

Uğur of Türkiye and the World

 **UĞUR**

Enjoy Cool Quality

Sustainability Report 2024





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With over 70 years of experience, Uğur Cooling is the industry's trusted brand for commercial and household freezer and cooler solutions. We have established a significant presence in Türkiye and worldwide with our extensive product range, high-quality service, and expertise. As a solution partner to many global brands, we develop custom products and concepts for our clients. Thanks to our strong, innovation-driven R&D investments, we offer more efficient, eco-friendly, and user-centric products. We take responsibility at every step, from production to service and from sales to after-sales support, prioritizing employee satisfaction and supplier relationships.

We believe that sustainable success is achievable by taking tomorrow into account. With every solution we provide, we are working toward a more livable future.



Uğur: Collective success

At our 400,000 m² integrated facility in Nazilli, we are shaping the future of the industry with over 2,000 employees. In 2024, our export ratio exceeded 55%, and by delivering our products to 146 countries, we ranked among Türkiye's top 1,000 exporting companies. We were recognized among the "Stars of Export" with Silver and Bronze awards in the electrical-electronics and air conditioning categories. We affirmed our strength in industrial production by ranking 203rd on the "Türkiye's Top 500 Industrial Enterprises" list.





Uğur: Growth through innovation

At our R&D Center, we develop projects in the fields of cooling technologies, energy efficiency, and the circular economy. With our expert team, we provide sustainable added value to our industry by designing eco-friendly and innovative products. In 2024, we increased our R&D expenditures by 122% and ranked among the top 100 companies with the highest R&D investment in Türkiye in the “R&D 250” survey.



Uğur: Sustainable future

In 2024, we entered a new era in sustainability with our solar power plant (SPP) investments. We began the installation of our 0.7 MW solar power plant in the Nazilli Organized Industrial Zone. Our goal is to increase the capacity to 5 MW to meet 70% of our production facility's annual energy needs from solar power. With this transformation, we expect to prevent approximately 3,624 tons of carbon emissions each year, strengthening our eco-friendly production model.





Uğur: Growing stronger together

As a signatory to the United Nations Global Compact, we have affirmed our commitment to human rights and fair labor practices. While crowning our employees' satisfaction with our 17th "Respect for People Award," we increased efficiency through suggestion systems that enhance internal communication. We invested 59.3% more in occupational health and safety, conducting 37,635 hours of training.



Uğur: Efficient production

We calculate our product-based carbon footprint and analyze our environmental impacts across all processes. Through our Life Cycle Assessment (LCA) projects, we manage the environmental impacts of our products transparently. In 2024, we successfully reduced our per-product energy consumption by 16% and water consumption by 16.75%. We achieved a recycled material usage rate of 98% to 99% in our packaging.





Uğur: Patented success

We expanded our product portfolio by offering washing machines and dryers to households, and beverage coolers and ice cream freezers to businesses. We filed 11 patent and utility model applications; with six design registrations, we rose to 20th place in the national utility model rankings and to 28th place in design registrations in Türkiye. As a result, we achieved a 96% customer satisfaction rate and a 95% service performance score.



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About the Report

We transparently share the value we create with our stakeholders.



4th Sustainability Report

Uğur Cooling publishes its fourth sustainability report in order to reveal its commitments in the field of sustainability and its environmental, social and governance impacts. This report covers the one-year period from January 1 to December 31, 2024.

The report reflects the sustainability approach adopted in all areas of activity, from production to exports, from R&D processes to energy efficiency, from environmentally friendly product development to social contributions, and aims to transparently share the value created with stakeholders. At the same time, practices carried out in line with the determination to combat the climate crisis, governance approach based on business ethics and social responsibility awareness are presented in this context.

The report includes data on production and quality management, energy and water consumption, waste management, greenhouse gas emissions, employee profile, occupational health and safety, social contributions, supply chain practices, customer satisfaction and corporate governance. Material sustainability issues include combating climate change,

energy efficiency, circular economy practices, employee development, equal opportunity and ethical governance.

This report covers only the activities carried out at Uğur Soğutma Makinaları Sanayi ve Ticaret A.Ş.'s headquarters and production facilities in the Organized Industrial Zone (OIZ). Data on subsidiaries and affiliates are excluded from the scope of the report.

The report has been prepared in accordance with the "Core" option of the Global Reporting Initiative (GRI) Standards and is in line with international sustainability initiatives such as the United Nations Sustainable Development Goals (SDGs), CDP and SBTi.

The reporting process was carried out under the coordination of Uğur Cooling Business Development and Process Audit Directorate with the contributions of all relevant department managers. Although the data in the report has not been subjected to an independent assurance process, it has been verified for accuracy and transparency through internal control and audit mechanisms.



For comments and suggestions on the report, please contact sustainability@ugur.com.



Message from the Chairman

With 70 years of experience, we look to the future with confidence.



Dear Stakeholders,

Institutions survive not only through the products and services they create, but also through the value they add to life and society; they grow not just by their sales, exports, or financial achievements, but by the people, ambitions, and dreams that inspire their existence.

Uğur Cooling, celebrating its 70th anniversary this year, has touched millions of homes, workplaces, and lives over the years. This special anniversary, which we celebrated with all our dealers in 2024, and this report, which we are pleased to share with you, serve as both a tribute to the past and a promise for the future.

As expected, 2024 stood out as a period of deepening global economic uncertainty, rising energy costs, supply chain transformation, and tightening environmental regulations.

In particular, new-generation regulations such as the European Green Deal and the Carbon Border Adjustment Mechanism have made sustainability an imperative rather than a choice for all industrial companies involved in manufacturing and exports. Cooling technologies and the white goods sector were at the center of this wave of change. Energy efficiency, digitalization, and designs that

reduce environmental impact have transformed business practices across the industry.

At Uğur Cooling, we viewed this transformation not merely as a compliance process but as an opportunity to create a long-term competitive advantage. We combined the experience of the past with a responsibility for the future. Despite economic pressures, we pressed ahead with our strategic investments, innovative product portfolio, R&D initiatives, and sustainability-focused transformation journey without losing momentum.

During the year, we took our most concrete and significant steps to address our environmental impact as part of our efforts to combat the climate crisis. In this context, our main focus areas were the efficient use of resources, recycling initiatives, driving behavioral change within the Company through innovative practices, and integrating sustainability awareness into our corporate culture. As a result of all these efforts, we reduced our total waste volume by 16.4% compared to the previous year. We reduced our per-product energy consumption by 16% and our water consumption by 16.75%.

We also implemented our planned breakthroughs in the field of renewable energy transition. We began the installation of a

0.7 MW Solar Power Plant at our production facility in the Nazilli Organized Industrial Zone. Furthermore, our application for a new 5-MW installation is in progress. If approved, we aim to meet 70% of our relevant facility's annual energy needs from solar energy. This investment aims not only to reduce our environmental impact but also to lower our energy costs.

We approach our understanding of corporate responsibility from a broader social impact perspective, not limited solely to environmental effects. In 2024, as a signatory to the UN Global Compact (UNGC), we integrated the principles of human rights, ethical governance, environmental awareness, and transparency into all our business processes.

With the steps we have taken in digitalization and innovation, we have made our production processes more flexible, efficient, and sustainable. Thanks to our R&D investments, we have brought eco-friendly and highly energy-efficient products to the market. We have made our quality control systems data-driven. We have restructured our supply chain management through digital platforms. This has enabled us to both increase our operational efficiency and offer faster and more effective solutions to our customers.

As we move into 2025 and beyond, we aim to further deepen our commitment to sustainability. Our priorities include reducing our product-level carbon footprint, integrating circular economy principles into our business processes, increasing our renewable energy capacity, and scaling up projects that will amplify social benefits.

We see sustainability not just as a component of our strategic plans, but as a fundamental building block of our corporate culture.

Our 70 years of experience have shown us that success, growth, and development are only possible by being open to change. As in the past, we will continue to grow together with our entire ecosystem and stakeholders in the future. We will work with all our strength for a more livable world with our solutions that center on technology, the environment, and people.

I would like to express my sincere gratitude to all my colleagues, business partners, and esteemed stakeholders who have placed their trust in us and accompanied us on this remarkable journey.

Sincerely,

Talip TAKMAKLI
Chairman of the Board of Directors



About Uğur Cooling

Extensive production capacity and innovative product development capability

Founded in 1954 in the Nazilli district of Aydın, Uğur Cooling is one of the largest commercial refrigerator manufacturers in the Europe, Middle East, and Africa (EMEA) region in terms of production capacity. Operating in the commercial refrigeration and household appliances sectors, the Company provides high-quality products and services to its customers—both local and global—in various fields such as ice cream, carbonated and non-carbonated beverages, frozen foods, and retail chains.

Uğur Cooling has an employment capacity of 2,078 people as of 2024. The Company's employee profile consists of 673 female and 1,405 male employees, with an average age of 35.6 years. The number of administrative personnel is 185 and the number of employees working in the production area is 1,893. Services are provided through an active network of 750 authorized dealers across Türkiye, and the corporate customer portfolio has reached 232 customers.

The company's product range is categorized under two main categories: commercial and domestic. The commercial area includes freezers and coolers, bottle coolers, market cabinets, ice cream making machines, display cases and storage equipment. The household

product group includes vertical and horizontal freezers, refrigerators, air conditioners, built-in sets, microwaves, washing machines, tumble dryers and water purifiers.

Uğur Cooling, which has high consumer awareness in Türkiye with its generic brand "Uğur Derin Dondurucu," has been the leader in the deep freezer market for many years. The company maintains maximum customer satisfaction in Türkiye with over 1,000 points of sale and an authorized service network of nearly 250 centers.

As of the end of 2024, a total of 694,643 units were produced; 43.40% of sales were domestic, while 56.60% were international. The company exports to 146 countries on five continents. The export portfolio includes mainly Europe and Asia, North and South America, Africa, Australia and Scandinavian countries.

Uğur Cooling maintains its competitive advantage in the industry with its extensive production capacity, innovative product development capabilities, and energy-efficient eco-friendly products; it continues its sustainable growth through long-lasting devices, a widespread service network, and user-friendly technologies.

**"UĞUR" – A GENERIC BRAND NAME
IN TÜRKİYE**

MORE THAN 1,000 POINTS OF SALE

NEARLY 1,000 DEALERS

**NEARLY 250 AUTHORIZED
SERVICE CENTERS**

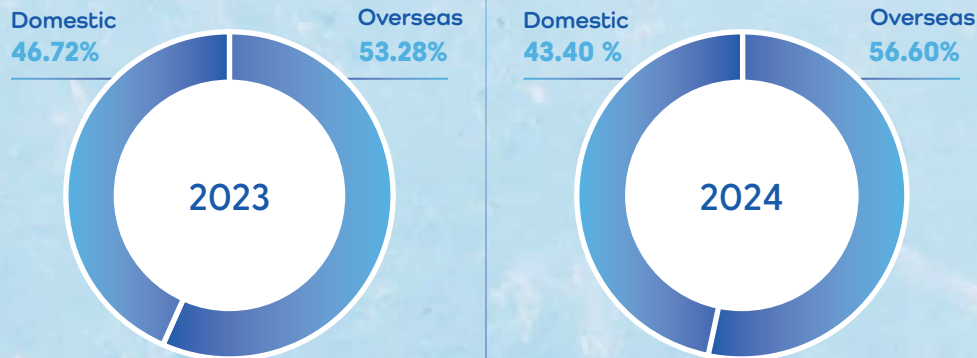




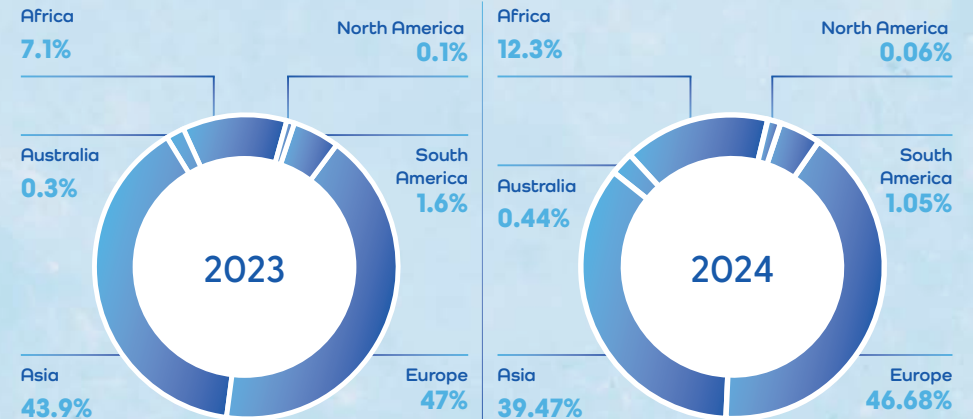
About Uğur Cooling

2024 Production Quantity: 694,643

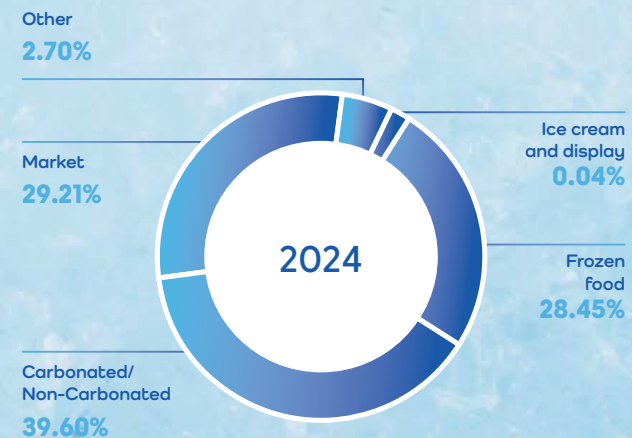
Sales Rate



Regional Export



Breakdown by Product Group





Mission, Vision, and Corporate Values

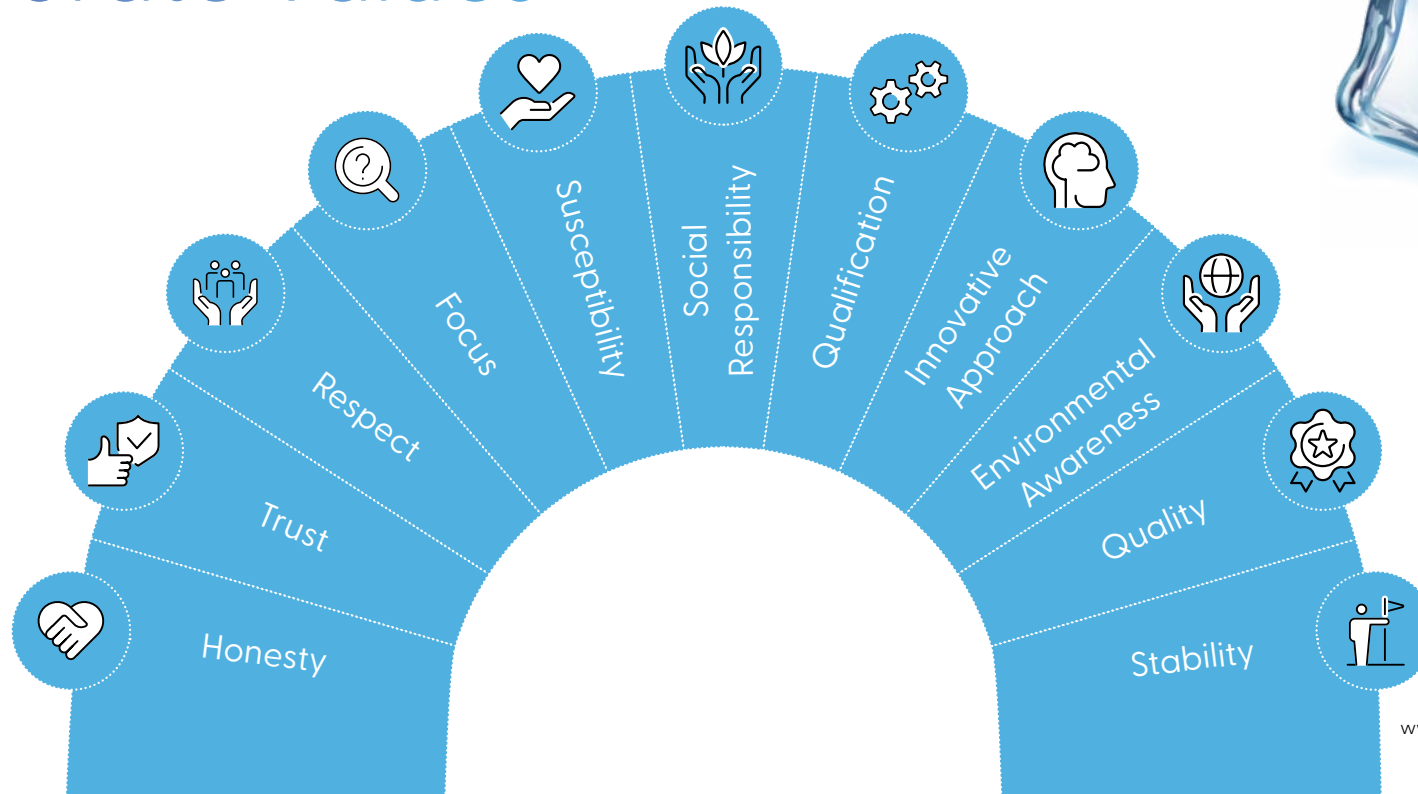
Mission

While Uğur Cooling continues to offer the highest quality products thanks to its expertise, it has adopted the mission of increasing employee satisfaction by understanding the importance of an organizational culture that encourages learning to gain a competitive advantage and to add value for all its stakeholders with its expertise.

Vision

Uğur Cooling aims to maintain its leadership in Türkiye regarding its business activity, meet customer expectations by offering high-quality products as the market competition increases, and position among the best brands in the commercial refrigerators market worldwide within the next 10 years.

Our Corporate Values





Operational Geography of Uğur Cooling

Quality reaching 146 countries from Türkiye



Exports to
146
Countries
Across 5
Continents



Regional Sales Volume Distribution

0.06% **46.68%** **39.47%** **1.05%** **12.3%** **0.44%**
North America Europe Asia South America Africa Australia



- Exported Countries
- Non-Exported Countries



Uğur Cooling from Past to Present

1954

Uğur Cooling was founded in Aydın, Nazilli.

The **first ice cream machine** production was started.

In addition to the production of ice cream, the **first ice cream machine repair** activities also started.

1965

The Company participated in the **İzmir International Fair** for the first time and ice cream made with Uğur Ice Cream Machines was served to all participants during the fair.

1974

Ice cream machines were sent to Germany as the **first exporting activity**.

1975

Products were exhibited at **international fairs** for the first time.

1976

The **first newspaper advertisement** for the ice cream machine was published.

1982

The **first television commercial** for Uğur Ice Cream Machines was broadcast.

1984

The first legal entity was established, and **cooler production** began.

1985

A **license agreement** was signed with the Danish company **Derby**.

1986

The company underwent restructuring, and its title was changed to "**Uğur Soğutma Makinaları Sanayi ve Ticaret A.Ş.**," continuing production activities under this name.

A dealership system was introduced, and **dealerships** were established across Türkiye.

The **first deep freezer** in Türkiye was produced.

1987

Production of **ice cream storage cabinets** began.

1990

The **license agreement** with the Danish company **Derby** was **terminated**.

1991

The **first dealership meeting** was held in Kuşadası.

Uğur Cooling started production of **vertical bottle cooler cabinets**.

1994

Production of the **first ice cream display units** began.

2001

The **ISO 9001** Quality Management System was implemented.

2006

Energy-efficient and environmentally friendly **storage cabinets** were produced for **Algida**.

2008

The license and production line of Denmark's **Frigor** company were purchased.

2009

A joint project with **Pepsi** was initiated, resulting in the **production of bottle coolers that achieved 51% energy savings** for the first time both in the world and in Türkiye.

2010

The Company received the "**Top Exporting Company of the Year**" award by the Aegean Exporters' Association in the newly introduced "Machinery" category.

The first environmentally friendly and energy-efficient **A++ deep freezer** in Türkiye was introduced to the market by Uğur Cooling.

2011

Uğur Cooling received the "**Top Exporting Companies of the Year**" award for the **second time**, a recognition also regarded as a testament to its "continuity in quality."

"Uğur Derin Dondurucu" began to be recognized as a "**well-known brand**."

Market cabinets were added to the product range and these cabinets were offered for sale and started to compete with imported market cabinets.

2012

The **ISO 4001** Environmental Management System Certificate was obtained.

Microwaves and air conditioners were added to the product range.

2013

The Company joined the **Turquality** Brand Support Program.

As a result of investments made in the Nazilli Organized Industrial Zone, operations were expanded with an **additional area of 158,000 m²**.

On May 7, 2013, at the 11th Stars of Export Award Ceremony, the Company was awarded first place in the "**New Market - Market Diversity**" category.

The **Nyssa Project**, supported and successfully completed under the **TÜBİTAK** TEYDEB Program, earned the Company an award.

The USS 220 Bomonti design received a bronze prize in the "**OMA Creative Design at the Point-of-Sale Competition**."

2014

The **ISO 27001** Information Security Certificate was obtained.

The Company became the **export champion** in the commercial refrigeration category among Turkish Exporters Assembly members.

The **OHSAS 18001** Occupational Health and Safety Certificate was obtained.

2015

ISO 50001 Energy Management System and **ISO 10002** Customer Satisfaction Management System Certificates were obtained.

Uğur Cooling's **corporate website** was awarded first place through a public vote among projects selected by an expert jury.

Three awards **were received at the Successful Exporters Award Ceremony** in the air conditioning sector.

The Company was listed among "**134 Super Brands of Türkiye**," as determined by Nielsen evaluations.

2016

Certificates for **ISO 31000** Risk Management, **ISO 20000-1** IT Service Management, **ISO 28000** Supply Chain Security, and **ISO 22301** Social Security and Business Continuity Management Systems were obtained.

The **Silver Apple Award** was received at the 28th Crystal Apple Festival organized by the Advertising Association.

Uğur Cooling was ranked 70th among "**Türkiye's Top 100 Most Valuable Brands**" by Brand Finance in 2016.

The **Respect for People Award** was received.



Uğur Cooling from Past to Present

2017

As a result of an audit conducted by a third-party inspection and certification organization, Uğur Cooling became the **first brand in Türkiye** to receive the title of **Customer Satisfaction**.

In the 14th edition of the Red Press Best Advertising Awards, the **best agenda-related advertising award** was received with the “Let all the Uğur fridges be empty in this Eid al-Adha but do not leave the neighbors without meat” campaign.

The Company became the first brand in Türkiye to be entitled as the **Trusted Brand**.

ITIL (**Information Technology Infrastructure Library**) adaptation was completed.

Realizing the **highest number of exports** in the air conditioning sector in 2016 was placed first among the Aegean Exporters' Associations.

2018

At the 15th Red Press Best Advertising Awards, the “No Spoilage Later” campaign won the **“Best Durable Consumer Goods Advertisement”** award. The Company also received a silver award in the Technology Manufacturers Category at the **Social Media Awards 2018**.

The **ISO 45001** certificate was obtained.

2019

Uğur Cooling became one of the companies that **exported most** in the air conditioning sector **at the Stars of the Exports award ceremony**.

In the **Crystal Apple Türkiye Advertising Awards** Competition, **the award was won** in the advertising music **category with the radio spot**.

Uğur Cooling was certified for the first time with **ISO 17025** Laboratory Accreditation Certification.

The Company was rated with “Silver” in **EcoVadis** sustainability reporting.

GRI-approved **Sustainability Report** has been published.

R&D Center certificate was earned.

2020

Uğur Cooling was one of the companies that **exported the most** in 2019 in the Air Conditioning category among the exporting companies in the Aegean Region.

Kariyer.net Respect for People Award was won.

After the inspections carried out by TSE in all facilities, the **COVID-19 Safe Production Certificate** was obtained.

2021

All products were **manufactured in compliance with the new energy regulations**.

The **Sedex SMETA 4-Pillar Social Compliance Audit** was successfully completed.

The Company was among the few Turkish firms to join the **SBTi**.

2022

The Company ranked first as the **“Most Technological Brand”** in the refrigeration sector at the **“Tech Brands Türkiye”** organized in cooperation with NielsenIQ Türkiye and Pazarlamasyon.

It continued to be one of the top 200 companies **that realized the highest exports** in the air conditioning and electrical/electronic sectors among EIB members.

New generation **“Ucool Vertical Type Coolers”** with low energy consumption were produced.

Zero Waste Certificate was obtained as an indicator of environmental sensitivity.

2023

The second GRI-approved **Sustainability Report** was published.

Uğur Cooling ranked among the **top 100 companies** in Türkiye with the highest R&D expenditures, according to the R&D 250 research report.

Production began for household horizontal deep freezers with digital control panels and **D energy class**.

Built-in cooking appliances and water purification devices were added to the home appliance product range.

EcoVadis awarded Uğur Cooling a **Bronze Medal**.

Ranked 228th and recognized in the **ISO 500 Large Industrial Enterprises Survey**.

2024

The company was ranked **203rd** and recognized in the ISO 500 Large Industrial Enterprises Survey.

The company won two awards in the electricity & electronics and climate control sectors at the **“Stars of Export Awards”** ceremony.

Uğur Soğutma Makinaları Sanayi ve Ticaret A.Ş. was recognized with two awards in 2024 for its export performance, receiving **Silver and Bronze** in two different categories.

In **the Professional Appliances** beverage coolers category on **top10ten.eu**, a consumer-focused platform highlighting top models across various product categories, 22 out of 91 products were Uğur models.

Washing machines and clothes dryers were added to the home appliance product range.

The **ISO 27001, ISO 22301, ISO 28000, and ISO 20000-1** standard certifications were updated to their latest versions.

The company became a signatory of the **UN Global Compact (UNGC)**.

Product-based carbon footprint and **LCA projects** were initiated.

A **one-year validity** was awarded in the BSCI audit.

Continuity was maintained for 11 standard certifications.

Production of **B energy class bottle coolers** commenced.

A **0.7 MW solar power plant capacity was allocated** at the OIZ Production Facility, and its installation commenced.



2024 at a Glance

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2024 Sustainability Performance

Science-based approaches to combat climate change



1,000
Dealership
service network

In 2024, Uğur Cooling advanced its sustainability strategy with a focus on environmental responsibility, energy efficiency, product diversity, customer satisfaction, and enhancing its R&D capacity. In line with the global sustainability agenda, significant steps were taken in priority areas such as combating climate change, using renewable energy, and managing resources efficiently.

With the goal of increasing renewable energy use, capacity applications were submitted to utilize solar energy for self-consumption, and feasibility studies were conducted accordingly. As part of the transition toward energy efficiency, production of B-class energy bottle coolers began, and household horizontal deep freezers with digital control panels and a D-class energy rating were added to the product range. At the Styrofoam facility, a transition to a natural gas-fueled system was initiated to minimize air pollution from combustion and to ensure more efficient fuel use.

Science-based approaches were adopted to combat climate change, and efforts continued to set emission reduction targets in line with the Science Based Targets initiative (SBTi).

Investments in research and development continued strongly in 2024; the Company was ranked among the top 100 companies with the highest R&D investment in Türkiye, according to the Turkishtime's R&D 250 Research Report. A noteworthy performance was also demonstrated in the area of intellectual property rights, achieving 20th place in the utility model ranking and 28th place in the design registration ranking.

As part of product development efforts, washing machines, clothes dryers and washing devices were added to the home appliance product group. Additionally, built-in cooking appliances and water purification devices were included in the product portfolio.

A broad service network continued to be offered across Türkiye with nearly 1,000 dealers and 250 authorized service centers. According to Şikayetvar data, the success of being the brand with the fewest complaints in the white goods sector was maintained in 2024.

Various training sessions were organized for employees to increase environmental awareness in the workplace. These training sessions prioritized awareness-raising activities on reducing paper consumption, improving waste management, and Zero Waste practices.





2024 Highlights

A successful year in export performance

According to 2024 data from the Turkish Exporters Assembly, Uğur Cooling ranked among the top 1,000 exporting companies.

Throughout 2024, Uğur Cooling implemented many significant developments in the environmental, social, operational, and governance areas in line with its sustainability strategies. R&D investments for developing highly energy-efficient products were increased; accordingly, the SPP project was commissioned, and energy generation was successfully achieved for the first time. As part of the “Carbon Footprint Reduction in Production Project,” initiated to reduce carbon emissions in production, forklifts running on LPG and fuel oil began to be replaced with electric vehicles, which have lower carbon emissions.

Within the scope of environmental sustainability, product-based carbon footprint calculation processes were also initiated, preparatory steps were taken for ISO 14064 verification, and the rate of recyclable material use was increased. Transparency-focused internal audit mechanisms were also strengthened, a Sustainability Committee was established for sustainability management, and an annual roadmap was determined.

As a result of new product development efforts, highly energy-efficient and eco-friendly product groups were introduced to the market, particularly in the white goods and commercial cooler segments. Additionally, the household product portfolio was expanded with the launch of washing machines and dryers. Lean manufacturing and 5S practices were extended to production lines, and operational improvement projects were implemented to reduce defect rates.

It was also a successful year in terms of export performance. According to 2024 data from the Turkish Exporters Assembly, The Company ranked among the top 1,000 exporting companies. Furthermore, its strength in the international market was reinforced by winning awards in two different categories at the “Stars of Export” awards ceremony. Throughout 2024, exports were made to 146 countries, and global reach was expanded through new distributorship agreements in African, Central Asian, and South American markets.



Digitalization steps in supply chain management gained momentum, and the Supply Management System (SMS) developed by The Company was commissioned, integrating business processes with suppliers in a digital environment.

In human resources, the 17th Respect for People Award from Kariyer.net was won again; employee satisfaction and engagement surveys were implemented more broadly. To connect with young talent, the Company participated in the Adnan Menderes University Career Day event, where its HR vision was directly communicated to students.

In line with the goal of strengthening its corporate reputation, Uğur Cooling was ranked among Türkiye’s most reputable brands in the white goods sector, according to the 2024 Reputation Index survey by the Reputation Academy of Türkiye.

In the area of social responsibility, regular support was provided to projects focused on the environment, education, and health. Efforts to create social impact were strengthened through afforestation projects, awareness training on carbon footprint, renewable energy use, and waste management practices.

Uğur Cooling celebrated its 70th anniversary with all its dealers at a dealer meeting held in December 2024. This important milestone once again demonstrated the Company’s commitment to its deep-rooted history and its vision for a sustainable future.



Sectoral Developments

Flexible product range tailored to customers

Innovative solutions based on both aesthetic and sustainability criteria have come to the forefront in product designs.

The year 2024 was a period defined by sustainability, digitalization, energy regulations, and supply chain transformation in the cooling technologies and white goods sectors. Rising energy costs, expectations for environmentally responsible production, and new regulations under the European Green Deal have directed all players in the sector toward strategic adaptation processes. While IoT-based technologies, energy-efficient solutions, and low-carbon-footprint products came to the fore, automation and a data-driven management approach became widespread in production processes.

The white goods sector entered a more stable growth trend with the post-pandemic normalization. In Türkiye, despite fluctuations in the domestic market, export-oriented growth continued. Meanwhile, the decline in purchasing power due to rising exchange rates, inflation, and input costs increased demand for affordable products. These conditions necessitated the simultaneous management of cost-focused strategies and expectations for environmental and digital transformation across the sector.

Prominent technological trends in the cooling sector in 2024 included the use of natural refrigerant gases, IoT-supported remote monitoring solutions, and software-based energy class optimization applications. The perception of products in the MDA4 category, such as deep freezers, as essential needs, also increased the market penetration of these product groups. During the same period, ecodesign directives and new energy labeling regulations led to restructuring in product ranges based on environmental criteria.

Uğur Cooling has responded to this transformation in the sector with rapid and strategic actions. Primarily, an SPP investment was realized, and the share of renewable energy use in production was increased, contributing to the reduction of carbon emissions. In parallel, product-based carbon footprint calculation processes were initiated, and preparations were made for the ISO 14064 verification process. The rate of recyclable material use in production was increased, and production line revisions were carried out to reduce waste. Additionally, the development of high-energy-class products continued, and eco-friendly natural gas-powered refrigerant products were introduced to the market.

At the operational level, digital quality control systems were integrated into production lines, data-based decision-making mechanisms were implemented, and production planning processes were moved to a digital environment. These digitalization steps reduced defect rates and optimized resource use. At the same time, the Supply Management System (SMS) developed in-house was commissioned, making supplier relations more efficient and transparent.

In response to changing consumer demands, certified, energy-saving, and low-carbon-footprint products were prioritized, and a flexible product range was developed to offer customer-specific solutions. Innovative solutions based on both aesthetic and sustainability criteria have come to the forefront in product designs.

In response to competitive conditions, swift action was taken through lean management

systems and agile strategic decision-making structures, while high production capacity and export strength helped maintain the Company's position in domestic and foreign markets. Legal regulations aimed at reducing imports were closely monitored, and the variety of household products in the domestic market was increased. Additionally, a Sustainability Committee was established to systematize environmental, social, and governance (ESG) focused efforts, and a corporate sustainability roadmap was created.

An analysis of global competitive dynamics reveals a landscape where European-based brands position themselves with an emphasis on sustainability, large retail chains enter the market with their own OEM brands, and domestic producers in Türkiye stand out with price-focused competition. In this environment, Uğur Cooling has strengthened its brand perception and reinforced customer trust through both its product quality and sustainability practices.





Developments in the Sustainability Ecosystem

Steps to reduce environmental impact

The year 2024 was a turning point in the white goods and cooling technologies sectors, where sustainability became more of a necessity than a choice. Accelerating regulations at the global and local levels, carbon footprint management, green design principles, transparent reporting obligations, and sustainability criteria in the supply chain have affected the entire value chain of the sector. In particular, the European Green Deal and the Carbon Border Adjustment Mechanism (CBAM) introduced obligations for exporting companies to calculate and declare their carbon emissions.

Among the prominent developments in this process, the use of recycled materials in product parts has drawn attention; this practice has stood out both as a step to reduce environmental impact and as a marketing argument. As sustainable product design, waste management, eco-friendly labeling, and life-cycle-oriented assessment practices gained momentum, this transformation became not only a risk management tool but also a means of gaining a competitive advantage for companies in the sector.

Throughout 2024, Uğur Cooling proactively adapted to these transformations in the sustainability ecosystem. The rate of recycled material use in production processes was increased, material efficiency and energy consumption in product designs were re-evaluated, and traceability systems were established to enhance supply chain transparency. At the same time, carbon footprint calculation processes were initiated in line with ISO 14064, and a corporate sustainability roadmap was created through the Sustainability Committee.

Sustainability-focused developments for 2025 and beyond are being shaped by both legal regulations and changing consumer expectations. In the coming period, structural changes across the sector are expected in the following areas:

- **Transition to Low-GWP Refrigerants:** Restrictions on the use of gases with high global warming potential (GWP) in line with F-Gas regulations in Europe will accelerate the shift toward natural refrigerants.
- **Stricter Energy Efficiency Regulations:** The development of products that consume less energy will become mandatory as part of compliance with the EU's EcoDesign and Energy Labelling directives.
- **Circular Economy Approaches:** Expectations regarding the recyclability, modular design, and ease of repair of products at the end of their life cycle will increase.
- **Carbon Footprint and LCA Requirements:** Product-based carbon footprint calculations and transparent sharing of Environmental Product Declarations (EPDs) are expected.
- **Renewable Energy-Integrated Appliances and Smart Systems:** Solutions supported by solar energy, featuring IoT-based remote control systems and energy storage capabilities, will see greater demand in the market.

In parallel with these developments, it is important for companies in the sector to make the following preparations to achieve carbon-neutral targets, access climate finance resources that will be on the agenda with the COP29 process, and comply with international reporting standards such as CSRD/IFRS:

- Increasing R&D investments and shifting toward efficiency-focused motor and sensor technologies
- Transitioning to recyclable and low-environmental-impact raw materials in the supply chain
- Integrated management of corporate carbon footprint and life cycle analyses with digital systems
- Establishing ESG-focused governance structures, sustainable supplier selection, and traceability
- Training employees and the dealer network on sustainability, the circular economy, and regulatory compliance

Globally, the climate commitments published after COP28, the ISO 14068 Carbon Neutrality Certification Standard, and the proliferation of green financing models—and locally, Türkiye's updating of its 2030 targets under its Nationally Determined Contribution and the expansion of energy efficiency incentives—have now made it imperative for the sector to operate on a sustainability focus.

Uğur Cooling not only adapts to this transformation process but also continues to contribute to the development of the sustainability ecosystem in the sector with its pioneering practices.





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Sustainability Governance and Organization

A sustainability vision that aims to create lasting value

Sustainability management is structured as an integral part of corporate strategy.

Sustainability management at Uğur Cooling is structured as an integral part of the corporate strategy. This structure, created to achieve long-term goals in environmental, social, governance and ethical areas, is integrated into all levels of decision-making processes. The Board of Directors plays an active role in establishing the sustainability vision and goals, and is responsible for evaluating and approving the policies and strategies developed by the Sustainability Committee.

Sustainability reports, which are periodically presented to the Board of Directors, include performance indicators, risk and opportunity analyses and contribute to data-based decision-making processes. In this context, sustainability activities are carried out in a wide range of areas such as carbon footprint management, energy efficiency practices, sustainable product development and supply chain assessment processes.

The Sustainability Committee fulfills responsibilities in the areas of environmental, social, and governance (ESG), including setting strategic direction, monitoring targets, ensuring regulatory compliance, conducting internal audits, promoting ethical principles, and raising sustainability awareness within the organization. The Committee convenes regularly at least four times a year and holds interim meetings when necessary. As part of the 2024 priorities, a Solar Energy System (SES) investment has been planned with the aim of meeting 70% of electricity consumption from renewable sources; Scope 1, 2, and 3 carbon footprint measurements have been expanded and made trackable through a digital platform. In addition, prototype products with a high proportion of recyclable materials and low energy consumption have been developed.



70%

Target for meeting electricity consumption from renewable sources





Sustainability Governance and Organization

Focused teams, effective results

Four working groups have been established to make the committee's work more effective and focused.

In order to make the work of the Committee more effective and focused, the following four working groups were established:

- **Environmental, Social Management and R&D Group:** The Group focuses on carbon footprint calculations, environmental impact assessments, employee health and safety practices and sustainable product design.
- **Customer and Sales Management Group:** The Group carries out initiatives concerning Green product requests, environmental product declarations, and sustainable sales strategies.
- **Business Development Group:** The Group focuses on integrating sustainability opportunities into its business model, participating in the EcoVadis assessment, and ensuring compliance with carbon regulations.

- **Corporate Governance Group:** The Group oversees the updating of sustainability policies, internal audits, ethical compliance processes, and the coordination of sustainability reporting.

Committee decisions are formally communicated to the relevant units and, if required, brought to the Directors' Meeting for approval and implementation. The sustainability team monitors the resulting actions through digital tracking tables and reports on them periodically.





Sustainability Governance and Organization

International standards, strong performance

Sustainability activities are carried out within the Integrated Management System, which is based on ISO 9001, ISO 14001, ISO 45001, and ISO 50001 standards.

Monitoring and evaluation activities are carried out using performance indicators such as carbon footprint (tCO₂e), energy intensity (kWh/product), waste recovery rate, water consumption (m³/product), supplier sustainability score, employee satisfaction index, and annual training hours per employee.

Sustainability coordination between departments is ensured through sustainability representatives assigned to each unit. Through structures such as Strategy Development Meetings, Directors' Coordination Meetings, and Management Review Sessions, the integration of objectives, information flow, and performance monitoring are ensured.

Sustainability activities are carried out within the scope of the Integrated Management System, based on ISO 9001, ISO 14001, ISO 45001, and ISO 50001 standards, and are

supported by internal audit activities. Carbon footprint calculations are conducted in compliance with the ISO 14064 standard, and as of 2024, the company has participated in the EcoVadis assessment process, obtaining its initial rating. Within the scope of CDP and SBTi preparations, data management infrastructure was strengthened and carbon targets were defined.

Thanks to Uğur Cooling's sustainability governance structure, systematic operations, and top management support, it provides a strong foundation for achieving strategic targets for 2025 and beyond. Moreover, in order to adapt to evolving global sustainability expectations, it is essential to reinforce a data-driven management approach, deepen cultural transformation, and maintain a continuous improvement mindset.





Sustainability Approach and Strategy

A sustainability approach that transforms risks into opportunities

Uğur Cooling shapes its business model with an approach that has the potential to turn global risks into opportunities.

Uğur Cooling considers sustainability as a strategic element, approached holistically through environmental, economic, and social responsibilities. The company structures its business model in line with objectives such as efficient use of natural resources, combating climate change, generating social benefits, and creating long-term value. In line with this approach, all business processes adopt measures to reduce environmental impacts, enhance employee well-being, ensure supply chain sustainability, and uphold transparent corporate governance principles.

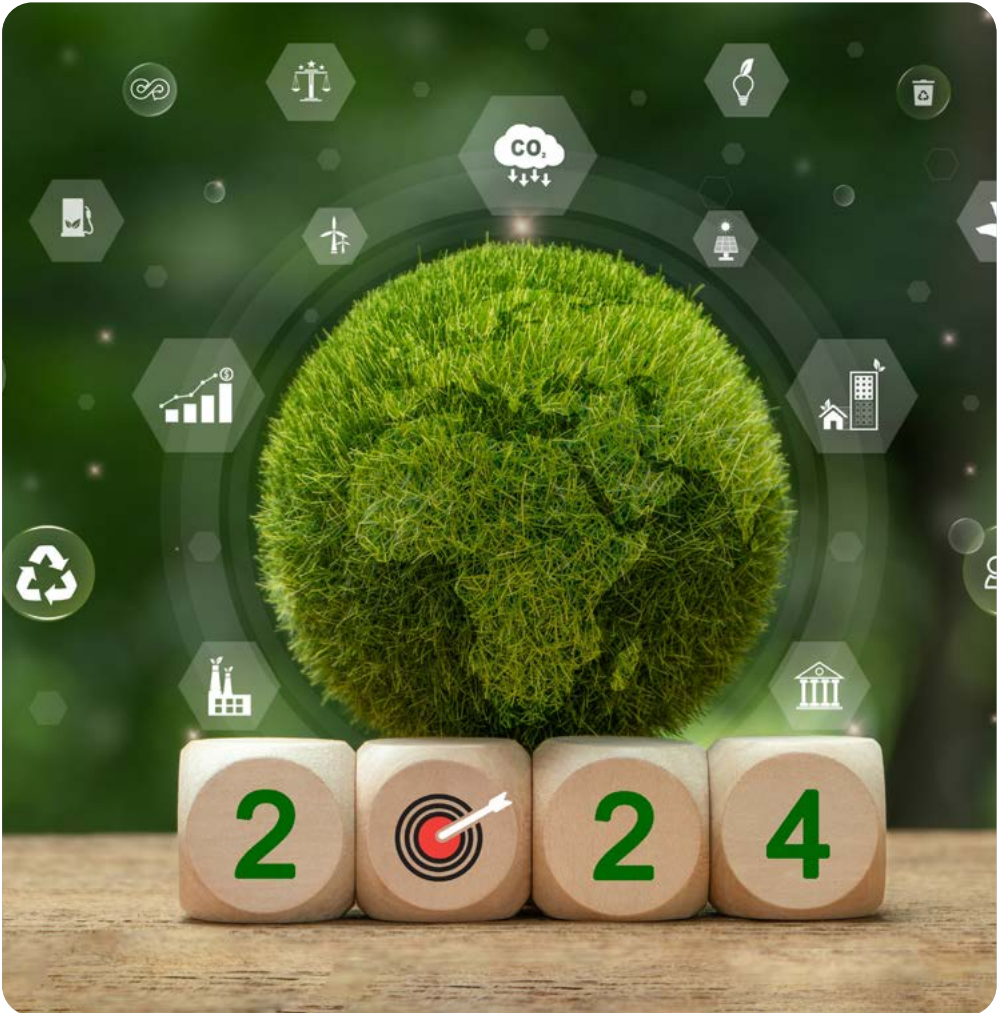
The principles forming the foundation of the company's sustainability strategy are transparency, accountability, stakeholder engagement, environmental awareness, and ethical management. In this context, Uğur Cooling adopts a human rights-respecting, environmentally conscious, fair, and inclusive approach across its value chain, continuously updating its sustainability practices through a culture of continuous improvement and innovation.

The sustainability strategy is directly related to the Company's growth targets. Areas such as energy efficiency, product lifecycle management, carbon emission reduction, employee engagement, and supply chain management are monitored by being integrated into strategic business plans. This integration process is conducted under the guidance of the sustainability committee, with the setting, updating, and monitoring of targets carried out with the contributions of the relevant business units.

Uğur Cooling has structured its sustainability strategy within the framework of short-, medium-, and long-term goals:

Short-Term Goals:

Increasing waste segregation rates, expanding environmental and occupational health trainings, completing data-driven carbon footprint calculations, and scaling up energy efficiency projects.



Medium-Term Goals:

Increasing the capacity of SES (Solar Energy System), sustainable product innovation, the widespread adoption of sustainable supplier criteria, and the implementation of sustainable product labeling practices.

Long-Term Goals:

Setting reduction targets for Scope 1, 2, and 3 emissions in line with Science-Based Targets (SBTi), promoting circular economy practices, and achieving the net-zero emissions vision.



Sustainability Approach and Strategy

Science-based targets, responsible production

These targets are regularly monitored and reported by the sustainability committee and relevant working groups.

Sustainability Actions



SBTi (Science Based Targets Initiative):

With the goal of transitioning to net zero emissions in its business model, Uğur Cooling is working towards adopting the best practices offered by SBTi. In this context, the process of setting short and long term targets for scope 1, 2 and 3 greenhouse gas emissions is ongoing.



CDP (Carbon Disclosure Project):

Accepting the fight against climate change as a corporate responsibility, Uğur Cooling has been participating in transparent reporting processes under CDP since 2020 and strengthening its trust-based relationships with stakeholders.



EcoVadis:

The Company cooperates with EcoVadis to maximize its sustainability performance in the supply chain. In this way, the collaboration not only enhances the responsibility level of its own operations but also that of its business partners.

Uğur Cooling, which can also determine its position in the industry thanks to the EcoVadis platform, is continually improving itself.



UN Global Compact (UNGC):

As a company that embraces the fundamental responsibilities of the business world, Uğur Cooling integrates ten principles based on human rights, labor standards, the environment, and anti-corruption into all its business procedures. The company has become a signatory to the United Nations Global Compact and has completed the approval process.



Operational Priorities and Innovation

Reducing energy consumption, increasing the share of renewable energy, and lowering carbon intensity are among Uğur Cooling's strategic priorities. In this context, the Solar Energy System investment commissioned in 2024 was an important milestone in terms of the Company's energy transformation targets. In the field of waste management, reducing waste, increasing recycling rates, and effectively managing hazardous waste are among the priority areas.

In line with the innovation policy supported by R&D activities, products that save energy and reduce environmental impact are being developed. The use of natural refrigerants, high energy efficiency classes and long-lasting product designs form the basis of a sustainable product portfolio.

Social Responsibility and Ethical Management

Uğur Cooling shapes its social responsibility approach with a focus on employee welfare and contribution to social development. Educational support, local development projects and volunteering activities form the basis of social responsibility activities. Ethical management policies are carried out in line with business ethics rules, corporate codes of conduct and anti-corruption principles.

The company's sustainability strategy is reviewed at least once a year by the sustainability committee and updated with contributions from R&D, environment, human resources, finance, and relevant business units. Targets are revised in line with the approval of senior management, thus the strategy is carried forward in a dynamic structure.



Analysis of Sustainability Risks, Trends, and Opportunities

Proactive management, strong and sustainable future

A proactive approach is adopted in risk management, prioritizing critical risks and ensuring the achievement of strategic objectives.

In 2024, Uğur Cooling further strengthened its risk management system, systematically assessing financial, operational, environmental, social, and governance risks based on ISO 31000 Risk Management Standards. Corporate risk management processes are structured in a way that is integrated with the company's strategic objectives and business processes, designed to contribute to sustainable value creation.

Sustainability Risks and Opportunities

In managing sustainability risks, various data sources obtained from both internal and external environmental analyses are utilized. Within this scope, information obtained from regulatory and legislative changes, stakeholder expectation analyses, supply chain data, energy and water consumption records, waste and emission measurement results, market and technology trends, and the corporate risk inventory are utilized as

key inputs. In addition, industry-specific sustainability guidelines and standards (such as GRI, SASB, ISO 14001), along with international sources like IPCC reports, SBTi guidelines, and CDP questionnaires, are among the external data sources that shape the company's strategic direction. In this context, the company regularly conducts SWOT analyses (strengths, weaknesses, opportunities, and threats) and reassesses its current strategic position in alignment with its sustainability goals.

Risk and opportunity assessment tables are prepared based on data received from relevant departments within the company; through these tables, the likelihood and severity of risks are scored, and improvement proposals are developed. In the risk assessment process, each department is responsible for identifying its own risks and potential opportunities. Risks are prioritized using an 'impact-probability matrix' based on their magnitude (financial, operational, reputational), likelihood of occurrence, and level of controllability, and action plans are developed accordingly. In addition, thresholds are defined for some risks and early warning systems are established.

Within the framework of the corporate risk management system; process-based risks are analyzed using the 5x5 Matrix Diagram, information security risks are assessed with the ISRAM methodology, and occupational health and safety-focused risks are evaluated using the Fine Kinney method. In addition to process-based risks, corporate risks also exist, and Uğur Cooling examines these risks under three main categories:

1. Financial
2. Operational
3. Strategic

The identified risks are addressed through four key response strategies:

- Acceptable
- Transferable
- Controllable
- Avoidable

Risk management processes are supported by root cause analysis, with senior management playing a decisive role in strategy development and decision-making. Risk assessment meetings are held at least once a year, and identified risks are recorded and regularly updated.





Analysis of Sustainability Risks, Trends, and Opportunities

The 5x5 Risk Matrix involves a score-based analysis approach, evaluating risks across the severity (impact) and likelihood (probability) axes. The matrix below serves as a guide for determining the measures to be taken based on the level of risk:

5 * 5 L Risk Matrix			Intensity (Impact)		
Probability	(1) Very Light	(2) Light	(3) Medium	(4) Severe	(5) Very Severe
(1) Very Low	Very low risk 1	Low 2	Low 3	Low 4	Low 5
(2) Low	Low 2	Low 4	Low 6	Medium 8	Medium 10
(3) Medium	Low 3	Low 6	Medium 9	Medium 12	High 20
(4) High	Low 4	Medium 8	Medium 12	High 16	High 20
(5) Very High	Low 5	Medium 10	High 15	High 20	High 25

With this approach:

- Risk analysis is carried out,
- Risks are categorized according to their level of significance,
- Opportunities are identified based on the rated risks,
- Risks are monitored through periodic reporting.

Scenario analyses are used especially in assessing risks associated with climate change. Potential impacts on operations, finances, and the supply chain are analyzed based on short-, medium-, and long-term projections (e.g., 1.5°C and 2°C scenarios);

these analyses serve as a guide in identifying both risks and opportunities. In future periods, it is aimed to base these scenarios on more quantitative models.

Monitoring of sustainability risks is conducted in an integrated manner within the corporate risk management framework; periodic reporting is carried out based on identified Key Risk Indicators (KRIs) and Sustainability Performance Indicators (KPIs). Developments are shared with the sustainability committee and relevant units; risks are re-evaluated through audit, internal control and management review meetings.

Sustainability Trends

Uğur Cooling does not limit its risk management approach to merely managing existing risks; it adopts an agile and forward-looking strategy aimed at transforming these risks into strategic opportunities. While climate change emerges as a significant issue profoundly affecting the manufacturing sector, the company is developing innovation-driven and science-based decision-making processes in this area.

Environmental factors such as climate change-related weather events, energy consumption, water management, and waste processes are addressed as priorities; within this framework,

the sustainable production models developed are structured to align with Türkiye's 2053 Net Zero target. Investments are made in renewable energy sources to reduce carbon emissions, and carbon footprint is lowered through energy efficiency projects. Circular economy practices enable the reuse of waste, create cost advantages, and minimize environmental impact.

The increase in external risks within the supply chain necessitates the development of new solutions, particularly in areas such as raw material procurement. In this context, investments in digitalization have been made, operational efficiency has been increased, and flexibility has been ensured in supply processes.

Reducing dependence on non-renewable energy sources such as oil and natural gas is important both for cost management and for the sustainable use of resources. Transitioning to renewable energy contributes to keeping energy costs under control and reducing climate change-related risks.

In addition, social sustainability topics such as natural disasters, social compliance, employee satisfaction, and occupational health and safety are also among the priority risk categories; awareness trainings are conducted in these areas, and safety protocols are strictly enforced. Technologies aimed at optimizing water consumption and water recovery systems are being explored, taking significant steps toward the conservation of natural resources.



Analysis of Sustainability Risks, Trends, and Opportunities

Managing Sustainability Risks

CATEGORY	PHYSICAL RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Environmental	Climate Change and Weather Events	Rising temperatures, extreme rainfall, droughts, hurricanes, and floods associated with climate change can pose physical risks to organizations. For example, facilities may face the risk of exposure to flooding or fires.	Uğur Cooling strengthens the resilience of its facilities against physical risks arising from climate change by implementing structural reinforcements and infrastructure measures to address incidents such as flooding and fires. Additionally, the Company minimizes risks through emergency planning, drills, employee training, supply chain assessments, and energy and water management strategies.
	Environmental Pollution and Chemical Risks	Industrial waste, chemical spills, and environmental pollution can impact the quality of water, air, and soil, causing harm to ecosystems and human health.	Uğur Cooling strengthens its waste management processes, minimizes chemical usage, and implements preventive measures against pollution through regular monitoring programs. Employees are educated on these matters through on-site training to raise awareness.
	Water Resource Management	The sustainable management of water resources and challenges in access can impact organizations and communities.	Projects are being developed for recycling and reuse systems to ensure efficient water use, and new targets are being set with innovative solutions to reduce the water footprint. The organization is being educated on water usage through informative visuals and hands-on presentations.
	Contamination of Groundwater	Industrial waste, agricultural chemicals, and other sources of pollution can lead to groundwater contamination, jeopardizing drinking water supplies and ecosystems.	Sources of pollution are regularly monitored, groundwater protection measures are implemented, and projects are developed for infrastructure investments to prevent leaks.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	PHYSICAL RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Environmental	Natural Disasters	Natural disasters such as earthquakes, tsunamis, and volcanic eruptions can cause significant physical damage to an organization's facilities and operations.	The company takes measures to enhance the resilience of its facilities, develops comprehensive emergency plans for natural disasters, and ensures financial security through insurance policies.
	Soil Pollution	Soil pollution caused by industrial waste, chemical usage, and other factors can impact agricultural lands and pose a risk to food security.	Soil pollution is prevented by tightening waste and chemical management processes, and environmental impact assessments are conducted periodically.
	Air Quality Issues – Air Pollution	Activities such as factories, energy production, and transportation can impact the quality of the air in the atmosphere. Air pollution poses risks for organizations in terms of public health and air quality regulations.	Emission reduction technologies are closely monitored, renewable energy sources are being adopted for energy consumption, and projects aimed at improving air quality are being developed.
	Fire Risks	Forest fires, industrial facility fires, and other fire incidents can result in the loss of physical assets, damage to ecosystems, and air pollution.	Physical resilience is being enhanced for fire-resistant facilities, and employees are regularly provided with emergency training. These efforts are reinforced through drills that offer practical, hands-on experience.
	Fire and Forest Fires	Forest fires and industrial fires, particularly in dry and hot climate regions, can cause environmental impacts and property losses.	Physical resilience is being enhanced for fire-resistant facilities, and employees are regularly provided with emergency training. These efforts are reinforced through drills that offer practical, hands-on experience.
	Air Pollution and Health Risks	Industrial emissions, traffic-related pollution, and other air pollution factors can degrade air quality and harm human health.	Uğur Cooling is increasing its investments in renewable energy and reducing its carbon footprint through energy-saving measures.
	Recycling and Waste Management Challenges	Insufficient waste management processes, recycling challenges, and ineffective handling of waste can amplify environmental impacts.	Uğur Cooling is increasing recycling rates and adopting a zero-waste approach to minimize environmental impacts. Regular training sessions and practical activities on on-site waste segregation and the zero-waste principle are conducted.
	Power Outages	Dependence on energy sources and power outages can pose physical risks to business continuity and operational reliability.	Uğur Cooling is focusing on diversified energy sources and aims to mitigate the risks of power outages through investments in renewable energy.
	Carbon Footprint and Carbon Market Risks	Regulations stemming from carbon emissions, as well as elements such as carbon trading and carbon pricing, can impact organizations' carbon footprint management and financial status.	The company is developing innovative solutions to reduce its carbon footprint and aims to participate in projects aligned with carbon trading and regulations. Additionally, efforts have been initiated to calculate the product-based carbon footprint alongside the corporate carbon footprint.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	PHYSICAL RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Social	Social and Societal Risks	In connection with sustainability, factors such as the expectations and demands of communities and employees, social media interactions, and public pressures can impact organizations.	Uğur Cooling establishes regular feedback mechanisms to understand stakeholder expectations and adopts a proactive approach through transparent communication strategies and effective social media management.
	Climate Related Health Risks	Factors associated with climate change, such as rising temperatures, air pollution, and water scarcity, can affect employee health as well as public health.	Work environments are being improved, health and safety measures are implemented, and investments are made in projects that aim to reduce environmental impacts.
	Pandemics	The rapid spread of infectious diseases strains healthcare systems and can lead to a widespread public health crisis.	Crisis management plans are being developed to address pandemics, hygiene standards are being enhanced, and employees are provided with access to healthcare services.
	Water and Food Security-Related Health Issues	Contaminated water sources and food can trigger health issues related to water and food security.	Water sources are regularly monitored, sustainability policies are supported, and pollution prevention strategies are implemented.
	The Rise of Chronic Diseases	Climate change, air pollution, and shifting lifestyles can lead to an increase in chronic diseases, placing additional strain on healthcare systems.	Health programs are being developed to support employee well-being, and policies and projects aimed at reducing air pollution are being implemented within the company.
	Conflict and Security-Related Risks	Regional conflicts, terrorist attacks, and other security-related incidents can pose physical security risks in the areas where organizations operate.	Operations in risk-prone areas are analyzed, security measures are strengthened, and employee safety is ensured.
	Biosecurity Threats	Pandemics, zoonotic transmissions, and biosecurity-related threats can impact public health and the operations of organizations.	Early prevention systems are being developed to address pandemics, and security protocols for employees and the supply chain are being reinforced.
	Accessibility Issues	Issues of accessibility to facilities or resources can impact the operations and sustainability goals of organizations.	Alternative supply and logistics plans are being developed to enhance operational flexibility.
	Industrial Accidents	Chemical spills, explosions, and other industrial accidents can lead to environmental pollution, harm to human health, and property loss.	Safety standards are being tightened within the company to reduce the risk of accidents, with regular inspections and employee training sessions being conducted.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	PHYSICAL RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Economic	Political Instability and Trade Barriers	Political conflicts, trade barriers between countries, and customs duties can hinder the flow of supply chains.	Uğur Cooling identifies alternative suppliers and logistics routes, develops expertise in international trade, and establishes effective contracts.
	Local and Global Market Fluctuations	Price fluctuations can impact supply chain costs and pose challenges for businesses that are dependent on specific markets.	The company establishes diversified supplier networks and implements strategies related to cost analysis.
	High Energy Costs and Resource Constraints	Fluctuations in energy costs, resource limitations, and the reliability of energy supply can impact the operational costs of organizations.	Investments are being made to enhance energy efficiency, renewable energy sources are being adopted, and energy consumption is being optimized.
	Air Travel and Transportation Safety	Accidents in air transportation can cause disruptions in logistics chains and pose physical security risks.	Insurance and alternative transportation solutions are utilized to mitigate transportation risks.
	Global Supply Chain Risks	The complexity of global supply chains can increase exposure to risks arising from factors such as natural disasters, political instability, or pandemics.	Supply chain processes are being digitalized, risk monitoring systems are being implemented, and collaborations with local suppliers are being increased.
	Weaknesses in Supplier Relationships	Financial issues, management changes, or ethical problems on the supplier side can negatively affect the supply of goods or services.	Uğur Cooling regularly evaluates supplier performance, establishes long-term partnerships, and identifies backup suppliers.
	Logistics and Transportation Issues	Customs issues, transportation disruptions, strikes, or problems in transportation infrastructure can reduce the efficiency of the supply chain.	Multiple transportation modes and prioritized customs procedures are utilized to ensure flexibility in logistics processes.
	Transportation Infrastructure Issues	Issues in transportation infrastructure can hinder the timely delivery of goods and services within the supply chain.	Alternative storage and delivery solutions are being developed by collaborating with local logistics networks.
	Technological Issues and Data Security	IT system issues, cyberattacks, or data security breaches can threaten the efficiency and security of the supply chain.	Cybersecurity infrastructure is being strengthened, regular data backups are performed, and supply chain software is kept up to date.
	Sustainable Transportation and Mobility Challenges	Vehicles that cause high carbon emissions, traffic congestion, and deficiencies in transportation infrastructure can complicate the implementation of sustainable transportation strategies.	Investments are being made in low-emission vehicles, while route optimization and sustainable transportation options are being utilized.
	Facility and Infrastructure Damages	Facility and infrastructure damages caused by natural disasters, accidents, and conflicts can impact the operations of organizations.	Disaster plans are being developed, infrastructure investments are being made, and insurance coverage is being expanded.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	TRANSITION RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Environmental	Sustainability Reporting Risks	Failure to accurately report sustainability performance, lack of transparency, or the provision of incorrect information can put organizations at risk regarding transparency and reliability, potentially leading to legal issues.	Uğur Cooling is developing data collection and reporting processes in compliance with international standards to report its sustainability performance accurately and transparently.
	Change in Sustainability Reporting Standards	Changes or updates to international sustainability reporting standards may make it challenging for organizations to maintain compliance in their reporting practices.	Changes in reporting standards are being closely monitored, expert teams and consultants are engaged to accelerate compliance processes, and teams are being strengthened in this regard.
	Risk of Carbon Emission Measurement Limitation	The obligation to measure carbon emissions may lead countries and regions to establish carbon limits and emission reduction targets that apply to specific industries, companies, or sectors. This can pose financial and legal risks for companies that fail to make efforts to comply with the relevant regulations. The Carbon Border Adjustment Mechanism (CBAM) regulation will come into effect on October 1, 2023, limited to reporting obligations.	To ensure compliance with legal regulations, carbon emissions are regularly measured, reported, and reduction targets are set.
	Trade Tensions and Deterioration in Relations	CBAM implementations may lead to trade tensions between importing and exporting countries. The imposition of carbon regulations on one country's products by another can negatively impact trade relations and result in diplomatic tensions.	International collaborations are being strengthened, and a transparent communication policy is being adopted regarding carbon regulations.
	Industrial Adaptation Challenges	CBAM may impose carbon limitations on industries competing with a country's strict carbon regulations. This can lead to increased costs as industries are required to invest in compliance measures and adapt their business processes.	Operational processes are being optimized, and investments are being made to enhance energy efficiency to comply with CBAM. Even for those not currently within its scope, preparation efforts are ongoing.
	Fair Competition Issues	CBAM may aim to establish fair competition by ensuring that imported goods, accounting for their production-related carbon emissions, compete on equal terms with domestically produced products in the local market. However, this may result in imported goods becoming more expensive, potentially influencing consumer preferences.	The company is restructuring its supply chain based on sustainability principles to balance cost efficiency and carbon efficiency in line with customer demands.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	TRANSITION RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Environmental	Sustainability Concerns in International Relations	CBAM implementations may raise concerns among countries regarding compliance with sustainability goals. If not perceived as part of a broader global sustainability strategy, this could lead to challenges in international relations.	CBAM is being addressed as part of a broader sustainability strategy, with collaborations being established and projects shaped accordingly.
	Global Carbon Footprint Relocation Risk	In some cases, CBAM (Carbon Border Adjustment Mechanism) implementations may not only impact the production of imported goods but also shift production processes to other countries. This could reduce carbon emissions within one country's borders while causing the same level of emissions in another country, thereby increasing the risk of global carbon footprint relocation.	Uğur Cooling prioritizes not merely the relocation of carbon emissions but their overall reduction, ensuring its production processes align with global sustainability principles.
Social	Brand and Image Challenges	Failure to fulfill sustainability commitments or engaging in greenwashing practices can lead to brand damage and loss of reputation.	Uğur Cooling supports its sustainability commitments with tangible projects and publishes regular reports in line with the principle of transparency.
	Social Media and Online Reputation Issues	Negative news or feedback related to sustainability can spread rapidly on social media, leading to reputation issues.	Reputation management strategies are being developed, and timely and accurate information is being shared across social media channels.
	Employee Dissatisfaction and Talent Loss	The lack of sustainability commitments and practices can lead to employee dissatisfaction and increased turnover. Additionally, it may create challenges in attracting new talents who are sensitive to sustainability issues.	Employees are being involved in sustainability initiatives, and inspiring work environments are being created for them.
	Human Resources and Talent Shortages	It can be challenging to find personnel with expertise and skills in sustainability and to ensure sufficient human resources to implement sustainability strategies.	To enhance sustainability expertise, employees are encouraged to participate in training programs, and collaborations are being established with talents within the industry.
	Low Employee Engagement	Low employee engagement in sustainability goals can make it more challenging to achieve these objectives.	To increase employee engagement, sustainability goals are clearly communicated, and shared achievements are celebrated.
	Social and Cultural Resistance	The transition to new sustainability practices may encounter resistance from traditional mindsets within the organization. Employees, customers, or local communities may oppose sustainability-related changes, making adaptation more challenging.	Training, awareness, and collaboration programs are being implemented to promote the adoption of sustainability-related changes.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	TRANSITION RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Social	Employee Training and Adaptation Challenges	Challenges may be encountered in training employees or implementing programs to ensure quick adaptation to sustainability-related changes.	The company organizes comprehensive training programs and provides practical guides to ensure quick adaptation to new practices.
	Lack of Sustainability Risk Management Training	A lack of adequate training and awareness regarding sustainability risk management within the organization can lead to challenges in ensuring effective risk management.	Regular training programs and awareness initiatives on sustainability have been initiated for employees. Field and office staff are actively involved in the process of risk assessment activities.
	Changing Consumer Preferences	Sudden shifts in consumer demand for sustainable products and services can create challenges for organizations in adapting to these changes.	Market research is being conducted more frequently, customer feedback is being analyzed, and flexible production processes are being developed.
	Consumer Uncertainty	Consumer interest in sustainable products and services may change over time. This can make organizations hesitant to meet the demands.	Uğur Cooling is diversifying its range of sustainable products and offering innovative solutions that can quickly adapt to changing customer expectations.
Economic	Operational Challenges	The integration of new sustainable practices and their adaptation to operations may require changes to the organization's existing processes and infrastructure.	The company is developing transition plans for integration into existing processes, launching pilot projects, and involving employees in the process by valuing their ideas.
	Increased Competitive Pressure	The implementation of similar sustainability strategies by competitors can increase competitive pressure and pose the risk of organizations losing their competitive advantage.	Competitor analysis is being conducted, innovative sustainable solutions are being developed, and efforts are focused on enhancing brand value.
	Political and Economic Uncertainties in International Markets	When organizations decide to expand their sustainability strategies into international markets, they may face challenges in navigating political and economic uncertainties in different countries.	Drawing on the knowledge and experience of its overseas sales team, which has years of expertise in international markets, political risks are carefully considered, and strategies for diversification across various markets are being implemented.
	Efficiency and Business Continuity Risks	Changes in production processes and the adoption of sustainable practices can impact business continuity and efficiency. Operational challenges during the transition period may also affect profitability.	Change processes are being planned incrementally, efficiency-boosting measures are being implemented, and operational disruptions during the transition are being minimized.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	TRANSITION RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Economic	Cost Increases	The transition process often involves adopting new technologies, sustainable materials, or production methods. These changes can initially lead to increased investments and higher costs.	Uğur Cooling leverages financial incentives, conducts long-term cost-benefit analyses, and develops investment plans for sustainable technologies.
	Financial Market Volatility	Fluctuations in financial markets and economic uncertainties can impact the financing and investments directed toward sustainability projects.	The company is developing flexible financial strategies to counter economic fluctuations affecting sustainability projects.
	Lack of Investment and Innovation	A lack of sufficient funding and innovation can hinder the sustainability transition cause organizations to fall behind in the industry.	R&D efforts are being prioritized, partnerships and grants are being utilized, and a culture of innovation is being encouraged.
	Failure to Respond to Demands for Sustainable Products and Services	Failing to provide sustainable products and services that meet market demands can impact customer satisfaction.	Customer needs are continuously monitored, flexibility is ensured in product development processes, and customer-focused approaches are adopted.
	Cybersecurity Threats	The digitalization of sustainability strategies can increase cybersecurity risks, including threats such as data breaches, information leaks, or cyberattacks.	Digital infrastructure is being strengthened, regular security tests are being conducted, and data protection policies are being implemented.
	Product and Service Quality Issues	Sustainability-focused changes may impact product and service quality, potentially leading to decreased customer satisfaction.	Quality control processes are being improved, customer feedbacks are being analyzed, and continuous monitoring is conducted to maintain quality standards.
	Investor and Shareholder Pressure and Expectations	The expectations of investors or shareholders regarding sustainability can place organizations under pressure and compel them to act quickly. Investors and shareholders may prioritize sustainability commitments and performance. There is a risk of either opposing these expectations or failing to meet them.	Communication channels are being established to understand investor expectations, sustainability reporting is being strengthened, and transparency policies are being implemented.
	Supply Chain Dependency and Resilience	A weak link in the supply chain or resistance to changes can negatively impact the sustainability transition.	Suppliers' sustainability compliance is being evaluated, alternative suppliers are being identified, and collaboration processes are being enhanced.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	TRANSITION RISKS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE RISK?
Economic	Stakeholder Expectations	Different stakeholder groups (investors, customers, employees, society) may have varying expectations and demands. Balancing and meeting these expectations can be risky.	The Company maintains regular communication with stakeholders and develops comprehensive sustainability strategies that balance their expectations.
	Digital Transformation Challenges	The integration of digital technologies aligned with sustainability can complicate the digital transformation process for organizations.	Uğur Cooling manages the digitalization process gradually, works with expert teams, and updates the necessary infrastructure.
	High-Cost Sustainable Technology	The high cost of transitioning to sustainable technologies can lead to financial difficulties for organizations.	The company allocates a budget for sustainability investments and conducts long-term planning.
	Technological Infrastructure Issues	Insufficient or outdated technological infrastructure can hinder the effective management of sustainability projects.	The company is increasing technology investments, upgrading its infrastructure, and establishing technology partnerships.
	Technological Failures and Disruptions	Failures or disruptions in systems based on sustainable technologies can impact the operations of organizations.	Emergency plans are being developed, backup systems are being established, and regular maintenance activities are being carried out.
	Supply Chain Security	Finding suppliers aligned with sustainability and securing the supply chain can be challenging.	The Company is expanding its supplier network and strengthening its infrastructure to prioritize sustainability criteria in supplier selection.
	Innovation and R&D Challenges	Developing products or services aligned with sustainability may require greater effort in innovation and research and development (R&D). Challenges in these processes can impact competitive advantage.	Uğur Cooling promotes R&D, accelerates innovative product development processes, and enhances its competitive advantage.
	Breakdowns in Supply Chain Relationships	Dependence on suppliers that do not align with sustainability requirements can expose organizations to supply chain issues.	The company prioritizes working with sustainable suppliers, establishes long-term contracts, and reduces dependency.



Analysis of Sustainability Risks, Trends, and Opportunities

Sustainability Trends Management

CATEGORY	TRENDS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE TREND?
Environmental	Green Energy and Carbon Footprint Reduction	Companies are adopting various strategies to increase the use of renewable energy and reduce their carbon footprint. They tend to invest in green energy projects and promote the use of sustainable energy.	Uğur Cooling adopts a carbon footprint reduction strategy through its investments in green energy projects. The company is turning to renewable energy sources, such as solar energy, to promote the use of sustainable energy.
	Circular Economy and Waste Reduction	Circular economy principles are increasingly being adopted to use resources more efficiently and reduce waste. Strategies focusing on recycling, reusing, and waste reduction are becoming more widespread.	Uğur Cooling adopts waste management and recycling strategies, utilizing resources efficiently and developing solutions to reduce waste in line with circular economy principles.
	Innovation and Green Technologies	Investments in green technologies and sustainable innovations are increasing. Innovative solutions may focus on improving business processes as well as reducing environmental impacts.	Uğur Cooling invests in sustainable innovations to improve business processes and develop innovative solutions to reduce environmental impacts.
	Carbon Footprint	Companies are evaluating carbon impacts from a broader perspective by considering not only their operational carbon footprint but also the carbon emissions generated throughout the supply chain and during the use of their products.	The company evaluates carbon impacts from a broad perspective by considering not only its operational carbon footprint but also the carbon emissions generated throughout the supply chain and during the use of its products, while developing projects in this area.
	Energy Storage and Renewable Resources	Advancements in energy storage technologies and the increase in renewable energy sources make energy consumption more sustainable.	In parallel with the increase in renewable energy sources, Uğur Cooling plans to invest in energy storage technologies to enhance sustainable energy use in the coming years.
	Plastic Alternatives and Packaging Innovations	The packaging industry is focusing on innovations to reduce single-use plastic consumption and develop eco-friendly packaging alternatives.	The company is reducing single-use plastic consumption by focusing on eco-friendly packaging alternatives and contributing to innovations in the packaging industry.
	Energy Storage Technologies	Energy storage systems contribute to the sustainable energy transition by balancing energy supply and storing energy generated from renewable sources.	The Company utilizes energy storage systems to make sustainable energy use more efficient and contribute to the transition to renewable energy.
	"Net Zero Carbon" Company Goals	Companies, industries, and countries are focusing on reducing their carbon footprints by setting net-zero carbon goals. Efforts to lower carbon emissions are a significant trend aimed at enhancing sustainability.	Uğur Cooling aims to reduce carbon emissions and enhance sustainability in line with its net-zero carbon goals.



Analysis of Sustainability Risks, Trends, and Opportunities

CATEGORY	TRENDS	DEFINITION	HOW DOES UĞUR COOLING MANAGE THE TREND?
Environmental	The Proliferation of Electric Transportation	Electric vehicles and public transportation provide a cleaner transportation alternative compared to fossil fuel-powered vehicles. This supports the transition to a sustainable transportation system by reducing energy consumption and carbon emissions.	By increasing the shift from fossil fuel-powered vehicles to electric vehicles, the Company supports the proliferation of cleaner and more sustainable transportation systems.
	Energy Training and Awareness	Raising public awareness about energy efficiency, promoting energy-saving habits, and providing education on sustainable energy use are among the key sustainability trends in the energy sector.	The Company organizes training programs to raise awareness about energy efficiency and sustainable energy use in society and encourages energy-saving habits.
	Waste Classification and Segregation	The proper classification and segregation of waste help make recycling processes more efficient. This trend involves fostering a culture of waste segregation within society.	Uğur Cooling implements effective waste management strategies to ensure proper waste classification and improve recycling processes.
	Waste Tracking and Monitoring	Businesses can track and analyze waste generated from production processes to develop strategies for reducing waste. Monitoring and reporting can help improve waste management processes.	The Company is developing waste reduction strategies by tracking and analyzing waste generated from production processes.
	Waste Electrical and Electronic Equipment (WEEE) Management	Rapidly advancing technological developments can make the management of waste electrical and electronic equipment challenging. Proper recycling of electronic waste and the extraction of its components support sustainability efforts in this field.	The Company implements proper management systems to ensure the recycling of electronic waste and the extraction of its components.
	Circular Economy and Waste Reduction	Circular economy models promote efforts to minimize waste and recycle materials.	The Company implements circular economy models to significantly minimize waste and recycle materials, supporting sustainability efforts in this area.
Social	Employee Health and Well-Being	Companies implement programs and policies that support employees' physical and mental health, focusing on ensuring a proper work-life balance. Healthy working conditions, ergonomic office arrangements, and mental health supports are integral aspects of this trend.	Uğur Cooling implements programs and policies that support the physical and mental health of its employees, ensuring healthy working conditions and maintaining a work-life balance.
	Training and Awareness Raising	Training programs and campaigns are becoming increasingly important for raising awareness on sustainability issues. Companies are intensifying their efforts to educate both employees and consumers about sustainability.	The Company organizes training programs to raise awareness about sustainability, conducts initiatives to build employee consciousness, and increasingly incorporates these topics into its projects.
Economic	Impact Investments	Companies and investors aim to achieve social and environmental benefits alongside financial returns by investing in projects focused on social and environmental impact.	The company invests in projects focused on social and environmental impact, aiming to achieve social and environmental benefits in addition to financial returns.
	Green Employment and Skill Development	The increasing demand in the green economy supports the development of green jobs and skills in environmentally friendly sectors. Green employment is a hallmark of sustainable economic growth.	Uğur Cooling contributes to the growth of the green economy by supporting the increase of green jobs and skills in environmentally friendly sectors, with its projects gaining momentum each day.



Analysis of Sustainability Risks, Trends, and Opportunities

Managing Sustainability Opportunities

TOPIC	DESCRIPTION	OPPORTUNITY	HOW DOES UĞUR COOLING MANAGE THE OPPORTUNITY?
Renewable Energy Usage	Meeting the company's energy needs through renewable energy sources such as solar, wind, and hydroelectric power.	Low carbon footprint, energy cost savings, environmental sustainability reputation.	Uğur Cooling enhances energy efficiency by increasing the use of renewable energy sources. In 2024, the company plans to install solar energy systems to reduce dependence on fossil fuels in production processes and is implementing projects aimed at minimizing its carbon footprint through environmentally friendly energy use.
Social Innovation and Societal Impact	Social responsibility projects and efforts to create societal impact.	Strengthening brand reputation, building connections with communities, and fostering customer loyalty.	The Company invests in social responsibility projects to build strong ties with local communities. By involving its employees and customers in these projects, Uğur Cooling enhances the social impact of its brand and fosters trust among communities.
Digitalization and Advanced Technology Utilization	Digitalization and the use of advanced technology in business processes.	Energy and resource savings, increased efficiency in business processes, competitive advantage.	By digitalizing its processes with high-tech systems, it uses resources more efficiently, enhances efficiency to reduce costs, and gains a competitive advantage in the market.
Sustainable Supply Chain Management	Aligning supply chain processes with sustainable and ethical standards.	Risk reduction, supply chain transparency, strengthening supplier relationships.	The Company develops sustainable and ethical supply chains by working closely with suppliers. By ensuring transparency, it reduces risks and strengthens supplier relationships.
Social Equity and Community Engagement	Diversity and equity-focused projects and policies.	Employee satisfaction, social reputation, expanding the customer base.	The Company provides equal opportunities through diversity-supporting policies and projects. By enhancing employee satisfaction, Uğur Cooling boosts productivity and loyalty.
Sustainable Finance Management	Managing financial strategies in accordance with sustainability principles.	Long-term profitability, financial transparency, risk management.	The Company shapes its financial strategies based on sustainability principles; prioritizes financial transparency and risk management while ensuring its long-term profitability.
Digitalization and Application Development	Digitalization and application development in business processes.	Increased efficiency in business processes, improved customer experience, innovation.	By developing digital solutions and innovative applications, Uğur Cooling enhances efficiency in business processes, improves the customer experience, and strengthens its competitive edge.
Water Efficiency and Management	Strategies for monitoring and reducing water consumption.	Protecting water resources, operational efficiency, sustainable water management.	The Company protects water resources and ensures efficiency in operational processes by implementing water efficiency strategies.
Carbon-Free Transportation Solutions	Carbon-free transportation vehicles and strategies.	Reducing carbon emissions, energy efficiency, sustainable transportation.	The Company achieves energy efficiency and reduces carbon emissions by investing in carbon-free transportation solutions.
Training and Awareness Programs	Training programs on sustainability for employees, suppliers, and customers.	Raising sustainability awareness, enabling participants to understand their environmental responsibilities.	The Company organizes sustainability-focused training sessions for employees and suppliers to raise environmental responsibility awareness. Additionally, Uğur Cooling conducts awareness campaigns with customers and communities to promote societal awareness of sustainability.



Analysis of Sustainability Risks, Trends, and Opportunities

TOPIC	DESCRIPTION	OPPORTUNITY	HOW DOES UĞUR COOLING MANAGE THE OPPORTUNITY?
Cybersecurity and Data Privacy	Sustainable practices in digital security and data privacy.	Reliability and transparency, enhancing customer trust, addressing cyber risks.	By implementing robust cybersecurity measures to protect data, the Company ensures the privacy of customer information and enhances customer trust through transparent data management and reporting practices.
Climate Change Training Programs	Training programs on climate change for employees and communities.	Adopting strategies to address climate change, raising community awareness.	The Company organizes training programs on combating climate change for employees and communities, enabling them to understand their environmental responsibilities and developing strategies to address climate change.
Energy Storage and Renewable Energy Projects	Investing in energy storage technologies.	Energy efficiency, reducing carbon footprint, energy security.	By investing in renewable energy projects, Uğur Cooling enhances energy efficiency and reduces its carbon footprint. Through energy storage technologies, the Company ensures energy security.
Digital Monitoring and Reporting Tools	Managing business processes with digital monitoring and reporting tools.	Regularly reporting environmental and social performance, ensuring transparency and accountability.	By monitoring business processes with digital tools, the Company regularly reports its environmental and social performance, ensuring transparency and enhancing accountability.
Social Justice and Equality Projects	Supporting equitable working conditions that respect human rights.	Employee satisfaction, diversity and inclusion, the company's social responsibility profile.	The company ensures working conditions that respect human rights. The company embraces the principle of diversity and inclusion among its employees, thereby strengthening its social responsibility profile.
Sustainable Mobile Applications and Technologies	Implementing sustainability concepts through mobile applications and other technological solutions.	Enhancing customer engagement, facilitating access to sustainable products and services, and achieving technology leadership.	The Company aims to create mobile platforms that develop eco-friendly applications and promote sustainable products, empowering customers to make responsible choices.
Social Innovation and Social Entrepreneurship	Finding solutions to social issues through innovative approaches and entrepreneurship.	Positive social impact, brand reputation, customer loyalty, new market opportunities.	The Company aims to enhance social benefit and create new market opportunities by investing in social entrepreneurship and innovation projects.
Recyclable Packaging Design	Involves designing product packaging to be recyclable, low-waste, and environmentally friendly.	Biodegradable packaging, packaging made from recycled materials, packaging waste reduction strategies.	The Company develops environmentally friendly designs by using recyclable and biodegradable packaging and strives to minimize packaging waste.
Digital Transformation in Education	Involves the use of technology in educational processes, encompassing elements such as online education, digital resources, and interactive learning tools.	Distance education platforms, digital learning materials, energy-efficient school infrastructure.	As part of its digital transformation, the Company provides its employees with eco-friendly digital educational materials and fosters sustainability awareness in educational processes.
Sustainable Consumption Habits	Involves individuals and societies adopting consumption habits that cause less harm to the environment.	Conscious consumer campaigns, sustainable product designs, sharing economy practices.	It organizes conscious consumer campaigns and offers eco-friendly designs to encourage consumers to choose sustainable products.



Stakeholder Map and Stakeholder Relations

Stakeholder Groups

Internal Stakeholders

Employees
Governance

External Stakeholders

Commercial Stakeholders:

Customers, suppliers, dealers,
distributors, business partners

Institutional and Legal Stakeholders:

Our main shareholders, group
companies, regulatory authorities,
auditing organizations, industry
associations

Social Stakeholders:

Local
communities, universities, civil society
organizations (CSOs), media, public
institutions

Environmental Stakeholders: Energy
providers, waste management
companies, environmental consulting
firms and sustainability platforms

Our Stakeholders	Communication Channels	Communication Frequency
Governance	Strategy meetings, email, board presentations	Monthly / As Needed
Employees	Notice boards, e-bulletin, suggestion system, internal communication meetings, HR interviews	Continuous / Quarterly / Annual evaluation
Customers	After sales support, surveys, CRM system, website, social media, customer visits	Continuous / Annual satisfaction survey
Suppliers	Supplier evaluation forms, e-mail, supplier portal, meetings, supplier audits	Periodic / Annual / Project based
Competitors	Fairs, sector meetings, publications, sectoral reports	When necessary / At sectoral events
Distributors and Services	Trainings, technical support, dealer meetings, digital platforms, services meeting	Periodic / Annual meetings
Public Institutions	Official correspondence, license/permit processes, visits	As Needed
Regulatory and Supervisory Organizations	Reporting, environmental declarations, audits, platform participation	Annual / Periodic
CSOs, Memberships and Associations	Joint projects, meetings, sponsorships, panels	Periodic / Project based
Students and Interns	University collaborations, career days, internship program, mentoring	Annual / Summer semester
Media	Press releases, media relations, social media content	Periodic / Important developments
Society	Social responsibility projects, local events, volunteering activities	Annual / Project based



Stakeholder Map and Stakeholder Relations

Stakeholder Map and Stakeholder Relations

In its stakeholder identification process, Uğur Cooling is guided by the following criteria:

- Groups that directly affect its operations and strategies,
- Groups directly impacted by or influencing the company's social, economic, and environmental impacts,
- Stakeholders with whom sustainability goals can be achieved through mutual cooperation,
- Stakeholder groups with long-term business relationships and collaboration potential.

In the selection of stakeholders, factors such as their level of impact, ability to influence, and relationship with the company are taken into consideration. Uğur Cooling, which adopts the principle of acting in harmony with all its stakeholders in business processes, has established a two-way and participatory communication structure. The Company encourages the effective participation of its stakeholders in decision-making and implementation processes by developing open communication channels.

Throughout 2024, Uğur Cooling maintained strong and transparent communication with various stakeholder groups. Internal communication platforms with employees, regular briefing meetings, satisfaction surveys, and feedback sessions are key components of this process. Information-sharing and evaluation processes with suppliers have been conducted in line with ethical procurement principles. Continuous contact was maintained with customers through satisfaction surveys, technical support and after-sales services. Collaborations have been established with non-governmental organizations and public institutions in sustainability-focused projects, social responsibility activities, and reporting

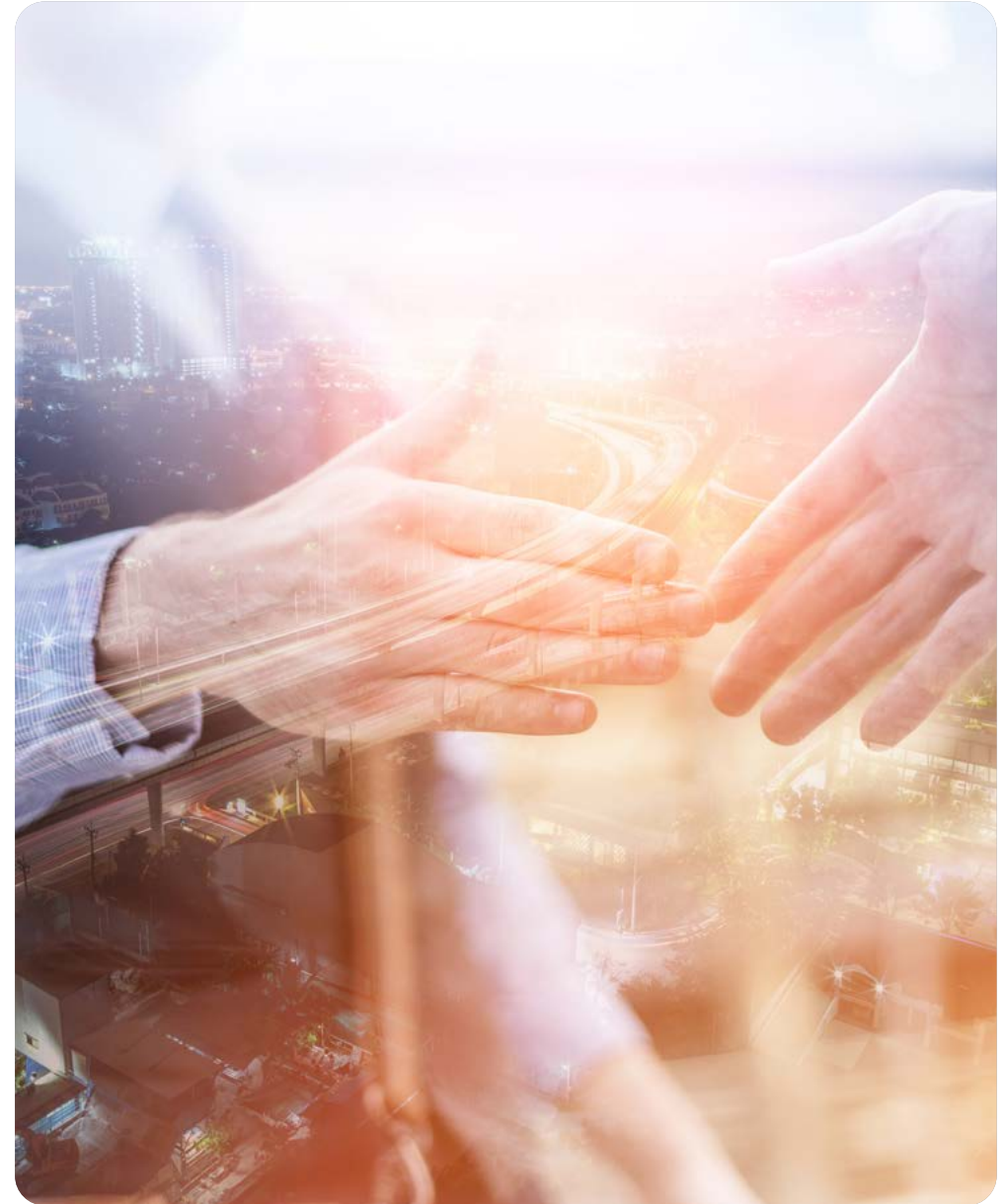
processes. Regular interaction with academic institutions was maintained within the scope of university-industry collaborations, R&D projects and internship programs.

Stakeholder Engagement

Uğur Cooling has developed a comprehensive stakeholder map encompassing all its stakeholders and has defined communication methods and frequencies tailored to the expectations, needs, and demands of these groups. In accordance with the AA1000 Stakeholder Engagement Standard, different channels were used for each stakeholder group; for example, communication with employees was conducted through e-newsletters, the intranet system, face-to-face meetings, and suggestion systems. Methods such as digital platforms, CRM systems, field visits, satisfaction and evaluation surveys were preferred with customers and suppliers. Collaborations with the community and CSOs have been maintained through social media, the company website, and various events. Regular contact with public institutions has been maintained through official meetings, reports, and declarations.

The stakeholder communication strategy is structured around the principles of transparency, interaction, continuity and mutual value creation. In line with this strategy, various tools were used to set expectations and collect feedback in 2024. These include stakeholder analysis studies, satisfaction surveys, suggestion systems, social media interactions, suggestion boxes, evaluation surveys, and feedback submitted for the sustainability report.

Uğur Cooling promotes collaborations that maximize the potential to contribute to its stakeholders' sustainability goals and positions stakeholder engagement as a core element of its long-term success strategy.





Stakeholder Map and Stakeholder Relations

Type	Related Parties	Expectations and Conditions of Related Parties	Communication Method	Communication Frequency
EXTERNAL	Government, Regulatory Agencies, and Civic Organizations	Complete fulfillment of membership conditions	E-mail, Telephone, Face-to-face meetings, Audits, Regular reports, Meetings, Joint projects	Monthly, Annual
		Transparency of processes		
		Works carried out in accordance with laws and regulations.		
		Participation in activities		
		Supporting development		
		Transparency of processes		
		Ensuring compliance with laws and standards		
	Customers	Social Media, Website, News	Meetings, Trainings, Fairs, and Conferences, Product Labels and User Manuals, Face-to-Face Meetings, Audits, Email, Telephone, Website, Social Media Accounts, Ads, Campaigns, Social Responsibility Projects, Customer Satisfaction Surveys, Written and Visual Media Advertisements, Catalogs, Corporate Reports, Call Center, Sponsorships, Written and Visual Media, Satisfaction Surveys, Fairs, Tenders	Continuously
		Compliance with contract/order obligations		
		Price policy		
		Product diversity		
		Compliance with legal regulations/standards		
		On-time and quality delivery		
		Receiving safe and quality service		
		Competitive environment		
		Buy environmentally friendly products with low energy consumption		
		Product supply within the framework of legal regulations and standards		
		Effective communication		
		Ensuring quality product service		
	Suppliers	Supplier audits and portals	One-on-one meetings, Online face-to-face meetings, Supplier portal, E-mail, Supplier audits	Continuously
		Fair, transparent procurement		
		Protection of information on suppliers		
Ensuring the safety of supplier company personnel within our factory site				
Compliance with contract/order obligations				
Making timely payments to institutions and organizations				
Long-term cooperation projection				
Price and payment terms				
Clear and complete notification of product orders and requests (specifications, etc.)				



Stakeholder Map and Stakeholder Relations

Type	Related Parties	Expectations and Conditions of Related Parties	Communication Method	Communication Frequency
EXTERNAL	Competitors	Fair competition conditions No unfair competition	Through fairs, Online interviews, Rating agencies, National and international projects	
	Society	Sensitivity to society and the environment Contact Reducing the physical security risks that Uğur Cooling will give to the environment Providing environment/regional conditions that will not disturb the peace, order, and security of the environment Fair approach Consideration of complaints and expectations Reducing carbon emissions to the environment	Social responsibility projects, Social media, Stand set-up, Information exchange, Getting ideas for award competitions, social projects through radio channels	Continuously
	Distributors and Services	Compliance of products with the required standards / product diversity Expectation of quality and affordable prices Safe and quality service concept Competitive environment, ability to purchase environmentally friendly, energy-efficient products Ability to communicate effectively Price policy Ensuring fast, effective communication (after-sales satisfaction, technical support)	One-on-one meetings, annual and sustainability reports, website, dealer portal, joint projects and Telephone, Dealers/Services Meetings, E-mail, Internal Periodicals, Trainings, Customer Satisfaction Surveys, Trainings	Continuously
	Employees	Determination of authorities and responsibilities Business continuity Safe working environment Education Protection of legal rights Career planning Fair governance Taking action on submitted suggestions and/or complaints Working in a healthy and safe environment Performance management Employment Ensuring a respectful and tolerant environment Ability to access the necessary personal protective equipment in case of epidemic disease Providing necessary information in case of epidemic disease Providing a working environment in accordance with the measures to be taken in case of epidemics	Employee satisfaction surveys, Announcements, Information boards, WhatsApp communication lines, ethics lines, information through in-house visual channels, Internal communication platform, Wish and suggestion system, Information Systems Support Portal, Corporate events, Trainings, Surveys	Continuously



Stakeholder Map and Stakeholder Relations

Type	Related Parties	Expectations and Conditions of Related Parties	Communication Method	Communication Frequency
EXTERNAL	Students and Interns	Service support	Stands established at universities, Career days events, Project studies	Continuously
		Workplace safety		
		Respect and tolerance		
		Access to authorized documents		
EXTERNAL		Education		
		High profit High turnover Reputation protection Compliance with laws and regulations Return on investment Precision and flexibility of operations Fiscal stability Corporate Governance approach Efficient use and reduced consumption of energy and water resources Use of more energy-efficient products and practices A satisfactory business volume Creating new market and business opportunities		
EXTERNAL	Senior Management	Implementing risk-focused, process-based management Taking preventive measures against workplace accidents and occupational diseases within the factory Maintaining safe and health-compliant working environments Preventing environmental pollution and damage caused by company activities Using natural resources efficiently and effectively Minimizing waste generation Proper disposal of generated waste Reducing the carbon footprint Establishing a strong, precise, flexible, and fast production structure Taking necessary precautions to ensure the continuity of products required during a pandemic, including proper planning of PPE supply Ensuring that employees comply with mask, distancing, and hygiene rules Minimizing the impact of a pandemic on employees and ensuring the continuity of production.	General Assembly Meetings, Annual Reports, Board of Directors Meetings, Financial Performance Meetings	Continuously



Corporate Memberships and Supported Initiatives

Value-creating collaborations



Uğur Cooling aims to develop sustainability-based collaborations and make social contributions.

Uğur Cooling actively participates in various corporate associations to closely monitor industry developments, foster sustainability-based collaborations, and contribute to society. As of the end of 2024, the organizations of which membership is held and support is provided are listed below:

National and International Institutional Memberships:

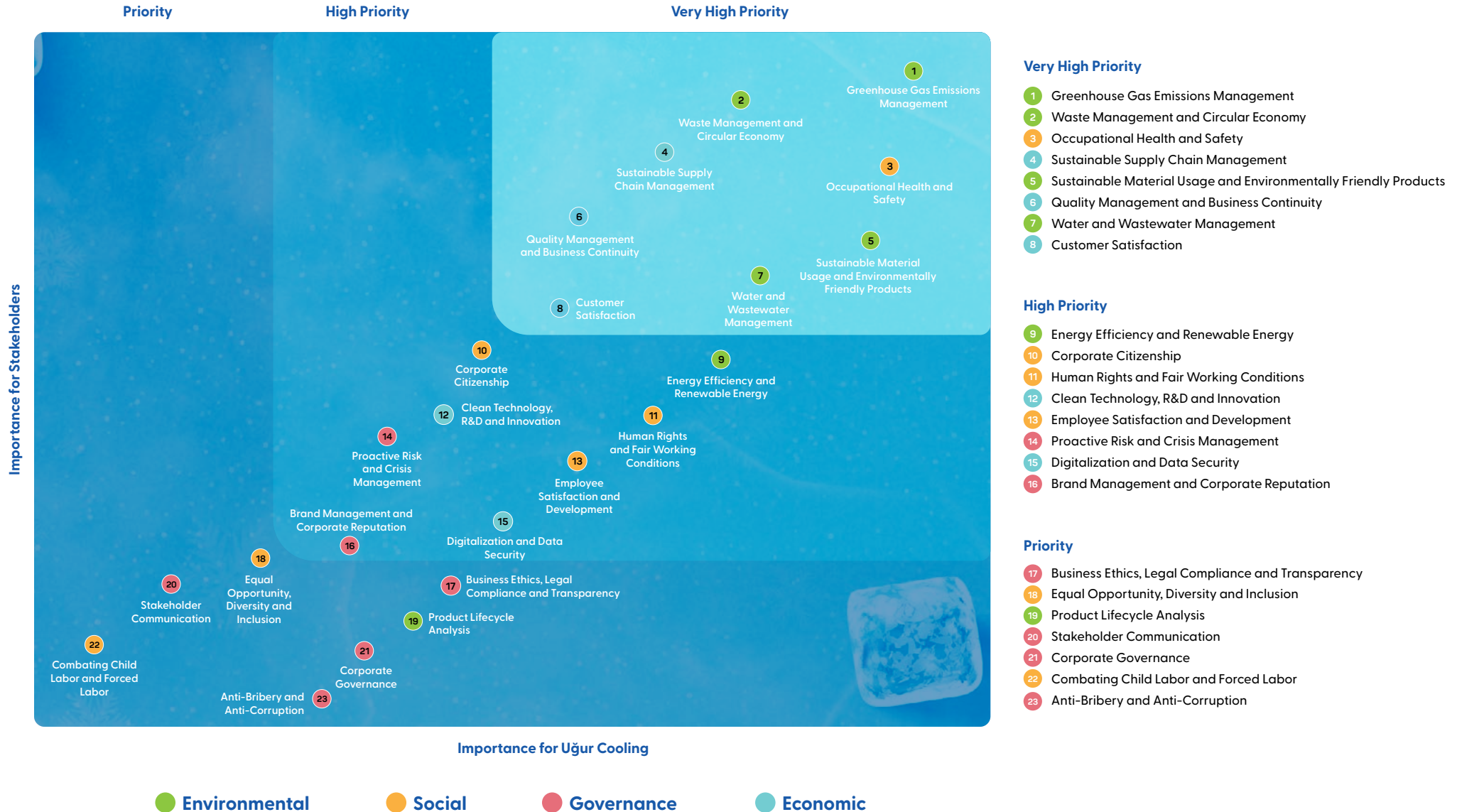
- Aegean Exporters' Associations (EIB)
- Istanbul Chamber of Industry (ISO)
- Aydın Chamber of Industry (AYSO)
- Nazilli Chamber of Commerce
- Istanbul Chamber of Commerce (ITO)
- Ege University - Industry Cooperation Platform
- Turkish Patent and Trademark Office
- UN Global Compact
- EcoVadis - Sustainability Assessment Platform
- Science Based Targets initiative (SBTi)

Social Responsibility Initiatives Supported and Public-Private Sector Collaborations:

- Kızılay - Corporate Donations and Support Activities
- Ministry of National Education Mastery Compensation Program - support to vocational education
- Mentoring and project support programs with local schools, vocational high schools and universities
- Volunteer-based social assistance projects



Material Topics and Materiality Matrix





Material Topics and Materiality Matrix

Our priority is creating shared value

The Material Topics and Materiality Matrix is a strategic tool that determines which issues we should focus on in our sustainability journey.

Material Topics and Materiality Matrix

At Uğur Cooling, we regularly update our material topics, which form the foundation of our sustainability strategy, in line with our evolving business strategy, sectoral dynamics, and the expectations of our stakeholders. This approach is an integral part of our corporate sustainability vision. It supports the long-term success of our operations, helps us manage risks and opportunities, and aims to create shared value for all stakeholders.

Process for Determining Material Topics

The 2024 material topics have been developed based on analyses conducted in previous years and strengthened with the results of a revised stakeholder analysis. The process includes systematically gathering the expectations of our internal and external stakeholders, evaluating global and sector-specific trends as

well as associated risks and opportunities, and integrating the strategic perspectives of our management into the process.

This development has strengthened our strategic focus areas, including climate change mitigation, energy efficiency, digitalization, circular economy, social inclusion, ethical management, and corporate governance.

The material topics identified in 2023 were reassessed in 2024 through a comprehensive evaluation process, leading to a significant broadening of scope in terms of both content and strategic depth. The increase in the number of material topics is not just a numerical growth; it also signifies a clearer definition of sustainability focus areas, the introduction of new strategic focus areas, and the restructuring of existing topics to better meet current needs.



During this revision process, the scope of existing topics was expanded, new strategic focus areas were added in line with global trends and stakeholder expectations, and some topics were updated with a more holistic approach. This resulted in a more balanced and detailed prioritization framework encompassing environmental, social, governance, and economic dimensions.

Materiality Analysis and Classification

Data collected from all stakeholders was analyzed in line with our company strategy and sustainability goals to develop the Materiality

Matrix. The analysis assesses both the impact of each material topic on Uğur Cooling and its significance for our stakeholders. Based on this evaluation, material topics have been grouped into three categories: Very High Priority, High Priority, and Priority.

Our material topics have been assessed in alignment with the United Nations Sustainable Development Goals (SDGs). This approach ensures the integration of our company's local and sectoral priorities with the targets set on the global sustainability agenda.



Sustainable Development Goals Contributed to

Uğur Cooling 2024 Material Topics	Contributed SDGs
Environmental	
Greenhouse Gas Emissions Management	
Waste Management and Circular Economy	
Sustainable Material Usage and Environmentally Friendly Products	
Water and Wastewater Management	
Energy Efficiency and Renewable Energy	
Product Lifecycle Analysis	
Social	
Occupational Health and Safety	
Corporate Citizenship	
Human Rights and Fair Working Conditions	
Employee Satisfaction and Development	
Equal Opportunity, Diversity and Inclusion	
Combating Child Labor and Forced Labor	

Governance	
Proactive Risk and Crisis Management	
Brand Management and Corporate Reputation	
Business Ethics, Legal Compliance and Transparency	
Stakeholder Communication	
Corporate Governance	
Anti-Bribery and Anti-Corruption	
Economic	
Sustainable Supply Chain Management	
Quality Management and Business Continuity	
Customer Satisfaction	
Clean Technology, R&D and Innovation	
Digitalization and Data Security	



Working for Sustainable and Transparent Governance

- 53 Corporate Governance
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- 56 Proactive Risk and Crisis Management
- 57 Business Ethics, Transparency, and Legal Compliance
- 58 Anti-Bribery and Anti-Corruption





Corporate Governance

A fair, transparent, and responsible management approach

At Uğur Cooling, corporate governance principles are integrated into all decision-making and implementation processes.

Uğur Cooling builds its corporate governance approach on the principles of transparency, accountability, fairness, and responsibility. It considers these principles not only as a legal obligation but also as a cornerstone of the corporate culture and a guarantee of long-term sustainability. In line with this approach, which is based on stakeholder trust, management processes are continuously improved.

Governance Structure and Committees

The Company's highest governing body is the Board of Directors. Under the leadership of the Board of Directors, a structure consisting of the Executive Committee and the CEO carries out strategic decision-making processes. As of the end of 2024, committees with different areas of expertise operate to support the decision-making processes of the three-member Board of Directors.

- **Executive Committee:** Manages operational processes and ensures the implementation of strategic decisions.
- **Occupational Health and Safety (OHS) Committee:** Responsible for establishing and implementing occupational health and safety policies.
- **Risk Assessment Committee:** Identifies potential risks The Company may face and develops mitigation strategies.
- **Strategy Committee:** Creates long-term goals and growth strategies.
- **Ethics Committee:** Oversees the implementation of ethical conduct rules and related compliance processes.

These committees carry out their activities through regular meetings, ensuring the continuity of a management structure that adheres to corporate governance principles.



Corporate Governance Principles

At Uğur Cooling, corporate governance principles are integrated into all decision-making and implementation processes:

- **Transparency:** Financial and operational data are regularly shared with relevant stakeholders and openly communicated to employees through digital platforms.
- **Accountability:** The decisions and actions of managers are evaluated and reported by senior management in line with performance criteria.
- **Responsibility:** Employee job descriptions are clearly defined, and full compliance with legal regulations is ensured in all processes.
- **Fairness:** Equal opportunity is upheld in human resources processes, and respect for employee rights is adopted as a fundamental principle.

Although The Company is not publicly traded, it voluntarily integrates the Corporate Governance Principles set by the Capital Markets Board of Türkiye (CMB) into its internal processes. In the coming period, it is planned to monitor these practices with a more systematic evaluation model.

Detailed information about Uğur Cooling's policies and principles can be accessed at <https://ugur.com/corporate/our-values>

Sustainability Policy and Governance Principles

Uğur Cooling's current Sustainability Policy covers environmental responsibility, social impact management, ethical governance, sustainable products and innovation, stakeholder communication, and transparency. Within this framework, targets aligned with the United Nations Sustainable Development Goals (SDGs) are set, and periodically updated action plans are implemented.

Contributed SDGs





Corporate Governance

Management by principles, growth through values

Uğur Cooling fulfills not only its environmental but also its social and governance responsibilities with a holistic approach.

The main areas of implementation that support the policy are as follows:

- **Environment and Energy:** The goals are to invest in renewable energy (SPPs), improve resource efficiency, and reduce the carbon footprint.
- **OHS:** A safe working environment is provided for all employees, and OHS awareness is increased through regular training.
- **Human Rights and Ethics:** Forced labor, child labor, and any form of discrimination are not tolerated. Commitment to universal human rights is essential.
- **Responsible Procurement:** Suppliers are evaluated based on environmental, ethical, and social compliance criteria.

Internal Control and Audit Processes

Internal control systems, a fundamental component of corporate governance, are structured to ensure early risk detection, process effectiveness, and resource efficiency. During 2024,

- Process-based internal audit activities were conducted,
- Corporate risks were prioritized, and
- Corrective and preventive actions were implemented to address non-conformities.

Additionally, internal audits were conducted within the scope of integrated management systems for quality, environment, energy, and occupational health, and improvement measures were implemented based on the findings.

Within the scope of its sustainability policy, Uğur Cooling adopts and implements the following principles and commitments across all its operations:

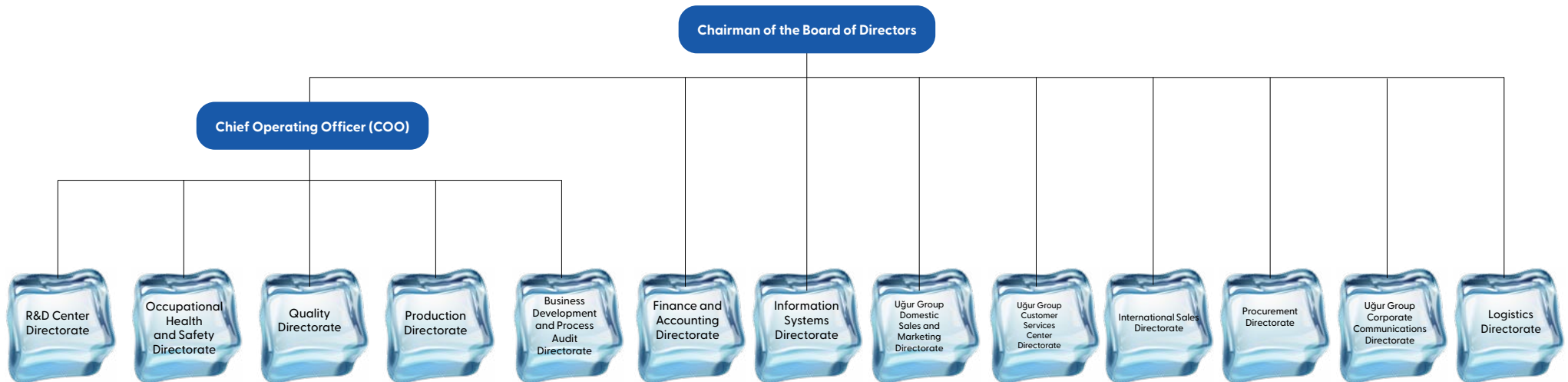
- Full compliance with the United Nations Sustainable Development Goals and the 10 Principles of the UN Global Compact,
- Prioritizing ethical values, human health and safety in all activities,
- Compliance with national and international environmental legislation and the establishment of a continuously updated environmental management system,
- Efficient use of energy and natural resources, reduction of waste at its source, and its recovery or safe disposal,
- Combating climate change by reducing greenhouse gases and emissions through the use of renewable energy sources and sustainable materials,
- Regular monitoring of water consumption and taking actions for its reduction,
- Establishing long-term sustainable systems through advanced technology and environmentally friendly investments,
- A zero-tolerance policy against child labor and forced labor,
- Respect for human and social rights, and raising awareness among employees and suppliers on these issues,
- Ensuring equal opportunities for employees and not permitting any form of discrimination based on gender, language, religion, race, political opinion, etc.,
- Commitment to the principle of data privacy and information security; protecting stakeholder information and not sharing it with third parties,
- Compliance with national and international standards for OHS and providing personal protective equipment,
- Establishing a system for the proactive assessment and prevention of risks related to near misses, occupational accidents, and occupational diseases,
- Increasing stakeholder awareness on OHS through social projects and training activities,
- Keeping the Integrated Management System up-to-date and ensuring its effective implementation with stakeholder participation,
- Continuing advanced technology investments to increase customer satisfaction and product quality,
- Supporting corporate governance practices that ensure full compliance with national and international legislation.

In line with these principles, Uğur Cooling fulfills not only its environmental but also its social and governance responsibilities with a holistic approach.



Company Organizational Structure

A clear and strong sustainability-focused organization



As indicated in the General Organizational Chart, the top management perspective is provided by the Chairman and the Vice Chairman of the Board of Directors. There is one Senior Factory Director reporting to the Board of Directors, and this director oversees five Department Directors. In total, the organization has thirteen Department Directors. The employees and senior management members included in the organizational chart have a say in the structure of the Sustainability Committee formation.



Proactive Risk and Crisis Management

Anticipating risks, managing opportunities

Uğur Cooling has adopted a proactive risk and crisis management approach to support business continuity and protect stakeholder value.

Uğur Cooling considers risk and crisis management a strategic priority to ensure business continuity, maintain stakeholder trust, and support sustainable growth. All processes carried out in this context are structured in line with the principles of early warning, preventive approach, systematic analysis, and transparent communication. This approach, which evaluates both reactive and proactive methods, aims to minimize the impact of crises and enhance resilience throughout the organization.

The Company's risk management mechanism operates under the supervision of senior management and is coordinated by the Business Development and Process Audit Directorate. In this system, which is maintained on a departmental basis with contributions from relevant unit managers, internal audit findings, legal risks, environmental impacts, and operational deviations are regularly monitored and reported to the relevant committees when necessary. Corporate risk maps are updated periodically and aligned with management system revisions.

Uğur Cooling's risk management strategy is built on the principles of preventive thinking, continuous monitoring, full compliance with legislation, and process-based analysis. This strategy is shaped in line with the Company's long-term goals, industry trends, and stakeholder expectations; it is reviewed at least once a year and updated more frequently when necessary. The effectiveness of the strategy is monitored through internal audit reports and managerial feedback.

Financial, operational, environmental, and social risks are addressed within an integrated management structure. Financial risks are monitored through budget controls, financial analyses, and supply chain risks, while operational risks are tracked through process audits, production continuity analyses, and maintenance planning. Environmental risks are assessed through solar power plant (SPP) projects, waste management and emission monitoring practices. Social risks are managed within the framework of human rights, occupational health and safety, employee satisfaction, and ethical principles. Risk management practices in all these areas are carried out in compliance with the sustainability policy and ISO management systems.

The risk assessment process is conducted in five stages:



Risk identification: Potential risk areas are identified using information from unit managers and field observation



Risk analysis: The probability and impact of each risk are scored to create a prioritization matrix.



Risk classification: High, medium, and low-risk groups are identified, and response plans are developed.



Monitoring and reporting: The status of identified risks is regularly monitored and reported to senior management



Action planning: Corrective and preventive actions (CAPA) are implemented in collaboration with the relevant teams

Uğur Cooling's risk assessment activities are based on the ISO 31000 Risk Management Standard, and complementary methods such as FMEA (Failure Mode and Effects Analysis) and SWOT analysis are also utilized. These methodologies are implemented in an integrated manner with quality, environmental, and occupational health and safety management systems.

To ensure business continuity, backup equipment and alternative resource planning are established for critical processes. In addition, data backup and cybersecurity measures are implemented in the information technology infrastructure. Within the scope of energy management, energy supply security is supported by solar energy systems (SPPs). Regular field inspections and emergency

drills are conducted as part of OHS efforts. Additionally, all corrective and preventive actions carried out within the framework of integrated management systems are recorded and monitored for effectiveness.

Within the scope of internal audit activities conducted in 2024, process audits for production processes were completed, legal compliance checks in OHS and environmental areas were performed, and SPP performance analyses were conducted. Furthermore, interdepartmental control forms used within the corporate structure were revised and reimplemented; deviations were identified through process audit monitoring tables integrated with SAP and ERP systems, and corrective actions were implemented in collaboration with the relevant units.



Business Ethics, Transparency, and Legal Compliance

SDGs We Contribute to



Open, traceable, and accountable management

Uğur Cooling considers transparency an integral component of corporate governance.

Uğur Cooling views its corporate culture, built on ethical principles and values, as a fundamental component of its sustainability approach and conducts its business processes in line with the principles of honesty, fairness, respect, confidentiality, and responsibility. Accordingly, the Company carries out all its activities within the framework of full legal compliance, transparency, and accountability.

Ethical Principles and Values

The corporate approach to ethical principles has been formalized through the Code of Ethics Policy, the Employee Handbook, and Human Resources Directives. The rules contained in these documents are presented to all employees starting from the recruitment process, explained in detail during orientation training, and shared on the company intranet for continuous access. Additionally, ethical awareness among employees is enhanced through internal communication bulletins, training, announcements, and visual materials shared periodically. Throughout 2024, all new employees received orientation training on business ethics and code of conduct.

An anonymous Ethics Hotline has been established to ensure the adoption of ethical values across the Company and to enable the safe reporting of unethical behavior. Reports submitted through this hotline are evaluated confidentially, forwarded to the Ethics Committee by Human Resources, and, if deemed necessary, written opinions are requested from the relevant parties. Based on the report prepared at the end of the review process, appropriate actions are taken with the approval of senior management. The identity of the reporting person is kept confidential throughout the reporting process. As the data collection process is still ongoing, the number of reports for 2024 will be disclosed in upcoming reporting periods.

Regular internal audit processes are conducted to monitor and improve business ethics performance. These audits not only assess employee compliance with ethical rules but also help identify opportunities to improve business processes.



Uğur Cooling's ethical principles consist of eight fundamental elements: **Honesty, Information Acquisition, Respect for Customers, Quality, Respect for the Law, Respect for Employees, Environmental Awareness, and Information Security.**

Transparency and Stakeholder Relations

The Company considers transparency an integral component of corporate governance and conducts all its business processes in an open, traceable, and accountable manner. Practices maintained throughout 2024 include regular progress updates with internal stakeholders, announcements on internal bulletin boards, information dissemination via newsletters, and meetings with managers. Additionally, internal suggestion systems, the open-door policy, and announcements on the intranet encourage employees to communicate directly with management and participate in decision-making processes.

Legal Compliance and Reporting

Full compliance with legal regulations and industry standards is among Uğur Cooling's core corporate commitments. Contracts with suppliers explicitly include criteria for business ethics, environmental and social compliance, ensuring the traceability and auditability of supply chain processes. In 2024, emission permits were updated under environmental legislation, the occupational health and safety audit was successfully completed, and additional informational and awareness training was delivered within the framework of the Personal Data Protection Law (PDPL).

All these practices strengthen Uğur Cooling's corporate approach based on ethical values, transparency, and legal compliance, reinforcing its position as a reliable business partner in the eyes of customers, suppliers, and public institutions.



Anti-Bribery and Anti-Corruption

SDGs We Contribute to



Comprehensive audit and control mechanisms

Comprehensive audit and control mechanisms are implemented to ensure the effectiveness of anti-bribery and anti-corruption policies.



In line with its ethical business conduct, Uğur Cooling adopts a “zero tolerance” principle in its fight against bribery and corruption across all areas of its operations. This approach is considered not only a legal obligation but also a fundamental element for protecting corporate reputation and ensuring sustainable growth. The Company’s commitments in this regard are defined in corporate documents such as the Code of Ethical Conduct and Implementation Procedure and the Code of Ethical Conduct and Compliance Policy, and all employees, business partners, and suppliers are expected to comply with these principles.

Training and Information

Regular training and informational activities are carried out to help internalize the culture of ethical business conduct and raise awareness on combating bribery. During the onboarding process, all employees are provided with the Uğur Cooling Code of Ethical Conduct and Implementation Guide, and detailed information is provided in orientation programs. Additionally, as part of the ethics training held throughout the year, informational programs titled “Ethical Business Conduct and Anti-Corruption” are delivered to white-collar employees.

Audit and Control Mechanisms

Comprehensive audit and control mechanisms are implemented to ensure the effectiveness of anti-bribery and anti-corruption policies. The Company’s independent internal audit unit regularly analyzes relevant risks and conducts necessary controls. Furthermore, the compliance of suppliers and business partners with Uğur Cooling’s ethical principles is evaluated, and ethical compliance criteria are given priority in relationships established with these parties.

Reporting and Investigation Process

An anonymous Ethics Hotline has been established within the Company to enable the secure reporting of situations that violate ethical principles. Reports submitted through this channel are forwarded to the Ethics Committee by Human Resources in accordance with the principle of confidentiality. When necessary, written statements are obtained from the relevant parties, and a detailed investigation process is carried out. Following the investigation, necessary actions are taken with the approval of senior management.

During the 2024 reporting period, no cases of bribery or corruption were identified, and no reports falling within this scope were received through the ethics reporting channels.



Working for Sustainable Economic Development

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Economic Sustainability Roadmap and Goals

Clear targets, sustainable growth

Uğur Cooling adopts a sustainability approach that integrates economic growth with environmental and social responsibility.

As a fundamental part of its strategic vision, the integration of economic growth with environmental and social responsibility, Uğur Cooling directs its resources and capabilities toward a sustainable economic model. This approach is based on a holistic strategy focused on creating long-term value, grounded in financial stability, operational efficiency, digital transformation, innovation, resource efficiency, and the reduction of environmental impacts.

ECONOMIC SUSTAINABILITY ROADMAP





Economic Sustainability Roadmap and Goals

Energy-efficient and eco friendly

Throughout 2024, the Uğur Cooling R&D Center carried out projects focused on energy-efficient and eco-friendly cooling technologies.

Strategic Practices and Innovative Approaches

As of 2024, various projects have been implemented in the areas of digitalization, energy and resource efficiency to support economic sustainability. Automation investments were made across production lines, and a significant portion of the production facility began to be powered by renewable energy through the Solar Power Plant (SPP). Additionally, production and supply chain processes were made more efficient through digital inventory management, ERP systems, and maintenance monitoring technologies.

To ensure cost-effectiveness, improvements have been made in energy management systems, along with actions such as reducing raw material waste, implementing waste management plans, and digitalizing logistics processes. Efforts are also ongoing to prioritize the use of high-energy-efficiency equipment in production machinery.

R&D and Technology Investments

Throughout 2024, the Uğur Cooling R&D Center carried out projects focused on energy-efficient and environmentally friendly cooling technologies. While the carbon footprint has been reduced with newly developed products, resource use has been optimized thanks to digital control systems integrated into production processes. Thanks to smart cooling solutions and IoT applications, both productivity and quality control processes have become traceable in digital environments.

Stakeholder Collaborations

Another important element supporting economic sustainability is the joint projects carried out with stakeholders. In this context, innovative solutions for material efficiency and logistics optimization have been implemented through the "Sustainable Supply Chain Development Project," developed in collaboration with suppliers. Additionally, technology and knowledge transfer is enabled through R&D partnerships established with various universities.



Technology and knowledge transfer is enabled through R&D partnerships established with various universities.





Economic Sustainability Roadmap and Goals

Performance Monitoring and Evaluation

Key performance indicators (KPIs) are defined for each strategic target, and progress is regularly monitored through these indicators. These targets are evaluated during annual reporting periods and updated when necessary, ensuring that the Company's economic sustainability strategy is dynamically maintained.

								
	Topic	Subtopic	Objective	2024 Target	2024 Targeted Value	2024 Target Achievement Status	2025 Target	2025 Targeted Value
	R&D Activities		Expanding product diversity and alternatives.	Conducting the industrial design of the new product.	10 units	Target achieved.	Conducting the industrial design of the new product.	15 units
	R&D Activities		Developing new products in line with customer demands and standards to increase sales volume.	Developing new products (PDR-PVR-PCR).	10 units	Target achieved.	Developing new products (PDR-PVR-PCR).	15 units
	R&D Activities		Obtaining IPR (Intellectual and Industrial Property Rights) in developed products.	Filing patent, utility model, and design registration applications throughout the year.	5 patents-utility models	Target achieved.	Filing 15 patent, utility model, and design registration applications throughout the year.	15 units
	Business Model and R&D Activities		To increase the level of confidence in laboratory practices by increasing the number of test methods with accreditation approval.	Accreditation for standards for one domestic and one commercial model within the context of ISO 17025 Accreditation	2 accreditations	Target achieved.	Maintaining the continuity of standard documents within the context of ISO 17025 Accreditation	100% compliance
	Business Model and R&D Activities		To check the conformity of the final products according to International Safety Standards and to certify this with approved third-party certificates.	Study of 12 products for the CB scheme and EMC report	12 reports	Target achieved.	To provide accurate declarations to end-users while determining sales conditions for products according to new regulations	10 units
	R&D Activities		To be able to present product information in line with updated standards.	Creating and using a file format with comparative test results for products tested in different configurations.	100%	Target achieved.	Creating and using a file format with comparative test results for products tested in different configurations	100%



Economic Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Target



2024 Targeted Value

2024 Target
Achievement Status

2025 Target



2025 Targeted Value

A Sustainable Economy

R&D Activities

To use the knowledge and experience of the personnel more efficiently through the competency mapping process.

Aiming to double the number of competent personnel within the context of accreditation

100%

Target achieved.

Aiming to double the number of competent personnel within the context of accreditation

100%

R&D Activities

Increasing staff competencies and ensuring continuous development

During 2024, at least 5 out-sourced and at least 5 in-sourced training should be planned and realized.

10 training

Target achieved.

During 2025, at least 2 out-sourced and at least 5 in-sourced training should be planned and realized.

7 training

Business Model

Meeting the standard requirements

Achieving 100% of the clauses specified in the activity plans in accordance with ISO 9001, ISO 14001, ISO 45001, ISO 10002, ISO 50001, and ISO 31000 as targeted

100%

Target achieved.

Achieving 100% of the clauses specified in the activity plans in accordance with ISO 9001, ISO 14001, ISO 45001, ISO 10002, ISO 50001, and ISO 31000 as targeted.

100%

Business Model

Meeting the standard requirements

Achieving 100% of the clauses specified in the activity plans in accordance with ISO 27001, ISO 28000, ISO 20000-1, and ISO 22301 as targeted

100%

Target achieved.

Achieving 100% of the clauses specified in the activity plans in accordance with ISO 27001, ISO 28000, ISO 20000-1, and ISO 22301 as targeted

100%

Business Model

Meeting the standard requirements

Achieving 100% of the clauses specified in the activity plan in accordance with ISO 17025 Laboratory Accreditation Standard as targeted

100%

Target achieved.

Achieving 100% of the clauses specified in the activity plan in accordance with ISO 17025 Laboratory Accreditation Standard as targeted

100%



Economic Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Target



2024 Targeted Value

2024 Target
Achievement Status

2025 Target



2025 Targeted Value

A Sustainable Economy

Business Model	No non-conformity detection in the activities carried out	To complete all audits with zero major and minor defects	Zero findings, 100% compliance with standards.	Target achieved.	To complete all audits with zero major and minor defects	Zero findings, 100% compliance with standards.
Business Model	Achieving social compliance requirements.	Demonstrating 100% conformity with the compliance rules set out in the Social Compliance Guidelines and maintaining our success in factory audits	Zero findings, 100% compliance with standards.	Target achieved.	Demonstrating 100% conformity with the compliance rules set out in the Social Compliance Guidelines and maintaining our success in factory audits	Zero findings, 100% compliance with standards.
Business Model	To meet EcoVadis criteria, To ensure customer requirements	Upgrading the bronze status to a higher tier in the EcoVadis CSR Assessment.	Gold	Bronze	Upgrading the bronze status to a higher tier in the EcoVadis CSR Assessment.	Gold
Business Model	Ensuring that the findings identified as a result of Internal / External Audits, Field Observations, Risk Analyses, management review meeting (MRM) actions, etc. are notified to the relevant people through the system and ensuring that they are completed within the defined period of time, Ensuring Regular Follow-up of Activities, Effective Use of QDMS System	To carry out efforts to close 100% of the corrective actions opened in 2024	100%	80%	To carry out efforts to close 100% of the corrective actions opened in 2024	100%
Business Model	Reducing transportation costs	Keeping our transportation costs below fuel hikes and inflation differences	Achieving success by staying below the annual transportation inflation rate reported by TURKSTAT	Target achieved.	Keeping our transportation costs below fuel hikes and inflation differences	Achieving success by staying below the annual transportation inflation rate reported by TURKSTAT



Economic Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Target



2024 Targeted Value

2024 Target
Achievement Status

2025 Target



2025 Targeted Value

A Sustainable Economy

Business Model and
Responsible Supply
Chain

Fast shipment on time

To increase our delivery
rate to 100% in 2024 within
15 days of order receipt.

100%

Target achieved.

To increase our delivery
rate to 100% in 2023 within
15 days of order receipt.

100%

Market Diversity and
Business Model

Reducing procurement
costs

Keeping annual
purchasing increases
below the changes in
the "TURKSTAT Domestic
Producer Price Index"

<10%

Target achieved.

Keeping annual
purchasing increases
below the changes in
the "TURKSTAT Domestic
Producer Price Index"

<10%

Market Diversity and
Business Model

Reducing procurement
costs

To provide cost
advantage by
periodically (bulk)
opening orders of product
groups and to support the
planning unit to realize
shipments according to
the needs of the planning
unit.

100%

Target achieved.

To provide cost
advantage by
periodically (bulk)
opening orders of
product groups and to
support the planning
unit to realize shipments
according to the needs of
the planning unit.

100%

Responsible Supply
Chain

Measuring and evaluating
supplier performances

To ensure that the
average success score of
the Certified Supplier is 90
points and above.

100%

Target achieved.

To ensure that the
average success score of
the Certified Supplier is
90 points and above.

100%

Responsible Supply
Chain

To prevent supply
shortages

Increasing the number
of suppliers in different
material and service
groups

min 3

Target achieved.

Increasing the number
of suppliers in different
material and service
groups

min 3



Key Products

Green technology, cool future

Uğur Cooling offers environmentally friendly solutions to its users with its highly energy-efficient products.



At a time when consumer needs are diversifying and environmental responsibility awareness is increasing, Uğur Cooling adopts a sustainable product strategy by combining these two fundamental elements. Serving both commercial and residential segments with its broad product range, the Company offers environmentally friendly solutions to its users with highly energy-efficient products. The product groups are equipped with technological features shaped by multifunctionality, low energy consumption, and different user needs.

Product Groups and Subcategories

1. White Goods Group

- Deep Freezers
- Refrigerators
- Washing Machines
- Dryers
- Built-in Appliances (oven, cooktop, hood)
- Microwaves
- Water Purifiers
- Water Dispensers
- Air Conditioners

2. Ice Cream and Cooling Equipment

- Ice Cream Freezers
- Ice Cream Machines
- Bottle Coolers
- Storage Cabinets
- Super Freezers
- Upright Bottle Coolers (Glass Door / Solid Door)
- Upright Freezers (Glass Door / Solid Door)
- Chest Coolers (Glass Lid / Solid Lid)
- Chest Freezers (Glass Lid / Solid Lid)

3. Beverage and Food Storage-Display Cabinets

- Commercial Water Dispensers
- Sherbet Machines
- Ice Makers
- Pastry Display Cabinets
- Supermarket Cabinets
- Market Cabinets
- Carbonated/Non-Carbonated Beverage Cabinets

Other Home and Office Products

Microwaves, water purifiers, water dispensers, ice makers, and air conditioners.



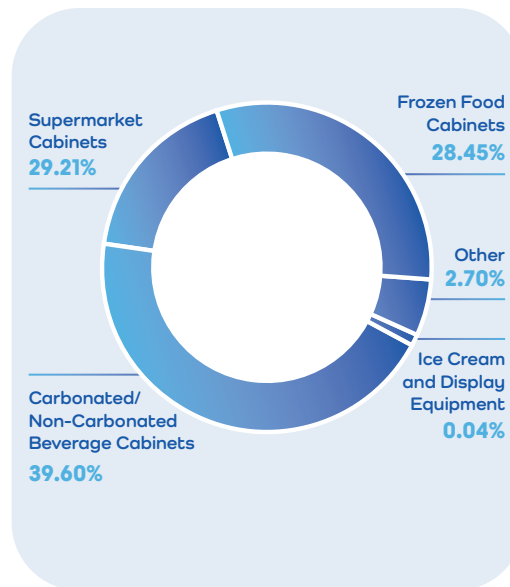
Key Products

Portfolio diversity to meet every need

Uğur Cooling technically adapts its products to the needs of different geographical markets.

Uğur Cooling products serve the household electrical appliances and durable consumer goods segment, while also being widely used across all commercial sectors involved in food production. Product usage is particularly prominent in the following industries: water producers, carbonated/non-carbonated beverage manufacturers, beer producers, ice cream producers, and frozen food manufacturers.

The Company also adapts its products technically to meet the needs of different geographical markets, developing products based on gas preference, energy class, electrical equipment, and ambient conditions.



Product Features and Competitive Advantages

Uğur Cooling products stand out with key performance criteria such as high energy efficiency, long lifespan, low noise level, and durability. Key advantages include:

- Optimal energy class
- Innovative technologies
- Use of environmentally friendly gas and materials
- High functionality
- Compressor warranty up to 10 years
- Solutions for all volume requirements
- Support for customer advertising branding

Innovative Technologies and Product-Specific Functions

The innovative technologies used for specific product groups are as follows:

Deep Freezers

- No-Frost technology
- Quiet operation (42 dB / 38 dB)
- Both freezer and cooler function
- "0°C" operating feature
- R600 environmentally friendly gas
- Digital control panel
- Adjustable thermostat
- Shock freezing function
- Vacation mode
- High-temperature alarm
- 10-year compressor warranty

Refrigerators

- No-Frost technology
- Digital control panel
- Humidity-controlled crisper
- Multi-Air flow system
- Large internal volume
- Breakfast compartment
- 10-year compressor warranty



Key Products

Efficiency through innovation, sustainable cooling

Energy efficiency is a fundamental criterion in Uğur Cooling's product development process.

Washing Machines

- SpaCare steam technology
- Sterilization program
- Night Wash feature
- Inverter motor: 70% energy savings
- Automatic weight detection
- Stain Master – stain-specific washing program
- Wool wash program

Dryers

- Five different drying levels
- Hot Reversal – reduced wrinkles
- UV sterilization
- Heat pump technology
- Shirt drying mode
- Inverter motor (70% savings, long lifespan)

Built-in Ovens

- Triple-layer glass – safety and energy savings
- Fry Art: healthy frying with less oil
- Steam-assisted cooking
- Soft Close door
- Timer
- Multiple cooking functions
- Digital control panel

Cooker Hoods

- 450 m³/h high suction power
- Three-stage touch control
- Auto shut-off

Water Purifiers and Dispensers

- Reverse osmosis technology
- Five-stage filtration
- Anti-leak safety system
- High-efficiency flow



Energy efficiency is a fundamental criterion in Uğur Cooling's product development process. Products that consume less energy compared to similar models of the same volume are designed to meet European energy efficiency standards. The refrigerants used are alternatives that do not harm the ozone layer and have a low global warming potential. Additionally, sustainability-focused strategies have been adopted, such as adaptations for solar energy use, carbon footprint reduction, electricity consumption efficiency, use of renewable energy sources, and integration with artificial intelligence and digital technologies.

To extend product lifespan and reduce waste, recyclable components are prioritized in design and material selection, while user comfort is also considered through low noise levels.

Uğur Cooling documents its commitment to sustainability and energy efficiency through internationally recognized certifications. All products are tested in accredited laboratories and recorded in a traceable manner under applicable standards.



Strong Market Position

Leadership in both local and global markets

Uğur Cooling maintains a strong market position through its innovation-driven approach, high-quality product portfolio, and extensive after-sales service network.

With more than 70 years of industry experience, Uğur Cooling has a solid market presence built on a customer-centric approach, high-quality product portfolio, and extensive after-sales service network. Operational advantages such as energy-efficient products, a wide product range, service and spare parts support, the ability to use all transportation routes, and short production lead times enhance the brand's competitive strength. Additionally, the seven-year warranty provided for deep freezer product groups manufactured with advanced technology offers a level of assurance above industry standards. This strong market position is reinforced not only by product quality but also by the Company's commitment to customer satisfaction, competitive pricing advantages, and the principle of standing behind every product. This approach, integrated with short production times, a robust supply chain structure, and a loyal customer base, reinforces the Company's market reputation and brand value.

Through collaborations with numerous corporate customers at the national and local levels, Uğur Cooling products have achieved widespread use across a variety of sectors, ranging from supermarkets and hospitals to patisseries and tea gardens. Its identity as a 100% domestic manufacturer is a significant factor that increases its preference in the domestic market.

Industry trends are closely monitored, and the product range is shaped according to current trends. Both the component quality and consumer perception of the products are maintained at high levels, and distinctive features are effectively communicated to the target audience through social media and local marketing activities.

To sustain market leadership, new product groups are developed in line with consumer expectations, and competitive strength is maintained through strategies focused on quality, R&D, service network, and target



pricing. Additionally, the Company has participated in international trade fairs to increase brand visibility. As part of its strategy to expand its export focus, the Company's global reach continues to increase each year. Its sales network, spanning many continents including Europe, Asia, Africa, the Middle East, and North and South America, had reached 146 countries in 2023.

The diversity in the premium product segment, high energy efficiency, and long lifespan features play a decisive role in Uğur Cooling's preference among its global customer portfolio. In addition to ongoing collaborations with global white goods manufacturers, extensive partnerships are maintained with global firms ranked among the top 100 in the beverage and food sectors. Furthermore, the business partnership with TEFCOLD, a leader in its category in Europe, which has been ongoing for approximately 41 years, continued with successful projects in 2024.



146
Countries
exported to



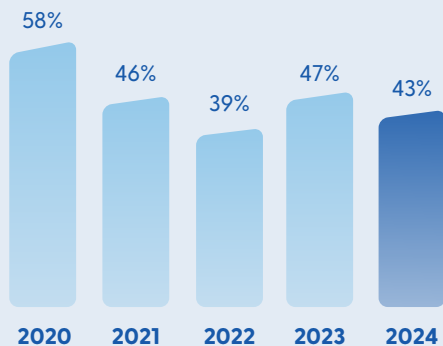
Strong Market Position

Growing global success year after year

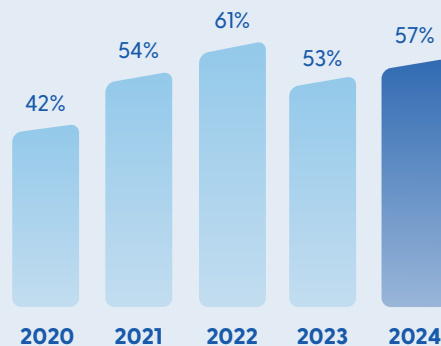
Trade Fairs Uğur Cooling Attended in 2024

Fair Name	Location	Date
Brau Bevale	Germany	November 26–28, 2024
Gulf Food Manufacturing	Dubai	November 5–7, 2024

Domestic and International Sales Volume Ratio

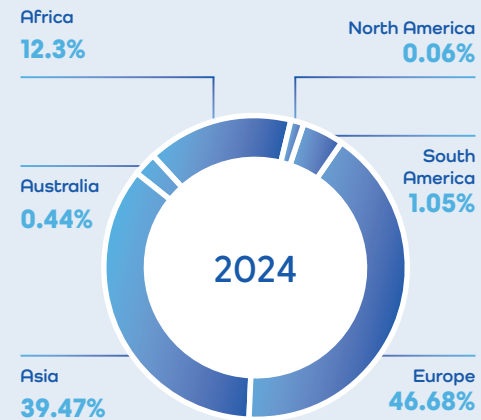
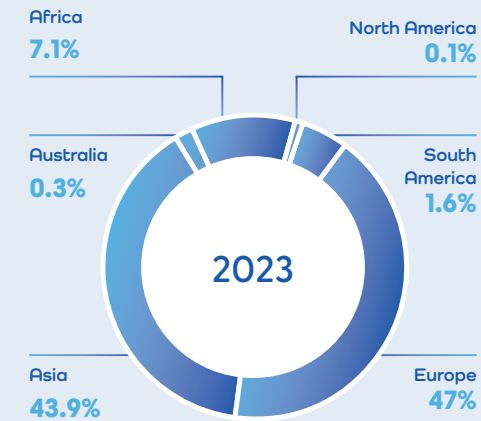


Sales Channel Domestic



Sales Channel International

Regional Sales Volume Distribution





R&D, Innovation, and Digitalization

Contributed SDGs



Innovative solutions for a sustainable future

Uğur Cooling has confirmed its innovation capacity by ranking among the top 100 in the Turkish Time R&D 250 Survey.

Uğur Cooling positions R&D, innovation, and digitalization as strategic priorities in line with its goals of sustainable production and high customer satisfaction. The Company's R&D Center operates with a multidisciplinary approach focused on developing innovative products and systems, enhancing product quality, and using resources more efficiently. R&D activities are carried out within the framework of the Product Decision, Development, and Improvement Procedure, and all product development processes are planned and managed in accordance with this procedure. The verification and control of processes are ensured through the coordination between the R&D Project Development Team and relevant departments. The R&D Center also focuses on continuously improving product design and functions through corrective actions based on customer feedback.

The Uğur Cooling R&D Center views innovation as an integral part of its corporate culture and works to systematically document all innovative processes, ensure information flow, and internalize them. Key elements such as compliance with standards, product safety, and environmental sustainability are prioritized in R&D processes.

The center operates with a total of 57 R&D employees and serves in a total area of 2,100 m², comprising 844 m² of office space and 1,256 m² of laboratory space. The number of R&D personnel constitutes 2.7% of the total number of employees. To enhance the competence of technical staff, postgraduate education is encouraged, and technical training programs are organized. During the 2024 operating period, a doctoral student was employed, and a know-how library was created to support knowledge-based development.



The ISO 17025- accredited R&D Test Laboratory within the center conducts tests in compliance with European and Turkish energy labeling regulations (EU 2019/2018, EU 2019/2016, and EU 2015/1094) and operates with high-quality standards focused on customer satisfaction.

In 2024, the project titled "Reduction of Heat Losses in Cooler and/or Freezer Glass Lids," prepared under the TÜBİTAK 1505 University-Industry Cooperation Support Program, one of the national support programs for R&D projects, was awarded funding and has begun implementation in collaboration with Ege University.

Uğur Cooling has confirmed its innovation capacity by ranking among the top 100 in the Turkish Time R&D 250 Survey, out of 1,292 R&D Centers in our country. The Company continues to strengthen its position in this field with its annually increasing R&D expenditures.

Energy efficiency, modular design, low cost, and environmentally friendly solutions form the basis of products developed through R&D efforts. Systems powered by solar panels and models compatible with eco-friendly refrigerants are actively developed and tested. Additionally, safety, legal compliance, and environmental impacts are systematically kept under control through the R&D Work Request Form used during product development stages.

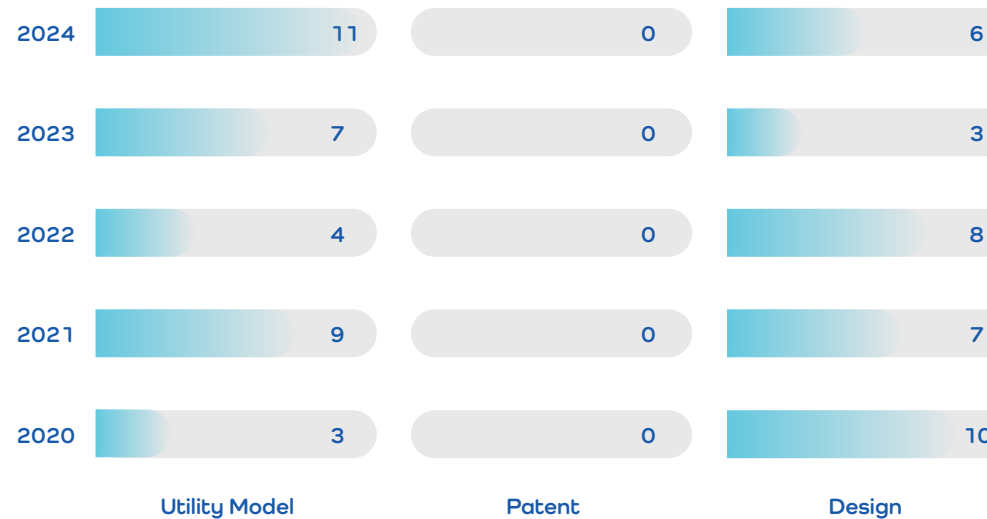
R&D, Innovation, and Digitalization

Innovative ideas, certified quality

Uğur Cooling continues to develop its R&D and digitalization strategies to increase customer satisfaction, enhance competitiveness, and develop environmentally friendly technologies.

Economic sustainability is also considered in R&D and innovation activities, with stock, labor, and assembly costs being optimized through the use of common components in products of different volumes. The Company is also making technical progress in areas such as energy improvement projects, alternative refrigeration cycles, newly designed supermarket cabinets, and projects for compliance with testing standards.

In R&D projects, priority is given to products with high commercialization potential, and every design and development step is carried out with environmental responsibility. The Company systematically continues its patent, utility model, and design registration efforts, developing products that comply with national and international standards in this context.



R&D project titles developed or ongoing as of 2024:

- Energy Improvement & Development Projects
- Alternative Cooling Cycles and Designs
- Ice Cream Cabinet Family with Innovative Designs
- Supermarket Cabinet Family with Innovative Designs
- New-Design Remote Supermarket Products
- Compliance Projects for New Test Standards

In the field of digitalization, digital prototyping, cloud-based collaboration tools, simulation and modeling, project management tools, and process improvement technologies were implemented in the R&D department throughout 2024. Digitized business processes include functional areas such as data analysis, reporting, and supply chain management.

Uğur Cooling continues to develop its R&D and digitalization strategies for 2024 and beyond to increase customer satisfaction, enhance competitiveness, and develop environmentally friendly technologies. Key strategies to achieve these goals include increasing R&D investments, deepening research into eco-friendly materials, developing digital infrastructure, and enhancing scientific knowledge through collaborations.



Operational Excellence and Sustainable Product Quality

Contributed SDGs



Integrated management, excellent results

Management systems compliant with internationally recognized ISO certifications in areas such as quality, environment, occupational health and safety, and business ethics are successfully implemented.

Uğur Cooling manages operational excellence and sustainable product quality through an integrated management approach focused on continuous improvement with lean manufacturing principles. This approach, based on customer satisfaction, environmental responsibility, and long-lasting product performance, regards quality not merely as an output but as a holistic process to be managed throughout the entire value chain.

Management systems compliant with internationally recognized ISO certifications in areas such as quality, environment, occupational health and safety, and business ethics are successfully implemented, ensuring operational continuity while demonstrating high performance in corporate standards. Social compliance audits conducted since 2014 demonstrate the Company's commitment and sense of responsibility in key areas such as occupational health and safety, environmental responsibility, ethical rules, and labor standards.

Production and quality processes are carried out in full compliance with Integrated Management Systems Standards. Additionally, the Company holds CE and CB certificates for product safety and RoHS and REACH compliance declarations for environmental sustainability. Quality management processes are conducted digitally via the Quality Documentation Management System (QDMS); all created and updated documents are recorded, and verification and calibration data are monitored through the system. As of 2024, more than 1,350 devices were verified, and more than 500 devices were calibrated.

The SAP ERP infrastructure, a cornerstone of the Company's corporate digital transformation journey, operates in integration with production, information security, reporting, budgeting, and analysis processes to increase efficiency and supports business intelligence with advanced forecasting capabilities.

The SAP ERP-based financial structure strengthens corporate sustainability with its transparent recording system, high credibility, employee-centric approach, and disciplined budgeting capabilities.

In 2024, Total Productive Maintenance (TPM), Kaizen, and 5S practices across production processes were restructured; time-based machine utilization was optimized, and new business partnerships for waste recovery were developed. On the supply chain side, stock cycle time was reduced through digital tracking systems, and the supplier scoring system was updated.

To ensure product quality, three-stage quality control systems (Incoming Quality Control-IQC, Process Quality Control-PQC, and Final Quality Control-FQC) spanning from raw material entry to shipment, final test lines, and digital traceability applications have been integrated. The failure rate in critical product groups was reduced with the Failure Mode and Effects Analysis (FMEA) project implemented in 2024.

The Quality Laboratory conducts various tests – such as UV, corrosion, climate conditioning, thermal conductivity, and life cycle tests – digitally, spanning from R&D processes to production and the supply chain; test results are shared with relevant departments via the system. Analyses of chemical baths used in painting facility processes and furnace controls with thermographic measurements are conducted regularly; environmental sustainability is supported by ensuring the recycling of materials after testing.

Certified Management Systems



Zero Waste Certificate



ISO 9001 Quality Management System



ISO 10002 Customer Satisfaction Management System



ISO 14001 Environmental Management System



ISO 17025 Certified R&D Testing Laboratory



ISO 20000-1 Information Technology Service Management Systems



ISO 22301 Business Continuity Management System



ISO 27001 Information Security Management System



ISO 28000 Supply Chain Security Management System



ISO 31000 Risk Management System



ISO 45001 Occupational Health and Safety Management System



ISO 50001 Energy Management System



Operational Excellence and Sustainable Product Quality

Topic	2020	2021	2022	2023	2024
Number of newly prepared documents	213	158	81	56	35
Number of revised documents	182	184	279	215	103
Total number of documents in the system				3,592	3,627
Number of corrective actions opened	358	534	200	176	513
Number of corrective actions closed	245	517	142	176	142
Number of verified devices	As of the end of 2022: 802 units			1,350	1,500
Total number of verified devices registered in the QDMS system	As of the end of 2022: 1,611 units			1,350	1,500
Number of calibrated devices	406	420	411	404	400
Total number of calibrated devices registered in the QDMS system	As of the end of 2022: 409			404	400
Number of internal audits conducted	23	22	25	27	27
Number of external audits conducted	17	17	18	19	19

Topic	2020	2021	2022	2023	2024
Descriptions of External Audits Conducted	*11 Standard Audits (ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 10002, ISO 31000, ISO 22301, ISO 28000, ISO 20000-1, ISO 27001, ISO 17025)	*11 Standard Audits (ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 10002, ISO 31000, ISO 22301, ISO 28000, ISO 20000-1, ISO 27001, ISO 17025)	*11 Standard Audits (ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 10002, ISO 31000, ISO 22301, ISO 28000, ISO 20000-1, ISO 27001, ISO 17025)	*11 Standard Audits (ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 10002, ISO 31000, ISO 22301, ISO 28000, ISO 20000-1, ISO 27001, ISO 17025)	*11 Standard Audits (ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 10002, ISO 31000, ISO 22301, ISO 28000, ISO 20000-1, ISO 27001, ISO 17025)
	*COVID-19 Safe Production Audit	*COVID-19 Safe Production Audit	*COVID-19 Safe Production Audit	*EcoVadis	*EcoVadis
	*BSCI	*TCCC SGP	*EcoVadis	*Sedex SMETA 4-Pillar	*BSCI Audit
	*EcoVadis	*TCCC SGP	*Sedex SMETA 4-Pillar	*TSE Factory Production Control Audit	*Sedex SMETA 4-Pillar
	*TCCC SGP WRP Social Audit	*EcoVadis	*Sedex SMETA 4-Pillar	*R&D Center Audit	*TSE Factory Production Control Audit
	*TSE Factory Production Control Audit	*Sedex SMETA 4-Pillar	*TSE Factory Production Control Audit	*Customer Audits	*R&D Center Audit
	*R&D Center Audit	*TSE Factory Production Control Audit	*R&D Center Audit	*Provincial Directorate of Environment Audit	*Customer Audits
		*R&D Center Audit	*KTL Audit		*Ministry Audits
					TCCC SGP WRP Audit
Annual Number of Examinations Conducted Through the Onboarding Periodic Examination Module	11	422	935	1,189	1,500



Operational Excellence and Sustainable Product Quality

Increasing quality in business processes

Quality targets and production performance indicators are defined to enhance the quality of business processes and ensure continuous improvement.

The active modules used in QDMS: The Document Management Module, Corrective Actions Module, Audit Activities Module, Action Management Module, Management Review Module, Device Management System Module, Risk Assessment Module, Training Planning Module, On-the-Job Periodic Inspection Module

Production Quality

Uğur Cooling has established a comprehensive quality culture to ensure the effective operation and execution of its Quality Management System. This culture is systematically maintained within the framework of defined objectives and performance indicators. The Company's production quality practices are summarized below:

Quality Targets and Production Performance

Indicators: Quality targets and production performance indicators are defined to enhance the quality of business processes and ensure continuous improvement. These indicators are used to measure process effectiveness and identify opportunities for development.

Risk-Based Thinking and Continuous Improvement

The quality strategy is built on a risk-based thinking approach. This approach aims to identify potential issues in advance and implement preventive measures.

Quality Circles and Improvement Project Teams

Blue-collar employees participate directly in quality processes through Quality Circles, while white-collar employees do so through Improvement Project Teams. This structure supports holistic compliance with customer expectations.

Integrated Supplier Audits: Audits conducted by the Incoming Quality Control unit cover not only process quality but also environmental, social, and governance performance criteria.

Supplier Performance Monitoring: Supplier performance is continuously monitored via the "IQC Activity Dashboard," and improvement efforts are implemented based on this data.



In 2024, training programs were organized covering lean manufacturing techniques, Six Sigma awareness, and quality cost management.

ASAKAI Meetings: ASAKAI meetings, held before each workday, facilitate the evaluation of issues with the participation of various departments and follow-up of actions. The Management ASAKAI supports departmental coordination and decision-making processes at the senior management level.

Methods for Enhancing Operational Efficiency:

Operational efficiency is enhanced through critical process evaluations, employee suggestion systems, automation of repetitive tasks, and software-based human resources solutions.

Continuous Improvement Solutions: Many systematic improvement methods, such as Kaizen, 5S audits, Near-Miss Notifications, Lessons Learned, Action Management, Problem-Solving Techniques, and Customer Complaint Management, are actively implemented.

As part of the systematic structures developed for customer satisfaction, feedback collected through digital CRM platforms and data from post-sales satisfaction surveys are evaluated in monthly quality meetings. When necessary, root cause analyses are conducted to provide feedback to the processes. Corrective actions, implemented based on feedback recorded via the intranet-based complaint management system, are integrated into operational procedures to prevent the recurrence of similar issues.

Production processes are carried out in an integrated manner with the ISO 22301 Business Continuity and ISO 9001 Quality Management Systems. The central and Organized Industrial Zone (OIZ) factories are certified with TSE Conformity Certificates. This infrastructure is supported by a corporate strategy based on customer and employee satisfaction, aligned with the goal of sustainable growth.

Performance monitoring of operational processes is conducted using key indicators such as OEE (Overall Equipment Effectiveness), DPU (Defects Per Unit), MTBF (Mean Time Between Failures), On-Time Delivery Rate, Energy Consumption per Product, and Waste Recycling Rate.

In 2024, training programs covering lean manufacturing techniques, Six Sigma awareness, and quality cost management were organized; for white-collar employees, structures supported by digital learning modules and an internal trainer system were implemented.

Strategic goals for 2025 and beyond include reducing energy consumption, lowering defect rates through the expansion of Six Sigma projects, ensuring blockchain-supported traceability in supply chain processes, and reducing the number of customer complaints.



Customer Satisfaction

Proactive, transparent, and solution-oriented service

Uğur Cooling considers customer satisfaction an integral part of its sustainability performance.

Uğur Cooling positions customer satisfaction among its strategic priorities and aims to build strong, sustainable relationships in this context. The Company's approach to customer satisfaction is built on the principles of easy accessibility, solution-orientated service, prompt feedback, and objective evaluation. It considers customer satisfaction an integral part of its sustainability performance and supports its efforts in this area with the ISO 10002 Customer Satisfaction Management System. Continuous interaction with customers is maintained through multi-channel communication tools such as the Call Center (444 84 87), the "Contact Us" section on the corporate website, Şikayetvar, Zopim Live Support, and social media platforms.

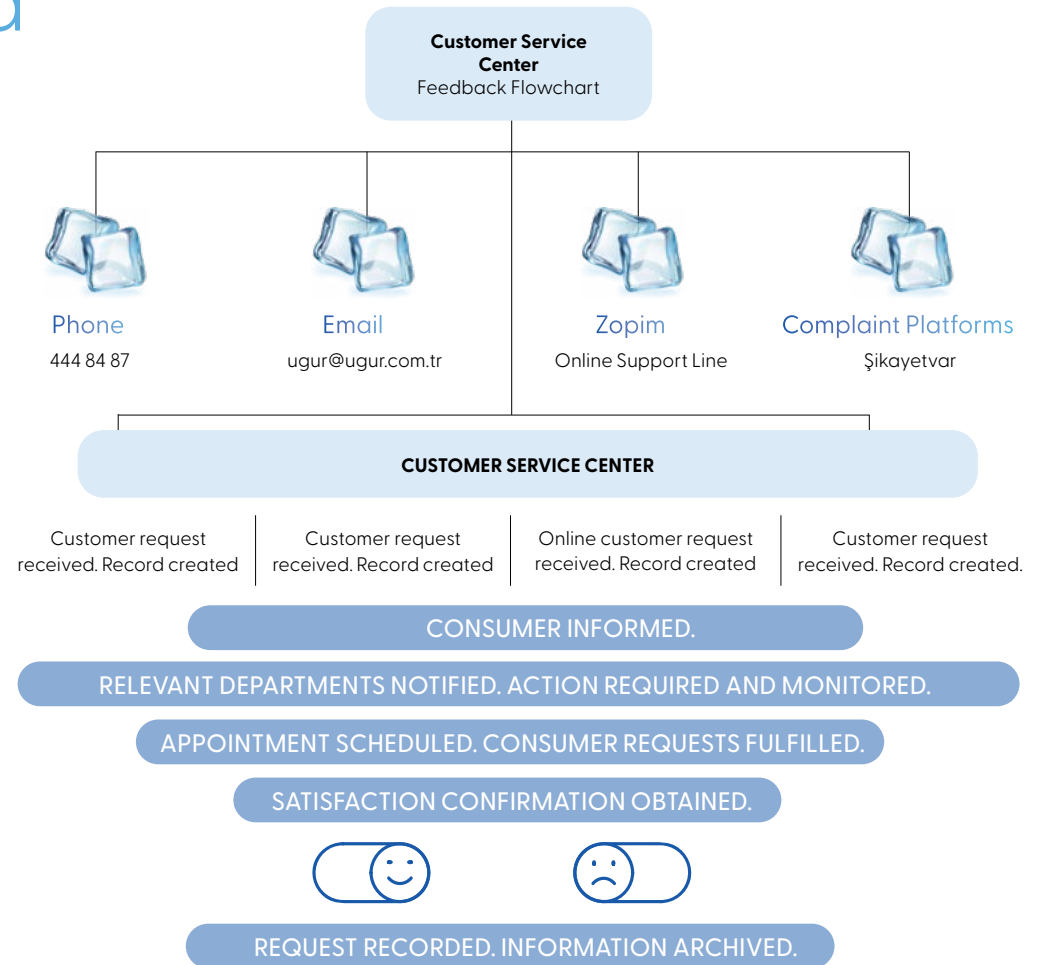
The Company's customer base consists of both individual and corporate clients, managed by the domestic sales and corporate sales departments. Customer needs and expectations are analyzed through regularly conducted Customer Satisfaction and Service Performance surveys; the results are reviewed on a monthly, semi-annual, and annual basis, and action plans are shared with the relevant

departments. According to 2024 survey results, the customer satisfaction rate was measured at 96%, and the service performance satisfaction rate was 95%.

Digital transformation applications are effectively used in the management of product and service processes. Requests from corporate business partners, dealers, and call centers are recorded through the Uğur After-Sales Service Application, and the relevant authorized service provider is directed through this platform. All processes can be monitored through both the website <https://ssh.ugurweb.com/> and the mobile application.

Once customer requests are recorded in the system, a response is provided within a maximum of 48 hours. Satisfaction confirmation is obtained for completed requests, and both positive and negative feedback are classified and archived in the system. Response performance is also evaluated monthly on a per-service basis, and performance results are shared with the respective services. As of 2024, 95% of requests registered in the after-sales service portal were resolved within 48 hours.

Contributed SDGs





Customer Satisfaction

Contributed SDGs



Broad and competent service network

Uğur Cooling responds to customer requests with approximately 250 authorized service centers across Türkiye.

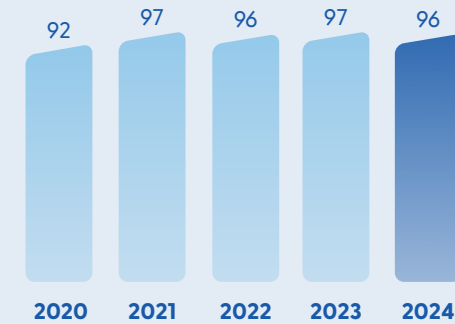
Customer complaints are classified in the system according to fault priority and directed to the relevant services. According to data from Şikayetvar, Uğur Cooling was once again rated “best” in the white goods sector in 2024, earning the title of “Fast Responder,” with a 100% complaint response rate. Digital channels such as social media, Zopim live support, and the Contact Us module are actively used to collect customer requests.

As part of customer information and technical support services, authorized service providers received both on-site and central orientation training for newly introduced models in the product groups. Additionally, it is planned to launch the Online Discount process on digital platforms for 2025 and beyond to enhance the customer experience. To increase customer loyalty, the Company went beyond the legal warranty period for its products, offering a free extended warranty of up to seven years for certain household products, and supported customer satisfaction with campaigns throughout the year.

Number of Complaints Responded to through Communication Channels

	Social Media	Zopim	Contact Us	Complaints Platforms
2020	177	870	2,359	955
2021	80	394	1,751	577
2022	52	395	823	477
2023	20	1,699	1,109	681
2024	36	1,687	947	717
Total	365	5,045	6,989	3,407

Customer Satisfaction
Rate by Year



Training Provided to Technicians during 2020–2024

Total Number of Technicians Trained	430
Number of Technicians Trained in 2021	93
Number of Technicians Trained in 2022	306
Number of Technicians Trained in 2023	235
Number of Technicians Trained in 2024	203

Uğur Cooling provides services through a broad and competent service network, responding to customer requests with approximately 250 authorized service centers across Türkiye. Steps to improve the workplace infrastructure for this service network were initiated in 2024. Communication tools such as WhatsApp, Uğur Web, and GSM were also integrated into the processes to ensure more effective communication with service centers. The Company also provides information on energy consumption during product delivery, making service employees a part of the sustainability chain.



Sustainable Value Chain Management

Sustainable value at every step

Uğur Cooling aims to increase operational efficiency, strengthen its global competitiveness, and build a resilient supply structure.

Uğur Cooling conducts its sustainable value chain management based on the principle of integrating environmental, social, and economic sustainability principles with a holistic approach throughout all processes, from the production of products and services to their delivery to the end user. In line with the principles of efficiency, transparency, collaboration, and sustainability in supply chain management, the Company aims to increase operational efficiency, strengthen its global competitiveness, and build a resilient supply structure.

In line with this approach, long-term collaborations, strategies supporting local development, digitalization-based monitoring systems, and evaluation mechanisms based on continuous improvement are implemented in relationships with suppliers.

Uğur Cooling supplies a wide range of components for use in commercial and household refrigerators and freezers, such as compressors, fan motors, thermostats, locks, hinges, glass, wire shelves/baskets, grilles, polyurethane systems (polyol, isocyanate and pentane), refrigerant gases, and plastic raw materials (ABS, PA, PS, EPS, PVC).

Procurement processes are carried out from both domestic suppliers and strategic supply centers abroad, such as Europe, China, and Brazil. As of 2024, 65% of the approximately TRY 7 billion in procurement was sourced from local suppliers. In Türkiye, the Company collaborates with suppliers located in various provinces, primarily Manisa, İzmir, İstanbul, Eskişehir, Kayseri, Denizli, and Aydın.

Procurement Policy and Sustainability Criteria

The Company's procurement policy is based not only on technical and financial competencies but also on ethical principles, social responsibilities, and environmental performance. In addition to suppliers' compliance with relevant laws and regulations, their practices in areas such as human rights, business ethics, and occupational health and safety are systematically monitored; the results are incorporated into performance reports and supported with action plans.

The sustainability performance of suppliers is regularly assessed according to the following criteria:



Quality



Delivery Performance



Price Competitiveness



Environmental Criteria



Social Responsibility



Corporate Governance

In line with these criteria, monitoring processes are carried out through on-site and remote audits, supplier codes of conduct, risk analyses, and reporting systems.

Uğur Cooling places great importance on digitalization in the supply chain and manages supplier relationships, performance reporting, and process integration holistically through its Supply Management System. The simultaneous and integrated operations of the purchasing, accounting, and logistics departments enable transparent monitoring of order, delivery, and evaluation processes. Additionally, supplier performance is tracked through digital surveys and monitoring systems aligned with sustainability criteria.

During the supplier selection process, quality certificates (ISO 9001, ISO 14001, ISO 45001, ISO 50001) and social compliance criteria are considered; new suppliers are evaluated through social audit forms and information security questionnaires; and their performance is monitored through metrics such as delivery, price, and quality scores. Suppliers are divided into three main categories: ideal group, risky group, and high-risk group.

Uğur Cooling implements many practices to strengthen local suppliers, such as long-term contracts, fixed-price agreements, digital infrastructure compliance, and sustainability-focused project partnerships. Through these measures, the Company aims to encourage domestic production and contribute to regional economic development.

Risk Management and 2024 Improvement Actions

The main risks encountered in the supply chain during 2024 included interruptions in the supply of critical parts, price fluctuations, logistical challenges, geopolitical tensions, and climate-related environmental threats. The following actions were implemented to address these risks:

- Alternative supplier strategies and safety stock levels for critical components,
- Fixed-price contracts and long-term agreements,
- Alternative transportation routes and digital logistics tracking,
- Resource diversification through geopolitical analysis,
- Designing flexible and climate-resilient supply structures.

In addition to these measures, improvement efforts carried out in 2024 included supplier diversification, enhancement of digital tracking systems, transparent information flow, training, and capacity building.

Contributed SDGs





Data Security and Privacy

Data security aligned with international standards

Uğur Cooling considers the protection of all stakeholders' personal and corporate information an integral part of its business ethics.

With the acceleration of digitalization today, information has become a strategic asset for organizations. Accordingly, Uğur Cooling views data security and privacy as a fundamental component of its corporate responsibility and considers the protection of all stakeholders' personal and corporate information an integral part of its business ethics. All information security processes are carried out in compliance with international standards such as ISO 20000-1, ISO 22301, ISO 28000, and ISO 31000, with a primary focus on ISO 27001. The Company's Information Security Policy aims to establish an information security management system, support processes with policies and procedures, ensure full compliance with legal regulations, apply necessary sanctions in case of violations, maintain the continuous and secure operation of the IT infrastructure, and manage risks threatening information assets. Additionally, regular training is planned to increase the awareness of all employees on this subject.

Corporate Structure and Governance

Data security and privacy management is conducted within the framework of the ISO 27001 Information Security Management Standard, the Personal Data Protection Law (PDPL), and the corporate Personal Data Protection Policy. PDPL officers have been appointed in each department, their job descriptions have been defined, and a personal data inventory has been created. While the Information Systems unit is responsible for managing technical systems, the PDPL officers in the departments oversee data management related to their respective processes. Legal partners are responsible for audits, consulting, and compliance checks. Policies have been shared on both internal platforms and in public domains, and employees have been provided with information security and PDPL awareness training during the orientation process.

The Personal Data Protection Policy and related procedures cover all of the Company's data-generating and processing activities, including production, sales, customer relations, human resources, and the supply chain.



Data Security Strategy and Standards

Uğur Cooling's data security strategy is based on the ISO 27001 Information Security Management System and regulations such as the PDPL and the European Union's General Data Protection Regulation (GDPR). Processes are carried out with technical infrastructures and operational controls that comply with established standards.

Legal Regulations and Compliance

National and international legislation, particularly the PDPL and GDPR, are continuously monitored. In this context, internal audits are conducted to ensure compliance with current regulations, and training and audit processes are supported by legal partners. The Company also fulfills its recording and retention obligations under Law No. 5651 on Logging.

Concrete Steps Taken in 2024

Throughout 2024, steps were taken to update data security policies, integrate new technologies into the system, and expand awareness training for employees regarding personal data protection and information security. Additionally, various module and hardware investments were made for security systems.

These infrastructures are operated in an integrated manner with policies and procedures defined under ISO 27001. The effectiveness of security systems is regularly checked through penetration tests and audits conducted by independent institutions.

Risk Assessment and Management Processes

Processes have been defined and procedures developed in line with ISO 27001 and ISO 31000 Risk Management Standards to proactively identify and manage risks that threaten information assets. These processes are monitored through risk management software, and their continuous relevance is ensured through regular reviews.



Data Security and Privacy

An agile corporate infrastructure

Uğur Cooling aims to continuously improve its data security and privacy strategy.

Future Investments and Technological Solutions

Uğur Cooling aims to continuously enhance its data security and privacy strategy. The main actions planned for 2025 and beyond in this regard are as follows:

- Expanding the scope and variety of security software,
- Increasing the effectiveness of extended detection and response systems,
- Expanding the use of automation systems in information and document management processes across the Company,
- Implementing data classification and tracking systems across all departments,
- Increasing the effectiveness of practices related to PDPL and GDPR regulations,

- Ensuring the transition to the latest version of the ISO 27001 standard and restructuring all related processes accordingly,
- Updating existing systems, expanding XDR and DLP systems, renewing licenses for network infrastructure devices, and deploying new security hardware.

These investments aim to both strengthen legal compliance and build a more resilient and agile corporate infrastructure against information security risks.

Training and Awareness Programs

To increase employees' information security awareness, ISO 27001 Internal Auditor training and periodic awareness training are organized. PDPL and information security modules have been integrated into the orientation processes. Training activities are not limited to technical subjects but also cover procedural and ethical awareness.

Data Storage, Processing, and Sharing Security Measures

Data collected from customers, employees, and business partners are managed in accordance with ISO 27001, the PDPL, and the Personal Data Protection Policy, and are protected through data masking, deletion, destruction, and authorization-based access controls.

Enterprise resource planning systems, authorization procedures, and access policies are implemented to protect critical data from unauthorized access. These processes are supported by technical infrastructure and business guides and are audited through periodic checks.

The performance of the systems is regularly evaluated through external audits and penetration tests, and improvement activities are carried out accordingly. In 2024, various system and software updates were carried out in this context.



ISO 27001 Internal Audit training and periodic awareness sessions are organized to raise employees' information security awareness.

Contributed SDGs





Responsible Marketing Practices

Communication in line with ethical marketing principles

Digital marketing activities are conducted in a manner that promotes responsible consumption and sustainability principles.

Uğur Cooling structures its marketing activities in alignment with its sustainability and environmental goals. The promotion of environmentally friendly and energy-efficient products is prioritized, and this vision is integrated into communication strategies. Energy efficiency and environmental impact reduction are fundamental to product development processes, and these approaches are also reflected in marketing campaigns.

Transparent Information and Accurate Messaging

Information regarding products and services offered to customers is prepared to be accurate, transparent, and not misleading; content is presented in accordance with ethical marketing principles after undergoing independent audits. Marketing materials are developed in close collaboration with the R&D department. Information on the Company's website is regularly updated, and consumer expectations are closely monitored through analysis of competing brands.

Special logos, color codes (e.g., green icons), energy class labels, and benefit-oriented messages are used in the promotion of energy-efficient and environmentally friendly products. The environmental benefits of these products are highlighted through slogans such as "technology that protects nature" and "a breath for the future," and this distinction is reinforced both visually and through the content.

Avoiding Greenwashing

To avoid greenwashing in its marketing campaigns, Uğur Cooling supports every environmental claim with technical data and communicates only through verifiable documents (e.g., test certificates, energy efficiency certificates). This approach enhances the brand's credibility and prevents misleading claims.

Sustainability in the Value Chain

Uğur Cooling aims to extend its sustainability vision not only across its own operations but also to its suppliers and business partners. Through contracts, training programs, audit mechanisms and collaborative working principles, a responsible marketing approach is instilled throughout the value chain. Workshops on ethics and sustainability are planned for future periods.

Digital marketing activities are conducted in a manner that promotes responsible consumption and sustainability principles. Informative content on energy saving, extending product life, and environmentally friendly consumption is shared on social media platforms, with awareness further increased through short videos. At the same time, consumer feedback is collected through social media comments, call center interactions, and analysis systems; this data is evaluated to measure sustainability perception and create action plans.

Sustainable and Socially Responsible Marketing Practices

Uğur Cooling considers sustainability and social responsibility principles to be the fundamental building block of its marketing strategies:

- **Transparent Communication:** The environmental impacts of products, recycling processes, and sustainability practices are shared openly and accurately, eliminating the possibility of misleading information.
- **Goal and Performance Reports:** Progress data on sustainability goals are shared transparently with the public, based on the principle of accountability.
- **Sustainability in Product Development Processes:** Marketing claims are based on concrete foundations by preferring materials and production methods that minimize environmental impacts.

Independent Audits and Certifications:

The accuracy of marketing messages is ensured through independent audits and international certifications.

- **Target-Oriented Communication:** In addition to environmental benefits, the quality and performance features of products are also emphasized to create a holistic brand perception.

Social Responsibility Themes in Corporate Messaging

Special importance is given to the concepts of domestic production and local employment in marketing practices. The Company's production journey, which began in Aydın/Nazilli, continues to contribute to the local economy through its dealer and service network established across various regions of Türkiye. This contribution is emphasized in communication materials with a brand approach of "producing in Türkiye, adding value to Türkiye."

Expectations for suppliers and business partners to adopt a responsible marketing approach are clearly defined; in this context, practices are secured through contracts, training activities, audit mechanisms, and joint working principles.

Additionally, videos and content aimed at increasing consumer awareness regarding sustainable use and end-of-life disposal processes for products are produced and disseminated on social media platforms. As part of social responsibility practices, both workplace belonging and societal contribution are strengthened through disaster relief support, education projects, women's employment, and campaigns aligned with societal values.



Logistical Impacts

Carbon emissions reduction target

In 2024, the fleet was modernized, the use of Euro 6 engine vehicles was increased, and occupancy rates in route planning were optimized.

Best Practices in Logistics Management

- Preference for Sea and Ro-Ro Transportation
- Digitalization
- Improvement in Storage and Transportation Processes
- Recycling and Waste Management
- Electrification

Uğur Cooling operates with an awareness of the environmental impacts of logistics activities throughout the entire process, from production to the delivery of products to the end user. The Company, aiming to reduce impacts such as carbon emissions, energy consumption, and packaging waste, further develops its sustainable logistics practices each year in line with the principles of “zero waste” and “minimum carbon footprint.”

Logistics operations are structured considering product volume, delivery time, and cost factors. Domestic transportations are carried out primarily through road transport via regional

distribution centers, while for international shipments, road transport is preferred, especially for the European market, and sea container transport is predominantly chosen for other destinations. These choices support both operational efficiency and environmental sustainability goals.

As of 2024, Uğur Cooling has implemented various practices to reduce the environmental impacts of its logistics processes. These include route optimization, order consolidation, reducing transport frequency, transitioning to recyclable packaging materials, and implementing reusable pallet systems. Minimized packaging designs are employed to reduce packaging waste, and suppliers are informed and guided to utilize recyclable materials and low-carbon fuels in their shipments. In the long term, the goal is to integrate these sustainability criteria into the supplier evaluation system.



To reduce carbon emissions, in 2024, in collaboration with logistics partners, the fleet age was rejuvenated, the usage rate of Euro 6 engine vehicles was increased, and occupancy rates in shipment planning were optimized. At the same time, the logistics-related carbon footprint began to be monitored; a data collection infrastructure was established under the ISO 14064 standard, and data based on fuel consumption and transport type were collected from all logistics partners. In this context, a decrease in emissions per trip was recorded in the second quarter of 2024.

The digitalization-focused transformation within the Company is also being effectively carried out in logistics processes. Logistics tracking and traceability are ensured through route planning and shipment tracking software integrated into the ERP system, GPS-supported vehicle tracking systems, and digital loading planning systems. This results in both route optimization and improved utilization of vehicle capacity. Additionally, route and load optimization is performed via Mapsle and SAP software, and dealer storage activities are managed with the Uğurweb infrastructure.

Through milk run planning, the number and times of trips have been standardized, reducing the number of vehicles. A more optimized shipment structure has been created with the dealer storage system implemented in certain regions. A conveyor system has started to be used instead of equipment for transferring finished products from the production line to the warehouse.

As part of waste management, e-invoicing and e-dispatch systems are implemented by transitioning to digitalization in transport and storage processes, and delivery documents are digitized. Heavy waste from forklifts, such as oil and tires, is managed in accordance with the factory's waste/recycling process. Packaging materials are collected from dealers, and damaged returned packaging is recycled and reused as raw material. In the upcoming period, to reduce the environmental impacts of logistics processes, pilot applications of electric transport vehicles, monitoring of carbon emissions throughout the supply chain, expansion of the packaging recycling infrastructure, and collaboration with digital logistics platforms are planned. These collaborations aim to reduce empty returns and develop joint transportation models.



Working for Sustainable Social Development

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Social Sustainability Roadmap and Goals

A long-term social sustainability approach

Uğur Cooling prioritizes increasing employee satisfaction, adding value to society, and building fair and responsible relationships with its stakeholders.

Embracing the vision of a “Sustainable Society,” Uğur Cooling operates with a long-term social sustainability approach that considers the well-being of not only today’s but also future generations. This approach is built on fundamental values such as employee well-being, respect for human rights, ethical business practices, social benefit, equal opportunities, and inclusion.

In line with this vision, the Company prioritizes increasing employee satisfaction, adding value to society, and building fair and responsible relationships with its stakeholders by developing people-centered policies. The social sustainability approach is addressed within a multidimensional framework that includes occupational health and safety, employee development, ethics and compliance, diversity and inclusion, fair compensation, volunteer work, and relationships with local communities. This approach is not only a reflection of corporate values but also an integral part of the Company’s long-term sustainability strategy.

To structure social sustainability activities at the corporate level, a “Social Compliance Framework” integrated into Uğur Cooling’s specific business processes has been developed. A team composed of representatives from various areas of expertise operates within this framework. This team consists of seven representatives under the Social Compliance Management Representative: the Training Representative, Environmental Representative, OHS Representative, Ethics Representative, Energy Manager, Employer Representative, and Employee Representative.

Through this structure, social sustainability principles are comprehensively addressed and systematically monitored through process flowcharts, internal procedures, and performance targets. By placing key performance indicators at the center of production and organizational management, the Company aims to measure its social impact and ensure continuous improvement.



Short, medium, and long-term goals have been defined within the scope of social sustainability:

Short-Term Goals (2024–2025):

- Expanding the scope of employee satisfaction surveys and establishing regular feedback mechanisms,
- Implementing recruitment and development plans to increase the ratio of female employees,
- Providing occupational health and safety training to all employees,
- Conducting awareness activities aimed at internalizing ethical conduct principles among employees.

Medium-Term Goals (2026–2028):

- Strengthening the career development system that supports equal opportunity,
- Developing projects to increase the participation of individuals with disabilities in the workforce,
- Increasing social impact by expanding corporate volunteer programs,
- Systematically implementing social compliance audits for all suppliers.

Long-Term Goals (2029 and beyond):

- Achieving full compliance with international social sustainability standards (e.g., SA8000, UNGC principles),
- Becoming a leading brand in regional social development projects,
- Establishing social impact measurement and reporting systems and sharing results transparently,
- Developing sustainable well-being systems for employees (psychological support, flexible working models, etc.).

Uğur Cooling views social sustainability not only as a legal and corporate obligation but also as a responsibility that strengthens corporate reputation and builds trust among stakeholders. Social practices developed in this context are considered an integral part of the Company’s long-term value creation strategy.



Social Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Goal



Targeted Value

Year-end Completion
Status

2025 Goal



Targeted Value

Sustainable Social Development

Occupational Health
and SafetyReducing the Lost Time
Injury Frequency RateSetting the Lost Time
Injury Frequency Rate
at 15

15

27

Setting the Lost Time
Injury Frequency Rate
at 15

15

Occupational Health
and SafetyReducing the lost time
injury severity rateSetting the lost time
injury severity rate of 0.5

0.5

0.47

Setting the lost time
injury severity rate of 0.2

0.2

Occupational Health
and SafetyPreventing fatal and
limb-loss accidentsEnsuring the fatal and
limb-loss accident rate
remains at zeroZero limb-loss work
accidents, 100%
compliance with
target

Target achieved.

Ensuring the fatal and
limb-loss accident rate
remains at zero

0

Occupational Health
and SafetyCompleting risk analysis
actions and addressing
findings identified during
field inspections and
assessmentsCompleting major risks
by 90%, medium risks by
80%, and potential risks
by 80%.Major risks 90%,
medium and potential
risks 80%

0.72

Ensuring the completion
of CAPAs opened as a
result of findings from
risk analyses, field
audits, and surveillance

80%

Occupational Health
and SafetyFulfilling legal and
regulatory obligationsFully complying with
legal and regulatory
obligations100% completion of
the target

Target achieved.

Fully complying with
legal and regulatory
obligations

100%

Occupational Health
and SafetyIncreasing the number of
near-miss reportsEnsuring that the
number of near-miss
reports reaches at least
25 throughout the year

25

2

Ensuring that the
number of near-miss
reports reaches at least
25 throughout the year

25

Occupational Health
and SafetyRecording employees'
ANNEX-2 pre-
employment/periodic
medical examination
reports in the QDMS
ProgramEnsuring that all
employees' health
records and monitoring
are managed within the
program

100%

Target achieved.

Ensuring that all
employees' health
records and monitoring
are managed within the
program

100%



Social Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Goal



Targeted Value

Year-end Completion
Status

2025 Goal



Targeted Value

Sustainable Social Development

Occupational Health and
Safety

To eliminate or minimize the risk of illness and occupational accidents for employees by observing ergonomic conditions in the working environment.

Supporting the creation of suitable working conditions in the departments for one employee diagnosed with Cervical Discopathy, 17 employees with Lumbar Discopathy, and eight employees with both lumbar and cervical discopathy, and ensuring that ergonomics training on heavy lifting is repeated annually for employees working in heavy lifting areas

100%

Target achieved.

Supporting the creation of suitable working conditions in the departments for one employee diagnosed with Cervical Discopathy, 17 employees with Lumbar Discopathy, and eight employees with both lumbar and cervical discopathy, and ensuring that ergonomics training on heavy lifting is repeated annually for employees working in heavy lifting areas

100%

Employee Engagement
and Satisfaction

Completion of employee requests

Blue-Collar: 1 Month
White-Collar: 2 Months

100% completion of the
target

Target achieved.

Blue-Collar: 1 Month
White-Collar: 2 Months

100% target
completionEmployee Engagement
and Satisfaction

Ensuring that 100% of the wishes, complaints, and suggestions submitted by employees are resolved

Meeting employees' requests to provide a healthier and safer working environment

100% target completion

Target achieved.

Meeting employees' requests to provide a healthier and safer working environment

100% target
completionDiversity, Inclusion, and
Equal Opportunity

Increasing female employment

Increasing the total female employee ratio to 33%

100% target completion

Target achieved.

Increasing the total female employee ratio to 33%

100% target
completion

Employee Development

Increasing training effectiveness

Not below 4 points in Participant and Manager evaluation

100% target completion

Target achieved.

Not below 4 points in Participant and Manager evaluation

100% target
completion

Employee Development

Increasing the number of employees with a vocational qualification certificate

Certification of 200 employees

100% target completion

Target achieved.

Certification of 200 employees

100% target
completion

Employee Development

Increasing training on social compliance and ethics

Ensuring 25% employee participation

100% target completion

Target achieved.

Ensuring 30% employee participation

100% target
completion

Employee Development

Increasing information security training

Ensuring that 100% participation of white-collar employees receive training

100% target completion

Target achieved.

Ensuring that 100% participation of white-collar employees receive training

100% target
completion



Social Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Goal



Targeted Value

Year-end Completion
Status

2025 Goal



Targeted Value

Sustainable Social Development

Employee Development

Inclusion of all employees
in Occupational Health
and Safety training
programsEnsuring 100% employee
participation100% target
completion

Target achieved.

Ensuring 100% employee
participation100% target
completion

Employee Development

Increasing environmental
and waste awareness
trainingEnsuring 30% employee
participation100% target
completion

Target achieved.

Ensuring 30% employee
participation100% target
completion

Employee Development

Increasing energy
management and carbon
footprint awareness
trainingEnsuring 25% employee
participation100% target
completion

Target achieved.

Ensuring 25% employee
participation100% target
completion

Employee Development

Ensuring that blue-collar
employees receive
vocational and personal
development training
throughout the yearEnsuring an average
of 4 training hours per
employee100% target
completion

Target achieved.

Ensuring an average
of 4 training hours per
employee100% target
completion

Employee Development

Ensuring that white-collar
employees receive
vocational and personal
development training
throughout the yearEnsuring an average
of 4 training hours per
employee100% target
completion

Target achieved.

Ensuring an average
of 4 training hours per
employee100% target
completion



Human Values

An inclusive culture of compliance

Uğur Cooling considers human rights an integral part of its corporate culture and bases all its activities on these principles.

In terms of education levels, the number of employees with higher education was 511 in 2024, constituting approximately 25% of the total workforce. The proportion of employees with a primary school education level was 40%. By age group, 51% of blue-collar employees were in the 31–50 age range; the proportion of blue-collar employees under 30 decreased to 26%, while for white-collar employees, it fell to 3.5%.

HUMAN RIGHTS AND FAIR LABOR CONDITIONS

Uğur Cooling considers human rights an integral part of its corporate culture and bases all its activities on these principles. The Company adopts its human rights approach not only as a legal obligation but also as an ethical responsibility. In line with its Human Rights Policy and Code of Ethical Conduct, the Company applies a zero-tolerance policy against discrimination, forced labor, child labor, and all forms of harassment. The Ethics Committee reviews internal and external complaints to prevent violations, and these processes are supported by the Ethics Hotline, annual employee training, and the published Code of Ethical Conduct Guide.

Uğur Cooling has established detailed sets of policies and procedures to protect human rights and ensure an ethical working environment, and transparency has been ensured by communicating these to all employees and stakeholders. These policies can be accessed at www.ugur.com.tr/insan-kaynaklari-politikalari. Awareness is raised through regular training for employees on human rights and ethical working conditions, and the reporting of unethical situations is encouraged through a secure grievance mechanism. This approach is supported by occupational health and safety measures and social responsibility projects.

Uğur Cooling is a signatory to the United Nations Global Compact (UNGC). Human rights-related policies are publicly shared on the corporate website, and an inclusive culture of compliance is fostered through grievance mechanisms.



EQUAL OPPORTUNITY, DIVERSITY, AND INCLUSION

Uğur Cooling supports diversity and inclusion by prioritizing equal opportunity in its recruitment and career development processes. Within the framework of its equal pay for equal work policy, all employees are treated based on objective criteria related to competency and performance; evaluations are conducted without regard to factors such as age, gender, or ethnicity. The Company implements practices aimed at increasing the ratio of female employees, contributing to youth employment, and integrating individuals with disabilities into the workforce.

Social benefits include meal and transportation services, food, clothing, and fuel allowances, Eid bonus, educational scholarships for the university students and disabled children of our employees, and continuity bonus system.

EMPLOYEE SATISFACTION AND DEVELOPMENT

Employee satisfaction and development are fundamental components of Uğur Cooling's corporate sustainability strategy. Practices carried out in this context include tools that encourage employee participation, such as the 360-degree feedback system, the internal communication platform (intranet), and the wishes and suggestions system. Additionally, various digital and participatory applications were implemented to strengthen the employee experience and enhance communication. The 360-degree feedback system enabled employees to receive multifaceted feedback from their managers and team members. The internal communication platform (intranet) was actively used for the instant sharing of internal developments and announcements. In addition, a participatory work culture was promoted through the digital wishes and suggestions system, allowing employees to easily submit their opinions and recommendations. These practices not only increase employee satisfaction but also bring transparency and inclusiveness to governance processes.



Human Values

Personal and professional development training

Uğur Cooling implements comprehensive training programs to support the technical and personal development of its employees.

According to the results of the 2023 Employee Satisfaction Survey, satisfaction levels were reported as follows: work environment and conditions 73% satisfaction, work management 76%, communication 72%, employee awareness 70%, management approach 71%, development opportunities 68%, and compensation/social benefits 70%. The overall satisfaction rate of the survey was 71.8%, with a participation rate of 27% (532 employees).

Uğur Cooling conducts various development programs and social support initiatives to increase employee satisfaction and strengthen organizational commitment. Employees' sense of belonging is reinforced through various platforms such as psychological counseling services, social club activities, motivational awards, and celebration events. Additionally, importance is given to development-oriented practices such as making career planning processes more transparent and identifying employees with managerial potential to include them in mentorship programs.

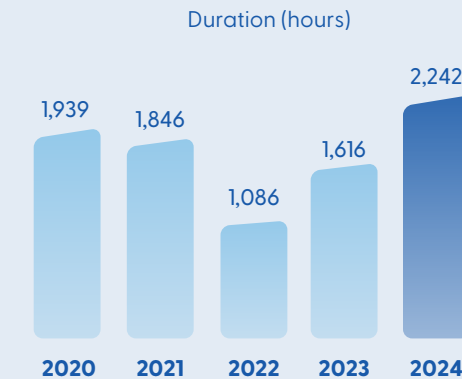
In line with Human Resources strategies that support the transition from internship to full-time employment, interns are treated equally with employees, and their professional development is supported through talent management practices. In addition, the "Uğurlu Kütüphane" initiative provides employees with book support for personal and professional development; the habit of reading is encouraged, and the library collection is continuously expanded based on employee requests.

Training and Leadership Development

Uğur Cooling implements comprehensive training programs to support the technical and personal development of its employees. As of 2024, a total of 7,452 hours of training were provided for white-collar employees and 39,510 hours for blue-collar employees. Occupational health and safety training was delivered to 4,662 employees for 37,635 hours, and environmental awareness training was provided to 269 employees in a 30-minute program. The training duration for women was 17,219 hours, while for men it was 29,742 hours. Training on employee rights and business ethics was recorded as 21 hours.

Training Type	2024 Training Hours
White-Collar Training Duration	7,452 hours
Blue-Collar Training Duration	39,510 hours
Occupational Health and Safety Training	37,635 hours / 4,662 people
Environmental Awareness Training	30 minutes / 269 people
Training Provided to Women	17,219 hours
Training Provided to Men	29,742 hours
Employee Rights and Business Ethics Training	21 hours

An increase in orientation training has been recorded over the years; the total duration reached 2,242 hours in 2024.





Human Values

Among the training topics in 2024, effective communication, teamwork, problem-solving techniques, climate and energy awareness, sustainability, artificial intelligence use, quality and technical fields, and occupational health and safety stood out. For leadership development, workshops organized by internal trainers, project-based responsibilities, and performance evaluation systems have been implemented. With its people-centric management approach, Uğur Cooling addresses employee engagement, satisfaction, and diversity holistically, maintaining this approach as an indispensable part of its corporate sustainability.

TRAINING TOPIC	NUMBER OF ATTENDANTS	TOTAL DURATION (hours)
FORKLIFT CONTROL CHECKLIST INFORMATION TRAINING	24	24
AMFORI BSCI STANDARD TRAINING	9	36
INFORMATION SECURITY AWARENESS TRAINING	24	24
CCTV USAGE AND MONITORING TRAINING	5	10
MULTI-SKILL TRAINING	38	114
DANFOSS THERMOSTAT TRAINING	8	96
TEAMWORK AND STRESS MANAGEMENT, EFFECTIVE COMMUNICATION TRAINING	99	543
ENERGY INFORMATION TRAINING	120	120
EFFECTIVE COMMUNICATION TRAINING	12	192
EFFECTIVE BARGAINING AND NEGOTIATION TECHNIQUES TRAINING	17	238
GENERAL ORIENTATION TRAINING	18	36
IBS COOLING GROUP TRAINING	9	18
ADVANCED PLASTICS INFORMATION TRAINING	26	392
INNOVATION TRAINING	15	240
ON-THE-JOB TRAINING	57	171
USING GENERATIVE ARTIFICIAL INTELLIGENCE IN BUSINESS TRAINING	27	95
KAIZEN AND 5S TRAINING	81	567
MULTISKILL TRAINING	34	102
PROBLEM-SOLVING TECHNIQUES TRAINING	97	291
SMED TRAINING	19	28.5
SMED AND TEAMWORK TRAINING	60	180

TRAINING TOPIC	NUMBER OF ATTENDANTS	TOTAL DURATION (hours)
SOCIAL COMPLIANCE, ETHICS INFORMATION, ZERO TOLERANCE, AND GENDER EQUALITY TRAINING	21	21
TEAMWORK AND SMED TRAINING	52	156
TEAM LEADER ROLE TRAINING	82	246
TECHNICAL DRAWING TRAINING	36	36
THERMODYNAMIC ANALYSIS OF THE BASIC REFRIGERATION CYCLE AND COMPRESSOR SELECTION TRAINING	13	26
PRODUCTIVITY ENHANCEMENT TECHNIQUES TRAINING	66	180
LEAN MANUFACTURING TRAINING	66	198
BASIC ENVIRONMENTAL AWARENESS, WASTE MANAGEMENT, AND WASTE TRAINING	349	174.5
FIRST AID TRAINING	106	1,400
OCCUPATIONAL HEALTH AND SAFETY	4,662	37,635
QUALITY AWARENESS	741	131.4
ORIENTATION TRAINING	1,103	2,206
PARAMETER LOADING TRAINING	17	25.5
ECOVADIS SUSTAINABILITY RATING TRAINING	1	3
EFFECTIVE PRODUCTION PLANNING AND INVENTORY MANAGEMENT TRAINING	8	96
IPR - GENERAL PATENT TRAINING	35	105
CATEGORY II - WEIGHING INSTRUMENT OPERATOR TRAINING	8	64
VALUE-ORIENTED RELATIONSHIP MANAGEMENT TRAINING	19	152
CONTRACT MANAGEMENT TRAINING	16	112
MANAGEMENT SYSTEMS INFORMATION TRAINING	954	477

	2020–2021 Academic Year	2021–2022 Academic Year	2022–2023 Academic Year	2023–2024 Academic Year
Hired After Internship	4	9	3	5
Number of Interns	34	43	49	48



Occupational Health and Safety

Full compliance with national and international legislation

Technical and administrative practices are developed to identify, control, and improve conditions that pose risks in the workplace.

Aware of the potential risks inherent in its sector, Uğur Cooling adopts a proactive approach to occupational health and safety (OHS). To protect the safety and health of its employees—its most valuable asset—the Company ensures full compliance with national and international legislation and effectively implements the ISO 45001 Occupational Health and Safety Management System. The Company's OHS management approach is not limited to fulfilling legal obligations but is structured within a systematic and continuously improving framework to prevent occupational accidents and diseases.

All processes in the OHS field are carried out through preventive risk analysis, work equipment inspections, procurement and use of personal protective equipment (PPE), training, internal audit practices, and performance monitoring mechanisms. Technical and administrative practices are developed to identify, control, and improve conditions that pose risks in the workplace.

Policy and Systematic Approach

Uğur Cooling's OHS policy is implemented with a holistic management approach that prioritizes employee participation and incorporates best practices in addition to legal obligations. In this context:

- Maintaining the effectiveness of the management system in line with OHS objectives,
- Ensuring full compliance with national and international legislation,
- Raising awareness among all employees and stakeholders on OHS issues,
- Minimizing incidents such as near misses, accidents, and occupational diseases,
- Ensuring the ergonomic and functional use of PPE,
- Arranging the work environment in a way that does not pose risks have been adopted as fundamental principles.

The legal framework is based on Labor Law No. 4857, Occupational Health and Safety Law No. 6331, Social Insurance and General Health Insurance Law No. 5510, and the ISO 45001 OHS Management System, with legislative tracking conducted using the Lebib Yalkın system.



The Company conducts its OHS processes with an expertise-based structure. In addition to consultancy services provided by an OHS specialist and a workplace physician, there is an OHS Committee with a total of 15 members, operating in two different factories as stipulated by legislation. This committee includes four OHS specialists, two workplace physicians, a human resources representative, a foreman, and employee representatives, and is managed by the employer's representative. Meeting monthly, the Committee conducts performance evaluations, decides on necessary measures, and plans improvement initiatives. The decisions made are communicated to the relevant individuals according to set deadlines via the QDMS system, email, SMS, announcement boards, and meetings.

In line with its "zero workplace accidents" goal, Uğur Cooling implements a risk assessment procedure based on identifying and eliminating hazards at their source across all workplaces. The frequency, severity, and impact scope of risks are analyzed through daily site inspections, and any findings identified are reported to the relevant stakeholders. Risk analyses are

renewed at regular intervals according to hazard classes; additionally, accidents occurring in similar workplaces are included in the assessment process. All these processes are tracked through the QDMS system, and 150 Corrective and Preventive Action (CAPA) records were opened in this system during 2024.

Technical Improvements and Physical Security

Various investments were made in 2024 to enhance occupational safety:

- Electric forklifts were commissioned to replace fossil-fueled models.
- New machinery equipped with advanced safety technology were procured for the screen printing and metal processing departments.
- Vehicle and pedestrian routes were separated at facility entrances; signage was renewed.
- Near-miss boxes and cards were revised, and their use was expanded.
- An explosion protection document was prepared.
- The number of fire cabinets and extinguishers was increased, and a fire detection and alarm system was installed in selected areas.
- Protective fencing was installed around moving machinery.
- Additional safety measures were integrated into press machines, and blue lights were mounted on forklifts.
- The use of electric bicycles was restricted, and protective guards were installed on lathe and milling machines.

Within the scope of fire safety, fire training and drills were conducted, and cooperation was maintained with district and provincial fire departments. Maintenance and inspections of firefighting equipment are carried out, and fire response equipment and emergency containers are kept ready at both facilities.

Contributed SDGs





Occupational Health and Safety

Fully equipped and informed against risks

Written and visual materials, brochures, SMS messages, meetings, instructions, and bulletin board announcements are used to increase OHS awareness.

All employees receive Basic OHS training upon hiring; on-the-job training is provided in their respective departments. The training covers job descriptions, risks, necessary precautions, and the use of PPE in detail. Training programs are updated whenever new technologies are implemented, equipment is replaced, or risks change; refresher training is provided after workplace accidents.

Emergency response teams are provided with annual response training, and drills are conducted. Additionally, hygiene, first aid, and professional development training are delivered at intervals required by legislation. To increase OHS awareness, written and visual materials, brochures, SMS messages, meetings, instructions, and bulletin board announcements are used.

Indoor environmental measurements (lighting, noise, temperature, thermal comfort) are conducted regularly in work areas; improvement measures are taken for any non-conformities. In 2024:

- Old lamps were replaced with energy-efficient and high-performance LED floodlights,
- Mobile and rooftop air conditioners were renewed,
- Machine-based heaters were integrated into cold areas,
- Earmuff headphones replaced earplugs.

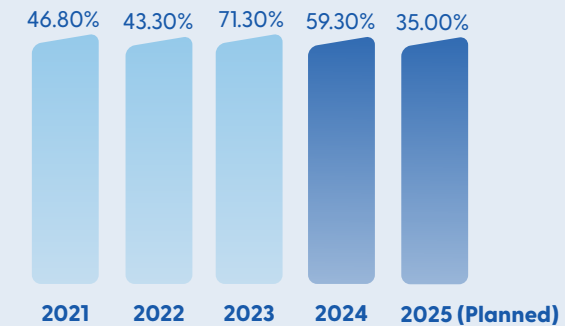
Additionally, special containers and MSDS information practices are implemented to reduce employees' chemical exposure, and eye wash stations are installed. Annual tests, chest X-rays, PFTs, and blood and urine analyses are conducted for employees working with chemical substances.

Health services provided by the workplace physician and support staff include outpatient clinic services, injections, wound dressing, and blood sugar and blood pressure measurements. In annual health screenings, employees lacking tetanus vaccinations are immunized; those with identified health issues are referred to relevant specialists. Eye examinations are provided for employees working with display screen equipment, and specific control processes are applied for those working at heights. For employees with disabilities or chronic illnesses, a "Medical Status Report" is issued, and they are assigned to suitable roles.

Performance Indicators and Expenditures

As of 2024, at the Headquarters Factory, the number of accidents was 56, lost days were 118, the accident frequency rate was 27.38, and the accident severity rate was 0.47. At the OIZ Factory, the number of accidents was 226, lost days were 423, the accident frequency rate was 93, and the accident severity rate was 1.54. OHS expenditures increased by 59.3% compared to 2023, reaching TRY 11,120,267. For 2025, the planned expenditure increase in this area is 35%.

OHS Expenditure Increase Rate



These comprehensive practices demonstrate Uğur Cooling's commitment to OHS and its development approach, which is aligned with its sustainability strategy.

Contributed SDGs





Emergency Preparedness and Action Plan

Detailed emergency action plans

Two emergency drills were conducted in 2024, with full participation from all employees.

Uğur Cooling adopts a comprehensive emergency management approach to protect employee health and safety, ensure business continuity, and minimize environmental impacts. In this context, detailed action plans have been developed for various risk scenarios, including earthquake, fire, explosion, flood, lightning, occupational accident, storm, sabotage, sudden pressure increase in tanks, natural gas-LPG leak, chemical gas leak, pest infestation, chemical tank puncture, environmental incident, and infectious diseases.

In 2024, two emergency drills covering the entire facility were conducted, and all employees working at the facilities participated in the drills without exception.

Emergency management practices are carried out within the framework of the Occupational Health and Safety Law No. 6331, the Regulation on Emergency Situations in Workplaces, the Regulation on the Fire Protection of Buildings,

and the ISO 45001 Occupational Health and Safety Management System. Emergency plans are reviewed regularly to ensure compliance with these legal and international standards.

Specially defined emergency scenarios are in place for employees working at factory sites, production areas, and customer sites. These scenarios include measures to be taken against specific incidents such as chemical exposure, electrical hazards, gas leaks, fire, and floods. All scenarios have been clearly published in areas accessible to employees within the facility.

Emergency plans are regularly updated every four years as required by legislation and are revised if there are changes in emergency teams or implementation conditions. An update was made in 2024 due to changes in team members; there were no changes to the scope.



First aid, firefighting, and evacuation teams have been formed in the workplace in the numbers stipulated by legislation. The job descriptions for these teams have been determined, and the teams have been selected to cover all departments. In 2024, theoretical and practical training was provided to the emergency teams in collaboration with the Aydın Fire Department and AFAD. Additionally, first aid training was conducted through authorized institutions, with planning made to have one first aid personnel for every 15 employees, depending on the number of employees. New training was also organized due to situations such as employee departures or an increase in numbers. In production areas, short briefings on fire safety were implemented.

Various automation systems and digital technologies are activated during the emergency response process. In addition to fire detection and alarm systems that alert employees, there are automatic extinguishing systems in generators, flammable gas tanks, and server rooms. Periodic maintenance of these systems is carried out, and no fire incidents occurred in 2024. In the same year, no emergency or hazardous events occurred in production areas, during shipping processes, or throughout the facility.

Corporate Citizenship

Contributing to the societal value chain

Sustainable production processes and practices aimed at social welfare are addressed together.

Uğur Cooling builds its corporate citizenship approach on a foundation that respects environmental and social values and is integrated with the principles of sustainability and social responsibility. Accordingly, the Company not only produces high-quality and energy-efficient products but also optimizes its production processes to minimize environmental impacts and supports this responsible production approach with social contribution initiatives.

Transforming its strong position in the industry to support and accelerate sustainable development, Uğur Cooling operates with the goal of creating lasting value at the local and national levels. As a company with 100% domestic capital, in addition to its contributions in the field of employment, it carries out projects that provide social benefits within the framework of its responsibilities to society, the environment, and the economy. These projects are carried out in collaboration with local governments, universities, non-governmental organizations, and other private sector stakeholders; they are not limited to social impacts but are also supported by initiatives involving financial investments when necessary.

Corporate social responsibility and social contribution projects are carried out under the leadership of the Human Resources Department, in line with environmental sustainability principles, and exhibit an integrated structure with environmental themes such as energy efficiency, conservation of natural resources, and waste management. Sustainable production processes and practices aimed at social welfare are addressed together, with the goal of contributing to both the well-being of the workforce and the societal value chain.

The main corporate social responsibility and collaboration projects carried out by Uğur Cooling are as follows:

- **Mastery Compensation Program:** Launched in 2022 and still ongoing, this state-incentivized program contributes to employee's professional qualifications and training, while also strengthening stakeholder interaction based on state-industry cooperation.
- **R&D Collaborations with Universities:** University partnerships in education and research contribute to both knowledge transfer and the development of innovative solutions.



Uğur Cooling's activities in this context are also directly related to the United Nations Sustainable Development Goals (SDGs). The Company's social responsibility practices primarily contribute to the following SDG goals:

- **Goal 4:** Quality Education—Supporting access to education and professional development through university collaborations and educational projects,
- **Goal 7:** Affordable and Clean Energy—Contributing to environmental sustainability through projects focused on energy efficiency,
- **Goal 12:** Responsible Consumption and Production—Reducing environmental impact through sustainable production practices and resource efficiency,
- **Goal 13:** Climate Action—Carrying out environmental protection campaigns and efforts to reduce carbon footprint.

Uğur Cooling maintains its corporate citizenship approach through a holistic perspective that is aligned with long-term development goals and blended with social benefit and environmental responsibility.



Uğur Cooling maintains its corporate citizenship approach through a holistic perspective that is aligned with long-term development goals and blended with social benefit and environmental responsibility.



Media Engagement and Brand Reputation

Transparency, accessibility, and continuity in the media

The media strategy is pursued in line with comprehensive planning to manage brand perception, build strong connections with target audiences, and ensure a healthy flow of information to the public.

Uğur Cooling conducts its relations with the media within the principles of transparency, accessibility, and continuity, viewing trust-based and proactive communication with the public as one of the cornerstones of its corporate reputation. The media strategy is pursued in line with comprehensive planning to manage brand perception, build strong connections with target audiences, and ensure a healthy flow of information to the public.

Press releases, industry magazines, television programs, social media channels, and the corporate website constitute the main communication tools for media relations. All content shared through these channels is prepared in accordance with the corporate identity and brand language, with care taken to ensure message consistency across all platforms. Additionally, ensuring regular visibility in local newspapers is also targeted.

Key messages in media communication are shaped around elements such as innovative products, a sustainable production approach, contributions to domestic production, and a strong 70-year brand heritage. This approach ensures that the brand is identified with reliability and quality in the public eye. The "UĞUR DERİN DONDURUCU" commercials, which have become a generic brand in Türkiye, are prominent in media campaigns, especially during peak sales periods like Eid al-Adha, presenting a strong brand representation identified with domestic production in the consumer's mind.

In marketing and promotional activities, digital communication strategies are effectively implemented alongside traditional media. Simultaneous campaigns are conducted on television, radio, outdoor media, and digital platforms, especially during holiday periods. Throughout 2023, image and discount campaigns were carried out for refrigerators, built-in cooking appliances, and water purification product groups, in addition to deep freezers. Social media

and programmatic advertising models were actively used in these campaigns.

Changing media consumption habits are closely monitored, with priority given to increasing visibility on digital platforms and strengthening two-way interaction with target audiences. A content calendar is followed on social media platforms, and original, engaging content focused on product promotion is created based on target audience analysis.

Uğur Cooling manages media communication within a corporate framework during crises. Within the scope of the Crisis Communication Plan prepared for potential reputational risks, public perception is regularly monitored through digital media monitoring tools, and in cases of misleading information or negative situations, accurate information is conveyed to the public through prompt and official statements.

Media Collaborations and Events

Strategic collaborations with the media are established to increase brand visibility and diversify media engagement. In this context, Uğur Cooling became the main sponsor of Alem FM's "Kafa Açan Uzman" program and achieved direct consumer interaction at the event held at Kozyatağı Carrefour Mall. Such sponsorships and media partnerships contribute to increasing brand credibility and awareness, in addition to product promotions. Furthermore, care is taken to establish direct contact with the press at fairs and industry events.

Uğur Memorial Forest Project

Social responsibility projects carried out through the media are an important part of the institution's sustainable communication approach. The Uğur Memorial Forest Project, implemented in this context, aimed to create collective awareness to increase environmental consciousness and encouraged other institutions to take similar actions.

Water Waste Prevention Project

The Company is taking concrete steps towards water conservation in line with its environmentally friendly approach. In this context, the sink faucets in the administrative building were replaced with sensor-activated systems, aiming to prevent water waste and increase resource efficiency. This practice demonstrates that sustainability strategies are integrated into operational processes.

Sustainability principles are also considered in marketing and communication efforts, and care is taken to ensure that campaigns are compatible with an environmental and social responsibility perspective. For 2025 and beyond, the goal is to further increase media interaction by investing in digital content production and video-based communication channels.

Uğur Cooling Social Media Follower Counts



95K



9K



714K



3.9KK



Working for a Sustainable World

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Environmental Sustainability Roadmap and Goals

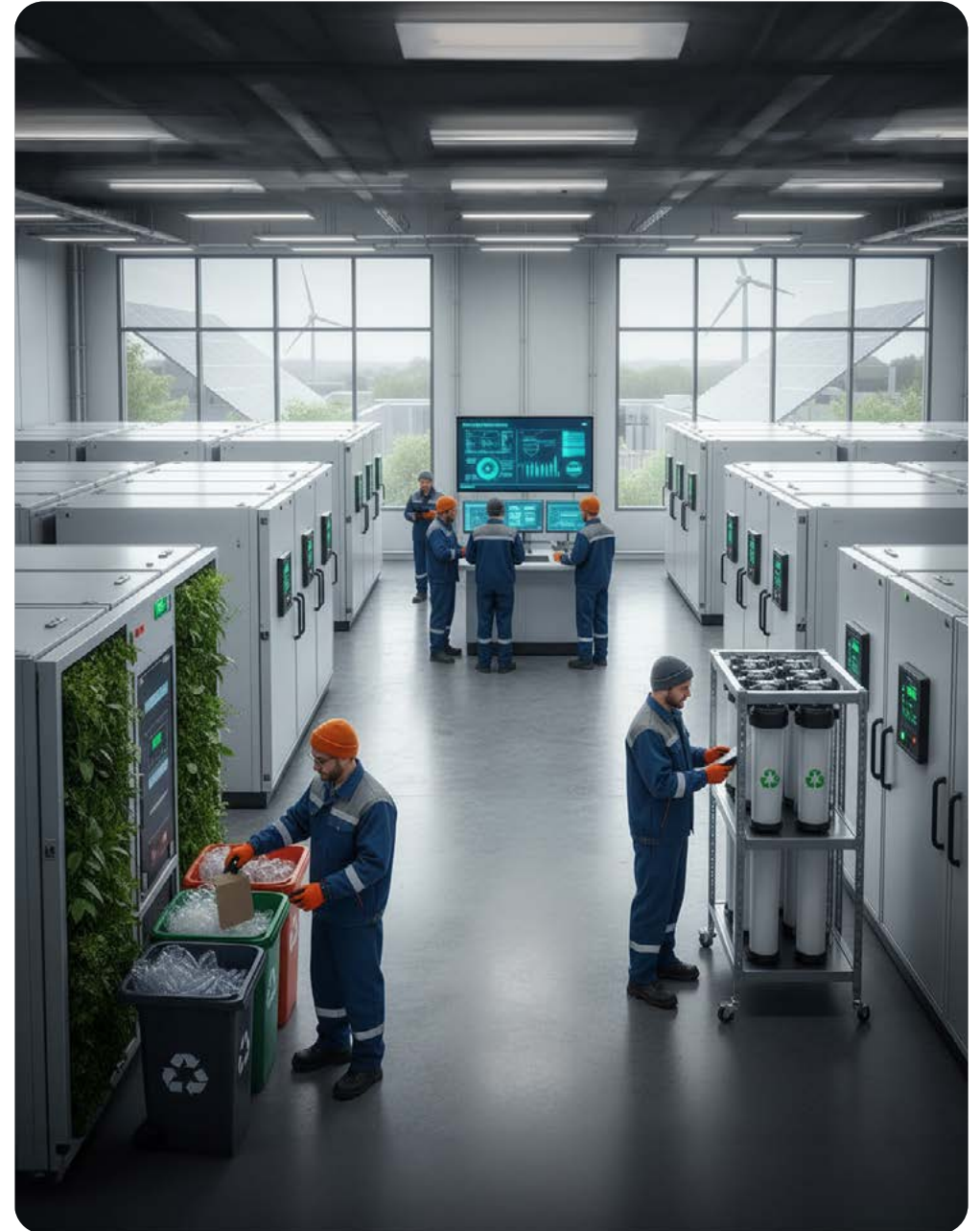
A vision for a sustainable planet

Uğur Cooling supports its environmental sustainability approach with concrete targets.

In line with its “A Sustainable Planet” vision, Uğur Cooling considers minimizing environmental impacts a core area of responsibility. In this context, policies focused on the conservation of natural resources, reduction of environmental impacts, and efficient use of resources are implemented. The Company conducts its environmental management activities in line with the following principles:

- Conserving and using natural resources in a sustainable way,
- Increasing recycling rates by adopting a zero-waste approach,
- Minimizing environmental impacts across all operations,
- Managing investment processes with consideration for environmental impacts,
- Measuring, improving, and regularly reporting environmental performance,
- Expanding training to raise environmental awareness among employees.

Uğur Cooling supports its environmental sustainability approach with concrete targets in key areas such as waste management, energy efficiency, water and wastewater management, sustainable product development, and the reduction of greenhouse gas emissions. Progress is monitored through annually defined the Key Performance Indicators (KPIs), sustainability targets are reviewed to update related strategies. This process is shared with all stakeholders in accordance with the principle of transparency.





Environmental Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Target



Targeted Value

Year-End Completion
Status

2025 Target



2025 Targeted Value

A Sustainable Planet

Energy Management

Regulatory Compliance

Ensuring continuous full compliance with the regulations under Environmental Law No. 2872

100% continuity of compliance

100% Completion

Ensuring continuous full compliance with the regulations under Environmental Law No. 2872

100% continuity of compliance

Waste Management

Waste Minimization

Reducing the amount of hazardous waste generated by operational units

5% improvement

100% Completion

Reducing the amount of hazardous waste generated by operational units

5% improvement

Waste Management

Waste Minimization

Reducing paper consumption in offices

5%

100% Completion

Reducing paper consumption in offices

5%

Waste Management

Raising employee awareness on waste types, zero waste, waste management, and environmental pollution

Completing training programs for at least 60% of employees

100%

100% Completion

Completing training programs for at least 60% of employees

100% completion of the target

Sustainable Product

Ensuring the recovery of plastic waste in the plastic injection unit

Increasing the in-house recovery of defective and scrap plastics generated during production in the plastic injection department

3%

100% Completion

Increasing the in-house recovery of defective and scrap plastics generated during production in the plastic injection department

3% increase in recycling compared to the previous year

Energy Management and Waste Management

Implementation of the zero-waste management system

Enhancing energy savings by sending waste metals for recycling

5%

100% Completion

Enhancing energy savings by sending waste metals for recycling

5% savings compared to the previous year

Greenhouse Gas Emissions and Waste Management

Implementation of the zero-waste management system

Preventing greenhouse gas emissions into the atmosphere by increasing recycling efforts through zero-waste management

5%

100% Completion

Preventing greenhouse gas emissions into the atmosphere by increasing recycling efforts through zero-waste management

5% savings compared to the previous year

Waste Management, Water and Wastewater

Preventing environmental pollution through the waste campaign

Reducing soil and water pollution by 3% through a waste battery collection campaign within the facility

100%

100% Completion

Reducing soil and water pollution by 3% through a waste battery collection campaign within the facility

3% reduction in soil and water pollution compared to the previous year



Environmental Sustainability Roadmap and Goals



Topic



Subtopic



Objective



2024 Target



Targeted Value

Year-End Completion
Status

2025 Target



2025 Targeted Value

A Sustainable Planet

Energy Management

Continuous reduction of electricity consumption per standard unit product

3% reduction in electricity consumption (kWh)

33.36

93% Completion

3% reduction in electricity consumption (kWh)

30.20

Energy Management

Continuously reducing natural gas consumption per standard unit product

3% reduction in natural gas consumption (kWh)

35.29

89% Completion

3% reduction in natural gas consumption (kWh)

30.49

Energy Management

Continuously reducing coal consumption per standard unit product

3% reduction in coal consumption (kWh)

9.53

76% Completion

3% reduction in coal consumption (kWh)

7.05

Energy Management

Increasing energy efficiency

Providing energy awareness training to at least 20% of employees

350

100% Completion

Providing energy awareness training to at least 20% of employees (persons)

300

Energy Management and Greenhouse Gas Emissions

Obtaining ISO 14064 Certification

Having our Carbon Footprint studies approved and then certified by starting ISO 14064 efforts

100

50% Completion (calculation completed, verification process ongoing)

Calculating and certifying corporate and product-based carbon footprint in compliance with standards

100% completion of the target

Energy Management and Greenhouse Gas Emissions

Continuously reducing energy-related carbon emissions

3% reduction in energy-related carbon emissions (tons of CO₂e)

19,536.77

69% Completion

3% reduction in energy-related carbon emissions (tons of CO₂e)

3% reduction

Energy Management and Greenhouse Gas Emissions

To be able to offer products for sale according to new regulations

Conducting energy consumption tests on 20 of our products in accordance with the new energy regulations

100

100% Completion

Conducting energy consumption tests on 25 of our products in accordance with the new energy regulations

100% completion of the target



Combating Climate Change and Environmental Management

Target of regular carbon emissions reporting

The Company has started investing in low-carbon production models, focusing on enhancing environmental performance.

As the effects of climate change become increasingly apparent today, environmental sustainability has become a strategic imperative for all organizations. Uğur Cooling addresses this process not only as an environmental responsibility but also as a fundamental component of long-term corporate sustainability. The Company aims to increase resource efficiency, reduce environmental impacts, and lower its carbon footprint in all business processes.

In line with this strategy, the focus is on enhancing environmental performance in all operations from production to the product life cycle; investments are made in low-carbon production models, renewable energy sources are integrated into operations, and climate risks are incorporated into the governance structure. Installation work continues on the rooftop Solar Power Plant (SPP) project, for which investment was made in 2024. Additionally, maintenance and optimization efforts to increase energy efficiency, eco-friendly refrigerant gas conversion projects, and applications that enhance process efficiency have been implemented.

A Climate Action Plan has been created in line with Türkiye's 2053 Net Zero target; within this plan, steps such as energy efficiency projects, renewable energy investments, and regular reporting of carbon emissions have been identified for the short and medium term. In the long term, the goal is to expand product-based life cycle analyses and integrate sustainability criteria into the supply chain. As of 2025, it is planned to define targets aligned with the Science Based Targets initiative (SBTi), and comprehensive greenhouse gas inventory studies are being conducted in this direction.

Uğur Cooling's environmental sustainability approach is based on the principles of efficient use of natural resources, minimization of waste generation, adoption of eco-friendly technologies, and development of climate-friendly products. Automation systems are used to reduce energy and water consumption in production processes, and components with high energy ratings and environmentally friendly refrigerant gases are preferred in product development processes. In logistics activities, route optimization and low-emission transportation methods have been prioritized.



The Company conducts its environmental management practices within the framework of the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System; under these systems, environmental and energy performance is regularly monitored and supported by internal audits and continuous improvement mechanisms. Critical indicators such as waste management, legal compliance, and energy consumption are systematically tracked.

Full compliance with Environmental Law No. 2872 and all related regulations is ensured; through environmental consultancy services, EIA documents, environmental permits, air emission measurements, sewer connection permits, waste declarations, and industrial waste management plans are carried out completely under the responsibility of the environmental manager. The most recent environmental permit certificate was obtained on November 26, 2020, and is renewed every five years in accordance with legislation. Additionally, monthly environmental assessment reports are prepared to monitor environmental performance.

Environmental awareness is seen as a fundamental component of the corporate culture. Accordingly, a training program consisting of three sessions on the theme of "Environmental Awareness and Natural Resource Management" was organized in 2024, with 60% of employees participating. The training covered key topics such as waste reduction, energy efficiency, and individual responsibilities.

As of 2024, Uğur Cooling has voluntarily participated in the CDP (Carbon Disclosure Project) Climate Change reporting; within this scope, the greenhouse gas inventory, energy consumption data, and climate strategy documents have been submitted to the CDP system.

Targets for the period 2025 and beyond include increasing SPP capacity to meet 50% of total energy consumption from renewable sources, reducing greenhouse gas emissions by 40% by 2030, integrating Life Cycle Assessment (LCA) applications into all product groups, and increasing the use of recycled materials in packaging. Additionally, the "Green Supplier Program" and "Zero Waste Certificate" initiatives are targeted for implementation in the near future.



Contributed SDGs



Energy Management and Efficiency

Environmental sustainability targets

Uğur Cooling implements comprehensive practices to reduce energy consumption, limit carbon emissions, and increase energy efficiency.

The efficient and sustainable use of energy resources is a fundamental part of long-term corporate strategies as well as environmental responsibilities. The growing global demand for energy and the need to combat climate change have made energy management in production processes a priority. In line with its environmental sustainability goals, Uğur Cooling implements comprehensive practices to reduce energy consumption, limit carbon emissions, and increase energy efficiency.

The energy management system approach is carried out within the framework of the ISO 50001 standard and covers all production facilities. Within the system, energy assessment meetings, performance analyses, and target review processes are conducted annually. Additionally, as part of energy management practices, production lines, support units, and technical facilities are monitored on a monthly basis, and processes are audited through operational control approaches.

In 2024, the scope of modernization and automation systems in energy-intensive processes was expanded, and the use of high-efficiency technologies in production equipment was encouraged. During this period, the installation of data-driven monitoring systems was planned, and infrastructure work was initiated to identify waste points through real-time energy consumption tracking.

Within the Company, Sankey diagrams are used in energy consumption analyses to visualize energy flows, identify loss points, and support process improvement efforts. Additionally, energy efficiency performance is regularly monitored through indicators such as electricity consumption per employee and energy intensity per square meter. In this context, electricity consumption per employee was 38,916 GJ in 2023, and electricity consumption per square meter was calculated as 0.191 GJ. As of 2024, these indicators were measured as 43,467 GJ and 0.193 GJ, respectively.



Energy efficiency is also prioritized in product development processes. In 2024, with the contributions of the R&D unit, new-generation cooling systems with low energy consumption were designed, thereby aiming to reduce the environmental impact on product performance.

With the Solar Power Plant (SPP) investment implemented in 2024, a certain portion of the production facility's energy needs has begun to be met from renewable sources. The transition to renewable energy is considered a strategic priority, and in this direction, evaluation processes for international certification systems such as I-REC or YEK-G are being conducted.

The energy management approach is not limited to internal processes; the performance of suppliers and business partners is also included in the evaluation scope. In supplier audits conducted in 2024, analyses were made specifically on energy efficiency practices and the existence of an ISO 50001 certificate, and data was collected from critical suppliers through survey-based feedback mechanisms. In this way, sustainable practices across the supply chain were encouraged, and best practices were reported and disseminated.

For the continuous monitoring of energy performance, the consumption of resources such as electricity, natural gas, and coal is measured on a monthly basis; in this context, lighting is turned off in unused areas of production or under conditions where natural light is sufficient. Additionally, feasibility analyses for SPP investments have been carried out based on building infrastructure, electrical systems, and static compliance data.

Within the scope of energy management activities, significant results have been achieved in reducing energy intensity. In 2023, the electricity consumption of the central facility was 9,104,112.07 kWh, while consumption at the OIZ facility was measured at 12,158,993.00 kWh. As of 2024, the electricity consumption of the central facility was recorded as 9,645,082 kWh, and the consumption of the OIZ facility was 11,822,730 kWh.



Energy Management and Efficiency

Energy Intensity Data

	2021	2022	2023	2024
Product number	805,468	654,256	653,198	694,907
Tonnes of Oil Equivalent TOE	5,971	5,654	6,163	6,021.5
Per product	0.00741	0.00864	0.009435	0.00867

Electricity Consumption (kWh)	2021	2022	2023	2024	Change (%)
Central	11,483,982	9,734,204	9,104,112	9,645,082	5.94
OIZ	19,396,075	15,173,561	12,158,993	11,822,730	-2.76

Electricity Consumption (kWh)	2021	2022	2023	2024	Change (%)
GJ/employee	56,459	49,458	38,916	43,467	11.68
GJ/m ²	0.278	0.224	0.191	0.193	1.05

Detailed data on energy consumption and intensity during the period can be found in the Environmental Performance Indicators section in the Annexes.

Energy Efficiency



Use of High-Efficiency Technological Products



Improvements and Insulation in Compressed Air Systems



Heat Recovery Initiatives



Process Optimization and Automation Systems



Efficiency Enhancement in Lighting



Contributed SDGs



Energy Management and Efficiency

Increased efficiency through the integration of advanced technologies

Energy Efficiency Projects

In line with its sustainability policy, Uğur Cooling systematically plans and implements projects to increase energy efficiency. These projects include both modernization applications that will provide energy savings in the existing production infrastructure and the integration of advanced technologies.

Detailed savings targets and technical explanations for completed and planned projects are presented in the following tables, organized by year:

Projects Implemented in 2024

Project Description	Project Details	Project Savings
Efficiency Enhancement in Lighting	The renewal of lighting systems is planned.	50,000 kWh
Increasing Motor Efficiency Classes	Energy savings are aimed to be achieved through the use of more efficient motors.	30,000 kWh
Utilization of Waste Heat	Energy savings are planned to be achieved by utilizing waste heat for process water and space heating.	230,000 kWh
Improving Pump Efficiency	Energy savings are aimed to be achieved through the use of efficiency-enhanced pumps.	50,000 kWh
Eliminating Air Losses and Leaks	Energy savings are aimed to be achieved by preventing air losses and leaks.	310,255 kWh

Projects Implemented in 2024

Project Description	Project Details	Project Savings
SPP Project	It is aimed to meet 70% of the OIZ factory's consumption from renewable energy sources.	It is aimed to prevent 3,624.53 tons of CO ₂ eq carbon emissions.
Efficiency Enhancement in Lighting	The renewal of lighting systems is planned.	100,000 kWh
Increasing Motor Efficiency Classes	Energy savings are aimed to be achieved through the use of more efficient motors.	59,100 kWh
Utilization of Waste Heat	Energy savings are planned to be achieved by utilizing waste heat for process water and space heating.	150,000 kWh
Improving Pump Efficiency	Energy savings are aimed to be achieved through the use of efficiency-enhanced pumps.	500,000 kWh
Eliminating Air Losses and Leaks	Energy savings are aimed to be achieved by preventing air losses and leaks.	300,000 kWh*

*The project savings data represent the targeted values at the beginning of 2024. The values of the implemented projects may change by the end of 2024.

Planned Projects for 2025

Project Description	Project Details	Project Savings
SPP Project	It is aimed to meet 70% of the OIZ factory's consumption from renewable energy sources.	It is aimed to prevent 3,624.53 tons of CO ₂ eq carbon emissions.
Efficiency Enhancement in Lighting	The renewal of lighting systems is planned.	150,000 kWh
Increasing Motor Efficiency Classes	Energy savings are aimed to be achieved through the use of more efficient motors.	89,100 kWh
Utilization of Waste Heat	Energy savings are planned to be achieved by utilizing waste heat for process water and space heating.	611,544 kWh
Improving Pump Efficiency	Energy savings are aimed to be achieved through the use of efficiency-enhanced pumps.	550,000 kWh
Eliminating Air Losses and Leaks	Energy savings are aimed to be achieved by preventing air losses and leaks.	538,914 kWh*

*The project savings data represent the targeted values at the beginning of 2025. The values of the implemented projects may change by the end of 2025.



Sustainable Carbon Management

Green transition in energy

As of 2024, a 15% reduction in carbon emissions is targeted for the Central and OIZ facilities combined with the SPP, and a 26% reduction for the OIZ plant alone.

Uğur Cooling has placed the goal of reducing greenhouse gas emissions at the center of its environmental responsibility approach as part of the fight against climate change. In this context, emissions from production and logistics processes are monitored, investments to increase energy efficiency are implemented, and the use of renewable energy sources is prioritized to systematically manage the carbon footprint.

The Company's carbon management policy is based on the green transition of energy sources, operational efficiency improvements, and low-carbon practices in the supply chain. As of 2024, a 15% reduction in carbon emissions is targeted for the Central and OIZ facilities combined with the SPP, and a 26% reduction for the OIZ plant alone. The energy consumption inventory is monitored through digital systems, and preparations have been initiated for the transition to CDP (Carbon Disclosure Project) reporting.

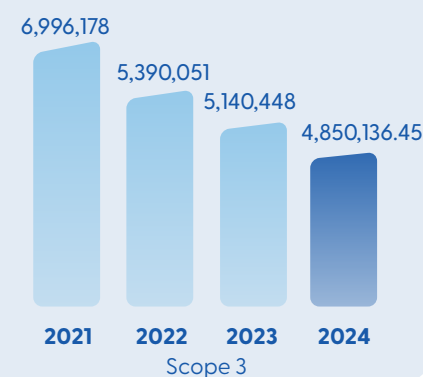
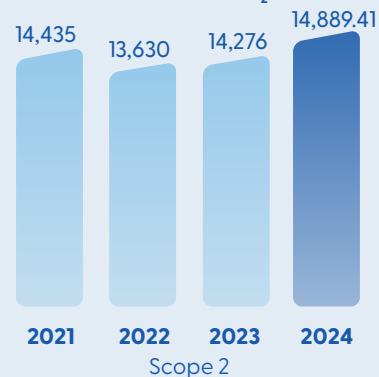
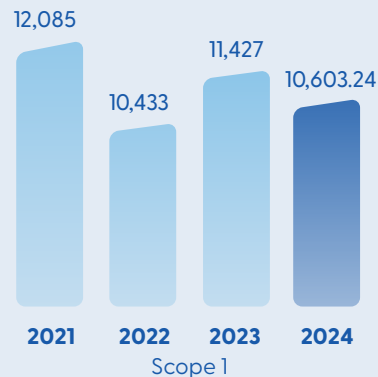


Monitoring and Reporting of Emissions

Since 2021, Uğur Cooling has been calculating its Scope 1, Scope 2, and Scope 3 greenhouse gas emissions in accordance with the GHG Protocol and the ISO 14064 standard. Emission factors are based on the IPCC 2006 Guidelines, Türkiye National Inventory, Defra, and Ecoinvent sources. An operational control approach has been adopted for the measurement process, and calculations are carried out using Excel-based special reporting templates.



Environmental Performance Data on Greenhouse Gas Emissions (Ton CO₂)





Sustainable Carbon Management

Approximately 300 MWh of energy savings

As a result of carbon reduction investments made in 2024, approximately 3,200 tons of CO₂e emissions were prevented.

Scope 3 emissions cover indirect sources such as purchased goods and services, employee commuting, and waste management. Scope 3 calculations for FY2024 data are ongoing.

Emission Reduction Strategies and Projects

Uğur Cooling adopted the following strategies in 2024 to reduce its carbon footprint:

- Energy efficiency-focused investments (efficient motors, process automation, etc.)
- Expanding the use of environmentally friendly processes in production
- Independent verification of carbon emissions
- Segregated measurement of Scope 1, 2, and 3 emissions
- Prioritizing low-emission raw materials and sustainable product designs

As a result of carbon reduction investments made in 2024, approximately 3,200 tons of CO₂e emissions were prevented, energy savings of approximately 300 MWh were achieved through energy-efficient equipment, and an 8% reduction in natural gas consumption was obtained with heat recovery systems.

Carbon Reduction in Production and Supply Processes

The main energy sources used in the production facilities are electricity, natural gas, and diesel. Although natural gas is a low-carbon fuel, efforts are underway to reduce its use as part of emission reduction projects. In line with the phased transition plans for diesel use, the process of switching to electric models in the forklift fleet has been initiated.

In addition:

- A heat recovery system has been integrated into the compressor systems.
- Transportation optimization has been implemented in shipment processes.
- Waste heat from production processes has been reused in areas such as drying operations and heating of polyurethane fixtures.

Aims and Objectives within the Scope of Waste Management Activities

In line with its environmental sustainability goals, Uğur Cooling carries out waste management in an integrated manner with carbon management. The Company's waste management practices are aimed not only at reducing greenhouse gas emissions but also at minimizing environmental impacts and contributing to the circular economy.





Sustainable Carbon Management

86.09% reduction in hazardous waste

As of 2024, the main practices and objectives implemented are as follows:

- **Reducing the amount of hazardous waste:** Plans are being implemented to reduce the amount of hazardous waste generated across all units.
- **Minimizing paper consumption:** The use of digital systems (such as QDMS) is encouraged, and documents that do not require printing are transferred digitally.
- **Use of non-hazardous raw materials and auxiliary components:** The use of non-hazardous materials is increasing, and measures are being taken to prevent contamination by hazardous substances.
- **Employee training:** The goal is to train at least 60% of employees on waste and environmental awareness by the end of 2024. At least one training session per year is provided by the environmental consultant.
- **Legal compliance:** All processes are carried out in full compliance with Environmental Law No. 2872 and related legislation.
- **Plastic waste recovery:** Scrap plastics from the plastic injection department are processed in crushing units and reintroduced into the production process.
- **Field audits:** Field audits are conducted monthly by the environmental consultant, and review meetings are held.
- **Zero waste practices and greenhouse gas measures:** Greenhouse gas emissions are reduced through the segregation and recovery of waste at the source.
- **Waste battery collection campaigns:** Waste batteries collected at the facility are sent to authorized disposal facilities along with municipal waste. The goal of this practice is to reduce soil pollution.
- **Waste bin management:** Zero waste bins are placed in locations convenient for employee access and are monitored on a departmental basis.

In 2024, Uğur Cooling reduced its hazardous waste quantity by 86.09% compared to the previous year. A reduction of 29.8% in paper and cardboard waste and 17.47% in plastic chips and shavings was achieved. Additionally, approximately 0.04 m³ of soil pollution was prevented thanks to the collected waste batteries. These achievements are considered concrete outcomes of the waste management targets and contribute to the improvement of environmental performance.

The following values were recorded on a monthly basis for 2024:

- **Coal slag:** 23,020 kg/month (non-hazardous waste)
- **Plastic shavings and scrap:** 9,220 kg/month (non-hazardous waste)
- **Other hydraulic oils:** 489.12 kg/month (hazardous waste)
- **Paper and cardboard packaging:** 46,570 kg/month (packaging waste)
- **Plastic packaging:** 4,636.6 kg/month (packaging waste)
- **Wooden packaging:** 37,858.5 kg/month (packaging waste)
- **Contaminated packaging:** 171.6 kg/month (hazardous waste)
- **Nickel-cadmium batteries:** 1.5 kg/month (hazardous waste)
- **Mixed municipal waste:** 19,884.3 kg/month

Circular Economy Practices

By adopting circular economy principles, Uğur Cooling aims to prevent waste and pollution at the source, keep materials in the production cycle, and regenerate natural systems. Scrap costs and material losses on production lines are tracked through the SAP system, preventing the loss of high-cost materials.

Plastic and sheet metal waste are reintegrated into the production process, while materials with high environmental impact are disposed of through licensed companies. In addition, energy is recovered from waste heat; heat from sources like compressors and the painting facility is reused in drying processes and in heating polyurethane fixtures.

Future Strategies for Waste and Energy Management

Uğur Cooling is planning the following targets for waste and energy efficiency for 2025 and beyond:

Target	Strategy
Energy and Waste Reduction	- Replacing coal-fired steam boilers with natural gas-fired boilers
	- Transition to a natural gas boiler system at the Styrofoam Facility in 2024
	- Eliminating 23,020 kg of slag and boiler dust waste
	- Expanding natural gas connections
Waste Recycling and Recovery	- Developing composting systems for mixed municipal waste
	- Initiating R&D projects for the recovery of organic materials
Employee Awareness	- Reducing the use of plastic and paper cups
	- Promoting the use of reusable bottles - Distributing water bottles on special occasions
Sustainable Continuity	- Monitoring short- and medium-term improvement processes
	- Integrated auditing of waste management



Sustainable Carbon Management

Circular economy principles

Uğur Cooling aims to prevent waste and pollution at the source, keep materials within the production cycle, and regenerate natural systems.

Zero Waste Goal and Roadmap





Sustainable Carbon Management

Safe storage and disposal methods

Hazardous waste was sent to licensed disposal and recovery firms a maximum of once every six months, while non-hazardous waste was sent once a year.

Waste Types, Quantities, and Gains for the Central, OIZ, and Styrofoam Facilities (2024)

Waste Type	Quantity	Gains
Waste Paper	558,840 kg	• 9,500.28 Trees • 1,397.1 m³ of Waste Storage Area Savings • 2,291,244 kWh of Energy Savings • 15,647.52 m³ of Water Savings • 98,914.68 kg of Greenhouse Gas Reduction
Waste Plastic	55,640 kg	• 145,109.12 liters of Petrol • 321,265.36 kWh of Energy Savings • 139.1 m³ of Waste Storage Area Savings • 2,281.24 kg of Greenhouse Gas Reduction
Waste Glass	21,860 kg	• 26.23 tons of Raw Materials • 918.12 kWh of Energy Savings • 32.79 m³ of Waste Storage Area Savings • 655.8 kg of Greenhouse Gas Reduction
Waste Metal	421,390 kg	• 547.81 tons of Raw Materials • 270,532.38 kWh of Energy Savings • 1,264.17 m³ of Waste Storage Area Savings • 40,032.05 kg of Greenhouse Gas Reduction

Uğur Cooling regularly identifies the negative impacts of waste emissions from the units in its facilities through Environmental Impact Assessments and updates them when necessary. Safe storage and disposal methods are applied to prevent environmental impacts such as soil, visual, and water pollution. No leakage incidents occurred during the reporting period.

The management of medical waste is carried out based on the "Regulation on the Prevention of Risks from Exposure to Biological Agents." Medical waste collected in the infirmary is stored in locked containers and disposed of in accordance with procedures under the contract with the Aydın Metropolitan Municipality Environmental Directorate. All processes are carried out in accordance with the Company's waste management regulation.

As of 2024, hazardous waste was sent to licensed disposal and recovery companies a maximum of once every six months, and non-hazardous waste was sent once a year. In addition, compliance with legal obligations by licensed companies is meticulously monitored. All recyclable waste is processed through reuse within the facility, and no waste incineration is performed.



Sustainable Carbon Management

50% emission reduction by 2030

The Company aims to complete its SBTi-compliant targets in 2025, transition to an electric forklift fleet in 2026, and ensure supply chain carbon traceability in 2027.

2024 Waste Data

Facility	Hazardous Waste (Ton)	Non-hazardous Waste (Ton)
Central Facility	12.985	559,21
OIZ Facility	11.876	1,912.814

Digitalization and Monitoring Systems

To increase the effectiveness of carbon management, energy consumption and process parameters are monitored in real time. Through automation systems, process times have been shortened to increase energy efficiency, and energy waste due to system failures has been minimized. Maintenance activities have also been optimized with a preventive approach through this digital infrastructure.

In 2024, “Carbon Awareness” training sessions were organized for all employees on carbon management. Additionally, a “Low-Carbon Procurement” session was held specifically for the purchasing department, and regular informational bulletins were published through internal communication channels.

Long-Term Carbon Reduction Targets

Uğur Cooling's carbon reduction targets are as follows:

Target Year	Target Detail
2024	Reducing carbon emissions by 3%
2030	Reducing Scope 1 and 2 emissions by 42% and Scope 3 emissions by 25%
2030	Achieving a 30% reduction in absolute emissions (base year: 2022)
2030	Maintaining Scope 2 emissions at zero
2050	Achieving net-zero emissions target

Future Targets

- Establishing a CDP-compliant monitoring and reporting infrastructure
- Implementation of at least one major carbon reduction project annually
- Launch of pilot applications for monitoring the carbon footprint in logistics and the supply chain
- Completion of the SBTi (Science Based Targets initiative) approval process

Projects planned for the upcoming period include completing SBTi-compliant targets in 2025, transitioning to an electric forklift fleet in 2026, and ensuring supply chain carbon traceability in 2027. A 50% emission reduction is targeted by 2030.



Waste Management and the Circular Economy

Roadmap for the zero waste target

Action plans focused on continuous improvement in waste reduction, reuse, and recycling have been implemented.

Uğur Cooling integrates circular economy principles into its business processes as part of its environmental sustainability approach. In this context, effective practices are carried out in line with the goals of reducing, segregating, and recycling waste at the source. Waste management processes, integrated with the ISO 14001 Environmental Management System, are maintained in full compliance with legal regulations.

Investments in waste management in 2024 focused on strengthening the zero-waste infrastructure and increasing employee awareness on the subject. Various training programs were delivered to raise the level of employee awareness on the topic. Circular economy-focused efforts in production processes have promoted the efficient use of resources and the reintegration of waste into the production cycle. This approach has supported both the reuse and recycling of waste, marking significant steps toward reducing environmental impacts.

As part of practices to reduce waste volume, measures to increase production efficiency were implemented; waste was segregated at the source, and special processes were designed for recyclable waste. By preferring recyclable and reusable materials in production activities, raw material consumption has been reduced, contributing to environmental sustainability principles. By-products from production are either utilized in other production stages or directed to recycling processes. This increases resource efficiency and reduces the need for waste disposal.

As of 2024, the total amount of waste generated is monitored by classifying it as hazardous and non-hazardous, and this data is used to evaluate the effectiveness of waste management strategies. Within the scope of the roadmap created for the zero-waste target, action plans focused on continuous improvement for waste reduction, reuse, and recycling have been implemented. The strategies developed in this context contribute to achieving long-term environmental performance targets. Efforts are underway



to source raw and auxiliary materials used in production processes from sustainable or recycled sources, aiming to reduce environmental impacts through this approach. Targets for 2025 and beyond include further reducing waste volume, increasing recycling rates, and more widely integrating the use of sustainable materials into production processes.

Waste Management Practices

- **Reduction of hazardous waste:** Improvement efforts are underway to reduce the amount of hazardous waste generated in the Company's units.
- **Reduction of paper consumption:** The goal is to reduce paper use in internal office processes. Practices such as avoiding unnecessary printing, using scrap paper, and storing documents digitally (QDMS system) have been implemented.
- **Use of non-hazardous raw materials and auxiliary components:** The use of non-hazardous materials in production processes has been increased, and contamination of this waste with hazardous substances has been prevented.

Contributed SDGs



- **Completion of employee training:** The target was to complete training for at least 60% of employees to raise awareness on environmental and waste management topics. This training is provided at least once a year by an environmental consultant.
- **Full compliance with the Environmental Law:** The sustainability of full compliance with Environmental Law No. 2872 and related regulations is ensured.
- **Increased recovery of plastic waste:** Plastic scrap and waste from the plastic injection department are processed in a crushing unit and reintegrated into the production process.
- **Monthly site inspections by the environmental consultant:** Site inspections are conducted during monthly visits by the environmental consultant, and regular evaluations are held with the environmental management unit.
- **Waste battery collection campaign:** Batteries collected through the campaign conducted at the facility are sent for disposal to prevent environmental pollution. This practice also includes the collection of batteries from households.
- **Control of waste bin equipment:** Zero-waste bins are placed in locations convenient for employee access and are regularly inspected.

Zero Waste Goal and Roadmap

1. **Current Situation Assessment:** The sources of waste, the quantity of waste, the units where waste is generated, and the characteristics of the waste are identified in detail.
2. **Identification of Needs:** The needs such as waste bins, containers, and employee training are determined.
3. **Monitoring and Evaluation:** The waste management system is continuously monitored, records are kept, reports are generated, and the benefits obtained are evaluated.



Waste Management and the Circular Economy

Environmental impact assessments

Uğur Cooling regularly analyzes the potential adverse effects of waste generated from its facility units.

2024 Waste Data

Waste from operations and its management methods for the 2024 reporting period (January 1, 2024 - December 31, 2024) are summarized in the table below:

Waste Type	Management Method	Amount
Industrial Waste	Incineration	327,392 kg
Industrial Waste	Landfill	43 kg
Municipal (Organic) Waste	Landfill	238,612 kg
Paper and Cardboard Waste	Recycling (Closed-Loop)	554,840 kg
Plastic Raw Material Waste (Rigid)	Recycling (Closed-Loop)	106,700 kg
Plastic Packaging Waste	Recycling (Closed-Loop)	52,620 kg
Wood Waste	Recycling (Closed-Loop)	650,052 kg
Mixed Metal Waste	Recycling (Open-Loop)	422,030 kg
Aluminum Waste	Recycling (Open-Loop)	3,180 kg
Glass Waste	Recycling (Open-Loop)	21,860 kg
Electronic Waste (WEEE)	Recycling (Open-Loop)	368,649 kg

Uğur Cooling conducts Environmental Impact Assessments to manage environmental risks and regularly analyzes the potential adverse effects of waste generated from its facility units. These assessments are updated when necessary. Safe storage and disposal methods are implemented to prevent soil, visual and water pollution; any leaks and spills are kept under control in non-public areas.

The management of medical waste is carried out in accordance with the "Regulation on the Prevention of Risks Arising from Exposure to Biological Agents." Medical waste collected in the infirmary is stored in locked containers and disposed of under a contract with the Aydın Metropolitan Municipality Environmental Directorate. The legal compliance of licensed recycling firms is regularly audited; hazardous waste is sent to these firms a maximum of once every six months, and non-hazardous waste is sent once a year. Recyclable waste is reprocessed on-site, contributing to sustainable production processes.

The following values were recorded based on annual data for 2024. The provided report does not contain separate data for specific waste types such as coal slag, other hydraulic oils, contaminated packaging, and nickel-cadmium batteries.

- **Plastic shavings and scrap:** A total of 159,320 kg of plastic waste (rigid plastic and packaging) was sent for recycling during 2024.
- **Paper and cardboard packaging:** Throughout the year, 554,840 kg of paper and cardboard waste was recycled.
- **Plastic packaging:** 52,620 kg of plastic packaging waste was included in recovery efforts.
- **Wood packaging:** 650,052 kg of wood waste was recycled.
- **Mixed municipal waste:** 238,612 kg of municipal-grade organic waste was disposed of via landfill.

Circular Economy Initiatives

Uğur Cooling adopts a circular economy approach to reduce waste generation and environmental pollution, ensure the long-term use of resources within the system, and protect natural cycles. In this context, the Company assumes responsibility not only during production activities but also in managing waste generated at the end of the product life cycle.

End-of-Life Management of Sold Products

The Company also tracks the environmental impacts of its products after their useful life has ended. According to 2024 data, a significant portion of end-of-life products was directed to recycling:

- **Recycling:** Approximately 71,867 tons of refrigerator and freezer waste (WEEE) were included in recycling processes.
- **Landfill:** Approximately 2,994 tons of refrigerator and freezer waste were disposed of via landfill.

The amount of scrap generated on production lines and its associated costs are tracked daily via SAP software. By analyzing why high-cost inputs are converted into scrap, process improvements are made. Thus, the aim is both to reduce material losses and to increase operational efficiency.

Plastic and sheet metal waste are reintegrated into production after undergoing appropriate recycling processes; environmentally harmful materials are sent to authorized organizations with environmental licenses for disposal within the legal framework. Additionally, waste heat generated during production is reused in various processes to achieve energy savings. Waste heat, particularly from production units like compressors and the painting facility, is effectively used in drying processes and in heating polyurethane fixtures.



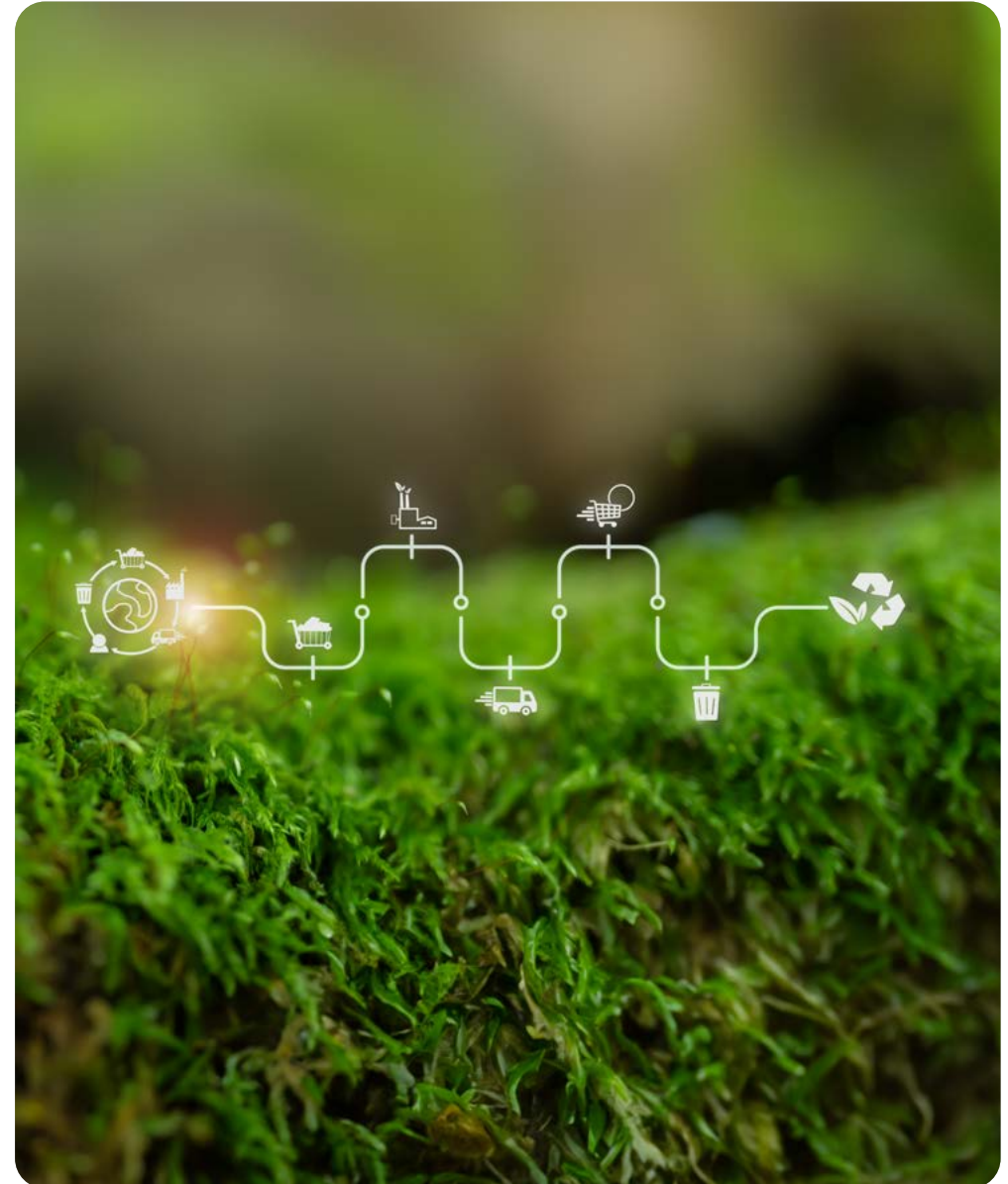
Waste Management and the Circular Economy

Transforming waste, strengthening the future

Uğur Cooling aims to minimize its environmental impact and is taking decisive steps toward a sustainable future.

Future Targets and Strategies

Target	Strategy
Energy and Waste Reduction	- Replacing coal-fired steam boilers with natural gas-fired boilers - Commissioning a natural gas-fired steam boiler at the Styrofoam Facility in 2024 - Completely preventing the generation of 212,680 kg of slag and boiler dust waste produced in 2023 - Accelerating natural gas connection processes and conversion efforts at other facilities
Waste Recycling and Recovery	- Developing composting systems for mixed municipal waste - Implementing organic waste conversion projects within R&D initiatives
Employee Awareness and Behavior Change	- Reducing the use of plastic and paper cups - Launching initiatives to encourage employees to use reusable water bottles - Distributing Uğur Cooling-branded water bottles as gifts to staff on special occasions
Sustainability of Continuous Improvements	- Monitoring short- and medium-term waste management improvements and ensuring their continuity - Integrated tracking and auditing of recycling and waste management processes





Water and Wastewater Management

Water efficiency technologies

In line with its conservation targets, Uğur Cooling utilizes water-efficient technologies such as low-flow faucets, water sensors, and rainwater harvesting systems.

Uğur Cooling operates with the awareness that the conscious use of water is critical not only for environmental sustainability but also for securing access to water, a fundamental right for future generations. The water management policy developed in this regard is structured to ensure the efficient and sustainable use of water resources, reduce environmental impacts, and uphold social responsibility. The policy is implemented in alignment with the Company's overall sustainability approach.

Water and wastewater management activities are coordinated by the Uğur Cooling Environmental Management Board. The Board regularly conducts environmental aspect and impact assessments to identify water pollution risks that may arise from wastewater generated by its activities and takes the necessary measures to mitigate these risks.

Water Management Policy

- **Sustainable Use:** The efficient and sustainable use of water resources is among the primary goals. In this context, water conservation and recycling practices are encouraged.
- **Resource Protection:** The Company contributes to the protection of water resources, the preservation of biodiversity, and the sustainability of local ecosystems.
- **Training and Awareness:** Water conservation-themed training programs are organized for employees, thereby increasing awareness at the corporate level.
- **Transparency and Reporting:** Water consumption data is regularly monitored and shared transparently with relevant stakeholders.



Implementation Methods

Water consumption is regularly monitored, and conservation targets are set based on the data obtained. To achieve these targets, water-saving technologies such as low-flow faucets, water sensors, and rainwater harvesting systems are used. Additionally, feedback mechanisms are established to enhance the effectiveness of these practices, and processes are developed with a continuous improvement approach.

Water Recycling Initiatives

Uğur Cooling implements recycling practices, particularly in its injection molding machines, to promote water reuse. The technologies used in this framework support the efficient use of water and reduce overall consumption.

Wastewater Management

The wastewater treatment plant at the Company's main factory provides chemical treatment for industrial wastewater originating from painting facility processes. This process contributes to both reducing environmental impacts and reusing water. On the other hand, the absence of a wastewater treatment facility at the Organized Industrial Zone (OIZ) factory was identified as a risk factor in the 2022 risk and opportunity assessments, and it was projected that establishing a facility in the future would create a significant opportunity.

Contributed SDGs





Water and Wastewater Management

Targets for reducing the water footprint

Total water consumption decreased from 262,325 m³ in 2022 to 252,903 m³ in 2023, and further to 225,417 m³ in 2024.

At Uğur Cooling, water is predominantly used in painting facility processes. The use of water for surface cleaning is vital in the painting processes of metal-containing products.

Approximately 90% of total water consumption is sourced from groundwater, and discharged into the sewage system of the Nazilli Organized Industrial Zone. Wastewater is managed in two separate categories: domestic and industrial. Domestic wastewater is directed into the sewer system with municipal authorization, while industrial wastewater is discharged only with the approval of an accredited institution after being treated at wastewater treatment plants. Analysis of wastewater samples taken during the sewage connection permit renewal process confirmed that the results were below legal limit values.

Employee Awareness and Training

Throughout 2024, awareness training on water conservation and environmental awareness was organized for employees. Through internal communication tools and informative materials, employees were encouraged to adopt practices such as preventing water waste and using water-efficient faucets. These efforts contributed to the widespread adoption of the Company's water management policies across the organization.

Performance Indicators

Uğur Cooling implements various action plans for more efficient resource use in line with its targets to reduce its water footprint. Total water consumption decreased from 262,325 m³ in 2022 to 252,903 m³ in 2023, and further to 225,417 m³ in 2024. Annual performance indicators for water are regularly monitored, and detailed data is provided in the "Environmental Performance Indicators" section in the appendices of the Sustainability Report.



Water Consumption Amount

	2020	2021	2022	2023	2024
Total Amount of Water Extracted from Nature (m ³)	222,700	232,550	252,325	245,719	217,626
Tap Water (m ³)	10,557	8,667	5,788	7,184	7,791
Water Consumption per Person (m ³ /person)	117	115	128	128.57	126.78
Total Water Consumption Across All Regions Covered by the Report (ton)	238,257	263,450	262,325	252,903	225,417



Contributed SDGs



Eco-Friendly Products and Green Solutions

Eco-friendly production processes

To comply with circular economy principles, product design is structured according to modular principles.

Uğur Cooling aims to minimize environmental impacts at all stages, from product design to production processes, to contribute to a sustainable future. The Company plays an active role in combating climate change through highly energy-efficient devices, recyclable materials, and low-carbon emission technologies.

In its continuous efforts to reduce energy consumption in cooling devices, Uğur Cooling has added B-energy class bottle coolers and C-energy class ice cream freezers to its product portfolio under the Energy Labeling regulations for Refrigerating Appliances with a Direct Sales Function, which came into effect in Türkiye and European Union countries in March 2021. With this step, the carbon footprint is reduced, and sustainable consumption is supported through highly energy-efficient devices.

In product development processes, natural refrigerant gases with low Global Warming Potential (GWP), such as R-600a (isobutane) and R-290 (propane), are preferred. Cyclopentane-based polyurethane foams are used in insulation systems, offering an eco-friendly alternative with its low GWP value and zero ozone depletion potential (ODP). Additionally, Vacuum Insulation Panels (VIPs) used in selected product groups provide a high level of thermal insulation while using thinner construction materials, significantly reducing energy losses.

As part of strategies to increase energy efficiency, compressors with inverter technology and EC (Electronically Controlled) motors are used. This optimizes energy consumption, reduces indirect carbon emissions, and enhances the environmental performance of the products. To increase energy efficiency, products are designed in sizes appropriate for their usage areas and needs, thereby preventing unnecessary energy consumption.



Through Product Carbon Footprint analysis integrated into the design process of new products, the carbon emissions that products will cause throughout their life cycle are measured, and material selection and design improvements are made based on the findings.

To comply with circular economy principles, product design is structured according to modular principles. The use of easily disassembled, repairable, and replaceable components extends product lifespan and facilitates maintenance. With the preference for recyclable plastic, metal, and electronic parts, uniform or easily separable assembly systems are used, and chemical components with high environmental impacts are avoided.

In this context, the Company aims to achieve a 96% recycling rate. Efforts to completely eliminate the use of EPS (expanded polystyrene) in packaging materials strengthen waste management practices and contribute to the conservation of natural resources. Additionally, programs that encourage the recovery of end-of-life products have been implemented, and these processes are supported by informational tools provided to customers.

Uğur Cooling supports its commitments to reducing environmental impacts not only through product performance but also through its production processes. The Company ensures RoHS (Restriction of Hazardous Substances) compliance in products, thereby limiting the use of harmful substances and ensuring the safe recycling of electronic waste.

The Company emphasizes the importance of making not only its production processes but also user habits eco-friendly. To this end, product user manuals include information on energy-saving methods, encouraging users to develop sustainable consumption behaviors. Additionally, innovative technologies such as rapid cooling systems both save energy and enable food products to stay fresh for longer periods.

These energy, environment, and user-focused innovative solutions reflect Uğur Cooling's strong commitment to sustainability and ensure its leading position in the sector with products and processes that reduce environmental impacts.



Annexes

- 117 Performance Indicators
 - 117 Economic Performance Indicators
 - 117 Social Performance Indicators
 - 119 Environmental Performance Indicators
- 120 GRI Content Index
- 128 UNGC Index
- 129 SASB Index
- 130 Glossary





Performance Indicators

ECONOMIC PERFORMANCE INDICATORS

Economic Performance	2020	2021	2022	2023	2024
R&D					
Number of R&D Employees	38	44	52	50	57
Patent, Utility Model, Design Registration Applications (number)	13	16	12	10	17
Number of R&D Projects	5	8	9	7	6
Procurement					
Percentage of Products and Services Purchased Locally	63.31%	71.53%	71.29%	69%	69.23%
Sales					
Domestic Sales Rate	46%	58%	39%	47%	44%
Overseas Sales Ratio	54%	42%	61%	53%	66%

SOCIAL PERFORMANCE INDICATORS

Employee Training	2020	2021	2022	2023	2024
Hours of Training Provided to All Female Employees	3,477	7,469	6,483	5,039	17,219
Hours of Training Provided to All Male Employees	15,157	21,327	17,730	19,416	29,742
Hours of Training Provided to All Blue-Collar Employees	17,093	24,102	19,031	17,373	39,509
Hours of Training Provided to All White-Collar Employees	1,541	4,694	5,181	6,560	7,452
By Type of Training					
Hours of Training Provided to Employees for Personal Development		47	615	1,457	1,669
Hours of Training Provided to Employees on Human Rights	2,546	2,330	2,342	22	21
Hours of Training Provided to Employees on Business Ethics	2,546	2,330	2,342	22	21
Number of Training Provided to Technicians	2	23	42	19	34



Performance Indicators

Employee Profile	2020	2021	2022	2023	2024
By Education Level					
Elementary School	977	930	840	847	826
High School	739	652	558	672	740
University and Above	445	462	415	448	512
Disabled Employees	2%	2%	3%	3%	3%
Breakdown of Employees by Age Groups					
Percentage of Blue-Collar Employees under 30	32%	27%	22%	35%	26%
Percentage of White-Collar Employees under 30	5%	5%	5%	4%	3%
Percentage of Blue-Collar Employees Aged 30-50	48%	51%	54%	47%	53%
Percentage of White-Collar Employees Aged 30-50	11%	13%	13%	10%	13%
Percentage of Blue-Collar Employees Aged 50 and Above	3%	3%	4%	3%	5%
Percentage of White-Collar Employees Aged 50 and Above	1%	1%	1%	1%	2%
Number of Employees					
Total Number of Female Employees	544	597	565	597	373
Total Number of Male Employees	1,365	1,372	1,248	1,370	1,405
Total Number of Blue-Collar Employees	1,557	1,587	1,459	1,624	1,707
Total Number of White-Collar Employees	352	382	354	343	371
Ratio of Female Employees	18%	30%	31%	30%	32%
Occupational Health and Safety Expenditures					
Rate of Increase in OHS Expenditures Compared to the Previous Year		46.80%	43.80%	71.30%	59.3%
Customer Satisfaction					
Customer Satisfaction Rate	92%	97%	96%	97%	96%



Performance Indicators

ENVIRONMENTAL PERFORMANCE INDICATORS

Water Consumption	2020	2021	2022	2023	2024
Total Amount of Water Consumed (m ³)	238,257	263,450	262,325	252,903	225,417
Total Amount of Water Withdrawn from Nature (m ³)	222,700	232,550	252,325	245,719	217,626
Mains Water (m ³)	10,557	8,667	5,788	7,184	7,791
Water Consumption per Capita (m ³ /person)	117	115	128	128.57	126.78

Energy and Emissions

Energy Consumption Data	2020	2021	2022	2023	2024
Electricity-Center (kwh)	9,605,756	11,483,982	9,734,204	9,104,112	9,645,082
Electricity-OIZ (kwh)	16,393,026	19,396,075	15,173,561	12,158,993	11,822,730
Natural Gas-Center (kwh)	9,941,450	13,137,222	11,592,888	11,800,667	10,858,294
Natural Gas-OIZ (kwh)	6,969,296	7,910,093	7,519,554	10,836,870	10,804,648
Electricity Consumption Intensity (GJ/employee)	49.029	56.459	49.458	38.916	43.467
Electricity Consumption Intensity (GJ/m ²)	0.234	0.278	0.224	0.191	0.193
Natural Gas Consumption Intensity (GJ/m ²)	0.152	0.189	0.172	0.204	0.195
Rate of Change in Energy Consumption	8.65%	17.37%	-17.96%	-0.27%	-1.79%
Scope 1 Emissions (tonCO ₂ e)		12,085	10,433	11,427	10,603.24
Scope 2 Emissions (tonCO ₂ e)		14,435	13,630	14,276	14,889.41
Scope 3 Emissions (tonCO ₂ e)		6,996,178	5,390,051	5,140,448	4,850,136.45
Energy Intensity Data					
Number of Products		805,468	654,256	653,198	694,907
Tons of Oil Equivalent (TOE)		5,971	5,654	6,163	6,021.50
TOE per Product		0.00741	0.00864	0.009435	0.00867

*Energy measurements can be expressed in different units, and using a single, uniform expression makes data analysis more feasible. Based on this, the "Fuel TOE Conversion and Unit Converter Table" issued by the Republic of Türkiye Ministry of Energy and Natural Resources was used as the reference for converting energy units.

Wastes	2020	2021	2022	2023	2024
OIZ Facility					
Recovered Hazardous Waste (Ton)	39.40	45.41	42.936	95.77	11.87
Hazardous Waste Disposed (Ton)	0.039	0.033	0.01	0.036	0.01
Recovered Non-Hazardous Waste (Ton)	1,030.85	2,053.66	1,961.80	1,675.74	1,912.814
Non-Hazardous Waste Disposed (Ton)	0.025	0	21.33	364.82	-
Total Waste Amount (Ton)	1,070.25	2,099.10	2,026.08	2,050.80	1,924.69
Central Facility					
Recovered Hazardous Waste (Ton)	37.36	194.13	148.77	82.93	12.985
Hazardous Waste Disposed (Ton)	0.032	0.025	0.034	0.062	0.001
Recovered Non-Hazardous Waste (Ton)	1,437.32	1,971.51	707.77	425.60	559.21
Non-Hazardous Waste Disposed (Ton)	0.004	0	28.46	341.39	-
Total Waste Amount (Ton)	1,474.68	2,165.67	885.03	849.97	572.195



GRI Content Index

For the Content Index - Essentials Service, GRI Services reviewed that the GRI Content Index is presented in a manner consistent with GRI Standards reporting requirements and that the information in the index is clearly presented and accessible to stakeholders. This service was performed on the Turkish version of the report.

Statement of use	Uğur Cooling has reported in accordance with the GRI Standards for the period January 1-December 31, 2024.	
GRI 1 USED	GRI 1: Foundation 2021	
Applicable GRI Sector Standard(s)	Since the sector standard for the refrigeration sector has not yet been prepared, no sector standard has been used.	
GRI STANDARD	DISCLOSURE	LOCATION
GENERAL DISCLOSURES	Organization and Reporting Practices	
	2-1 Organizational details	About the Report, page 9 About Uğur Cooling, pages 11-12 Operational Geography of Uğur Cooling, page 14
	2-2 Entities included in the organization's sustainability reporting	About the Report, page 9
	2-3 Reporting period, frequency and contact point	Reporting is done on an annual basis. About the Report, page 9
	2-4 Restatements of information	There is no revised declaration.
	2-5 External assurance	No external assurance statement on the report was received.
	Activities and Employees	
	2-6 Activities, value chain and other business relationships	About Uğur Cooling, pages 11-12 Stakeholder Map and Stakeholder Relations, pages 43-47 Key Products, pages 66-68 Sustainable Value Chain Management, page 78
	2-7 Employees	Human Values, pages 88-90 Social Performance Indicators (Performance Indicators), pages 117-118
	2-8 Workers who are not employees	Human Values, pages 88-90 Social Performance Indicators (Performance Indicators), pages 117-118
	Governance	
	2-9 Governance structure and composition	Corporate Governance, pages 53-54 Company Organizational Structure, page 55
	2-10 Nomination and selection of the highest governance body	Corporate Governance, pages 53-54
	2-11 Chair of the highest governance body	Corporate Governance, pages 53-54 Company Organizational Structure, page 55
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, pages 53-54 Company Organizational Structure, page 55
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, pages 53-54 Company Organizational Structure, page 55
GRI 2: General Disclosures 2021		



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance and Organization, pages 23-25 Sustainability Approach and Strategy, pages 26-27
	2-15 Conflicts of interest	Business Ethics, Transparency, and Compliance, page 57 Anti-Bribery and Anti-Corruption, page 58
	2-16 Communication of critical concerns	Sustainability Approach and Strategy, pages 26-27 Analysis of Sustainability Risks, Trends, and Opportunities, pages 28-42 Stakeholder Map and Stakeholder Relations, pages 43-47 Material Topics and Materiality Matrix, pages 49-50
	2-17 Collective knowledge of the highest governance body	Corporate Governance, pages 53-54
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, pages 53-54
	2-19 Remuneration policies	Human Values, pages 88-90
	2-20 Process to determine remuneration	Human Values, pages 88-90
	2-21 Annual total compensation ratio	Since Uğur Cooling is a non-public company, the information is not disclosed due to confidentiality.
	Strategy, Policies, and Practices	
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Message from the Chairman, page 10 Uğur Cooling from Past to Present, pages 15-16 Sustainability Approach and Strategy, pages 26-27 Economic Sustainability Roadmap and Goals, pages 60-65 Social Sustainability Roadmap and Goals, pages 84-87 Environmental Sustainability Roadmap and Goals, pages 97-99
	2-23 Policy commitments	Corporate Governance, pages 53-54 Corporate Policies
	2-24 Embedding policy commitments	Corporate Governance, pages 53-54 Corporate Policies
	2-25 Processes to remediate negative impacts	Stakeholder Map and Stakeholder Relations, pages 43-47 Business Ethics, Transparency, and Compliance, page 57 Operational Excellence and Sustainable Product Quality, pages 73-75
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics, Transparency, and Compliance, page 57
	2-27 Compliance with laws and regulations	Corporate Governance, pages 53-54 Business Ethics, Transparency, and Compliance, page 57
	2-28 Membership associations	Corporate Memberships and Supported Initiatives, page 48



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
	Stakeholder Engagement	
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder Map and Stakeholder Relations, pages 43-47
	2-30 Collective bargaining agreements	There is no collective labor agreement.
	MATERIAL TOPICS	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics and Materiality Matrix, pages 49-50
	3-2 List of material topics	Material Topics and Materiality Matrix, pages 49-50
	Supply Chain Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Economic Sustainability Roadmap and Goals, pages 60-65 Sustainable Value Chain Management, page 78
		Supply Chain Security Management System
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Value Chain Management, page 78 Economic Performance Indicators (Performance Indicators), page 117
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Value Chain Management, page 78 During the reporting period, there were no significant negative environmental impacts in Uğur Cooling's supply chain network.
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Value Chain Management, page 78 During the reporting period, there were no significant negative social impacts in Uğur Cooling's supply chain network.
	Anti-Bribery and Anti-Corruption	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Anti-Bribery and Anti-Corruption, page 58
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption, page 58
	205-3 Confirmed incidents of corruption and actions taken	During the reporting period, no corruption case was encountered at Uğur Cooling.
	Sustainable Material Usage and Environmentally Friendly Products	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Environmental Sustainability Roadmap and Goals, pages 97-99 Waste Management and the Circular Economy, pages 110-112 Water and Wastewater Management, pages 113-114
	301-1 Materials used by weight or volume	Waste Management and the Circular Economy, pages 110-112 Environmental Performance Indicators (Performance Indicators), page 119
GRI 301: Materials 2016	301-2 Recycled input materials used	Waste Management and the Circular Economy, pages 110-112 Environmental Performance Indicators (Performance Indicators), page 119
	301-3 Reclaimed products and their packaging materials	Waste Management and the Circular Economy, pages 110-112 Environmental Performance Indicators (Performance Indicators), page 119



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
	Energy Efficiency and Renewable Energy	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Environmental Sustainability Roadmap and Goals, pages 97-99 Energy Management and Efficiency, pages 101-103 Energy Management System
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management and Efficiency, pages 101-103 Environmental Performance Indicators (Performance Indicators), page 119
	302-3 Energy intensity	Energy Management and Efficiency, pages 101-103 Environmental Performance Indicators (Performance Indicators), page 119
	302-4 Reduction of energy consumption	Energy Management and Efficiency, pages 101-103 Environmental Performance Indicators (Performance Indicators), page 119
	302-5 Reductions in energy requirements of products and services	Energy Management and Efficiency, pages 101-103
	Water and Wastewater Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Environmental Sustainability Roadmap and Goals, pages 97-99 Water and Wastewater Management, pages 113-114
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water and Wastewater Management, pages 113-114
	303-2 Management of water discharge-related impacts	Water and Wastewater Management, pages 113-114
	303-3 Water withdrawal	Water and Wastewater Management, pages 113-114 Environmental Performance Indicators (Performance Indicators), page 119
	303-4 Water discharge	Water and Wastewater Management, pages 113-114 Environmental Performance Indicators (Performance Indicators), page 119
	303-5 Water consumption	Water and Wastewater Management, pages 113-114 Environmental Performance Indicators (Performance Indicators), page 119
	Greenhouse Gas Emissions Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Environmental Sustainability Roadmap and Goals, pages 97-99 Sustainable Carbon Management, pages 104-109 Environmental Management System



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainable Carbon Management, pages 104-109 Environmental Performance Indicators (Performance Indicators), page 119
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainable Carbon Management, pages 104-109 Environmental Performance Indicators (Performance Indicators), page 119
	305-3 Other indirect (Scope 3) GHG emissions	Sustainable Carbon Management, pages 104-109 Environmental Performance Indicators (Performance Indicators), page 119
	305-5 Reduction of GHG emissions	Sustainable Carbon Management, pages 104-109 Environmental Performance Indicators (Performance Indicators), page 119
Waste Management and Circular Economy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Environmental Sustainability Roadmap and Goals, pages 97-99 Waste Management and the Circular Economy, pages 110-112 Zero Waste Certificate
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management and the Circular Economy, pages 110-112
	306-2 Management of significant waste-related impacts	Waste Management and the Circular Economy, pages 110-112
	306-3 Waste generated	Waste Management and the Circular Economy, pages 110-112 Environmental Performance Indicators (Performance Indicators), page 119
	306-4 Waste diverted from disposal	Waste Management and the Circular Economy, pages 110-112 Environmental Performance Indicators (Performance Indicators), page 119
	306-5 Waste directed to disposal	Waste Management and the Circular Economy, pages 110-112 Environmental Performance Indicators (Performance Indicators), page 119
Employee Satisfaction and Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Social Sustainability Roadmap and Goals, pages 84-87 Human Values, pages 88-90 Human Resources Policies
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Values, pages 88-90 Social Performance Indicators (Performance Indicators), pages 117-118
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Values, pages 88-90



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Values, pages 88-90 Social Performance Indicators (Performance Indicators), pages 117-118
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Values, pages 88-90
	Occupational Health and Safety	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Social Sustainability Roadmap and Goals, pages 84-87 Occupational Health and Safety, pages 91-92 Occupational Health and Safety Management System Work Safety Instruction
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, pages 91-92
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pages 91-92
	403-3 Occupational health services	Occupational Health and Safety, pages 91-92
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, pages 91-92
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, pages 91-92
	403-6 Promotion of worker health	Occupational Health and Safety, pages 91-92
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, pages 91-92
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, pages 91-92
	403-9 Work-related injuries	Occupational Health and Safety, pages 91-92
	403-10 Work-related ill health	Occupational Health and Safety, pages 91-92
	Equal Opportunity, Diversity and Inclusion	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Social Sustainability Roadmap and Goals, pages 84-87 Human Values, pages 88-90 Human Resources Policies



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Human Values, pages 88-90 There is no gender-based discrimination in employee wages at Uğur Cooling.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Business Ethics, Transparency, and Compliance, page 57 There were no cases of discrimination at Uğur Cooling during the reporting period.
	Combating Child Labor and Forced Labor	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Corporate Governance, pages 53-54 Human Values, pages 88-90
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Uğur Cooling does not employ child labor under any circumstances and expects its stakeholders across the value chain, particularly its suppliers, to comply with the age requirements specified in the relevant laws and regulations.
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Uğur Cooling and all stakeholders in the value chain, especially its suppliers, do not harbor forced labor in any way.
	Corporate Citizenship	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Social Sustainability Roadmap and Goals, pages 84-87 Corporate Citizenship, page 94 Corporate Social Responsibility Policy
GRI 409: Forced or Compulsory Labor 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Citizenship, page 94
	Digitalization and Data Security	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Data Security and Privacy, pages 79-80 Information Security Policy Information Security Management System Information Technology Service Management Policy Information Technology Service Management System Personal Data Protection Policy Privacy Policy
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period, there were no substantiated complaints regarding breach of customer confidentiality and loss of customer data.



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
	Quality Management and Business Continuity	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Operational Excellence and Sustainable Product Quality, pages 73-75 Integrated Policy Quality Management System Business Continuity Management System
	Customer Satisfaction	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Customer Satisfaction, pages 76-77 Customer Service Policy Customer Satisfaction Management System
	Human Rights and Fair Working Conditions	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Human Values, pages 88-90 Human Resources Policies
	Clean Technology, R&D and Innovation	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 R&D, Innovation, and Digitalization, pages 71-72
	Proactive Risk and Crisis Management	
GRI 3: Material Topics 2021	3-3 Management of material topics	Analysis of Sustainability Risks, Trends, and Opportunities, pages 28-42 Material Topics and Materiality Matrix, pages 49-50 Proactive Risk and Crisis Management, page 56 Risk Management System
	Brand Management and Corporate Reputation	
GRI 3: Material Topics 2021	3-3 Management of material topics	About Uğur Cooling, pages 11-12 Uğur Cooling from Past to Present, pages 15-16 Material Topics and Materiality Matrix, pages 49-50 Strong Market Position, pages 69-70
	Business Ethics, Legal Compliance and Transparency	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Business Ethics, Transparency, and Compliance, page 57
	Product Lifecycle Analysis	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Eco-Friendly Products and Green Solutions, page 115
	Stakeholder Communication	
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholder Map and Stakeholder Relations, pages 43-47 Material Topics and Materiality Matrix, pages 49-50
	Corporate Governance	
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Topics and Materiality Matrix, pages 49-50 Corporate Governance, pages 53-54



UNGC Index

Topics	Global Principles	Relevant Section of the Report
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Corporate Governance, pages 53-54
		Human Values, pages 88-90
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Human Values, pages 88-90
		Business Ethics, Transparency, and Compliance, page 57 Sustainable Value Chain Management, page 78
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Human Values, pages 88-90
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.	Human Values, pages 88-90
	Principle 5: Businesses should uphold the effective abolition of child labor.	Corporate Governance, pages 53-54
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Human Values, pages 88-90
	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Human Values, pages 88-90
Environment	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Analysis of Sustainability Risks, Trends, and Opportunities, pages 28-42
		Environmental Sustainability Roadmap and Goals, pages 97-99 Combating Climate Change and Environmental Management, page 100
		Sustainable Carbon Management, pages 104-109
		Waste Management and the Circular Economy, pages 110-112
		Water and Wastewater Management, pages 113-114
		Eco-Friendly Products and Green Solutions, page 115
		Sustainability Approach and Strategy, pages 26-27
Anti-Corruption	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Corporate Memberships and Supported Initiatives, page 48
		Media Engagement and Brand Reputation, page 95
		R&D, Innovation, and Digitalization, pages 71-72 Energy Management and Efficiency, pages 101-103
		Waste Management and the Circular Economy, pages 110-112
		Water and Wastewater Management, pages 113-114
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Eco-Friendly Products and Green Solutions, page 115
		Corporate Governance, pages 53-54
		Business Ethics, Transparency, and Compliance, page 57 Anti-Bribery and Anti-Corruption, page 58



SASB Index

Table 1. Sustainability Disclosure Topics and Metrics*

TOPIC	METRIC	UNIT OF MEASURE	CODE	UĞUR COOLING'S RESPONSE (2024)
Product Safety	(1) Number of recalls and (2) total number of products recalled	Units	CG-AM-250a.1	No product recalls were reported in 2024.
	Explanation of the process of identifying and managing security risks associated with product use	None	CG-AM-250a.2	All products are manufactured in compliance with CE, TSE, ISO 9001, and ISO 14001 standards, and risk analyses are conducted by the R&D, Business Development, and Process Audit Departments. Safety tests are mandatory before sale.
	Total financial losses due to product safety-related litigation	TRY	CG-AM-250a.3	There were no lawsuits or financial losses due to product safety in 2024.
Product Life Cycle Environmental Impacts	Share of energy efficiency certified products in revenue	% (revenue)	CG-AM-410a.1	In 2024, Uğur Cooling produced and launched on the market high energy-efficiency products compliant with the new energy class regulations (e.g., B-class bottle coolers, D-class freezers, A++ freezers). Specific percentages are not shared in the report.
	Environmental product declaration (EPD) or life cycle standard certified products as a percentage of revenue	% (revenue)	CG-AM-410a.2	As of 2024, product-based carbon footprint and life cycle assessment (LCA) studies have been initiated, and the EPD certification process is ongoing.
	Explanation on the management of end-of-life environmental impacts of products	None	CG-AM-410a.3	In line with "Zero Waste" principles, the use of recyclable materials in products was increased and collection and recycling projects were initiated. The target is to use over 90% recyclable parts in commercial and household products.

Table 2. Activity Metrics*

ACTIVITY METRIC	UNIT OF MEASURE	CODE	UĞUR COOLING'S RESPONSE (2024)
Annual production	Units	CG-AM-000.A	A total of 694,643 products were produced in 2024.

* Sections of the SASB Consumer Goods: Household Appliances (CG-AM) industry guide that Uğur Cooling was able to address in its 2024 report have been included in the index.



Glossary

Biodiversity: The diversity of plant, animal, and microorganism species in nature and their relationships with ecosystems.

Carbon Footprint: The amount of carbon dioxide and other greenhouse gases directly or indirectly released into the atmosphere as a result of the activities of an individual, community, or organization.

Carbon Trading: A market mechanism where carbon credits are bought and sold to reduce greenhouse gas emissions.

CBAM (Carbon Border Adjustment Mechanism): A regulation by the European Union aimed at taxing the carbon emissions of imported products, intended to prevent carbon leakage and promote low-carbon production.

Circular Economy: An economic model in which resources are reused and kept in the economy for as long as possible, minimizing the consumption of raw materials.

Climate Adaptation: A set of measures taken to adjust to the negative impacts of climate change and minimize the damage caused by those effects.

Climate Neutrality: The state in which carbon emissions resulting from human activities are reduced or offset to zero.

Corporate Citizenship: The act of companies fulfilling their social, environmental, and ethical responsibilities by creating positive impacts on society, carrying out corporate social responsibility projects, and reflecting the value they create in society.

CSRD (Corporate Sustainability Reporting Directive): A new European Union directive effective from 2024, requiring companies to report their sustainability performance in a more comprehensive, transparent, and comparable manner.

Customer Experience: The impressions and level of satisfaction a customer gains from their interactions with a product or service.

Diversity and Inclusion: Workplace policies that aim to offer equal opportunities to everyone by accepting employees' different identities and backgrounds.

Energy Efficiency: The ability to achieve the same or higher levels of service or product with less energy consumption.

EPD (Environmental Product Declaration): An internationally standardized declaration document that transparently presents the environmental performance of products and is prepared with independent verification.

Greenwashing: Marketing activities aimed at creating the perception that a product, service, or company policy is environmentally friendly or sustainable, but that do not reflect the truth.

Human Values: Practices within human resources management that focus on the rights, welfare, job security, and development of employees, ensuring the development and protection of talents.

LCA (Life Cycle Assessment): An analytical method that evaluates the environmental impacts of a product or service across all stages, from raw material extraction and production to distribution, use, and disposal.

Responsible Consumption: Making more conscious choices considering the environmental, social, and economic impacts of consumption habits. It also promotes the sustainable use of resources, as one of the UN Sustainable Development Goals (SDG 12).

SBTi (Science Based Targets initiative): A global initiative that enables companies to set greenhouse gas reduction targets in alignment with climate science.

Scope 1: Emissions resulting directly from the company's operations (e.g., factory stacks, company vehicles).

Scope 2: Indirect emissions resulting from the consumption of purchased electricity, steam, heat, or cooling.

Scope 3: Other indirect emissions not directly controlled by the company, including emissions from the supply chain, logistics, product use, and end-of-life disposal.

Sustainable Development Goals (SDGs): The 17 global goals set by the United Nations to achieve sustainable development worldwide by 2030.

Zero Waste: A system that aims to prevent waste generation at source, recycling and protection of natural resources through a circular economy approach.



Contact

Uğur Soğutma Makinaları Sanayi ve Ticaret Anonim Şirketi

Head Office

Address: Yeni Sanayi Mahallesi Batı
Denizli Bulvarı No: 95 09900
Nazilli-AYDIN/TÜRKİYE
Phone: +90 256 316 10 00
Email: ugur@ugur.com.tr
Web: <http://www.ugur.com.tr>
Fax: +90 256 316 10 31

Organized Industrial Zone Branch

Address: Nazilli Organize Sanayi
Bölgesi 3. Sokak Nazilli
AYDIN/TÜRKİYE
Phone: +90 256 316 10 00 (PBX)
Email: ugur@ugur.com.tr
Web: <http://www.ugur.com.tr>

Marmara Regional Directorate

Address: Mahmutbey Mahallesi 2534
Sokak No: 9A Bağcılar
İSTANBUL/TÜRKİYE
Phone: +90 212 624 32 28 (PBX)
Email: ugur@ugur.com.tr
Web: <http://www.ugur.com.tr>



