risk suppliers are evaluated through on-site audits, while low-risk suppliers are evaluated through questionnaires. Quality document controls and traceability records of suppliers, if any, are checked and monitored.

Specifications

Our specifications are reviewed and mutually approved with the customers once a year. In addition to the specifications we have determined and the specifications specifically requested by the customers, the follow-up of the specifications is done electronically through the IFS system. In the IFS system, specifications and the process and final product control results of the products on batch basis are recorded.

Corrective and Preventive Actions

Corrective and preventive actions are planned for nonconformities that arise in the factory during the process, internal audits, inspections or as a result of customer complaints. Corrective and preventive actions are decided by conducting root cause investigations. For this reason, root cause trainings are provided. Corrective and preventive actions are statistically analyzed every year, and if there are similar recurring nonconformities, more permanent solutions are investigated. All corrective and preventive actions are recorded.

Traceability

Traceability is done by lot number through the IFS system. Incoming, shipped and rework products are each tracked with a lot number. The traceability system is tested once a year for each product group and every six months for organic products. Access to all relevant records in the traceability test is completed within 2 hours. Traceability tests are conducted in two directions, from raw material to final product and from final product to raw material.

Case Management Product Withdrawal Recall

There has been no recall in our facility. However, the recall system is tested every year. In the recall procedure, all tasks have been distributed step by step and a contact form has been created with the contact information of all potentially relevant units. A food safety emergency team has been established in our company and contact information has been shared with all personnel.

Food Defense

A food defense team has been formed and the team is trained on food defense. Hazards have been assessed in the food defense plan and control measures have been determined. If we give examples of control measures; the perimeter of the facility is surrounded by wire fences, 24/7 contracted security personnel are available, monitored by camera system, important points such as water, electricity, natural gas, waste, and chemical tanks are under lock and key.

Equipment and Maintenance

Research and development activities in our company are concentrated on equipment. Stone separators, Separators, Echo (sound separator), Laser (Optical separator), Camera Laser, Sortex, Magnets, Metal detectors are used as foreign material separation equipment. Our investment targets include X-ray, Laser and artificial intelligence technologies in order to follow new technologies. Equipment maintenance is carried out according to maintenance plans.

Staff Facilities

All staff are provided with work clothes and personal lockers and hygiene of work clothes is ensured in the factory. Social areas such as changing rooms, toilets, dining hall, masjid are available and located separately away from the production area. Toilets have hot water, soap and drying units. Food service is provided in cafeterias and each staff member is provided with a personal food locker.

Wastes

Hazardous chemical wastes are delivered to contracted companies for disposal. Hazardous waste collection area is under lock and key. Cardboard and nylon packaging waste is delivered to municipalities. Unusable products and product membrane parts obtained from the product are delivered to hazelnut oil factories.

Pest Management

Pest management is carried out with a contracted company, weekly checks are made. Rodent, rhubarb, fly, beetle, bird, moth controls are carried out. Physical traps, pheromone traps and luminous sticky traps are used indoors, physical and chemical traps are preferred outdoors. Doors opening to the outside are kept closed unless necessary, gaps and pest development points are identified and corrective preventive actions are planned. Fumigation is carried out once a year in the field. Isolated fumigation containers are used for product fumigations and ECO2FUME fumigant is used by adjusting the dosage and duration.

Shipment and Transportation

Shipment and transportation are made with contracted companies. In-vehicle hygiene checks are carried out before each loading. The driver is trained before each loading about situations that may jeopardize food safety. Vehicles are sealed and shipped.

Labeling and Packaging

Product labels are arranged according to the legally defined content and approved by the Quality Manager after confirmation with the customer, printed, counted, delivered to the labeling responsible and affixed to the packages. Necessary investigations are made in case of excess or deficiency. On the label; the standard number, batch number, production date, expiry date, company name, quantity and allergen content notification are written. Product weight controls are carried out in every batch, weighing equipment is verified every day and then weighing is carried out.

Allergen Management

In our business, 100% hazelnut is processed and there is no other ingredient. Cleaning equipment is color separated, it is forbidden to be in a different area with work clothes except for production, allergen trainings are given to all personnel.

Product Originality (Authenticity)

Risk assessment analysis of counterfeit adulteration has been conducted for the products supplied, and is reviewed annually. Control measures to prevent counterfeit adulteration of products have been determined and controls are carried out.

Product packaging

Food compliance certificates and migration analyzes of primary packaging are checked. Input quality controls of all incoming packages are carried out according to quality plans and received.

Laboratory Analyzes

Both external and internal laboratories are used in laboratory analysis. Physical, chemical and microbiological tests are performed in the internal laboratory. ISO 17025 certified accredited external laboratories are used for pesticide, heavy metal, pathogen analyses and other special analyses requested by customers.

Control of Monitoring Measurement Devices

Every year, all equipment used for monitoring and measurement purposes are calibrated by a contracted company. Deviation measurement uncertainty evaluations are made and recorded.

Staff

All personnel are trained according to the annual training plan. Orientation trainings are given to new recruits. Trainings are provided according to the requirements of the work, and trainings are given every year on various subjects such as workplace rules, hygiene trainings, standard trainings, allergen trainings, food defense trainings, foreign matter trainings. Personnel wear clean work clothes, bonnets, beard masks, work slippers and overshoes before entering the production areas.

They enter after hand washing and drying. Personnel hygiene checks are carried out and checked with monthly hand swaps.

Health screenings of all personnel are carried out before starting work and at routine intervals by the workplace physician.

Whistleblower Mechanism

All staff are trained on the whistleblowing mechanism and are asked to notify the emergency food safety team in case of any food safety hazard. A whistleblowing mechanism has been established so that staff can report confidentially if they have reservations about the food safety issue they will report. The whistleblowing mechanism offers various ways to confidentially transfer the issue to senior management.

- ✓ A direct verbal meeting can be held with senior management.
- ✓ Notifications can be made anonymously via e-mail via the web address.
- ✓ It can also be made in writing in the notice box.

There is no camera around the whistleblower box. The box is directly opened and evaluated by senior management

RESPONSIBLE PROCUREMENT AND ECONOMIC IMPACT

At Sabırlar Fındık İhracat Ltd. Şti., which determines economic development, social innovation and environmental awareness as the main components of its purchasing strategy, we aim to create long-term collaborations based on mutual trust and cooperation that create common value in economic, social, social and ecological terms with all stakeholders in our supply chain. We put the creation of economic, social, social and

ecological common values at the center of buyer-supplier relations.

We respect all parties involved in the entire supply chain. We pay attention to compliance with the commitments linked to our code of conduct (Sabırlar Code of Conduct in compliance with ETI, amforiBSCI, FLA, RA codes) and our technical specifications.

We act with a sense of social responsibility. We create a fair working environment for our employees; do not discriminate among our employees based on language, race, gender, political opinion, religion, sect and similar reasons; give importance to equal opportunities for men and women; value the opinions of our employees and include them in continuous improvement activities; protect the organizational rights of our employees; prevent forced or compulsory labor; do not employ child labor; comply with all applicable laws and regulations regarding employment and working life and expect all our stakeholders and suppliers to comply with them.

We work with suppliers that are respectful to society and the environment, sensitive to climate change, resource conservation to ensure energy efficiency, waste reduction, use their resources in harmony with nature and efficiently, comply with legal regulations on environmental issues and strive to do better than regulatory requirements.

We continuously improve processes with preventive and corrective approaches to occupational health and safety, make occupational health and safety an integral part of the company culture, and strive to comply with all legal regulations and standards. We expect all our stakeholders and suppliers to comply with this.

We aim to establish a true collaboration with all parties to pursue sustainable benefits. We take into account the principles of “traceability and transparency” and expect our suppliers to comply with these principles.

For our company, it is very important to examine the supplier relationships that play an important role in this chain in order to ensure an effective functioning in supply chains under intense risk and to minimize the negative effects of risks. From this point of view, the impact of supplier relationships on supply chain risks has been tried to be determined. Our company establishes fast and open communication with its suppliers and accelerates its processes. We aim to increase product quality by working with suitable suppliers. At this point, the high level of cooperation and information sharing between suppliers is a very important factor for us.

We provided trainings to a total of 44 suppliers in our supply chain, including 19 crushers and 25 intermediaries, on sustainability, traceability and Sabırlar code of conduct and our procurement policy.



We extend our commitment to responsible corporate practices to all value chains, including our suppliers. We carry out our work by recognizing the importance of supply chain actors in the development of good governance, business ethics, fair and sustainable working conditions.

Our sustainable supply chain approach is based on creating,

protecting and developing long-term environmental, social and economic values for all stakeholders. In line with this understanding, we provide training to all our suppliers on environmental and social sustainability, traceability, responsible purchasing and good social practices. We offer support to our suppliers for continuous development and progress.



We communicate our code of conduct and responsible procurement policy in line with ILO standards to our suppliers and expect them to approve them. Following the trainings provided by our staff, we conduct audits of our suppliers. We also share the results and organize meetings on what can be done for improvements. Thus, we have turned this process into a mutual communication process that will benefit both our suppliers and us.

DIGITIZED SUPPLY CHAIN

I/s

Support is received on many issues through the IFS system used as a computer software program. Product traceability and mass balance can be ensured in all product groups with all raw material, packaging and supplies stock information, input quality control plans and control records, specifications of the products to be manufactured, process and final product control records, non-conforming product, by-product stocks and process and final product control records of re-processed products. The batch number is used for traceability and bi-directional tracing can be performed from raw material to final product and from final product to raw material. Incoming product, final product and process control analysis results of each batch can be accessed in the monitoring records.

In addition, invoices, delivery notes, etc. that may be required for all accounting records can be tracked and controlled through the system.

We prioritize the principle of transparency and traceability in our supply chain. We transparently track all products from producers to grocery stores, crushers and our facility and monitor them with our Enterprise Resource Planning system. We hold face-to-face meetings with our suppliers every month for product traceability.

M/flow

We have digitally recorded all documents in our company, so that we can access all of our documents and records digitally with this electronic software system.



All employees with access to the system can review and revise any document they want from here.

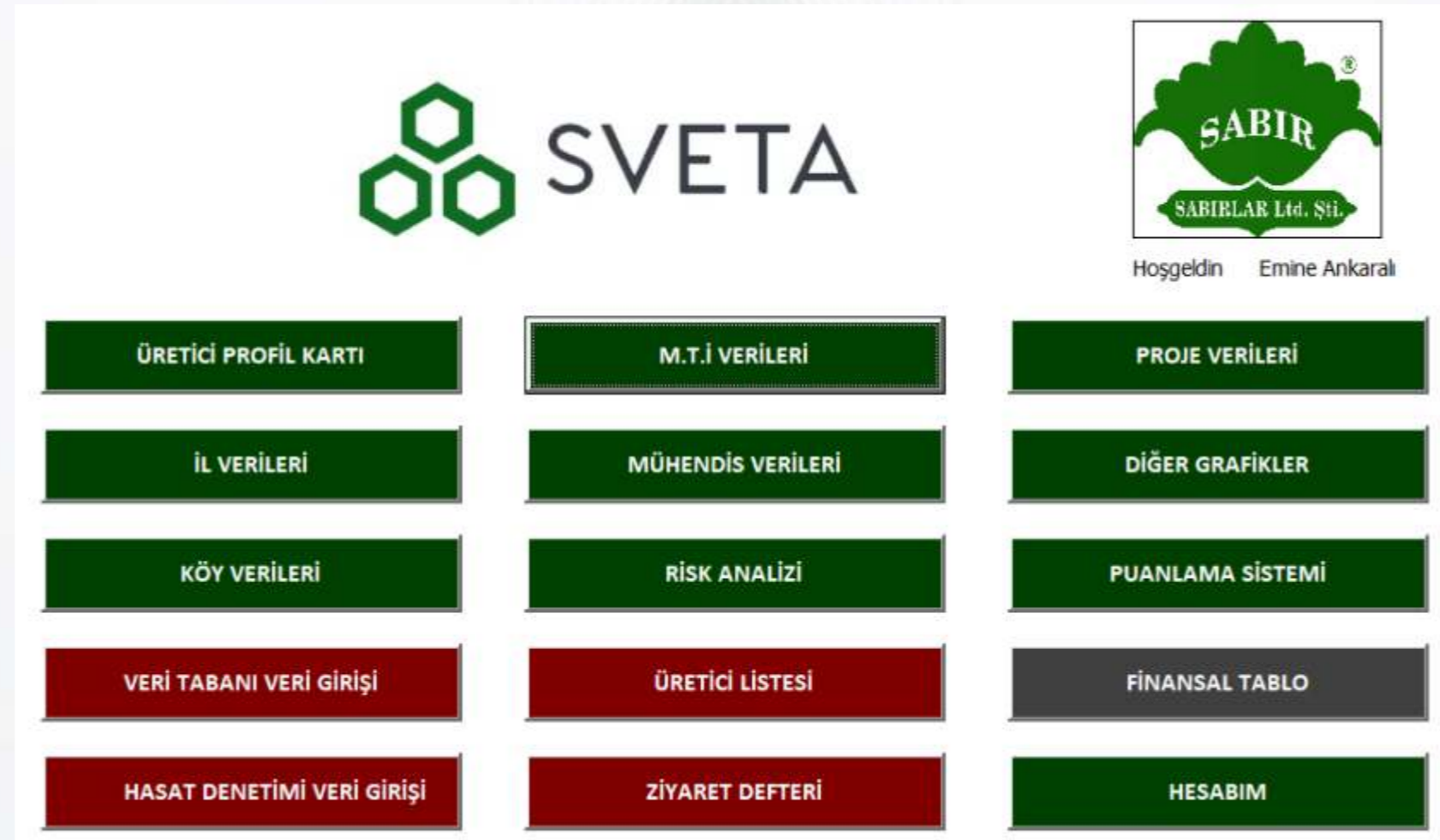
What this digital program contributes to us;

- ✓ Traceability and sustainability,
- ✓ Possibility to avoid paper waste
- ✓ All personnel can access the most up-to-date version of the documents from their own computers
- ✓ Even if there is a change in personnel, the new personnel can

continue the workflow by following the entire management system through the system

- ✓ Records and documents kept in the cloud system even if there is a problem with the computers
- ✓ Through the application, the relevant departments are given deadlines by assigning the tasks they need to do, thus enabling all departments to actively participate in the system

Sveta





We care about innovative projects for the development of agriculture and empowerment of farmers. Sabırlar Fındık İhracat Ltd. Şti. uses data-based digital programs in line with sustainability goals. Our agricultural engineers enter all information about our farmers' data, trainings, etc. into the Sustainable Database program. Thus, we analyze, interpret, report and visualize our existing data through the digital program.

Through the program, actions can be taken in many areas such as entering data obtained from the field by year, scoring, graphing and comparing relevant data, and performance evaluation. With the program, we can access and quickly analyze segments such as producer segmentation, agricultural and social risk analysis, farmer performance analysis, demographic

statistics, supply chain analysis, field team performance analysis, disease-pest analysis, regional yield graphs, intermediary and worker analysis and graphs, project activity archive, training and budget planning.

By entering the name and surname of the farmers or the producer code registered in the system, information about the relevant farmer is retrieved from the database and information about the seasons is reflected in tables and graphs.

Thanks to the program, the data of farmers residing in the same province can be calculated with a scoring system and can be poured into comparative graphs. Thus, it becomes easier for us to analyze province-based data.

EMPLOYEES

OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety trainings are provided to employees at regular intervals.

Emergency training was provided to employees and an emergency drill was conducted. Emergency training and drills are given to all employees every year.

The workplace physician fills out periodic examination forms for employees at the beginning of their employment and the workplace physician also provides outpatient clinic services every week. Hearing tests, chest radiography, hepatitis, infectious diseases and other tests are performed once every 2 years.

An occupational health and safety committee meeting is held once every 3 months and issues related to occupational health and safety are discussed.

Electrical installation and grounding measurements are periodically checked by an authorized electrical engineer every year.

Periodic inspections of work equipment such as forklifts, pressure vessels, fire protection installations and ventilation installations are carried out every year by an authorized mechanical engineer.

Occupational hygiene measurements have been carried out by the authorized laboratory in order to take measures to see the dimensions of physical risks to which employees are exposed, such as noise, lighting, thermal comfort, and measures are taken according to the risks to which employees are exposed.

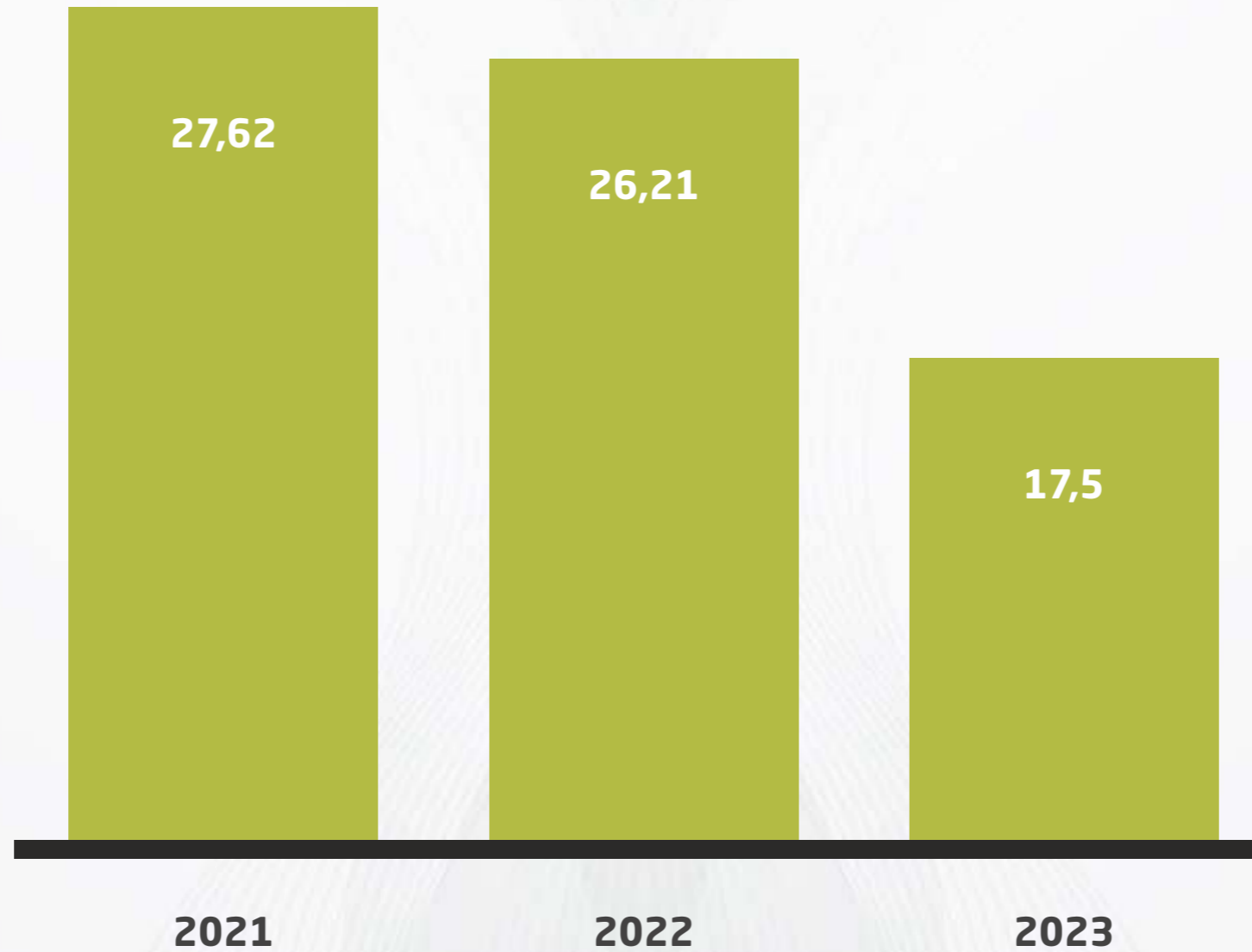
There are 11 first-aider certified personnel from the courses authorized by the health directorate and there are 11 first-aider certified personnel who intervene in possible accidents in the factory and protect the condition of the injured until 112 teams arrive.

The water used as drinking water for employees is analyzed by the public health laboratory every 3 months.

Occupational health and safety risk analysis is carried out by the risk assessment team and measures are taken according to existing risks.

Appropriate working areas are determined for employees requiring special policies. They are not employed in noisy environments or heavy work.

Accident Frequency Rates



EMPLOYEE/HUMAN RIGHTS

We aim to observe fundamental human rights in all business processes. We aim to provide a healthy and safe working environment where employees can develop themselves, express their ideas freely, not be subjected to discrimination, and be free from all kinds of violence, harassment and pressure.

Our Human Rights policy is based on the Universal Declaration of Human Rights, the United Nations Global Climate Compact, International Labor Organization Conventions (ILO), and the UN Convention on the Rights of the Child.

Our Human Rights Policy covers primarily our employees, business partners and suppliers. We encourage our employees as well as our business partners and suppliers to act in compliance with our human rights principles and announce them through trainings.

✓ *We respect fundamental human rights within the scope of the UN Declaration of Human Rights and aim to carry out our activities in accordance with these principles and to prevent human rights violations.*

✓ *In processes related to human resources such as recruitment, placement, training and remuneration in our company, we pay attention to equal treatment by offering equal opportunities to employees in the business environment without discrimination based on religion, language, race, age, color, sexual orientation, nationality or social origin, gender. The selection of human resources in our company is based on qualifications, performance, skills and experience.*

✓ *At Sabırlar Findık, in line with our principle of "equal pay for equal work", we are sensitive about providing our employees with equal pay and competitive opportunities in market conditions.*

✓ *We respect our employees' right to collective bargaining and freedom of association.*

✓ *We develop regulations in accordance with the Occupational Health and Safety Legislation and we attach importance to raising awareness of our employees in this regard. Our occupational health and safety target is based on the goal of zero occupational accidents. We attach importance to providing a safe working*

environment for our employees and business partners.

✓ *We are committed to providing our employees with a safe working environment, free from any form of harassment, abuse, exploitation or violence. In the event of such situations, we encourage our employees to report the situation by exercising their right to freedom of expression.*

✓ *We do not tolerate forced or compulsory labor.*

✓ *We never employ child labor within Sabırlar Findık,*

✓ *We comply with the working hours and overtime provisions set out in laws and regulations.*

✓ *We manage the environmental impacts that may arise from all our activities with a sense of responsibility. We identify and implement all kinds of improvement and development activities that will eliminate or minimize environmental impacts in all our activities and use natural resources in the most efficient way.*

✓ *We take care to include human rights practices in internal communication channels and training programs within Sabırlar Findık. We identify human rights risks that may arise from our activities and work to mitigate them.*

✓ *In order to assess possible Human Rights violations and take action accordingly, a risk assessment of Human Rights related issues was conducted. In our risk analysis, these violations and the measures to be taken were identified.*

✓ *In the event of a possible Human Rights violation, a meeting will be held between the General Manager and the members of the disciplinary committee and action will be taken in the event of a violation.*

EMPLOYEE TRAINING AND DEVELOPMENT

We train our employees in many different areas to improve both their competencies and productivity. We design our training and development activities in line with our company's goals. While

preparing our annual training plan, we also consider the development needs and expectations of our employees.



In 2023, we provided 23 hours/man training to all our employees. In 2023, we provided training to all employees under the following headings:

- ✓ *OHS Training*
- ✓ *Training on Rules to be Followed by Employees*
- ✓ *Pest Control Training*
- ✓ *BRC Food Safety FSMA and Hygiene Training*
- ✓ *Discrimination, Equality and Harassment Training (2 times a year)*
- ✓ *FSSC 22000 Food Safety Training (2 times a year)*

- ✓ *Complaint Mechanism Training*
- ✓ *Allergen Education*
- ✓ *Patience Code of Conduct (BSCI/FLA/RA)*
- ✓ *Sustainability Training*
- ✓ *Freedom of Association and Collective Bargaining Training*
- ✓ *Employment with no social security*
- ✓ *Training on Preventing the Payment of Debts with Labor*
- ✓ *Gender Training*
- ✓ *Disciplinary Rules Training*
- ✓ *Employee Rights and Responsibilities Training*

- ✓ *Security Procedure and TACCP Counterfeit Adulteration Information Training*
- ✓ *Glass Material Safety and Cutting Tool Handling Training*
- ✓ *Importance of the Environment and Consequences of Environmental Pollution*
- ✓ *Fire Training and Drill*

- ✓ *Training on Women's Rights and Prevention of Violence against Women*
- ✓ *First Aid Training*
- ✓ *Bribery and Corruption Training (2 times a year)*
- ✓ *Foreign Matter Education*



In addition to general training, we offer our employees the opportunity to develop their expertise in their own fields. We invest in the development and training of our employees. We

ensure that department employees participate in personalized trainings in order to adapt to their vision and goals and contribute to their career development.

REMUNERATION POLICY

The main objectives of our remuneration policy are to make remuneration by emphasizing work intensity performance, knowledge, skills and competencies, to motivate employees by ensuring competitiveness in the market and to increase their loyalty.

In our company, we provide equal opportunities and remuneration to people under equal conditions without discrimination based on race, nationality, religion or gender, and we do not discriminate in terms of remuneration. We carry out the wage policy in accordance with motivating our employees,

EMPLOYEE SATISFACTION

We regularly conduct an Employee Satisfaction Survey for our employees every year. Through these surveys, we measure the satisfaction and loyalty of our employees. We hold meetings with the management regarding the issues that are found to be negative in the surveys and take the necessary actions.

✓ *In our company, there is a chief employee representative and two employee representatives representing all employees, elected by voting by the employees. Duties of employee representatives are as follows;*

✓ *Participating in studies related to occupational health and safety,*

including them in the work and developing their talents. In our company, we act with the concept of equal pay for equal work.

Fair Living Wage is calculated regularly every year. Our employees are surveyed to calculate the Fair Living Wage. We provide food and service to all our employees without any charge.

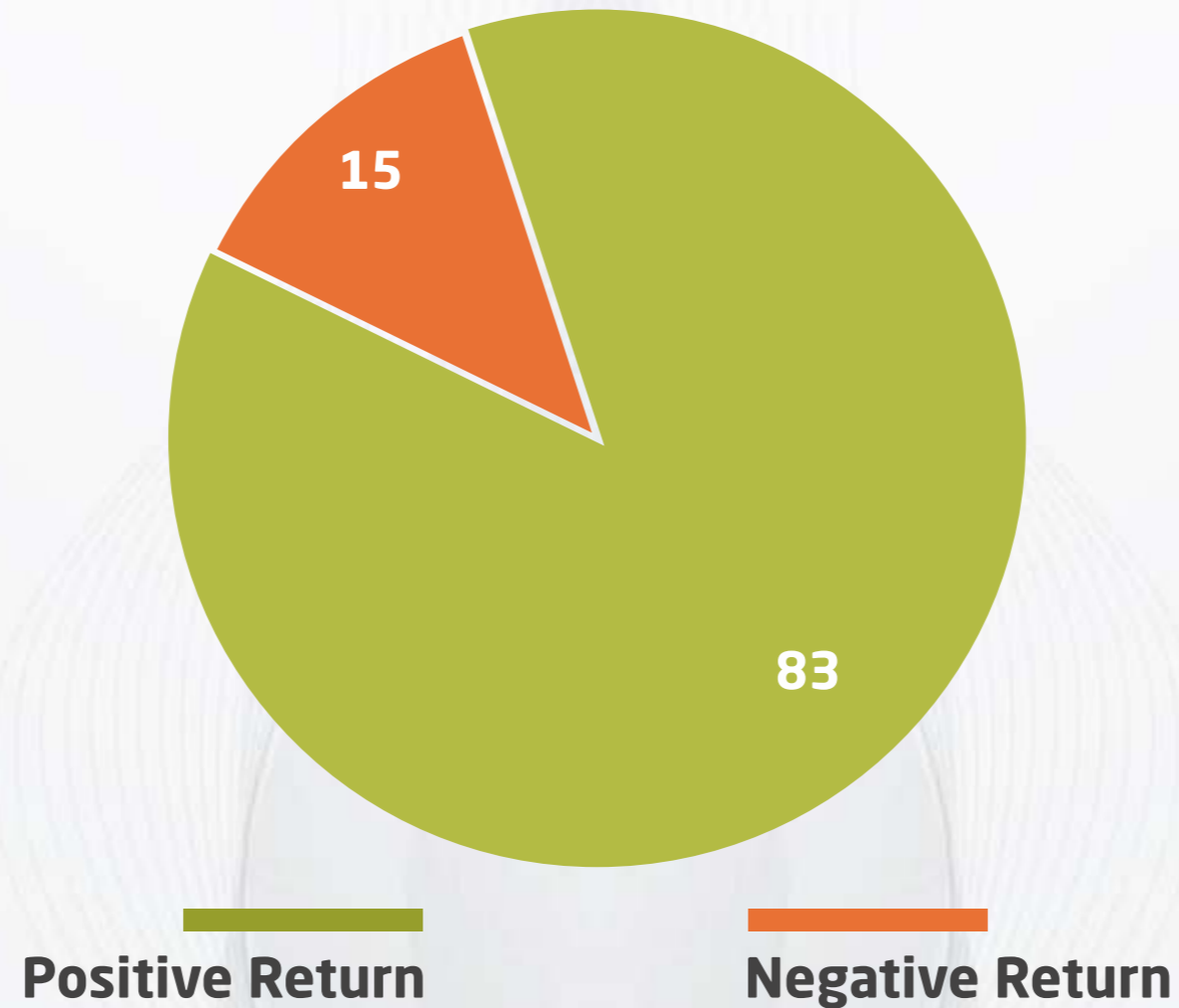
Income tax and stamp tax deductions legally deducted from our employees are reimbursed to the employees by our company. In addition, the health report fee of our personnel who will receive a health report at the time of recruitment is paid by our company.

- ✓ *Monitoring studies,*
- ✓ *Requesting measures to be taken to eliminate the source of danger or to reduce the risk arising from the danger,*
- ✓ *Representing employees in making proposals and similar matters*
- ✓ *Also responsible for reporting the problems, complaints or suggestions of the employees to the senior management, opening the complaint boxes at the end of each month with the deputy HR manager and discussing the solution suggestions at the end of the month employee representative meetings and reporting the results to the workers.*

In our company, complaint and suggestion boxes have been created for all our employees to express their complaints, opinions and suggestions freely. There are papers next to these boxes where they can write their complaints and suggestions. Employees are completely free to state their names. They can write their complaints and suggestions and leave them in the boxes. These boxes are opened at the end of each month by employee

representatives and the Human Resources Officer. At the end of each month, employee representatives, the Human Resources Officer and the General Manager hold a meeting with the complaints and suggestions from the boxes. The complaints and suggestions evaluated at the end of the meeting are communicated to employees verbally and in writing.

Evaluation of Complaints and Suggestions



In 2023, we received 98 complaints and suggestions, 83 of which were responded to positively.

In addition, we implement the Open Door Policy for all our employees. Employees can directly communicate their complaints, opinions and suggestions to senior management.

Social compliance quality targets are set every year. In order to increase employee participation while setting our targets, employees' opinions are taken on the targets. Thus, management and employees carry out a joint work on setting targets.

Since the majority of our employees are women, we support the development of our employees. In addition to our internal trainings given every year, we organize different external trainings every year such as financial literacy, gender, prevention of violence against women.

A work environment and job description suitable for pregnant and disabled employees are created in our company. Diversity and inclusion studies and activities are emphasized in our company.



RESULT

We reached 44 suppliers, including crushing factories and intermediaries.

We organized trainings for suppliers and conducted internal audits. In this way, we provided all our suppliers with training on the responsible procurement approach and the importance of traceability and sustainability.

We reached a total of 1492 farmers during the year.

We provided both social and agricultural awareness-raising trainings to farmers and continued our efforts to raise awareness.

We reached 1931 seasonal agricultural workers.

We organized trainings on working hours, wages, child labor and workers' rights.

We took 66 children away from the gardens and brought them together with education.

This year we opened our own summer school and provided education for 66 children between the ages of 5-15 and tried to keep children away from gardens.

We organized trainings for a total of 32 agricultural labor intermediaries in our supply chain.

This year, we ensured that 5 agricultural labor intermediaries received an "agricultural labor intermediary certificate."



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