2023
Integrated Report

The Future is Great at Teknosa

Teknosa Logistics Center

CONTENTS

ABOUT THE REPORT

MESSAGES FROM THE MANAGEMENT

5 Message from Chairman of the Board of Directors
6 Message from CEO

TECHNOLOGY IS GREAT AT TEKNOSA

9 Teknosa at a Glance
12 Business Model- Brands
14 History
15 Vision, Mission, and Values
16 Organizational Structure
23 Operational and Financial Performance

THE FUTURE IS GREAT AT TEKNOSA

28 Sustainability Milestones
29 Sustainability Management
33 Material Topics
38 Sustainability Strategy
41 Value Creation Model
42 Our Position in the Sector, Trends and Future Outlook

PROTECT THE NATURE IS GREAT AT TEKNOSA

46 Energy Management
47 Greenhouse Gas Emissions
51 Life Cycle Management
57 Environmentally Friendly Products and Services

HUMAN-CENTRIC FUTURE IS GREAT AT TEKNOSA

61 Workforce Management
71 Occupational Health and Safety
75 Equity, Diversity, and Inclusion
79 Customer-Centric Approach
84 Creating Social Value

RESPONSIBLE AND FAIR FUTURE IS GREAT AT TEKNOSA

90 Responsible Supply Chain
94 Transparent, Fair, and Ethical Business Practices
97 Data Privacy and Security
98 Digitalization
100 Risk and Crisis Management
108 Internal Control and Audit
109 Stakeholder Relations

ANNEXES

111 Memberships and Collaborations
115 Key Performance Indicators
119 Performance Tables
126 Policies
128 News and Events
129 Dictionary of Technical Terms
130 TCFD Indeks
131 UN Global Compact Indeks
132 Our Awards and Achievements
133 GRI Content Index
140 Reporting Guidance
149 Assurance Statement

REPORT GUIDE

- Go to the contents page
- Go to the relevant website
- Go to the relevant page in this report
- Go to PDF file
- See glossary of technical terms

- Data verified under the assurance declaration
- Data audited last year
- Completed target
- Stakeholder views
- Estimated reading time
- Good practices

About the Report

2 minute

We are pleased to share our **first Integrated Report**, prepared with the motto "Future is Great at Teknosa."

As **Teknosa İç ve Dış Ticaret A.Ş. (Teknosa)**, our third sustainability report published this year, reflecting our commitment to continuous improvement in environmental, social, and governance areas (ESG), also serves as our first integrated report. We aim to transparently share with all our stakeholders our key priorities in 2023, how these priorities are managed within the framework of sustainability, our performance, the progress of our company in impact management, and the values we create.

Our report, developed in alignment with the **Global Reporting Initiative (GRI) 2021 Standards**, adheres to the **Integrated Reporting Framework** established by the **Value Reporting Foundation (VRF)** and endorsed by the **International Financial Reporting Standards (IFRS)**, incorporating the six capitals. Within the scope of our report, we also highlight our contributions to the **United Nations (UN) Sustainable Development Goals (SDGs)**, the **Women's Empowerment Principles (WEPs)**, and the progress reporting principles of the **UN Global Compact (UNGC)** to which we committed in 2023.

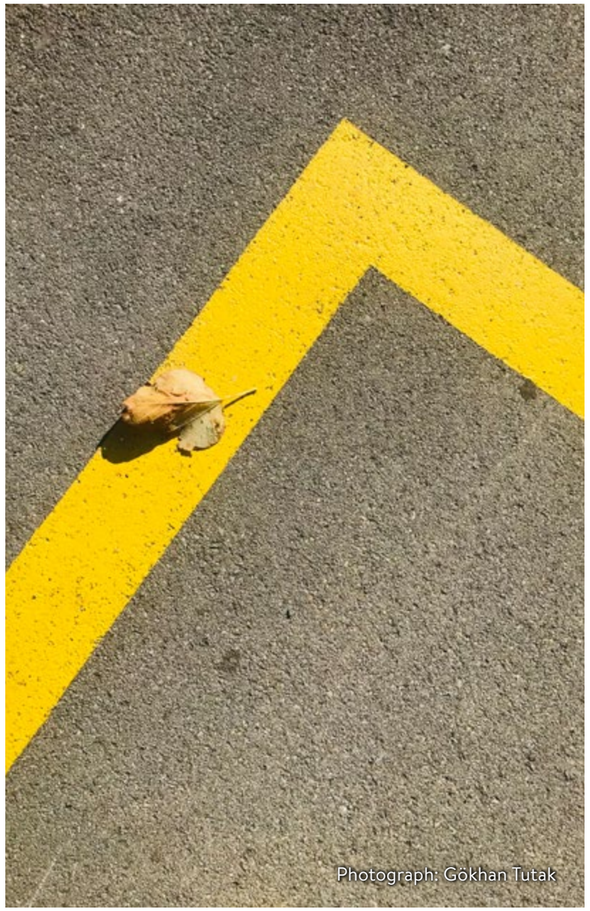
Additionally, the requirements of valuation systems such as the **Sustainability Accounting Standards Board (SASB),** the **Task Force on Climate-related Financial Disclosures (TCFD)**, the **Carbon Disclosure Project (CDP) Climate Change and Water Programs Guidance**, and **Refinitiv** have also influenced the shaping of our report. The content of our report is based on the data and opinions shared by our departments and has been approved by the **Teknosa Sustainability Committee**.

Unless otherwise stated, the data in our report covers all activities (100%) conducted by Teknosa, Teknosa Extra, Teknosa Exxtra stores, İklimsa dealers and authorized services solar power plant (SPP) installation services, and our operations on teknosa.com and iklimsa.com in Türkiye **from January 1, 2023, to December 31, 2023**, aligned with our financial reporting period.

An independent external assurance audit was conducted for the criteria selected regarding non-financial sustainability performance. In this context, the relevant criteria have been validated against the **"International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000)** and the **"International Standard on Assurance Engagements on Greenhouse Gas Statements" (ISAE 3410)**, verified by PwC and included in the assurance statement section in the annexes.

We will continue to share the outcomes of our efforts aimed at continuously improving our sustainability performance and the positive added value that we create, in a transparent and accountable manner, with our stakeholders through our sustainability reports for the upcoming reporting periods.

You can access our reports from the Sustainability tab at https://yatirimci.teknosa.com. You can share your opinions and suggestions about the report via e-mail at surdurulebilirlik@teknosa.com.



Photograph: Gökhan Tutak

The **Teknosa Photography Club** has provided support for the images used in this report.

Messages from the Management

- Message from Chairman of the Board of Directors
- Message from CEO

Photograph: Gökhan Tutak | Teknosa Headquarters

Message from Chairman of the Board of Directors

2 minute

Dear Stakeholders,

The year 2023 will be remembered as a time of significant challenges and changes on a global scale. Environmental and social crises have affected communities and businesses around the world. The devastating earthquake that struck our country in February profoundly shook us, once again demonstrating the power of social solidarity. Similarly, the conflicts in the Middle East deepened the humanitarian crisis in the region, underscoring the importance of international cooperation for peace and stability. Amid these challenging conditions, we have strengthened our commitment to sustainability and taken even greater steps to fulfill our environmental and social responsibilities.

The year 2023 was memorable not only for Teknosa but also for Türkiye. We celebrated the 100th anniversary of the Republic of Türkiye with great pride and honor. This historic milestone reminded us not only of our tremendous achievements in the past but also of the significant responsibilities we will undertake in the future. As we entered the Republic's second century, we gifted the Turkish people with an almost lifelike rendition of Atatürk's voice using artificial intelligence technology, under the slogan **'The Greatest Gift in the Second Century: The Republic of Türkiye.'**. We selected previously unheard words from Atatürk's own voice and presented them to the Turkish people. During the same period, under the **Sabancı Republic Mobilization, the Hatay Incubation Center** was inaugurated, providing support to entrepreneurs and regional development. At Teknosa, we remain committed to shaping Türkiye's future with our enhanced mission of leading in innovation, sustainability, and social responsibility.

Moreover, we are advancing to a new phase of digital transformation by strengthening our digital infrastructure and enhancing our solutions. We are laying solid foundations for sustainable and profitable growth in this process. Our high-tech-based strategies stand out as a testament to our future responsibility and determination. With our vision of **'Teknosa of the New Generation'**, our digital transformation journey, which has been ongoing since 2019, continued unabated in 2023. We made a record investment of **TL 582 million**, accelerating our investments in digitalization and technology-focused strategic initiatives. Thanks to our digitally enabled stores and marketplace platform, we achieved a significant leap in e-commerce. At the same time, we continued our strong growth in solar energy and climate control with İklimsa.

Throughout 2023, we made significant progress with our sustainable business model. With our private label Preo, we sold over **2 million products**, and through TeknoHizmet, we provided **more than 3 million services**, offering our customers continuous support with our wide range of products. We saw a 136% growth in e-commerce and further enhanced customer experience with our new concept stores. These successes are the result of our sustainable growth strategy and customer-centric approach. As Teknosa, we will continue our efforts to maintain our leadership in technology retail.

At Teknosa, we integrate our financial success with sustainability and social responsibility, placing our commitment to the planet at the core of our strategy. We are dedicated to achieving **net zero emissions and zero waste by 2050**. By focusing on innovative measures such as improving energy efficiency, reducing our carbon footprint, and investing in renewable energy, we are making our business practices more sustainable and environmentally friendly. Our commitment to protecting natural resources underscores our mission to leave a cleaner and more livable world for future generations.

As we bring the technologies of the future to our customers, we will continue to inspire the industry with our sustainability vision and principle of transparency at every step.

With our commitments to gender equality, we actively play a role in building a society with equal rights. We've taken significant steps to support the career development of our female employees and to create a safe, inclusive work environment, such as **"Mother Mentors of Teknosa"** project. Through our **'Technology for Women'** project, we are working to enhance women's digital literacy and improve their access to technology, striving for gender equality. These efforts not only reinforce our leadership in the business world but also add value to society and the environment.

This report, showcasing our investments, digital transformation projects, and significant steps in sustainability, marks **Teknosa's first integrated report**. We are proud to present this report, reflecting our vision of a 'Strong Investment, Innovation, and Transformation Year' and our strategy for the New Generation Teknosa. I extend my heartfelt gratitude to all internal and external stakeholders who have contributed to our sustainability journey and to the creation of our first integrated report.

Sincerely,

Max Roger Speur
Chairman of the Board of Directors, Teknosa

Message from CEO

5 minute

Dear Stakeholders,

Sustainability remains one of the most vital elements shaping our future in today's rapidly evolving world. In 2023, a year marked by the heightened impacts of global challenges such as climate change, resource depletion, and social inequalities, we at Teknosa made sustainability the cornerstone of our business model. In our **first integrated report**, we are proud to present the actions we have taken on our sustainability journey, our performance, and the value we have created for all our stakeholders.

2023 was a challenging and disruptive year for our country. The major earthquake disaster at the beginning of the year caused significant destruction and losses in many of our provinces. During this difficult time, we acted with a sense of social responsibility and initiated various projects to support the disaster-stricken areas. Following this catastrophe, as part of the Sabancı Republic Mobilization, we launched the **Incubation Center** project in Hatay, one of the provinces most affected by the earthquake. Through this project, we reached a total of 1,250 people by organizing training programs that prioritized young entrepreneurs and women in Hatay as well as Adana, the city that received the most migration after the earthquake. With these training programs, we aimed to provide new opportunities for those affected by the earthquake and support their efforts to rebuild their lives and regain their strength.

The year 2023 held great significance for us as it marked the centennial of our Republic. In this meaningful year, under the theme **The Greatest Gift in the Second Century: The Republic of Türkiye.**'. we honored this pivotal moment in our history with a special project that used artificial intelligence to recreate Atatürk's voice, sharing previously unheard words of our leader with the Turkish people. The overwhelming interest in our project filled us with great pride and happiness.

With our commitment to achieving **net zero emissions and zero waste by 2050**, we are working tirelessly to minimize our energy consumption, maximize the use of renewable energy sources, and reduce our carbon footprint. In 2023, as part of our sustainability strategy to achieve these goals, we launched several initiatives, including circular economy projects, TCFD risk and opportunity assessments, establishing SBTi emission reduction targets, and integrating decarbonization strategies into our supply chain processes. Our efforts were acknowledged with a **Leadership (A-)** rating in the **2023 CDP Climate Change Program**. Additionally, our collaboration with WWF Türkiye (World Wide Fund for Nature) strengthened our commitment to environmental sustainability by earning the Green Office Diploma for our Headquarters in 2023. These achievements validate the effectiveness of our actions on our sustainability journey and clearly demonstrate our commitment to environmental protection.

We are committed to achieving our net zero emissions target by 2050!

To define our sustainability strategies, risks, and opportunities across environmental, social, and governance (ESG) areas, we established the **Sustainability Committee** and **Sustainability Working Groups**. Our Sustainability Committee, which supports the Board of Directors in the effective management and continuous improvement of our strategies, is focused on strengthening gender equality and sustainability principles. This robust sustainability governance structure within our company not only supports our sustainability vision but also serves as a tangible expression of our commitment to creating long-term value for society, the environment, and the future.

2023 marked a pivotal period for Teknosa, which we named the "Year of Strong Investment, Innovation, and Transformation". We increased our investments in digitalization and technology to **TL 582 million**, pioneering innovative solutions that are shaping the future of retail. By enhancing our stores with sustainable products, designs tailored for customers

with disabilities, and rich experience zones, we maximized customer satisfaction. Our strategic partnerships, particularly with İklimsa, and the significant momentum we gained in our e-commerce platforms fueled our continuous growth.

The synergy between Teknosa and İklimsa, our leading brand in the air conditioning industry, further deepened our corporate and sustainability-focused projects. We developed eco-friendly business models through pioneering projects in the field of olar power plant (SPP) and expanded our initiatives by equipping 90 of our dealers with SPP competencies, creating a strong collaboration network.

In 2023, our strong financial performance resulted in **45% growth**, with a revenue of **TL 47.3 billion** and a **43% increase** in net profit, reaching **TL 748 million**. Our e-commerce gross merchandise volume (GMV) grew by 68%, reaching TL 10.1 billion. Our investments in technology have significantly contributed to reducing environmental impact and enhancing the customer experience, reinforcing our commitment to sustainability goals. Looking ahead to 2024, we aim to continue our sustainable and profitable growth. In 2023, we reached **TL 10,1 billion** as E-Commerce Gross Transaction Volume (GMV), and our target for 2024 is to double this figure to 15 billion TL. We plan to increase our investment expenditures from approximately **TL 600 million** in 2023 to **TL 1 billion** in 2024, significantly boosting our growth and investments. These targets demonstrate that our company is on a path toward sustained strong and profitable growth in the future.

We are also dedicated to empowering women in the workplace and promoting equal opportunities through innovative projects that contribute to a sustainable future. We are committed to fostering gender equality in our workplace by implementing comprehensive policies, organizing specialized training programs, and working to increase women's representation in leadership roles. As we support the professional development of our employees, we also aim to make a significant impact through projects that add value to society. Over 50% of our senior managers and over 40% of our mid-level managers are women. Additionally, we are developing special projects and partnerships to increase the number of women employees in field roles. Through these efforts, we aim to strengthen the role of women in the workforce, contributing to the sustainable future of both our company and society.

We have reached over 28,000 women through our "Technology for Women" project!

We continue to make a difference not only within our company but also by contributing to society through impactful projects. At the forefront of these efforts is our **"Technology for Women"** project, launched 17 years ago. This project, implemented in collaboration with the Habitat Association, aims to enhance the digital literacy of women across Türkiye. Since 2007, we have provided technology training to more than 28,000 women under the "Technology for Women" initiative.

The year 2023 was filled with innovative practices launched to boost customer satisfaction and the remarkable successes we achieved. This year, marked by numerous accolades, led to our receiving **41 national and international** awards, reaffirming our leadership in the industry. Our Loyalty Program, developed as a product of our customer-centric approach, continues to meet customer expectations at the highest level through the TeknoClub membership tiers of TeknoPlus, TeknoPro, and TeknoElit. Reaching 3 million members has been a point of pride for us, while other notable achievements included surpassing 500,000 subscribers on Teknosacell and expanding the product range on the Preo platform to 1,500 items.

This report, in which we transparently share all developments, holds special significance for us as Teknosa's first integrated report. Moving forward, we aim to make positive contributions to the environment, society, and humanity with the support of our expert teams, our customer-centric business culture, our digital transformation strategies, and our sustainability vision. Our approach to sustainability is not limited to reducing environmental impacts; we also aim to create long-term social and economic value. We are committed to generating further value for all stakeholders in our ecosystem, our industry, and our country. I sincerely thank the entire Teknosa Family, our business partners, and other stakeholders who have contributed to our company's sustainable success on this challenging journey and our first integrated report. We wholeheartedly believe that together, we will pave the way for greater achievements and a stronger future.

Kind Regards,

Sitare Sezgin
Teknosa CEO

Technology is Great at Teknosa

- Teknosa at a Glance
- Business Model - Brands
- Milestones
- Vision, Mission and Values
- Organizational Structure
- Operational and Financial Performance

Teknosa Kozyatağı Citys Extra

THE GLOBAL GOALS
For Sustainable Development

Teknosa at a Glance

4 minute

As Teknosa, we began our operations under Sabancı Holding in 2000 and have continued our activities by being traded on Borsa Istanbul since 2012. **As the brand that first introduced the concept of technology stores to consumers in Türkiye**, we are now the closest technology retail chain to our customers with our extensive store network, teknosa.com, and mobile platforms. Guided by the motto **"Technology is Great at Teknosa"**, we ensure an enjoyable shopping experience by providing easy access to our products and services anytime, anywhere.

We integrate our e-commerce platform teknosa.com with our brick-and-mortar stores, bolstering our widespread store network and high service quality with a diverse range of products. We offer consumer electronics, imaging, information technology, telecommunication products, and home appliances through an omnichannel model. We have significantly expanded the e-commerce capabilities of teknosa.com through our **marketplace model**. With the "Teknosa Partner Solutions" proposition, we support the performance of our sellers and provide our customers with a broader range of products, focusing on marketplace growth.

Under the brand name Tekno Service, we prioritize customer satisfaction by meeting after-sales needs with comprehensive services such as "Security", "In-Store Service", "On-Site Installation", "Remote Support Service", and "Full Support Service Packages". We aim to extend the life of our products and fulfill our environmental responsibility.

Teknosa Kadıköy Nautilus

Thanks to our dynamic and innovative structure, we shape the future together with our stakeholders. With a focus on sustainability, we aim to provide greater value to society and all our stakeholders through our activities, which place digital transformation at their core. In this context, we continuously invest in our brand and our employees, fostering the development of skilled human resources. We are taking steps to create the largest service ecosystem for electronic products in Türkiye. We implement digital transformation starting from the supply chain to the end consumer and after-sales services. In line with our data-driven management culture, we continue to invest in CRM and implement new applications by analyzing data with artificial intelligence algorithms to optimize the customer experience. Additionally, our new customer-focused concept stores offer a digital, accessible, and sustainable shopping experience.

At Teknosa, our future-oriented investments aim to provide a comprehensive and innovative experience in the retail sector. We strive for continuous improvement and excellence in all areas, including our stores, teknosa.com, our marketplace, and customer experience. With investments spanning business continuity, operational efficiency, and human resources, we aim to solidify our leadership position in the industry and convert our successes into value for our stakeholders and our country.

İklimsa

Since 2006, we have been providing air conditioning and Solar Power Plant services under Teknosa's dealer group brand, İklimsa. With over 450 sales and service points and 5 regional offices across Türkiye, İklimsa offers customers air conditioners with A+++ energy efficiency and inverter technology from Sigma, Mitsubishi Heavy Industries, and Fujitsu. Our product range includes professional series air conditioners such as floor, cassette, ducted, ceiling, and floor-ceiling types; and in the multi-series, wall-type, cassette, one-way cassette, and ducted air conditioners.

In 2023, by adding the globally renowned brand Fujitsu to our product lineup, we achieved 40% growth in wall-type air conditioners and 45% growth in the multi-product group. Sigma branded heat pumps provide both heating and cooling while ensuring energy efficiency and savings. For large projects, we provide VRF[ABC] air conditioning systems, offering professional solutions for banks, hospitals, and business centers. As for ventilation systems, we guarantee indoor comfort and high energy savings with Sigma Flex brand air handling units and heat recovery devices.

We offer turnkey industrial roof and land projects in the field of Solar Power Plant, as well as battery-powered and non- battery-powered Solar Power Plant for residential buildings. Furthermore, we aim to fulfill our environmental responsibility by offering a wide range of products and rapid support in the sales and installation of mobile AC vehicle charging stations and corporate electronic products.

Authorized Dealer of İklimsa

Teknosa in Numbers

Turnover

TL **47.3** Billion

45% Growth

Net Profit

TL **748** Billion

43% Growth

Gross Merchandise Value (GMV) in e-commerce ABC

TL **10.1** Billion

68% Growth

Ratio of First Level Female Managers ✓

34%

Ratio of Mid-Level Female Managers ✓

42%

Ratio of Senior Female Managers ✓

18%

Annual customer reach through e-commerce ABC and retail stores

~ 260 Million

Ratio of Female Employees ✓ **28%**

Ratio of Male Employees ✓ **72%**

TeknoClub Members

3.2 Million

Teknosa Store Product Range	**17,766**
Air Conditioning and SPP ABC Product Range	**6,658**
Teknosa.com Product Range	**154,248**

Business Model- Brands

2 minute

Preo is a Teknosa Brand

Launched in 2015, Preo has become one of the largest private labels in the sector by the end of 2023, with nearly 1,500 different products and over 2 million products sold. Preo offers a wide range of products, from wearable technologies to smart toys, personal care products to small household appliances, gaming accessories to notebook and smartphone accessories. In 2023, we enriched our Preo brand by adding new product groups to our portfolio, such as smartwatches, air coolers and fans, and tea makers. With Preo, we continue to offer our customers innovative, reliable, and state-of-the-art products at affordable prices.

Teknosa's Mobile Communication Brand: Teknosacell

Teknosacell, Teknosa's mobile communication brand, is the first and only mobile communication service in Türkiye's technology retail sector. With this brand, we offer our customers affordable and fully-packed tariffs, postpaid and prepaid line options, and special opportunities in technology products. In 2023, Teknosacell expanded its subscriber base to 500,000 and broadened its range of services to include bring-your-old-get-new offers, cloud services, and Türk Telekom internet services.

İklimsa, whether it is hot or cold!

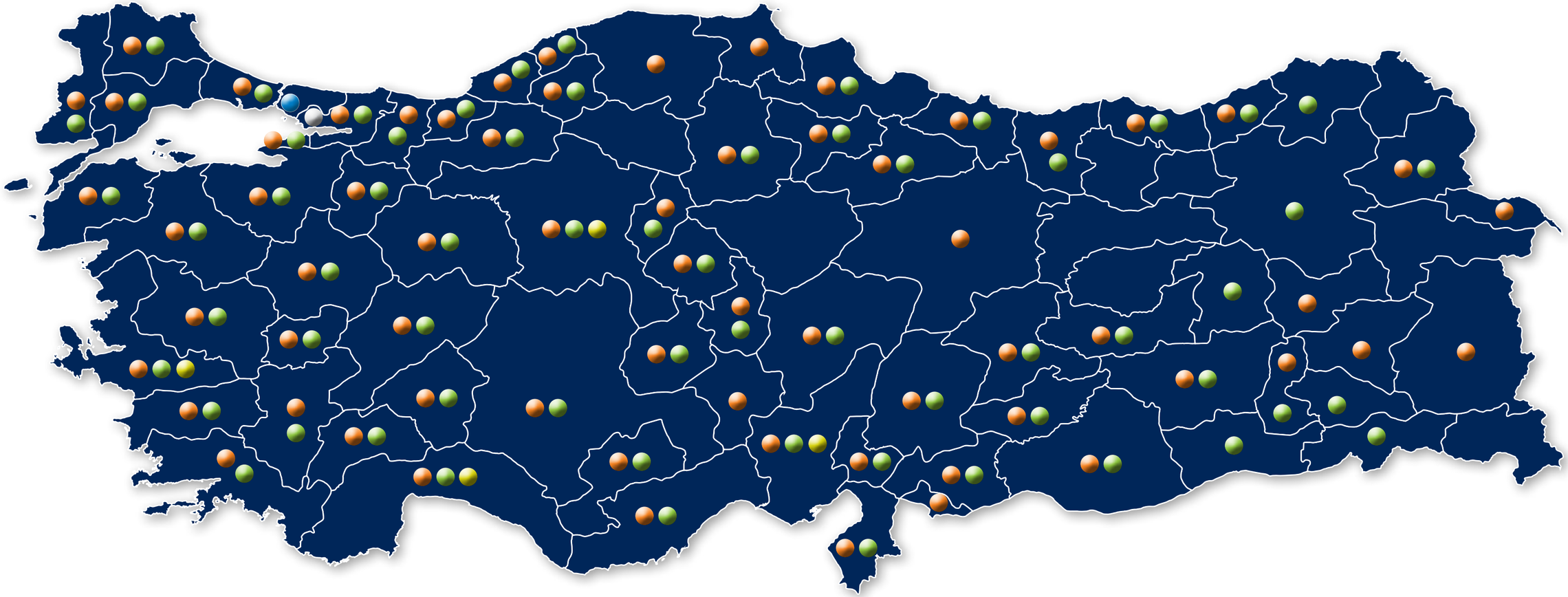
Iklimsa, a dealer group brand of Teknosa, incorporates Sabancı Holding's 37 years of know-how in the air conditioning sector. Through this brand, we offer our customers products for home and professional use from the world's leading brands. Known for its slogan "Türkiye's Air Conditioning Center", Iklimsa also provides services in the field of solar energy. İklimsa offers over 200 models from 5 different brands and has an extensive service network with more than 500 authorized dealers in 69 cities, 299 air conditioning services in 72 cities, and 166 white goods services in 67 cities across Türkiye.

Photograph: Bünyamin Demirci

Sigma, the Technology That Changes Your Weather

Sigma is İklimsa's private label, offering high energy efficiency and environmentally friendly air conditioning solutions. While Sigma produces solutions for large areas with its professional air conditioning options, it also provides alternatives to heating systems that use electricity or fossil fuels with its heat pumps. With the Sigma brand, we offer our customers a comfortable and efficient air conditioning experience.

Service Areas



Headquarters İstanbul

Logistics Center Kocaeli

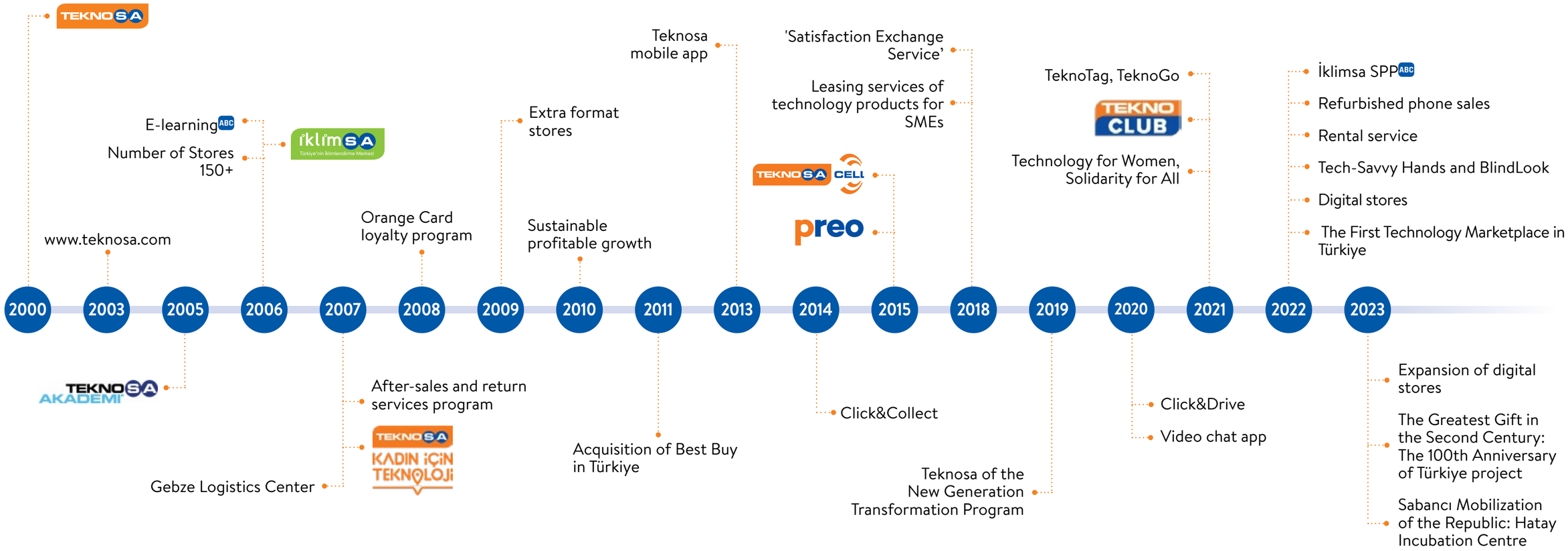
181 Teknosa Stores in 64 Cities

İklimsa Regional Offices
Adana - Antalya - Ankara - İzmir

Over **500** İklimsa Authorized Dealers and Services in 69 provinces

History

1 minute



You can access the detailed history in our Teknosa 2023 Annual Report.

Vision, Mission, and Values

1 minute

Our Vision

To maintain leadership in the geographies in which we operate through products and services that are “innovative” and “make a difference”.

Our Mission

To create happy moments by providing the world’s technology to everyone.

Our Values

Cooperation

The key to our success is our cooperative approach.

Sincerity

The key to developing strong relationships lies in our sincere approach.

Sympathy

We find solutions through sympathy.

Trust

Our greatest motivation is the trust our stakeholders have in us.

Happiness

We believe that happy people create moments of happiness.

Proactivity

We take initiative to shape the future.

Organizational Structure

2 minute

We recognize that our corporate governance practices are critically important for sustainable growth in the business world. As Teknosa, we align these practices, which are shaped by a solid structure and strong corporate culture, with the vision of Sabancı Holding and international principles. We strive to consider the rights, expectations, and needs of our stakeholders at the highest level in all our business processes.

Our General Assembly Meetings, which play a key Duties in our relations with our shareholders, are open to shareholders but closed to the public, including the media. The minutes of these meetings are made available to all stakeholders through the Public Disclosure Platform (KAP) and our corporate website. Our company does not have shares with preferred voting rights, and each share is granted a single vote. This ensures that all shareholders have equal rights and guarantees fair representation in the voting process.

Our Dividend Policy, approved by the General Assembly, is structured to provide our shareholders with clear insight into the procedures and principles governing the distribution of future profits. There are no restrictions on the transfer of shares in our Company.

Minority rights are determined in accordance with the provisions of the relevant legislation and there is no special provision in the Articles of Association regarding the extension of these rights. Additionally, there are no restrictions regarding the percentage of voting limits or ownership limits in the company. Shareholders have the right to vote for all the shares they own. In making significant decisions that impact stakeholders, methods such as surveys and consultations are used to obtain their opinions. In our relations with shareholders, we fully comply with the corporate governance principles determined by the Capital Markets Board and continuously strive to improve our existing structure by taking global best practices as our guide.

In our relationships with employees, we act within the framework of the 4 main principles of corporate governance: **transparency, fairness, responsibility,** and **accountability**. Employee participation in management is ensured through periodic meetings held at least twice a year, annual target setting, and performance evaluation meetings. Additionally, with the 360-degree feedback mechanism, employees can provide feedback to management and colleagues. This feedback is discussed in various management meetings, and action plans are created for necessary changes. However, these issues are not regulated by the Articles of Association or internal regulations.

For more detailed information about our corporate governance approach, you can access our Corporate Governance Compliance Reports and Sustainability Compliance Reports on our website.

Photograph: Gökhan Tutak

Board of Directors and Senior Management

6 minute

The structure, duties, management rights, and representation authorities of our Board of Directors are regulated according to the rules set out in the Company's Articles of Association. Our Board of Directors, consisting of 6 members elected by the General Assembly within the framework of the Turkish Commercial Code and Capital Markets Legislation, bears the responsibility of management and representation of our company. The minimum qualifications required for Board Members are not specified in the Articles of Association. The required characteristics of our Board Members align with the principles outlined in the Corporate Governance Principles.

Two of our board members have been elected as independent members according to the Corporate Governance Principles and regulations of the Capital Markets Board. Our independent members submitted their declarations of independence prior to their appointment, and no circumstances arose during the year that would compromise their independence. Therefore, these declarations remain valid.

The term of office for Board Members is a maximum of 3 years, and members whose terms have expired can be re-elected. In case a seat on the Board becomes vacant for any reason, the Board selects a new member to fill the vacancy and submits this selection for the approval of the General Assembly at its first meeting. The newly elected member completes the remaining term of their predecessor.

Teknosa İstinye Park Exxtra

Concerning any faults of Board Members during their duties and the potential damages they may cause to the Company, the Company has obtained executive liability insurance exceeding 25% of its capital. Board Members are expected to allocate sufficient time for company affairs and avoid transactions that could lead to conflicts of interest in their external duties.

However, their duties outside Teknosa are not bound by any written rules or restrictions.

Our Board of Directors follows a classical two-tier structure, consisting of a management board and a separate executive committee, along with an audit committee.

Teknosa İstinye Park Exxtra

Board Members are compensated pro-rata based on the duration of their service, considering their appointment and departure dates. Executive board members are paid according to the policy set for senior executives. Performance-based payment plans cannot be used for the remuneration of independent board members. The remuneration for Board Members is determined annually at the ordinary general assembly meeting and disclosed on an individual basis. Senior executive compensation consists of two components: fixed and performance-based.

Payments made to senior executives are conducted in line with performance criteria and remuneration policies and are disclosed collectively in the notes to our financial statements, without individual details due to the personal nature of this information.

For more detailed information, you can refer to our Remuneration Policy.

The roles of Chairman of the Board and CEO are performed by different individuals at Teknosa, which enhances the effectiveness and independence of our management processes. The Chairman, in collaboration with other members and the General Manager, sets the agenda for meetings. This process allows for clear and detailed discussion of agenda items during the meetings. Our Board of Directors meets at least 4 times a year to protect the long-term interests of our company and achieve our strategic goals. Important decisions for the future of our company are made during these meetings, conducted in a transparent, accountable, fair, and responsible manner.

Each year, our Board Members elect a chairman and a vice-chairman to act in the absence of the chairman. This ensures the effective and orderly management of meetings. The Chairman also strives to ensure the active participation of non-executive members in meetings, enabling the inclusion of diverse perspectives and expertise in decision-making processes. Additionally, our Board has established an internal control system appropriate to the scale and complexity of the company's operations. To resolve disputes and maintain communication between the company and shareholders, we work closely with the investor relations department and the corporate governance committee.

In 2023, the Board of Directors held four physical meetings. Each member had one vote, and decisions were made unanimously in strict adherence to the Corporate Governance Principles. Throughout 2023, no differing opinions were expressed by Board Members on the decisions made, and no objections were recorded in the meeting minutes. Furthermore, Board Members did not engage in any transactions with the company or undertake any competing initiatives in the same line of business during the year 2023.

Our Board of Directors

Chairman of the Board of Directors

Max Roger Speur

Sabancı Group (Years)	1
Teknosa Experience (Years)	1
Total Work Experience (Years)	30

He is the Founder and CEO of AT10TION Group, Chairman of the Board of Directors at SabancıDx, and the Head of the Sabancı Group's Digital Division.

Vice Chairman

Burak Turgut Orhun

Sabancı Group (Years)	2
Teknosa Experience (Years)	6
Total Work Experience (Years)	26

He serves as the Chairman of the Board of Directors at Afyon Çimento, Akçansa, Çimsa, and Çimsa Sabancı Cement BV; a Board Member at Teknosa, CarrefourSA, and SabancıDx; and the Head of the Sabancı Holding Material Technologies Division.

Board Member

Mehmet Fırat

Sabancı Group (Years)	15
Teknosa Experience (Years)	1
Total Work Experience (Years)	22

He holds the position of Head of Information Technology and Digital Business Management at Enerjisa, Vice Chairman of the Board of Zack AI, Board Member at Eşarj, Executive Committee Member and Head of the Energy Working Group at Blockchain Türkiye, Founding Member and Head of the Energy Working Group at the Artificial Intelligence and Technology Association, and Board Member at the Digitalization in Energy Association.

Independent Board Member

Ahmet Cevdet Alemdar

Sabancı Group (Years)	31
Teknosa Experience (Years)	2
Total Work Experience (Years)	32

He is the Head of Mobility Solutions Division at Sabancı Holding; Chairman of the Board of Directors at Brisa, Temsa Skoda Transportation Vehicles, and Temsa Motor Vehicles; Chairman of the Board of Directors at SUNUM (Sabancı University Nanotechnology Research and Application Center); a Board Member of TÜSİAD; and Chairman of the Executive Committee of Chapter Zero Türkiye.

Independent Board Member

Nevgül Bilsel Safkan

Sabancı Group (Years)	17
Teknosa Experience (Years)	12
Total Work Experience (Years)	31

She serves as the General Manager of Sabancı Foundation, Vice President of the Third Sector Foundation of Türkiye (TÜSEV), Board Member of the Education Reform Initiative (ERG), Advisory Board Member of Sabancı University's Center of Excellence for Gender and Women's Studies (SUGENDER), Ambassador for the Essl Foundation's Zero Project, and Advisory Board Member of the European Foundation Centre (Philea).

Independent Board Member

Temel Cüneyt Evirgen

Sabancı Group (Years)	21
Teknosa Experience (Years)	15
Total Work Experience (Years)	37

He holds the positions of Director of the Executive Development Unit (EDU) at Sabancı University, Faculty Member at the School of Management Sciences at Sabancı University, Senior Academic Staff at the Institute of International Business at Georgia State University's J. Mack Robinson College of Business, and Faculty Director at GSU CIBER.

You can access the CVs of Teknosa Board Members here.

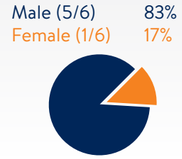
Area of Expertise

Distribution of Educational Status

Degree	Licence	Doctorate
6	6	1

Participation Rates of Committees Affiliated to the Board of Directors

Gender Distribution



Nationality

Our Senior Management

CEO
Sitare Sezgin

Total Work Experience (Years) 28
Teknosa Experience (Years) 2

CFO
Ümit Kocagil

Total Work Experience (Years) 28
Teknosa Experience (Years) 7

Chief Retail Sales Officer
Nail Enver Yelkenci

Total Work Experience (Years) 27
Teknosa Experience (Years) 2

Chief Category Management and Supply Chain Officer
Cenk Yenginer

Total Work Experience (Years) 26
Teknosa Experience (Years) 9

Chief Digital Commerce and Marketing Officer
Emre Kurtoğlu

Total Work Experience (Years) 25
Teknosa Experience (Years) 2

Chief Technology Officer
Ersen Gelçin

Total Work Experience (Years) 23
Teknosa Experience (Years) 2

Chief Human Resources and Sustainability Officer
Ersin Aydın

Total Work Experience (Years) 28
Teknosa Experience (Years) 3

Chief Reatil Sales Officer
Tansu Öztorun

Total Work Experience (Years) 31
Teknosa Experience (Years) 9

Area of Expertise

Gender Distribution

Male (7/8) 88%
Female (1/8) 12%

Distribution of Educational Status

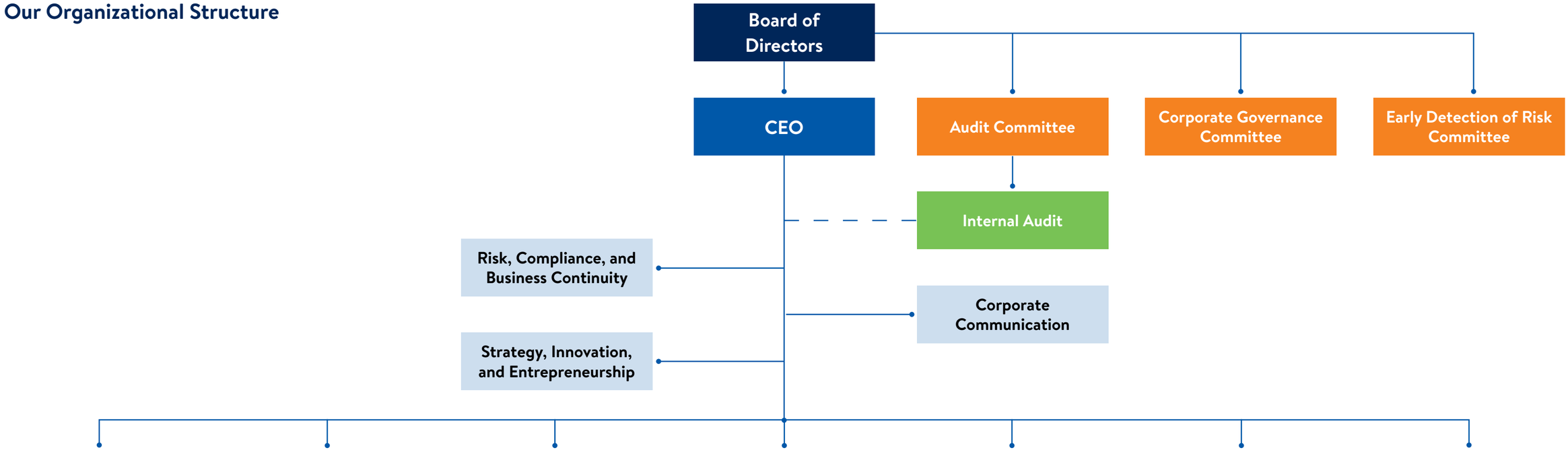
Degree	Licence
8	4

Nationality

Türkiye (8/8) 100%

You can access the CVs of Teknosa Senior Management Members here.

Our Organizational Structure



CFO
Budget planning and control, investor relations, internal procurement, legal compliance, tax and accounting operations

Chief Category Management and Supply Chain Officer
Supply, sale, storage and logistics of products

Chief Human Resources and Sustainability Officer
Sustainability, training and development, remuneration and labor relations, business partner and career management, administrative affairs

Chief Retail Sales Officer
Retail store operations, and leasing, installation, closure, construction and design processes of stores

Chief Technology Officer
Infrastructure technologies and operations, process management, digital transformation and project management, information security and business solutions

Chief Digital Commerce and Marketing Officer
Customer experience, CRM and data analytics, marketing communications, digital commerce channels

Chief İklimsa Business Unit Officer
İklimsa sales and marketing, technical maintenance and spare parts, service, SPP, procurement, and foreign trade

Committees

2 minute

Committees Reporting to the Board of Directors

Corporate Governance Committee

Name Surname	Role	Nature of Board Membership
Temel Cüneyt Evirgen	Chairman	Independent Member of the Board of Directors
Nevgül Bilsel Safkan	Member	Independent Member of the Board of Directors
Selim Can*	Member	Investor Relations Officer

Minimum Number of Meetings: 4

Number of Meetings Held: 4

Purpose: To ensure the continuity of our company's management process based on ethical values, transparency, and consideration of stakeholders' interests. It operates in accordance with the Capital Markets Board (CMB) and international corporate governance principles.

Structure: Chairman, up to 2 members, and 2 rapporteurs. If the committee chairman, appointed from among the independent board members, resigns for any reason, the Chairman of the Board temporarily appoints one committee member as chairman, and a new chairman is determined at the first board meeting.

Duties: To ensure the implementation of Corporate Governance Principles, oversee investor relations activities, evaluate performance and remuneration policies, assess the compliance of independent member candidates with independence criteria, and obtain their written declarations.

Early Detection of Risk Committee

Name Surname	Role	Nature of Board Membership
Temel Cüneyt Evirgen	Chairman	Independent Member of the Board of Directors
Nevgül Bilsel Safkan	Member	Independent Member of the Board of Directors

Minimum Number of Meetings: 6

Number of Meetings Held: 6

Purpose: To identify and take necessary measures for strategic, operational, financial, and compliance risks that may endanger the existence of our company.

Structure: Chairman and at least one member. The members of the committee are determined by the Company's Board of Directors. The Chairman of the Committee is appointed by the Board of Directors from among the independent members. Committee members are preferably selected from non-executive Board Members. The committee is reconstituted following the election of Board Members.

Duties: To identify and manage potential future risks of our company, develop strategic measures to minimize the impact of risks, oversee implementation processes, and submit regular reports to the Board of Directors to ensure the company progresses robustly and sustainably.

Audit Committee

Name Surname	Role	Nature of Board Membership
Nevgül Bilsel Safkan	Chairman	Independent Member of the Board of Directors
Temel Cüneyt Evirgen	Member	Independent Member of the Board of Directors

Minimum Number of Meetings: 4

Number of Meetings Held: 4

Purpose: To oversee the effectiveness of our company's accounting system, financial reporting, independent audit, and internal control systems.

Structure: Chairman and a member. At least one of the committee members appointed from among the independent board members must have at least 5 years of experience in auditing, accounting, and finance.

Duties: To ensure the accuracy and transparency of our company's accounting system and financial reporting, oversee the processes of disclosing financial information to the public, monitor the effectiveness of the independent audit, identify potential risks, and secure the company's financial management.

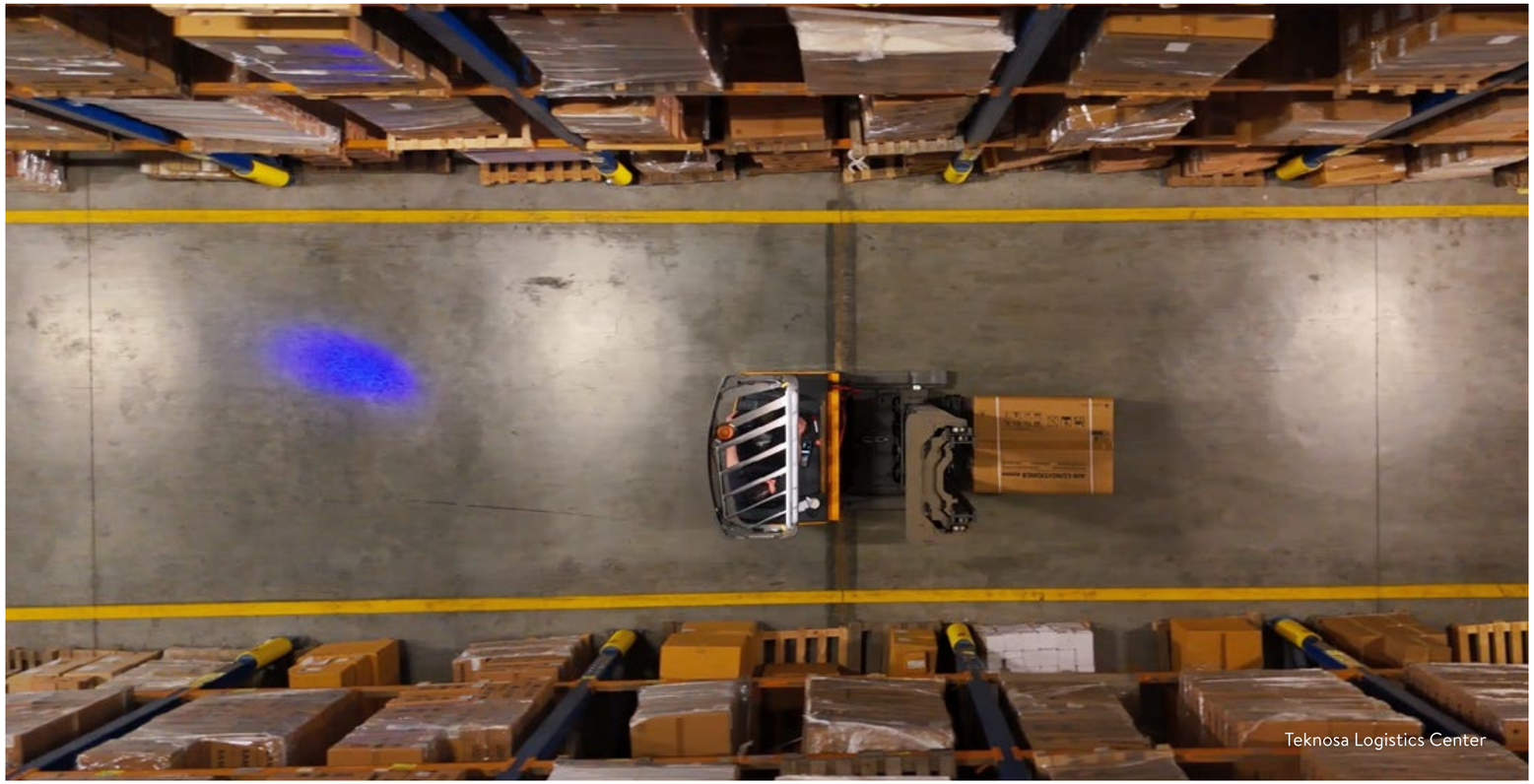
At the Board of Directors meeting held on February 12, 2024, it was decided to end Selim Can's term in the Corporate Governance Committee and to elect Sibel Turhan, who complies with the criteria within the scope of the Corporate Governance Communiqué and has been serving as the Investor Relations Manager in the Company since the date of the decision.

Operational and Financial Performance

4 minute

Operational Performance

In 2023, we took significant steps towards merging physical and digital retail, reinforcing our leadership position in the sector through innovations in both store operations and e-commerce[ABC]. Our total sales area reached 105,000 m², with 181 stores across Türkiye. This extensive store network has made substantial contributions to our goals of improving customer experience and enhancing accessibility. Additionally, as a result of our digitalization investments, we have gained 1.9 million new customers and offer a wide product range with 154,000 SKUs (Stock Keeping Units) on our online platforms.



Teknosa Logistics Center

Number of Teknosa Store
181

Number of İklimsa White Goods Services
166

Number of İklimsa Air Conditioning Services
299

Number of İklimsa Authorized Dealers
349

Number of Online SKUs
154,000+

New Customer Acquisition
~1,900,000

Sales Area
105,000 m²

Number of Teknoclub members
3,200,000+

Annual Number of Customers in E-commerce[ABC] and Stores
~260,000,000

Financial Performance

In 2023, aiming to establish Teknosa as a financially robust company that creates increased value for all its stakeholders, we undertook numerous sustainability investments. We took significant steps in omnichannel retailing, maintaining our leadership position in the sector. In e-commerce[ABC], we increased our Gross Merchandise Value (GMV) by 68% compared to the previous year, reaching approximately TL 10.1 billion. Our customer and digital-focused service approach, combined with strong financial performance, continues to lay the foundation for solid future progress. These successful outcomes demonstrate the accuracy of our profitable growth strategy, built on digitalization, unique customer experiences, and sustainability.

Through innovations and new implementations in both retail and e-commerce[ABC], we managed to grow above the market in 2023, achieving a turnover of TL 47.3 billion and a net profit of TL 748 million.

Alongside our profitable growth strategy, taxation is a priority for us in terms of both regulatory compliance and our corporate values. Therefore, we actively manage, control, and fulfill our tax obligations. While fulfilling our legal obligations, we aim to apply tax regulations correctly in our commercial activities, and thus, we retain all documents related to our tax obligations for the legally required periods. We strive to maintain an open and constructive dialogue with tax authorities and provide the requested information and documents as quickly and completely as possible. As a result of these efforts, we contributed significantly to the national economy by paying TL 433,936,132 in taxes in 2023.

Key Financial Indicators

	2022 (million TL)	2023 (million TL)	Growth Rate
Net Sales	32,712	47,322	+ 45%
Total Assets	10,981	14,690	+ 34%
Total Equity	1,842	2,567	+ 39%
EBITDA[ABC]	91	1,079	+ 1,086%
Net Profit	523	748	+ 43%

Financial Ratios

Ratio	2022	2023
Current Ratio (Current Assets / Short-term Liabilities)	1.08	1.08
Liquidity Ratio (Current Assets - Inventories / Short-term Liabilities)	0.42	0.35
Total Liabilities / Equity	4.96	4.72
Total Liabilities / Total Assets	0.83	0.83

Stock Performance

In 2023, our new investor relations program led to significant increases in both our stock price and trading volume. Outperforming the BIST 100 index, our shares gained substantial value and our trading volume grew significantly. The proportion of foreign ownership in our publicly traded shares rose to 15%. In 2023, our shares were among those with the highest increase in foreign ownership and trading volume on Borsa Istanbul, with an average daily trading volume reaching 170 million TL.

As of the end of 2023, the market value of Teknosa shares reached 5,97 billion TL!

Click here to access TKNSA Stock Price and Trading Volume Development.

Capital and Shareholding Structure

Teknosa's approved and issued capital consists of 20,100,000,000 shares, each with a nominal value of 1 Kr (as of December 31, 2022: 20,100,000,000). Breakdown of Shareholders Holding More Than 5% of the Capital and Voting Rights:

Hacı Ömer Sabancı Holding A.Ş. 50%

Other 50%

Government Incentives

As Teknosa, we benefit from various government incentives aimed at increasing our sustainable growth and operational efficiency. These incentives play an important role in supporting employment, strengthening the social security of our employees, and making our business processes more efficient. As of 2023, the details of the incentives we received from the government are as follows:

In total, we received TL 53,018,262.66 in incentives, supporting our workforce and operational activities. These incentives contribute to Teknosa's sustainable economic growth while also strengthening our social responsibility and employment policies.

Employment Incentive

We received support amounting to TL1,986,589.65. This incentive contributes to increasing employment and reducing unemployment rates.

Employment Incentive for Social Assistance Recipients

We received TL 97,238.46 in support. This incentive aims to integrate individuals receiving social assistance into the workforce.

Disability Employment Incentive

TL 985,003.02 support was provided for the employment of disabled individuals. This incentive promotes the integration of disabled individuals into the workforce, offering equal opportunities.

EYT Premium Incentive

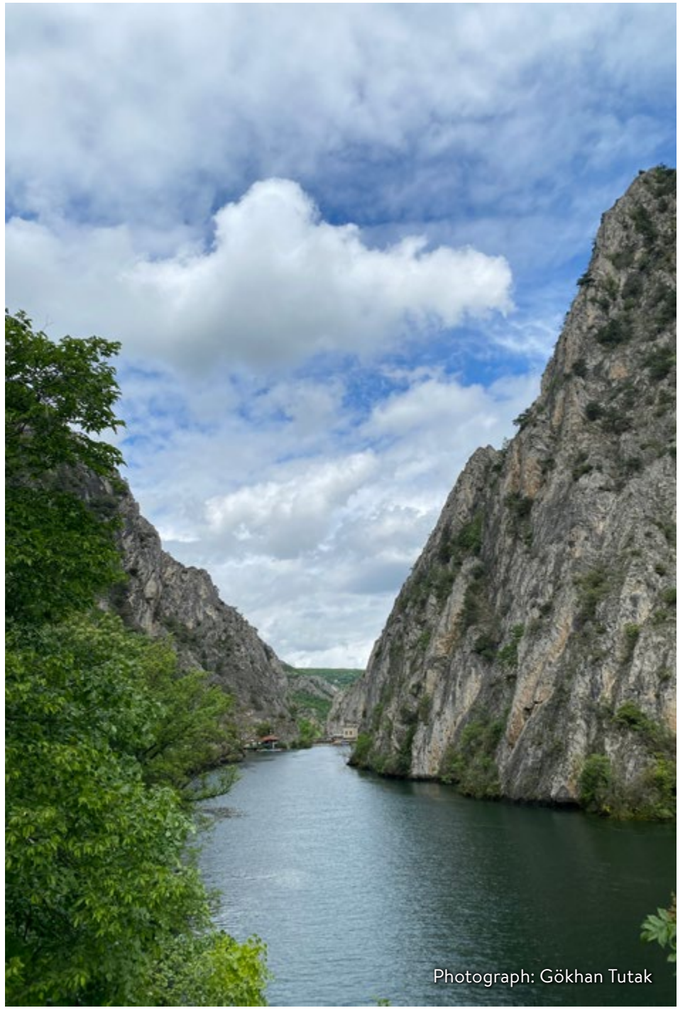
We received TL1,163,848.79 in support of the social security premiums of employees affected by retirement age restrictions (EYT). This incentive helps cover the social security premiums of employees covered by EYT regulation.

5-Point SSI Discount

We benefited from a TL45,842,960.97 discount on Social Security Institution (SSI) premiums. This discount reduces the SSI premium burden on employers, lowering business costs.

Minimum Wage Support

We received TL 2,942,621.78 in support due to the increase in minimum wage. This support helps employers cover the wages of minimum-wage workers.



Photograph: Gökhan Tutak

The Future is a Great at Teknosa

- Sustainability Milestones
- Sustainability Management
- Material Topics
- Sustainability Strategy
- Value Creation Model
- Industry Trends and Future Outlook

THE GLOBAL GOALS
For Sustainable Development

Photograph: Bünyamin Demirci

Sustainability Milestones

1 minute

2021

- Teknosa Sustainability Status and Action Plan
- Sustainability Bulletins

- Organizational Change
- CMB Sustainability Principles Compliance Report
- Technology for Women SROI Calculation

2022

- Membership in the Sustainable Development Association
- Decarbonization Project
- Sustainable Employee Clothing
- Aware of Tomorrow Project

- Eco-Friendly Welcome Kit

2023

- Calculation of Scope 3 Emissions (Categories 1, 5, 6, 7, 9, 11)
- Zero Waste Certificate for Logistics Center

- Calculation of Scope 3 Emissions (Categories 1, 5, 6, 7, 9, 11)
- Eco-Friendly Plastic Bags in Stores
- Teknoclub Memorial Forest
- First Sustainability Report

- CDP Climate Change Report (B- Score)
- WWF Green Office Green Transformation Diploma

- Investor Relations Website

- Reporting Matters Türkiye 2022 Good Practice
- First Greenhouse Gas Emissions Report

- Sustainability Procedure
- Sustainability Committee Procedure
- First Sustainability Committee Meeting
- Second Sustainability Report

- Refinitiv ESG Index (Score of 57)
- EcoVadis (Score of 48)
- Determination of Circularity KPIs, Targets and Milestones
- Calculation of Scope 3 Emissions and Development of the Methodology (Categories 1, 2, 3, 5, 6, 7, 9, 11, 12, 14)
- Scope 3 Calculations Audit

2024

- UN Global Compact Membership
- Green Office Green Transformation Diploma Continuation Program

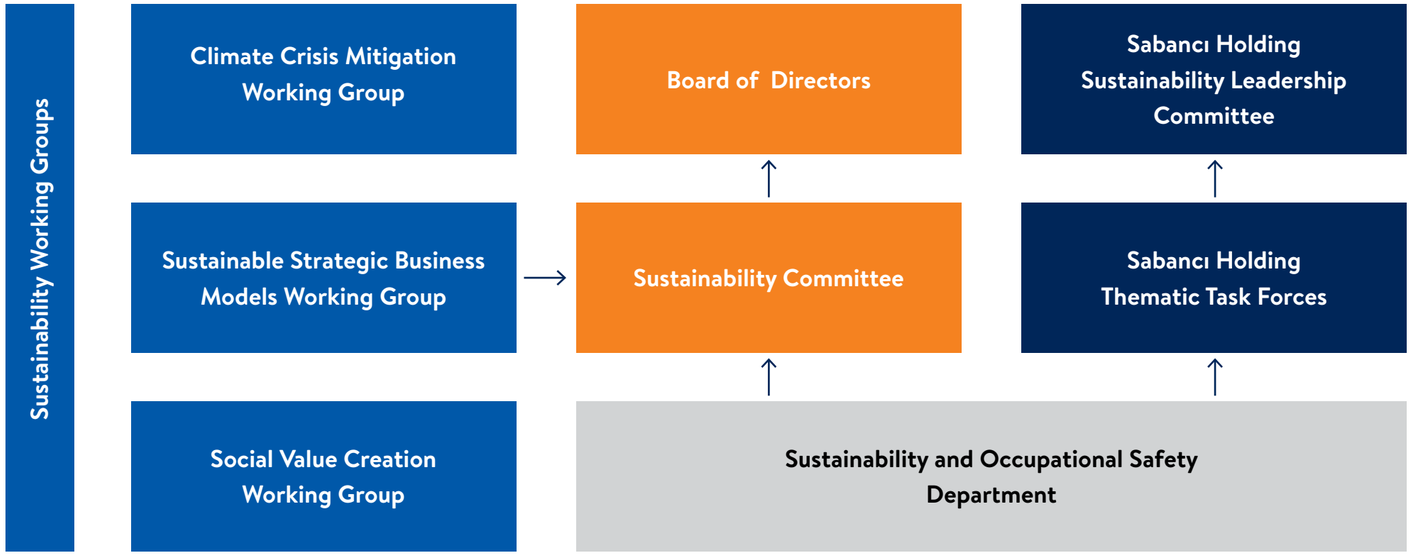
- Increase in Renewable Energy Supply (from 22% to 42%)
- 100% Recycled and Biodegradable Bags in Stores
- Elimination of Single-Use Plastics at Headquarters
- Integration of Decarbonization Strategy into Supply Chain Processes
- SBTi Target Setting Strategy
- TCFD Reporting
- CDP Climate Change Report 2022 (A- Score)
- Net Zero Roadmap

Sustainability Management

5 minute

Teknosa is committed to establishing a strong structure in corporate governance and fostering a robust sustainability culture. The company adopts a governance approach that aligns with Sabancı Holding's vision and international management standards. This approach is shaped around the principles of transparency, fairness, responsibility, and accountability. Teknosa's sustainability governance structure prioritizes the rights and expectations of stakeholders at the highest level across all business processes.

As Teknosa, part of our efforts to integrate sustainability management strategies into our business processes, we established the Sustainability Committee in 2023 to define our ESG sustainability strategy. The formation of this committee has been a significant step in the process of developing our sustainability policies, setting our goals, and preparing our implementation plans. Additionally, the committee is tasked with the critical responsibilities of executing, monitoring, auditing, reviewing, and continuously improving our sustainability initiatives. When necessary, it provides technical support to the Board of Directors and plays an active role in decision-making processes.



Teknosa Kozyatağı Citys Extra

Our Sustainability Committee

Minimum Number of Meeting: 2
Number of Meetings Held: 1

The Sustainability Committee Procedure was published on 07.08.2023, and the first meeting was held on 18.09.2023.

Meetings require a quorum of at least two-thirds of the committee members. In decision-making, the principle of simple majority is applied, and in the event of a tie, the Committee Chair's vote is counted as 2 votes.

Responsibilities of Our Sustainability Committee

Integration of the Sustainability Concept: Sustainability principles are applied across all business processes to reduce environmental impacts, monitor performance, and ensure continuous improvement. The integration into company culture and employee engagement is a key focus.

Promotion of Sustainable Products and Services: The development of sustainable products and services is encouraged, aiming to create economic, environmental, and social value. Market position is strengthened through eco-friendly products and sustainable supply chains.

Strategy and Implementation Monitoring: Sustainability strategies are systematically designed and monitored, with regular reporting to the Board of Directors.

Purpose: The purpose is to integrate the concept of sustainability into all of Teknosa's business processes. In line with this purpose, sustainability principles are incorporated into the company's core policies and strategies.

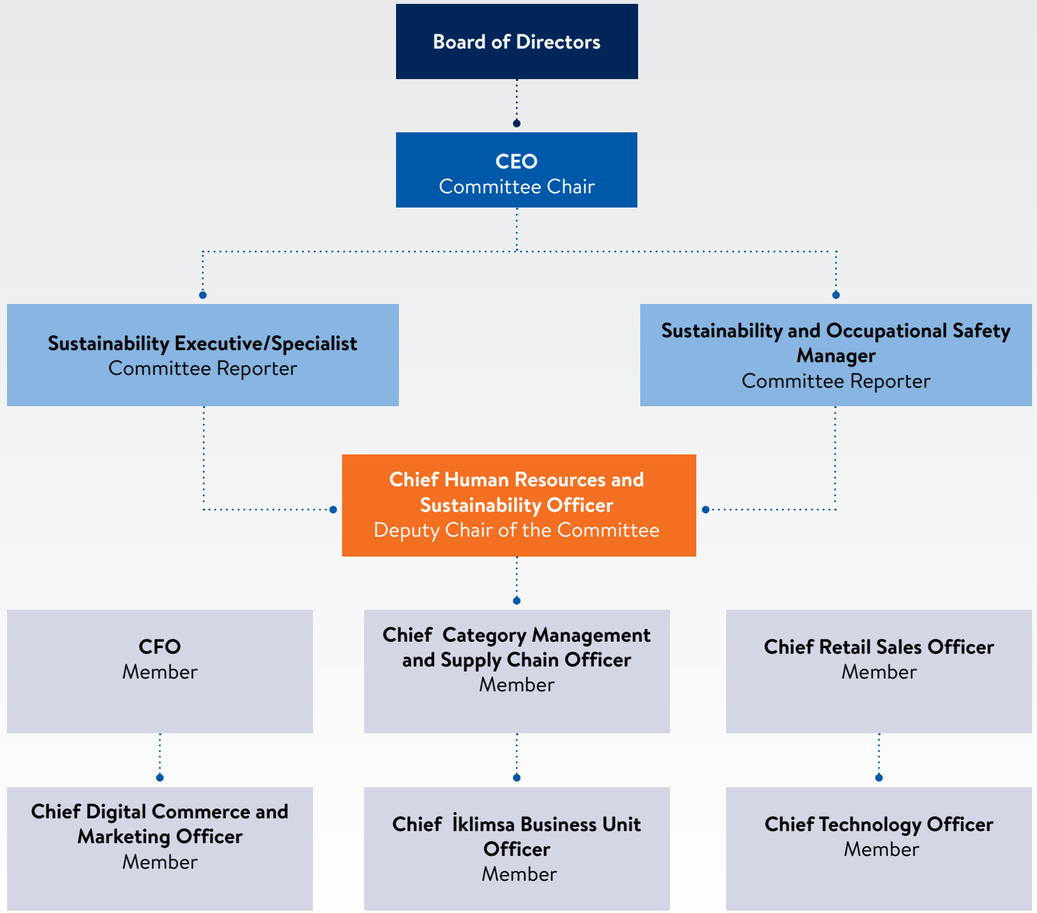
Performance and Goal Setting: Specific, measurable, achievable, relevant, and time-bound (SMART) goals are set, with performance metrics monitored to support continuous development and improvement.

Development of ESG Standards and Impact Analysis: ESG standards are developed and impact analyses are conducted, with best practices and international standards serving as references. Solutions are developed in collaboration with stakeholders.

Carbon Reduction and Climate Crisis Mitigation: Energy efficiency and renewable energy projects are promoted to reduce carbon emissions, and circular economy principles are applied.

Management and Oversight: Legal requirements related to sustainability are monitored and integrated into company policies. The Board of Directors is guided to make decisions within the scope of sustainability management and oversight responsibilities.

Sustainability Committee Structure



Our Sustainability Committee is supported by 3 main Sustainability Working Groups:

Climate Crisis Mitigation Working Group

This group addresses climate crisis and related environmental issues.

Relevant Departments

- Category
- Construction and Design
- Logistics Sales and Marketing
- Warehouse
- Private Label Products and Services
- Internal Procurement
- Retail
- Administrative Affairs
- Training and Development
- Corporate Communication
- Marketing Communication
- Customer Experience, CRM and Data Analytics

Sustainable Strategic Business Models Working Group

This group focuses on sustainable products and services, as well as sustainability risk management.

Relevant Departments

- Risk, Compliance and Business Continuity
- Strategy, Innovation and Entrepreneurship
- Finance, Investor Relations and Financial Planning
- Iklimsa Sales and Marketing
- İklimsa Solar Energy Systems
- Process Management
- Category
- Private Label Products and Services
- Infrastructure Technologies and Operations
- Information Security

Social Value Creation Working Group

This group primarily deals with topics related to human resources and governance, among other societal issues.

Relevant Departments

- Human Resources Business Partner and Career Management
- Training and Development
- Internal Audit
- Customer Experience, CRM and Data Analytics
- Marketing Communication
- Corporate Communication

These working groups design programs and projects for the implementation of our ESG initiatives and conduct their activities with an agile working approach, reporting their outputs to the Sustainability Committee. The coordination of the Sustainability Committee and the working groups is managed by the **Sustainability and Occupational Safety Department**.

The Sustainability and Occupational Safety Department is responsible for setting sustainability goals, monitoring progress, developing strategies, conducting awareness activities, establishing collaborations, tracking climate-related trends, ensuring compliance with regulations, identifying risks and opportunities, and taking necessary actions. The Directorate reports to the Deputy General Manager of Human Resources and Sustainability, ensuring direct communication and collaboration between management levels. Additionally, **the most senior authority in managing sustainability issues and the spokesperson for these matters is our CEO, Sitare Sezgin.**

Sustainability KPIs of our Senior Management

Owner	Related Material Topic	KPIs	2022 Realization	2023 Target	2023 Realization	2024 Target
CEO	Environmentally Friendly Products and Services	Increase in the number of sustainable products and services (%)	170 units	6% 180 units	17% 207 units	5% 217 units
CEO	Greenhouse Gas Emissions	Scope 1 + 2 emissions reduction	8,287 tCO_2e	4.7%	7.05%	4.20%
Chief Category Management and Supply Chain Officer	Environmentally Friendly Products and Services A+++, A++ White Goods	Increase in the number of sustainable products and services (%)	148 units	6% 156 units	23% 182 units	5% 191 units
Chief Category Management and Supply Chain Officer	Environmentally Friendly Products and Services A+++, A++ White Goods	Increase in the turnover from sustainable products and services (%)	White Goods: 106,745,883 TL TeknoGaranti: 505,277,000 TL Refurbished products: 5,753,391 Buyback: 3,650,064 Repair services: 1,024,436 TL Rental: 21,807 TL Total: 515,726,698 TL	25%	188%	55%
Chief of Retail Sales Officer	Energy Management	Procurement of renewabe electricity(%) I-REC	35.05%	41.5%	43.28%	43.5%
Chief İklimsa Business Unit Officer	Environmentally Friendly Products and Services - A+++ air conditioner	Increase in the number of sustainable products and services (%)	17 units	18% 20 units	47.1% 25 units	18% 30 units

These KPIs have a direct impact on the annual bonuses of senior management.

In addition to the internal governance structure within the company, the **Sustainability Leadership Committee** under Sabancı Holding monitors the progress of our goals and actions on our sustainability roadmap as part of our collaboration with Sabancı Holding. Moreover, the committee works on managing risks that could negatively affect the Holding's reputation and operations in the field of sustainability. The Sustainability Leadership Committee tracks international developments and regulations related to sustainability and provides recommendations to the **Thematic Task Forces** within the committee when necessary.

Leveraging our strong partnership with Sabancı Holding and a robust sustainability management framework, we are committed to advancing a more sustainable future in collaboration with all our stakeholders.

The Thematic Task Forces, which focus on Climate Emergency, Sustainable Business Models, and People and Society, meet regularly to share information on current developments and the status of set targets. In this context, as Teknosa, we participated in a total of 13 **Thematic Task Force** meetings in 2023. Through this comprehensive structure and coordination, we adopt an integrated approach to achieving our sustainability goals at Teknosa.

For more information, you can review our Sustainability Procedure and Sustainability Committee Procedure.

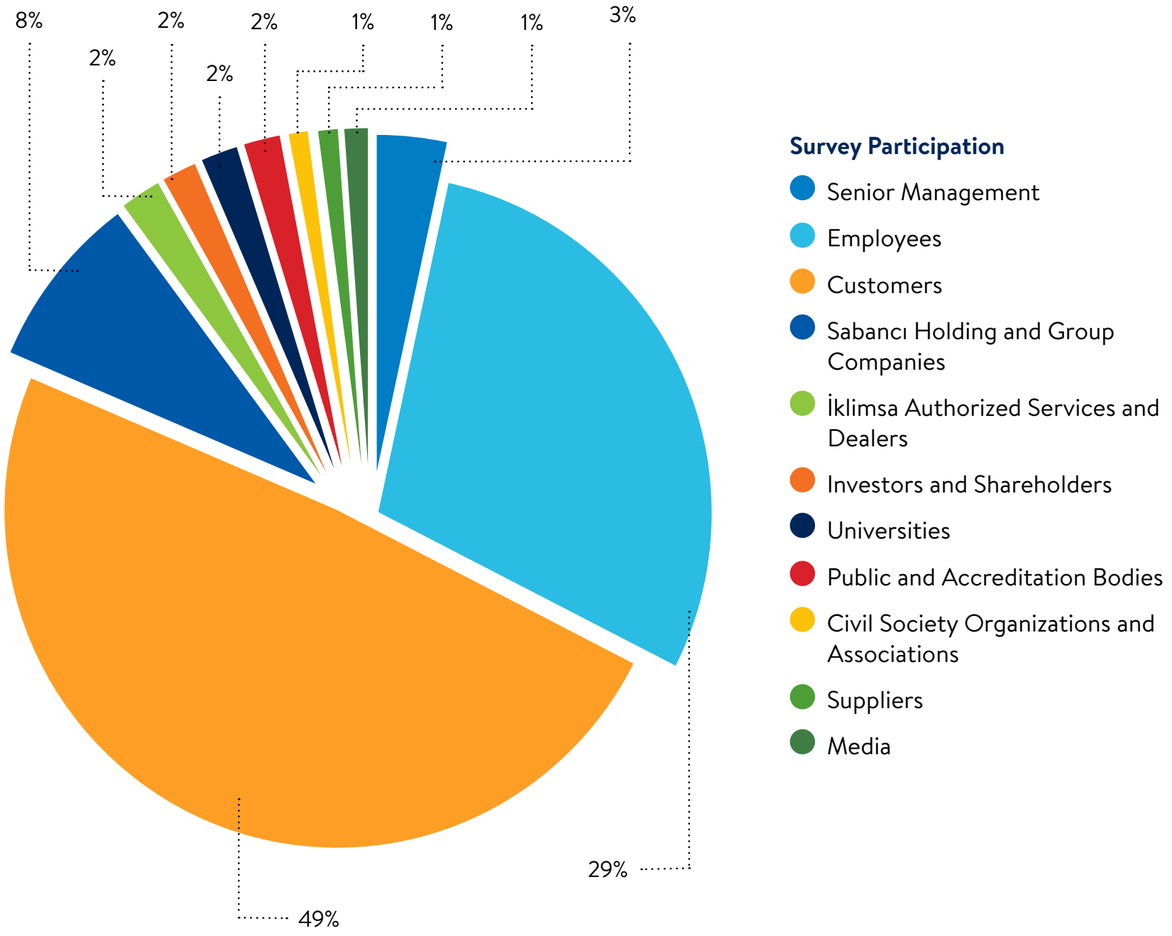
Material Topics

4 minute

At Teknosa, we meticulously identify our material topics to effectively shape and execute our sustainability management strategies. For our first integrated report, we conducted a comprehensive review of the material topics from our 2022 report. This review was aligned with recommendations from various organizations providing ESG frameworks, such as GRI, SASB, IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information), and IFRS S2 (Climate-related Disclosures). We also considered the expectations of reputable ESG rating agencies, including MSCI, Refinitiv, and Ecovadis. With the endorsement of our senior management, we streamlined our list of material topics to 14 key areas.

After updating these sector-specific material topics, we sought input on their ranking from our stakeholders through surveys. We gathered feedback **from 689 stakeholders**, including senior management, employees, customers, Sabancı Holding and its subsidiaries, İklimsa authorized service centers and dealers, investors and shareholders, universities, public bodies, accreditation organizations, CSOs, associations, suppliers, and media representatives.

There are notable differences in how our stakeholders prioritize material sustainability topics. **Occupational health and safety** has been rated as one of the highest priority areas, particularly by senior management and employees, reflecting our commitment to employee health and safety. **Data privacy and security** are ranked among the top material topics by customers and investors, while **equality, diversity, and inclusion** are considered high priorities by employees and senior management. **A transparent, fair, and ethical** business approach is valued by all stakeholder groups, with Sabancı Holding and its subsidiaries placing even greater emphasis on this aspect. Responsible supply chain management has been identified as a critical material topic for both suppliers and senior management. Among environmental sustainability topics, **greenhouse gas emissions and energy management** are highlighted as key concerns by İklimsa authorized service centers and dealers, as well as public and accreditation bodies.

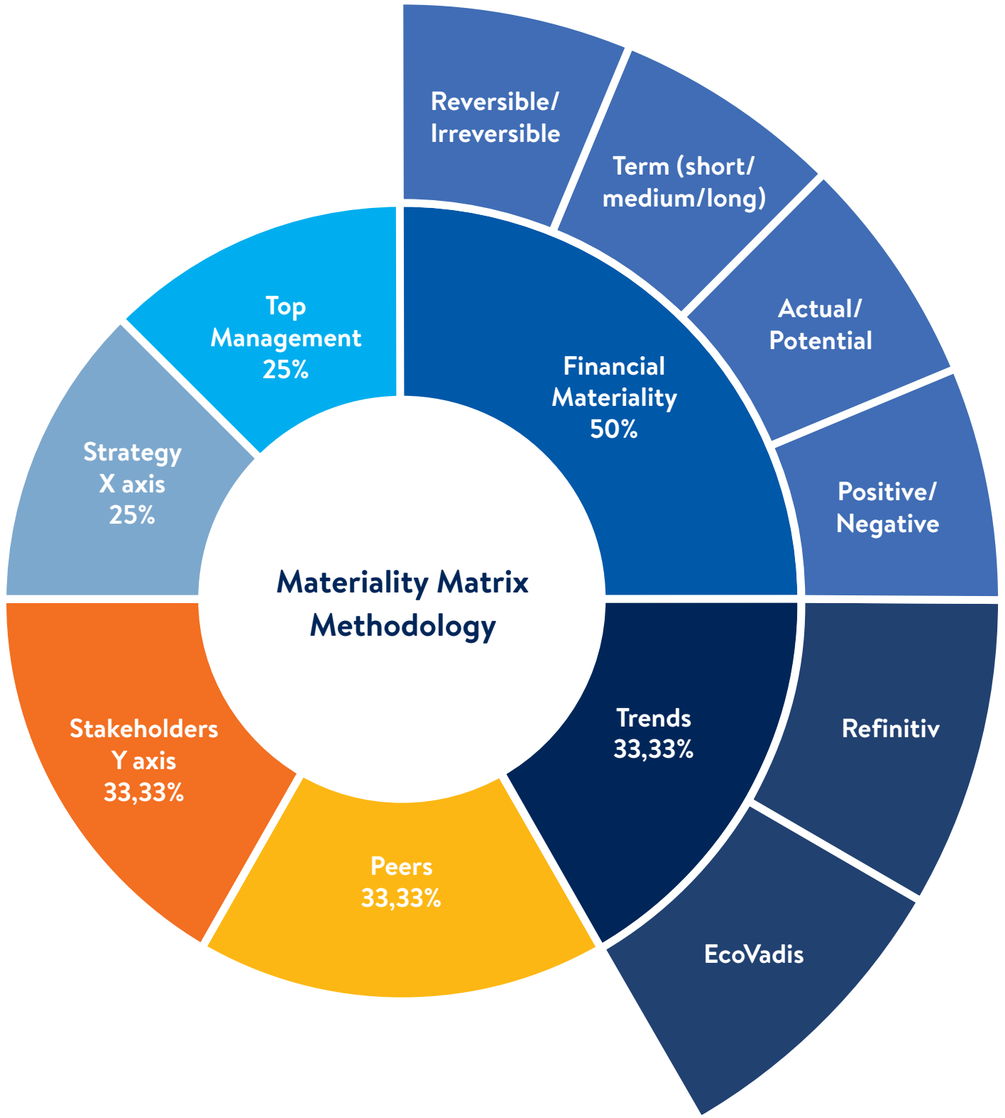


Survey Result

The survey results were categorized by stakeholder groups, and weighted scores were applied to the relevant groups according to the evaluations conducted by Teknosa in the project scope document. In addition to the outcomes of the stakeholder surveys, we considered the financial impact of these topics on Teknosa from a financial prioritization perspective, taking into account factors such as the positivity/negativity, activeness/potential, seasonality, and reversibility of their impact. Furthermore, we examined the sustainability reports of our competitors and the topics prioritized for our industry by ESG rating agencies. Based on these calculations, we identified our material topics and, with the approval of our senior management, developed our materiality matrix.

Stakeholders

- Senior Management
- Employees
- Customers
- Sabancı Holding and Group Companies
- İklimsa Authorized Services and Dealers
- Investors and Shareholders
- Universities
- Public and Accreditation Bodie
- Civil Society Organizations and Associations
- Suppliers
- Media



This methodology considered factors such as the positivity/negativity, activeness/potential, seasonality, and reversibility of the financial impact these topics may have on Teknosa. It also took into account the responses from senior management and the strategies outlined in Teknosa's previous reports. Additionally, the influence of stakeholder survey results, competitor sustainability reports, and the weighting of material topics according to Refinitiv and EcoVadis methodologies were evaluated.

As a result of these processes, the resulting matrix visualizes the material topics for Teknosa's sustainability strategies. This matrix serves as a crucial guide for the company in achieving its sustainability goals. The impact of our material topics on our business practices is detailed in the Value Creation Model, Sustainability Strategy, and Senior Management KPIs sections of our report. The findings will guide the steps Teknosa takes to enhance its sustainability performance and meet stakeholder expectations.

Prioritization Matrix

High Priority

Data Privacy and Security

Transparent, Fair, and Ethical Business Practices

Occupational Health and Safety

Customer-Centric Approach

Economic Performance

Medium Priority

Workforce Management

Responsible Supply Chain

Life Cycle Management

Greenhouse Gas Emissions

Energy Management

Low Priority

Equity, Diversity, and Inclusion

Creating Social Value

Environmentally Friendly Products and Services

Digitalization

Double Materiality Analysis

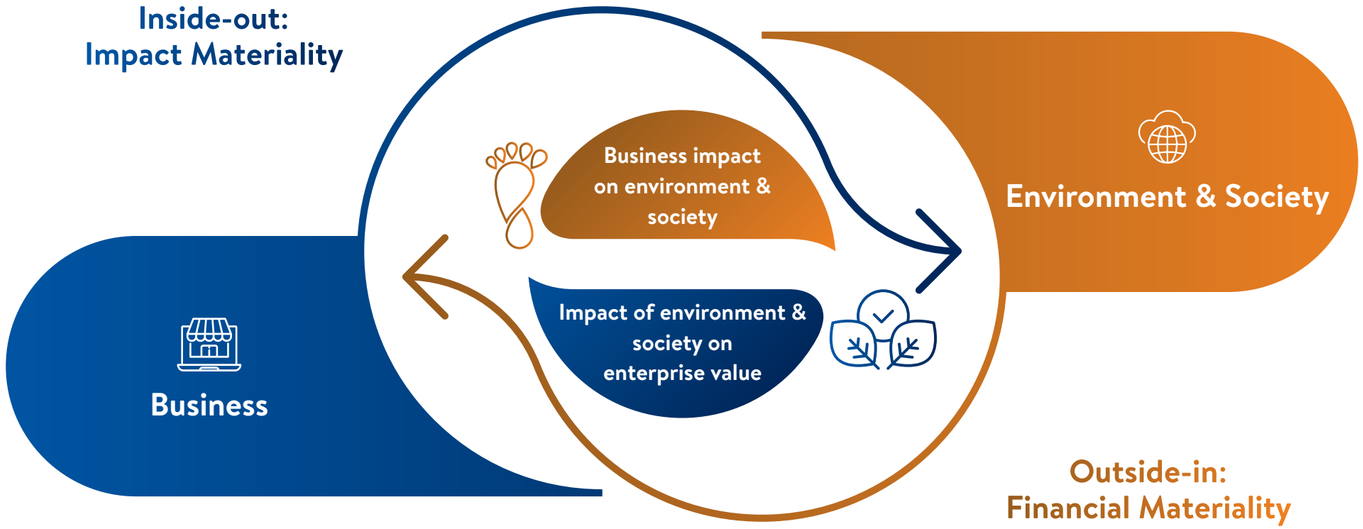
As Teknosa, we are enhancing our reporting efforts on ESG (Environmental, Social, Governance) topics by conducting a Double Materiality Analysis under the EU Corporate Sustainability Reporting Directive (CSRD). This analysis is crucial for identifying our material impacts on society and the environment and understanding how these impacts present risks and opportunities for our financial performance.

Double materiality has two dimensions: Impact Materiality and Financial Materiality. These dimensions are interconnected because our social and environmental impacts can affect our financial performance through risks and opportunities.

Impact materiality assesses the social and environmental impacts of our operations, products, or services, whether direct or indirect, negative or positive. Financial materiality assesses environmental and social impacts on our financial performance. The risk and opportunity assessment takes into account the magnitude of the potential financial impact, the magnitude of the potential loss or gain in financial performance and the likelihood of the risk or opportunity materializing. Our impacts span the entire value chain, from our supply chain (upstream) to our own operations and product use (downstream). This ranges from mining to electronics assembly, from energy supply to recycling.

The double materiality analysis we conduct through internal and external stakeholder workshops is an important step towards identifying and reporting on the most critical ESG issues affecting our sustainability performance. This analysis helps us to improve our sustainability strategies and reporting by comprehensively assessing our impacts on society and the environment and the implications of these impacts on our financial performance.

Click here for detailed information about our double materiality analysis.



Sustainability Strategy

5 minute

At the heart of our sustainability strategy lies the commitment to minimizing our environmental impact and building a more livable and sustainable future. Accordingly, we are implementing an innovative and comprehensive decarbonization strategy to reduce carbon emissions at every stage of our supply chain. To achieve our goals, we continuously review our processes by adopting circular economy principles, enhancing our waste management, and optimizing resource utilization. The KPIs, milestones, and concrete targets we have set enable us to transform our sustainability efforts into measurable and trackable actions

Our goal is to achieve net zero emissions and zero waste by 2050!

Additionally, we closely monitor the risks and opportunities that climate change presents to the business world and report in accordance with TCFD standards. This process allows us to base our strategic decisions on solid foundations and adopt a proactive approach to climate-related challenges. Through double materiality analyses, we comprehensively assess the environmental and financial impacts of our sustainability efforts. These analyses enable us to make our business processes stronger, more resilient and focused on long-term sustainability.

In line with SBTi, we are determined to reduce our Scope 1 and 2 emissions by 42% by 2030, based on 2021 levels, as we continue to fight against climate change.

Our sustainability approach extends beyond our own operations, inspiring our stakeholders in their processes as well. By partnering with our suppliers and spearheading innovative projects, we are leading the industry in enhancing energy efficiency, optimizing the use of renewable energy sources, and reducing our carbon footprint. In doing so, we are building a solid and responsible foundation not just for today but for the future of business as well.

We are integrating sustainability as a standard across all our workflows, from our stores and logistics operations to our digital platforms and production processes.

As an integral part of our sustainability strategy, we develop effective policies in the areas of ESG. Our company-wide Sustainability Committee defines our sustainability goals, shapes our strategies, and continuously monitors our performance. The committee plays a critical role in planning, executing, auditing, and improving our sustainability efforts, ensuring that our sustainability vision is seamlessly integrated into all business processes. These efforts bring Teknosa's sustainability mission to life across every aspect of the company, enabling us to take stronger steps toward the future.

At Teknosa, we place sustainability at the core of our business, developing innovative and sustainable solutions to fulfill our environmental responsibilities while adding greater value to society and our stakeholders. Driven by our mission to leave a more livable world for future generations, we are integrating our sustainability strategy across all areas of our business, confidently advancing on our path to becoming a leading technology retailer.

> “Teknosa is well poisitioned for the future ahead, and to play a pivotal role leading the de carbonization of the Turkish retail sector.”

Stakeholder View

Charbel Moussa
Partner, Decarbonization and Climate Risks, KPMG Netherlands

Over the past 2 years we have closely engaged with Teknosa on their sustainability efforts as part of our overall support to Sabanci Holding. I have experienced Teknosa’s ambitions and determination towards a sustianable future, starting with the development and implementation of decarbonisation initiatives, then expanding to circularity and integrating sustainable criteria in their procurement and suppliers engagements. Besides combating climate change and reducing environmental impacts, Teknosa’s efforts aim to enhance innovation and competitive positioning on the Turkish market.

After thorough analyses of scope 1, 2 and 3 greenhouse gas (GHG) emissions and understanding the company’s decarbonisation potential, we developed together a 2050 Net-Zero strategy with clear targets aligned with the Science Based Target initiative (SBTi). The strategy includes practical measures to be implemented across all operations. This effort was not without challenges, mainly related to data availability and quality. However, extensive collaboration, dedication and steadfast progress led to successful outcomes. I commend Teknosa’s team for their patience, enthusiasm and perseverence.

This is only the start of the journey. Ultimate success necessitates continuous review, assessment of improvements or challenges, calibration of efforts and investment in innovative technologies. Teknosa is well positioned for the future ahead, and to play a pivotal role leading the decarbonisation of the Turkish retail sector. I am eager to follow their transformative progress.

Teknosa Sustainability Strategy House

The Future is Great at Teknosa!

Technology is Great at Teknosa

	The Future is Great at Teknosa	Human-Centric Future is Great at Teknosa	Protect the Nature is Great at Teknosa	Responsible and Fair Future is Great at Teknosa
Our Values Areas				
Our Sustainability Focus Areas and Material Topics	• Sustainability Milestones • Sustainability Management • Value Creation Model • Our Industry Position, Trends, and Future Outlook	• Workforce Management • Occupational Health and Safety • Equality, Diversity, and Inclusion • Customer-Centric Approach • Creating Social Value	• Energy Management • Greenhouse Gas Emissions • Lifecycle Management • Environmentally Friendly Products and Services	• Responsible Supply Chain • Our Transparent, Fair and Ethical Business Approach • Data Privacy and Security • Digitalization • Risk and Crisis Management
Our Contributions to the Sustainable Development Goals				
Related Capital Elements	• Financial Capital • Human Capital • Social and Relational Capital • Intellectual Capital • Manufactured Capital • Natural Capital	• Human Capital • Social and Relational Capital • Intellectual Capital	• Natural Capital • Intellectual Capital • Manufactured Capital	• Financial Capital • Social and Relational Capital • Manufactured Capital
Key Performance Indicators	• Provide sustainability training to suppliers • Increase the number of sustainability communications • Increase the number of corporate social responsibility projects • Increase the reach of inclusion programs • Conduct supplier ESG assessment surveys • Integrate sustainability criteria into supplier selection processes • Conduct TCFD reporting	• Increase sustainability training hours for Headquarters employees • Increase the total training hours • Improve employee engagement score • Provide training on equality, equal opportunity, and inclusion • Increase the ratio of female employees at the Headquarters • Increase the ratio of female employees in stores • Raise the ratio of women in managerial positions	• Reduce electricity consumption in stores • Reduce the amount of electricity used at the Headquarters and Logistics Center • Promote the use of biodegradable, compostable, or recyclable bags • Reduce single-use plastic usage at the Headquarters • Increase e-waste collection through targeted communications • Reduce Scope 1 and 2 emissions • Achieving net-zero emission targets • Increase the use of renewable electricity • Decrease fuel consumption of company vehicles • Reduce natural gas consumption • Reduce water consumption	• Reduce single-use plastic usage (related to the supply chain) • Reduce paper consumption (related to digitalization) • Increase the number of sustainable products • Increase the revenue from rental services • Increase the revenue from repair services • Increase the revenue from TeknoGaranti services • Improve the Net Promoter Score (NPS) • The resolution rate of requests and complaints within the relevant month • Resolve customer requests and complaints atfirst contact • Conduct TCFD reporting • Provide corporate risk management training

Vision, Mission & Values - Corporate Structure - Operational & Financial Performance

Our Strategy	Maintaining Existing Business	Grow and Transform the Business with New Initiatives*	Conduct Business with a Value-Driven Approach
	• **Holistic Customer Experience** - Omnichannel Customer Experience - Advanced offline and e-commerce retail capabilities • **İklimsa Air Conditioning**	• **Service and After-Sales Services with New Initiatives** • **Refurbished products** • **B2B Development** • **İklimsa Solar Power Plant Solutions** • **E-Commerce Transformation** • **Transformation with Digital & Data**	• **Sustainability** - Social Responsibility Projects - Teknosa Academy - Reducing Plastic Usage - Effective Waste Management • **Developing a Sustainable Product and Service Portfolio** • **Teknosa Outlet**

Our Competencies: Sustainability Focus - Valuation Focus - Extensive Omnichannel Sales Network - Human Resources - Strong IT Infrastructure - Strong Brand

Value Creation Model

The Future is Great at Teknosa

Capital Element	Material Topics	Inputs/Resources	Activities	Value Created	Related Value Group	Contribution to Sustainable Development Goals
Financial Capital	• Economic Performance	• Revenue from operations • Liquidity Supported by High Free Float Ratio • 202 million TL capital • 500 million TL investment	• Revenue-enhancing strategies • Cost control and efficiency improvement projects • Optimization of investments • Financial risk management • Our advertising and marketing activities Campaigns and Promotions we conduct • Pricing	• Strong financial performance with TL 47.3 billion turnover • Operational efficiency with an EBITDA[ABC] of TL 1,079 million • Financial stability with TL 748 million net profit and 43% growth in net profit • 45% increase in turnover • Trust-oriented brand reputation	**Investors and Shareholders:** Share value growth, dividend payments, financial growth. **Employees:** Job security, training and development opportunities, performance-based rewards. **Suppliers:** Continuous business relationships, on-time payments, financial security.	
Manufactured Capital	• Digitalization • Customer-Centric Approach • Responsible Supply Chain • Economic Performance	• 181 stores across 64 provinces with 105,000 m² of sales area • Online/multi-channel platforms • 60,000 m² logistics center • 500+ İklimsa Authorized Dealers and Services • Unique Marketplace Business Model	• Transformation of store spaces with experience zones offering a home-like product experience, information screens, kiosk digital displays, and special arrangements for disabled customers • Development of an omnichannel structure with innovative solutions such as touch screens, mobile checkout terminals, sustainability walls, digital labels, and video sales systems • Implementation of Teknosa Marketplace and Teknosa Partner Solutions projects • Strong logistics infrastructure • Options for online shopping: "Buy Online, Pick Up In Store" (Click & Collect) and in-vehicle delivery (Click & Drive)	• Approximately 260 million annual visitors (in-store + e-commerce[ABC]) • TL 10.1 billion Gross Merchandise Volume (GMV) • 207 sustainable products • 153% growth in revenue from sustainable services • Total 17.766 product • 154,248 products available online/multi-channel • Ability to respond quickly to customer demands with the largest logistics center in the industry • Same-day and next-day delivery service in 23 provinces	**Customers:** Enhanced customer experience and service quality **Suppliers:** Efficient business relationships and a sustainable supply chain **Investors and Shareholders:** Increased financial performance and sustainable growth	
Intellectual Capital	• Digitalization • Customer-Centric Approach	• Diverse product portfolios of Preo, Teknosacell, İklimsa, and Sigma brands • Value-Added Service Brand: Tekno Hizmet • Sales of Refurbished Products • Digitalization infrastructure: ERP, Enterprise Architecture, and Data Transformation Projects • AI and Data Analytics Solutions • Quality and customer satisfaction management systems ISO[ABC] 9001 and ISO 10002 • Teknosa Marketplace and Teknosa Partner Solutions • TeknoClub Loyalty Program • Live broadcasts and social commerce projects • Our internal audit methodology • Teknosacell, our mobile network and communication services brand • 64,898,876 TL investment in sustainability-focused R&D[ABC] and innovation within our sustainability strategy	• Digital transformation of stores with TeknoGO • Implementation of an electronic labeling system • Execution of data management and AI-driven projects • Quality and customer satisfaction management • Customer-centric solutions • Management and expansion of the TeknoClub loyalty program • TeknoCanlı and You are an Influencer with Bi'Link • Digital ambassadors project (Selin and Burak) • Employee suggestion system: TeknoBox • Product and process development • Service packages offered under the Tekno Hizmet umbrella: "Full Support", "In-Store Service", "Remote Support", "On-Site Installation", "On-Site Maintenance", and "Cybersecurity" • Internal audit activities conducted within our processes and stores	• Enhancing customer experience and satisfaction • Operational efficiency and cost savings • Maintaining competitive advantage and leadership • Expanding the range of innovative and sustainable products/services • Reaching 1,500 product varieties and over 2 million product sales under the Preo brand • Achieving 500,000 subscribers for Teknosacell • A 262% increase in sustainability-focused R&D[ABC] and innovation investments • Approximately 6,000 products serviced under Tekno Hizmet • Increase in store visitor numbers • Over 200 million visitors actively using online sales platforms	**Customers:** Enhanced customer experience with sustainable and innovative products/services **Employees:** Improved digital infrastructure and training opportunities, leading to a healthier and more efficient working environment **Investors and Shareholders:** Improved financial performance and sustainable growth	
Human Capital	• Workforce Management • Occupational Health and Safety • Equality, Diversity and Inclusion	• 2,868 employees • 28% female, 72% male employees • Teknosa Human Rights Policy • Promotion and Career Management Procedure • Commitment to the 7 principles under the WEPs[ABC] (Women's Empowerment Principles) • Internal Ethics Hotline • Teknosa Pricing Policy • Our company culture and values • Our ethical business practices and policies • Commitment to the 10 principles of the UN Global Compact	• Teknosa Academy • Our Key Development Programs • ISO 45001 Occupational Health and Safety Management System certification • Performance evaluation systems and talent management programs • Fair Compensation • Insurance • Workplace Arrangements • Economic and Social Benefits • Special Days and Leaves • Additional Benefits • Graduate studies support • Mother Mentors of Teknosa • Studio Live • Approach to equality and inclusivity • Internal ethics hotline	• Career development with 139 employee promotions • Financial security through fair compensation and social benefits • Flexible/hybrid work arrangements and no-meeting hours for productivity and work-life balance • Average of 23 hours of classroom and online training per employee • Revised to: 25 Mother Mentors with 328 hours of training provided to these employees • 98% return-to-work rate after maternity leave • Increased employee engagement and satisfaction • Teknosa Academy has produced over 22,350 graduates with up to 1,867,000 hours of training over 18 years • 36% increase in women employed in STEM (Science, Technology, Engineering, and Mathematics) fields • Approximately 10 hours of digital book and blog reading time at Teknosa Academy • 73% increase in the training budget allocated for employee career and skills development • Over 1,924,036 hours of training through Teknosa Academy over 19 years	**Employees:** Training and development opportunities, performance-based rewards **Investors and Shareholders:** Increased productivity and corporate performance **Customers:** Enhanced employee competence and customer satisfaction	
Social and Relational Capital	• Customer-Centric Approach • Creating Social Value • Responsible Supply Chain • Transparent, Fair and Ethical Business Approach • Data Privacy and Security	• Broad customer base • 192% increase in charitable donations • 61% increase in corporate social responsibility investments • "Teknosa of the New Generation" vision • Strong relationships with suppliers • Business processes based on ethical and transparency principles • Customer Relationship Management (CRM)[ABC] • Donation and Aid Policy • Sustainable Supply Chain Policy • Supplier Code of Conduct • Teknosa Code of Business Ethics • Anti-Bribery and Anti-Corruption Policy • Conflict of Interest Policy • Policy on Accepting and Giving Gifts • Approximately 3.8 million TL in donations • Our social media channels • Strategic partnerships	• TeknoCanlı, Bi'Link, Digital Ambassadors, and TeknoClub projects • Teknosa Marketplace and Teknosa Partner Solutions • 68.1 NPS[ABC] score, satisfaction surveys, and award-winning competitions • 3,896 participants in the Technology for Women Project • 152 individuals reached through the Technology for Women Solidarity Project • Gender Equality Training • Republic of Türkiye Project • Refresh Memories Project • "Askıda Ne Var" platform • Supporting local development in earthquake-affected regions • Supplier Training and Awareness initiatives • Supplier evaluation for environmental and social standards • Training on bribery, corruption, compliance with competition rules, data privacy, and security • Cybersecurity initiatives • 20 different channels for customer communication with Teknosa • Corporate social responsibility and volunteer activities • Strong communication with suppliers • Teknosa Volunteers • New Generation Teknosa Transformation Program	• Standardization of quality and customer satisfaction, enhancing process efficiency and effectiveness • Strengthening customer loyalty and boosting brand awareness through loyalty programs • Enhancing women's digital literacy, ensuring their access to technology, and promoting gender equality • Empowering women in need with access to technology, thereby fostering social solidarity and responsibility • Strengthening social memory, preserving cultural heritage, and passing it on to future generations • NPS[ABC] has been moved to 68.1 level • 3,896 participants in Technology for Women training programs • 152 women reached through the Technology for Women Solidarity initiative • 6,900 local suppliers – Total of 7,359 suppliers • Philanthropic contributions increased by up to 192% • Volunteer activities for school renovation, biodiversity support, tree planting, soil revitalization, and environmental cleanups • 2.1 million TL budget allocated to social responsibility projects • 3.96 TL social return for every 1 TL investment in the Technology for Women project	**Employees:** Raising awareness and ensuring compliance through ethics principles, anti-bribery and corruption training, and gender equality education. **Sabancı Holding:** Ensuring compliance with anti-bribery and corruption policies and practices, supporting local development through the Sabancı Republic Mobilization, and aligning with group standards through ISO certifications and compliance efforts. **Authorized Services and Dealers:** Enhancing service quality through the standardization of quality and customer satisfaction. **Civil Society Organizations and Associations:** Raising awareness in areas such as social equality, education, and health through projects and initiatives supported by Teknosa. **Suppliers:** Raising sustainability standards in the supply chain through responsible procurement practices. **Customers:** Providing a safe and transparent shopping experience through responsible marketing and labeling efforts. **Public and Accreditation Bodies:** Compliance with legal regulations through anti-bribery and corruption efforts, data privacy and security initiatives, and ISO certifications	
Natural Capital	• Energy Management • Greenhouse Gas Emissions • Lifecycle Management • Environmentally Friendly Products and Services	• Energy sources (electricity, natural gas, renewable energy sources) • Financial investments and budget • Smart sensors and software • LED lighting systems • Renewable energy certificates (I-REC) • Solar power plant • Our waste management • Use of renewable energy in stores • Energy and water efficiency practices • 9.9 million TL investment in environmental initiatives • Commitment to the 10 principles of the UN Global Compact	• Monitoring and managing energy consumption in stores using smart sensors and software • Digital label implementation in stores • Plastic reduction initiatives at the headquarters • Commitment to the IPG Plastic Reduction Pledge • Eco-friendly products and services • Energy-efficient LED lighting upgrades in workplaces • Electronic labels in stores and digital applications across all locations • Management of heating, cooling, and lighting systems in stores through automatic sensors • Monitoring and managing energy consumption in stores with smart sensors and software • Electrification of forklifts • Renewable Energy Supply Certificate (I-REC) • Installation of solar power plants • Measurement of greenhouse gas emissions according to the GHG Protocol and reduction targets aligned with Science-Based Targets • ISO 14001 Environmental Management System certification process • Education and awareness campaigns for employees and customers • Development and marketing of eco-friendly products and services • Sales and rental services for refurbished phones	• 2.6 million kW energy savings and cost reduction • 4.7 million paper labels saved across 52 stores • 6,053 MWh of renewable energy sourced (I-REC) • Reducing carbon footprint and greenhouse gas emissions • Reducing plastic consumption • Providing long-lasting, high-performance products • Ensuring legal compliance and avoiding potential fines • Cost savings through waste management and recycling practices • Revenue growth from the sale and rental of refurbished phones • Raising environmental awareness • Customer satisfaction with high energy-efficient products • Awareness of circular economy[ABC] and sustainability • Healthy and sustainable working environment • 20% reduction in paper consumption • Annual savings of approximately 4.735 million paper labels and 936 toner cartridges through the use of electronic labels • 22% increase in the number of sustainable products and services • 32% increase in financial savings as a result of sustainability activities	**Employees:** Enhancing environmental awareness and providing a healthier work environment through waste management and recycling programs, energy efficiency, and the use of sustainable energy. **Customers:** Enabling sustainable consumption through environmentally friendly products and services, the sale and rental of refurbished phones, and product health and performance testing services. **Suppliers:** Creating collaboration opportunities through demands for environmentally friendly materials and sustainable supply chain practices. **Local Communities:** Improving the quality of life in local communities through reduced environmental impacts and sustainable development projects. Investors and Shareholders: Increasing financial performance through long-term value creation, energy savings, and cost reductions. Public and Regulatory Bodies: Strengthening public trust through legal compliance and enhanced environmental performance.	

Our Position in the Sector, Trends and Future Outlook

6 minute

Our Sectoral Position

The year 2023 stood out as a period marked by global economic fluctuations and heightened geopolitical risks. Disruptions in supply chains and the ongoing effects of the Russia-Ukraine war led to rising energy and commodity prices, increasing production costs. Inflation pressures in developed countries and fears of recession caused a contraction in demand, directly impacting many sectors. Alongside these challenges, global sustainability-focused regulations such as the **European Union's Green Deal** emphasized the importance of companies developing more resilient and environmentally conscious business models.

The technology retail sector continued its strong growth as digitalization accelerated and technology became an essential need. According to the Technology Retail Panel Research, the consumer electronics market in Türkiye grew by 91% in 2023, reaching a volume of TL 325 billion. When analyzed by category, Small Home Appliances led with a 126% growth rate, followed by White Goods with 95%, Telecommunications with 89%, Information Technologies with 83%, and Consumer Electronics with 74%.

As Teknosa, we continued to serve our customers through both our online platforms and brick-and-mortar stores in 2023, maintaining our investments without interruption. Guided by our "Teknosa of the New Generation" vision, we achieved growth above the sector average through innovations focused on digitalization, customer experience, and sustainability. With well-timed and strategic investments, we grew by 45%, reaching a turnover of TL 47.3 billion.

Trends and Future Outlook

At Teknosa, we closely monitor global and Turkish technology retail trends, quickly adapting to changes in the industry. The rise of online shopping and the necessity of digitalization, accelerated by the Covid-19 pandemic, have increased the preference for online shopping platforms both in our country and worldwide. Companies and marketplaces operating in e-commerce have made technology and digitalization central to their business processes to best meet customer demands. In light of these developments, the e-commerce volume in Türkiye achieved significant growth in 2023, increasing by 64% in USD. To solidify our position in e-commerce , we implemented a marketplace business model on our digital channels. As mobile devices become more prevalent and mobile-friendly e-commerce platforms gain traction, increasing mobile shopping from 41% to 53%, we are committed to continuously enhancing the customer experience by staying ahead of these trends.

Advances in automation technologies offer significant opportunities for increasing efficiency and service quality in the retail industry, helping companies work with high detail at speed and achieve cost savings. Artificial intelligence, machine learning, and robotics are ushering in an era of smart automation and supporting data-driven decision-making processes. At Teknosa, we closely track these technological developments and aim to enhance operational efficiency through their adoption.

In line with this approach, we strive to ensure that our activities at Teknosa align with both local and global trends. We place digital solutions and artificial intelligence technologies at the core of our operations, using AI-based digital tools to enhance the efficiency of our processes, particularly in supporting the supply chain. As of 2023, we have integrated next-generation AI-based digital technologies into our supplier negotiation processes and have started working on new digital solutions to support our sales force. Additionally, we introduced a new innovation in brand communication by launching digital ambassadors, Burak and Selin, developed

Our Digital Ambassador Burak

with AI technology, across all communication channels. To maintain our leadership in the industry, we aim to integrate generative AI applications into all our business processes, with a forward-looking perspective.

While we were providing live support service at certain hours on digital channels, we started to provide uninterrupted service to our customers 24/7 via the website, mobile site, WhatsApp and mobile application with the artificial intelligence chatbot we developed in 2023. While the human resource we use to measure communication quality is a limited and high-cost application, we increased the listening rate of our call center conversations from 5% to 99% with the Speech Analytics artificial intelligence tool we developed. In addition, with this innovation, we took all our calls under control with the possibility of emotion, acoustic analysis and automatic quality assessment in calls. In this way, we improved our call center processes and increased our communication quality. In order to maintain our leadership in the sector, we aim to integrate productive artificial intelligence applications into all our business processes with our future perspective.

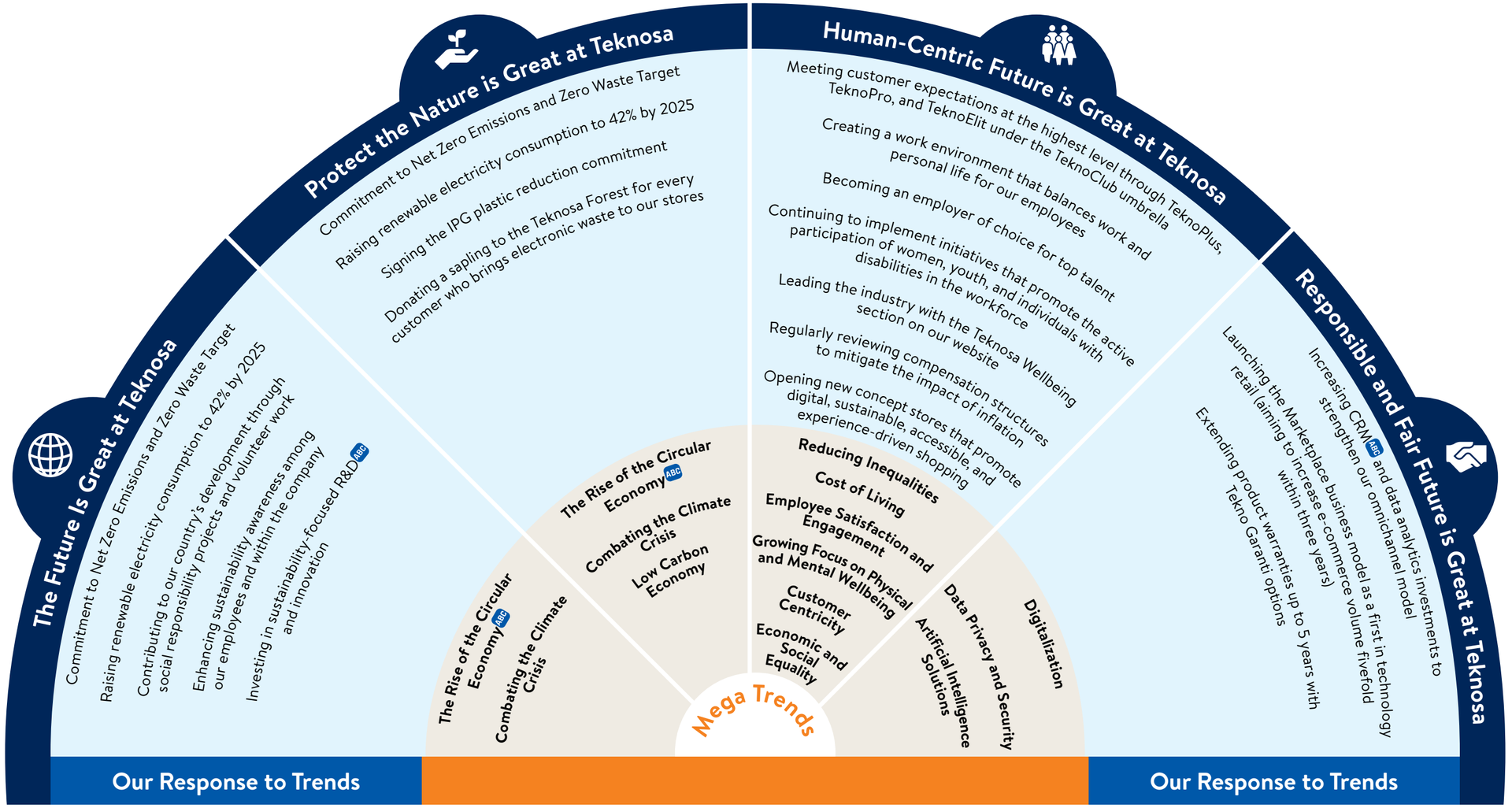
The volume and variety of processed and acquired data increases day by day; in this context, it becomes difficult to manage and protect data effectively and correctly in terms of privacy and security. Various data processing and acquisition methods emerge with the development of technology. While these methods provide control environments for data privacy and security, they also bring various difficulties within the scope of data protection. It is known that situations where data confidentiality and security cannot be ensured cause operational, financial, strategic and legal damages due to unauthorized access.

As Teknosa, we have put privileged account management processes into operation in order to control transactions made with privileged accounts and assign authorities effectively and correctly. We have carried out studies for instant reporting of manipulation risks that may occur on data by putting active monitoring processes into operation in databases where corporate applications store data. In addition, we provide training to increase awareness of employees on data security and confidentiality issues, and we test awareness with periodic phishing tests.

As Teknosa, we continue our work to restructure system processes in a customer-focused and simple manner, to ensure their continuity and to offer the best experience at customer contact points. Despite the challenging market conditions in 2023, we continued our investments without interruption by deepening digitalization and transformation steps. In order to meet the developing and changing customer communication needs, we expanded our multi-channel communication network in 2023 and listened to our customers through 20 different alternative communication channels and produced solutions to their questions and problems. In 2024, we aim to continue the Transformation Program at full speed, further improve customer experience and operational efficiency, and increase growth-oriented initiatives.

We continue to create value for our customers and all stakeholders by taking into account technology and sustainability trends, and shape our future goals accordingly. As Teknosa, we follow innovations in technology retailing, continue our activities in compliance with legal regulations and the dynamics of the future, and are committed to creating sustainable values.

Our Digital Ambassadors
Burak ve Selin


The Future Is Great at Teknosa
Commitment to Net Zero Emissions and Zero Waste Target
Raising renewable electricity consumption to 42% by 2025
Contributing to our country's development through social responsibility projects and volunteer work
Enhancing sustainability awareness among our employees and within the company
Investing in sustainability-focused R&D and innovation
Protect the Nature is Great at Teknosa
Commitment to Net Zero Emissions and Zero Waste Target
Raising renewable electricity consumption to 42% by 2025
Signing the IPG plastic reduction commitment
Donating a sapling to the Teknosa Forest for every customer who brings electronic waste to our stores
Human-Centric Future is Great at Teknosa
Meeting customer expectations at the highest level through TeknoPlus, TeknoPro, and TeknoElit under the TeknoClub umbrella
Creating a work environment that balances work and personal life for our employees
Becoming an employer of choice for top talent
Continuing to implement initiatives that promote the active participation of women, youth, and individuals with disabilities in the workforce
Leading the industry with the Teknosa Wellbeing section on our website
Regularly reviewing compensation structures to mitigate the impact of inflation
Opening new concept stores that promote digital, sustainable, accessible, and experience-driven shopping
Responsible and Fair Future is Great at Teknosa
Increasing CRM and data analytics investments to strengthen our omnichannel model
Launching the Marketplace business model as a first in technology retail (aiming to increase e-commerce volume fivefold within three years)
Extending product warranties up to 5 years with Tekno Garanti options
Mega Trends
The Rise of the Circular Economy
Combating the Climate Crisis
Low Carbon Economy
Reducing Inequalities
Cost of Living
Employee Satisfaction and Engagement
Growing Focus on Physical and Mental Wellbeing
Customer Centricity
Economic and Social Equality
Artificial Intelligence Solutions
Data Privacy and Security
Digitalization
Our Response to Trends
Our Response to Trends

Protect the Nature is Great at Teknosa

- Energy Management
- Greenhouse Gas Emissions
- Lifecycle Management
- Environmentally Friendly Products and Services

THE GLOBAL GOALS
For Sustainable Development

Photograph: Gökhan Tutak

Energy Management

3 minute

At Teknosa, we recognize that energy management in our industry is crucial for mitigating the impacts of climate change. Efficient and sustainable management of the energy required for our stores and warehouses plays a critical role both environmentally and operationally. We recognize that emerging greenhouse gas emissions (GHG) regulations may impose additional costs on the use of fossil fuel-based energy through practices such as carbon taxes or emissions trading systems. Concurrently, we acknowledge that incentives for renewable energy make alternative energy sources more cost-competitive. With this awareness, we aim to both shift towards alternative energy sources and increase our energy efficiency to reduce costs and contribute to our environmental sustainability goals.

Within the framework of our Environmental Policy, we operate under the principle of responsible energy consumption across all our operations. By adopting environmentally friendly practices and technologies, we aim to maximize energy efficiency. In this regard, our Headquarters building, certified with LEED (Leadership in Energy and Environmental Design), is designed to reduce energy consumption and ensure energy efficiency. Since 2015, it has been LEED certified, scoring 67 out of 110 points on the LEED Gold Score Card. In addition, in 2022, our Headquarters building was awarded the Green Office Diploma by achieving an annual 5% electricity saving, as determined within the scope of the cooperation with the WWF-Türkiye (World Wide Fund for Nature).

In 2023, we entered the third phase of automation projects with our high energy-consuming stores to ensure energy management in stores, and focused on our stores that consume less energy. To this end, we utilized smart sensors and software in the stores to automatically monitor, control, and manage the energy consumption of heating, cooling, lighting, and other energy-consuming systems, thereby enhancing energy efficiency and optimizing energy consumption. The number of stores converted to LED lighting, a significant part of our energy efficiency strategy, has reached 176. We aim to complete the LED lighting conversion for all stores by 2024.

As a reflection of our efforts to diversify energy sources and reduce environmental impacts, 20.88% of our total energy consumption (electricity and natural gas) is sourced from renewable energy. Through the Renewable Energy Certificate (I-REC), we supply all the energy consumption of our logistics center and 75 stores from renewable energy sources. Additionally, our Solar Power Plant, with a capacity of 175,000 kWh installed on the roof of our Adana Sabancı Business Center, has generated 25,725 kWh of electricity, which was sold to the grid, yielding a revenue of TL 59,733 .

	Savings Amount (kWh)	Savings Amount (TL)
Automation	2,193,355	9,870,098
LED Conversion	436,433	2,011,958
Total	2,629,788	11,882,056

As part of our strategy to expand existing renewable energy projects and transition to a more sustainable energy consumption model through new investments, we successfully met our 2023 target for renewable electricity consumption, raising it from 41.5% to 43.3%.

To further transition to renewable energy sources, we are considering options such as acquiring renewable energy certificates (RECs), signing Power Purchase Agreements (PPAs), implementing on-site and off-site renewable energy installations, and generating our own energy.

We aim to increase our renewable energy consumption to 80% by 2025 and to 100% by 2045.

Total Renewable Energy Production-SPP (MWh)	167.42
Total Renewable Energy Consumption-SPP (MWh)	142.07
Total Renewable Energy Sold to the Grid-SPP (MWh)	25.35
Total Supplied Renewable Energy-IREC (MWh)	9,108
Total Electricity Consumption (MWh)	21,474.91
Total Natural Gas Consumption (MWh)	7,537
Total Energy Consumption (MWh)	31,925.34
Energy Intensity (MWh/TL)	0.00075

Greenhouse Gas Emissions

6 minute

At Teknosa, we believe that data-driven approaches play a critical role in advancing our goals in the fight against climate change. In alignment with the Sabancı Group's "Net Zero Emissions" target, we are committed to achieving net zero across all our operations by 2050. We measure our greenhouse gas emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and develop data-driven strategies for a greener future.

To contribute to global climate goals, we have set a greenhouse gas reduction target aligned with science-based goals. By 2030, we aim to achieve a 42% reduction in absolute Scope 1 and Scope 2 emissions compared to 2021 levels. In pursuit of this goal, we achieved a 41.4% reduction in 2023 compared to the previous year. A significant portion of this reduction was driven by the purchase of Renewable Energy Certificates (I-REC), which allowed Teknosa to shift its energy consumption towards renewable energy sources, thereby reducing fossil fuel use. Additionally, in 2023, we transitioned the forklifts used in our logistics center to electric to further reduce fossil fuel consumption.

Our Decarbonization Strategy

Supplier Engagement

- Motivating suppliers to establish their own emission reduction targets and offering support to help them achieve these goals.

Procurement Policy and Selection

- Prioritizing suppliers with a lower carbon footprint to reduce the environmental impact of purchased goods and services.
- Adopting low-carbon alternatives in our product and service procurement processes to minimize our carbon footprint.

Customer Engagement

- Providing consumers with information through labels that indicate the environmental impact and sustainability of products.
- Raising awareness among customers about sustainability and promoting eco-friendly products through in-store communication tools.

Product/ Service Design

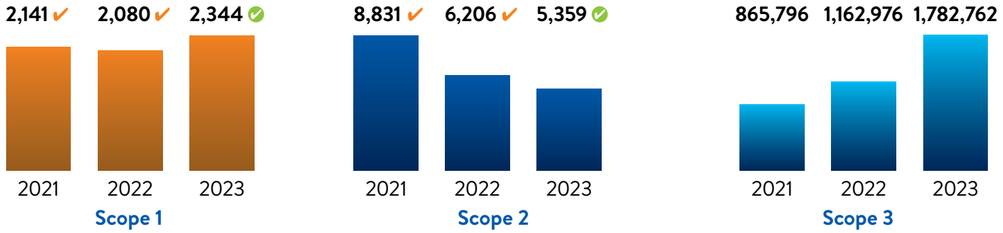
- Designing our products with a focus on energy efficiency and emission savings throughout their lifecycle.
- Integrating circular economy principles into our product designs to extend product lifespan and reduce resource usage.

Business Model

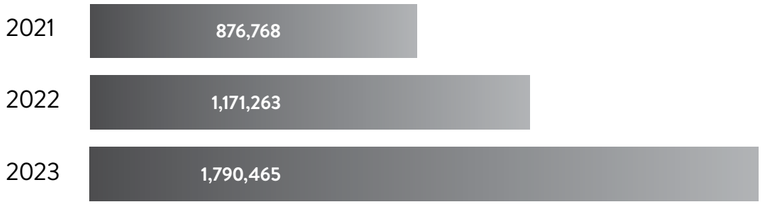
- Implementing improvement and performance monitoring mechanisms to achieve the company's net zero target.

In line with these strategies, as a testament to our efforts in sustainability and combating climate change, we achieved significant success in the CDP (Carbon Disclosure Project) Climate Change program. We raised our score from B- (management level) in 2022, the first year we reported, to **A- (leadership level)**. Our new score, significantly exceeding the global retail sector average of C, highlights the international recognition of our efforts to reduce carbon emissions, enhance energy efficiency, and minimize environmental impacts.

Greenhouse Gas Emissions (ton CO_2e)



Total Scope 1, 2 and 3 (ton CO_2e)



*The reason for the increase in Scope 3 is the increase in the calculated categories. Scope 3 was calculated as Categories 1, 5, 6, 7, 9, 11 in 2021 and 2022, and Categories 1, 2, 3, 5, 6, 7, 9, 11, 12, 14 in 2023. However, the majority of our Scope 3 emissions come from the products we buy and the use of the products we sell. As our sales volume increases, our Scope 3 emissions also increase.

Scope 1-2 Emission Breakdown (ton CO_2e)

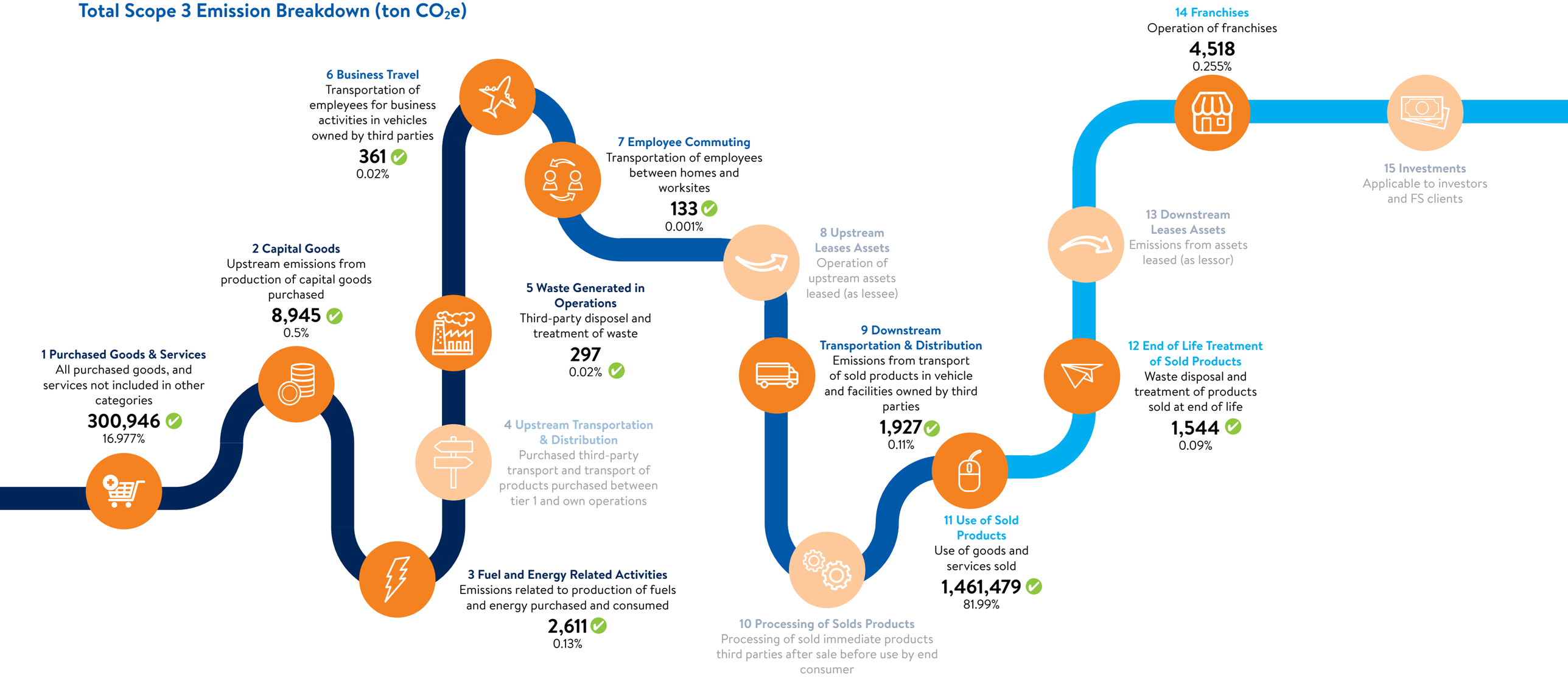
Emission Scope	Emission Type	Emission Source	Total
Anthropogenic Scope 1 - Direct Greenhouse Gas Emissions	Stationary Combustion	Natural gas	1,523.65
	Mobile Combustion – (Company Vehicles)	Diesel	75.65
	Mobile Combustion – (Company Vehicles)	Gasoline	561.61
	Other Stationary Combustion (Generators)	Diesel	20.08
	Fugitive Emissions	Refrigerant Leakage	163.07
	Fugitive Emissions	Fire Extinguishers	0.01
Scope 2 - Energy Indirect Greenhouse Gas Emissions	Purchased Electricity – Market Based		5,359.07
	Purchased Electricity – Location Based		9,427.49

Our Headquarters employees use shuttle vehicles to go to and from work.

Scope 3 Emissions by Business Unit

Emissions (ton CO_2e)	Change from 2022	Accuracy
TEKNOSA Category 1: 242,425 Category 11: 726,264	• Spent has increased by 150% and number of "Network Devices" almost doubled (70%) • Sold products also increased on average by 80%	Emissions are calculated using a combined methodology: • Category 1; For Network Devices with Product Carbon Footprint (PCF) approach and Spend-based for the remaining items • Category 11 PCF where available and Energy Star Label assumptions for the remaining product categories
iklimSA Türkiye'nin İklimlendirme Merkezi Category 1: 51,175 Category 11: 459,023	• Spent has increased by 120% • Sold products emissions almost doubled by 190%	Emissions are calculated using a combined methodology: • For Category 1 Spend-based • For Category 11 Average data method using products energy label inputs
preo Category 1: 7,345 Category 11: 116,566	• Spent has increased by 300% • Number of products sold almost also increased by 400%	Emissions are calculated using a combined methodology: • Category 1; For Network Devices with Product Carbon Footprint (PCF) approach and Spend-based for the remaining items • Category 11 PCF where available
Marketplace Category 11: 159,625	• The business unit added for 2023 inventory	For Category 11 Average data method using Energy Star label energy consumption estimates for eligible products and for the remaining product categories via desktop research

Total Scope 3 Emission Breakdown (ton CO_2e)



Upstream
Suppliers to Site

Operations
Travel & Upstream Leases

Downstream
Customers, Consumers & End of life

Science Based Targets initiative (SBTi) Targets

As part of our sustainability strategy at Teknosa, we have initiated the process of setting targets aligned with SBTi. This process will form the foundation of our future sustainability reports. In 2024, we will submit a commitment letter to SBTi, where we will publicly declare our commitment to short-term science-based targets or long-term net-zero targets on SBTi's website.

During the target development phase, we selected the base year, target year, and time frame. By calculating our Scope 1, 2, and 3 emissions, we determined our emission reduction targets according to the most suitable SBTi methodology. We plan to include all business unit activities within Scope 3, using 2021 as the base year for Scope 1 and 2 emissions, and 2023 for Scope 3 emissions. Our Scope 1 and 2 emissions totaled 10,972 tCO_2e in 2021, and we aim to reduce this to 6,347 tCO_2e by 2030 with an absolute reduction target of 42%. Scope 3 emissions were identified as 1,772,678 tCO_2e in 2023.

We plan to reduce our Scope 1 and 2 emissions through optimized energy systems and the purchase of renewable electricity (I-REC). Our goal is to achieve 80% renewable electricity usage by 2025 and 100% by 2030. We are also assessing the risk of increased Scope 1 and 2 emissions due to business growth.

To reduce our Scope 3 emissions, we plan to focus on purchased goods and services (Category 1) and the use of sold products (Category 11). These two categories accounted for 99% of our total Scope 3 emissions as of the 2023 base year. We have set our targets using the economic intensity reduction approach, which was chosen in alignment with our high growth expectations.

At Teknosa, we are strengthening our sustainability strategy by setting targets aligned with SBTi. These targets represent a significant step toward reducing our carbon footprint and will be detailed in our sustainability reports. Our investments in energy system optimization and the use of renewable energy will play a critical role in achieving these targets.

Photograph: Gökhan Tutak- Teknosa Headquarters

Lifecycle Management

7 minute

As Teknosa, we evaluate the lifecycle of our products and services, starting from the production phase, through packaging, distribution, and resource intensity during use, to the environmental and social externalities that may arise at the end of their lifecycle. We closely monitor relevant legal regulations and invest in improvements. In this context, we aim to meet the growing demand from our customers and society for more sustainable products and services, as well as to comply with evolving environmental and social regulations. In 2023, Teknosa fully complied with environmental laws and regulations, and no penalties were imposed. A total of TL 9,895,705 was spent on environmental improvements and regulatory compliance.

In addition to regulatory compliance, we have progressed in the ISO 14001 Environmental Management System certification process, extending it to include our Headquarters, Logistics Center, and 2 stores, with the aim of more effectively managing the design, production, distribution, consumption, and disposal processes of our products and services. This certification will enable us to continuously improve our environmental performance, manage environmental risks more effectively, and contribute to sustainable development for long-term success.

We recognize that waste management is important not only for environmental sustainability but also for economic efficiency and legal compliance. Therefore, we continuously develop and improve our waste management policies. Thanks to this approach, in 2023, we did not engage in any activities that led to environmental non-compliance, and as a result, we did not face any penalties.

As part of our Environmental Policy, we have adopted an effective waste management system based on the principles of circular economy and waste hierarchy for the waste generated from our operations. We aim to extend the Zero Waste System, established at our headquarters and logistics center, across our stores while enhancing efforts to ensure waste is separated and collected at the source.

As a result of all these efforts, we increased our recycled waste rate from 64% in 2022 to 81% in 2023.

Photograph: Gökhan Tutak- Teknosa Headquarters

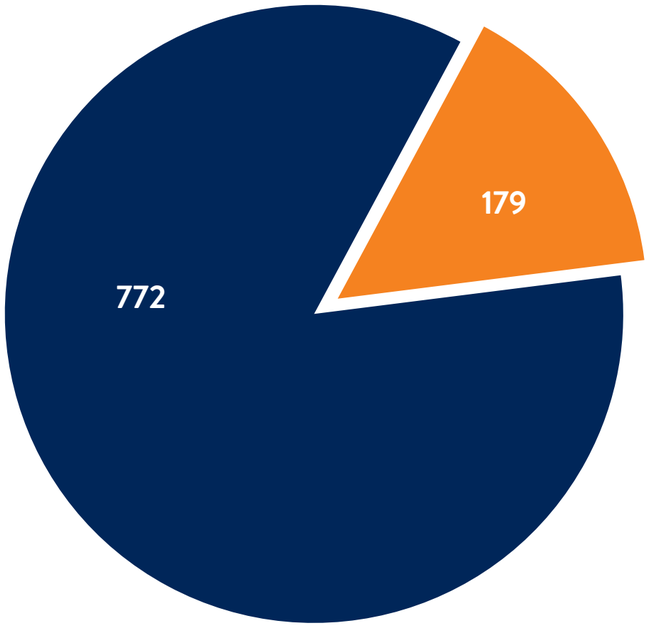
Amount of Waste Recovered/Recycled (tons)

Paper	96
Mixed Packaging	155
Plastic	✔ 83
Scrap	59
Electronics	2.2
Batteries, Accumulators, and Toners	0.017
Medical Waste (SAS)	0.005
Pallet Waste	377

The data was obtained from relevant departments or the companies to which the waste was sent.

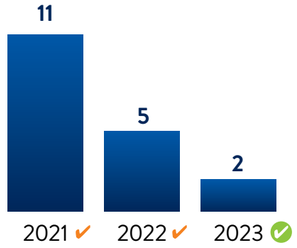
2023 Waste Management %

- Waste sent to landfill/solid waste sites ✔
- Waste reused or recycled (ton) ✔

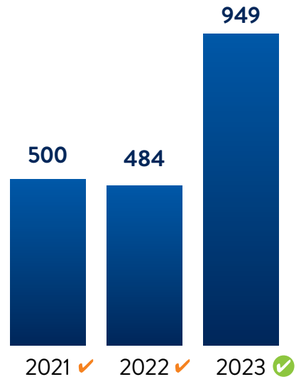


Daily waste per person: Calculated as 1.03 kg/person. This is based on the assumption that employees generate 1/5 of their daily waste while at work, calculated over 301 working days.

Hazardous Waste Quantity (tons)

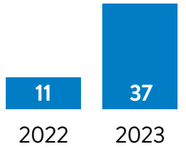


Non-Hazardous Waste Quantity (tons)

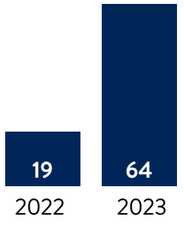


In 2023, pallet waste and large electronic waste such as scrap air conditioners were also included in the calculation

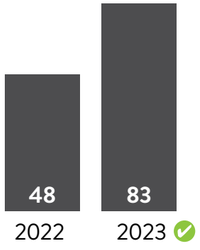
Single-Use Plastic Consumption (tons)



Other Plastic Consumption (tons)



Total Plastic Consumption (tons)



The increase in total plastic consumption is due to the inclusion of data from locations outside the headquarters for the first time in 2023.

In 2023;

- **Digitalization and Paper Consumption:** Thanks to digitalization, we reduced paper usage by 20% compared to 2022. In 2024, we began sourcing all paper used in our operations from FSC-certified suppliers.

- **Single-Use Plastic:** We signed the Business Plastics Initiative (PRC) Plastic Reduction Commitment. Along with this commitment, in 2023, we took a significant step in our plastic reduction journey by eliminating plastic consumption at our Headquarters. We ensured that our employees use only bottles and cups made from recyclable materials and opted for eco-friendly bamboo alternatives instead of single-use plastic forks, spoons, and plates.

- **Electronic Waste and Battery Recycling:** We expanded our electronic waste, battery, and recyclable packaging collection activities. To support battery recycling and prevent environmental pollution, we continued the 'Turn Waste Batteries into Saplings with VARTA & TEMA Foundation' project. As part of our collaboration with the Aegean Forest Foundation, we donated 6953 saplings on behalf of customers who brought e-waste to our stores. Through e-waste awareness surveys, we gather customer feedback and share information to raise public awareness.

- **Employee Uniforms:** Approximately 48% of our employee uniforms are made from recycled materials, while 52% are produced from organic fabrics, and these uniforms are designed to be 100% environmentally friendly.

- **Welcome Kits:** We revamped the contents of the welcome kits given to our new employees. The kits are now crafted from sustainable materials and filled with eco-friendly products.

- **Promotional Products:** We use only recyclable materials for the notebooks, calendars, and promotional items distributed to İklimsa dealers.

- **E-commerce Operations and Logistics:** We improved the recycling processes for returned products in our e-commerce operations.

- **Store Bags:** We transitioned to using bags in our stores that are made from 100% recycled plastic and are 100% recyclable and biodegradable.

While we contribute to a sustainable world with our environmentally friendly air conditioners and nature-protecting solar power plant, we prefer to use paper produced from recycled materials in this calendar.

Circular Economy Approach

As Teknosa, we are taking strategic steps to achieve our sustainability goals by adopting the principles of the circular economy. In this context, circularity plays a critical role in reaching our Net Zero emission targets. We aim to minimize our environmental impact by optimizing resource use, reducing waste, and extending product lifecycles.

This process, developed to promote the principles of the circular economy across the company and to set circular goals, is managed through a three-stage approach. In the first stage, we focused on the concept of the circular economy and its impact on Teknosa and industry stakeholders. We identified our potential circular economy goals and shared them with our employees.

In the second stage, we established Teknosa's circularity goals and developed metrics in line with these objectives. We assessed our current status and created circular economy profiles tailored to our business units. In the final stage, we initiated data collection efforts to support our circular economy goals. This data was used to refine the circularity profiles specific to each business unit.

We advance our circular economy initiatives by incorporating recycled materials, sourcing alternative raw materials, employing design strategies that prolong product lifecycles, and ensuring recovery at the end of their use. Material recovery and waste management from our operations are fundamental to our circular economy approach. Collaborating with our suppliers to increase the use of circular materials, reduce reliance on critical raw materials, and incorporate circular principles in product design are among our top strategic priorities.

Circular Economy Ambition

At Teknosa, we recognize that the Circular Economy can help us reach our decarbonization goals. We will align our procurement with circular principles, discuss eco-design with our suppliers and take a leadership role in reducing our customer's E-waste

To succeed in our ambition and improve our circularity performance we will focus on our 3 pillars...

Circular Pillars

Circular Inflow	Circular Design	Circular Outflow
Circular flow focuses on Circular materials and partnerships, this means engaging with suppliers and partners to extend use of circular and recycled materials and minimize the dependencies on finite resources.	Circular design focuses on determining circular design principles internally and externally with suppliers. The principles will support innovative solutions and integrate higher proportions of renewable materials.	Circular outflow focuses on enchanging recovery routes towards a future with no waste. This is possible through deeper collaboration with value chain partners on methods to close the material loop efficiently.

Business units

These principles will be applied to Teknosa's four business units to develop milestones and performance indicators aimed at enhancing circularity:

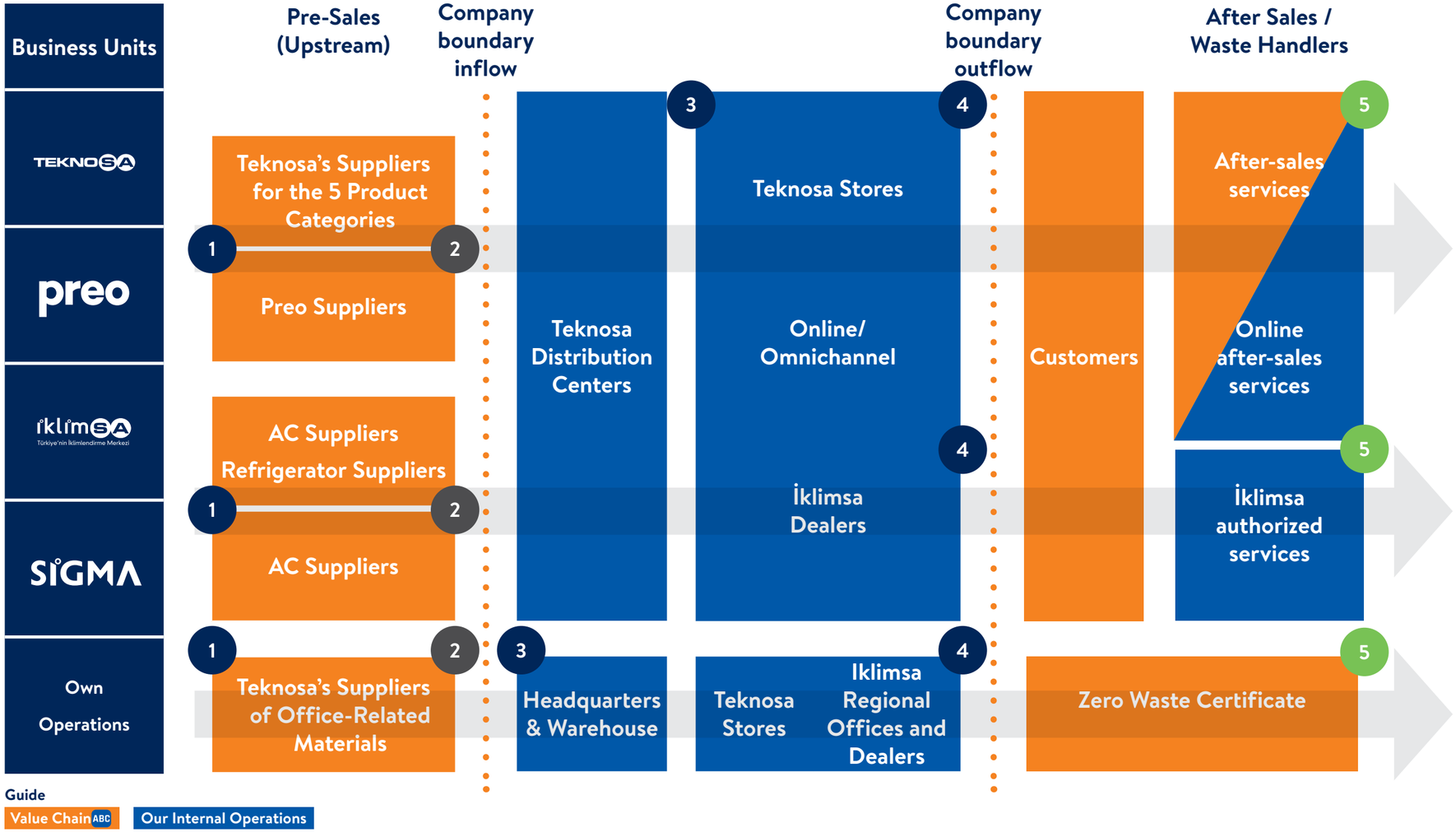
TEKNOSA | preo | iklimSA Türkiye'nin İklimlendirme Merkezi | SİGMA | Own Operations

Specific approaches have been included for each business unit:

Milestones and accompanying actions	Scope	Key Performance Indicators (KPIs)

As Teknosa, we are committed to achieving our sustainability goals through our circular economy practices. This process will not only reduce our environmental impacts but also minimize supply chain risks, thereby supporting the long-term success of our company. As part of our initiatives supporting the circular economy, we are also evaluating alternatives for reintegrating source-separated waste and end-of-life products into the economy with the circular economy approach, guided by the Circular Business Design Training organized by the Türkiye Circular Economy Platform.

Our operations



Key intervention points for circular principles

1- **Product Suppliers:** Engaging with suppliers on increase of circlar material usage and decreases dependency on critical raw materials.

2- **Design & R&D ABC:** Engaging with suppliers on the potential further utilize Circular Design Principles in products which include: Durability, repairability, modularity & material composition of products.

3- **Procurement:** Including Circular Procurement Criteria in supplier contracts, actively steering on improving circular inflow-and circular design.

4- **End-User:** Introduce Circular Business Models (e.g. buy back scheme or rental business models).

5- **Lifetime Extension:** Repair and refurbishment conducted.

6- **Waste Recovery:** Waste handles recovering waste from own operations e.g. office waste from the HQ. Aim at avoiding landfill.

- **Inflow Intervention**
- **Design Intervention**
- **Outflow Intervention**

Our Awareness Initiatives

In 2023, we carried out numerous awareness initiatives aimed at protecting our future and fostering a conscious and responsible society. As part of these efforts, we organized a total of 359 hours of training focused on sustainability and environment. In collaboration with WWF, we hosted **"Sustainability 101" and "Small Steps, Big Changes: Transformation through Sustainable Consumption"** trainings, with the goal of instilling environmental awareness in participants. These sessions covered critical topics such as understanding the impacts of climate change, reducing carbon footprints, recycling, and energy conservation.

We actively utilize the Interactive Sustainability Areas in our concept stores as a platform for our awareness efforts. Through this platform, we provide customers with informative content on key issues like energy conservation, carbon footprint, and plastic pollution. Additionally, we feature updates on our current sustainability initiatives, campaigns related to sustainable products, and a sustainability and e-waste awareness survey designed to gather stakeholder feedback. By doing so, we fulfill our environmental responsibilities and aim to directly engage our customers with recycling through designated recycling bins.

Additionally, as part of our sustainability culture, we publish Sustainability Newsletters every three months. These newsletters serve as a powerful communication and collaboration tool to share our company's sustainability goals and achievements with our stakeholders. Through these newsletters, we aim to inform our stakeholders about sustainability and raise awareness. By sharing the latest developments, projects, and innovations in sustainability, we actively foster sustainability awareness.

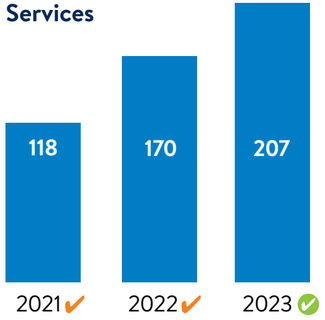
Environmentally Friendly Products and Services

4 minute

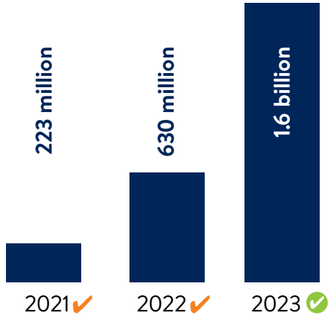
Recognizing the growing demand from consumers for eco-friendly products, and aware of the impact our marketing activities have on consumption habits, we continuously enhance our product and service portfolio with low-emission and environmentally friendly offerings. As a testament to our commitment to sustainability, we provide additional discounts to our customers to encourage the purchase of A+++ products within our portfolio. Additionally, in collaboration with Sabancı Holding, we have established criteria to meet industry expectations. By promoting products with minimized environmental and social impacts, we aim to foster sustainable consumption habits. In this context, we increased the number of environmentally friendly products and services by 22% compared to 2022, reaching a total of 207.

The revenue generated from sustainable products and services also increased significantly by 179%, amounting to TL 1,590,995,844.

Number of Environmentally Friendly Products and Services



Revenue Generated from Environmentally Friendly Products and Services (TL)



High-Energy Efficiency Products:
The 177 white goods and 25 air conditioners with high energy efficiency available across all our sales channels play a significant role in reducing energy consumption and minimizing carbon footprints. We promote responsible consumption by offering a TL 350 discount on Energy Class A white goods and up to 25% off on Screen Protection and TeknoGaranti services.

Technology Support Package:
We provide comprehensive solutions for electronic device issues with 24/7 phone-based technical support, remote access assistance, and other support methods, ensuring that devices are more efficient and have an extended lifespan. Click here for more information.

Repair Services:
We offer repair services for all portable electronic devices such as phones, tablets, laptops, and small household appliances, regardless of whether they were purchased from Teknosa. By repairing approximately 6,000 products annually, we increase reuse and recycling rates, thereby working to prevent waste generation. Our expert team thoroughly examines the condition of repaired products and informs customers. Based on the evaluation, some products are used as spare parts, while others are resold in our outlet stores and on teknosa.com/outlet. Click here for more information.

İklimsa SPP Model:
Our solutions in the Solar Power Plant (SPP) field for residential, agricultural irrigation, and industrial facilities, offered through İklimsa, reduce the use of fossil fuels and promote the adoption of renewable energy sources. To support the spread of sustainable energy solutions, we have partnered with Akbank, Garanti, and Vakıf Katılım banks to provide financing options to our customers. Click here for more information.

TeknoGaranti:
TeknoGaranti offers up to 3 years of additional warranty for products purchased by our customers, extending the lifespan of these products, reducing the need to purchase new ones, and consequently lowering resource consumption. Click here for more information.

Refurbished Phone Sales:
Through the refurbished phone sales launched on teknosa.com, we offer phones that have undergone all necessary maintenance, repairs, and tests at refurbishment centers accredited by the Ministry of Commerce, ensuring they are 100% functional and come with a 14-day return guarantee, contributing to the reduction of electronic waste and the conservation of natural resources. Click here for more information.

Old Device to a New One:
We offer discounts on new device purchases to customers who bring their old devices to our stores or send them through teknosa.com, ensuring that old devices are recycled and reused . Our goal is to recycle 500,000 devices as part of the Old Device to a New One project by. Click here for more information.

Full Support Packages:
We provide various services such as in-store setup, remote support, virus protection, and free basic repairs under a single package, ensuring that products can be used efficiently for a longer period. By offering discounts on TeknoGaranti and out-of-warranty repair services, we promote sustainable consumption. Click here for more information.

In-Store Service Package:
We enhance the performance of products purchased in-store by providing services such as initial setup, software installation/updates, and anti-virus installation.

Product Health and Performance Testing:
By offering solutions to technical and software issues that arise during the lifespan of devices, we ensure products operate more efficiently and have longer lifespans, reducing the need for consumers to purchase new products. This, in turn, helps reduce electronic waste and contributes to environmental sustainability. Click here for more information.

Improvement Efforts:
The improvements we have made in our Preo and Sigma brands — focusing on durability, material quality, and energy efficiency — ensure that our products are not only long-lasting but also deliver high performance, thereby promoting sustainable consumption.

Rental Service:
Through our collaboration with Kiralabunu, customers can rent over 200 electronic products either through teknosa.com or at select stores, promoting the reuse of products and reducing electronic waste. The rental model creates a sustainable cycle by extending the lifespan of products. Click here for more information.

"With our commitment to strengthening and expanding our supply chain, we are continually working to reinforce the continuity of our operations."

Stakeholder View

Cenk Yenginer
Chief Category Management and Supply Chain Officer

By closely following global regulations, we embrace a culture of sustainability and integrate it into our procurement processes. We closely track critical performance indicators to ensure prompt and dependable deliveries, inventory security, and cost efficiency. We continuously enhance our ability to deliver effective and tailored solutions that meet customer needs through our omnichannel business model.

To ensure the sustainability of our supply chain, we remain firmly committed to our goal of reducing Scope 3 emissions, which are largely generated by the products we sell and their use. We are amplifying our efforts to meet our emission reduction targets through a range of initiatives, including the development of sustainable products, fostering sustainability dialogue with suppliers, embedding our decarbonization strategy into procurement processes, distributing supplier surveys, and refining our data collection methods. However, as a technology retailer, we face numerous challenges on this journey.

This includes challenges in accessing product information and data, insufficient development of sustainability awareness, and various difficulties arising from the large number of suppliers and products. We manage these challenges through strategies developed in close collaboration between our category team and sustainability team, who work together with great effort.

Through these efforts, we continue to reduce our environmental impact and uphold our mission to make a positive contribution to the environment and society by offering sustainable products and services. We will continue to exceed customer expectations with our high-quality, eco-friendly products and services.

Human Centric Future is Great at Teknosa

- Workforce Management
- Occupational Health and Safety
- Equality, Diversity and Inclusion
- Customer Focused Approach
- Creating Social Value

Photograph: Bünyamin Demirci

THE GLOBAL GOALS
For Sustainable Development

Workforce Management

19 minute

At Teknosa, guided by the 'Sabancı of New Generation' vision, the 'Sabancı Group Human Resources Policy', and the 'Adaptation to the Future of Work Program,' we have shaped our Human Resources Policy and Human Rights Policy to secure the rights of our employees, enhance their development, and maintain the highest levels of satisfaction. In this regard, we not only adhere to internationally recognized labor standards, such as those set by the International Labour Organization (ILO) and the UN Global Compact, but we also take proactive measures to enhance employee satisfaction and engagement. As a company that provides employment opportunities to approximately 1,500 people each year, we create significant job opportunities for our country. Additionally, we are committed to increasing the number of female employees, striving to ensure that women have a stronger presence in technology retail.

UN Global Business and Human Rights Accelerator

In 2024, by participating in the "Business and Human Rights Accelerator" program, we at Teknosa are prioritizing our commitment to the protection of human rights across all our business processes. As a signatory to the United Nations Global Compact, we uphold respect for human rights as a core principle in our operations, implementing effective policies to safeguard the rights of our employees, suppliers, and customers. Through our participation in this accelerator program in 2024, we are committed to integrating respect for human rights into our business processes and adopting best practices in this area.

In line with our commitment to transparency, we regularly report on our human rights performance and have implemented an effective grievance mechanism to address potential violations. We ensure that our working conditions adhere to human rights standards and uphold a zero-tolerance policy against child labor, forced labor, discrimination, and harassment. In this context, only candidates over the age of 18 are invited to recruitment interviews, with relevant checks conducted upon hiring. Additionally, we provide mandatory Code of Conduct training to raise awareness among our employees about human rights and their related responsibilities. These trainings help employees understand the ethical and behavioral standards required in the workplace, while also reinforcing their adherence to our company's core values.

Teknosa Logistics Center

Furthermore, security personnel working with us are also committed to providing services in accordance with our Code of Conduct and internal policies, ensuring that human rights are respected. These personnel operate under the provisions of Law No. 5188 on Private Security Services. The participation rate of security personnel in the Code of Conduct training is 88%, and no incidents negatively impacting human rights have been reported in the course of their duties. Security practices are continuously monitored and audited by the Corporate Affairs Department and Centre of Excellence practices of our security service providers. Integration is provided by the departments of training and professional development, the center of excellence, operational performance, and official affairs under Law No. 5188.

At Teknosa, ensuring that our employees receive fair wages, and overtime pay, and protecting other fundamental employee rights are among our top priorities. As of 2023, none of our employees are represented by independent trade unions or covered by collective bargaining agreements. However, as a company, we are continuously engaged in various initiatives to protect and improve the rights of all our employees. Our fair and transparent wage policies, along with the benefits we offer, are designed to enhance the welfare and satisfaction of our employees. In this regard, we remain committed to safeguarding the rights of our employees and ensuring high motivation in the workplace.

At Teknosa, creating a healthy and fair working environment for our employees is a crucial aspect of our labor management. Recognizing the risks that low average wages in the retail industry can pose to labor relations, we develop wage policies that not only meet our employees' basic needs but also prioritize their well-being. In line with these policies, we have implemented recognition and reward practices that are fair, and objective, support high performance, focus on employees' contributions to business outcomes and their competencies, and strengthen our competitiveness within the industry. These practices are regularly reviewed and updated through market analyses and benchmarking studies.

In our stores, all entry-level employees, regardless of gender, are paid the minimum wage, and this policy is standardized across all our locations. Additionally, as of July 2023, all entry-level employees in the stores receive an hourly wage of TL 59.62, aligned with the minimum wage, while the average hourly wage for all Teknosa employees is TRY 90.46.

Senior Sales Management Region	Percentage of Employees Earning Minimum Wage (%)
Aegean & Mediterranean	81.9
Central Anatolia	84.9
İstanbul 1	84.6
İstanbul 2	86.7

In 2023, a total payment of TL 2,301,488.90 was made due to the unfavorable outcome of 41 labor claims and reinstatement lawsuits filed against us for violations of labor law. We continuously review and improve our business processes to minimize the financial losses resulting from such lawsuits.
At Teknosa, severance pay provisions are calculated monthly for all employees. As of December 2023, the total calculated severance pay is TL 87,967,225.76.

Employment Support Program for Women Neither in Education Nor Employment (NEET)

We are collaborating with the Sabancı Foundation Young Women Building Their Future team to support the NEET project, which aims to make the problems and needs of young women more visible and to meet these problems and needs. As Teknosa, we published our job postings within the scope of the NEET project in 2023 in order to increase the ratio of female employees in our store organization and to provide women with the opportunity to step into business life. We will continue to take part in and produce different projects with our brand work and social media support in the coming years.

Teknosa Store

Benefits

Health and Insurance

- **Private Health Insurance:** To ensure the health and well-being of our employees, we offer private health insurance 100% covered by the company. This insurance also covers online consultations with dietitians and psychologists.
- **Life Insurance:** Life insurance coverage is initiated on the first day of employment for specialists and higher positions at our headquarters and logistics center. For the store team, this coverage is extended to management roles, including Store Managers, Department Managers, and Operations Managers. Additionally, employees covered by this policy can include their spouse and/or children at discounted rates.
- **Employer-Sponsored Private Pension System (BES):** To manage retirement rights, the Private Pension System is initiated for new hires as specified by law. In this context, the number of automatically initiated BES accounts was recorded as 906 for the year 2023. We offer an optional contribution opportunity for specialists and higher roles at our headquarters, as well as for management positions in our stores. The employer contributes 3% of the salary plus bonuses, while the employee contributes a minimum of 3%. In 2023, 252 of our employees were enrolled in the Employer-Sponsored Private Pension System.

Workplace Arrangements

- **No-Meeting Hours:** To enhance productivity and focus, a no-meeting hour policy is implemented for six hours a week during specific times (Monday-Thursday from 1:00 PM to 2:00 PM, and Friday from 1:00 PM to 2:00 PM and after 4:00 PM).
- **Hybrid and Flexible Working Model:** As part of our Hybrid Remote Work Policy, we support work-life balance by offering employees in Headquarters roles, whose responsibilities allow for remote work, the flexibility to work entirely remotely for one month each year. With the “Flexible Working Hours” policy, we offer employees the opportunity to work at times that suit them best, outside of the designated core hours.

Economic and Social Benefits

- **Transportation/Meal Allowance:** Store employees receive a transportation allowance, while both store and Headquarters employees are provided with meal cards.
- **Fuel Allowance:** For managers and above, a fuel allowance is provided when a company car is not offered, helping cover travel expenses for business trips.
- **Rent Allowance:** Employees who need to relocate to a different city for their store or HQ assignment receive a rent allowance for up to two years. In 2023, 58 employees received this allowance.
- **Birth Package:** Employees who have recently given birth or whose spouses have given birth receive a birth package containing useful items to support new parents.
- **Birth Allowance:** In 2023, 90 employees received birth allowance.
- **Ergonomics Support:** New hires at the headquarters receive ergonomics support to ensure a comfortable working environment while working remotely under the hybrid work arrangement. Existing employees can also benefit from this support every two years. In 2023, 142 employees received support totaling TL269,467.62 for items such as desks, chairs, and headsets.
- **Marriage Allowance:** A marriage allowance is provided to all employees to support them during this significant life event. In 2023, 82 employees received a total of approximately TL 114,700.00.
- **Nursery Allowance:** Female employees at the headquarters and logistics center with preschool-aged children are offered daycare allowance, provided they submit receipts, helping them balance work and family life.
- **Education Scholarship and Support:** Children of employees who have lost their spouses receive a scholarship until they graduate from high school. Additionally, children of employees who meet specific criteria and demonstrate financial need are offered educational support for one year. In 2023, 4 employees received scholarships, and 19 employees received educational support, totaling TL 155,000.00.
- **Referral Bonus:** Employees who refer a friend for a job opening are rewarded if their referral is hired and remains employed for six months, encouraging participation in the recruitment process.
- **Graduate Studies Support:** Employees who meet the criteria receive up to 50% coverage for their graduate studies, up to a specified limit, to support their academic and professional development.

Special Days and Leaves

- **Birthday Leave:** Employees receive an additional day off on their birthday.
- **Moving Leave:** Employees relocating for work receive two days of leave.
- **First Day of School and Last Day of School Leave:** Employees with children in preschool and primary school are granted half-day administrative leave on the first day of school and report card day, with their manager's knowledge and approval, ensuring that business continuity is not disrupted. This allows employees to be present with their children during these important milestones.
- **Maternity Leave:** As part of the support we provide to our pregnant employees and new mothers, we offer a six-month maternity leave in full compliance with their legal rights. In 2023, 30 employees took maternity leave.
- **Paternity and Parental Leave:** Paid paternity or parental leave has been extended to 2 weeks, independent of legal requirements. In 2023, 78 of our employees took paternity leave.
- **Administrative Leave:** Employees can take up to 5 days of administrative leave to manage personal matters that require extra time.

Additional Benefits

- **Bonuses:** Permanent employees at the headquarters are eligible for bonuses based on specific criteria. Store employees can also earn bonuses based on sales performance. These bonuses serve as an incentive to boost employee performance.
- **Mono Mobile Application:** The Mono app allows employees to access various discounts from partner companies.
- **Studio Live:** The Studio Live platform offers employees opportunities for personal development with in-person and online classes in areas such as mindfulness, meditation, yoga, fitness, nutrition, psychology, personal development, coaching, beauty, and care, as well as family and children-related topics. In 2023, there were 3,749 live lesson views and 1,452 recorded lesson views.
- **Multisport Membership:** Employees at the head offices in Istanbul and Gebze can benefit from a 50% discount on sports facilities at various locations, supporting their work-life balance and encouraging physical activity.
- **TeknoYaşam:** The TeknoLife Group organizes sports, cultural, and arts events, and negotiates discounts with various companies that employees can benefit from in their social lives.
- **Teknosa Employee Clubs:** We offer opportunities for social interaction and personal development through various clubs such as dance, photography, and theater, tailored to the interests of our employees. These clubs allow employees to socialize outside of work and develop their skills.
- **Teknosa Volunteers:** We organize projects that employees can volunteer for, aiming to contribute to the community and raise awareness of social responsibility. Through these projects, our employees can participate in various activities such as helping those in need, engaging in environmental protection efforts, and raising social awareness.
- **Teknosa Academy:** To support the continuous development of our employees, we offer a wide range of online and in-class training programs through Teknosa Academy. These training programs enhance employees' professional competencies and contribute to their personal development. In 2023, 2,023 of our employees benefited from this platform.

Training and Development

We recognize that the key to enhancing our competitive edge lies in the continuous training and development of our employees. With this awareness, we offer various training programs that enhance our employees' knowledge and skills to adapt to the rapid technological advancements in the retail sector and evolving customer expectations. Within the framework of our principles of “Equal Opportunity in Education” and “Continuity of Training and Development", we established Teknosa Academy in 2015 to support our employees’ professional growth, contributing to their career advancement and enhancing our company’s performance. We ensure continuous learning at Teknosa Academy, the first of its kind in Türkiye’s technology retail sector, by continuously updating its technological infrastructure and user experience.

In addition to classroom training, we have established six core channels under the teknosaakademi.com platform to offer digital learning opportunities to our employees. These channels are:

- Teknosa Education Platform (LMS)
- TeknoTube, a video-based learning platform
- Communication platform, TeknoBlog
- Reference source, e-Orientation
- TeknoDictionary, which provides definitions of the words and abbreviations used specifically in the retail industry
- TeknoGuide, which is used to keep track of on-the-job training, coaching, and mentoring activities

To ensure equal access to education, we implement a modular training schedule based on function and position. We set goals based on readiness scores, which are determined by criteria such as participation rate, average exam scores, and training satisfaction. We maintain continuous learning by setting a target of 16-18 hours of training per person, and enhance productivity through performance monitoring. We improve our employees’ competencies through Teknosa Academy’s training programs to address issues encountered in stores and headquarters. To effectively manage negative feedback and drive sustainable improvements, we organize store visits, designate pilot regions, and bring together managers and employees.

Through Teknosa Academy, over the past 18 years, we have provided an average of 20 hours of classroom or online training per year, resulting in a total of 1,867,000 training hours and 22,350 graduates.

Teknosa Academy develops the skills of store employees across Türkiye by providing training that improves their ability to identify hazards, report incidents, and take proactive measures. At the headquarters, Teknosa offers priority training programs that address issues identified in collaboration with team leaders. We reinforce the positive impact of new behaviors through coaching and follow-up activities, enhancing our employees’ problem-solving skills.

To assess the effectiveness of our training programs, we regularly monitor satisfaction scores and measure the quality of the training based on participant feedback. By reviewing exam results and feedback, we evaluate how well employees have internalized and applied the knowledge they have gained. We also analyze the performance of on-the-job training to track our employees’ development in real-world work environments. Every two years, we meet with our Assistant General Managers to update our training modules based on evolving needs. These comprehensive monitoring processes ensure continuous improvements, securing both our employees’ professional growth and our company’s success.

We promote equal development opportunities for our employees by offering a diverse range of training resources, including 12 product videos, 10 development videos, 10 blog posts, and 2 digital books each month, thereby expanding their online learning options.

TEKNOSA AKADEMİ

Total Training Hours
68,074

Total Cost of Training (TL)
11,053,599

Total Digital Books Read
2,331

Total Blogs Read
2,151

Total Product Videos Watched
35,693

Benefits of Our Training and Development Programs:

- Possessing critical competencies like product and sales knowledge directly enhances our store employees' performance, leading to higher sales and positively impacting their bonus earnings.
- Developing these competencies improves employee performance and prepares them for advancement to higher positions.
- Our leadership programs benefit team managers and help teams grow within a unified culture, fostering opportunities in areas like human rights, inclusivity, and diversity.
- At our Headquarters, the requirement for employees to complete relevant training for promotion encourages career development.
- Seminars and training sessions on sustainability, gender equality, inclusivity, and diversity enhance personal awareness among employees, contributing positively to both their growth and the organization.
- The positive impact of our training programs on revenue, Net Promoter Score (NPS), employee engagement, and customer satisfaction boosts the overall performance of our company.
- Consulting services provided to both our headquarters and stores facilitate the sharing of global know-how with employees, ensuring our academy's training remains up-to-date and integrating new skills and knowledge into the organization.

Our Featured Development-Focused Programs

- **X-Teams Program:** Led by the Sabancı Holding Executive Committee and sponsored by Senior Management, this program creates cross-functional teams from across the Sabancı Group. It aims to help our employees better understand the future strategy of Sabancı Group and develop skills in agile work models. This year, 5 employees joined the program.
- **X-Lab Program:** In line with the Sabancı of New Generation cultural transformation, this program provides employees with the latest knowledge, methods, real business challenges, and design-focused practices to foster innovation and build new competencies. This year, 17 employees participated in the program.
- **Talent Pool of Next (TP-X) Program:** An initiative within Sabancı Group designed to develop leadership skills in high-potential individuals who are new to the business world. The TP-X Program consists of three stages and offers a 1.5-year experience. It includes online seminars led by renowned trainers, development coaching sessions, business simulations, and various other learning methods. This year, 1 employee joined the program.
- **X-POSURE Program:** Developed by Sabancı Group, this initiative aims to enhance the leadership potential of mid-level managers. The program, also spanning 1.5 years and three stages, offers a combination of classroom training, online seminars with renowned trainers, individual coaching sessions, and business simulations. This year, 1 employee joined the program.
- **All-Star and Competent Manager Programs:** These programs provide modular training specifically designed for managerial roles, supported by simulation exercises. This year, 47 employees participated in these programs, receiving a total of 1,464 hours of training.
- **Store Manager Development Program:** This program aims to enhance the management and coaching skills of our store managers by increasing their awareness of the tools used in managing stores and teams. Topics covered include Situational Leadership, Time Management, Delegation, Motivation, Developing Others, Team Communication, Coaching Management, and Providing Feedback. This year, 40 participants completed 448 hours of training in the program.
- **Management Training Program:** We provide a wide range of training for potential store managers, aiming to develop them into Store Managers. This year, 40 participants completed 2,419 hours of training.
- **Stage of the Manager Program:** This program offers specialized training to enhance our managers' presentation skills. This year, 11 participants completed 320 hours of training.

- **Business Coaching Advantage:** We develop programs to highlight the differences and benefits of a coaching perspective compared to traditional management, aiming to help our managers become effective leaders. This year, 38 participants completed 864 hours of training.

- **Rising Star Program:** We aim to foster awareness and a holistic perspective in Young Teknosa's with potential, helping them identify and develop their growth areas. This year, 17 participants received 400 hours of training.

- **Orientation Program:** Our orientation program helps new employees at our stores each month learn about their roles, store processes, and the sales profession under the guidance of store managers. We focus on increasing responsibilities based on performance to enhance their professional, technical, and personal skills. This year, 237 participants completed 6,691 hours of training.

- **English Language Training Program:** We support the professional, technical, and personal development of our employees through this program. With the goal of expanding our efforts in this area each year, we offer a total of 40 hours of English language training to employees who apply, providing 4 hours of instruction per week after assessing their proficiency levels. This year, 50 participants completed 2,248 hours of training.

- **Digital Library:** Our Digital Library application offers nearly 100 accessible content items.

- **Graduate Support Program:** We support employees in specialist and higher roles who meet the necessary seniority criteria through this program. In line with our strategy and requirements, we offer 50% financial support to employees who meet the application criteria and apply for a master's degree. In 2023, 5 employees benefited from the graduate support program, receiving a total of TL 116,650 in financial assistance.

- **Train the Trainer Program:** This program aims to maintain and develop our internal training culture by facilitating the sharing of knowledge and experiences. This year, 36 participants completed 736 hours of training.

Teknosa Headquarters Training Hall

Performance and Talent Management

Within the framework of our performance and talent management activities, we continuously monitor our employees' achievements, adherence to corporate culture and values, and high performance. Through our Performance Management process, which involves a comprehensive evaluation of the competencies and job objectives set each year, we focus on the development of our employees, closely examining their competencies and contributions to business outcomes throughout the year.

At the end of the year, we facilitate one-on-one meetings between employees and their managers to provide feedback on performance and identify areas for development. During these meetings, we assess the training needs that will enhance employee performance, and we consider the outputs of the performance management system in career planning and compensation management. In 2023, we included 2,813 employees in the performance evaluation system, conducting one-on-one meetings, focus group discussions, and organizational success plan management with team leaders. We assessed strengths, development areas, and career paths, finalizing the necessary plans.

Through our Organizational Success Plan (OSP) process, which we conduct in collaboration with Sabancı Group Human Resources, we create succession and career plans for all management levels and critical positions every year. This process focuses on identifying, developing, and planning the career paths of potential leadership candidates to meet future leadership needs and retain critical talent, ensuring the sustainable growth and leadership strength of our company. Additionally, our internal application system, which ensures that promotion and transfer processes within the company are conducted transparently and fairly, allows us to prioritize internal talent based on the requirements of the relevant positions. We provide opportunities for employees to transition between departments and from store roles to Headquarters roles. Performance-based promotions are carried out monthly for stores via the assessment center and biannually for the headquarters through a promotion planning process. In 2023, a total of 139 employees were promoted at our stores and headquarters.

Career Management Initiatives:

Promotion and Career Management Procedure:
A thorough evaluation was conducted in 2023, and the system was updated as of January 2024. This update included detailed procedures, guidelines, and criteria for promotions, assignments, and lateral transfers, making the processes more transparent and accessible.

Training Module:
A comprehensive training module has been created for store and HQ employees. This module allows tracking of which employee will participate in which training and on which date through function reports, making the training processes more systematic and efficient. In 2023, through our Training Module, 2,803 employees received career or skill-related training.

Talent Management:
Strategic and high-potential employees have been provided with access to E-Learning MIT and Premium catalogs. These comprehensive training resources help employees enhance their knowledge and skills, enabling them to advance further in their careers.

Learning Culture:
Several steps have been taken to foster a culture of learning at Teknosa. Coaching training has been provided to our leaders, and effective feedback processes have been established. These trainings and feedback sessions help employees identify their strengths and areas for improvement, allowing them to aim for higher performance.

Flexible and Hybrid Working Model:
Flexible and hybrid working models have been implemented to allow employees more time for their education and career development. These models are also supported by social events aimed at boosting employee motivation.

Perfx System:
Employees are encouraged to engage in mentorship with their managers based on performance feedback. The Perfx system supports these processes, serving as an effective tool to enhance employee performance and help them achieve their career goals.

Teknosa Logistics Center

An essential component of our performance management process is the 360-degree feedback mechanism, where feedback from employees to management and their colleagues is collected and reviewed during various management meetings. Action plans are then developed based on these discussions. Feedback from different perspectives helps employees see their strengths and areas for improvement more objectively, encouraging individual performance growth while also strengthening teamwork and communication.

In addition to the common competencies across Sabancı Group companies, such as “Competencies that Embody Our Values” and “Leadership Competencies", we have aligned with our company’s strategies to introduce “Performance-Enhancing Competencies". These competencies support our employees’ personal and professional development, contributing to the achievement of our company’s long-term goals.

As part of our talent acquisition efforts, we conduct our recruitment processes transparently in line with our Human Resources Policy. To attract candidates whose skills and competencies align with our corporate culture, Sabancı Holding values, and the specific requirements of each position, we prioritize representing and enhancing our reputation on social media. To this end, we actively manage our Teknosa Career pages on LinkedIn, Facebook, and Instagram. We use these platforms to share best practices, job openings, announcements, and news simultaneously. To continually improve our recruitment processes, we conduct a Recruitment Evaluation Survey once a year. At the end of 2023, our survey resulted in a score of 4.55 out of 5.

Competency Model

Competencies that Embody Our Values	Leadership Competencies	Performance-Enhancing Competencies
- Valuing Differences	- Thinking Globally and Long Term	- Focus on the Customer
- Being Resilient	- Seeking the New and the Better	- Achieving Results
- Being Brave	- Balanced Management of Stakeholders	
- Learning from Experience	- Agile Decision Making	
	- Creating Vision and Purpose	
	- Building Effective Teams	

Employee Satisfaction and Engagement

Employee satisfaction and engagement are key priorities in Teknosa's workforce management. We place great importance on evaluating our employees' opinions and suggestions. Through our TeknoBox Suggestion System, we gather ideas in critical areas such as digitalization, lean process management, innovation, employee engagement, customer experience, occupational health and safety, and sustainability. We ensure that these suggestions influence decision-making and reward contributing employees to boost their motivation.

Additionally, we use TeknoBülten to share our successes and projects with employees 2 a month via email. This initiative accelerates the flow of information within the company, keeping employees informed about developments and helping them see their contributions to the company.

Supporting the adaptation of new employees is one of our top priorities. We monitor their satisfaction and adaptation through regular meetings, continuously working to improve their experience. Through our Human Resources Business Partnership model, we provide support to both current and new employees, offering various orientation plans. These efforts aim to increase employee engagement and ensure a strong start to their careers.

Employee satisfaction and engagement have positive impacts on overall performance and productivity. To reduce the employee turnover rate in the retail industry to more reasonable levels, we are developing motivation and reward programs and diversifying our benefits. For example, we have extended paid paternity leave to 2 weeks, regardless of legal requirements. ★ We have also reviewed our job title structure, creating tier-based positions that have streamlined the organization and provided career advancement opportunities for employees. Additionally, we continually review our competitive compensation structure and support work-life balance through initiatives such as flexible working hours and our Hybrid Remote Working Policy.

In the 2023 Human Resources satisfaction survey, our satisfaction rate was evaluated at 4.6, and the employee engagement score was measured at 58%

Employee engagement and satisfaction surveys, conducted by independent firms, are designed to align with our goal of fostering a balanced work-life environment, ethical practices, and a safe and healthy workplace. We also regularly measure employees' perceptions of the organizational structure and the leadership styles of the management team. Through our Human Resources business partners, we conduct one-on-one meetings and satisfaction surveys. The data collected is used to enhance satisfaction, and necessary action plans are implemented. We also conduct exit interviews with each departing employee, share the results with relevant managers, and use the insights to improve satisfaction.

In 2023, we took several steps to improve our employee engagement score. We revitalized our TeknoLife activities by organizing a bowling tournament that fostered team spirit among employees. Additionally, we expanded our cultural offerings by establishing a dance club within Teknosa Clubs and staging plays produced by our theater club. To enhance the onboarding process for new employees, we implemented the Buddy system, which was fully rolled out in 2024. To improve employees' understanding of different departments and boost the orientation process, we centralized the introductions of various Teknosa departments on a single platform within the Academy.

We also launched the "We Want to Know You Better" survey to get to know our employees more closely and to refine our reward processes. To encourage participation in sports activities, we renewed our Multisport initiative, with 50% of the costs covered by Teknosa. Lastly, we worked with all employees to define and embrace Teknosa's purpose and values, creating action plans to ensure these values are fully integrated across the organization.

Teknosa Headquarters

Occupational Health and Safety

8 minute

At Teknosa, we prioritize the health and safety of our employees and business partners by being aware of risks such as heavy lifting and long working hours in the retail industry. We adopt a proactive approach to managing these risks. All Occupational Health and Safety (OHS) policies, procedures, forms, and instructions in our company are managed through the Integrated Management System and are updated annually in accordance with international standards and trends. This approach allows us to systematically meet OHS requirements, reduce workplace accidents, create a safe working environment, and enhance productivity by preventing workforce loss due to accidents. Additionally, we obtained ISO 45001 Occupational Health and Safety Management System certification in 2024, covering our Headquarters, Logistics Center, and 2 stores.

The primary goal of our Occupational Health and Safety Policy is to provide a loss-free and safe working environment by preventing workplace accidents and to ensure the well-being of our employees. Our OHS approach includes subcontractors and suppliers, recognizing that health and safety issues caused by uncontrolled contractors can pose a reputational risk. To ensure that contractors operating at all Teknosa workplaces comply with OHS-related legal regulations, procedures, instructions, and rules, a Contractor/Supplier Occupational Health, Safety, and Environmental Agreement has been established. This agreement specifies the OHS and environmental rules that contractor companies must follow while performing activities such as transportation, construction, manufacturing, maintenance, assembly, disassembly, painting, excavation, cleaning, security, personnel transportation services, and technical work. Additionally, the agreement covers the process for contractor employees' access to facilities, the monitoring of on-site activities, and the enforcement of penalties for any identified non-compliance.

OHS Targets	2022 Realization	2023 Target	2023 Realization	2024 Target
Workforce loss rate due to workplace accidents at the HQ	0.00004	<0.001	0.00002	<0.001
Workforce loss rate due to workplace accidents at the Gebze Logistics Center	0	<0.002	0.00018	<0.002
Workforce loss rate due to workplace accidents at our stores	0.00015	<0.002	0.00004	<0.002
Average score for the OHS-related criteria in audits conducted by the internal audit department	8.17	>7.5	*4.21	>7.5
Successful completion of required training by all employees as mandated by regulations	61.42%	100%	79.6%	95%

***Due to revisions in the internal audit checklist in 2023, the average score for OHS folder content in audits has decreased.**

Emergency First Responder

The OHS organization at Teknosa defines the structure and procedures necessary to manage occupational health and safety. The roles and responsibilities of all employees are clearly defined, and this structure covers all activities at the workplace. The OHS Internal Directive, prepared to protect employees from occupational hazards and to implement measures against dangers and risks, guides continuous improvement activities. To support OHS management, we use QDMS – Integrated Management System, through which we manage and revise all documents. We announce updates and new procedures in our OHS processes to employees through the corporate intranet portal, email, and notice boards.

As part of our risk assessment procedure, we regularly prepare risk assessment reports and conduct on-site inspections at all our workplaces. Potential non-compliances identified during workplace monitoring are documented using workplace inspection forms. These reports and forms are shared with the relevant departments, and necessary actions are taken within the established timelines. Corrective and Preventive Actions (CAPA) are taken to address the issues, and the processes are reported. When incidents occur despite the precautions taken, incident notification forms and hazard reports are used.

Common workplace accidents in our industry include falls, trips, collisions, crushes, strains, impacts, cuts, and burns. We analyze risk factors with potential for accidents, injuries, and fatalities by combining them with past incidents, and we adopt a proactive approach based on the identified risk factors. By using the Fine Kinney Method in risk assessment studies, we ensure that hazards at workplace are identified before they lead to accidents and prioritized according to their risk scores. We immediately halt and control intolerable risks to eliminate hazards and minimize risks. We develop procedures for high risks, conduct monitoring, and implement corrective actions for substantial risks.

Evaluations based on employee suggestions and feedback make a significant contribution to reducing risks. We prioritize control measures implemented through engineering solutions. As part of this approach, we replaced manual chocks used on ramps in our logistics center with a ramp safety docking system, thereby using technological solutions to reduce risk.

Risk Assessment Methodology

Risk = Likelihood x Frequency x Severity

Likelihood:

- In the initial risk assessment, no control measures are considered, so likelihood is always assumed to be the worst-case scenario.
- Corrective actions do not affect frequency or severity; the only variable they influence is likelihood
- Preventive actions and control methods such as elimination at the source or isolation and substitution will reduce frequency and likelihood based on environmental and collective protection methods.

Severity:

- In the severity scoring, if the damage involves death, the score is assigned as 40 points for a single fatality and 100 points for multiple fatalities. Additionally, in severity assessments, a higher score is given in cases of any doubt.

Frequency:

- This is not the frequency of the task itself, but the frequency of exposure to hazards while performing the task.
- When assessing a non-routine activity, the focus is on the frequency of exposure to hazards during that activity. (For an activity lasting 2 hours, the frequency of exposure within those 2 hours is considered.)

★ We organize various training programs to raise awareness about OHS. These programs include basic OHS training, on-the-job orientation training, and training for specialized equipment requiring specific skills. Additionally, we enhance employees' knowledge and awareness through awareness training sessions held on specific days and during special weeks. For example, during Breast Cancer Awareness Week, we provided breast examination training, organized sessions on stress management and breathing techniques. Through the Teknosa Studio Live application, we offer online training content based on employee suggestions. Training topics include breathing techniques for stress management, facial yoga, back and neck exercises, cardiovascular health webinars, healthy drinks workshops, and earthquake awareness.

In addition to basic OHS training, we also offer courses on emergency response, safe working at heights, workplace health and safety, and first aid refreshers. We provide specialized training for our employee representatives on OHS topics and ensure that our risk assessment teams receive training in accordance with risk assessment procedures.

Additionally, our emergency response teams undergo specialized training tailored to the requirements of their work areas. We ensure our employees stay informed about health-related topics through awareness webinars on subjects such as earthquake preparedness, cardiovascular diseases, and cervical cancer.

In 2023, we conducted a total of 13,378 hours of OHS training at Teknosa, aiming to maintain our OHS culture and create a healthy workplace environment.

The Health and Safety/Incident Reporting Procedure covers our processes for reporting, recording, and monitoring workplace accidents and near-miss incidents. Our employees have the right to report work-related hazards and hazardous situations without fear of retaliation. These reports can be made to managers, safety officers, or other designated personnel. Most commonly, our employees report work-related hazards and hazardous situations to the OHS department via email using near-miss incident report forms. The reports are reviewed by our OHS department, and employees are thoroughly informed about the actions to be taken. In addition to using incident report forms, our employees can also provide real-time feedback during on-site inspections. **In such cases, we document the feedback provided and create an 'incident identification report'**, informing employees about the process. Furthermore, our employees can report near-miss incidents, hazard identifications, and improvement suggestions through the Integrated Management System and the TeknoBox Suggestion System.

Emergency First Responder

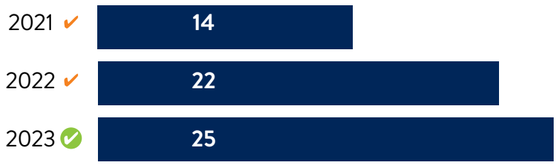
Occupational Health and Safety Committee

We established the Occupational Health and Safety Committee to prevent illnesses and accidents that could arise from the tools, equipment, and machines used in the workplace. This committee makes recommendations to the employer or their representative to ensure the procurement of accident-preventing tools, the implementation of safety measures, and their ongoing monitoring. Additionally, we aim to educate our employees on these measures and procedures and ensure continuous compliance with relevant regulations. The OHS Committee also encourages employee participation in decision-making and implementation processes related to occupational health and safety.

Our committee members include our employer's representative, safety specialist, workplace doctor, employee representatives, and a human resources representative. To oversee and regulate OHS processes, our Chief Human Resources and Sustainability Officer serves as the employer's representative. Our OHS targets are integrated into the annual performance evaluation system of the Sustainability and OHS Manager, as well as the OHS Executive, and are monitored through established KPIs.

We hold meetings every three months at our Headquarters, İstanbul Şişli Cevahir, and İstanbul Bayrampaşa Forum stores, and every two months at our Logistics Center to assess overall processes and address critical developmentsOur employee representatives identify workplace hazards based on their own experiences and/or reports from their colleagues, and they report these findings to the committee. We collaborate on the identification, implementation, and adherence to occupational health and safety measures. Through our employee representatives, we provide feedback to the committee on the decisions made and any challenges encountered during implementation.

Number of Accidents



Accident Frequency Rate

***Rates are calculated based on 200,000 working hours**

Within the framework of OHS management, our Internal Audit Department conducts audits. When necessary, we also involve independent third-party companies in our audit processes. Our OHS Department maintains constant communication with the Internal Audit Department regarding audit matters and procedures, ensuring transparency by providing all required documents and information during the audit. Once the audit is completed, the "Draft Report" prepared by the audit team is meticulously reviewed. We detail our action plans, including our responses to each finding and recommendation, in the **"Management's Opinion and Action Plan"** section of the report. Our action plans clearly specify deadlines, responsible personnel, and the actions to be taken, which are categorized by priority levels: low, medium, or high. After our General Manager reviews the action plans and any necessary revisions are made, the report is finalized by our Internal Audit Manager. All findings and actions are tracked through our Audit Follow-Up System (AFUS), with update emails sent to our Occupational Health and Safety Department. Outstanding findings in the AFUS program are reported monthly to the OHS Department to ensure effective follow-up on actions.

Our OHS Procedures

The OHS Emergency Procedure ensures preparedness for emergencies and effective response when they occur. Emergency Action Plans are regularly reviewed and revised as needed. This procedure covers identified workplace emergencies (such as fires, earthquakes, storms, tornadoes, floods, and other weather events, as well as human factors like sabotage, civil unrest, and pandemics), preventive and limiting measures, evacuation plans, the emergency evacuation map, and other relevant elements.

Through the **Health Surveillance Procedure**, we ensure that our employees undergo health checks before starting work and at regular intervals thereafter. This allows us to closely monitor their health status and ensure the maintenance of a healthy workplace environment. Additionally, our company fully covers our employees' private health and life insurance. As part of this, we offer access to hospital services as well as online dietitian and psychologist services.

The **Annual Work Plan Procedure** involves setting our OHS targets and planning the necessary activities to achieve these targets. These plans are supported by performance evaluations, audit reports, and training sessions and are monitored annually.

With the **Personal Protective Equipment (PPE) Procedure**, we identify, procure, and regulate the use of necessary PPE to protect against workplace hazards. We determine PPE requirements based on the results of our risk assessments and provide the necessary equipment to our employees.

As part of the **Workplace Oversight Procedure**, we conduct site inspections and oversee the general working conditions within our facilities. The outcomes of these inspections are documented using workplace inspection forms, and we take the necessary actions to address any identified non-compliances. With the Store Health and Safety Management Instruction, we draw attention to the points that need to be taken into consideration regarding the risks that may be encountered at stores for our store employees, who constitute the majority of our employees.

The **Periodic Control and Measurement Procedure** ensures that equipment, machinery, and the working environment are regularly inspected and measured. This procedure is designed to ensure that we comply with regulatory requirements and maintain a safe workplace. We also gather and incorporate employee feedback and suggestions during risk assessment activities related to this procedure.

Through the **OHS Technical Services Procedure**, we ensure the provision of technical services and the support of the OHS management system in our workplace. This procedure outlines the planning and execution of technical requirements and services related to OHS.

The Permits and Instructions Procedure ensures the organization and management of permit forms and instructions used in our workplace. This approach aims to maintain proper documentation and records related to occupational health and safety.

Equality, Diversity and Inclusion

7 minute

At Teknosa, we regard equality, diversity, and inclusion as core values, integrating these principles into the heart of our business processes. Our goal is to create a work environment where every employee feels valued, included, and free from bias. Our Code of Business Ethics is based on the principles of integrity, transparency, fairness, and respect. Together, we adhere to these rules to foster a safe and respectful work environment.

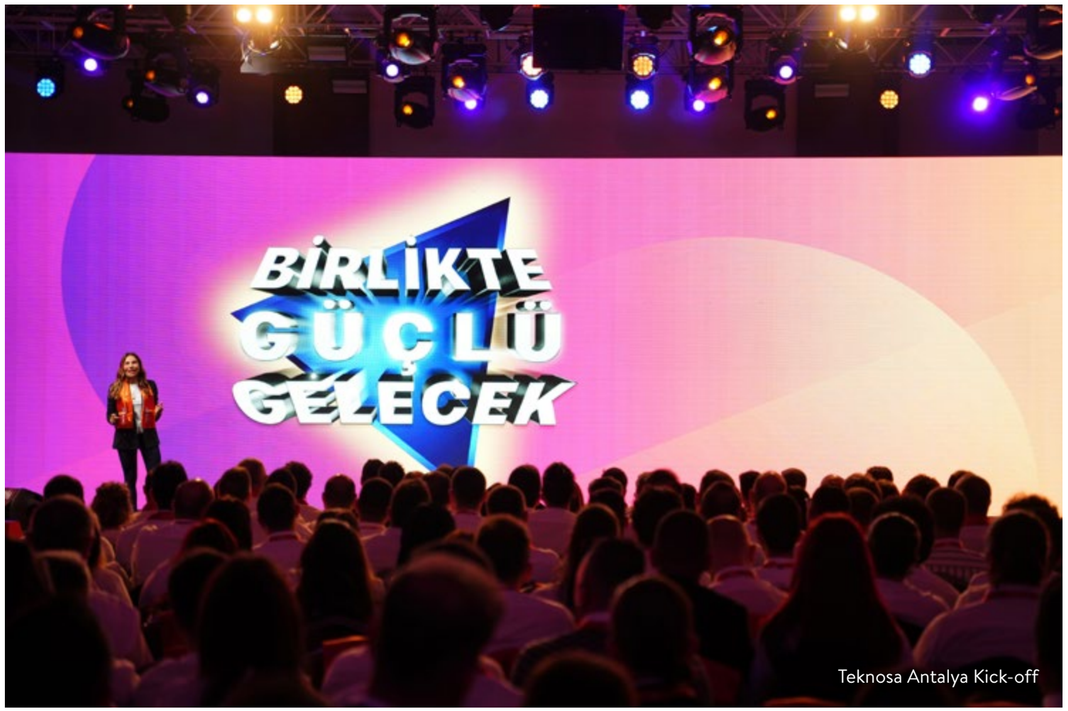
Aligned with the Sabancı Group's Equality, Diversity, and Inclusion Policy, we aim to provide equal opportunities for all our employees and apply fair hiring practices in our recruitment processes. To prevent discrimination in our talent management processes, we educate our human resources team and adopt a fair and inclusive approach in our recruitment processes. We prepare our job postings with inclusive language that does not request characteristics such as language, race, gender, age, culture, ethnicity, disability, political, or religious beliefs, and avoids implying any specific social identity or group. This approach ensures that our recruitment processes are fair and inclusive, providing equal opportunities for all candidates. Through our Human Resources Policy, we aim to protect the rights of our employees, support their development, and enhance their motivation.

By committing to the United Nations Women's Empowerment Principles (WEPs), we continue to advance gender equality and empower women in the workplace. As part of this commitment, we regularly track the percentages of female and disabled employees in our stores and headquarters.

> In 2023, we raised the proportion of female employees at our headquarters to 41% and increased the representation of women in managerial positions to 35%.

In this context, we count the time spent on maternity leave towards our female employees' premium calculations and promotion timelines, supporting their career advancement. Additionally, we have extended paternity leave to two weeks, independent of legal requirements, encouraging fathers to take a more active role in childcare and helping to balance gender roles. Furthermore, **we have set a minimum target of 25% female representation on our Board of Directors** and are actively working towards achieving this goal. We provide accessible facilities for our employees with disabilities and regularly evaluate these accommodations to ensure continuous improvements, enabling them to reach their full potential. In 2023, we provided employment opportunities to 52 individuals with disabilities.

Goal Owner	Related Topic	Priority KPIs	2022 Actual	2023 Target	2023 Actual
Chief Human Resources and Sustainability Officer	Equality, Diversity, and Inclusion	Female employee ratio - Central	51%	50%	51.2%
		Female manager ratio - Central	45.74%	50%	47.6%



Teknosa Antalya Kick-off

> “The involvement of women in the technology sector not only transforms the industry landscape but also plays a crucial role in advancing societal progress and promoting gender equality.”

Stakeholder View

Efsane Meral Şahin
İzmir Forum Bornova Extra Store Manager

I have been at the heart of innovation and continuous change at Teknosa for 12 years, continuing my professional career as a store manager. Throughout this journey, I increasingly feel the significance of the power and impact of women in the technology industry.

Teknosa’s support programs and policies for women not only aid the career development of female leaders like myself but also contribute to raising awareness of gender equality. To enhance women’s interest and participation in the field of technology, Teknosa implements various training programs, mentorship opportunities, and career development projects. The opportunities provided by Teknosa enable us, as female employees, to fully realize our potential. As a result, women are establishing a stronger presence in the technology world, pushing the boundaries of innovation and fostering more inclusive and creative solutions. Teknosa’s mission to empower women in the technology sector and promote gender equality is not just an individual success but also a significant step that advances society and contributes to a more sustainable future.

As Marie Curie once said, “As a woman, you have the power to make scientific discoveries and change the world. “Just be determined". As a female manager in the technology sector, the biggest challenge I encountered was breaking through the bias that men’s technological expertise is more valued and trusted. To address this, I dedicated extra hours outside of my regular duties to further enhance my product knowledge in the sales channel, surpassing that of my peers. I also participated in various training programs to strengthen my skills. I gained a more comprehensive understanding of the products and processes compared to my colleagues. I obtained certifications in personal development and awareness fields. To enhance my sales skills, I continue to read one professional development book each week. To keep pace with the constantly evolving technology, I incorporate technology that simplifies life into every aspect of my daily routine and actively experiment with new products. This not only enhanced my professional success but also helped break the gender bias prevalent in the industry. It became a source of inspiration for the young women on my team in their career planning. In line with Teknosa’s vision, my role allows me to contribute to increasing women’s presence in the technology world, witness both my own and their achievements, and inspire young women working in the store channel. This brings me indescribable joy.

We place great importance on equal opportunities in the fields of education and development. Through equal opportunity training, we aim to raise awareness and reduce gender bias and discrimination. The training content focuses on the concept of gender equality, the importance of gender equality, and the steps that can be taken to achieve it. Furthermore, we conduct our performance evaluations with a gender-equitable approach and ensure our promotion processes are transparent and fair. This approach aims to improve awareness among employees, fostering a more positive work environment.

In 2023, we provided our employees with a total of 186 hours of training on gender equality, diversity, and inclusion through the programs we organized. Our remuneration policy is committed to ensuring fair pay, regardless of employees' religion, language, race, gender, or age. Accordingly, we ensure equal salary distribution between male and female employees. Our periodic surveys with employees consistently highlight our gender equality practices as one of our greatest strengths. Furthermore, in line with our zero-tolerance policy against harassment and discrimination in the workplace, we take swift action in any instances of discrimination. Our Code of Ethics provides our employees with a framework that enables them to report any ethical issues they encounter. All reports of ethical violations are thoroughly reviewed by our Internal Audit department.*

***In 2023, three cases involving allegations of discrimination were thoroughly investigated; however, no additional action was taken as the claims could not be substantiated.**

Gender Equality Initiatives Supported by Teknosa

- Since 2018, we have been committed to the 7 principles of the "Women's Empowerment Principles (WEPs)", developed in partnership with UN Women and the UN Global Compact. As a signatory, we have pledged to implement policies that promote gender equality within our company. This made us the first technology retail company in Türkiye to sign the WEPs.

- We are also a corporate member of Yanındayız Association, which aims to engage men in the fight for gender equality, and Lead Network, an organization that supports women leaders in the retail and consumer goods sector, aims to increase the number of senior female executives and contribute to their professional development.

- We are a participant in the 'Business Against Domestic Violence (BADV)' project, conducted by the Sabancı University Corporate Governance Forum. This initiative aims to create support mechanisms in workplaces against domestic violence and make violence against women more visible.

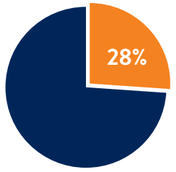
Mother Mentors of Teknosa (TAM)

TAM Teknosalı Anne Mentorlar

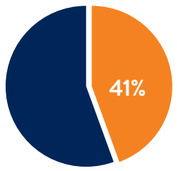
With the Mother Mentors of Teknosa program, our working moms at Teknosa can fully embrace both their motherhood and careers!

Launched in 2019, the 'Mother Mentors of Teknosa' project, which also includes pet moms, supports our women employees on their career journeys and provides them with the opportunity to share their experiences with one another. Through this program, volunteer mom employees at Teknosa mentor new or expectant moms at Teknosa, showing them ways to balance work and motherhood. In 2023, our 25 Mother Mentors held over 328 hours of meetings with their mentees.

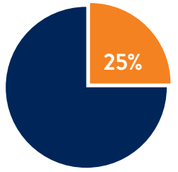
Total ratio of female employees



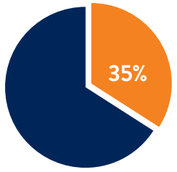
Ratio of female employees at the HQ



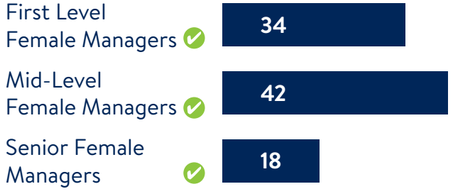
Ratio of female employees in stores



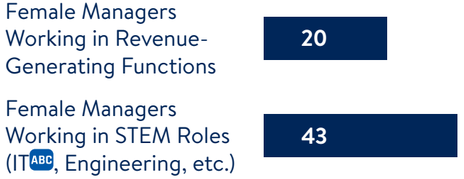
Ratio of Female Managers



Ratio of Female Managers by Management Level (%)



Number of Female Managers



Click here to access detailed performance indicators.

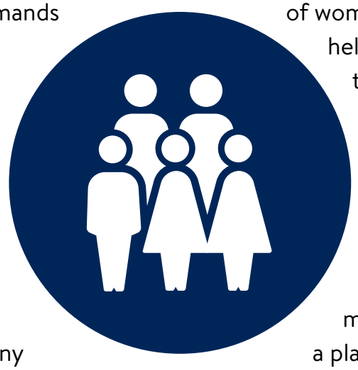
> “Mother Mentors of Teknosa project is an excellent initiative that primarily aims to ensure the sustainability of women’s careers, no matter the circumstances, while also helping them maintain physical and mental balance for themselves and their families.”

Stakeholder View

Engin Yıldırım
Trainer & Consultant, Professional Coach PCC, ACPC

With 29 years of experience in the business world, I have seen firsthand the diverse challenges that working women encounter. On top of the inherent challenges of being a woman, the demands significantly increase when balancing the responsibilities of building a family, along with the roles of being a spouse and parent. As a trainer, I have heard countless statements from the working female participants over the years, such as, 'My fiancé doesn't want me to work after we get married,' 'My husband says my earnings only cover my expenses and the nanny, so maybe I shouldn't work,' 'The kids have started school and need me now,' and 'I love working, but leaving my baby with my mother to come to work breaks my heart,' among many others.

Despite the progress made over the years, including advantages under positive discrimination in employment, promotions, and certain benefits, it remains incredibly difficult for working women to balance their roles as spouses and mothers with their professional careers.



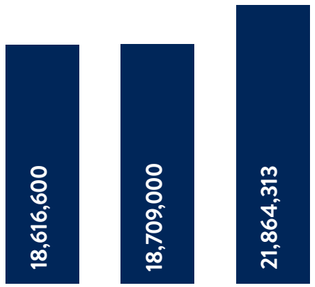
In this context, the ongoing Mother Mentors of Teknosa project is an excellent initiative that primarily aims to ensure the sustainability of women’s careers, no matter the circumstances, while also helping them maintain physical and mental balance for themselves and their families. Honestly, when I was invited to this project as a trainer, what excited me the most was the opportunity to support women not only in my roles as a trainer, coach, and mentor but also as a man. Through the mother mentors, I saw the opportunity to positively influence many women, along with their spouses, children, and communities. It brings me great joy to be part of this project and to help create a platform where the experiences shared by mother mentors during our training sessions and one-on-one meetings—whether from years ago or just last year—can inspire women facing similar challenges and concerns today. Hearing these stories made me realize how much we need these women in the workforce.

Customer Focused Approach

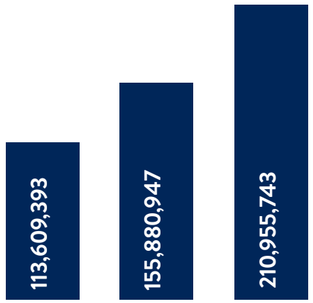
8 minute

In our transformation journey guided by the vision of "Teknosa of the New Generation", we continuously implement innovations and improvements to provide the best service to our customers and exceed their expectations. In this context, we closely follow industry developments, local and international regulations, as well as our customers' expectations and evolving needs. To effectively manage customer satisfaction, we base our efforts on the Teknosa Quality Policy and the Complaint Management Policy.

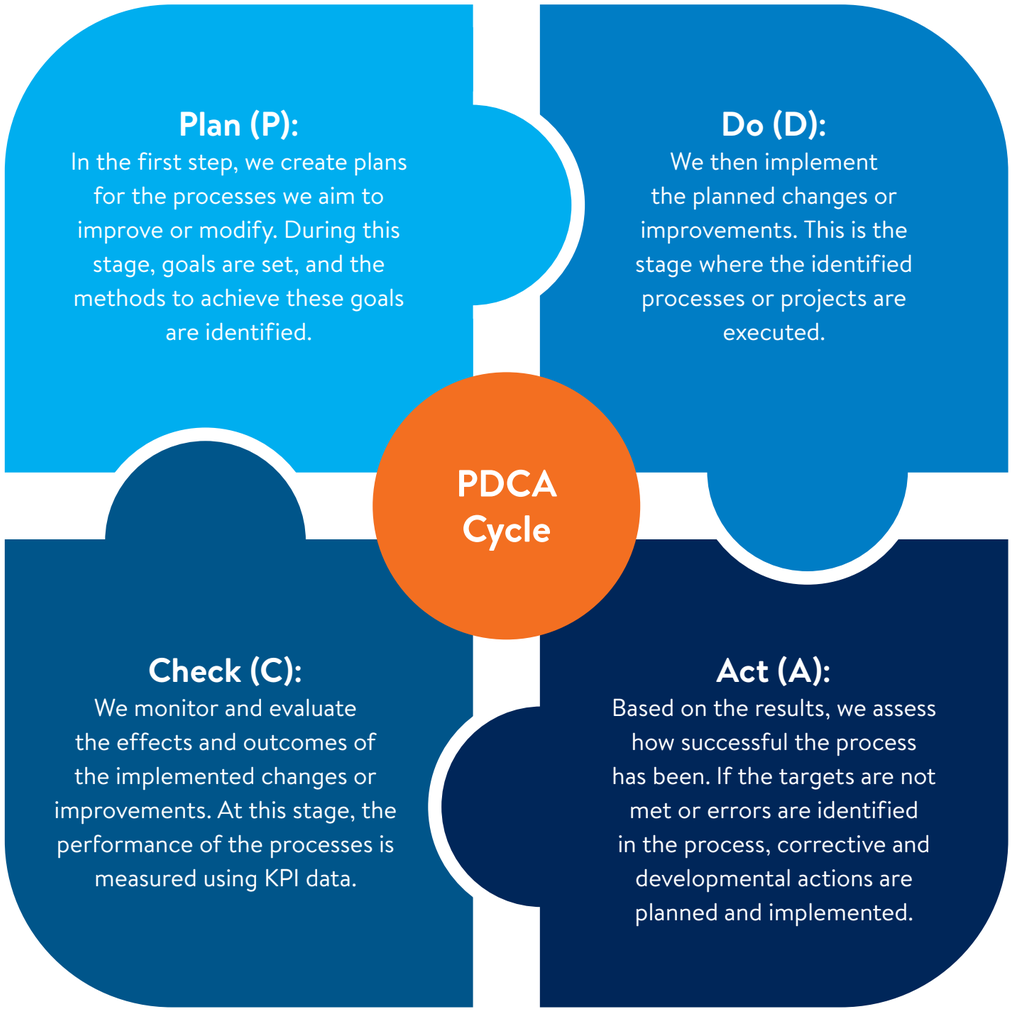
As part of our Integrated Management System efforts, we continue our certification processes for the ISO 9001 Quality Management System and ISO 10002 Customer Satisfaction Management System. In preparation for Quality Management System certification, we have established the infrastructure for process-based management. In line with our culture of continuous improvement, we pursue identified improvement opportunities on the process management platform alongside efficiency initiatives. Within this scope, corrective and developmental actions are carried out in accordance with the PDCA (Plan, Do, Check, Act) cycle, based on the outcomes of KPI and risk/opportunity analyses of business processes.



Total number of customers



Number of customers actively using online services/electronic sales platforms



We maintain our leading role in the industry with innovative applications that enhance the customer experience before, during, and after sales. Through the TeknoPlus, TeknoPro, and TeknoElit memberships offered under the TeknoClub, our customers can benefit from various privileges, including special offers from different brands, exclusive birthday discounts, and free shipping services.

> In just two years, our TeknoClub loyalty program has gained over 3.2 million members!

Additionally, they gain priority in call center and service operations, and can easily perform return, exchange, and service transactions without the need to present a receipt.

On June 5, World Environment Day, we established the 'Teknosa TeknoClub Customers' Forest' in Işıklar, Soma district of Manisa, by donating a sapling for every TeknoClub member who made a purchase, and we continue to expand this forest. TeknoClub encourages its customers to support a greener world, and for every customer who brings e-waste to our stores, we donate a sapling to our memorial forest. Furthermore, to support long-term sustainability, we provide attractive campaigns on products and services, adding value to our customers throughout this journey.

Additionally, we cater to our customers' technology shopping needs with innovative solutions like "Click & Drive"★ and Video-Chat, both of which are industry firsts. With our "Click & Collect"★ service, customers can pick up products ordered from our website at our stores, while our Click & Drive service allows them to collect their items from designated delivery/parking points. Thanks to our Video-Chat application, customers can examine products in detail virtually without visiting the store. In 2023, we achieved a turnover of TL 2,697,718 through our Video-Chat application. To make purchasing easier during sales, we offer consumer financing options through various banks, providing shopping loans both in-store and online. In this context, over a million loans were utilized during this period.

E-commerce Development

The e-commerce capabilities of teknosa.com established a leading position in the industry with the launch of Teknosa Marketplace as a technology-focused marketplace in the first half of 2022. To maintain and continuously advance this position, we are constantly working on and enhancing our online channels with new improvements. We implement updates aimed at improving the customer experience to elevate the online customer journey to the highest level. We are continuously increasing the variety of sellers and products on teknosa.com so that our customers can easily find the products they need. In addition to ongoing improvements in the marketplace, we are developing the "Teknosa Partner Solutions" application, which is anticipated to significantly enhance the financial performance of our e-commerce operations.

Furthermore, customers can receive notifications about price and stock changes and personalize their shopping experience with customized lists. With quick purchase options, enhanced search experiences on our website and mobile app, and a smart product selection assistant, we provide customers with product recommendations tailored to their needs, making it easier for them to make decisions.

Our advanced infrastructure, extensive product range, and innovative methods led to a Gross Merchandise Volume (GMV) of TRY 10.1 billion in e-commerce in 2023, with a 35% increase in visitor numbers and a 27% rise in the conversion rate.

Customer-Centric Digital Store Transformation

In 2023, in line with the experience-focused retail trend, we opened 10 new stores and renovated 7 of our stores with a new digital concept. As part of this concept, we restructured our store network to focus on experience and product variety within spacious, high square meter locations. The addition of new stores and the optimization of existing ones support our goal of providing better service to our customers. With our new store concept, we have created a smart, human-centric, and creative model that inspires and engages our visitors. Through product information screens and dedicated experience zones for various product categories in our stores, we provide our customers the opportunity to experience products in the comfort of a home-like environment. Additionally, kiosks allow customers to find products, review product features, and compare items through digital screens. We have designed special walkways for our disabled customers, buttons for easy access to sales consultants, and dedicated sections for customers with physical disabilities. Through the **'Sustainability Interaction Areas'** in our stores, we provide our customers with informative content on topics such as energy savings and carbon footprint.

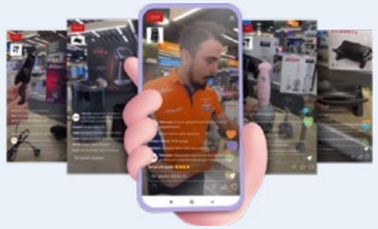
Solutions we have developed to enhance the customer experience include:

- Experience areas
- Online sales from stores
- Detailed examination of product features with touch information screens
- Mobile checkout terminals
- Sustainability interaction areas
- Walkways for visually impaired customers
- Enhancing the experiential link between the app and the stores
- Digital labeling
- Dedicated sections at checkout and Tekno Service areas for physically disabled customers
- Audio mapping feature for visually impaired customers

Our innovative practices to enhance customer experience:

TeknoLive

At Teknosa, we aim to leverage live broadcasts, a rising trend in the digital world, to showcase our products and create sales opportunities for our customers. Through live broadcasts, we provide detailed explanations of product features and benefits while offering exclusive prices and promotions to viewers. This interactive approach allows us to connect more closely with our customers and deliver the latest deals directly to them.



Share and Earn with Bi'link

Believing in the importance of social commerce, we launched the ''Share and Earn with Bi'link" project, which encourages our users to shop by interacting with their social circles. Through this project, users can earn rewards from shopping links they share with friends, enriching their shopping experience. This innovative application not only provides additional benefits to our users but also helps us expand our community by leveraging the power of social commerce.

Dijital Ambasadors: Selin ve Burak

To enhance the customer experience, we launched the Digital Ambassadors project in the third quarter of 2023, aiming to build a stronger connection with our users. Our digital ambassadors, named Selin and Burak, enhance the customer experience by increasing our brand's visibility on digital platforms. Through these ambassadors, users can effortlessly stay informed about Teknosa's latest innovations and promotions, while also contributing to community building by sharing their shopping experiences

Tech-Savvy Hands ★

We have pioneered an industry-first initiative aimed at removing barriers to communication and access to technology. Our "Tech-Savvy Hands" video call center provides dedicated service to our hearing-impaired customers through sign language.

Premium Service Package

As part of our Premium Service Package, we offer on-site installation and mobile device repair services to our customers. Additionally, we provide loaner devices for customers to use while their phones and tablets are being repaired.

BlindLook Collaboration

In partnership with BlindLook, we have introduced a voice simulation service on teknosa.com to assist our visually impaired customers. We plan to expand this service by integrating it into our mobile app, with the goal of making technology more accessible to everyone.

Yapı Kredi Sustainable Choice Program: Step Collaboration

Taking another step to protect our future, we have joined Step. At Teknosa, sustainable shopping choices turn into Step points, and those points are then donated to civil society organizations.

Measuring customer experience plays a critical role in evaluating and improving the effectiveness of the solutions and applications we offer. The feedback we receive from our customers helps us understand their satisfaction levels and expectations, allowing us to identify the necessary improvements to enhance service quality. To enhance data quality, we conduct raffles, surveys, and prize competitions to collect higher-quality digital customer data and gain deeper insights into the profiles of customers visiting our stores.

Additionally, we continuously monitor and improve customer satisfaction by conducting NPS (Net Promoter Score) measurements across all touchpoints. The satisfaction survey score of customers who contacted our call center and participated in post-call surveys increased from 91.7% in 2022 to 92.8% in 2023. Thanks to these practices, we are able to make strategic decisions to enhance customer loyalty, strengthen brand image, and gain a competitive advantage.

Communication Channel	Contact Address	Actions Taken
Teknosa Customer Service	0850 222 55 99	We respond to all requests and complaints received by our Customer Service call center 7 days a week between 09:00 and 22:00.
Teknosa WhatsApp Support	0850 222 55 99	We respond to all messages received via the Teknosa WhatsApp Support with our Customer Service team 7 days a week between 09:00 and 23:00.
Headquarters Customer Services	0216 468 3636	We address the requests of customers who call the Headquarters switchboard number on weekdays from 08:30 to 17:00.
Teknosa WebChat	teknosa.com	We address the requests of customers who call the Headquarters switchboard number on weekdays from 08:30 to 17:00.
Corporate E-mail Addresses	https://www.sabanci.com/tr/iletisim https://www.teknosa.com/kurumsal/iletisim/ bilgilendirme@teknosa.com yatirimciiliskileri@teknosa.com	We respond to all feedback received through the web contact form on teknosa.com, our corporate e-mail addresses, and the Sabancı website contact form.
Social Media Accounts	App Store / Google Play / Twitter / Facebook / Instagram / LinkedIn Youtube / Google My Business/ TİKTOK	We respond to all feedback received from the Teknosa mobile app and Teknosa social media accounts.
Other Digital Platforms	Şikayetvar	As a corporate member of Şikayetvar, we respond to and resolve complaints related to Teknosa and İklimsa shared on this platform.
	Ekşi Sözlük	Through our partner agency, we monitor customer comments on this platform and provide the quickest and most appropriate solutions.
Tech-Savvy Hands	teknosa.com mobile website	We provide solutions for all the needs of our hearing-impaired customers.

Creating Social Value

7 minute

At Teknosa, we prioritize creating social value by acting with a sense of social responsibility and sustainability. With this vision, we develop projects that reach out to different segments of society and enhance their quality of life. Our goal is to make lasting contributions to society by generating sustainable benefits in the areas of social equality, education, environment, and economic development. In line with this mission, we carry out a wide range of initiatives, from volunteer projects to programs that support gender equality. We carry out our corporate social responsibility projects, donations, and charitable contributions in full alignment with the "Sabancı Holding Social Responsibility Policy and Principles" and the "Teknosa Donation and Aid Policy".

In 2022, we invested TRY 1,325,724 in corporate social responsibility initiatives, and in 2023, we raised these investments by 61%, bringing the total to TRY 2,140,359. We significantly boosted our societal impact by increasing our charitable donations from TRY 1.3 million to TRY 3.8 million in 2023, marking a 192% increase.

Corporate Social Responsibility Projects

Technology for Women

As part of the "Technology for Women" project, we have been working in collaboration with the Habitat Association since 2007 to help women who are behind in computer and internet usage become digitally literate. Participation in the Technology for Women training sessions is facilitated through applications made via social media and our website. Training dates and announcements are also communicated to participants through social media and e-mail. The training program starts with basic computer skills and Office applications and is further expanded to include courses on social media, e-services, safe internet use, and mobile device usage. This initiative aims to empower women by enhancing their technological skills, boosting their participation in social and cultural life, and supporting their integration into the workforce. In 2023, the "Technology for Women" project attracted over 3,000 women from across Türkiye, participating in both online and in-person training sessions. Throughout the year, 26 online training sessions and 19 face-to-face workshops were conducted.

Teknosa Volunteers

Our Teknosa Volunteers team consists of 63 employees who participate entirely on a voluntary basis. The efforts of this team make significant contributions to raising awareness of social solidarity and social responsibility. In line with our mission to create positive social impact, we have partnered with various civil society organizations (CSOs) in fields such as child welfare, women's empowerment, health, environmental protection, and education, and have actively contributed to Sabancı Volunteers projects.

TEKNOSA GÖNÜLLÜLERİ

During the reporting period:

- Under the Preo Kindness Movement, we donated TL 960,469.33 to CSOs focusing on various issues, funded by the revenues generated from Preo products.
- Following the February 6 earthquake, we provided blankets to earthquake victims in need.
- In partnership with the Buradayız Hatay Association, we donated smartphones to young individuals in need.
- We purchased tickets for the Antakya Civilizations Choir Concert organized by Lösev to support the construction of the Antakya Lösev Children's Village.
- We welcomed the Hope Café project, initiated by the KAÇUV Association to aid the treatment of children with cancer, at our office, offering support to young cancer patients and their families.
- We supplied 51 students at Şanlıurfa Yolaçan Primary School with stationery, helping to meet their educational needs.
- Through these initiatives, Teknosa Volunteers continue to uphold our commitment to society and the environment, while encouraging our employees to actively engage in projects that create positive social impact.

> “If you truly want something good to happen, you should support a woman who pours her heart into her work.”

Stakeholder View

Şirin Çınar
Technology for Women Project Participant

Hello, my name is Şirin Çınar. I am a female entrepreneur. As a mother of 3, I realized that I needed serious training to sell the products I make at home online and to market them properly. I came across the Technology for Women project by Teknosa and the Habitat Association and started looking into it. Then, I decided to participate in the training sessions offered. As a woman living in the earthquake-affected region, we found solace in returning to production, the work that helps us rebuild and stand strong again.

The internet is a vast ecosystem. We realized that no matter how good our work is, it has no value if we cannot reach the right audience. That is when we joined the Technology for Women project by Teknosa and the Habitat Association. If you truly want something good to happen, you should support a woman who pours her heart into her work. A huge thank you to the Teknosa and Habitat Association teams for supporting us!

Technology for Women Solidarity for All ★

Through the “Technology for Women, Solidarity for All” campaign, we provide access to essential technology for women who are victims of violence. By collecting and refurbishing second-hand smartphones, we distribute them to those in need through the Turkish Federation of Women’s Associations. This initiative helps women amplify their voices and participate more actively in society through the power of technology. For phones that cannot be repaired, we repurpose their parts as spares for other devices, promoting effective waste management.

Our Entrepreneurship Activities

To support sustainable development by promoting entrepreneurship and the micro-economy, we became a member of the Entrepreneurial Institutions Platform, participated in various networking events, and developed collaboration opportunities. We contributed to the ecosystem by providing mentorship support at Sabancı ARF events. Additionally, we encouraged knowledge and experience sharing through synergy meetings organized with SAHOL Innovation teams. In this context, we completed the necessary preparations to launch our internal entrepreneurship platform, TeknoThink, in January 2024, and we continue to create innovative solutions.

Askıda Ne Var

To facilitate youth access to technology and contribute to their social development, we collaborate with the platforms "Askıda Ne Var" and "Kampüste Ne Var". Through this project, we provide university students with the necessary technological products, supporting their educational journey. Additionally, we participate in various university events to contribute to the social activities of young people.

Refresh Memories: Türkiye Alzheimer's Association Project★

This project, launched in partnership with Teknosa and the Türkiye Alzheimer’s Association, aims to improve the quality of life for Alzheimer’s patients. As part of the project, specially designed keychains and digital content have been developed for Alzheimer’s patients and their families to help prevent memory loss and improve quality of life. This initiative seeks to make daily life easier for Alzheimer’s patients and strengthen family bonds.

Sabancı Republic Mobilization - Sabancı Hatay Incubation Center Project★

As part of the Sabancı Republic Mobilization, significant steps are being taken in projects, especially in regions affected by the earthquake. The **Sabancı Hatay Incubation Center Project**, run by the Habitat Association and supported by Sabancı Holding, aims to retain and develop qualified labor in Hatay, the city most affected by the February 6, 2023, Kahramanmaraş earthquake, through the Incubation Center established in the city. The center aims to create a local development platform by providing remote work and employment opportunities and equipping specific target groups affected by the earthquake with next-generation skills through training programs. **Within 6 months, the project reached 1,250 young entrepreneurs and women**, offering training for local entrepreneurs and generating economic benefits such as job creation and increased income. In the long term, these initiatives are expected to significantly contribute to the economic and social recovery of the region. As Teknosa, we support these critical projects of the Sabancı Community, fulfilling our social responsibilities and contributing to the reconstruction of disaster-stricken areas.

Relations with the Local Community ★

At Teknosa, we leverage the advantage of having a broad operational scope by building strong and sustainable relationships with local communities. By hiring our store employees from local communities, we support regional development and aim to increase the number of female employees in particular. In this context, we encourage female employment through posters and informational materials displayed in our stores. We also contribute to local employment at our logistics center in Gebze, strengthening the regional workforce.

Our Adana Sabancı Business Center branch, where we operate, makes an environmental contribution to the local community through energy production and use with its Solar Power Plant (SPP). This initiative not only meets our store's energy needs but also sells the excess energy produced back to the grid, providing sustainable energy solutions to local communities. Additionally, it sets an example for other businesses in the region, promoting environmental awareness and responsibility.

Our company has adopted policies and commitments that prioritize respect, transparency, and inclusivity in its relationships with local communities. We collect data such as contact details and demographic information from participants in our projects, ensuring we obtain the necessary permissions and maintain strict confidentiality. By monitoring the effectiveness of our actions, we aim to benefit more people each year and expand our inclusion activities. Based on feedback received, we diversify our projects and offer innovative solutions tailored to the needs of local communities. Through these approaches, we strengthen our relationships with local communities and contribute to our sustainable development goals.

Number of Women Reached Through Our Social Responsibility and Inclusion Programs

* In 2023, 3,896 women benefited from the Technology for Women Training. Through the Republic Mobilization Hatay Incubation Center, 970 women entrepreneurs received training. Additionally, 152 women were supported under the Technology for Women, Solidarity for All Project.

Hatay Incubation Center Opening Event

Greatest Gift: The 100th Anniversary of Türkiye Project ★

As part of the centennial celebration of our Republic, we launched the project “The Greatest Gift: The 100th Anniversary of Türkiye Project", delivering important messages about the Republic of Türkiye in Atatürk’s own voice to the public. We share content prepared using Atatürk’s historical speeches, sound waves, and words through sound visualization techniques on digital and physical platforms. By merging Atatürk’s vision and ideals with modern technology, we help younger generations understand and uphold the values of the Republic. In collaboration with BlindLook, we use specialized labeling systems for visually impaired individuals, providing Atatürk’s words in audio format to ensure accessibility for everyone. Additionally, we make our project’s digital and physical content available in educational institutions and public spaces, broadening access and reaching a wider audience. Through this initiative, we contribute to strengthening social memory and create significant value in raising public awareness.

To ensure that the voice recordings remain accessible and permanent for everyone, we launched the **“The Greatest Gift”** website, where we published one of Atatürk’s quotes in his own voice every day until October 29.

Responsible and Fair Future is Great at Teknosa

- Responsible Supply Chain
- Transparent, Fair, and Ethical Business Approach
- Data Privacy and Security
- Digitalization
- Risk and Crisis Management
- Internal Control and Audit
- Stakeholder Engagement

THE GLOBAL GOALS
For Sustainable Development

Photograph: Gökhan Tutak

Responsible Supply Chain

7 minute

At Teknosa, we manage our supply chain in line with the principles of sustainability and efficiency. To build an agile and sustainable supply chain, we closely monitor critical performance metrics such as on-time delivery, inventory and product security, and cost. While operating under an omnichannel model, we ensure that our products and services are in full compliance with legal regulations.

Our supply chain begins with raw materials, which are transported to Teknosa warehouses and stores through our network of manufacturers and suppliers. When selecting suppliers, we consider multiple factors, including quality and variety, and assess their products according to the "Teknosa Quality Policy". We store our products at our **Teknosa Logistics Center, which spans 30,000 m² of open space and 30,000 m²** of enclosed space, and distribute them to our stores, authorized İklimsa dealers, and directly to our customers through our online platforms. We aim to maintain the highest level of customer satisfaction through our pre-sales and after-sales services. With our network of authorized service centers and İklimsa dealers throughout Türkiye, we deliver comprehensive customer services and build fair, transparent partnerships with our local and international suppliers, driving our commitment to sustainable value creation.

Additionally, we conduct research and implement various initiatives aimed at reducing the negative impacts arising from our operations and transportation activities. We source 100% of the energy required for our Logistics Center and 75 stores from renewable sources, through the Renewable Energy Certificate (I-REC). We are integrating our sustainability strategy into our procurement processes. We aim to provide our customers with the best experience by offering a wide range of products and services in our stores and authorized dealers.

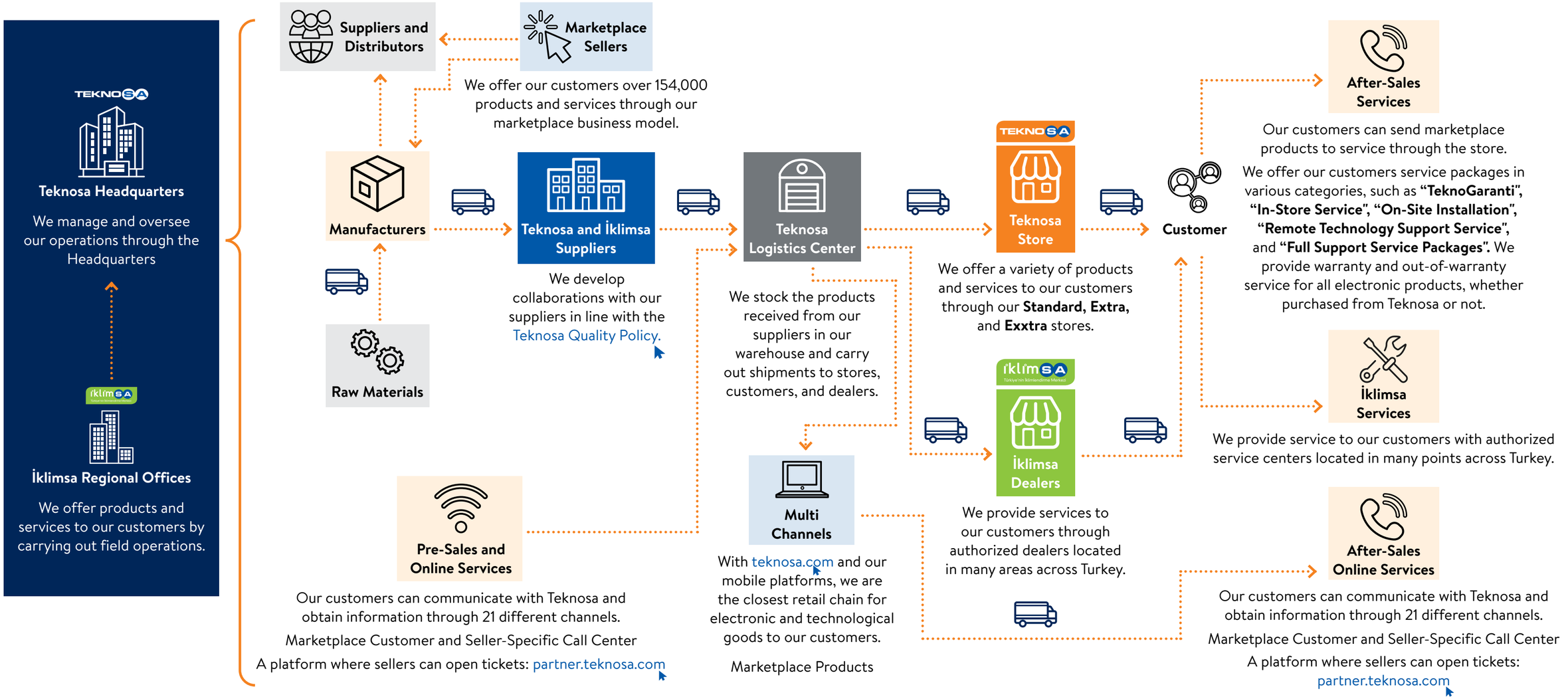
Total number of suppliers	**7,359**
Number of local suppliers	**6,900**
Number of new local suppliers	**2,195**
Payments made to suppliers (TRY)	**47,743,857,276**
Payments made to local suppliers (TRY)	**47,125,353,498**

	Local Supplier Rate (%)	Local Procurement Rate by Expenditure (%)
2021	96	97
2022	99	97
2023	94	99

We recognizes the critical role of our supply chain in the value creation process and endeavor to generate sustainable value by establishing strong partnerships with all our stakeholders. Ensuring that our suppliers adhere to environmental, social, and ethical standards is among our core responsibilities. In this regard, we aim to promote our sustainability approach and create collective value by sharing our responsible supply chain principles with our suppliers. In line with these objectives, we have developed our Sustainable Supply Chain Policy and operate within the framework of this policy.

Aligned with our sustainable supply chain approach and responsible purchasing principles, we continue our efforts to fulfill our commitments to establish fair and transparent relationships, maintain ongoing communication, raise awareness, conduct training, evaluate performance, and prioritize local suppliers. By building fair and transparent relationships with our suppliers, we foster partnerships based on mutual trust, continuously strengthen communication through various tools, and thereby achieve more effective collaboration. We organize information, awareness-raising, and training activities when necessary to increase awareness among our internal and external stakeholders. We assess our suppliers based on their environmental and social performance and prioritize them accordingly. Furthermore, we prioritize local suppliers whenever possible to support the local economy.

Teknosa Logistics Center


Teknosa Headquarters
We manage and oversee our operations through the Headquarters
İklimsa Regional Offices
We offer products and services to our customers by carrying out field operations.
Suppliers and Distributors
Marketplace Sellers
We offer our customers over 154,000 products and services through our marketplace business model.
Manufacturers
Raw Materials
Teknosa and İklimsa Suppliers
We develop collaborations with our suppliers in line with the Teknosa Quality Policy.
Teknosa Logistics Center
We stock the products received from our suppliers in our warehouse and carry out shipments to stores, customers, and dealers.
Teknosa Store
We offer a variety of products and services to our customers through our **Standard, Extra,** and **Exxtra** stores.
Customer
After-Sales Services
Our customers can send marketplace products to service through the store.
We offer our customers service packages in various categories, such as **"TeknoGaranti", "In-Store Service", "On-Site Installation", "Remote Technology Support Service",** and **"Full Support Service Packages".** We provide warranty and out-of-warranty service for all electronic products, whether purchased from Teknosa or not.
İklimsa Services
We provide service to our customers with authorized service centers located in many points across Turkey.
İklimsa Dealers
We provide services to our customers through authorized dealers located in many areas across Turkey.
Pre-Sales and Online Services
Our customers can communicate with Teknosa and obtain information through 21 different channels.
Marketplace Customer and Seller-Specific Call Center
A platform where sellers can open tickets: partner.teknosa.com
Multi Channels
With teknosa.com and our mobile platforms, we are the closest retail chain for electronic and technological goods to our customers.
Marketplace Products
After-Sales Online Services
Our customers can communicate with Teknosa and obtain information through 21 different channels.
Marketplace Customer and Seller-Specific Call Center
A platform where sellers can open tickets: partner.teknosa.com

Responsible Environmental Sourcing Practices

At Teknosa, we view our commitment to sustainability and ethical values as the foundation of how we conduct business. It is extremely important to us that the suppliers we work with also embrace these same values.

Our Supplier Code of Conduct sets out the fundamental principles that all our suppliers must adhere to while conducting their activities. Complying with these principles is not just a requirement; it is also key to making our long-term partnerships strong and sustainable. Additionally, our suppliers are expected to inform their own suppliers within their supply chains about this policy and ensure that they also operate in compliance with it. Through this approach, we aim to collectively create sustainable value and ensure high standards of working conditions across the entire supply chain.

1. Labor and Human Rights: Decent Working Conditions for All

We prioritize respecting the rights of our employees and the employees of our suppliers. We expect our suppliers to never permit forced labor or human trafficking, ensuring that our workforce has decent working conditions. We have zero tolerance for forced labor or human trafficking at any stage of our supply chain; it is essential that all employees work of their own free will. Additionally, in line with our zero-tolerance policy against child labor, it is crucial that our suppliers take the necessary measures to prevent it. We do not tolerate any form of discrimination based on gender, race, religion, or any other reason, and we expect our suppliers to create a work environment where everyone has equal opportunities.

2. Environmental Responsibility: Working Together to Protect Our Planet.

Protecting our environment is essential to securing our future. It is crucial to us that our suppliers also act with environmental responsibility. In this context, we collaborate with our suppliers to use resources efficiently, reduce energy consumption, and promote the use of renewable energy. While continuing our efforts to reduce our carbon footprint, managing waste in an environmentally safe manner remains one of our top priorities. We expect our suppliers to be diligent in this regard as well. We see full compliance with environmental regulations as a necessity in every location where we operate and expect our suppliers to show the same level of diligence.

3. Ethical Business Conduct: Honesty and Transparency are Indispensable to Us.

At Teknosa, we consider integrity and transparency to be fundamental to our business practices. We expect our suppliers to adhere strictly to these values as well. In line with our zero-tolerance policy towards bribery and corruption, it is critical that our suppliers share the same sensitivity on this issue. Creating a fair and transparent competitive environment is one of our key principles, which is why we expect our suppliers to adhere to these rules. We consider transparency to be a fundamental principle in our business processes and expect our suppliers to align with us on this matter.

4. Health and Safety: Employee Safety is Our Priority.

The health and safety of our employees come first. It is crucial that our suppliers also demonstrate the same level of sensitivity in this regard. Providing a safe working environment, implementing measures to prevent workplace accidents, and conducting ongoing health and safety training are among our core principles. We are also diligent in protecting against chemical and physical hazards. It is of great importance to us that our suppliers manage hazardous materials safely.

5. Management Systems: We Work Towards Continuous Improvement and Compliance.

We continuously improve the management systems necessary for compliance with our rules and expect our suppliers to collaborate with us in this effort. We establish the necessary systems to effectively manage risks and take swift and effective corrective actions when we identify non-compliance. We expect our suppliers to demonstrate the same level of diligence. We continuously inform and train our employees and suppliers, as strong collaboration in this area plays a critical role in achieving our sustainability goals. We constantly monitor and report on our practices, and we expect our suppliers to do the same.

At Teknosa, we plan to conduct regular and comprehensive evaluations in the future to ensure that all our supplier expectations are effectively met. These evaluations will be carried out to analyze our suppliers' compliance with established standards, identify potential deficiencies, and determine opportunities for improvement.

Integrating Sustainability into Supply Chain Processes

We successfully completed our project, “Integrating Sustainability into Supply Chain Processes", which focused on aligning initiatives such as decarbonization and circularity with our supply chain through validation workshops. This process was highly valuable for ensuring that our sustainability strategies align with stakeholder expectations and for accurately assessing our progress.

Our workshops were attended by a diverse range of stakeholders. This diversity allowed us to receive enriched feedback from various perspectives. We provided participants with materials before the workshops that included our current sustainability metrics, the challenges we face, and future opportunities. This preparation ensured that everyone participated in the workshops in a more informed and contributive manner. At every stage of the process, open dialogue and collaboration were paramount. Participants provided constructive criticism and valuable suggestions to help us achieve our sustainability goals.

Based on the feedback from the workshops, we evaluated our suppliers' current status and identified those with whom we will engage in sustainability discussions or impact through our decarbonization strategy, according to various parameters. Based on participants' suggestions, we updated our sustainability strategy to better reflect both our environmental and social responsibilities. Additionally, we provided regular updates to stakeholders on how their feedback was evaluated and the steps we have taken.

Through this project, we conducted an advanced analysis for our strategy to reduce Scope 3 emissions, which make up a significant portion of our emission profile on our journey to achieving net-zero emissions by 2050. Additionally, the project contributed to aligning our sustainability strategy not only with our financial goals but also with our social and environmental responsibilities. Moving forward, we will continue to pursue such projects, with a commitment to advancing toward our sustainability goals.

Teknosa Logistics Center

Transparent, Fair, and Ethical Business Approach

5 minute

At Teknosa, we consider ethical values to be a cornerstone of our business practices. Guided by our Code of Business Ethics, which aligns with Sabancı Holding's Code of Business Ethics and Sabancı Principles of Conduct and Management, we rigorously apply these principles in our operations. The Code of Business Ethics and the Ethics Directive are reviewed at least once a year by our Human Resources and Sustainability departments and updated as needed. The Sabancı Holding Code of Business Ethics is reviewed and updated throughout the year by the Sabancı Holding Human Resources and Sustainability Group Directorate. These updates are communicated to the Holding and its Group Companies following approval by the CEO and Chairman of the Board.

Under our Code of Business Ethics and Ethics Directive, we address various issues relevant to all our employees, including conflicts of interest, gifts and gratuities, illegal conduct, inappropriate use of confidential information, favoritism, and discrimination, behaviors that may be considered sexual harassment, alcohol and drug use, and applicable disciplinary measures. Compliance with corporate policies, the code of conduct, and legal obligations is mandatory, and we require our employees to commit to upholding ethical standards. Additionally, we conduct regular training to raise awareness of a transparent, fair, and ethical work culture among our employees. In 2023, we provided training on anti-bribery, anti-corruption, and ethical principles to a total of 245 employees, including 191 specialists and 54 managers. These trainings help our employees better understand business ethics risks and adhere to ethical standards.

The Human Resources and Sustainability departments of Sabancı Holding and Teknosa are responsible for informing about our ethical rules, monitoring the implementation of these rules, and providing related training. To prevent and manage ethical violations, all reported violations are reviewed regularly by the Internal Audit Department, and necessary measures are taken. All ethical violations reported to the Internal Audit Department are periodically reported to the Sabancı Holding Ethics Board. If the violations involve managerial or higher-level positions, necessary measures are taken in accordance with the guidance and directives of the Sabancı Holding Ethics Board. In 2023, 115 reports of ethical rule violations were received from our employees. These reports were investigated to uphold a culture of integrity and transparency in the workplace, and appropriate actions were taken.*

All stakeholders can report ethical violations via e-mail at etik@teknosa.com or by phone at (0216) 468 36 36.

Photograph: Gökhan Tutak

*Of the reports, 2 were found to have no wrongdoing, 1 received a verbal warning, and 81 received a written warning. In 27 cases, the employment contract was terminated, and 4 employees resigned.

Anti-Bribery and Anti-Corruption

We regard ensuring full compliance with laws and regulations as a crucial responsibility, guided by both the Sabancı Holding Anti-Bribery and Anti-Corruption Policy and the Teknosa Anti-Bribery and Anti-Corruption Policy. The key principles to be adhered to are detailed within the Ethics Directive, and the disciplinary provisions applicable to these matters are specified in the Disciplinary Procedure. Additionally, our document management system, accessible to employees, contains policies, procedures, and instructions related to our processes. These documents are sent to all employees and senior management as mandatory reading.

Internal audit activities focus on reviewing operational and process compliance, providing recommendations for necessary improvements or updates, and ensuring that appropriate actions are taken. As part of increasing awareness among internal stakeholders, perspectives on misconduct are evolving and clarifying, which is crucial for reporting potential misconduct to us.

We also regularly assess the risks associated with bribery and corruption. In this context, we regularly assess our risks related to bribery and corruption across all our workplaces. We identify significant risks associated with corruption as financial loss, legal violations, misconduct, employee and customer dissatisfaction, damage to reputation and prestige, information security breaches, non-compliance with the Law on the Protection of Personal Data (KVKK), risk of legal sanctions, mismanagement, and misuse of duties, authority, or responsibilities. We adopt a proactive approach in the fight against corruption, using data analytics to create scenarios for business processes at our stores and Headquarters, and conducting system controls.

In this context, we generated periodic reports on 187 scenarios during the reporting period.

In 2023, 13 cases of sales and procurement activities conducted in violation of procedures were investigated, and corrective actions were taken. The thorough examination and prompt reporting of these cases have strengthened the culture of transparency and accountability in our business processes. Such incidents provide valuable lessons for preventing similar violations in the future. Within our value chain, there have been no confirmed cases where contracts with our business partners have been terminated or not renewed due to corruption or ethical violations. There have been no public lawsuits filed against our organization or our employees related to corruption during the reporting period.

Photograph: Bünyamin Demirci

Responsible Marketing

At Teknosa, we offer our products to customers with a responsible marketing approach, meticulously adhering to legal requirements in our marketing, labeling, and advertising activities. In compliance with the Price Tag Regulation, we ensure that our labels provide clear, accurate information and respect consumer rights. As a retailer, we label our products with complete and accurate information, including their place of manufacture, distinguishing features, total sale price including taxes, and unit prices. In this process, we also adhere to all legal requirements, including the domestic production logo, packaging costs, and origin information for imported products. This way, we fulfill our legal obligations while continuing to provide our customers with a safe and transparent shopping experience.

The "Green Dot" mark of ÇEVKO on our packaging indicates that we meet our legal obligations regarding the recovery of packaging waste and make a significant contribution to the recycling system. This mark represents the steps taken to minimize the environmental impact of packaging waste as part of the recycling processes supported by ÇEVKO.

Teknosa İstinye Park Exxtra

In 2023, our employees received 420 hours of training under the 'Compliance with Competition Rules' e-learning program. These trainings, organized to ensure that our employees demonstrate ethical and legal behavior, are part of our efforts to raise awareness and promote an ethical work culture within the organization.

We strive to comply with ethical standards in all our activities and avoid any actions that would violate the law. In 2023, a total of 44 administrative fines* were imposed for violations of the Price Tag Regulation, and 1 investigation** was initiated by the Competition Authority. To prevent anti-competitive practices and enhance ethical business relationships, we continuously update our internal controls and training programs and revise our business processes accordingly. These efforts reflect Teknosa's commitment to our responsibilities towards customers and society and are fundamental to the foundation of our sustainable business model.

*In 2023, a total of 44 administrative fines were imposed for violations of the Price Tag Regulation, with a total amount of TL 146,095 paid after benefiting from a 25% discount.
** Pursuant to the Competition Authority's decisions dated May 18, 2022, and numbered 22-23/370-M and 22-23/371-M, an investigation was initiated, and during the on-site inspection, it was alleged that procedural reviews were obstructed. As a result, the Competition Authority's decision on May 2, 2023, with reference E-70922894-110.01.04-63722, imposed an administrative fine of TL 38,200,000 on the company, which represents 0.5% of the company's gross annual revenue for the fiscal year 2021, as determined by the Competition Authority. Based on the reasoned decision dated January 17, 2024, the company made a payment of TL 28,654 with a 25% discount on February 16, 2024, within the discounted payment period (one month following the notification date). We have an ongoing lawsuit challenging the Competition Authority's decision regarding anticompetitive behavior and violations of monopoly prevention regulations.

Data Privacy and Security

2 minute

At Teknosa, we actively implement measures to counter ever-evolving threats and breaches to maintain the highest level of information security. In this regard, we have intensified our efforts in information security by conducting training sessions and social engineering tests to increase user awareness. Additionally, to minimize data security risks, we analyze corporate data through data classification and prevent uncontrolled data leakage using Data Loss Prevention (DLP) applications. This approach enables us to uphold high standards in information security and business continuity, aiming to maintain our customers' trust and ensure uninterrupted operations.

We continue to approach our cybersecurity efforts with the same level of diligence. By conducting risk and impact analyses for critical sales applications, we have established a data center infrastructure in a different city to ensure uninterrupted sales processes in the event of disruptions at our primary data center. To standardize and manage these efforts within our management system, we have obtained **ISO/IEC 27001:2013 Information Security Management System** and **ISO/IEC 27701:2019 Privacy Information Management System** certifications for our Headquarters. In this context, critical records such as system logs on critical systems and 5651 log records are managed within the SIEM process, and actions are taken concerning exposed data as part of our cyber threat intelligence processes. This approach enables us to monitor all outgoing traffic from within the organization and ensures that classified data is protected against unauthorized breaches.

We promptly review notifications related to data privacy and security received by our Call Center through our Legal, Information Security, and CRM departments. Store-related errors are swiftly resolved by involving our stores in the problem-solving process. In 2023, store-related complaints accounted for 44.9% of our total complaints, mostly stemming from incorrect information provided by staff. Out of the 609 complaints received from external parties and verified by the organization, no errors were found in 158 cases, and 99 complaints were not processed due to insufficient data.

Photograph: Gökhan Tutak

Digitalization

4 minute

At Teknosa, we consider digitalization one of our strategic priorities. Our digital transformation, resolutely pursued since 2019 as part of our “Teknosa of the New Generation” program, starts from our supply chain and extends to include the delivery of products to the end consumers and after-sales processes. With our commitment to digitalization and technological innovation, we are taking significant steps toward the future. Our digital applications and AI-powered solutions are among our strategic priorities to maintain our competitive edge and sustain our leadership in the retail industry. In 2023, with the implementation of our AI-Based Data-Driven Negotiation and Digitally Enhanced Sales Force projects, we have achieved significant improvements in our purchasing and sales processes.

In 2022, we invested TL 45 million in R&D and innovation. In 2023, we significantly escalated this commitment, increasing our investment by over threefold to reach TL 168 million. In 2022, we allocated TL 17 million to sustainability-focused projects, and in 2023, we boosted this amount by more than fourfold, exceeding TL 64 million.

In the Coming Years, Teknosa Will Embrace a "Digital-First" Structure

Artificial intelligence and digitization are particularly critical in retail, which has a dynamic and complex data structure.

1. AI-Based Data-Driven Negotiation
2. Digitally Supported Sales Force
3. AI-based local assortment management
4. Dynamic pricing
5. AI-supported discount optimization
6. AI-supported promotion activation
7. GenAI applications
8. Digitally supported back office

In 2023, we launched the Digital-Focused Transformation program to elevate the in-store customer experience to the highest level. This new program, covering the years 2023-2026, aims to enhance customer focus, advance digitalization, boost technology usage, and improve operational efficiency through a comprehensive strategy. In line with this, we upgraded all our checkout hardware with state-of-the-art devices and streamlined payment processes, reducing transaction times by 20%. In our new flagship stores, we enhanced our store concept with innovative technologies such as LED screens, queue management systems, information displays, mobile kiosks, Pick & Watch, and heat maps, thus improving customer satisfaction and service efficiency.

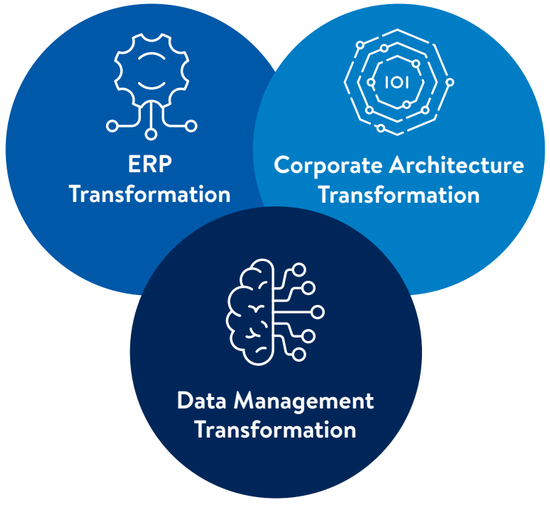
We have minimized waiting times during peak periods by increasing data speeds and quotas in our stores. We renewed our outdated printer fleet with devices that provide clearer and faster printing. We sustained our momentum in electronic label investments, outfitting 44 stores with them in 2023, thereby enhancing the efficiency of our sales representatives. This innovation also makes a significant contribution to sustainability by reducing paper and printer use.

Teknosa Istinye Park Exxtra

As Teknosa, we advanced our digital transformation strategies by comprehensively upgrading our online and mobile platforms. While continuing our e-commerce investments, we leveraged our robust infrastructure and wide product range to achieve a total gross merchandise volume of TL 10.1 billion. We also experienced a 35% increase in visitors and a 27% growth in our conversion rate. Our investments in digital channels such as retail media ads and Teknosa ADS generated new revenue streams, while our social commerce and gamification strategies boosted customer engagement. Through live broadcasts, we addressed seasonal needs and enhanced customer satisfaction by offering diverse payment options through updates to our payment infrastructure.

In 2023, we also introduced our digital ambassadors, Selin and Burak, further reinforcing our commitment to technology. These digital ambassadors were designed using customer persona analyses and advanced AI technologies and developed with 3D modeling. Selin and Burak are actively utilized on our online platforms to enhance brand awareness and strengthen our social media engagement. Beyond reflecting our brand's innovative vision, these digital characters contribute to enriching the customer experience.

Through our ERP, Enterprise Architecture, and Data Transformation projects, we are making strategic advancements to enhance data management, which is at the core of our digital strategy. With system upgrades and optimized data management processes, we are delivering seamless solutions that precisely address the needs of the retail sector. At the same time, we are adopting best practices in data security and personal data protection, taking all necessary measures to prepare Teknosa for the future.



Digital Channels

Teknosa has become a game-changer and a benchmark in the industry with its bold strides in the digital world. By integrating its online and mobile platforms, it elevates the shopping experience to a seamless and innovative level. By combining online and in-store experiences with groundbreaking applications, marketplace business models, and digital store concepts, Teknosa is strengthening its position in the industry.

The company enhances customer service with advanced technological solutions such as digital screens, kiosks, and handheld terminals, offering product information and interactive experience areas. These technologies streamline the shopping process, facilitate in-depth product exploration, and offer quick access to promotional information. Additionally, by expanding customer service through digital communication channels such as web chat, live support, and WhatsApp, the company offers faster and more effective assistance.

During the marketplace transformation, Teknosa has generated new revenue streams through digital advertising strategies, including retail media ads and Teknosa ADS, successfully managing the increased traffic across digital channels. These strategies are crucial steps toward enhancing customer satisfaction and further strengthening our digital presence. Teknosa continues to maintain its leadership in the industry with innovative solutions in the digital era.

The projects we have implemented on our digitalization journey make our operations more flexible and customer-centric while reducing costs and increasing profitability. Through these solutions, we aim to enhance our competitive edge and drive substantial improvements in our financial performance, boosting both sales and profitability. With this forward-looking vision, we continue to reinforce our leadership in the industry and deliver the best service to our customers.

Risk and Crisis Management

8 minute

Corporate Risk Management

At Teknosa, we place great emphasis on risk management to ensure that our operations are based on sustainable and solid foundations. Risk management not only involves identifying potential threats and taking preventive measures but also seizing opportunities to shape our corporate strategy accordingly. In this context, our risk management processes are integrated into all business units and operations of Teknosa.

Risk management, which plays a critical role in our corporate strategy, is designed to ensure the sustainability of our products, operations, employees, reputation, and financial strength. In this context, we work closely with our stakeholders to identify risks and opportunities, applying a continuous and systematic corporate risk management approach. In the event of potential crises, we utilize the Crisis Management Action Plan document in our Integrated Management System.

Risk management at Teknosa is coordinated by the Risk, Compliance and Business Continuity Department, which reports to the Teknosa CEO. Process audits of our Headquarters departments are carried out by the Internal Audit Department around issues specifically identified and communicated by the Sabancı Holding Audit Department within the framework of our audit plan, which is created by performing a variety of risk analyses. Upon completing process audits, our Internal Audit Department reports its findings to the Audit Committee, which includes members of our Board of Directors.

We closely monitor our Occupational Health and Safety (OHS) risks through dedicated software. This software not only monitors risks but also digitizes all our OHS processes. We use this platform to manage training and incident records, track the compliance of our workplaces with OHS regulations, and handle documentation. Additionally, our OHS department continuously monitors risks and shares updates with the relevant departments.

We address the risks our company faces under the key categories of environmental, social, economic, technological, political, and operational. To identify mitigation and elimination methods for these risks, we held a Risk and Opportunity Identification Workshop with the participation of employees from relevant departments. During the workshop, we outlined actions to strengthen our operations against identified risks, aiming to capitalize on opportunities to the fullest extent.

Photograph: Emrah Bektaş

Risk Area	Related Capital Element	Risk and its description	Actions Taken Against Risks	Opportunities
Social	• **Social and Relational Capital** • **Human Capital** • **Financial Capital**	**Yeteneklerin Elde Tutulması ve Yetenekli Çalışan Eksikliği;** • Talent Retention and Lack of Skilled Employees; • Employees moving to competitor firms, leading to the transfer of know-how • Decrease in customer demand due to falling behind competitors • Disruptions that may undermine operational excellence • Increased personnel costs **Management and Business Continuity Planning;** • Inability to execute strategic investments due to ineffective resource and project planning • High and unexpected temperature increases **Infectious Diseases;** • A pandemic such as COVID-19	• Effective human resources management (providing training and career development opportunities) • Compensation and benefits management • Improvement of recruitment processes • Effective corporate risk management • Promotion of corporate culture and climate improvement initiatives • Continuity and development of organizational employee succession planning systems • Initiatives aimed at boosting online sales • Enhancing the resilience of the supply chain • Establishment of a crisis management team	• Facilitating transitions between group companies • Providing training for employee development through Teknosa Academy • Implementing initiatives that enhance employee development and satisfaction, such as graduate studies support and the Mother Mentors of Teknosa program • Increase in online sales revenue • Proactivity against crises
Environmental	• **Natural Capital** • **Financial Capital**	**Extreme Weather Events and Natural Disasters;** • Flooding of stores or the logistics center due to heavy rainfall • Disruption of operations due to disasters such as earthquakes and fires **Global Temperature Increase and Air Pollution;** • Challenges in raw material and product supply due to the depletion of natural resources • High and unexpected temperature increases	• Conducting operational activities in areas not prone to flooding • Reducing the impact of risk through means such as insurance and comprehensive insurance • Implementing measures to reduce the physical impact of risks, such as climate control and insulation • Proper inventory management and control • Managing product range and placing orders based on weather forecasts • Enhancing the resilience of the supply chain • Establishment of a crisis management team • Working with multiple suppliers for product sourcing • Setting a 2050 Net-Zero target to combat the climate crisis	• Increase in online sales revenue • Proactivity against crises • Increased demand and sales of air conditioning products • Rise in sales of air purifiers • Expansion of eco-friendly products and services • Emission reduction and economic benefits from water and energy-saving initiatives

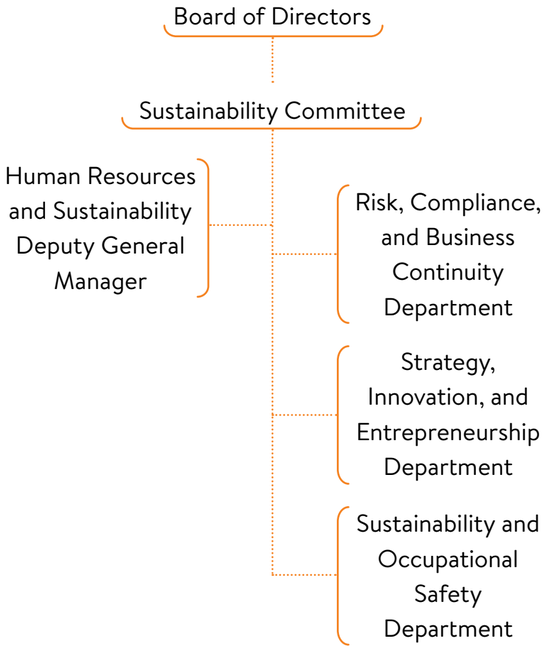
Risk Area	Related Capital Element	Risk and its description	Actions Taken Against Risks	Opportunities
Economic	• **Financial Capital**	**Currency Risk and Financial Uncertainty;** • Changes in inflation and the need for constant updates to pricing policies **Cash Flow;** • Imbalance between income and expenses due to delayed collection of revenues in an inflationary environment **Interest Rates;** • Uncertainties in corporate finance management and delayed investment decisions **Decline in the Value of Financial Assets;** • Decrease in customer demand due to falling behind competitors **Rent Increase Rates;** • Rent agreements based on exchange rates	• Effective financial risk management • Establishing fixed exchange rates through currency agreements • Reviewing the company risk management process • Seeking consultancy for financial management • Controlling operational expenses through currency agreements	• Advantageous product pricing due to fixed exchange rates • Strengthening investor relations through sustainability initiatives
Technological	• **Intellectual Capital** • **Financial Capital**	**Cyber Attacks;** • Non-compliance with legal requirements such as the Personal Data Protection Law (KVKK) and the Capital Markets Board (CMB) regulations • Incurring losses due to halted sales **Intensified Competition in Digital Transformation;** • Decrease in customer demand due to falling behind competitors • Increasing operational costs associated with the digital label application **Information Security;** • Damage to brand reputation and trust **Social Media;** • Stakeholder concerns or negative feedback easily shared due to the rise of social media • Receiving social media comments that could harm brand reputation and credibility	• Need for increased investment and expansion of human resources • Reviewing the company risk management process • Defining digital transformation strategies • Seeking consultancy when necessary • Continuous improvement of technical infrastructure • Enhancing organizational digital competencies and fostering a culture of innovation • Improving the competence of IT and CRM processes • Managing social media and reputation	• Investing in next-generation digital technologies • Developing custom software and tools tailored to Teknosa's digital transformation processes • Filing for patents or copyrights • Establishing joint agreements and collaborations with suppliers • Enhancing software and hardware skills • Leveraging social media as an easy and fast communication platform to strengthen stakeholder relations • Optimizing resource utilization through operational efficiency

Risk Area	Related Capital Element	Risk and its description	Actions Taken Against Risks	Opportunities
Policy and Legislation	• **Natural Capital** • **Social and Relational Capital** • **Human Capital** • **Financial Capital**	**Yasalara ve Düzenlemelere Uyum;** **Compliance with Laws and Regulations;** • Paying penalties due to non-compliance with legal regulations **Emerging Laws (Carbon pricing mechanisms);** • Operational transformation to comply with climate laws and carbon pricing regulations • Increase in expenses due to additional taxes **Risks Related to Laws and Regulations;** • Employee loss and management issues related to the EYT (Employees Affected by Retirement Age Restrictions) • Incurring administrative fines due to noncompliance with new legislation introduced as a result of the increase in the number of intermediary service providers **Risks Related to International Commercial Activities;** • Updates to product range under the European Green Deal **Price Inspection within the Scope of Unfair Pricing Assessment Board (HFDK) Regulations;** • Incurring fines due to anti-competitive behavior **Violations of Data Protection Laws, Confidential Breach;** • Non-compliance with legal requirements such as the Personal Data Protection Law (KVKK) and the Capital Markets Board (CMB) regulations • Damage to brand reputation and trust	• Seeking consultancy for monitoring laws and regulations • Reducing emissions • Producing environmentally friendly products • Close monitoring of draft legislation • Providing feedback on draft legislation through collaborations with associations • Producing environmentally friendly products • Training relevant stakeholders • Improving the competence of IT and CRM processes • Increasing skilled human resources	• Opportunities to contribute to the preparation and monitoring of laws and regulations • Achieving operational excellence

Risk Area	Related Capital Element	Risk and its description	Actions Taken Against Risks	Opportunities
Operational	• **Manufactured Capital** • **Social and Relational Capital** • **Financial Capital**	**Changes in Customer Preferences;** • Incorporating sustainability into purchasing decisions **Rising Raw Material Costs and Risk to Product Availability;** • Decreased product supply and inability to meet customer demand **Market Uncertainty, New Competitors and Potential Business Losses;** • Decrease in customer demand due to falling behind competitors • Impact of new competitors on the customer portfolio **Business Continuity;** • Stock levels falling below critical thresholds due to disruptions in the global supply chain • Disruptions in operations due to non-compliance with legal requirements • Disruption in IT operations **Workplace Accidents;** • Incidents that jeopardize operational continuity, employee health, and safety **Supply Chain;** • Stock levels falling below critical thresholds due to disruptions in the global supply chain **Product Inventory Status;** • Ineffective use of inventory control mechanisms/tools **Customer Satisfaction;** • Receiving social media comments that could harm brand reputation and credibility	• Expansion of sustainable products and services • Reviewing and improving the company risk management process • Seeking consultancy for monitoring laws and regulations • Implementation of measures for occupational health and safety (OHS) • Promotion of a company-wide OHS culture • Our Occupational Health and Safety Risk Assessment Procedure • Expansion of the supply chain and working with additional suppliers • Enhancing supply chain resilience by sourcing from diverse suppliers • Development of corporate resource management systems • Managing social media and reputation	• Increase in revenue from sustainable products and services • Strengthening the supply chain by expanding the supplier network • Business losses also in competitors, and evaluation of the human resources pool • Gaining bargaining power in purchases • Opportunities to contribute to the preparation and monitoring of laws and regulations • Gaining bargaining power in purchases • Optimizing resource utilization through operational efficiency

Climate Risk Management

5 minute



At Teknosa, climate risks—ranging from existing and emerging regulations to technological and market changes, legal and reputational risks, as well as sudden and chronic physical risks—constitute a crucial part of our sustainability strategy. By adopting a proactive approach to these risks, we aim to enhance operational efficiency, reduce our carbon footprint, and achieve sustainable growth targets. In this context, we are reinforcing our commitment to creating environmental, social, and economic value through concrete measures such as digital and electronic label implementations, carbon emission reduction initiatives, and increased revenue from low-carbon energy.

Our approach to managing the potential impacts of environmental factors such as extreme weather events, natural disasters, and global temperature increases on our operations reflects our commitment to sustainability and our strategic approach in this area. The Board of Directors oversees the overall strategic direction and decision-making. The Sustainability Committee, which operates under the Board and includes executive board members, is responsible for managing climate change-related risks and opportunities. The Deputy General Manager of Human Resources and Sustainability supports this committee by implementing necessary measures and strategies at the operational level. At the operational level, the Risk, Compliance, and Business Continuity Department, the Strategy, Innovation, and Entrepreneurship Department, and the Sustainability and Occupational Safety Department identify risks and opportunities and support field applications and operations.

This structure is a driving force in effectively managing climate change risks and achieving our sustainability goals.

In line with our sustainability commitment, we are proactively addressing climate change by considering the potential financial impacts of carbon pricing mechanisms and developing our risk management strategies accordingly. Should carbon pricing mechanisms such as carbon taxes or emissions trading systems (ETS) be implemented, it is anticipated that the cost per ton of greenhouse gas emissions will be determined similarly to the EU ETS system. Although the exact extent to which companies will be subject to pricing mechanisms is unclear, should Teknosa be subject to such mechanisms for its Scope 1 emissions, considering that the cost per ton of greenhouse gas emissions under the EU ETS system is approximately €80, it is estimated that this could represent a financial risk of XTL 6,188,160.

As part of our climate change risk and opportunity assessments conducted in 2023, the evaluations and scenario analyses guided by the TCFD (Task Force on Climate-related Financial Disclosures) have enabled us to reassess our strategies and develop new strategies for the future. Scenario analyses have allowed us to evaluate how our current strategies perform under various climate conditions, helping us identify potential risks and opportunities to select the most appropriate strategies. In the scenario selection and implementation process, we use temperature increase scenarios of <2°C and 3.5-4°C to assess different future scenarios that climate change might create. These scenarios help us anticipate potential risks and opportunities across a broad spectrum, from our operational processes to our supply chain. This approach ensures that we are prepared for the uncertainties brought by climate change and can turn these changes into opportunities for long-term success.

We have thoroughly examined the financial implications of the physical and transition risks of climate change on our operations from a TCFD perspective. Within this framework, we identified two critical risks specific to our activities: carbon tax risk and increases in raw material and product costs. The selection of these risks took into account sector-specific risks, company-specific operations, geographic locations, and similar criteria. Additionally, we evaluated the opportunities presented by climate change.

Teknosa's main climate risks are identified as carbon pricing mechanisms, increases in raw material and product costs, and regulations related to current products and services. These risks become more pronounced, particularly in scenarios where global temperature rise is limited to <2°C. A more detailed assessment of these risks and their impacts can be found in our risks table.

Risk	Description	Impact on the Value Chain	Type	Our Strategy
Carbon Pricing Mechanisms	The introduction of policies such as carbon taxes may create cost pressures within the supply chain.	Supply Chain	Transition	We will explore low-carbon alternatives and accelerate efforts to reduce our carbon footprint.
Increase in Raw Material and Product Costs	Climate change may lead to increased raw material costs, which could, in turn, raise product costs.	Supply Chain	Physical/Transition	We will implement strategies for sustainable raw material sourcing and supply chain diversification.
Regulations on Current Products and Services	Regulations may negatively affect the sale of high-emission products.	Supply Chain, Operations	Transition	We will align our product portfolio with regulations and develop eco-labeling strategies.
Change in Customer Behavior	Increased demand for sustainable products may impact sales.	Sales	Transition	We will expand our sustainable product portfolio and support circular economy models.
Heatwaves (Acute)	High temperatures can increase air conditioning needs in stores, leading to additional costs	Operations	Physical	We will enhance energy efficiency in stores to prevent these extra costs.
Heat Stress (Chronic)	High temperatures may adversely affect working conditions and create additional cooling requirements.	Operations	Physical	We will ensure energy efficiency in stores and data centers.
Increased Compliance Obligations	Mandatory emissions reporting can increase operational obligations.	Operations	Transition	We will optimize emissions reporting to ensure compliance and improve processes.
Low Emission Zones	The establishment of low-emission zones may impact transportation operations.	Operations	Transition	We will evaluate investments in low-emission vehicle fleets for transportation operations and establish compliance strategies.
Wildfires	Wildfires may disrupt store operations.	Operations, Supply Chain	Physical	We will develop risk management and crisis plans to be prepared for wildfires.
Flood Risks	Flooding and heavy rain may cause operational disruptions in stores.	Operations, Supply Chain	Physical	We will take measures against flood risks in stores and warehouses and develop emergency plans.

For Teknosa, climate change not only presents risks but also significant opportunities. Changing consumer behaviors, rising temperatures, and more efficient stores are among the leading opportunities. Details of these opportunities can be found in our opportunities table.

Opportunity	Description	Impact on the Value Chain	Type	Our Strategy
Change in Customer Preferences	The rise in demand for sustainable products could boost Teknosa's sales.	Sales	Transition	We will consider expanding our sustainable product portfolio and highlighting energy-efficient products.
Heatwaves	Rising temperatures may increase air conditioning sales, offering additional revenue opportunities for Teknosa.	Sales	Physical	We will enhance our sales capacity for air conditioning products and explore new products in this area.
More Efficient Stores/Branches	Operational costs can be reduced by increasing energy efficiency.	Operations	Transition	We will focus on expanding investments in renewable energy and advancing the implementation of energy-efficient store projects.
Business Continuity Management	Rapidly restarting operations after climate-related events can enhance customer satisfaction.	Operations	Transition	We will work on developing business continuity management systems and enhancing supply chain resilience.

Photograph: Gökhan Tutak

Internal Control and Audit

2 minute

We effectively manage internal audit and control processes at Teknosa. The Audit Committee, which reports directly to the Board of Directors, is responsible for critical tasks such as overseeing the company's accounting system, financial reporting, and public disclosure of financial information. Additionally, it oversees the operation and effectiveness of the internal control system through independent audits. In 2023, the Audit Committee convened 4 times, reviewing topics such as the independent audit report and evaluating the audit activities conducted by the Senior Internal Audit Department.

The Senior Internal Audit Department is responsible for conducting audits and investigations/inquiries at our Headquarters, warehouses, and stores. Store audits, investigative/inquiry work, and process audits for the warehouse and Headquarters departments are conducted by the Assistant Manager of Store Audits & Investigations/Inquiries and the Process Audit Department, respectively. The Data Analysis and Project Management Department, which operates within the Senior Internal Audit Department, provides data support for both processes.

Audit findings and investigation/inquiry activities are shared by the Senior Internal Audit Department during the 4 Audit Committee meetings held each year.

Our store audits are conducted based on our Store Audit Checklist Form, which is updated annually following meetings with departments. This checklist covers sections such as training and awareness, service, security, cash handling, printed documents, records, and inventory. Each store is audited at least once a year, and plans are prepared to identify areas for improvement in stores scoring below 7.5 out of 10 in the audits. We conduct 2 or more visits to the store as needed, according to our audit schedule, to identify areas for development. The areas for improvement identified during our audits are shared with the responsible Store Manager through the Integrated Management System, and the results are communicated to Senior Management.

Under the process audit plan approved by the Audit Committee, we audit all company functions within a specified timeline, and the results of these audits are reported. Identified areas for improvement are shared with Senior Management, and the action plans submitted by process owners are closely monitored by us.

The Data Analysis and Project Management aims to detect potential irregularities or errors that violate procedures proactively, without waiting for reports. Identified areas for improvement are shared with Senior Management, and the action plans submitted by process owners are closely monitored by us.

Through our audit processes, we continuously improve Teknosa's internal audit and control mechanisms to contribute to the company's sustainable growth. This enhances the effectiveness of our audit and control processes, further strengthening the overall performance and reliability of our company.

Stakeholder Engagement

2 minute

We recognize that our sustainability performance is made possible through the contributions of our stakeholders. Therefore, we prioritize accurately identifying stakeholder expectations and needs. We aim to optimize company performance by systematically integrating stakeholder perspectives into our governance, strategic, and operational processes.

Understanding the diverse viewpoints, needs, and expectations of our stakeholders is essential to ensuring inclusivity in our decision-making processes. Creating an open and honest communication channel is crucial for fostering mutual respect and understanding, which are vital for long-term relationships and a positive brand image. Proactively identifying and addressing potential opportunities and risks related to stakeholder relationships enables us to develop aligned and strategic responses to external challenges. By leveraging stakeholder feedback and insights, we promote continuous organizational improvement, innovation, and the development of sustainable performance.

Stakeholder Category	Objectives	Communication Methods	
Employees	Enhancing employee satisfaction, gathering feedback, providing training and development	Training, meetings, newsletters, Teknobox Suggestion System, Tekno Bülten, satisfaction surveys, internal audits	**At least once a week**
Sabancı Holding	Ensuring strategic alignment with the Holding and strengthening collaboration	Meetings, statements, X-Lab / X-Teams projects, reports, bulletins, digital platforms	**At least once a week**
Authorized Services and Dealers	Monitoring service and dealer performance, resolving issues, strengthening collaboration	Meetings, Icecat Platform, digital platforms	**At least once a month**
Investors and Shareholders	Sharing company performance transparently, increasing trust and loyalty	Annual Reports, Investor Relations Website, General Assembly meetings, Public Disclosure Platform (KAP), Teleconferences	**At least once a month**
Universities	Attracting future talents and enhancing university-industry collaboration	Career days and events, Step Internship Program, sponsorships	**At least once a month**
Public and Accreditation Bodies	Ensuring regulatory compliance, managing accreditation processes	Strategic collaborations, conferences, panels, digital platforms	**At least once a month**
Civil Society Organizations and Associations	Developing social responsibility projects and enhancing community engagement	Strategic collaborations, conferences, panels, digital platforms	**At least once a month**
Suppliers	Monitoring supply chain performance, ensuring quality and sustainability	Meetings, reports, Icecat Platform, e-mails, audits, digital platforms, Supplier Code of Conduct	**At least once a day**
Customers	Increasing customer satisfaction, monitoring service quality, collecting feedback	Reports, call center, teknosa.com, SMS, e-mail, satisfaction surveys, digital platforms	**At least once a day**
Media	Managing the company's image, informing the public	Press Releases	**As needed**

Direct Engagement Indirect Engagement

*Our stakeholders are positioned in order of priority from highest to lowest. Our highest priority stakeholders are our employees.

Annexes

- Memberships and Partnerships
- Key Performance Indicators
- Performance Tables
- Policies
- News and Events
- Dictionary of Technical Terms
- TCFD Indeks
- UN Global Compact Index
- Awards and Achievements
- GRI Content Index
- Reporting Guidance
- Assurance Statement

Photograph: Gökhan Tutak

Memberships and Partnerships

7 minute

Relevant Stakeholder	The Role of Teknosa	Outcomes Achieved	Relevant SDGs	Objective	Relevant Departments
Sabancı Holding	Project Development Active Participant	Sabancı Holding Republic Mobilization Sabancı Volunteers Business Plastics Initiative Commitment		Collaborate with Sabancı Holding to generate social benefits and develop sustainable projects.	Sustainability and Occupational Safety Department
Euronics	Membership	Active Participation		As an active player in the European market, stay updated on industry innovations and foster international partnerships.	Sustainability and Occupational Safety Department
Category Retailers Association (KMD)	Membership	Active Participation		Monitor developments in category retailing and share best practices within the industry.	CFO
United Brands Association (BMD)	Membership	Active Participation		Support brands in achieving their sustainability goals and develop joint projects.	CFO
Electronic Commerce Operators Association (ETİD)	Membership	Founding Membership - Passive Participation		Monitor innovations and promote best practices across the e-commerce industry.	Chief Digital Commerce and Marketing Officer
Turkish Informatics Industry Association (TÜBİSAD)	Membership	Active Participation		Promote sustainability and innovation in the IT industry.	Corporate Communications
Women in Technology Association	Membership	Active Participation		Empower women in the technology industry and promote gender equality.	Corporate Communications
Turkish Advertisers Association (RVD)	Membership	Active Participation		Promote ethical and sustainable practices in the advertising industry.	Marketing Communications
Turkish Investor Relations Society (TÜYİD)	Membership	Active Participation		Enhance transparency and sustainability in investor relations.	Investor Relations
Chambers of Commerce	Membership	Active Participation		Support trade development at local and national levels, promote sustainable business practices.	Accounting Department
Enerjisa Enerji	Project Development	LED Lighting Conversion Adana Sabancı Business Center Rooftop Solar Power Project		Support energy efficiency and renewable energy projects, encouraging innovation in this field.	Construction Department
UN Women's Empowerment Principles (WEPs)	Active Participant	Participation as a Mentor		Empower women in the business world and promote gender equality.	Sustainability and Occupational Safety Department
Women on Board Association (YKKD)	Active Participant	Active Participation		Increase the representation of women in leadership positions, promoting gender equality and contributing to more inclusive decision-making processes that incorporate diverse perspectives in the business world.	Corporate Communications
Yanındayız Association	Membership	Active Participation		Promote gender equality and challenge traditional gender roles to create a fairer and more equal society.	Corporate Communications

Relevant Stakeholder	The Role of Teknosa	Outcomes Achieved	Relevant SDGs	Objective	Relevant Departments
Lead Network	Membership	Active Participation		Increase the number of female leaders and achieve gender balance in the business world, supporting women's career development and enhancing workplace diversity.	Corporate Communications
Sabancı Foundation	Project Development	Technology for Women, Solidarity for All		Promote access to technology and solidarity for all, supporting social development and increasing technology use.	Corporate Communications
Turkish Federation of Women's Associations (TKDF)	Benefactor	Support for Combating Violence Against Women		Fight against violence towards women and strengthen women's solidarity to enhance their safety and promote gender equality in society.	Corporate Communications
	Project Development	Technology for Women, Solidarity for All			Corporate Communications
WWF-Türkiye (World Wide Fund For Nature)	Green Office Program	Green Office Diploma		Promote eco-friendly office practices and obtain a sustainability diploma, thereby reducing environmental impacts in business processes and creating a sustainable work environment.	Sustainability and Occupational Safety Department
LÖSEV	Benefactor	Support for Children with Cancer		Provide support to children with cancer to improve their treatment and enhance their quality of life.	Chief Human Resources and Sustainability Officer
Association for Supporting Contemporary Life	Benefactor	Education Support		Provide educational support to improve access to education for younger generations and promote social development.	Chief Human Resources and Sustainability Officer
WeWalk	Benefactor	Support for Visually Impaired Individuals with White Canes		Provide white canes to visually impaired individuals to enhance their capacity for independent mobility and support their social participation.	Chief Human Resources and Sustainability Officer
Entrepreneurial Institutions Platform	Active Participant	Stakeholder Engagement and Collaborations		Develop stakeholder engagement and collaborations to foster innovation and promote sustainable business practices.	Strategy, Innovation and Entrepreneurship Department
Aegean Forest Foundation	Benefactor	Donation of Saplings		Contribute to environmental protection and support afforestation activities through tree donations, thereby reducing the carbon footprint and preserving ecosystems.	Assistant Manager of CRM Technologies
Air Conditioning and Refrigeration Manufacturers Association (İSKİD)	Membership	Active Participation		Engage actively in the air conditioning and refrigeration sector to follow and implement innovations, thereby increasing energy efficiency and ensuring environmental sustainability.	Chief İklimsa Business Unit Officer
Istanbul Metropolitan Municipality- Ugetam	Membership	Active Participation		Support sustainable projects in the city in collaboration with Istanbul Metropolitan Municipality, providing social benefits and fostering urban sustainability.	Chief İklimsa Business Unit Officer

Relevant Stakeholder	The Role of Teknosa	Outcomes Achieved	Relevant SDGs	Objective	Relevant Departments
Habitat Association	Project Development	Technology for Women Project		Support sustainable projects in the city in collaboration with Istanbul Metropolitan Municipality, providing social benefits and fostering urban sustainability.	Corporate Communications
Askıda Ne Var?	Active Participant	Technology for Youth Association		Facilitate access to technology for young people and support their development in the field of technology.	Marketing Communications
Turkish Industry and Business Association (TÜSİAD) / Environment and Climate Change Working Group	Active Participant	Active Participation		Raise awareness on environmental and climate change issues, promote industrial best practices, and contribute to sustainability goals.	Sustainability and Occupational Safety Department
Business and Sustainable Development Council (SKD Türkiye) / Circular Economy Platform	Membership	Active Participation		Adopt circular economy principles, promote sustainable business models, and enhance resource efficiency.	Sustainability and Occupational Safety Department
Business and Sustainable Development Council	Membership	Active Participation		Promote sustainable development, achieve environmental sustainability goals, and disseminate sustainability practices in the business world.	Sustainability and Occupational Safety Department
Air Conditioning and Refrigeration Manufacturers Association (İSKİD)	Membership	Active Participation		Increase energy efficiency in the air conditioning and refrigeration industry and ensure environmental sustainability.	Chief İklimsa Business Unit Officer
The Boston Consulting Group (BSCG)	Project Development	Marketplace Model		Develop a marketplace model, contribute to strategic innovation and entrepreneurship projects.	Strategy, Innovation and Entrepreneurship Department
The Association for Children with Cerebral Palsy (SERÇEV)	Benefactor	Education and Health Support for Children		Provide educational and health support to children with cerebral palsy, enhancing their capacity for independent living and ensuring their full participation in society.	Chief Human Resources and Sustainability Officer
Turkish Foundation for Children in Need of Protection (Koruncuk Foundation)	Benefactor	Support for the Development of Children Technological Product Support for Children Support Education, Let My Dream Come True Project		Contribute to the development of children in need of protection, support their access to technology, and create equal opportunities in education, thereby enabling them to have better educational and employment opportunities in the future.	Chief Human Resources and Sustainability Officer
Community Volunteers Foundation (TOG)	Benefactor	Support for Young Community Volunteers		Encourage young people to participate in social responsibility projects, enhancing their social skills and community awareness, thereby enabling them to contribute to society as active citizens.	Chief Human Resources and Sustainability Officer

Relevant Stakeholder	The Role of Teknosa	Outcomes Achieved	Relevant SDGs	Objective	Relevant Departments
Darüşşafaka Society	Benefactor	Support for Equal Opportunities in Education		Ensure equal opportunities in education and support students with financial difficulties.	Chief Human Resources and Sustainability Officer
Mother Child Education Foundation (AÇEV)	Benefactor	Support for the Reading Future Project		Support children's education through the "Reading Future Project", creating equal opportunities in education and promoting their cognitive and social development.	Chief Human Resources and Sustainability Officer
Tohum Türkiye Autism Early Diagnosis and Education Foundation	Benefactor	Donation Support for the Development of Children with Autism		Provide access to early diagnosis and educational opportunities for children with autism to support their development and facilitate their integration into society.	Chief Human Resources and Sustainability Officer
Turkish Education Foundation	Benefactor	Donation Support for Equal Opportunities in Education		Ensure equal opportunities in education and supporting students with financial difficulties to help them receive quality education and contribute to society.	Chief Human Resources and Sustainability Officer
Association for Establishing and Sustaining Nursing Homes	Benefactor	Donation Support to Meet the Social and Psychological Needs of the Elderly		Meet the social and psychological needs of the elderly to enhance their quality of life and support their participation in society.	Chief Human Resources and Sustainability Officer
Tema	Benefactor	Donation Support for Afforestation Efforts		Support afforestation and environmental protection efforts, contribute to the preservation of natural resources, and strengthen ecosystems.	Chief Human Resources and Sustainability Officer
Foundation for the Physically Disabled	Benefactor	Donation Support for the Integration of People with Disabilities into Social Life		Support the integration of people with disabilities into social life and improve their quality of life.	Chief Human Resources and Sustainability Officer
KAÇUV	Benefactor	KAÇUV-Umut Cafe Collaboration		Support the needs of children with cancer and their families, offer them hope and support, and raise social awareness in collaboration with KAÇUV-Umut Cafe.	Chief Human Resources and Sustainability Officer
Turkish Association of University Women	Benefactor	Donation Support for Achieving Gender Equality		Promote gender equality and enhance educational and career opportunities for women, thus contribute to a stronger and more equal society.	Chief Human Resources and Sustainability Officer
Hacı Ömer Sabancı Foundation	Benefactor	Scholarship Opportunities for Earthquake-Affected Students		Provide scholarship opportunities for earthquake-affected students to support their education and help them overcome the challenges they face. This aims to empower students who continue their education to become stronger contributors to society in the future.	Chief Human Resources and Sustainability Officer

Key Performance Indicators

6 minute

Target Breakdown	Related Material Topic	Subtopic	Responsible Department	Goals	Unit	Baseline Year	Target Year (Short Term)	Targeted Performance (Short Term)	Target Year (Medium Term)	Targeted Performance (Medium Term)	Target Year (Long Term)	Targeted Performance (Long Term)	2022 Performance	2023 Performance	Target Progress Rate (%)
Environment	Combating the Climate Crisis	Awareness Initiatives	Sustainability	Provide sustainability training to suppliers	%	2021	2023		2024	20	2030	100	0	0	0
	Combating the Climate Crisis	Energy Efficiency	Sustainability Construction and Design	Reduce electricity consumption in stores	%	2022	2023	5 (1,038,810 kWh)			2030	25	20,776,216 kWh	20,132,320 kWh	3%
	Combating the Climate Crisis	Energy Efficiency	Sustainability Administrative Affairs	Reduce electricity consumption at the Headquarters and Logistics Center	%	2022	2023	5					1,087,177 kWh	1,342,594 kWh	-23.49%
	Environmentally Friendly Products and Services	Effective Waste Management	Sustainability Marketing Internal Procurement	Promote the use of biodegradable, compostable, or recyclable bags in stores	%	2021	2023	100					70%	100%	100%
	Effective Waste Management	Effective Waste Management	Sustainability Administrative Affairs	Reduce single-use plastic usage at the Headquarters	%	2021	2023	100					35 kg	6 kg	83%
	Effective Waste Management	Effective Waste Management	Sustainability Human Resources Internal Procurement	Reduce single-use plastic usage in stores	%	2021	2024	10 (311 kg)	2025	40 (1,244 kg)			3.11 ton	7.78 ton	-150.16%
	Effective Waste Management	Effective Waste Management	Sustainability	Raise awareness among internal and external stakeholders to increase the amount of e-waste collection	Units	2022	2024	12					E-waste: 1,544 kg (Exitcom) + 3,100 kg (scrap)	2.2 ton	18.33%
	Effective Waste Management	Effective Waste Management	Sustainability Marketing	Send SMS communications and organize TeknoClub campaigns to boost e-waste collection	Units	2022	2024	4					2 tons	2,2 tons	0
	Effective Waste Management	Effective Waste Management	Sustainability Marketing	Organize campaigns to increase e-waste collection	Units	2022	2024	2					1 (Sapling donation campaign)	1 (Sapling donation campaign)	50%
	Digitalization	Effective Use of Resources	Sustainability Administrative Affairs	Reduce paper consumption at the Headquarters	%	2022	2024	30	2025	50			120 tons	96 tons	20%
	Combating the Climate Crisis	GHG Reduction	Sustainability Administrative Affairs Construction and Design	Reduce Scope 1 and 2 emissions	%	2021	2023	30	2025	36	2030	42	scope 1: 2,080.95 ton CO_2e scope 2: 6,206	scope 1: 2,344 ton CO_2e scope 2: 5,359	30%

Target Break-down	Related Material Topic	Subtopic	Responsible Department	Goals	Unit	Baseline Year	Target Year (Short Term)	Targeted Performance (Short Term)	Target Year (Medium Term)	Targeted Performance (Medium Term)	Target Year (Long Term)	Targeted Performance (Long Term)	2022 Performance	2023 Performance	Target Progress Rate (%)
Environment	Combating the Climate Crisis	GHG Reduction	Sustainability Administrative Affairs Category İklimsa	Net-zero emissions	tons CO_2e	2021					2050	0	The net-zero roadmap has been determined		
	Combating the Climate Crisis	GHG Reduction	Sustainability Construction and Design	Share of renewable electricity in overall electricity consumption	%	2021	2023	45	2025	80	2030	100	6,817 MWh 25%	9,108 MWh (Target updated)	21%
	Combating the Climate Crisis	GHG Reduction	Sustainability Administrative Affairs	Decrease fuel consumption of company vehicles	%	2022	2024	5					192,038 liters of gasoline 15,343 liters of diesel	242,780 liters of gasoline 27,989 liters of diesel	-26.42% -82.42%
	Combating the Climate Crisis	GHG Reduction	Sustainability Administrative Affairs	Reduce natural gas consumption at the Headquarters and Logistics Center	%	2022	2024	5					2,386 Mwh	664 Mwh (Target updated)	72%
	Combating the Climate Crisis	Water Efficiency	Sustainability Administrative Affairs	Reduce water consumption at the Headquarters and Logistics Center	%	2022	2024	10			2030	30	10,909 m^3	7,772 m^3	28.76%
	Environmentally Friendly Products and Services	Sustainable Products and Services	Category	Increase the sales volume of refurbished products	%	2022	2023	26					108,512,081 TL	334,386,137 TL	208.16%
	Environmentally Friendly Products and Services	Sustainable Products and Services	Category	Increase the volume of used mobile phones collected	Units	2021	2023				2030	500,000 +	42,571	57,434	34.91%
	Environmentally Friendly Products and Services	Sustainable Products and Services	Category İklimsa	Increase the number of sustainable products	Units	2022	2023	180	2025	230	2030	385	148	207	115%
	Environmentally Friendly Products and Services	Sustainable Products and Services	Category	Increase the revenue from rental services	%	2022	2023	30,000	2025	400,000	2030	12,000,000	21,807 TL	29,234 TL	97%
	Environmentally Friendly Products and Services	Sustainable Products and Services	Category	Increase the revenue from repair services	%	2022	2023	2,900,000	2025	4,901,000	2030	18,197,070	1,024,436 TL	2,783,446 TL	96%
	Environmentally Friendly Products and Services	Sustainable Products and Services	Category	Increase the revenue from TeknoGaranti services	%	2022	2023	1,093,210,000	2025	1,750,815,000			505,277,000 TL	1,191,537,912 TL	109%

Target Break-down	Related Material Topic	Subtopic	Responsible Department	Goals	Unit	Baseline Year	Target Year (Short Term)	Targeted Performance (Short Term)	Target Year (Medium Term)	Targeted Performance (Medium Term)	Target Year (Long Term)	Targeted Performance (Long Term)	2022 Performance	2023 Performance	Target Progress Rate (%)
Social	Employee Development and Satisfaction	Awareness Initiatives	Sustainability	Increase sustainability training hours for Headquarters employees	hour	2022	2024	870 (%10)					790	359 (Target updated)	41%
	Our Transparent, Fair and Ethical Business Approach	Awareness Initiatives	Sustainability	Increase the number of sustainability communications	%	2022	2024	10					30	20	Target updated
	Employee Development and Satisfaction	Employee Development	Training and Development	Increase the total training hours	%	2022	2023	47,000					62,537	68,074	145%
	Employee Development and Satisfaction	Employee Satisfaction	Human Resources	Improve employee engagement score	%	2022	2023	65	2025	68	2030	75	56	58	89%
	Our Transparent, Fair and Ethical Business Approach	Equality, Equal Opportunity, Inclusion	Training and Development	Provide training on equality, equal opportunity, and inclusion	hour	2022	2024	360					0	0	52%
	Diversity and Inclusion	Workplace Diversity	Human Resources	Increase the ratio of female employees in headquarters	%	2022	2024	52	2025	53	2030	55	51	41 (Target updated)	79%
	Diversity and Inclusion	Workplace Diversity	Human Resources	Increase the ratio of female employees in stores	%	2022	2023	24	2025	26	2030	30	22	25	104%
	Equality and Inclusion	Workplace Diversity	Human Resources	Increase the ratio of women in managerial positions	%	2022	2023	35	2025	37	2030	40	33%	35	100%
	Risk and Crisis Management	Risk Management	Risk, Compliance and Business Continuity Sustainability Strategy, Innovation and Entrepreneurship	Provide corporate risk management training for Headquarters employees	%	2021	2024	25					0	0	0%
	Risk and Crisis Management	Risk Management	Risk, Compliance and Business Continuity Sustainability Strategy, Innovation and Entrepreneurship	Conduct TCFD reporting		2022	2023						-	Target completed	100%
	Creating Social Value	Social Benefit	Corporate Communications Human Resources	Increase the number of corporate social responsibility projects	units	2022	2023	1					3	4	100%
	Creating Social Value	Social Benefit	Corporate Communications Human Resources	Increase the reach of inclusion programs	person	2022	2024	200	2025	2,000	2030	5,000	6,805	5,018	Target updated

Target Breakdown	Related Material Topic	Subtopic	Responsible Department	Goals	Unit	Baseline Year	Target Year (Short Term)	Targeted Performance (Short Term)	Target Year (Medium Term)	Targeted Performance (Medium Term)	Target Year (Long Term)	Targeted Performance (Long Term)	2022 Performance	2023 Performance	Target Progress Rate (%)
Governance	Our Customer-Centric Approach	Customer Satisfaction	Marketing Design	Improve the Net Promoter Score (NPS)	%	2022	2024	76					78	68,1	Target updated
	Responsible Supply Chain	Sustainable Supply	Category Sustainability Internal Procurement Iklimsa	Conduct supplier ESG assessment surveys	%	2022	2024	20	2025	50			78	0	Target updated
	Responsible Supply Chain	Sustainable Supply	Category Sustainability Internal Procurement Iklimsa	Integrate sustainability criteria into supplier selection processes	-	2022	2024						78	0	0%
	Our Customer-Centric Approach	Customer Satisfaction	Marketing Customer Experience Design	The resolution rate of requests and complaints within the relevant month	%	2023	2023	96%		98%		99%	78	98%	102%
	Our Customer-Centric Approach	Customer Satisfaction	Marketing Customer Experience Design	Resolve customer requests and complaints at first contact	%	2023	2023	76		78		80%	78	77%	101%

Performance Tables

10 minute

Environmental Performance Indicators

Energy Consumption	2021	2022	2023
Total Electricity Usage *(kWh)	19,327,923	20,776,216	21,474,914
Total Natural Gas Usage (m^3)	796,208	629,075	706,585
Energy Intensity (MWh/TL revenue)	0.00369	0.00158	0.00075
Total Produced Renewable Energy (kWh)	0	175,000	167,229
Purchased Renewable Energy, I-REC (GJ)	0	24,019,20	32,788,8
Purchased Renewable Energy, I-REC (MWh)	0	6,240	9,108
Electricity Sold to the Grid (kWh)	0	42,931	25,725
Total Consumed Renewable Energy (MWh)	0	6,817	9,251

*The amount of Direct Energy Generated is equal to the total of electricity generated, electricity generated from solar energy, and the amount of renewable energy generated.

Savings and Reductions from Environmental Investments	2021	2022	2023
Savings and Reduction (kWh)	3,295,367	4,585,077	2,629,788
Savings and Reduction (tons CO_2)	1,299,129	1,910,602	1,095,833
Financial Savings (TL)	3,295,367	9,170,154	11,882,056

Scope 1-2 Emission Breakdown (tCO_2e)	2021	2022	2023
Scope 1 greenhouse gas emissions	2,141	2,081	2,344
Location-Based Scope 2 Indirect Emissions	8,831	9,141.54	9,427.49
Market-Based Scope 2 Indirect Emissions	8,831	6,205.86	5,359
Location-Based Total Emissions	10,972	11,222.49	11,771.49
Market-Based Total Emissions	10,972	8,287	7,703

Water Management (m^3)	2021	2022	2023
Fresh Water Withdrawal*	16,443	25,067	23,850
Water Discharge	16443	25,067	23,850
Recycled Water	0	0	0

*All consumed water is sourced from the municipal supply.

Water Bills (TL)	2023
Store Water Cost	1,091,134.73
Total Water Bill Paid to Logistics Center	236,971.00
Total Water Bill Paid to Headquarters*	112,653.09

*The invoices paid for the headquarters cover the 3rd and 4th floors.

Total Greenhouse Gas Emissions	2021	2022	2023
Market-Based Total Scope 1, 2, and 3 Emissions (tCO_2e)	876,768	1,171,263	1,790,162
Location-Based Total Scope 1, 2 and 3 Emissions (tCO_2e)	11,091	1,174,199	1,794,230
Net Revenue (TL)	131,500,000	524,927,000	747,502,000
Greenhouse Gas Intensity (tCO_2e/TL revenue)	0.0015	0.0000161	0.000103

Waste Management (tons)	2021	2022	2023
Total amount of hazardous waste	11✔	5✔	2✔
Total amount of non-hazardous waste	500✔	484✔	949✔
Total waste	511✔	489✔	951✔
Recycled waste	321✔	315✔	772✔
Recycled waste rate (%)	62.82%✔	64✔	81%✔
Waste reused or recycled non-hazardous waste	321✔	315✔	770✔
Electronic waste	3	2	2.2
Single-use plastic consumption	0.26	11	9
Other plastic consumption	37	37	64
Total plastic consumption	37✔	48✔	83✔
Total paper consumption	135	120	96
Waste sent to landfill/solid waste sites	190✔	174✔	178✔

Scope 3 Emission Breakdown (tCO_2e)	2021	2022	2023	Percentage (%)
Category 1 - Purchased Goods and Services (Upstream)	196,621	344,488	300,946✔	16.88%
Category 2 - Capital Goods (Upstream)	-	-	8,946✔	0.50%
Category 3 - Fuel- and Energy-Related Activities (Upstream)	-	-	2,611✔	0.13%
Category 5 - Waste Generated in Operations (Upstream)	11	88	297✔	0.02%
Category 6 - Business Travel (Upstream)	66	131	361✔	0.02%
Category 7 - Employee Commuting (Upstream)	53	72	133✔	0.00%
Category 9 - Transportation and Distribution (Downstream)	604	702	1,927✔	0.11%
Category 11 - Use of Sold Products (Downstream)	668,441	817,699	1,461,479✔	81.99%
Category 12 - End-of-Life Treatment of Sold Products (Downstream)	-	-	1,544✔	0.09%
Category 14 - Franchises (Downstream)	-	-	4,518	0.25%
Total Scope 3 Indirect Emissions	865,796	1,162,976	1,782,762	100.00%

Social Performance Indicators

Number of Employees	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Number of Employees	586	1,715	641	1,817	816	2,052
Number of white-collar employees	179	269	214	311	254	360
Number of blue-collar employees	407	1,446	427	1,506	562	1,692
Number of part-time employees	6	2	4	2	15	11
Disabled Employees (%)	2.2		1.6		1.9	
Total number of employees*	2,301		2,458		2,868	
Total ratio of female employees	25%		26%		28%	

*The number of employees in the CSR report is equal to the total number of employees,

Tenure	2021	2022	2023
Average Tenure	6.59	6.06	5.10

Average Number of Employees	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Average number of employees	572	1,715	609	1,760	739	1,947
Number of white-collar employees	160	262	197	285	238	342
Number of blue-collar employees	412	1,453	412	1,475	501	1,605
Total number of employees	**2,287**		**2,369**		**2,868**	

Number of Employees by Age and Gender	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
<30	205	409	272	532	406	726
≥30 and ≤50 (include 30 and 50 age)	378	1,295	367	1,274	407	1,312
>50	3	11	2	11	3	14
Total	**586**	**1,715**	**641**	**1,817**	**816**	**2,052**

Number of Managers by Age and Gender	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
<30	3	1	10	18	21	19
≥30 and ≤50 (include 30 and 50 age)	62	104	136	389	156	423
>50	0	7	1	8	2	11
Total	**65**	**112**	**147**	**415**	**179**	**453**

Number of Employees by Tenure and Gender	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
0-5 Years	326	807	391	957	586	1,238
5-10 Years	143	474	123	367	90	278
10+ Years	117	434	127	493	140	536
Total	**586**	**1,715**	**641**	**1,817**	**816**	**2,052**

Ratio of Female Managers by Management Level (%)	2021	2022	2023
First Level Female Managers	10	9	34
Mid-Level Female Managers	43	42	42
Senior Female Managers	37	32	18
Ratio of Female Managers (%)	37	33	35

Number of Female Managers	2021	2022	2023
Female Managers Working in Revenue-Generating Functions	21	21	20
Female Managers Working in STEM Roles (IT, Engineering, etc.)	10	9	43

Number of Employees Hired by Age	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
<30	97	219	210	470	463	835
≥30 and ≤50 (include 30 and 50 age)	59	147	69	211	116	317
>50	0	2	0	1	0	1
Total	**156**	**368**	**279**	**682**	**579**	**1,153**
Percentage of new women employees (%)	29.7%		29.03%		33.42%	
Percentage of new employees (%)	22.77%		30.09%		60.39%	

By Management Level Number of Employees Hired	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
First-Level	21	15	14	29	4	14
Mid-Level	8	12	6	9	0	1
Senior	1	2	0	1	0	1
Total	30	29	20	39	4	16

Number of Employees Who Voluntarily Resigned by Age	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
<30	64	121	102	207	253	475
≥30 and ≤50 (include 30 and 50 age)	28	131	75	172	86	237
>50	0	1	0	4	0	2
Total	92	253	177	383	339	714

Number of Employees Who Voluntarily Resigned by Management Level	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Number of entry-level managers	0	0	1	1	0	1
Number of mid-level managers	0	0	3	2	1	0
Number of senior managers	0	3	9	5	2	4
Total	0	3	13	8	3	5

Number of Employees Quitting by Age	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
<30	82	176	122	301	295	554
≥30 and ≤50 (include 30 and 50 age)	63	238	101	283	108	362
>50	0	1	0	4	0	3
Total	145	415	223	588	403	919

Total Employee Turnover Rate (%)	2021	2022	2023
<30	39	53	75
30-50 years old	19	23	27
>50	7	31	18
Female	25	35	49
Male	24	32	45
Entry Level Manager	20	18	10
Mid-Level Manager	2	15	5
Senior Manager	13	24	18
Employee Turnover	24.48%	34.23%	46.00%
Voluntary Turnover Rate	15.08%	23.64%	39.20%
Involuntary Turnover Rate	9.36%	10.6%	9.92%

Employee Turnover Rate Due to Voluntary Resignation (%)	2021	2022	2023
<30	28	38	64
30-50 years old	10	15	19
>50	6	31	12
Female	16	28	42
Male	15	21	35
Entry Level Manager	0	18	9
Mid-Level Manager	0	10	2
Senior Manager	3	9	4

By Management Level Employee Exits	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Number of entry-level managers	2	0	1	1	4	11
Number of mid-level managers	0	1	4	2	1	1
Number of senior managers	6	10	10	9	0	2
Total	8	11	15	12	5	14

Maternity/Parental Leave	2021		2022		2023	
	Female	Male	Female	Male	Female	Male
Number of Employees Taking Maternity/ Paternity Leave	30✔	95✔	31✔	138✔	24✔	129✔
Number of Employees Returning to Work After Maternity/Paternity Leave	28✔	95✔	13✔	138✔	17✔	124✔
Number of Employees Who Returned to Work After Maternity/Paternity Leave and Continued Working for a Minimum of 12 Months	21	89	18	122	20	65

Hours of Training Received by Employees	2023	
	Female	Male
Hours of Ethical Principles Training	0	0
Hours of Anti-Bribery and Anti-Corruption Training	14✔	12.5✔
Hours of Equality, Equal Opportunity, Inclusion Training	0	0
Hours of Sustainability and Environmental Training	54✔	141✔

Training	2021	2022	2023
Average Training Hours	16.39✔	25✔	23✔
Total Training Hours	37,710✔	61,450✔	65,362✔
Hours of Employee Health and Safety Training	1,248✔	15,191✔	13,355✔
Total Cost of Training (TL)	2,621,72✔	6,387,474✔	11,053,599✔
Average Annual Training Cost per Employee (TL)	1,139✔	2,599✔	3,854✔

Occupational Health and Safety	2021	2022	2023
Total Injury Rate	-	5.48	5.02
Total Employee Accidents	17	29	30
Total Accident-Related Absenteeism (Days)	40	104	36
Total Lost Time Injury Rate	-	19.66	6.03
Company Employees	**2021**	**2022**	**2023**
Total Working Hours	4,394,477✔	5,112,217✔	5,774,989✔
Number of Incidents	14✔	22✔	25✔
Number of Fatalities	0	0	0
Number of Occupational Diseases	0	0	0
Injury-Related Absenteeism (Days)	33✔	104✔	36✔
Absenteeism (Days)	49,947	61,179	64,003
Lost Day Rate (%)	1.50✔	4.07✔	1.25✔
Injury Rate	3.19	4.30	4.33
Lost Time Injury Rate	7.51	20.34	129
Subcontractor Workers	**2021**	**2022**	**2023**
Number of Accidents	3	7	5
Number of Fatalities	0	0	0
Number of Occupational Diseases	0	0	0
Accident-Related Absenteeism (Days)	7	0	0
Absenteeism (Days)	0	765	32
Injury Rate	-	1.25	1
Lost Time Injury Rate	-	0	0

Economic Performance Indicators

Our Economic Value Produced and Distributed	2021	2022	2023
Total operating expenses	764,714,148	1737145000	3,752,024,537
Marketing and Advertising Expenses	66,205,787	192,393,000	435,665,489
Total payments made to suppliers	8,574,504,435	19962069326	47,743,857,276
Payments to the government (Tax etc.)	7,941,953	102,361,022	433,936,132
Employee Expenses and Benefit Payments*	244,062,342	553,184,552	11,053,599
Total Donations	998,655	3,255,836	1,193,069**
Philanthropic Investments (Cash Contributions)	0	731,740	1,161,069
In-kind Donations	0	0	144,971
Administrative costs (Overhead expenses)	-0	1,325,724	2,140,359
Environmental Fines Reported by the Company	0	0	0

*The total value of all salaries and wages paid to all employees and officers, including all social benefits. .

** Donations made through revenues generated from the sales of Preo products: TL 960.469

Mimoza Association: Earthquake Aid; Food and Hygiene Packages: TL 145.000

SEV: Book Donation: TL 25.000

Pasin Tekstil (Purchase of 267 blankets) - TL 20,000

KAÇUV (Umut Cafe 150 menu purchase) - TL 12,000

Earthquake Solidarity Concert: Ticket Fee: 30,000

Environmental Investments and Expenditures (TL)	2021	2022	2023-IAS 29 Implemented
Environmental Expenditures	1,679,479 ✔	11,379,520 ✔	11,586,815 ✔
Legally Mandated Expenditures*	1,294,479 ✔	2,209,366 ✔	8,421,598 ✔
Non-Legally Mandated Expenditures**	385,000 ✔	9,170,154 ✔	3,176,456 ✔
Environmental Investments***	11,534,172 ✔	25,704,728 ✔	8,819,461 ✔

*Recycling Participation Share (GEKAP) **LED and automation expenses ***GEKAP, LED, and Automation

Governance	2021	2022	2023
Limit of Board Membership (Years)	3	3	3
The Shortest Year Term for Re-election of Board Members	3	3	3
Number of Board Meetings (Annual)	4	4	4
Attendance in Board Meetings (%)	100	100	92
Attendance in Committee Meetings (%)	100	100	100
Non-Executive Board Members (%)	100	100	100
Independent Board Members (%)	33	33	33
Strictly Independent Board Members (%)	33	33	33
Board Representation for Ethnic Minorities (%)*	33	33	33
Total Compensation for Senior Executives (Million TL)	10.5	18.5	40.4
Litigation Expenses (TL)	-	2,919,545	38,200,000
Notice Period Before the Next Shareholders' Meeting (Days)	21	21	21

*Female member ratio

Incentive (TL)	2023
Employment Incentive	1,986,589.65
Employment Incentive for Social Assistance Recipients	97,238.46
Disability Employment Incentive	985,003.02
EYT Premium Incentive	1,163,848.79
5 Point SSI Discount	45,842,960.97
Minimum Wage Support	2,942,621.78
Total	53,018,262.66

Number of People Reached through the Inclusion Program	2023
Women (People)*	5,018 ✔
Other audiences (People)**	542 ✔
Expenditure Amount for Inclusion Programs (TL)***	2,140,359

*Women benefiting from the Technology for Women training sessions: 3896
Women Entrepreneurs Trained at the Republic Mobilization Hatay Incubation Center: 970
Number of women reached through the Technology for Women, Solidarity for All Project: 152
**Male entrepreneurs participating in the training sessions under the Republic Mobilization initiative.
***The project fees paid to Habitat Association for the Technology for Women and Republic Mobilization Hatay Incubation Center, including communication and event costs.

SDG-Related Products and Services	Unit	2023-IAS 29 Implemented
Number of SDG-related products and services		207
Number of SDG-related products and services (mitigation)		202
Number of SDG-related products and services (enabler)		5
SDG-related product and service revenue	TL	1,986,835,610.00
SDG-related product and service revenue (mitigation)	TL	344,185,042.00
SDG-related product and service revenue (enabler)	TL	1,642,650,568.00
SDG-related products and services as a percentage of total revenue	%	4,6

Investments	Unit	2023-IAS 29 Implemented
All R&D and innovation investments	TL	210,836,055.00
SDG- Focused R&D and innovation investments	TL	80,151,448.00

Policies

4 minute

Donation and Aid Policy

We carry out our donations and charitable contributions through our corporate social responsibility projects in line with the “Sabancı Holding Social Responsibility Policy and Principles” and in accordance with the “Teknosa Donation and Aid Policy”. Our Donation and Aid Policy aims to enhance our contribution to society, supporting the overall well-being of the community through sustainable social responsibility projects.

Information Security Policy

At Teknosa, we uphold our commitment to safeguarding the confidential and private information of our customers, employees, business partners, and other relevant parties at the highest level. We take necessary measures to preserve the integrity, ensure accessibility, and guarantee the security of information, while performing requisite activities to ensure its continuity. Information security is an integral part of our business processes.

Disclosure Policy

Teknosa İç ve Dış Ticaret A.Ş. is committed to maintaining transparent and close communication with its shareholders. The company aims to share its strategic plans and financial results accurately, completely, and timely with the public within the framework of Capital Markets Legislation and other legal regulations. The Disclosure Policy, which applies to all employees and consultants, regulates communication with capital market participants and is announced through the Investor Relations Website.

Environmental Policy

Our policy guides environmentally conscious practices and shapes our activities in line with our sustainability principles. The Environmental Policy minimizes our environmental impact, conserves natural resources, and promotes eco-friendly business practices.

Conflict of Interest Policy

The policy is designed to prevent conflicts of interest and support fair business practices. Our Conflict of Interest Policy ensures that our employees and business partners avoid conflicts of interest, enabling our business processes to operate with integrity and honesty.

Policy on Accepting and Giving Gifts

Our policy is designed to ensure transparency and integrity in the processes of accepting and giving gifts. This policy ensures that our business relationships remain ethical and professional, supporting the establishment of long-lasting and sustainable partnerships.

Human Resources Policy

Our policy is designed to protect the rights of our employees, enhance their development, and maintain their satisfaction at the highest level. This policy improves the well-being and commitment of our employees, creating a more productive and sustainable working environment.

Human Rights Policy

We have prepared a "Human Rights Policy" to emphasize the importance Teknosa gives to Human Rights and its employees and to be a guide that reflects its approach to Human Rights. Our policy covers all Teknosa employees, suppliers, business partners and all third parties we do business with. This policy ensures that the working environment is improved and sustainable business practices are adopted by respecting human rights.

Code of Business Ethics

“Teknosa Code of Business Ethics” is created to serve as a guiding framework for Teknosa employees, suppliers, and all other stakeholders. The rules promote principles of ethics and integrity, ensuring that our way of doing business is trustworthy and reputable, while maintaining reliability and integrity in our sustainability journey. “Teknosa Code of Business Ethics” is created to serve as a guiding framework for Teknosa employees, suppliers, and all other stakeholders. The rules promote principles of ethics and integrity, ensuring that our way of doing business is trustworthy and reputable, while maintaining reliability and integrity in our sustainability journey. We also explicitly state in our code of conduct that we strive to be a fair competitor. As Teknosa, we believe in the importance of fair competition and respect the patents, copyrights, and intellectual property of other companies. We operate in the market ethically, avoiding anti-competitive behaviors such as price fixing or other monopolistic tactics. In line with these principles, we aim to create a fair and sustainable business environment.

Occupational Health and Safety Policy

This policy establishes the primary objectives within the scope of Teknosa's occupational health and safety management. The purpose of this policy is to provide management guidance and support for "Occupational Health and Safety" to carry out work activities without losses and accidents, in accordance with working conditions and relevant laws and regulations.

Dividend Policy

Teknosa's Dividend Policy is determined in accordance with the Turkish Commercial Code and Capital Markets Legislation, considering the company's long-term strategies and the expectations of its shareholders. The policy adopts the principle of distributing all dividends in cash and at the earliest opportunity. The General Assembly explains to shareholders the reasons for not distributing profits and how the retained earnings will be utilized. The policy is reviewed annually, and any potential amendments are submitted for shareholder approval.

Anti-Bribery and Anti-Corruption Policy

This policy defines Teknosa's commitment to fighting bribery and corruption, reinforcing our strict zero-tolerance stance on these issues. This policy ensures that our business processes are transparent and fair, protecting our corporate reputation and supporting our sustainable business practices.

Social Responsibility Policy

Since its establishment, Teknosa has embraced the philosophy of "Technology for Everyone" and the responsibility of being Türkiye's leading technology retailer. Our goal is to serve the community and ensure that technology benefits a broader population.

Sustainable Supply Chain Policy

Under our "Sustainable Supply Chain Policy", we continue our efforts to fulfill our commitments throughout our value chain in line with our sustainable supply chain approach and responsible procurement principles. This approach aims to establish sustainable business relationships with our suppliers, reduce our environmental and social impacts, and achieve our long-term sustainability goals.

Supplier Code of Conduct

These are the rules that define the ethical and behavioral standards we expect from our suppliers. These rules encourage the adoption of ethical and sustainable business practices at every stage of our supply chain and support us in achieving our long-term sustainability goals.

Remuneration Policy

Our Remuneration Policy governs the management of salaries and benefits for our Board members. This policy creates a fair and transparent compensation system, enhancing the motivation and commitment of our Board, and supporting our sustainable management approach.

News and Events

1 minute

Subject	Date	Source
Teknosa Announces 2022 Technology Shopping Report	06.01.2023	https://www.aa.com.tr/tr/sirkethaberleri/teknoloji/teknosa-2022-teknoloji-alisveris-raporunu-acikladi/677959
Teknosa Continues to Boost Digital Literacy with the Technology for Women Project	31.05.2023	https://www.haberler.com/teknoloji/teknosa-kadin-icin-teknoloji-projesiyle-dijital-okuryazarligi-artirmaya-devam-ediyor-15977177-haberi/
NN Offers Gift Voucher Opportunities from Teknosa for Those Investing in their Future with BES (Private Pension System)	11.07.2023	https://www.aa.com.tr/tr/sirkethaberleri/sigorta/nn-bes-ile-gelecege-yatirim-yapanlara-teknosadan-hediye-ceki-firsati-sunuyor/681242
Let Elon Musk worry now... Teknosa Removes Tweet Viewing Limit!	14.07.2023	https://www.marketingturkiye.com.tr/kampanyalar/simdi-elon-musk-dusunsun-teknosa-tweet-goruntuleme-limitini-kaldirdi/
Teknosa Grows by 131% in the Second Quarter of the Year	08.08.2023	https://www.dunya.com/sirketler/teknosa-yilin-ikinci-ceyreginde-yuzde-131-buyudu-haberi-700840
Teknosa and Consciouslab Announce Collaboration	31.08.2023	https://mediacat.com/teknosa-ve-consciouslabden-isbirligi/
The Competition Authority to Conduct Hearings with MediaMarkt, Vatan, and Teknosa	19.09.2023	https://ticaretgazetesi.com.tr/2023/11/01/rekabet-kurumundan-mediamarkt-vatan-ve-teknosa-icin-karar/
Teknosa and Alzheimer Association “Refresh Memories”	21.09.2023	https://www.marketingturkiye.com.tr/kampanyalar/teknosa-anilari-tazeliyor/
Pegasus and Teknosa Bring Atatürk’s Voice to the Skies	30.10.2023	https://www.airlinehaber.com/pegasus-ve-teknosa-ile-ataturkun-sesi-goklerde/

Subject	Date	Source
Teknosa Achieves TL 24.9 Billion Revenue in 9 Months	31.10.2023	https://www.aa.com.tr/tr/sirkethaberleri/teknoloji/teknosadan-yilin-9-ayinda-24-9-milyar-tl-ciro/683459
Competition Authority Concludes Investigation: MediaMarkt, Vatan, and Teknosa Cleared	01.11.2023	https://www.webtekno.com/media-markt-vatan-teknosa-sunny-hakkinda-sorusturma-h124850.html
The Excitement of “Ice Age in Gaming” at Teknosa Stores is at Its Peak	15.11.2023	https://www.aa.com.tr/tr/sirkethaberleri/teknoloji/teknosa-magazalarindaki-oyunda-buz-cagi-heyecani-dorukta/683825
Teknosa Expects Its E-Commerce GMV to Reach 15 Billion TL in 2024!	01.12.2023	https://www.foreks.com/haber/detay/6569634746e0fb0001652f4d/PICNEWS/tr/teknosa-e-ticaret-brut-islem-hacmi-nin-2024-yilinda-15-milyar-tl-ye-ulasmasini-bekliyor/
Teknosa (TKNSA) Reveals Its Future Outlook	01.12.2023	https://rotaborsa.com/teknosa-tknsa-gelecege-donuk-beklentilerini-acikladi/
Consumers Become Sellers with Teknosa! 46,000 Sales Made Through Word-of-Mouth Recommendations	18.12.2023	https://www.aksam.com.tr/ekonomi/teknosa-ile-tuketici-satici-oldu-es-dost-tavsiyesiyle-46-bin-satis-yapti/haber-1430086
Teknosa Gaming Parkour Concluded with a Grand Finale Uniting the Gaming World	27.12.2023	https://www.aa.com.tr/tr/sirkethaberleri/teknoloji/teknosa-gaming-parkour-oyun-dunyasini-bulusturan-final-ile-son-buldu/684680
Attractive Deals for New Year’s Shopping from Teknosa	28.12.2023	https://www.aa.com.tr/tr/sirkethaberleri/perakende/teknosadan-yeni-yil-alisverislerinde-cazip-firsatlar/684707
Teknosa Becomes a Leader in the CDP Climate Change Program	08.02.2024	https://www.aa.com.tr/tr/sirkethaberleri/teknoloji/teknosa-cdp-iklim-degisikligi-programinda-lider-oldu/685483

Dictionary of Technical Terms

3 minute

2050 Net-Zero Target: Refers to the commitment of many countries, organizations, and governments to reduce greenhouse gas emissions to net zero by 2050.

AÇEV: Mother Child Education Foundation

Biodegradable: Refers to a type of material or substance that is made from environmentally friendly materials and can decompose or break down under specific conditions in nature.

CMB: Capital Markets Board

CDP: The Carbon Disclosure Project (CDP) is an initiative launched in 2000 to collect and share information that enables companies, investors, and governments to take action against the threat of climate change.

CEO: Chief Executive Officer

Circular Economy: An economic model that, unlike the traditional linear consumption and waste generation model, aims to minimize waste and recycle materials as much as possible by using resources sustainably.

CRM: Customer Relationship Management

CSO: Civil Society Organization

E-commerce: Electronic commerce

E-exam: Electronic exam

E-Learning: Electronic learning

E-mail: Electronic mail

Ecovadis: A platform that provides rating services to assess and improve companies' sustainability performance.

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization is a measure of a company's profitability that excludes tax and investment costs, allowing for a more objective evaluation. It is calculated by adding depreciation expenses to the company's net operating profit.

European Union Green Deal: It is an extensive climate and sustainability strategy introduced by the European Union in 2019.

ESG: A strategic framework aimed at identifying, assessing, and addressing a company's corporate goals and activities in the areas of Environmental, Social, and Governance (ESG).

GRI: Global Reporting Initiative

GMV: Gross Merchandise Value (GMV) measures the total value of products sold in e-commerce and retail businesses over a specific period.

Green Office: WFF encourages organizations to make environmentally friendly choices and aims to reduce the ecological footprint of offices.

HFDK: Unfair Pricing Assessment Board

IPG: Business Plastic Initiative

ISAE 3000: Standards on Assurance Engagements Other than Audits or Reviews of Historical Financial Information

ISAE 3410: Standard on Assurance Engagements on Greenhouse Gas Statements

ISO: International Standardization Organization

IT: Information Technologies

MDR: Store Audit Report

NPS: Net Promoter Score is a metric used to measure and evaluate customer satisfaction.

OBP: Organizational Success Plan

OHS: Occupational Health and Safety

Refinitiv: Refinitiv, operating as part of the London Stock Exchange Group (LSEG), is one of the world's leading providers of financial market data and infrastructure.

R&D: Research and Development

SBTi: The Science-Based Targets Initiative (SBTi) is an initiative that helps organizations set scientifically grounded targets in the fight against climate change and strive to achieve these targets.

SDGs: The Sustainable Development Goals (SDGs), adopted by United Nations member states in 2015, represent 17 goals aimed at making the world a more sustainable, fair, and better place by 2030.

SKD Türkiye: Business and Sustainable Development Council

SPP: Solar Power Plant

TCFD: The Task Force on Climate-Related Financial Disclosures (TCFD) aims to encourage companies to disclose and report climate-related financial risks and opportunities in a more transparent and understandable manner.

TKDF: Turkish Federation of Women's Associations

Value Chain: A business model that encompasses all stages from the creation of a product or service, including sourcing raw materials from suppliers, production, distribution, marketing, sales, and ultimately reaching the consumer.

VRF: Value Reporting Foundation

WEPs: The Women's Empowerment Principles (WEPs), developed in 2010 by the United Nations Global Compact and the United Nations Office of the Special Representative for Women (UN Women), aim to encourage commitments and actions on gender equality and women's empowerment in the business world.

WWF-Türkiye: World Wide Fund for Nature

TCFD Indeks

2 minute

Focus Area	TCFD Recommendation	Report Section
Governance	Describe the governance structure of the Board of Directors concerning climate-related risks and opportunities.	Sustainability Management, p. 29-32 Risk and Crisis Management, p. 100-104
	Describe the role of management in assessing and managing climate-related risks and opportunities.	Sustainability Management, p. 29-32 Risk and Crisis Management, p. 100-104
Strategy	Describe the short, medium, and long-term climate-related risks and opportunities identified by the organization.	Risk and Crisis Management, p. 100-104
	Explain the impact of climate-related risks and opportunities on the organization's business, strategic, and financial planning.	Sustainability Strategy, p. 38-40 Risk and Crisis Management, p. 100-104
	Identify the gaps in the organization's strategy by considering different scenarios, including the 2°C or lower scenario.	Risk and Crisis Management, p. 100-104
Risk Management	Explain how the organization identifies and assesses climate-related risks.	Risk and Crisis Management, p. 100-104
	Explain how the organization manages climate-related risks.	Sustainability Management, p. 29-32 Risk and Crisis Management, p. 100-104
	Describe how the process of identifying, assessing, and managing risks is integrated into the organization's overall risk management process.	Sustainability Management, p. 29-32 Risk and Crisis Management, p. 100-104
Indicators and Targets	Disclose the metrics used to assess climate-related risks and opportunities in alignment with the organization's strategy and risk management process.	Risk and Crisis Management, p. 100-104
	Disclose Scope 1, Scope 2, and, if applicable, Scope 3 greenhouse gas emissions.	Greenhouse Gas Emissions, p. 47-50 Performance Tables, p. 119-125
	Explain the targets used for managing climate-related risks and opportunities and your performance against these targets.	Sustainability Management, p.29-32 Greenhouse Gas Emissions, p. 47-50 Risk and Crisis Management, p. 100-104 Key Performance Indicators, p. 115-118

UN Global Compact Indeks

1 minute

United Nations Global Compact (UNGC) Index		Relevant Section
Human Rights	Principle 1 Respect for human rights in the business world should always be upheld and supported.	Workforce Management Equality, Diversity, and Inclusion Responsible Supply Chain
	Principle 2 Any activity that violates human rights in the business world should be prevented; business practices should not be complicit in these violations.	
Employee Rights	Principle 3 Respect for and support of employees' rights to organize and engage in collective bargaining should be upheld.	Workforce Management Equality, Diversity, and Inclusion Responsible Supply Chain
	Principle 4 Forced labor should be prevented.	
	Principle 5 All forms of child labor are unacceptable; child labor must be banned everywhere and under all conditions	
	Principle 6 Discrimination among individuals should not occur in recruitment and workplaces.	
Environment	Principle 7 Regardless of the industry, businesses should support a precautionary approach to environmental challenges.	Energy Management Greenhouse Gas Emissions Lifecycle Management Environmentally Friendly Products and Services
	Principle 8 Support should be given to activities related to environmental issues.	
	Principle 9 Every effort should be made and every support should be provided for the development and dissemination of environmentally friendly technologies, products, and services.	
Business Ethics	Principle 10 The last principle of the United Nations Global Compact is related to anti-corruption: All forms of corruption such as bribery, extortion, etc. should be prohibited in the business world, and all parties involved should adhere to these principles.	Transparent, Fair and Ethical Business Approach

Awards and Achievements

3 minute

"Solidarity for All" smartphone donation campaign and "Woman-Friendly Brands 2022 Awareness" Award
MarTech Awards "Best Use of Technology in Consumer Electronics Sector" Award
International Customer Experience Awards "Best Business Change and Transformation" Gold Award
Istanbul Marketing Awards Gold Award in "Digital Marketing" and "Performance Marketing Campaign" categories
Şikayetvar A.C.E Awards (Achievement in Customer Excellence) "Technology Market" category Diamond Award
Brandverse Awards Gold Award in "Technology Markets" category for Social Brands Data Analytics, and Bronze Award in "Social CRM Management" category for the campaign "May Your Love for Technology Never End" in the Social Media and Digital section
Bilişim 500 Research "Distributor of the Year in Hardware Category" and "Mobile Phone Category Winner"
Stevie Awards Gold Award in "Retail" category, Bronze Award in "Best User Experience" category
Capital's list of the 500 largest private companies in Turkey ranks Teknosa at 107th
The Hammers Awards Silver Award in "Best Search Marketing", "Digital Transformation Team of the Year", "Best Data-Driven Marketing Team", and "Best Marketing Team in the Retail Sector" categories
Kristal Elma Awards 3 Bronze Awards in "Film-TV & Cinema", "Electronics, White and Durable Goods", and "Sectoral and Online Film" categories
Alfa Awards Gold Award as the "Customer Brand of the Year" in the "Electromarket" category
Secret CV HR Summit - Stars of HR Award
Blindlook Eye Brand Ceremony 2022 "Brand Without Visual Impairment" Award
SAP Transformation Awards "e-Commerce Digital Transformation of the Year" Award
MMA Global Smarties Awards Bronze and Gold Awards in "User Experience (UX) and Design" category, Bronze Award in "Customer Experience" category
AYD Number 1 Brand Awards "Technology Retailing" and "Anchor Store" Award
Altın Lider Awards "Turkey's Most Admired CEO" Award for our CEO Sitare Sezgin, and "50 Most Powerful Women CEOs" Award by Ekonomist Magazine
Fast Company 50 CMO 2022 Awards "Turkey's 23rd Most Successful Digital CMO" Award for our Deputy General Manager of Digital Commerce and Marketing, Emre Kurtoğlu, and "Turkey's Most Admired CMO" Award in Altın Lider Awards
CEO Sitare Sezgin elected as the first female leader to the Board of Directors of Euronics, Europe's largest electronics purchasing group

Click for detailed information about our awards and achievements.

CX Awards Türkiye for Customer Service with Digital Solutions and Experience-Focused Digital Store projects, receiving the 'Productive Project' award

GRI Content Index

8 minute

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is presented consistently with the reporting requirements of the GRI Standards and that the information in the index is clearly presented and accessible for stakeholders. This service was provided using the Turkish version of the report.

GRI CONTENT INDEX ESSENTIALS SERVICE 2024

Statement of Use	**Teknosa İç ve Dış Ticaret A.Ş. has reported in accordance with the GRI Standards for the period from January 1, 2023, to December 31, 2023.**
GRI 1 Used	**GRI Certificate Placeholder**

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, Teknosa at a Glance, Trade Registry Information, Contact	3, 9-10, 152	
	2-2 Entities included in the organization's sustainability reporting	About the Report	3	
	2 -3 Reporting period, frequency and contact point	About the Report, Contact	3, 152	
	2-4 Restatements of Information		No significant changes have occurred since the previous reporting period.	
	2-5 External assurance	About the Report, Assurance Statement	3, 149	
	2-6 Activities, value chain, and other business relationships	Teknosa at a Glance, Business Model, Responsible Supply Chain	9-10, 12-13, 90-91	
	2-7 Employees	Workforce Management, Social Performance Indicators	61-62, 121-123	
	2-8 Workers who are not employees	Workforce Management, Social Performance Indicators	61-62, 121-123	
	2-9 Governance structure and composition	Corporate Structure, Board of Directors and Senior Management, Committees	16, 17-21, 22	
	2-10 Nomination and selection of the highest governance body	Board of Directors and Senior Management	17-18	
	2-11 Chair of the highest governance body	Board of Directors and Senior Management	17-19	

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Message from Our Chairman of the Board, Message from Our CEO, Sustainability Management	5, 6-7, 29-31	
	2-13 Delegation of responsibility for managing impacts	Sustainability Management, Climate Risk Management	29-32, 105	
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management	29-31	
	2-15 Conflicts of interest	Board of Directors and Senior Management, Policies	17-18, 126	
	2-16 communication of critical concerns	Corporate Risk Management	100	
	2-17 Collective knowledge of the highest governance body	Sustainability Management	29-30	
	2-18 Evaluation of the performance of the highest governance body	Sustainability Management	29-32	
	2-19 Remuneration policies	Board of Directors and Senior Management	18	
	2-20 Process to determine remuneration	Board of Directors and Senior Management, Committees	18, 22	
	2-21 Annual total compensation ratio			Teknosa does not disclose the ratio of the total annual compensation of the highest-paid individual to the median annual total compensation of all employees (excluding the highest-paid individual) due to the lack of a legal obligation to disclose such information in Türkiye. However, the company's renumeration policy and related practices are accessible on our website in line with our principle of transparency.
	2-22 Statement on sustainable development strategy	Message from Our Chairman of the Board, Message from Our CEO	5, 6-7	

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
GRI 2: General Disclosures 2021	2-23 Policy Commitments	About the Report, Policies, UN Global Compact Index	3, 126-127, 131	
	2-24 Embedding policy commitments	Sustainability Strategy, Teknosa Sustainability Strategy House	38, 40	
	2-25 Processes to remediate negative impacts	Double Materiality Analysis, Customer-Centric Approach, Data Privacy and Security	37, 83, 97	
	2-26 Mechanisms for seeking advice and raising concerns	Customer-Centric Approach, Contact	83, 150	
	2-27 Compliance with laws and regulations	Workforce Management; Transparent, Fair, and Ethical Business Conduct; Economic Performance Indicators	62, 96, 124	
	2-28 Membership associations	Memberships and Collaborations	111-114	
	2-29 Approach to stakeholder engagement	Our Engagement with Our Stakeholders	109	
	2-30 Collective bargaining agreements			No collective bargaining agreements are in place.
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Material Topics	33-37	
	3-2 List of material topics	Our Material Topics	36	
Enerji Yönetimi				
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management, Policies	46, 126	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management, Environmental Performance Indicators	46, 119	
	302-3 Energy intensity	Energy Management	46	
	302-4 Reduction of energy consumption	Energy Management	46	
	302-5 Reductions in energy requirements of products and services	Energy Management	46	

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
Greenhouse Gas Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	Greenhouse Gas Emissions, Policies	47-50, 126	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions, Environmental Performance Indicators	47-48, 119	
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions, Environmental Performance Indicators	47-48, 119	
	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions, Environmental Performance Indicators	47-49, 119-120	
	305-4 GHG emissions intensity	Environmental Performance Indicators	119	
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions, Environmental Performance Indicators	47, 119	
Yaşam Döngüsü Yönetimi				
GRI 3: Material Topics 2021	3-3 Management of material topics	Lifecycle Management, Policies	51-55, 126	
GRI 301: Materials 2016	301-3 Reclaimed products and packaging materials	Lifecycle Management	51-53	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Lifecycle Management	51-55	
	306-2 Management of significant waste-related impacts	Lifecycle Management	51-55	
	306-3 Waste generated	Lifecycle Management, Environmental Performance Indicators	51-52, 119	
Environmentally Friendly Products and Services				
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmentally Friendly Products and Services	57-59	
Workforce Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Management	61-69	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators	121-122	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employess	Workforce Management	63-64	
	401-3 Parental leave	Workforce Management, Social Performance Indicators	64, 123	

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development, Social Performance Indicators	65, 123	
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development, Social Performance Indicators	66-67, 123	
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance and Talent Management	68-69	
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety	71-74	
GRI 403:Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety	71	
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	72	
	403-3 Occupational health services	Occupational Health and Safety	74	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	72-73	
	403-5 Worker training on occupational health and safety	Occupational Health and Safety	72	
	403-6 Promotion of worker health	Benefits	63-64	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	71-74	
	403-9 work-related injuries	Social Performance Indicators	123	
	403-10 Work-related ill health	Social Performance Indicators	123	
Equality, Diversity, and Inclusion				
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Management; Equality, Diversity, and Inclusion; Responsible Supply Chain	61, 75-78, 92	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Equality, Diversity, and Inclusion; Social Performance Indicators	75-77, 121-122	
	405-2 Ratio of Basic salary and remuneration of women to men	Equality, Diversity, and Inclusion	77	

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Equality, Diversity, and Inclusion	75, 77	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Workforce Management, Responsible Supply Chain	61, 92	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Workforce Management, Responsible Supply Chain	61, 92	
Customer-Centric Approach				
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer-Centric Approach, Responsible Marketing	79-83, 96	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Responsible Marketing	96	
	417-2 Incidents of non-compliance concerning product and service information and labeling	Responsible Marketing	96	
	417-3 Incidents of non-compliance concerning marketing communications	Responsible Marketing	96	
Creating Social Value				
GRI 3: Material Topics 2021	3-3 Management of material topics	Creating Social Value	84-88	
Responsible Supply Chain				
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain	90-93	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible Supply Chain	90	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain	92-93	
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain	92-93	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain	92-93	
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain	92-93	

GRI Standard	Disclosure	Topic	Page number, source and/or direct answers	Additional information and reasons for exclusions
General Disclosures				
Transparent, Fair and Ethical Business Conduct				
GRI 3: Material Topics 2021	3-3 Management of material topics	Transparent, Fair and Ethical Business Conduct	94-96	
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Transparent, Fair and Ethical Business Conduct	94-95	
	205-2 Communication and training about anti-corruption policies and procedures	Transparent, Fair and Ethical Business Conduct	94-95	
	205-3 Confirmed incidents of corruption and actions taken	Transparent, Fair and Ethical Business Conduct	94-95	
GRI 206: nti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Transparent, Fair and Ethical Business Conduct	96	
Data Privacy and Security				
GRI 3: Material Topics 2021	3-3 Management of material topics	Data Privacy and Security	97	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security	97	
Digitalization				
GRI 3: Material Topics 2021	3-3 Management of material topics	Digitalization	98-99	
Ekonomik Performans				
GRI 3: Material Topics 2021	3-3 Management of material topics	Operational and Financial Performance, Climate Risk Management	23-26, 105-107	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Operational and Financial Performance	23-26	
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risk Management	105-107	
	201-4 Incentives and supports received from government	Operational and Financial Performance	26	
GRI 207: Tax 2019	207-1 Approach to tax	Operational and Financial Performance	24	
	207-2 Tax governance, control, and risk management	Operational and Financial Performance	24	

Reporting Guidance

10 minute

Annex-1: Teknosa İç ve Dış Ticaret A.Ş. 2023 Integrated Report - Reporting Principles

This reporting principle ('Principle') provides information on the methodologies for the preparation, calculation and reporting of the data of Teknosa İç ve Dış Ticaret A.Ş.'s ('Company") indicators within the scope of limited assurance in the Teknosa 2023 Integrated Report (2023 Integrated Report).

The indicators include **social indicators, environmental indicators** and **economic indicators**. It is the responsibility of the Company's management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Principles.

The information included in this guideline is for the FY 23 fiscal year ending 31 December 2023 (1 January - 31 December 2023) and as detailed in the 'Key Definitions and Reporting Scope' section, it comprises only the operations under Teknosa's responsibility and excludes information about subcontractors.

General Reporting Principles

In preparing this guidance document, consideration has been given to following principles:

- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

Key Definitions and Reporting Scope

For the purpose of this report, the Company makes the following definitions:

Type	Indicator	Scope
Social Indicators	**Occupational Health and Safety**	
	Number of Incidents (#)	This indicator indicates the total number of accidents which occurred during a work-related activity of the employee and monitored through notifications made to the Social Security Institution during the reporting period.
	Number of Fatalities (#)	This indicator reflects the number of fatal accidents resulted in deaths which occurred during a work-related activity of the employee and monitored through notifications made to the Social Security Institution during the reporting period.
	Number of Occupational Diseases (#)	This indicator reflects the total number of occupational diseases that refer to temporary or permanent illness, physical or mental disability, which occur due to the nature of the work, or the operating conditions of the business. This is followed up through notifications made to the Social Security Institution during the reporting period.
	Injury-related Absenteeism (#)	This indicator refers to absenteeism as a result of accidents that are machine/equipment collision, uncontrolled material movement, cutting with blades, getting stuck between machine equipment, falling/sliding/ tripping, car crashes, landings, rubbing, getting stuck between car and equipment, resulting loss of working days and followed up through notifications made to the Social Security Institution during the reporting period.
	Lost Day Rate (%)	This indicator means the rate of lost workdays due to work accidents that are machine/equipment collision, uncontrolled material movement, cutting with blades, getting stuck between machine equipment, falling/sliding/ tripping, car crashes, landings, rubbing, getting stuck between car and equipment, and monitored through notifications made to the Social Security Institution during the reporting period.
	OHS Training Hours (h)	This indicator represents the total hours of the OHS trainings, delivered to the employees and sub-contractors, that is tracked monitored through the training tracking platform of Human Resources of the Companies during the reporting period.
	Total Working Hours (hours)	This indicator refers to the total working hours of the Company's employees during the reporting period, as monitored by the Company's human resources.
	Total Number of Employees	
	Total Number of Employees by Gender (#)	This indicator represents the number of female and men employees registered with the Social Security Institution and monitored through Human Resources Platforms.

Type	Indicator	Scope
Social Indicators	**Distribution of Female Employees**	
	Employee Ratio by Gender (%)	This indicator refers to the ratio of the total number of female and male employees to the total number of employees in the reporting period.
	Ratio of Female Managers by Management Level (%)	This indicator represents the ratio of the female managers (N-1; executive level who directly reports to the CEO, N-2; middle level which is two degrees away from CEO and N-3; managerial level is three degrees away from CEO) during the reporting period.
	Share of Female Managers in Revenue-Generating Roles (%)	This indicator means the ratio of the female managers worked in the roles that have an impact on the Company's revenue directly during the reporting period. Revenue-generating roles defined as the roles that when vacant, no revenue is generated.
	Share of Female Employees in STEM Roles (%)	This indicator represents the ratio of female employees worked in STEM (Science, Technology, Engineering, Mathematics) roles and tracked by Human Resources of the Company during the reporting period.
	Number of Employees on Maternity Leave (#)	This indicator means the number of female employees on maternity leave within the periods specified in the regulation and tracked by Human Resources of the Company during the reporting period.
	Number of Employees on Paternity Leave (#)	This indicator means the number of men employees on paternity leave within the periods specified in the regulation and tracked by Human Resources of the Company during the reporting period.
	Number of Employees Returned to Work After Maternity Leave (#)	This indicator means the number of female employees returned to work after maternity leave and tracked by Human Resources of the Company during the reporting period.
	Ratio of the Employees who Returned to Work After Maternal Leave (%)	This indicator represents the ratio of the females left and returned to work after maternal leave during the reporting period and tracked by Human Resources of the Company.
	Trainings	
	Total Hours of Trainings (h)	This indicator reflects the total hours of training provided to employees that are monitored through the training tracking platform of Human Resources during the reporting period.
	Average Training Hours (h)	This indicator reflects the average training hours per employee during the reporting period.
	Total Hours of Trainings by training types (h)	This indicator reflects the total hours of training provided to the employees that are monitored through the training tracking platform of Human Resources during the reporting period. It is tracked by types (ethics trainings, diversity, equity and inclusion trainings, sustainability and environment trainings and anti-bribery and corruption trainings).
	Total Cost of Training (TL)	This indicator reflects the total costs of the trainings provided to the employees that is monitored through the training tracking platform of Human Resources during the reporting period.
	Average Annual Training Costs per Employee (TL)	This indicator reflects the average training costs per employee during the reporting period.
	Total Number of Employees Hired	
	Number of Employees Hired by Age, Gender and Manager Level (#)	This indicator expresses the breakdown of the total number of employees hired by the Company and reported to the Social Security Institution through employment declarations by gender, age (below 30, between 30-50 and above 50) and management level (N-3, N-2 and N-1).

Type	Indicator	Scope
Social Indicators	**Total Number of Employees Left**	
	Number of Employees Quitting by Gender (#)	This indicator refers to the number of male and female employees declared to the Social Security Institution in the reporting period.
	Number of Employees Quitting by Age (#)	This indicator reflects the total number of employees left and declared to the Social Security Institution of the Companies with the Declaration of Leaving Employment during the reporting period. It is tracked by age groups as under 30, between 30 and 50, and over 50.
	By Management Level Employee Exits (#)	This indicator expresses the breakdown of employees declared to the Social Security Institution with the Declaration of Leaving Employment during the reporting period according to N-3, N-2 and N-1 management levels.
	Turnover Rates	
	Employee Turnover Rates by Gender, Age and Manager Level (%)	This indicator refers to the ratio of the number of employees who left their jobs during the reporting period by gender, age (below 30, between 30-50 and above 50) and management level (N-3, N-2 and N-1) to the total number of employees in the same categories.
	Total Employee Turnover (%)	This indicator refers to the ratio of all employees who left their jobs and were followed up through SSI exit notifications to the total number of employees at the end of the reporting period.
	People Reached Through Inclusion Programs in Reporting Period (#)	This indicator efers to the number of people of the vulnerable groups (elderly, youth, female, socioeconomically disadvantaged people and disabled people, etc.) reached by the Company through inclusion programs during the reporting period.
Environmental Indicators	**Energy Consumption by Fuel Type**	
	Total Energy Consumption (MWh)	This indicator refers to the MWh energy equivalent of total natural gas, gasoline, diesel fuel and electricity consumption used by the Company during the reporting period.
	Total Natural Gas Usage (KWh)	This indicator represents the natural gas consumption of the Company's stores, warehouses and headquarters, which occurs as a result of the Company's operations and is tracked through purchase invoices received from service providers.
	Renewable Energy	
	Total Produced Renewable Energy (MWh)	This indicator refers to the total electricity generation generated by the solar energy (SPP) panels installed by the Company during the reporting period and monitored through contracts with service providers.
	Electricity Sold to Grid (KWh)	This indicator represents the total amount of electricity sold during the reporting period, which is generated by the solar energy (SPP) panels installed by the Company and sold to the grid and tracked through sales invoices.
	Purchased Renewable Energy (MWH, GJ)	This indicator represents the total electricity purchased by the Company and certified with I-REC certificates during the reporting period. It is reported in GJ and MWh energy units.
	Total Consumed Renewable Energy(MWh)	This indicator represents the total electricity purchased by the Company, certified with I-REC certificates and generated and used by the Company's installed solar energy panels during the reporting period.
	Total Electricity Usage (KWh)	This indicator represents the total amount of electricity purchased by the Company, generated and consumed by the Company's SPP unit and tracked through invoices received from service providers.

Type	Indicator	Scope
Environmental Indicators	**Greenhouse Gas Emissions (ton CO_2e)**	
	Scope 1 Greenhouse Gas Emissions (tCO_2e)	This indicator represents the greenhouse gas emission caused by the consumption of natural gas, diesel fuel, gasoline, SF6, refrigerant gases and fire extinguishers at the relevant locations of the Company during the reporting period.
	(Location Based) Scope 2 Indirect (Greenhouse Gas) Emissions (tCO_2e)	This indicator represents greenhouse gas emissions from all electricity consumption at the relevant locations of the Company during the reporting period.
	(Market -based)Scope 2 Indirect (Greenhouse Gas) Emissions (tCO_2e)	This indicator refers to the greenhouse gas emissions arising from electricity consumption from non-renewable sources that are not certified with I-REC or YEK-G and purchased from non-renewable sources at the relevant locations of the Company during the reporting period.
	Scope 3, Category 1: Purchased Goods and Services (Upstream) (tonnes CO_2e)	This indicator represents indirect emissions from electronic devices and products (white goods, computers, telephones, telephone, telephone derivative devices, televisions, media players, monitors, small household appliances, etc.) purchased by Teknosa, İklimsa, Preo and Teknosa Marketplace during the reporting period.
	Scope 3, Category 2: Capital Goods (Upstream) (tonnes CO_2e.)	This indicator represents indirect emissions from capital goods and investment expenditures made by Teknosa during the reporting period.
	Scope 3, Category 3: Fuel and Energy Related Activities (Upstream) (tonnes CO_2e.)	This indicator represents the well-to-tank emissions of natural gas, gasoline, diesel fuel and electricity purchased by Teknosa during the reporting period.
	Scope 3, Category 5: Waste Generated in Operations (Upstream) (tonnesCO_2e.)	This indicator represents the indirect emissions caused by the disposal and/or recycling of waste generated as a result of Teknosa's operations during the reporting period.
	Scope 3, Category 6: Business Travel (Upstream) (tonnes CO_2e.)	This indicator represents the indirect emissions from all business air travel during the reporting period.
	Scope 3, Category 7: Employee Commuting (Upstream) (tonnes CO_2e)	This indicator represents the indirect greenhouse gas emissions caused by Teknosa employees' commuting to and from work via employee shuttles during the reporting period, calculated based on fuel information obtained from shuttle service providers.
	Scope 3, Category 9: Transportation and Distribution (Downstream) (tonnes CO_2e)	This indicator represents the greenhouse gas emissions generated for the transportation of goods sold by Teknosa to customers/buyers during the reporting period. It is calculated based on the amounts spent by Teknosa on contracted logistics companies.
	Scope 3, Category 11: Use of Sold Products (Downstream) (tonnes CO_2e.)	This indicator represents the indirect greenhouse gas emissions of electronic devices and products (white goods, computers, telephones, telephone, telephone derivative devices, televisions, media players, monitors, small household appliances, etc.) sold by Teknosa, Preo and İklimsa and Teknosa Marketplace during their end-of-life use.
	Scope 3, Category 12: End-of-Life Treatment for Sold Products (Downstream) (tonnes CO_2e.)	This indicator represents the indirect greenhouse gas emissions caused by the disposal/recycling of electronic devices and products (white goods, computers, telephones, telephone, telephone derivative devices, televisions, media players, monitors, small household appliances, etc.) sold by Teknosa, Preo and İklimsa and Teknosa Marketplace at the end of their life cycle.
	Water Management	
	Fresh Water Withdrawal (m^3)	This indicator represents the total amount of water withdrawn and tracked by invoices at the Company's locations during the reporting period.
	Water Discharge (m^3)	This indicator represents the total amount of water discharged by the Company to a receiving environment (3rd party discharge point) during the reporting period.

Type	Indicator	Scope
Çevresel Göstergeler	**Waste Management**	
	Recycled Waste (tonnes)	This indicator represents the amount of all hazardous and non-hazardous waste generated as a result of the Company's operations during the reporting period, as defined by the Ministry of Environment, Urbanization and Climate Change with the code "R".
	Recycled Waste Rate (%)	This indicator refers to the ratio of the amount of waste recycled in the reporting period to the total amount of hazardous and non-hazardous waste.
	Total Amount of Hazardous Waste (tonnes)	This indicator refers to the amount of hazardous waste where the Company's operations took place during the reporting period. Total hazardous waste is the sum of waste recycled/reused at the facility (including plastic and electronic waste), waste recycled/reused by a third party (including plastic and electronic waste), waste disposed of in landfills, landfill/solid waste, waste incinerated with energy recovery and waste incinerated without energy recovery.
	Total Amount of Non-Hazardous Waste (tonnes)	This indicator refers to the amount of non-hazardous waste at the locations where the Company's operations took place during the reporting period. Total non-hazardous waste is the sum of waste recycled/reused by a third party (including plastic and electronic waste), waste going to landfill/solid waste, waste incinerated with energy recovery and waste incinerated without energy recovery.
	Total Plastic Consumption (tonnes)	This indicator is tracked through invoices and waste declaration forms reported to the Ministry of Environment, Urbanization and Climate Change of the Republic of Turkey and refers to the consumption of plastic products, plastic bottles, plastic bags and plastic packaging.
Economic Indicators	**Sustainable Business Model**	
	Number of SDG-Related Products and Services (#)	It refers to the number of mitigation (Products that directly reduce resource use or carbon emissions. Includes activities that are considered unquestionably sustainable.), transition (Products and services that are not considered entirely environmentally friendly in nature, but can be considered as a transition to more sustainable technologies, such as cement and rubber products produced using alternative raw materials and/or fuels.), enabler (Products that are not considered as direct source/carbon emission reduction activities, but facilitate the dissemination of related technologies.) and enhancing positive social impact products and services offered by the Company during the reporting period that provide environmental and social benefits.
	SDG-Related Product and Service Revenue (TL)	It refers to the income obtained from the products and services offered by the Company during the reporting period, which provide environmental and social benefits, and have a mitigation, transitional and facilitating nature. It is reported as TL on a consolidated basis.
	SDG-Linked R&D and Innovation Investments (TL)	It refers to the sustainability-oriented R&D and innovation investments of the Company made during the reporting period. It is reported as TL on a consolidated basis.
	Ratio of SDG-Linked R&D and Innovation Activities (%)	It refers to the ratio of sustainability linked R&D and innovation investments in the Company's investment budget to total R&D and innovation investment during the reporting period.
	Environmental Investments and Expenditures	
	Environmental Investments (TL)	It refers to the mitigation (Products that directly reduce resource use or carbon emissions. Includes activities that are considered unquestionably sustainable.), transition (Products and services that are not considered entirely environmentally friendly in nature, but can be considered as a transition to more sustainable technologies, such as cement and rubber products produced using alternative raw materials and/or fuels.) and enabler (Products that are not considered as direct source/carbon emission reduction activities, but facilitate the dissemination of related technologies.) environmental investments carried out by the Company during the reporting period that provide environmental and social benefits. It is reported as TL on a consolidated basis.
	Environmental Expenditures (TL)	This indicator represents legally required and non-legally required expenditures during the reporting period. Reported in TL on a consolidated basis.
	Savings and Reductions Due to Environmental Investments (KWh, kg CO_2e, TL)	This indicator represents the KWh energy equivalent of the energy savings realized through LED conversions and automation projects during the reporting period, and the emission reduction (kgCO_2e) and financial savings (TL) caused by these energy savings.

Data Preparation

Social Indicators

Occupational Health and Safety (OHS) Indicators

The number of accidents and the number of fatal cases is followed by the tables that list the Social Security Institution declarations.

The following definitions and formulas are used in the calculation of occupational health and safety indicators.

Formulas:
Lost Day Rate = Accidental Absence / Total Working Hours * 200,000

Distribution of Female Employees Data

The total number of employees represents the total number of employees that the companies have as of the end of the reporting year and that are based on the information included in the annual reports or human resources systems published as of 31 December 2023.

The following definitions and formulas are used in the calculation of female employee distribution indicators.

Formulas:
Female Employees's Rate = Number of Female Employees / Total Number of Employees

Distribution of Female Managers

Managerial levels in the scope are defined as N-1, N-2 and N-3. N-1 level is an executive level who directly reports to the CEO. N-2 level is defined as the middle level which is two degrees away from CEO. Similarly, N-3 is a managerial level is three degrees away from CEO.

Formulas:
Ratio of female managers (%) = (total number of N-1, N-2 and N-3 level female managers / total number of N-1, N-2 and N-3 level managers) * 100

Distribution of Female Managers in Revenue-Generating Roles

Revenue-generating roles defined as the roles that when vacant, no revenue is generated.

Formulas:
Share of Female Managers in Revenue-Generating Roles (%) = (number of female managers in revenue-generating roles / total number of managers in revenue-generating roles) * 100

Distribution of Female Employees in STEM Roles

STEM roles are directly related to Science, Technology, Engineering and Mathematics.

Formulas:
Share of Female Employees in STEM Roles (%) = (Number of female employees in STEM roles / total number of employees in STEM roles) * 100

Parental Leaves

Parental leaves include maternity and paternity leaves during the reporting period.

Formulas:
Ratio of the Employees who Returned to Work After Maternal Leave = Number of employees returned from maternity leaves / Number of employees left due to maternity leave

Trainings

It represents the trainings provided to the employees during the reporting period. Total training hours is divided into four sub-categories. Total training hours by gender (female and men), by age (under 30, between 30 and 50, over 50), by training types ("ethics", "diversity and inclusion", "sustainability and environment" and "anti-bribery and corruption").

Total cost of the trainings represents the total cost of all the trainings provided by the Companies to their employees.

Formulas:
Average Training Costs per Employee = Total cost of all the trainings / the number of employees

Total Number of Employees Hired

The number of employees hired during the reporting period is divided into three categories as gender (female and men), age (under 30, between 30 and 50, over 50).

Total Number of Employees Left

The number of employees left during the reporting period is divided into three categories as gender (female and men), age (under 30, between 30 and 50, over 50).

Turnover Rates

Formulas:
Turnover rates by gender:

- Number of female employees left / total number of female employees
- Number of men employees left / total number of men employees

People Reached Through Inclusion Programs in Reporting Period

It refers to the number of people of the sensitive groups (old, youth, female, and disabled people, etc.) reached by the Company through inclusion programs.

Within the scope of the "Technology for Female" project, the number of female participants who attended digital literacy training was evaluated. In addition, the number of female reached represents the number of people reached by "Hatay Kuluçka Merkezi" program.

Environmental Indicators

Energy Consumption by Fuel Type

Within the scope of energy consumption data for Teknosa natural gas, diesel, gasoline and electricity have been consumed. The data is obtained with the meter, invoice, receipt, and maintenance-repair forms of the service providers.

Natural gas consumption for stores is obtained by dividing the unit price over the TL amount of the invoices of the service providers. Two different unit price for semester one and semester two (obtained by TURKSTAT) is considered in the total consumption. Natural gas consumption for warehouse is obtained from meters and natural gas consumption for headquarters is obtained from Carrefoursa since the consumption is mutual and Teknosa is responsible from the 30% of the total consumption. Electricity for stores is provided by both Enerjisa and other providers. Electricity consumption from the other providers is calculated by considering two different unit price obtained by TURKSTAT. On the other hand, electricity meters are used to calculate the consumption from the Enerjisa. Electricity consumption for warehouse is obtained from meters and electricity consumption for headquarters is obtained from Carrefoursa since the consumption is mutual and Teknosa is responsible from the 30% of the total consumption.

Teknosa uses the following conversion factors in their energy consumption calculations:

- Since the electricity supply unit is billed in kWh, a conversion factor of 1 kWh=0.0036 GJ is used for conversion to GJ;
- Since the natural gas supply unit is billed in m^3, a conversion factor [1m^3 * (Calorific Value) MJ/m^3]/1000 is used;
- Since the diesel supply unit is billed in liters, the conversion factor [1 ltl * (Calorific Value) MJ/l] /1000 is used for conversion to GJ;
- Since the gasoline supply unit is billed in liters, the conversion factor [1l * (Calorific Value) MJ/l] /1000 is used for conversion to GJ;
- Since the unit of all fuel consumption is reported as MWh, a conversion factor of 1GJ=0.277777 MWh is used for conversion to GJ.

Purchased Heat/Steam/Cooling

The amount of refrigerant consumed for cooling purposes is reported within the scope of purchased heat/steam/cooling indicator. For this indicator, the total consumption amount of R22 gases and other gases such as SF6, R407C, R134A, R410A and CO_2 gases has been calculated based on maintenance/ repair forms and related invoices.

Greenhouse Gas Intensity and Energy Intensity (tCO_2e / TL)

Greenhouse gas emission intensity is calculated by dividing the sum of the Company's scope 1 and 2 emissions by total TL revenues in the reporting period.

Energy intensity is calculated by dividing the Company's total energy consumption by total TL revenues in the reporting period.

Total TL revenue refers to the total amount of revenue available in Teknosa's 2023 financial report.

Formulas:
GHG and Energy Intensity = tonCO_2e / Total TL revenue
Energy Intensity = Total energy consumption / Total TL income

Share of Renewable Energy Consumption in Total Energy Consumption

Renewable energy consumption refers to the renewable energy sourced electricity consumption by the Company.

Formulas
Share of Renewable Energy Consumption in Total Energy Consumption (%) = (Renewable Energy Consumption / Total Energy Consumption) * 100

Scope 1, 2, and 3 Emissions

Scope 1, Scope 2 and Scope 3 emissions are calculated in accordance with ISO 14064-1, “Greenhouse Gases Protocol: Corporate Accounting and Reporting Standard“ in accordance with ISO 14064-1 and calculated according to the operational control principle”.

CO_2, CH_4, N_2O, HFCs (SF6 and refrigerant gas) CO_2 equivalent factors were used in the calculations. The emission factors used are detailed in the table below. Global Warming Potential (GWP) coefficients were calculated by multiplying the composite ton CO_2e value by appropriate coefficients using the 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and the Greenhouse Gas Protocol (https://www.ipcc.ch/site/assets/uploads/2018/02/SYR_AR5_FINAL_full.pdf)

(https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023)

The total of Scope 1 and 2 emissions is calculated using the formulas below.

Location-based Total Emissions (Scope 1 and 2, tonCO_2e.) = Scope 1 Greenhouse Gas Emissions (tonCO_2e.) + Location-based Scope 2 Indirect Emissions (tonCO_2e.)

Market Based Total Emissions (Scope 1 and 2, tonCO_2e.) = Scope 1 GHG Emissions (tonCO_2e.) + Market Based Scope 2 Indirect Emissions (tonCO_2e.)

Emission sources – Scope 1	Emission Calculation Methodology
Stationary	Emission factors from IPCC 2006 guidelines and DEFRA 2023, fuel NCV and density values are from regulations published by Energy Ministry, DEFRA 2023 and IPCC 2006. IPCC GWP coefficients are from 5th & 6th assessment Report.
Mobile	Emission factors from IPCC 2006 guidelines and DEFRA 2023, fuel NCV and density values are from regulations published by Energy Ministry, DEFRA 2023 and IPCC 2006. IPCC GWP coefficients are from 5th & 6th assessment Report.
Fugitive	Global Warming Potential (GWP) values are from IPCC 5th & 6th assessment Report and DEFRA 2023.
Emission Factors – Scope 2	**Ton CO_2-e/MWh**
Turkey Electricity (from grid)	TEIAS 2022 published data for electricity generation.
Emission Factors - Scope 3	**Ton CO_2-e/MWh**
Category 1: Purchased Goods and Services	Exiobase 2019 database was used for categorisation of products and emission factors of these categories.
Category 2: Capital Goods	Exiobase 2019 database was used for categorisation of products and emission factors of these categories.
Category 3: Fuel and Energy Related Activities	DEFRA 2023 was used for well-to-tank emission factors of fuels (natural gas, diesel, petrol).
Category 5: Waste Generated in Operations	Emission factors according to the disposal method of waste are taken from DEFRA 2023.
Category 6: Business Travel	Emission factors by flight categorisation (business/economy, domestic/international) are taken from DEFRA 2023.
Category 7: Commuting of Employees	For services, DEFRA 2023 emission factors were used.
Category 9: Transport and Distribution (Downstream)	Exiobase 2019, land transport emission factor was used.
Category 11: Use of Sold Products	Exiobase 2019 database was used for categorisation of products and emission factors of these categories.
Category 12: End of Life Transactions for Sold Products	Exiobase 2019 database was used for categorisation of products and emission factors of these categories.

Scope 3: EXIOBASE 2019 emission factors were used for Categories 1, 2, 9, 11 and 12. Related parameters such as product lifetime, energy consumption, etc. were calculated based on Energy Star Label data, manufacturer's manuals of the products and average values according to product type. For Category 9, product manuals were used for catalog products, while for other product groups, landfill emission factors published for WEEE (Waste Electrical and Electronic Equipment) products were used using average weight data calculated by unit weight of products sold.

Water Consumption

The water withdrawals and discharges are monitored through the inlet and outlet meters located within the facilities, monthly activity reports of the Ministry of Environment, Urbanization, and Climate Change of the Republic of Turkey, payment invoices and assumptions based on the Turkish Statistical Institute (TÜİK). Water consumption consists of the amount of water withdrawn from nature by the facilities and not discharged (into the product, evaporation, or leakage) to directly.

Formulas:
Water consumption (m^3) = Water Withdrawal by Source – Total Amount of Water Discharge

Waste

Hazardous wastes are defined as wastes containing substances that are dangerous for human health and the environment and that have the potential to be harmful, while non-hazardous wastes are defined as wastes that do not cause any harm to human health and the environment. Hazardous wastes are defined as wastes containing substances that are dangerous for human health and the environment and that have the potential to be harmful, while non-hazardous wastes are defined as wastes that do not cause any harm to human health and the environment (Republic of Turkey Ministry of Environment, Urbanization and Climate Change, Waste Management Regulation - Article 4). According to the disposal methods, the total amount of hazardous and non-hazardous waste which is landfilled, recycled in the facility/outside the facility, incinerated for energy recovery and incinerated without energy recovery are reported.

The total amount of hazardous and non-hazardous waste is monitored through official documentation including Waste Declaration Forms, Mass Balance System (MOTAT, KDS etc.) of the Republic of Turkey Ministry of Environment, Urbanization and Climate Change and disposal delivery notes/records, etc.

The amount of recycled waste refers to the amount of waste that goes to the Group 's landfill/solid waste site or is recycled by itself or another organization, recovered for energy purposes and reused. Recycled wastes contain on wastes which are disposed as emphasized in “R” code in Republic of Turkey

Ministry of Environment, Urbanization and Climate Change, Waste Management Regulation Annex-1: Waste Code Determination Hierarchy and Waste Code Explanations.

Formulas:
Amount of Recycled Waste = Waste Recycled/ Reused at the Facility + Recycled/Reused by a Third-Party + Landfilled + Incinerated with Energy Recovery

Reused / recycled waste ratio = Amount of Recycled Waste / (Total Hazardous Waste + Total Non-Hazardous Waste)

Economic Indicators

The following definitions and formulas are used in the calculation of economic indicators.

Sustainable Business Model

Products and services identified as sustainable are;

- Products and services that provide benefits related to the direct reduction of environmental resources / carbon emissions (mitigation),
- Products and services related to the reduction of environmental resource use / carbon emissions in technologies and activities that are not considered sustainable in nature (transition),
- Products and services that are not considered as direct source / carbon emission reduction activities, but facilitate the dissemination of related technologies (enabler)
- Grouped as products and services that create positive social impact.

Revenues from products and services were obtained through product-based sales lists, and total revenue from related product types was reported within the scope of this indicator.

Within the scope of the ratio of SDG-linked product and service revenues to total revenues in TL, total revenues in TL represent the total revenues of the companies as of the end of the reporting year, which are stated in the annual reports published as of 31 December 2023 or in the financial reports subject to independent audit.

The total amount reported within the scope of R&D and innovation investment consists of the investments made within the approved budget of the Company. Amounts reported under R&D and innovation investments represent the total revenue figures of the Companies stated in the annual reports published as of 31 December 2023 or in the financial reports subject to independent audit. The total amount reported within the scope of sustainability-oriented R&D and innovation investment represents the sustainability-oriented investments included in the Company's approved R&D and innovation investment budget.

The number of SDG-linked products and services consist of 207 products and services, which are considered as mitigation and enabler products. The products evaluated within the scope of mitigation products are 202 types are low energy consumption A+++ white appliances and air conditioner models. The service evaluated within the scope of enabler products are Teknogaranti, Maintenance&Repair, Rental, Buyback and renovated products.

Projects carried out within the scope of R&D and innovation investments include R&D projects capitalized in the 2023 financial year. The company’s energy savings are due to the automation system for heating, cooling and lighting installed in its stores and workplaces as well was Teknosa stores that turned into LED lighting in 2023.

Formulas:
Ratio of SDG-linked Product and Service Revenues to Total Revenue = SDG-linked Product and Service Revenues / Total Revenue

Ratio of SDG-linked R&D and Innovation Investment to Total Revenue (%) = (SDG-linked R&D and Innovation Investment / Total Revenue) * 100

Savings and Reduction Based on Environmental Investments

Within the scope of the financial savings and environmental and social benefit indicators realized through sustainable investments and/or operations, the Company's electricity savings in kWh and savings in TL are reported. The financial and environmental benefits of energy saving projects (LED conversion and Automation system installation) realized in stores are evaluated regarding this indicator.

Environmental Investments and Expenditures

Environmental investments are reported as enabler investments. The total amounts reported in these indicators are constituted by the expenditures made within the approved budget of the Company. In this criterion, within the scope of environmental expenditures, the Recycling Contribution Share (GEKAP) and the amounts of LED conversion and automation system installation in Teknosa stores were evaluated. Environmental investments and expenditures are tracked through invoices issued.

Restatement

The measuring and reporting of sustainability-related data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.

Assurance Statement

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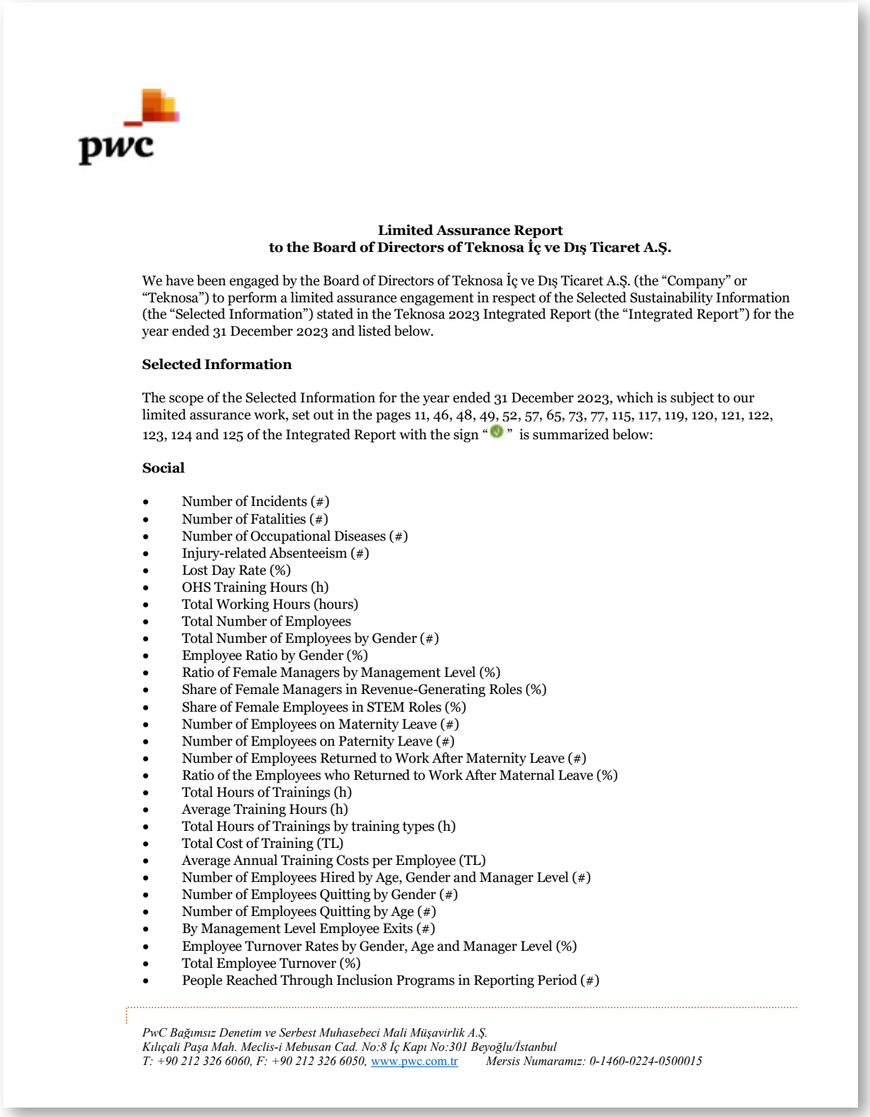

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Limited Assurance Report
to the Board of Directors of Teknosa İç ve Dış Ticaret A.Ş.

We have been engaged by the Board of Directors of Teknosa İç ve Dış Ticaret A.Ş. (the "Company" or "Teknosa") to perform a limited assurance engagement in respect of the Selected Sustainability Information (the "Selected Information") stated in the Teknosa 2023 Integrated Report (the "Integrated Report") for the year ended 31 December 2023 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2023, which is subject to our limited assurance work, set out in the pages 11, 46, 48, 49, 52, 57, 65, 73, 77, 115, 117, 119, 120, 121, 122, 123, 124 and 125 of the Integrated Report with the sign " " is summarized below:

Social

- Number of Incidents (#)
- Number of Fatalities (#)
- Number of Occupational Diseases (#)
- Injury-related Absenteeism (#)
- Lost Day Rate (%)
- OHS Training Hours (h)
- Total Working Hours (hours)
- Total Number of Employees
- Total Number of Employees by Gender (#)
- Employee Ratio by Gender (%)
- Ratio of Female Managers by Management Level (%)
- Share of Female Managers in Revenue-Generating Roles (%)
- Share of Female Employees in STEM Roles (%)
- Number of Employees on Maternity Leave (#)
- Number of Employees on Paternity Leave (#)
- Number of Employees Returned to Work After Maternity Leave (#)
- Ratio of the Employees who Returned to Work After Maternal Leave (%)
- Total Hours of Trainings (h)
- Average Training Hours (h)
- Total Hours of Trainings by training types (h)
- Total Cost of Training (TL)
- Average Annual Training Costs per Employee (TL)
- Number of Employees Hired by Age, Gender and Manager Level (#)
- Number of Employees Quitting by Gender (#)
- Number of Employees Quitting by Age (#)
- By Management Level Employee Exits (#)
- Employee Turnover Rates by Gender, Age and Manager Level (%)
- Total Employee Turnover (%)
- People Reached Through Inclusion Programs in Reporting Period (#)

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Environmental

- Energy Consumption by Fuel Type
- Total Energy Consumption (MWh)
- Total Natural Gas Usage (KWh)
- Total Produced Renewable Energy (MWh)
- Electricity Sold to Grid (KWh)
- Purchased Renewable Energy (MWH, GJ)
- Total Consumed Renewable Energy(MWh)
- Total Electricity Usage (KWh)
- Scope 1 Greenhouse Gas Emissions (tCO2e)
- (Location Based) Scope 2 Indirect (Greenhouse Gas) Emissions (tCO2e)
- (Market -based)Scope 2 Indirect (Greenhouse Gas) Emissions (tCO2e)
- Scope 3, Category 1: Purchased Goods and Services (Upstream) (tonnesCO2e)
- Scope 3, Category 2: Capital Goods (Upstream) (tonnesCO2e.)
- Scope 3, Category 3: Fuel and Energy Related Activities (Upstream) (tonnesCO2e.)
- Scope 3, Category 5: Waste Generated in Operations (Upstream) (tonnesCO2e.)
- Scope 3, Category 6: Business Travel (Upstream) (tonnesCO2e.)
- Scope 3, Category 7: Employee Commuting (Upstream) (tonnesCO2e)
- Scope 3, Category 9: Transportation and Distribution (Downstream) (tonnesCO2e)
- Scope 3, Category 11: Use of Sold Products (Downstream) (tonnesCO2e.)
- Scope 3, Category 12: End-of-Life Treatment for Sold Products (Downstream) (tonnesCO2e.)
- Fresh Water Withdrawal (m3)
- Water Discharge (m3)
- Recycled Waste (tonnes)
- Recycled Waste Rate (%)
- Total Amount of Hazardous Waste (tonnes)
- Total Amount of Non-Hazardous Waste (tonnes)
- Total Plastic Consumption (tonnes)
- Number of SDG-Related Products and Services (#)
- SDG-Related Product and Service Revenue (TL)
- SDG-Linked R&D and Innovation Investments (TL)
- Ratio of SDG-Linked R&D and Innovation Activities (%)
- Environmental Investments (TL)
- Environmental Expenditures (TL)
- Savings and Reductions Due to Environmental Investments (KWh, kgCO2e, TL)

Our assurance was with respect to the Selected Information marked with " " in the in the Integrated Report and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with " " in the Integrated Report and, any other elements included in the Integrated Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Selected Information is set out in section "Annex-1: Teknosa İç ve Dış Ticaret A.Ş. 2023 Integrated Report - Reporting Principles" (the "Reporting Principles") on pages 140, 141, 142, 143, 144, 145, 146, 147 and 148 of the Integrated Report.

The Company's Responsibility

The Company is responsible for the content of the Integrated Report and the preparation of the Selected Information in accordance with the Reporting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles.

In particular, the conversion of different energy measures to MWh and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles. Our assurance work did not include examination of the derivation of those factors and other third-party information.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Principles. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"), and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410 "Assurance Engagements on Greenhouse Gas Statements" ("ISAE 3410") issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Company and
- undertook analytical procedures over the reported data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Company's Selected Information for the year ended 31 December 2023, is not properly prepared, in all material respects, in accordance with the Reporting Principles.

Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Company as a body, to assist the Board of Directors in reporting Teknosa İç ve Dış Ticaret A.Ş.'s performance and activities related to the Selected Information. We permit the disclosure of this report within the Integrated Report for the year ended 31 December 2023, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Teknosa İç ve Dış Ticaret A.Ş. as a body and Teknosa İç ve Dış Ticaret A.Ş. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ali Yörük, SMMM
Independent Auditor

Istanbul, 1 October 2024

Trade Registry Information

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Mersis No: 0-8360-1443-9300012

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Report Design: Grafidea Reklam ve Danışmanlık

Disclaimer

The data, information and analyzes contained in the Teknosa Sustainability Report (Report) are provided for informational purposes only using sources and information believed to be accurate and reliable as of the reporting period. They are not intended to form the basis for any investment decision. The Company, its directors, employees or any other person or institution contributing to the Report may not be held responsible for any damages that may arise from the use of the information contained in this Report.
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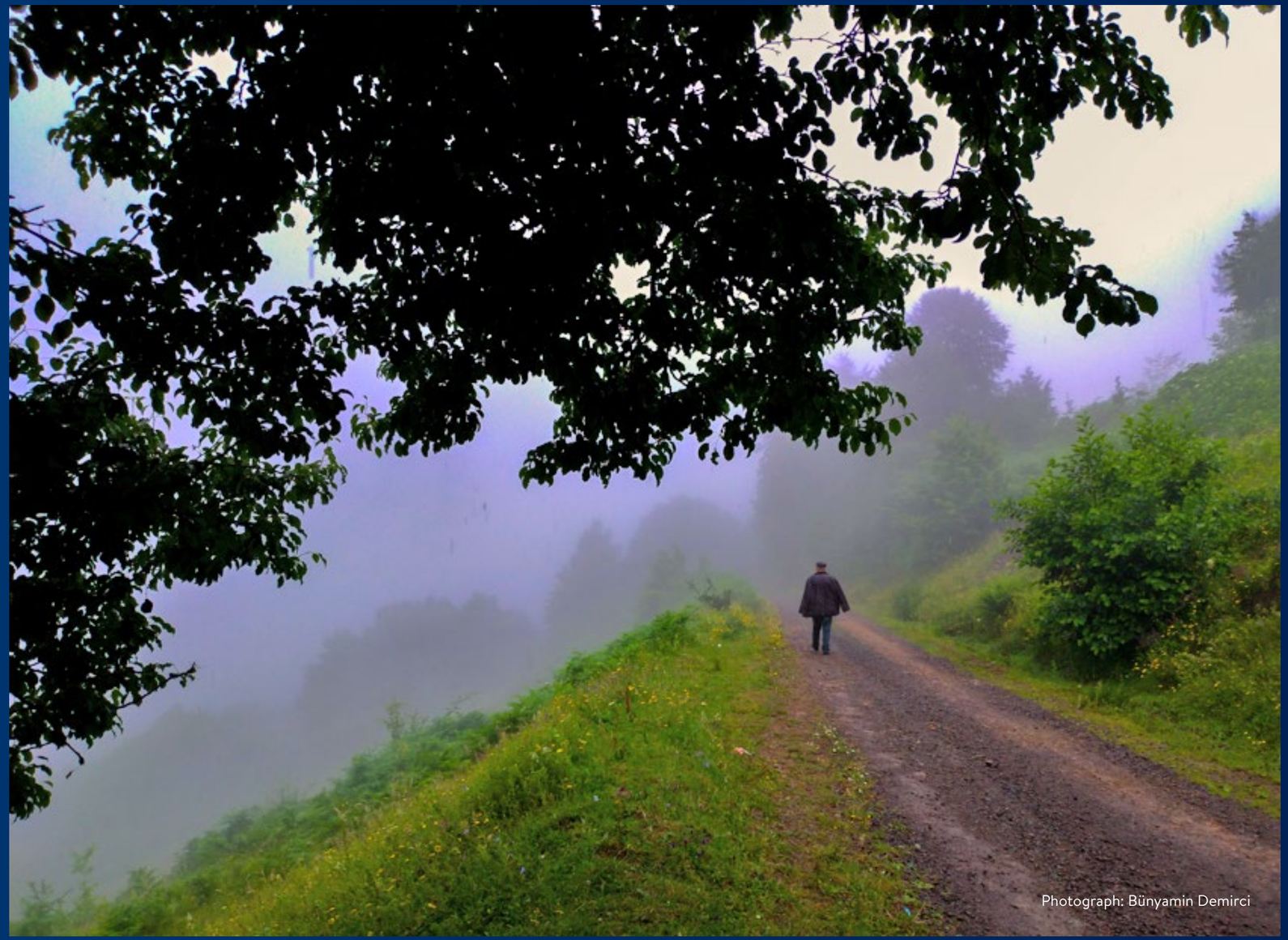

Photograph: Bünyamin Demirci

We would like to thank Teknosa Photography Club for their contributions to our report.