

# TAB



## 2024 TSRS COMPLIANT SUSTAINABILITY REPORT



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# LIMITED ASSURANCE REPORT UNDER TSRS



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(Convenience Translation of Auditor's Limited Assurance Report Originally Issued in Turkish)

**LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON THE INFORMATION  
PRESENTED UNDER THE TURKISH SUSTAINABILITY REPORTING STANDARDS OF TAB GIDA  
SANAYİ VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**

To the General Assembly of TAB Gıda Sanayi ve Ticaret Anonim Şirketi,

We have been assigned to perform limited assurance engagement on the information ("Sustainability Information") presented in accordance with the Türkiye Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Türkiye Sustainability Reporting Standards 2 "Climate-Related Disclosures" of TAB Gıda Sanayi ve Ticaret A.Ş. and its subsidiaries (collectively referred to as the "Group") for the year ended December 31, 2024.

Our assurance engagement does not include the information related to prior periods and other information associated with Sustainability Information (including any images, audio files, website links or embedded videos).

**Limited Assurance Conclusion**

Based on the procedures performed and the evidence obtained, as summarized under the section "Summary of the Work we Performed as the Basis for our Assurance Conclusion", nothing has come to our attention that causes us to believe that Group's Sustainability Information for the year ending December 31, 2024, has not been prepared in accordance with the Türkiye Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA") in the Official Gazette dated December 29, 2023 and numbered 32414(M). We do not provide any assurance conclusion regarding the information related to prior periods and any other information associated with the Sustainability Information (including any images, audio files, website links or embedded videos).

**Inherent Limitations in the Preparation of Sustainability Information**

The Sustainability Information is subject to inherent uncertainties due to lack of scientific and economic information. The inadequacy of scientific data leads to uncertainties in the calculation of greenhouse gas emissions. Additionally, due to the lack of data regarding the likelihood, frequency, and impacts of potential physical and transition climate risks, the Sustainability Information is subject to uncertainties related to climate-related scenarios.



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**Responsibilities of Management and Those Charged with Governance Regarding Sustainability Information**

The Group's Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Türkiye Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- Additionally, the Group Management is responsible for selecting and implementing appropriate sustainability reporting methodologies as well as making reasonable assumptions and suitable estimates.

Those Charged with Governance is responsible for overseeing the Group's sustainability reporting process

**Responsibilities of the Independent Auditor Regarding the Limited Assurance of Sustainability Information**

We are responsible for the following:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Group Management.

Since we are responsible for providing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation process of the Sustainability Information in order to ensure that our independence is not compromised.

**Professional Standards Applied**

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements "3410 Assurance Engagements on Greenhouse Gas Statements", issued by POA.



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#### Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors, issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk management specialists. We have used the work of our expert team to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

#### Summary of the Work we Performed as the Basis for our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information,

- Face-to-face and online interviews were conducted with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period.
- The Group's internal documentation was used to review and assess the sustainability related information.
- The disclosure and presentation of sustainability-related information have been evaluated.
- Through inquiries, we obtained an understanding of Group's control environment and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, we did not obtain evidence about their implementation or we did not test their operating effectiveness.
- The appropriateness and consistency of the Group's estimation development methods were evaluated. However our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates.



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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi  
A member firm of Ernst & Young Global Limited

  
Zeynep Okuyan Özdemir, SMMM  
Partner  
12 August 2025  
İstanbul, Türkiye



# ABOUT THE REPORT



METRICS AND TARGETS

RISK MANAGEMENT

STRATEGY

GOVERNANCE

ABOUT THE REPORT



## About the Report

This report has been prepared by TAB Gıda Sanayi ve Ticaret A.Ş. (TAB Gıda/Company/Organization) in accordance with the principle of “Reporting Organization” (paragraphs 20 and B38) of the Türkiye Sustainability Reporting Standards (TSRS) 1. In accordance with the requirements of the TSRS, the GHG Protocol and the relevant Appendix Cilt – 26 Restaurants sector guide of TSRS 2 have been used in the report. This report is our first TSRS Report as TAB Gıda and covers the period from 1 January 2024 to 31 December 2024.

This report covers TAB Gıda's activities in Türkiye, as well as its directly operated activities in Georgia, North Macedonia, and the Turkish Republic of Northern Cyprus.

The scope of reporting includes directly operated restaurants<sup>1</sup> and operational activities within Türkiye; in addition, climate-related risks and opportunities of the activities have been assessed.

The scope of the report coincides with the boundaries of financial reporting. The organization's activity report and financial report also cover the same period, i.e., 1 January to 31 December, 2024. The monetary data included in the report are presented in the same currency as the financial statements.

Activities that are not owned by TAB Gıda, such as franchise restaurants, but whose operational control is carried out by the Company, have been evaluated to a limited extent to the extent that data is available.

All information and data contained in the report have been obtained from the Company's official records, operational reporting systems, and publicly available sources, and have been verified by third parties.

<sup>1</sup>TAB Georgia LLC. (Georgia), TAB Limited Makedonija Dooel Petrovec (Macedonia) and TAB Gıda – KKTC Şubesi'nin operations were not included in the risk analysis as they were considered insignificant due to their sales revenue being less than 1%, but they were included in the emission account.



The table below shows the assets and operations included in the scope of the report, the related financial statement notes, and the level of inclusion.

**Table 1 TAB Gıda assets and operations**

| Assets and Operations                  | Explanation                                                                                       | Financial statement note | Scope of Reporting                                                      |
|----------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------|
| <b>Parent Company and Subsidiaries</b> | TAB Gıda and its 100% owned subsidiaries<br>- TAB Georgia LLC,<br>- TAB Makedonija Dooel Petrovec | <b>Note 2.1</b>          | Included at a rate of 100%.                                             |
| <b>Franchise Restaurants</b>           | Restaurants not owned by TAB Gıda but over which it exercises brand and operational control       | <b>Note 2.3 ve 4</b>     | Included to a limited extent based on the level of operational control. |
| <b>Foreign Operations</b>              | Companies operating in Georgia, Northern Cyprus, and North Macedonia                              | <b>Note 4.1</b>          | 100% controlled structures are included.                                |



## Exemptions Used in Reporting

As TAB GIDA SANAYİ VE TİCARET A.Ş. (TAB Gıda), we are implementing the Türkiye Sustainability Reporting Standards (TSRS) for the first time during this reporting period.

In this context, we have made use of the following transitional exemptions as outlined in Appendix E – Effective Date and Transition of TSRS 1 and Appendix C – Effective Date and Transition of TSRS 2:

- **TSRS 1 E3 & TSRS 2 C3 – Exemption from Providing Comparative Information:** In this initial reporting period, TAB Gıda has not provided comparative information for previous years in its sustainability and climate-related disclosures presented in accordance with the TSRS. Under TSRS 1, only information pertaining to the current year (2024) has been disclosed; likewise, climate-related disclosures include data solely for this reporting period. Detailed disclosures on other sustainability matters will be included starting from the second reporting period.

- **TSRS 1 E4:** In the initial annual reporting period, the sustainability-related financial disclosures were prepared and published after the financial statements for the period of 1 January – 31 December 2024 had been issued.
- **TSRS 1 E5 & TSRS 1 E6:** During the first annual reporting period, the focus has been limited to climate-related risks and opportunities (as per the disclosures required under TSRS 2). Detailed disclosures on other sustainability topics (such as social and governance aspects) will be provided in future reporting periods.
- Scope 3 greenhouse gas emission disclosures have been considered under the transitional exemption, and therefore, Scope 3 information has not been included in this report.



## About TAB Gıda

*As TAB Gıda, we have been one of the largest and leading players in the quick service restaurant (QSR) sector in Türkiye since 1994. In addition to bringing globally beloved brands to domestic consumers, we also make traditional flavors more accessible through the brands we have established ourselves.*

We operate the Turkish operations of strong global and local brands such as Burger King®, Popeyes®, Arby's®, Sbarro®, Subway®, Usta Pideci®, and Usta Dönerci®, reaching a wide customer base across the country through both our own restaurants and our franchise network. We are not just a restaurant chain operator, but also a vertically integrated food ecosystem manager, operating across the entire value chain from sourcing to distribution.

While our headquarters are located in Istanbul, we are also present in international markets through our 100% subsidiaries TAB Georgia LLC in Georgia and TAB Limited Makedonija Dooel Petrovec in North Macedonia. We are extending our impact beyond national borders. With our restaurants in the Turkish Republic of Northern Cyprus, Georgia, and North Macedonia, we are strengthening our position as a regional player. As of 31 December 2024, we operate a total of 1,830 restaurants , 1,791 in Türkiye, 15 in the Turkish Republic of Northern Cyprus, 15 in North Macedonia, and 9 in Georgia. Through our franchise network, we provide employment to over 22,000 people.





## Business Activity and Value Chain

Our core business activity is the licensing, supply chain management, restaurant development, operations, and expansion through franchise systems of quick service restaurant brands such as Burger King®, Popeyes®, Arby's®, Sbarro®, Subway®, Usta Pideci®, and Usta Dönerci® in the markets of Türkiye, North Macedonia, Georgia, and Cyprus.

Our operations, supported by a vertically integrated value chain model managed by TFI TAB Gıda Yatırımları A.Ş., encompass the following areas:

| Business Activity     | Geographical Location               |
|-----------------------|-------------------------------------|
| Fast food restaurants | Türkiye, Macedonia, Georgia, Cyprus |
| Franchise management  | Türkiye, Macedonia, Georgia, Cyprus |

As TAB Gıda, we are able to internally manage a significant portion of our supply and logistics operations thanks to the integrated food ecosystem under our main shareholder, TFI TAB Gıda Yatırımları. While sourcing the products used in our restaurants from reliable suppliers in Türkiye, we also establish collaborations with leading brands both domestically and globally. Through this vertically integrated model, we operate within an agile, transparent, and sustainable food ecosystem that spans the entire value chain, from raw material sourcing and production processes to logistics and end-consumer delivery. This system enables us to effectively address and resolve any potential challenges in food operations within our own organization.

With this comprehensive model, we source our main raw materials, such as meat, potatoes and vegetables, from local producers operating in different regions of Turkey and from our trusted business partners. We manage the processing of these products and their delivery to our restaurants through our group companies. Thanks to this integrated structure, which includes our potato processing plants, meat production facilities, vegetable cutting centers, and extensive distribution network, we achieve significant strength in terms of food safety, quality standardization, and operational control.



By placing technology at the heart of our business, we are constantly improving our digital ordering platforms, mobile applications and AI-powered logistics management systems. This enables us to improve the customer experience and differentiate ourselves in the industry with our digital loyalty programs.

*Thanks to the smart ordering systems we have developed, our customers can place their orders quickly and easily without waiting in line or stopping by the cashier.*

**Table 2 TAB Gıda value chain**

| Category            | Supply Chain                        | Geographic Location / Notes                               |
|---------------------|-------------------------------------|-----------------------------------------------------------|
| Upward Trend        | Red meat                            | Amasya /Türkiye                                           |
|                     | Frozen potatoes                     | Afyonkarahisar /Türkiye                                   |
|                     | Hamburger buns, pizza dough         | Türkiye                                                   |
|                     | Ready-made salads and vegetables    | Antalya /Türkiye                                          |
|                     | White meat                          | Türkiye                                                   |
|                     | Sauces, beverages                   | Türkiye                                                   |
|                     | Beverages                           | Türkiye                                                   |
| In-House Operations | Purchasing, storage, logistics      | Türkiye                                                   |
|                     | Online ordering and delivery        | Türkiye                                                   |
|                     | Marketing and digital communication | Türkiye                                                   |
|                     | Kitchen equipment and maintenance   | Türkiye                                                   |
| Downward Trend      | Consumer services                   | Türkiye and Abroad (North Macedonia, Georgia, and Cyprus) |
|                     | Online ordering platforms           | Türkiye                                                   |



# Governance

## Sustainability Governance

We view sustainability as an integral part of our long-term value creation and growth strategy, systematically integrating environmental, social, and governance (ESG) factors into our decision-making processes. In line with this approach, we implement our sustainability governance, which also encompasses climate-related issues, both within our company structures and in accordance with the “TFI and Group Companies Sustainability Management Procedure” under the umbrella of our parent company, TFI. We have integrated our top-level commitment to sustainability into our strategic governance mechanisms.

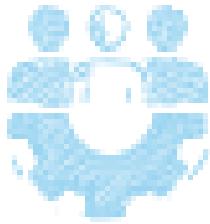
At the core of our governance structure are the committees operating under our Board of Directors. To ensure the effectiveness of decisions made regarding sustainability, we implement our governance practices through these committees.





The TAB Food Sustainability Board serves as the main structure responsible for coordinating sustainability efforts. The Board consists of 13 members, including managers from the Finance, Operations, Quality Assurance and Product Development, Human Resources, Marketing, Investor Relations, and Corporate Communications departments, as well as the TFI Sustainability, Internal Control, Compliance and Risk Management, and Fasdat Supply Chain Management teams. Through this multidisciplinary structure, sustainability issues are integrated into our decision-making processes at both strategic and operational levels.

As of 2025, our Sustainability Board will meet at least twice a year, and the decisions, risks, and opportunities discussed at these meetings will be regularly communicated to the TFI Sustainability Coordination Board. This information will be evaluated by the TAB Gıda Corporate Governance Committee and presented to the TAB Gıda Board of Directors.



At the operational level, our thematic Working Groups play an active role. These groups, which report to the TAB Gıda Sustainability Board, develop and implement projects on priority themes such as carbon footprint, energy efficiency, waste management, diversity, and inclusiveness. The outputs of these activities, which we monitor on a quarterly basis, are regularly reported to our Sustainability Board.

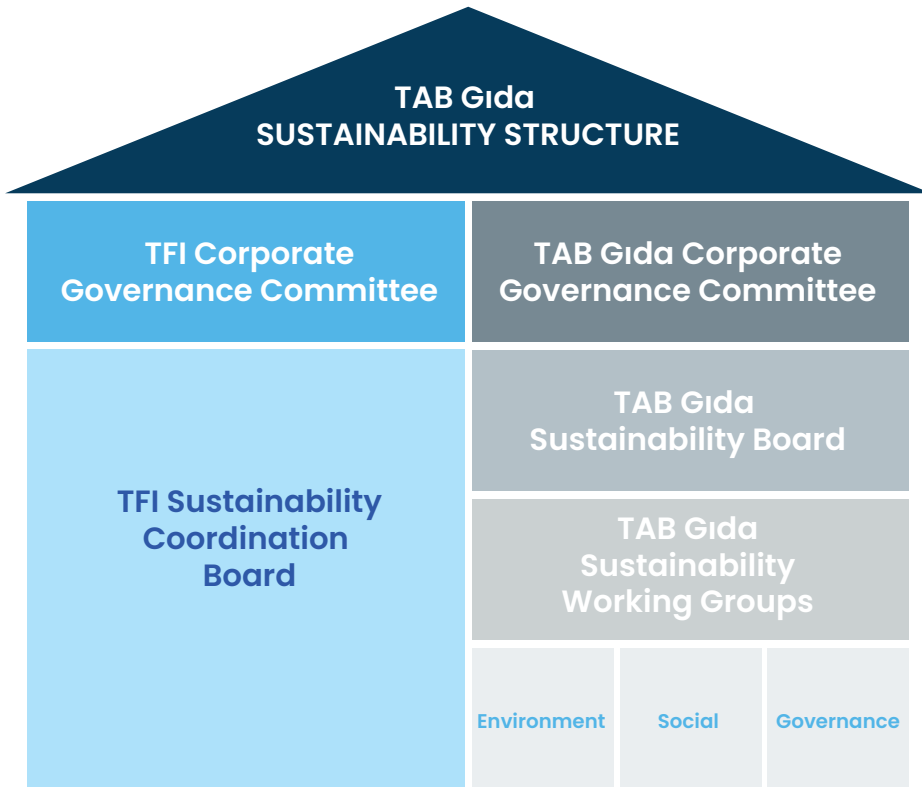
In addition, we do not view sustainability governance as limited to the effectiveness of corporate structures; we also attach importance to the cultural transformation that lies behind these structures. We believe that lasting and meaningful change is possible not only through systems, but also through the knowledge and awareness of the individuals who implement those systems. For this reason, we have identified employee awareness, leadership development, and ESG-based training as priority areas for integration into our corporate learning processes.

By 2025, we aim to establish these training programs within a systematic framework, ensuring that they not only produce content but also yield tangible results in the field. In this way, we are establishing a strong connection between our corporate learning culture and our sustainability goals, aligning employee experience, leadership approaches, and organizational development strategies with ESG principles.



## TAB Gıda Sustainability Structure

Figure 1 TAB Gıda Sustainability Structure



**Table 3 Information on the Sustainability Governance Structure**

| Organizational Structure                | TAB Gıda Board of Directors                                                                                                                                                                                                                                                                                                                                        | TAB Gıda Corporate Governance Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | TFI Sustainability Coordination Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | TAB Gıda Sustainability Board                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | TAB Gıda Sustainability Working Groups                                                                                                                                                                          |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Scope</b>                            | Ensuring the company's overall strategic governance, monitoring financial and operational performance, risk management and compliance with corporate governance principles, as well as determining sustainability strategies, assessing risks and opportunities, approving relevant policies and providing senior oversight of long-term value creation objectives | To provide recommendations on the corporate sustainability strategy, organizational structure, sustainability goals and policies established by the Sustainability Board; to monitor the achievement rates of performance metrics; to evaluate the decisions taken by the Sustainability Board; to support the process by encouraging the implementation of necessary actions for the implementation of these decisions; to work in close cooperation with the Risk and Sustainability Board and the Sustainability Board to effectively monitor the impact areas related to EHS, risks, and opportunities related to ESG issues, | Determining the sustainability strategy of TFI TAB Food Investments and Group Companies, monitoring the implementation of sustainability practices, setting sustainability plans and targets, tracking progress, and providing regular reporting; assessing sustainability and climate risks and opportunities, reviewing risk mitigation efforts, and developing group-level sustainability risk management policies; monitoring environmental, social, and governance (ESG) performance and the achievement rates of annual targets; Monitoring trends and new legal regulations in the field of sustainability, identifying project and investment needs, coordinating projects, and reporting to management; establishing and coordinating working groups in different areas as needed. Planning activities to raise awareness of sustainability among company stakeholders | Regular monitoring of the achievement of our current sustainability goals and evaluation through data analysis<br>Reviewing progress based on feedback from working groups and taking necessary actions<br>Identifying concrete actions for areas of improvement and addressing issues that require management support<br>Determining priority goals and responsibilities for the next period<br>Sharing experiences and best practices gained within the scope of CSR management<br>Managing the process in a transparent and measurable manner and sharing the results with the TFI Sustainability Coordination Board | Collection of ES data, preparation of statistics and analysis<br>Identification of significant ES risks and opportunities<br>Development of improvement action plans and recommendations for field applications |
| <b>Frequency of Meetings and Agenda</b> | Four meetings were held in 2024.                                                                                                                                                                                                                                                                                                                                   | Four meetings were held in 2024.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | As of 2025, meetings are held at least twice a year for general sustainability issues and four times a year for ESG risks and opportunities, their impact on the company, reduction status and related developments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | As of 2025, meetings will be held at least twice a year, during which TAB Gıda will evaluate matters related to sustainability processes and report them to the TFI Sustainability Coordination Board.                                                                                                                                                                                                                                                                                                                                                                                                                  | As of 2025, meetings will be held four times a year, and operational sustainability issues will be reported.                                                                                                    |
| <b>Members</b>                          | TAB Gıda Management Board Members                                                                                                                                                                                                                                                                                                                                  | Relevant representatives from the Board of Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Chair of the TFI Sustainability Coordination Board<br>TFI Sustainability, TFI Internal Control, Compliance and Risk Management, TFI Finance, TFI Human Resources and Managers with technical expertise representing the Sustainability Board of each Group Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Finance, Accounting, Budget Planning, Real Estate and Franchise, Operations, Human Resources, Investor Relations, Marketing and Corporate Communications, Quality Assurance & Product Development, Fasdat Supply Chain, TFI Sustainability, TFI Internal Control & Compliance representatives                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                 |

This structure enables TAB Gıda to carry out its ESG management in a dynamic, holistic, and continuously improving manner.



## Roles and Responsibilities in Governance

The job descriptions, areas of authority, and responsibilities of all board and working group members contributing to sustainability governance at TAB Gıda are clearly defined and documented at the corporate level in the “TFI and Group Companies Sustainability Management Procedure” implemented under the umbrella of TFI. This structure ensures that the responsibilities of all stakeholders involved in sustainability are clearly defined. Coordination between tasks is ensured, and the effective representation of sustainability and climate considerations in decision-making processes is safeguarded.

### TAB Gıda Board of Directors

The TAB Gıda Board of Directors oversees the company's overall strategic governance, monitoring not only financial and operational performance but also sustainability and climate-related risk management. The Board is responsible for ensuring compliance with risk management and corporate governance principles, as well as for defining sustainability strategies and ensuring that these strategies are aligned with the company's long-term goals. In this context, it ensures the assessment of risks and opportunities arising from climate change, approves relevant policies and targets, and closely monitors the effectiveness of their implementation. As a result, it plays a guiding role in making decisions that contribute to the creation of sustainable value.





Table 4 Board of Directors

| Name Surname        | Executive Role | Independence Status | Date of Appointment by the Last General Assembly | Term of Office | Duties in the Board of Directors and Committees                                                                       |
|---------------------|----------------|---------------------|--------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------|
| Erhan KURDOĞLU      | NA             | NA                  | 29.12.2023                                       | 3 Years        | Chairman of the Board                                                                                                 |
| Korhan KURDOĞLU     | NA             | NA                  | 29.12.2023                                       | 3 Years        | Vice Chairman of the Board                                                                                            |
| Recep Caner DİKİCİ  | NA             | NA                  | 29.12.2023                                       | 3 Years        | Member of the Board,<br>Member of the Corporate Governance Committee,<br>Member of the Early Risk Detection Committee |
| M. Furkan ÜNAL      | NA             | NA                  | 29.12.2023                                       | 3 Years        | Member of the Board,<br>Member of the Corporate Governance Committee,<br>Member of the Early Risk Detection Committee |
| Ayşe Ayşin IŞIKGECE | NA             | Independent         | 29.12.2023                                       | 3 Years        | Member of the Board,<br>Chairman of the Corporate Governance Committee,<br>Member of the Audit Committee              |
| Halil Doğan BOLAK   | NA             | Independent         | 29.12.2023                                       | 3 Years        | Member of the Board, Chairman of the Audit Committee,<br>Chairman of the Early Risk Detection Committee               |



## Board of Directors Supervision

Our Board of Directors assumes ultimate oversight responsibility for ensuring that sustainability and climate strategies are implemented in line with our overall business strategy. In this context, the identification, assessment, and integration of climate risks and opportunities into strategic governance processes are defined in the “TFI and Group Companies Sustainability Management Procedure” and are subject to oversight by the Board of Directors. We communicate information and developments related to sustainability and the climate agenda through an upward communication chain consisting of;



This system enables us to address environmental and social impact analyses, as well as climate-related risks and opportunities, directly at the senior management level and integrate them into our strategic decision-making processes.

Our reporting cycle is maintained through board meetings held at least twice a year. We record the decisions made and developments during these meetings in writing. We share this information with our stakeholders through email newsletters, periodic reports, and digital platforms. For critical issues, we prepare special information notes for the Board of Directors, and for strategic issues, we shape our decision-making processes in line with the opinions of the relevant committees.

We maintain our monitoring and control processes through our senior governance structures, such as the Audit Committee, the Early Risk Detection Committee, and the Corporate Governance Committee. These structures evaluate the status of our sustainability targets, risk management, and the effectiveness of our internal control systems through regular meetings. We report the outcomes and decisions made to the Board of Directors. This ensures that our governance structure is fully integrated with our corporate decision-making mechanisms.

Within these committees, we hold meetings that address ESG-related agendas. The outcomes of these meetings are reported directly to the Board of Directors. In addition, policies covering our Code of Ethics, conflict of interest prevention, whistleblowing management, and confidentiality principles are also reviewed regularly within this framework.



Our internal control, compliance, and risk management units play an active role in processes related to sustainability. These controls are carried out in accordance with the methods defined under the “TFI and Group Companies Corporate Risk Management Policy and the TFI and Group Companies Sustainability Management Procedure”. Principles such as ethical conduct, confidentiality, conflict of interest prevention, and grievance management form the foundation of these processes.

As management, we design our internal control, audit, and risk management processes in an integrated manner with our governance structures to support the oversight of sustainability-related risks and opportunities. These mechanisms operate under the coordination of the TAB Gıda Sustainability Board and work collaboratively with departments such as sustainability, internal audit, risk management, compliance, finance, investor relations, and human resources to ensure the monitoring of ESG data, conduct risk analyses, and implement necessary actions.

The resulting evaluations and control outputs are reported to the Board of Directors via the Corporate Governance Committee and, for high-risk areas, the Early Detection of Risk Committee, thus contributing directly to our decision-making processes.

## Committee Structure Supporting Board Oversight

Through the Corporate Governance Committee, the Audit Committee, and the Early Detection of Risk Committee, established under the TAB Gıda Board of Directors, we fulfill the oversight, control, and strategic guidance mechanisms required by the Türkiye Sustainability Reporting Standards (TSRS) via high-level governance bodies.

The establishment of these committees was carried out in accordance with the Capital Markets Board (CMB) Communiqués and the Turkish Commercial Code, with their roles and operating principles clearly defined in written form. Each of the Corporate Governance Committee, Audit Committee, and Early Detection of Risk Committee plays a role in our sustainability and climate-related governance system, as outlined under TSRS 2.

You can access all of our current corporate policies and procedures—which support our sustainability approach and governance structure, and set out our corporate commitments and implementation principles in areas such as ethical conduct, human resources, social compliance, and sustainability—through our website.



Table 5 Board Committees

| Name of the Committee          | Members                                                                                                                                                                                                                                                                                                    | Meeting Frequency     | Areas of Responsibility                                                                                                                                   |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate Governance Committee | <p>Chair of the Corporate Governance Committee:<br/>Ayşe Ayşin IŞIKGECE</p> <p>Member of the Corporate Governance Committee:<br/>Recep Caner DİKİCİ</p> <p>Member of the Corporate Governance Committee:<br/>M. Furkan ÜNAL</p> <p>Member of the Corporate Governance Committee:<br/>Can Kaya ÖZTOPRAK</p> | At least 4 times/year | Environmental, Social, and Governance (ESG) issues, investor relations, candidate selection, compensation                                                 |
| Audit Committee                | <p>Chairman of the Audit Committee:<br/>Halil Doğan BOLAK</p> <p>Member of the Audit Committee:<br/>Ayşe Ayşin IŞIKGECE</p>                                                                                                                                                                                | At least 4 times/year | Financial reporting, supervision of internal audit and internal control processes                                                                         |
| Early Risk Detection Committee | <p>Chairman of the Early Risk Detection Committee:<br/>Halil Doğan BOLAK</p> <p>Early Risk Detection Committee Member:<br/>Recep Caner DİKİCİ</p> <p>Early Risk Detection Committee Member:<br/>M. Furkan ÜNAL</p>                                                                                         | At least 6 times/year | Assessment of the impact of strategic, operational, compliance, technology, and financial risks, as well as ESG and climate risks, and mitigation actions |



## Corporate Governance Committee

*We established our Corporate Governance Committee, positioned as one of the key pillars of corporate governance, on 24 January 2024, in accordance with the Capital Markets Board's Corporate Governance Communiqué (II-17.1) and the Turkish Commercial Code. This structure supports the effective and sound functioning of our Board of Directors, while aiming to continuously improve our corporate governance practices.*

Our Committee regularly reviews the extent to which corporate governance principles are implemented across our company, identifies areas for improvement, and provides recommendations for enhancement. It develops policies to prevent conflicts of interest and guides related strategies.

The oversight of investor relations also falls within the Committee's scope. These efforts, conducted in line with the principles of transparency and openness, help reinforce the strong communication infrastructure we maintain with our stakeholders. In this context, our Director of Investor Relations serves as a natural member of the Committee.

The Committee also evaluates the organizational structure and functioning of the company, and provides recommendations concerning the composition, roles, and strategic capacity of the Board of Directors. It adopts a systematic approach to nomination, training, and evaluation processes, and monitors the remuneration principles and practices of board members and executives. Since there is no separate Nomination or Remuneration Committee within our organization, these responsibilities are handled directly by the Corporate Governance Committee.

We also consider the integration of sustainability into corporate strategy as one of the Committee's top priorities. In this regard, we closely monitor the activities of the TAB Gıda Sustainability Board and the TFI Sustainability Coordination Board, and bring their findings to the attention of the Board of Directors. Through our responsibilities in monitoring, performance evaluation, and strategic guidance in ESG areas, we integrate key targets such as climate risk, carbon footprint, energy efficiency, diversity, and ethical business practices into our overall business strategy.

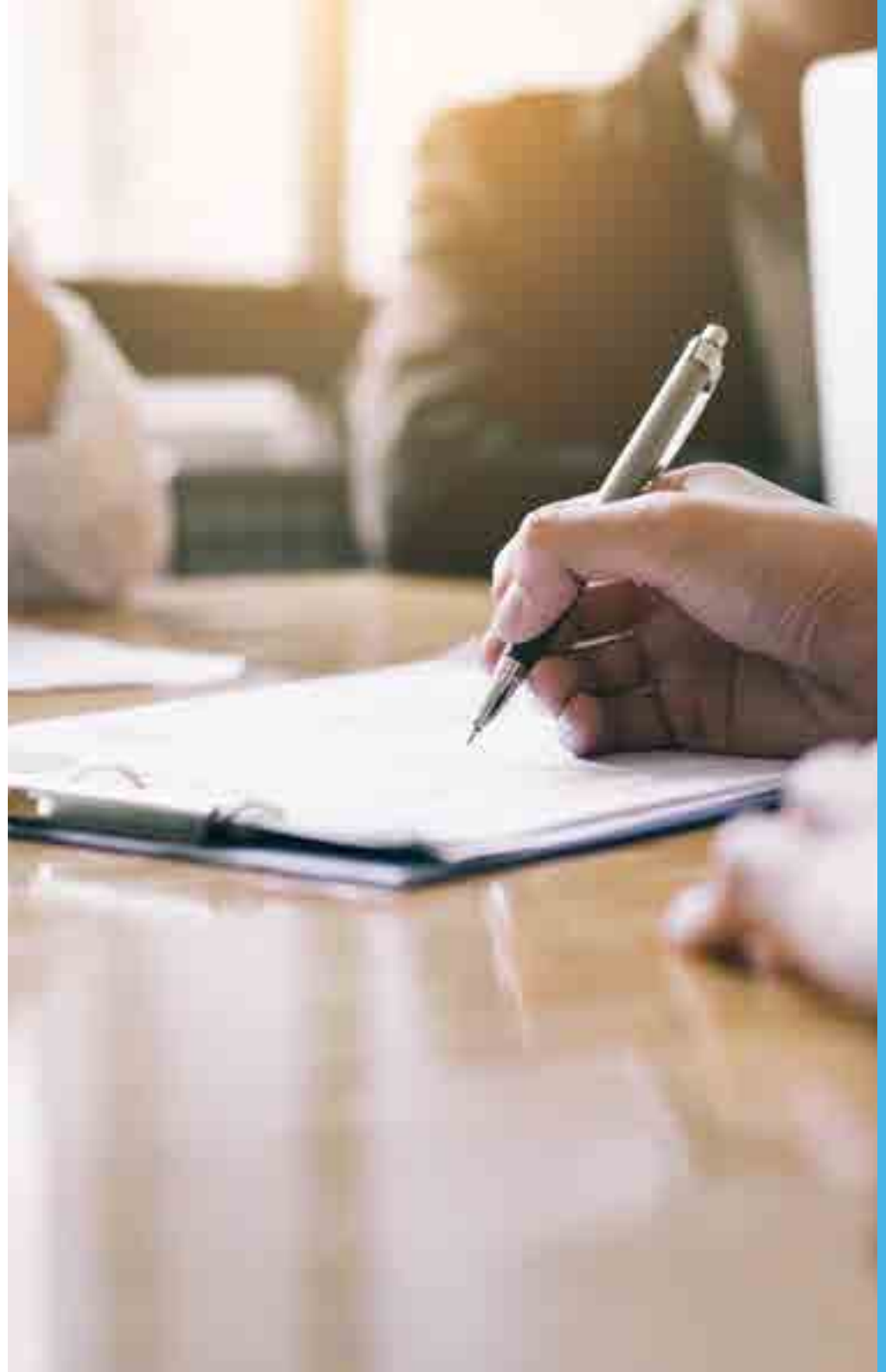


Our Committee may obtain internal or external expert support when necessary and establish working groups as needed. All resources and organizational support are provided by management. The Board Secretary is responsible for organizing meetings and managing the reporting processes.

The Committee convenes at least four times a year. Its decisions are formally recorded in written minutes and submitted to the Board of Directors. Although these decisions are advisory in nature, they play a significant role in shaping strategic direction. Moreover, these activities are integrated into our corporate sustainability reporting, ensuring governance-level oversight of our public sustainability disclosures.

As of 2024, the Committee is chaired by Independent Board Member Ayşe Ayşin Işıkgece. The members include Recep Caner Dikici, M. Furkan Ünal, and our Director of Investor Relations, Can Kaya Öztoprak. The structure of the Committee has been established in line with CMB regulations, adhering to the principles of independence, expertise, and non-executive membership.

Through the Corporate Governance Committee, we not only guide corporate governance practices but also shape strategic decision-making processes focused on sustainability. With its recommendations and oversight function, the Committee strengthens TAB Gıda's sustainability governance capacity and enhances accountability toward stakeholders.





## Audit Committee

We established our Audit Committee through a Board of Directors resolution dated 24 January 2024, in accordance with the Capital Markets Law No. 6362, the Turkish Commercial Code No. 6102, and the Capital Markets Board's Corporate Governance Communiqué (II-17.1). The Committee is structured to support the Board of Directors in effectively fulfilling its oversight responsibilities. It carries out activities aimed at assessing the functionality of the accounting system, financial reporting, independent audit, and internal control mechanisms.

We ensure that our accounting records are maintained in an up-to-date, complete, and compliant manner in line with applicable regulations, and that our financial statements are disclosed to the public in a timely fashion. Our Committee plays an active role in the selection of independent audit firms, the evaluation of their independence declarations, and the approval of audit scopes. Audit findings are analyzed together with company management and reported to the Board of Directors.

Notifications regarding our accounting policies, alternative application options, internal control systems, and financial reporting practices are thoroughly reviewed by the Committee. We also evaluate notifications, reports, and suggestions received from our employees and stakeholders in accordance with the principle of confidentiality, ensuring that necessary actions are taken. We establish predetermined methods and criteria for these processes, contributing to the formation of an effective auditing and review system.

Our Committee obtains the resources and support required to fulfill its duties directly from the Board of Directors. When necessary, we consult internal or external experts and may invite relevant managers, internal auditors, or independent auditors to our meetings. Additionally, we aim to enhance our effectiveness in financial reporting and auditing by forming sub-working groups in these areas, when needed. Meeting organization, documentation of decisions, and the submission of reports to the Board of Directors are coordinated by the Board Secretary.

The Audit Committee convenes at least four times a year, with meetings held quarterly. Minutes of these meetings are recorded in the resolution book, and decisions are shared with the Board of Directors. Although these decisions are not binding, they provide the basis for strategic evaluations that strengthen our governance quality.



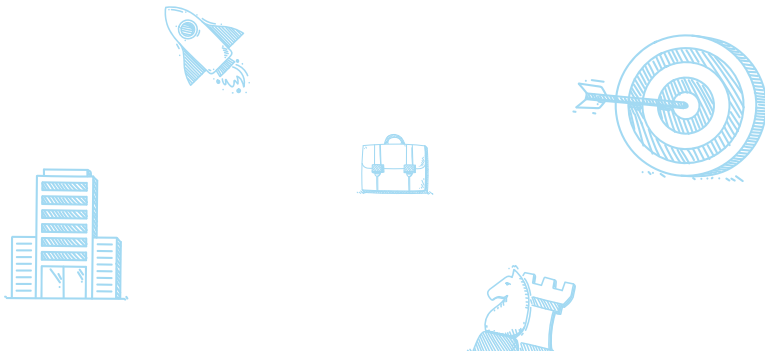
As outlined in the Audit Committee's operating principles, the TAB Gıda Audit Committee is responsible for monitoring and/or reviewing various matters related to the company's exposure to risks.

*As of 2024, the Chair of the Audit Committee is Independent Board Member Halil Doğan Bolak, and the Committee Member is Independent Board Member Ayşe Ayşin Işıkgece. In compliance with Capital Markets Board regulations, our Committee is composed solely of independent, non-executive board members.*

### Early Risk Detection Committee

We established our Early Detection of Risk Committee, one of the governance structures supporting our sustainability approach, through a Board of Directors resolution dated 24 January 2024, in accordance with Law No. 6362 on Capital Markets, Turkish Commercial Code No. 6102, and the Capital Markets Board's Corporate Governance Communiqué (II-17.1). The primary purpose of this Committee is to proactively identify potential strategic, operational, financial, environmental, and social risks, and to ensure that threats to our Company's existence, development, and sustainability are effectively managed before they materialize.

Our Committee is positioned as a structure that ensures sustainability- and climate-related uncertainties are addressed from a risk management perspective, regularly evaluating risk analyses prepared by the Risk Management team. Additionally, it will review climate action plans to be developed by the TFI Sustainability Coordination Council and the TAB Gıda Sustainability Council, and will work on ensuring their implementation. Work on our climate action plan is currently ongoing, and once finalized, the Committee will play an active role in the monitoring and updating processes of the plan.





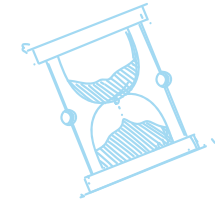
In order to ensure that our risk management policies operate in an integrated manner with our corporate structure, the Committee monitors the effectiveness of oversight and internal control systems, and ensures these systems are adopted across our business units. Throughout the process, we maintain close cooperation with our internal control departments, particularly focusing on enhancing the traceability of ESG-related issues such as climate risks.

Findings obtained by our Committee are regularly reported to the Board of Directors, providing a strategic basis for informed decision-making. The Committee convenes at least six times a year, with meetings held every two months at minimum. Agendas and decisions are documented in writing and submitted to the Board of Directors. These decisions are advisory in nature, with final approval resting with the Board.

When needed, the Committee consults with internal or external experts and may establish sub-working groups composed of professionals experienced in risk management to enhance its assessment capacity. All processes are conducted in line with pre-defined methods and procedures, with a strong emphasis on aligning our corporate risk management framework with our sustainability objectives.

As of 2024, the Chairman of the Early Detection of Risk Committee is Independent Board Member Halil Doğan Bolak, while Recep Caner Dikici and M. Furkan Ünal serve as Committee members.





## Management Responsibilities

The responsibility for implementing sustainability governance lies directly with our Co-CEOs, who are accountable for ensuring the effectiveness of related policies and processes, including compliance with defined risk limits. Our Chief Risk Officer, reporting to the Group CEO, submits reports directly to the Early Detection of Risk Committee. At the Committee meetings, held six times a year, the Risk Officer presents and shares corporate-level top-tier risks along with the relevant assessment reports for review and discussion.

### Management Controls and Procedures Supporting Monitoring of Climate-Related Issues

*At TAB Gıda, specific control mechanisms and procedures are implemented to ensure the effective oversight of risks and opportunities related to sustainability and climate. These controls are coordinated by the internal control, compliance, and risk management units, and are carried out within a structure that is fully integrated with the Group-wide sustainability approach.*

Risks associated with climate and sustainability are monitored under the “TFI and Group Companies Corporate Risk Management Policy”, while operational processes are carried out in line with the “TFI and Group Companies Sustainability Management Procedure”. This framework enables the systematic evaluation of environmental and social risks in management decision-making processes. At the same time, regular coordination is maintained with other internal functions such as finance, human resources, supply chain, and legal, ensuring that sustainability-related matters are horizontally integrated across the organization.

Through this integrated structure, the management of both strategic risks and day-to-day operational threats is assessed in conjunction with their environmental and social impacts, embedding sustainability oversight as an inherent part of corporate decision-making.



## Governance of Sustainability Strategy and Targets

Throughout the year, we continuously monitor the sustainability and climate targets established within our corporate framework. The TAB Gıda Sustainability Board and the TFI Sustainability Coordination Board periodically evaluate performance outcomes and report these assessments to senior management via the Corporate Governance Committee. The final approval process is conducted by the Board of Directors, based on the Corporate Governance Committee's evaluation.

We systematically assess risks and opportunities when defining our sustainability strategies. These analyses are communicated to the TAB Gıda Board of Directors through the Corporate Governance Committee and integrated into our decision-making processes. This ensures that our strategic priorities on sustainability are embraced at the highest management level and directly influence governance decisions. By implementing approval mechanisms in our decision-making, we align strategic governance with our corporate objectives.

Within the framework of TSRS 2, we ensure the management of climate risks and opportunities is consistent with these targets. Furthermore, we analyze climate risk scenarios and integrate them into our risk management system.

To support our sustainable growth ambitions and secure long-term corporate value creation, we have embedded risk management as an integral part of our decision-making processes. This approach is systematically maintained under the "Corporate Risk Management Policy" and related "Risk Management Directive", defined at the level of TFI TAB Gıda Yatırımları A.Ş. and its subsidiaries.

Our corporate risk management process encompasses risk identification, assessment of control effectiveness, designation of process owners, and management of risks through action plans. The ultimate goal of these processes is to reduce risks to levels aligned with TAB Gıda's defined risk appetite. This structure operates under the oversight and supervision of the Executive Committee, Board of Directors, and the Risk Early Detection Committee, thereby ensuring accountability throughout the process. Additionally, when evaluating climate-related risks and opportunities, the balance between financial impacts, operational efficiency, and legal compliance is analyzed by the Risk Early Detection Committee and incorporated into decision-making. These control and analysis processes are conducted in an integrated manner with finance, legal, sustainability, supply chain, and operations teams, ensuring sustainability-focused decisions are shaped collaboratively across internal functions.



The implementation of corporate risk management is directly the responsibility of our Co-CEOs. They are accountable for compliance with established risk limits and for the effective execution of relevant policies and processes.

The TAB Gıda Risk Early Detection Committee convenes at least every two months to assess the company's current climate-related risks and opportunities, identify top-level risks, and report these accordingly.

Meeting outcomes are documented; issues with residual risks assessed as critical or high are further reviewed with participation from the TAB Gıda Executive Committee Chair and the TFI Internal Control, Compliance, and Risk Director.

The results of these evaluations are communicated to the Board of Directors via the Risk Committee Chair. The committee prioritizes and manages corrective actions for all risks based on their severity, focusing on those with critical and high residual risk levels.

## Sustainability and Climate-Related Competencies and Experience

We select our board and committee members based on their technical competencies in sustainability and continuously enhance these skills through regular training programs. Our governance framework's knowledge base is consistently updated via internal training sessions, informational workshops, and expert consultant contributions, focusing on priority topics such as climate risk, carbon footprint, energy efficiency, circular economy, diversity, and ethical management.

## Compensation Systems

The integration of sustainability performance into our employees' compensation system has not yet been implemented. However, we view this as an opportunity for improvement and aim to incorporate ESG performance indicators into our incentive schemes in the upcoming period.

## Executive Compensation

Currently, sustainability and climate-related targets are not directly included as criteria in the individual performance evaluations of senior executives. However, we have initiated a preparatory process to systematically develop this area and integrate sustainability metrics into the senior management incentive systems.



# Strategy

## Assessment of Climate-Related Risks

When assessing sustainability risks, TAB Gıda classifies the time frames in which the effects of these factors are expected to emerge into short, medium, and long-term periods. This classification allows us to assess how the likelihood of risks occurring and their impact may change over time and to develop appropriate strategic responses. These time frames are determined based on the nature of our company's operations, industry dynamics, and regulatory developments.

|               |                  |
|---------------|------------------|
| <b>Short</b>  | <b>2025–2030</b> |
| <b>Medium</b> | 2031–2050        |
| <b>Long</b>   | 2051–2100        |

### TAB Gıda's Future Projections

As part of the scenario analysis used in the assessment of climate risks, the RCP-4.5 scenario has been adopted. This scenario envisions a future in which current global policy trends continue, moderate climate policies are implemented, and transition risks are limited but not negligible.

The RCP-4.5 scenario was selected because it realistically reflects the economic, regulatory, and operational environment in which our activities are conducted, addressing both physical and transition risks within a reasonable level of uncertainty. Additionally, it provides a balanced baseline scenario to evaluate the resilience of our business model, thereby offering a solid foundation for shaping our strategic decisions and long-term objectives.



## Climate Risks Affecting TAB Gıda

The physical impacts of climate change and the transition to a low-carbon economy may affect our areas of operation and various components of our value chain in multiple ways. This situation has the potential to create a broader impact, intertwining not only direct environmental threats but also fundamental business risks such as regulatory changes, access to financial resources, input costs, and employee health and safety.

At TAB Gıda, we recognize that climate change is not merely an external factor, but that the environmental impacts arising from our own operations are also part of this process. With this awareness, we adopt a proactive approach to reduce our environmental footprint, manage climate risks, and capitalize on opportunities presented by the low-carbon economy.

Within this framework, we have conducted a comprehensive analysis to assess the current and future potential risks and opportunities related to climate that may impact our business model and value chain.

Through this work, we identified critical points within our operations and specific stages of our value chain where climate-related risks are concentrated, as well as the emerging opportunities.<sup>2</sup> The findings of this study support more effective management of our climate-related risks and opportunities and help align our long-term value creation strategy with climate resilience.

During the evaluation process, we reviewed sector-specific guidance developed under TSRS 2 and SASB resources, conducting analyses by considering their applicability in relevant areas. This analysis identified key climate-related risks and opportunities that may affect our company's cash flows, cost structure, and revenue model in the short, medium, and long term.

Climate change-related risks are classified under two main categories: physical risks and transition risks. Both types of risks have the potential to directly or indirectly affect our operations through our value chain. At TAB Gıda, our corporate risk management framework is structured to systematically address these risks and strengthen our organizational resilience.

<sup>2</sup>Within the scope of TAB Gıda, the Company has elected to apply the "commercial sensitivity exemption" as defined in paragraphs B34-B36 of TSRS 1, with respect to the disclosure of climate-related opportunities.



## Climate Risk Materiality Analysis

*TAB Gıda's climate-related risk assessment has been conducted in line with the corporate integrated risk management methodology, based on the likelihood and impact dimensions of each identified risk. Within this scope, the potential financial effects of the identified risks on the business have also been analyzed.*

To determine the materiality of financial impacts, the threshold for financial materiality was set at 5% of the company's annual adjusted\* Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA). This criterion was adopted as a benchmark enabling the quantitative assessment of the potential impacts of climate-related risks on operational sustainability.

As a result of the analysis, none of the climate risks identified as of the 2024 reporting period exceed the established financial materiality threshold. Therefore, it was concluded that these risks do not currently pose direct and critical financial impacts.

However, the uncertainties encountered in quantifying the financial impacts of climate risks indicate that these risks should not be entirely disregarded; accordingly, there is a need for their ongoing monitoring and inclusion in the risk inventory. In this context, climate-related risks have been subjected to a risk scoring system based on their likelihood and impact levels. Risks exceeding the defined score threshold (a likelihood-impact product greater than 5) have been classified as significant and warranting continuous monitoring for TAB Gıda. This approach enables the systematic identification and management of risks that may not yet have directly measurable financial impacts but hold high strategic importance.

\*Adjusted EBITDA: calculated by deducting operating expenses (general administrative and marketing expenses) and depreciation and amortization expenses from gross profit, and then adding income from waste oil sales, salary protocol revenues, and insurance proceeds related to loss of profit.



## Analysis of Climate-Related Risks

The expected impacts of TAB Gıda's climate-related risks and opportunities on financial performance and cash flows over the short, medium, and long term have been analyzed through scenario-based modeling. Key factors such as extreme weather events, insurance costs, supply chain cost pressures, and increases in energy and water prices have been assessed under the SSP2-4.5 scenario. However, the evaluation concluded that these projections do not present a significant financial impact warranting inclusion in financial planning processes.

As of the reporting period, the actual financial effects of these risks (e.g., revenue loss due to shutdowns, increased energy costs) have been identified as limited.

The share of TAB Gıda's international operations in total sales is below 1%, and due to its limited financial impact, it has not been considered material and therefore has not been included in the climate-related risk analysis.

If the residual risk level falls within low or medium categories in terms of materiality, no preventive measures are planned. Preventive action is only initiated if the residual risk level is classified as high or critical. For more detailed information, please refer to the Risk Management – Risk Assessment section.





Tablo 6 İklim Riskleri Tablosu

| Risk                                                                                                                                                                                                                   | Risk Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Risk Impact Range               | Financial Effect                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Reduction Approaches/Risk Management Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Residual Risk Level |
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| <p>Operational Disruptions Due to Extreme Weather Events</p> <p><b>Risk type:</b><br/>(Physical Risk – Acute)</p> <p><b>Probability of Occurrence:</b> 5</p> <p><b>Place in the Value Chain:</b> Whole value chain</p> | <p>Extreme weather events (such as heavy snowfall, torrential rain, and storms) may lead to disruptions in operational processes and a decline in customer demand. This situation can particularly impact in-line restaurants, those located on streets, avenues, or arcades, and not situated within shopping malls, airports, or highways, by reducing foot traffic, interrupting delivery services, or extending delivery times.</p> <p>Additionally, operational risks such as disruptions in raw material supply chains, power outages, or restaurant locations being affected by flooding may also arise.</p> | <p><b>Short-Medium-Long</b></p> | <p><b>Current Effect:</b> Limited</p> <p><b>Expected Impact:</b><br/>Short Term Low<br/>Medium Term*: Increasing (Low)<br/>Long Term*: Increasing (Low)</p> <p><b>Category:</b> Financial Performance</p> <p>*In the medium and long term, the impact of extreme weather events on operational processes cannot be assessed with certainty, either quantitatively or qualitatively, due to the high level of uncertainty inherent in climate projections. While adverse weather conditions such as snowfall can lead to a decline in sales, increases in temperature may be offset by higher consumption of certain menu items. The degree of impact may vary significantly depending on various factors such as regional climate dynamics, infrastructure resilience, customer behavior, and supply chain flexibility. Therefore, the potential financial effects can only be evaluated through probability-based scenarios and under the assumption that past trends will continue in a similar trajectory.</p> | <p><b>During extreme weather events, centralized order and delivery systems, courier assignments, key performance indicators, and decisions made by public authorities are closely monitored, and immediate actions are taken accordingly:</b></p> <ul style="list-style-type: none"> <li>- <b>Delivery Service Suspension Protocol:</b> In cases of severe weather conditions, affected restaurants are temporarily disabled for delivery through the system, and this status is instantly reflected on the application interface.</li> <li>- <b>Alternative Restaurant Support:</b> In cases where a restaurant is severely impacted, operational continuity is supported by reallocating personnel, supplies, or operational resources from nearby locations.</li> <li>- <b>Alternative Delivery Routes:</b> Providing continuously updated guidance on alternative routes suitable for weather conditions and areas with traffic restrictions for couriers.</li> <li>- <b>Customer Communication:</b> Through customer communication channels, information is provided by monitoring the access map of closed restaurants and real-time congestion maps, allowing customers to receive updates on estimated delivery times.</li> </ul> <p>The duration of service disruptions is directly influenced by factors such as the intensity of precipitation, city infrastructure, traffic density, and the size of the delivery area.</p> <p><b>Various measures are implemented to ensure operational continuity during emergencies such as power outages and floods:</b></p> <ul style="list-style-type: none"> <li>- Maintaining sufficient stock capacity to absorb potential delays in the supply process, with all distribution operations conducted through the group companies' distribution centers.</li> <li>- Protection against power outages is ensured by generators and UPS systems at provincial restaurants, and by shopping mall generators at mall-based restaurants.</li> <li>- Cold chain integrity in warehouses is maintained through generator support, with any potential product losses covered by insurance.</li> <li>- Warehouse shelving is made from water- and corrosion-resistant carbon fiber and fiberglass composite materials.</li> <li>- Warehouses are generally located above ground level, and no flooding incidents have been reported to date</li> </ul> | Medium              |



| Risk                                                                                                                                                                                                                                     | Risk Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Risk Impact Range          | Financial Effect                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Reduction Approaches/Risk Management Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Residual Risk Level |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <p>Impact of Extreme Weather Events on the Supply Chain</p> <p><b>Risk type:</b><br/>(Physical Risk – Acute)</p> <p><b>Probability of Occurrence:</b> 5</p> <p><b>Place in the Value Chain:</b> Upward trend and internal operations</p> | <p>With global climate change, the frequency and intensity of extreme weather events , such as prolonged droughts, sudden heavy rainfall, hailstorms, storms, floods, and frost , have increased significantly. These events cause substantial losses in agricultural production, directly affecting farmers' productivity and indirectly threatening the reliability of food supply chains. Extreme weather conditions disrupt crop growth cycles, reduce both yield and quality, diminish soil fertility in agricultural lands, and promote the spread of pests and diseases. Consequently, supply shortages may lead to increased food inflation, and due to raw material scarcity, restaurants might need to adjust their menus and product mixes.</p> | <p><b>Medium –Long</b></p> | <p><b>Current Effect:</b> Not seen.</p> <p><b>Expected Impact:</b></p> <p>The impacts of the climate crisis , particularly potential declines in agricultural production, water stress, extreme weather events, and related logistical disruptions , may pose risks that lead to increased costs within TAB Gıda's supply chain. However, due to uncertainties in climate scenarios and data limitations, the timing, magnitude, and supplier-specific effects of these cost increases cannot currently be quantified. While these risks are recognized as significant, preventive and adaptive sustainability-focused approaches have been developed to address them within the supply chain.</p> <p><b>Category:</b> Financial Performance</p> | <ul style="list-style-type: none"> <li>- Nearly half of the supply is sourced from intra-group companies, with alternative suppliers available for critical raw materials. In crisis situations, we have approved domestic and international suppliers capable of providing alternative products for all main and auxiliary items.</li> <li>- A geographic diversification strategy is implemented to reduce dependency on a single region by sourcing from multiple production areas.</li> <li>- Digital applications and mobile notification systems that provide meteorological and agricultural monitoring information are utilized. Preference is given to farmers who use climate-resilient seeds and plant varieties (drought-, heat-, or frost-resistant) and who maintain agricultural insurance.</li> </ul> | <p>Low</p>          |



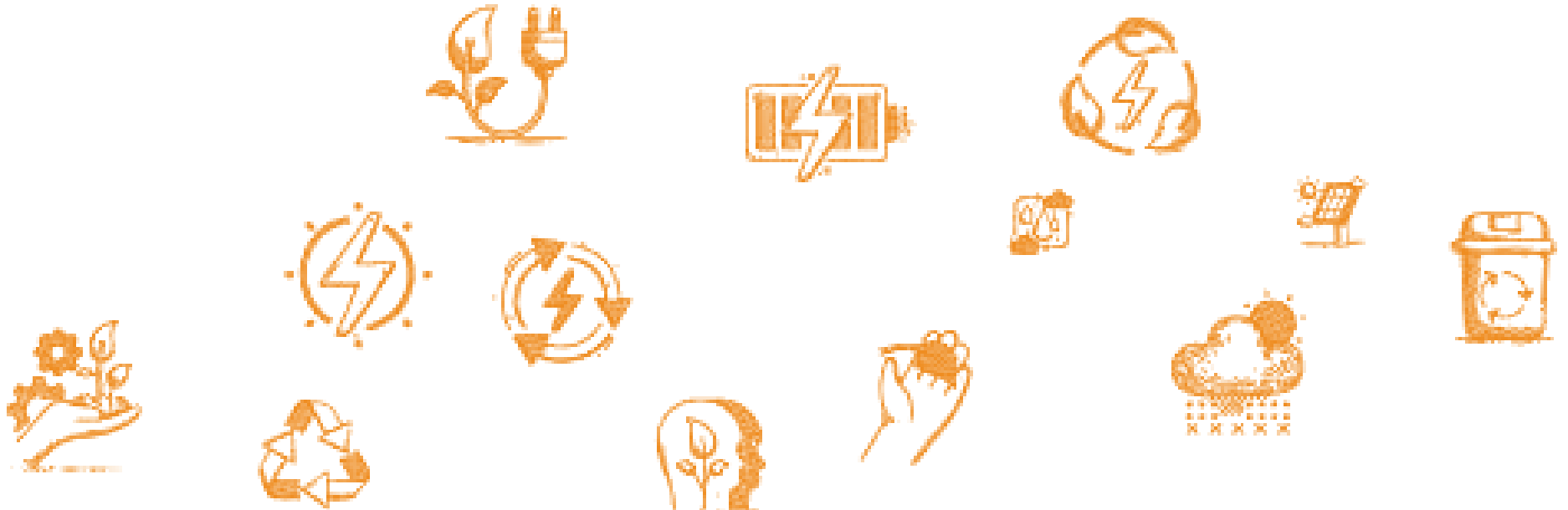
| Risk                                                                                                                                                                                                                             | Risk Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Risk Impact Range         | Financial Effect                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Reduction Approaches/Risk Management Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Residual Risk Level |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <p>Energy and Cooling Expenses due to Long-term Temperature Increase:</p> <p><b>Risk type:</b><br/>(Physical Risk – Chronic)</p> <p><b>Realisation Probability:</b> 3</p> <p><b>Place in the Value Chain:</b> Our operations</p> | <p>The cooling systems used in our restaurants are affected by the ambient temperature. With the increase in temperature, energy consumption of air conditioners, refrigerators and other cooling equipment increases in restaurants. Increased temperatures in operation areas with inadequate cooling can cause deterioration of temperature-sensitive products in storage areas and supply chain. The global temperature increase can lead to overloading of cooling systems, accelerated wear of equipment components, more frequent maintenance requirements and unforeseen increases in operating costs.</p> | <p><b>Medium-Long</b></p> | <p><b>Current Impact:</b> Limited</p> <p><b>Projected Impact:</b><br/>Short Term: Limited<br/>Medium-Term*: Increasing Impact (Low)<br/>Long-Term*: Increased Impact (Low)</p> <p><b>Category:</b> Financial Performance</p> <p>*Although the cost estimates made in line with the effect of temperature increases due to climate change on cooling systems in restaurants are based on the projected energy consumption increase rates, these calculations contain significant uncertainties. Variables such as the extent to which the temperature increase will occur at the regional level, the current efficiency levels of the systems, fluctuations in energy prices, technology investments and adaptation capability are factors that can directly affect the accuracy of the calculated costs. For this reason, cost increases for the medium and long term are expected to have a low impact on turnover growth in the light of the information available today. This may show significant deviations under different scenarios. Despite uncertainties, these projections provide a guiding framework for the early identification of operational vulnerabilities and the development of preventive measures</p> | <p>- There is a double cooling system in -18 warehouses where main products are kept. The other system is activated in case of a malfunction in the warehouse kept at -18 degrees by operating a single system.</p> <p>In our restaurants, especially in -18 C frozen warehouses, online warning systems are used that instantly notify the temperature problems that may occur. This system informs the relevant operation unit before reaching the critical temperature.</p> <p>- LED lighting systems are used in all new restaurants.</p> <p>- Energy consumption is monitored with IOT-based analysers and action is taken for restaurants that use non-standard lighting.</p> | <p>Low</p>          |



| Risk                                                                                                                                                                      | Risk Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Risk Impact Range  | Financial Effect                                                                                                                                                                                           | Reduction Approaches/Risk Management Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Residual Risk Level |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Operational Water Use<br><br><b>Risk type:</b><br>(Physical Risk – Acute)<br><br><b>Realisation Probability:</b> 3<br><br><b>Place in the Value Chain:</b> Our operations | Climate change, irregular rainfall regimes, rapidly increasing urbanisation rate and continued inefficient use of agricultural irrigation are putting serious pressure on freshwater resources, especially in densely populated regions such as Marmara, Aegean and Central Anatolia. This trend may lead to increased water access costs, restrictions on water consumption by municipalities and prolonged water shortages in the coming years. Such interruptions and insufficient back-up water storage capacity can threaten the sustainability of cleanliness, food preparation, beverage production and general hygiene standards in restaurant operations, negatively impacting both operational continuity and customer experience. | <b>Medium-Long</b> | <b>Current Impact:</b> None.<br><br><b>Projected Impact:</b><br>Short-Term: Low<br>Medium-Term: Increasing Impact (Low)<br>Long-Term: Increased Impact (Low)<br><br><b>Category:</b> Financial Performance | All restaurants have purified water and mains water tanks. If necessary, water support can be provided by sending external tanks and hydrophores.<br>- Consumable quantities are monitored by operation teams, and restaurants that use non-standard products are warned.<br>- Advanced water treatment and filtration systems are available in our restaurants. Membrane filtration, carbon filter, water softening membrane and UV lamp are included in the system. Conditioned water and ice are used in the restaurants. Depending on the location of the restaurants, municipal or shopping mall-supplied spring water is first settled and then passed through a series of filtration systems. Water filter lines are regularly inspected, and water analyses are periodically conducted by the quality department. | Low                 |



| Risk                                                                                                                                                                          | Risk Description                                                                                                                                                                                                                                                                                                                                                                      | Risk Impact Range         | Financial Effect                                                                                                                                                                                            | Reduction Approaches/Risk Management Strategy                                                                                                           | Residual Risk Level |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <p>Regulatory Risk</p> <p><b>Risk type:</b><br/>(Transition Risk)</p> <p><b>Realisation Probability:</b> 5</p> <p><b>Place in the Value Chain:</b><br/>Entire value chain</p> | <p>Within the framework of increasing and stricter local, national and international sustainability regulations, the company may face legal sanctions in case of non-compliance with sustainability criteria such as energy consumption, carbon emissions or waste management, and in case of deficiencies and delays in compliance processes, and in case of false declarations.</p> | <p><b>Medium-Long</b></p> | <p><b>Current Impact:</b> Limited</p> <p><b>Projected Impact:</b><br/>Short-Term: Limited<br/>Medium-Term: Fixed (Limited)<br/>Long-Term: Fixed (Limited)</p> <p><b>Category:</b> Financial Performance</p> | <p>The Company strives to comply with the current legislation through regular compliance audits, internal control mechanisms and training programs.</p> | <p>Low</p>          |





In the case of TAB Gıda, climate risks are primarily shaped by potential disruptions in operational processes and vulnerabilities within the supply chain. In particular, production, logistics, and procurement processes have the potential to be directly or indirectly affected by physical risks related to climate change, such as extreme weather events, drought, heavy rainfall, and heatwaves.

Throughout TAB Gıda's business model and value chain, climate-related risks are particularly concentrated in areas such as agricultural sourcing, logistics, restaurant operations, and water-energy use. In the subregions of Western and Central Black Sea, Southern Marmara, Western Central Anatolia, and the Mediterranean, where TAB Gıda also operates, climate change-related events such as floods, droughts, and frost have been observed. These pose potential risks to the security of agricultural supply and the stability of market prices. Heavy rainfall and storms may cause delays in distribution processes, while extreme weather conditions may lead to disruptions in online order deliveries, power outages, and decreased customer satisfaction. As cost pressures increase in processes dependent on water and energy, insufficient compliance with climate regulations could result in legal sanctions and reputational risk. Therefore, if preventive measures are not taken, it is observed that climate-related impacts may become more concentrated in agricultural production regions and urban operational centers geographically, and in supply, logistics, and restaurant operations in terms of processes, in the medium and long term.





In our restaurant operations, energy consumption is mainly based on electricity and natural gas. Electrical energy is used in areas such as kitchen equipment, cooling systems, lighting and air conditioning, and an increase in energy demand is observed especially in summer months due to the effect of heat waves. Continuity and cost risks in energy supply are considered among the factors that may have an impact on operational performance, especially under scenarios of temperature increase.

To increase operational resilience against these risks, we prioritise the use of energy-efficient equipment. We also stay up-to-date by closely following technological developments such as the transition to refrigerants with low global warming potential (GWP), automation systems, remote monitoring infrastructures and smart energy management solutions. Our digital ordering and distribution systems and inventory management practices increase our efficiency in resource utilisation and provide flexibility in the face of climatic external influences.





## Scenario Analysis and Climate Resilience

*As TAB Gıda, we have conducted a climate scenario analysis for the 2024 reporting period in order to assess the potential impacts of climate change on our business strategy, analyze our level of risk exposure, and identify opportunities that may arise under different climate scenarios. This analysis has been a critical tool for testing our long-term resilience and strengthening the foundation of our strategic direction.*

The analysis has been structured to cover all directly operated and franchise restaurants in Türkiye, as well as production and logistics infrastructures and the supply chain for key raw materials.

As part of our scenario analyses, we have evaluated three different scenarios based on global temperature increases and policy environments:

- **SSP1-RCPI.9 (1.5°C Scenario):** This scenario represents a future in which the transition to a low-carbon economy occurs rapidly and strict environmental regulations are implemented. TAB Gıda regularly monitors its carbon footprint through systematic measurement. Additionally, by using renewable energy certificates, the company documents that the electricity consumed is sourced from renewable energy, thereby implementing carbon offsetting practices. In the field of energy efficiency, real-time consumption data is monitored through energy analyzers installed in operations, enabling the identification of operational improvement opportunities aimed at reducing energy intensity and consumption costs.
- **SSP2-RCP4.5 (2.5°C Scenario):** In this scenario, where moderate climate policies are implemented, seasonal quality fluctuations in agricultural raw materials and increases in logistics costs are anticipated. In response to this scenario, TAB Gıda has developed an approved supplier portfolio capable of sourcing from alternative geographies. Critical raw materials are procured from different regions to ensure protection against seasonal variability. TAB Gıda also has the capability to implement early stocking strategies and establish alternative transportation routes to mitigate weather-related transportation risks.



- **SSP5–RCP8.5 (4°C Scenario):** In this high-risk scenario, where climate policies are delayed, a significant increase in the intensity and frequency of extreme weather events is expected. This may lead to increased costs in agricultural sourcing, disruptions in logistics, and deterioration in product quality. Under this scenario, TAB Gıda is strengthening its agricultural production model to mitigate climate-related production disruptions and is developing early response mechanisms by diversifying storage and processing processes for critical raw materials. Additionally, alternative suppliers and sourcing regions have been established for each product.

As part of the analysis, in addition to considering macroeconomic indicators for technology and energy use, factors such as climate policies projected for Türkiye, IPCC regional climate projections, local trends, and demographic variables were also taken into account.

Among the assumptions used in the analysis, it was projected that the impact of evolving climate regulations in Türkiye will increase, climate-related increases in electricity and water consumption will continue, climate-induced disruptions and cost pressures will occur in agricultural production, and these factors may affect TAB Gıda's operational cost structure.

During the analysis process, significant uncertainties were also taken into consideration in areas such as the scope of national policy implementation, the regional intensity of climate impacts, and changes in consumer behavior.

As part of our scenario analyses, physical risks were categorized based on selected timeframes (short, medium, and long term) and subjected to quantitative assessments. It was observed that the impacts of physical risks increase and gain prominence as we approach the year 2050. In parallel, it was evaluated that transition risks, such as compliance with climate regulations, could become a determining factor for the business model in the medium term. Therefore, both physical and transition risks were considered within each scenario, and our strategic alignment capacity was tested accordingly.

The results of these analyses will be taken into consideration by our Board of Directors and senior management in updating short-, medium-, and long-term strategic and business planning.

| Scenario    | Resilience to Physical Risks | Resilience to Transition Risks | General Resilience |
|-------------|------------------------------|--------------------------------|--------------------|
| SSP1–RCP1.9 | High                         | High                           | High               |
| SSP2–RCP4.5 | Medium-High                  | Medium-High                    | Medium-High        |
| SSP5–RCP8.5 | Medium                       | Medium                         | Medium             |



## Strategic and Operational Evaluation

Our company has strong liquidity management and financial planning capacity to address climate-related risks. Both our current capital structure and our investment prioritization processes provide the ability for short-term response and long-term adaptation to high-cost climate risks.

## Resource Allocation and Investment Planning

In the process of assessing the financial impact of our climate-related risks, it was observed that the risks identified as of the 2024 reporting period remained below the financial materiality threshold. In this context, there is no significant financial risk that would require direct capital investment, resource allocation or development of a financing model in the short, medium and long term.

Therefore, no specific investment plan, capital expenditure (CAPEX) or financing instrument directly linked to climate risks is currently defined.

However, this does not mean that these risks are completely ignored; on the contrary, potential impacts are continuously monitored and resource planning is reviewed in case the risks become important again. Resource allocation assessments for future initiatives such as the climate transition plan and low carbon strategy will be structured in the future periods as the company's forecasts regarding the financial impacts of climate risks become stronger. In this context, TAB Gıda's capital and resource planning is managed dynamically based on the principle of financial materiality.





## Transition Plan and Path to Achieving Goals

*TAB Gıda does not have a verified climate transition plan as of 2024. In this context, key assumptions, political commitments, decision support scenarios and adaptation strategies used in the development of the transition plan have not yet been defined. The company's long-term sustainability vision includes the goal of becoming carbon neutral; however, a defined roadmap, investment plan or timing to achieve this goal has not been publicly disclosed.*

A target for greenhouse gas emissions has not yet been officially announced as of this reporting period. Accordingly, information such as scope of emission reduction, base year information, interim targets, target type (absolute/intensity based), methods to reach the target (energy efficiency, supply chain transformation, renewable energy use, etc.) have not been defined and reported.

However, TAB Gıda continues its preliminary preparations for the creation of a climate transition plan and the determination of greenhouse gas reduction targets in line with the integrated sustainability management studies under the roof of TFI.

In addition, as of the 2024 reporting period, TAB Gıda has not defined any specific investment (CAPEX), divestment, business transformation, or new business development plan directly supporting its climate-related strategies.

Similarly, no dedicated financing model (e.g., sustainable borrowing, green bonds, or public incentives) has been established to support the implementation of such strategic directions. Furthermore, no specific determination has been made as to whether climate-related risks or opportunities pose a risk of materially impacting the carrying value of assets and liabilities reported in the financial statements in the next reporting period. However, the company aims to conduct financial planning for these investments and structure the necessary resources in parallel with the development of its climate transition plan.



# Risk Management

## Our Approach to Risk Management

As TAB Gıda, we carry out our processes of identifying, assessing, prioritising and monitoring climate-related risks in an integrated manner with our corporate risk management system. Accordingly, in accordance with the 'Corporate Risk Management Policy' and 'Risk Management Instruction' defined under TFI, we operate a structured process aiming to manage the impacts of climate risks at both strategic and operational levels. For governance mechanisms and senior responsibilities on how climate-related risks are integrated into our enterprise risk management system, see Governance – Roles and Responsibilities in Governance and Management Controls and Procedures Supporting Oversight of Climate-Related Issues.

## Risk Governance

The management of climate risks is carried out under the leadership of our Early Detection of Risk Committee, in collaboration with the Corporate Governance Committee, the TAB Gıda Sustainability Board, and the TFI Sustainability Coordination Board. Through these structures, information gathered on climate risks is periodically communicated to our senior management. For details regarding the duties and responsibilities of our committees, please refer to the sections titled Governance – Board Oversight and Committee Structure Supporting Board Oversight.





## Risk Management Processes

### Our Climate Risk Identification, Prioritization, Assessment, and Monitoring Processes

Within our corporate risk management system, we carry out the identification, prioritization, assessment, and monitoring of climate-related risks through a structured approach. While this process is systematically implemented in line with the TFI Corporate Risk Management Policy, field-level risk indicators are also integrated into the process with contributions from our operational teams. For the governance-linked transmission mechanisms related to climate risks, please refer to the sections titled Governance – Roles and Responsibilities in Governance and Management Controls and Procedures Supporting Oversight of Climate-Related Issues – Governance of the Sustainability Strategy and Targets.



### Identification of Risks

In determining climate risks, we use both internal data (energy, water, supply, customer behaviour, financial indicators, etc.) and external sources (WRI Aqueduct, IPCC SSP2-4.5/RCP4.5 scenarios, TurkStat, İSKİ and national climate policies). On a global scale, as TAB Gıda, we have taken the RCP4.5 scenario as a basis as it realistically presents the environment in which our operations are carried out and addresses both physical and transition risks at a reasonable level of uncertainty.

Detailed information can be found in the Strategy – TA B Gıda's Future Projection and Scenario Analysis and Climate Resilience sections. For physical risks; extreme weather events and events that may be caused by extreme temperatures, and for transition risks, developments such as carbon regulations and packaging legislation were evaluated. For the outputs of this process, please refer to the Strategy – Analysing Climate Related Risks section.



## Risk Assessment

For each risk, we perform qualitative and quantitative assessments based on criteria such as the likelihood of realisation of the risk and financial and non-financial impact assessment. This assessment structure is defined in line with our Corporate Risk Management Policy to ensure consistency in our decision-making processes.

Standardised criteria matrices are used to ensure that the probability and impact of all risks are assessed in the same way by the Management. Since the impact of climate risks will be seen in the long term, the probability matrix, which is evaluated in a 2-year spectrum, has been expanded on a time frame basis for climate risks.

All risks are scored and graded according to the “probability x impact” matrix.

## Risk Probability

The probability of a risk is the likelihood that a particular risk event will occur within a given time frame. It is a measure of the likelihood of adversely affecting the realisation of the objective (i.e. the probability of occurrence). The probability of occurrence for the risk element should be defined at a level between 1 and 5.

**Table 7 Probability Assessment Table for Climate Risks**

| Score | Realisation Frequency              | Realisation Probability | Description                                                              |
|-------|------------------------------------|-------------------------|--------------------------------------------------------------------------|
| 5     | Once every 1-2 years or frequently | 80–100%                 | Multiple events in less than 2 years are possible                        |
| 4     | Every 2–5 years                    | 50–80%                  | May occur in most cases, recurrence is not expected in less than 5 years |
| 3     | Every 5–10 years                   | 20–50%                  | Occasional, not recurrence expected more than once in the same 10 years  |
| 2     | Every 10–25 years                  | 5–20%                   | Very rare; not expected again within 25 years                            |
| 1     | Over 25 years                      | 0–5%                    | Unexpected level; no examples in similar companies                       |



Tablo 8 Financial Impact Assessment Table for Climate Risks

|   |          | Financial Asset |                                | Financial Performance                    |                    | Cash Flow                                                |                                |
|---|----------|-----------------|--------------------------------|------------------------------------------|--------------------|----------------------------------------------------------|--------------------------------|
|   |          | Total Assets    | FA December                    | Calculated Adjusted EBITDA (2024 TAS-29) | FP December        | Calculated Cash Flow Related to Investment (2024 TAS-29) | CF December                    |
| 5 | Critical | 4,878           | Above 4.8 Billion              | 694                                      | Above 694 Million  | 3,201                                                    | Above 3.2 Billion              |
| 4 | High     | 3,659           | 3.6 Billion <= X < 4.8 Billion | 521                                      | 521 M <= X < 694 M | 2,401                                                    | 2.4 Billion <= X < 3.2 Billion |
| 3 | Medium   | 2,439           | 2.4 Billion <= X < 3.6 Billion | 347                                      | 347 M <= X < 521 M | 1,600                                                    | 1.6 Billion <= X < 2.4 Billion |
| 2 | Low      | 1,220           | 1.2 Billion <= X < 2.4 Billion | 174                                      | 174 M <= X < 347 M | 800                                                      | 800 Million <= X < 1.60 M      |
| 1 | Limited  | 610             | Under 1.2 Billion              | 69                                       | Under 174 Million  | 320                                                      | Under 800 Million              |



## Control and Residue Risk Level

Control is defined as any action taken to mitigate or manage a risk and increase the likelihood that the organisation or process will achieve its objectives. Internal control systems and related initiatives play an important role in reducing the likelihood and/or impact of identified risks. If management is satisfied that these controls are appropriately designed, mitigate risks and operate as intended, the likelihood and impact of the risk are reduced by taking these controls into account when making the risk assessment. The level of risk remaining after the controls are taken into account is defined as the 'residual risk level'. If the residual risk level is assessed as high (above 8), then preventive management actions to reduce the likelihood and corrective management actions to reduce the impact should be implemented.

**Tablo 9 Control Effectiveness Evaluation Criteria**

| Score | Rating    | Action                               | Description                                                                                                                                                |
|-------|-----------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5     | Very High | Active                               | Management believes that controls and/or management activities are appropriately designed and operating as intended.                                       |
| 4     | High      | Limit Development Opportunity        | Management believes that controls and/or management activities are appropriately designed and operating, but that there are opportunities for improvement. |
| 3     | Medium    | Intermediate Development Opportunity | Management believes that key controls and/or management actions are in place, but that there are significant opportunities for improvement.                |
| 2     | Low       | Significant Development Opportunity  | Management believes that limited controls and/or management actions are in place and that a high level of risk remains.                                    |
| 1     | Very Low  | Critical Development Opportunity     | Management believes that controls and/or management activities do not exist or have serious deficiencies and are not operating as intended.                |



Tablo 10 Residual Risk Level Prioritisation Matrix

Probability

|   |   |    |    |    |    |
|---|---|----|----|----|----|
| 5 | 5 | 10 | 15 | 20 | 25 |
| 4 | 4 | 8  | 12 | 16 | 20 |
| 3 | 3 | 6  | 9  | 12 | 15 |
| 2 | 2 | 4  | 6  | 8  | 10 |
| 1 | 1 | 2  | 3  | 4  | 5  |
|   | 1 | 2  | 3  | 4  | 5  |

Impact

Priority Level:

- Critical

Medium
- High

Low



## Risk Prioritization

All risk owners rate the likelihood, impact and control effectiveness of risks from 1 to 5 according to the determined criteria. Risk owners are assigned as Departments instead of individuals in TAB Gıda risk registers to allow different people to evaluate the same risk from different perspectives. The average of their ratings is taken as the final rating. If the impact of a risk belongs to more than one category, such as financial and operational impact, the rating is based on the highest impact. When assessing risk likelihood and impact, risk owners first assess in the absence of controls and then indicate that effective controls reduce risk exposure in the organisation. High ratings may be given to the effectiveness of controls if they assess that controls and/or management activities are appropriately designed, mitigate risks and operate as intended.

Following the evaluation, risks are prioritized based on the magnitude of residual risk and management decisions, and presented to the Early Detection of Risk Committee. This committee meets at least six times a year to address critical and high residual risks and monitors the status of action plans through regular reporting by the Risk Department.

For detailed information on the materiality analysis of our climate risks under the TSRS, please refer to the section Strategy – Climate Risks Affecting TAB Gıda – Materiality Analysis of Climate Risks.

Since this is the first year of reporting under the TSRS framework, no changes have been made to the processes compared to the previous reporting period.





## Risk Monitoring

Actions taken against risks are periodically reported to the Board of Directors through the Early Detection of Risk Committee. In addition, process performance is periodically audited by our internal audit unit. For detailed information on the monitoring process, please refer to the sections on Governance of Climate Risks – Roles and Responsibilities in Governance and Management Responsibilities – Management Controls and Procedures Supporting Oversight of Climate-related Issues.

## Continuous Improvement and Reassessment

Our processes are reviewed at least once a year and updated in line with sectoral developments and legal changes. Within the scope of 2024 assessments, the integration of climate-related scenario and regional water risk analyses into the risk management process for the first time is an output of this approach. In future periods, it is aimed to collect data on cases that have developed/ may develop due to climate risks and evaluate them more analytically.





# Metrics and Targets

## Greenhouse Gas Results

TAB Gıda calculates its greenhouse gas emissions for 2024 under Scope 1 and Scope 2 (Location and Market Based) under the GHG Protocol. The operational control approach has been adopted as the calculation approach.

Emissions cover TAB Gıda Sanayi ve Ticaret A.Ş.'s operations in Türkiye, as well as the operations of TAB Georgia LLC (Georgia), TAB Limited Makedonija Dooel Petrovec (Macedonia) and TAB Gıda - TRNC Branch<sup>3</sup>, which are 100% subsidiaries. Emissions for these locations were estimated with the 'Limited-Service Restaurants' sector emission factors defined by the EPA, taking into account sales revenue rates

<sup>3</sup> Greenhouse Gases Results (tCO<sub>2</sub>e)





Tablo 11 Greenhouse Gases Results (tCO<sub>2</sub>e)

| Greenhouse Gases Results (tCO <sub>2</sub> e) |                           | TAB Gıda | TAB Georgia LLC.<br>(Georgia) | TAB Limited Makedonija<br>Dooel Petrovec<br>(Macedonia) | TRNC   | TOTAL  |
|-----------------------------------------------|---------------------------|----------|-------------------------------|---------------------------------------------------------|--------|--------|
| Scope 1<br>(Direct Emissions) <sup>4</sup>    |                           | 38,250   | 34.25                         | 102.28                                                  | 194.19 | 38,581 |
| Scope 2<br>(Indirect<br>Energy<br>Emissions)  | Location-based            | 65,754   | 58.87                         | 175.83                                                  | 333.82 | 66,323 |
|                                               | Market-based <sup>5</sup> | 25,891   | 58.87                         | 175.83                                                  | 333.82 | 26,460 |
|                                               | Total <sup>6</sup>        | 64,141   | 93.12                         | 278.11                                                  | 528.02 | 65,040 |

<sup>4</sup> 2024 greenhouse gas emission data includes the data of TAB Georgia LLC (Georgia), TAB Limited Makedonija Dooel Petrovec (Macedonia) and TAB Gıda Sanayi ve Ticaret A.Ş. – TRNC Branch, which are 100% subsidiaries of TAB Gıda Sanayi ve Ticaret A.Ş., in addition to TAB Gıda Sanayi ve Ticaret A.Ş.'s domestic operations in order to ensure compliance with the financial statements within the scope of TSRS 1 standard. Emission data for these three locations are estimated based on sales in 2024, using the emission factor for the 'Limited-Service Restaurants' sector published by the US Environmental Protection Agency (EPA). Scope 1 and 2 distribution of emissions is based on the distribution rates in TAB Gıda's current operations.

<sup>5</sup>In the 2024 reporting year, in order to reduce emissions from imported electricity; YEK-G certificates equivalent to 55,123 Mwh were purchased. The relevant amount constitutes 39% of total electricity consumption. Thus, 39,862.78 tCO<sub>2</sub>e emissions were offset.

<sup>6</sup> In the total emission calculation, Scope 2 emissions are taken into account with the market-based method.



### Emissions:

- Scope 1: Direct greenhouse gas (GHG) emissions (based on meter readings and invoices)
  - Scope 1.1: Direct emissions from stationary combustion sources
  - Direct emissions from the use of natural gas, diesel, and solvents in the organization's processes and offices
  - Scope 1.2: Direct emissions from mobile combustion sources; Direct emissions related to fuel consumption of vehicles used for transportation operations undertaken by the organization
  - Scope 1.3: Direct emissions from fugitive emissions in anthropogenic systems; Direct emissions resulting from leaks in equipment owned by the organization
- Scope 2: Indirect emissions from purchased energy
  - Scope 2.1 (Location-Based): Indirect emissions from the consumption of grid electricity
  - Scope 2.2 (Market-Based): Indirect emissions from RES-G certified energy consumption

### Emission Factors Used:

- Global Warming Potential (GWP): (IPCC)
  - CO<sub>2</sub>: 1
  - CH<sub>4</sub>: 27.9
  - N<sub>2</sub>O: 273
- Natural Gas: 56.1 ton CO<sub>2</sub>/TJ; 0.001 ton CH<sub>4</sub>/TJ; 0.0001 ton N<sub>2</sub>O/TJ (IPCC Ch2 Stationary Combustion)
- Diesel/Motorine: 54.1 ton CO<sub>2</sub>/TJ; 0.0039 ton CH<sub>4</sub>/TJ; 0.0006 ton N<sub>2</sub>O/TJ (IPCC Ch2 Stationary Combustion)
- R404A: 3943 kg CO<sub>2</sub>e/kg (DEFRA 2024 – Refrigerant & Others)
- R134A: 1300 kg CO<sub>2</sub>e/kg (DEFRA 2024 – Refrigerant & Others)
- R410A: 1924 kg CO<sub>2</sub>e/kg (DEFRA 2024 – Refrigerant & Others)
- R22: 1760 kg CO<sub>2</sub>e/kg (DEFRA 2024 – Refrigerant & Others)
- R290A: 0.06 kg CO<sub>2</sub>e/kg (DEFRA 2024 – Refrigerant & Others)
- Electricity (Location-based): 0.470 kgCO<sub>2</sub>/kWh (Ember Climate – Türkiye)
- Electricity (Market-based): 0 kgCO<sub>2</sub>/kWh (Ember Climate – Türkiye)



### Activity Data:

- Natural gas: 8,063,446 m<sup>3</sup>
- Diesel/Motorine – Generator: 39,845 lt
- Diesel/Motorine – Private Vehicles: 19,440 lt
- Diesel/Motorine – Rental Vehicles: 375,189 lt
- R404A:
  - Loading: 4200 kg
  - Leakage: 1243 kg
- R134A:
  - Loading: 6.1 kg
  - Leakage: 43 kg
- R410A:
  - Loading: 47.5 kg
  - Leakage: 9 kg
- R22: 1.6 kg (Loading)
- R290A: 26 kg (o Leakage)
- Electricity (Location-based): 84,868,596.83 kwh
- Electricity (Market-based): 55,123,000.00 kwh

### Renewable Energy:

Renewable Energy: 55,123 MWh, which corresponds to approximately 39% of the electricity imported in 2024, was met with YEK-G certificates, and YEK-G certificates for this amount are available and can be submitted for audit. In the market-based calculation, this amount is taken into account with zero emission.





## Greenhouse Gas Emissions Calculation Methodology

GHG Protocol when calculating our greenhouse gas emissions: Corporate Standard (2004), GHG Protocol: Value Chain Standard (2011) and the global warming potential (GWP) coefficients in the IPCC 6th Assessment Report. In the calculations, we multiply the activity data on emission sources by current emission factors from official sources such as IPCC Guidelines, IEA, Ember Climate - Türkiye, DEFRA 2024 GHG Conversion Factor Table.

We adopt an operational control approach when determining our organisational boundaries. We report direct and energy indirect greenhouse gas emissions resulting from activities under our operational control under Scope 1 and Scope 2.

### Calculation Methodology

We calculate our greenhouse gas emissions in two main ways, depending on the type of emission source. These methods are calculation based on direct and indirect emissions from activities such as fuel combustion or electricity consumption, and calculation based on other directly measurable sources such as refrigerant leaks.

In our emission calculations for 2024, uncertainty analysis in line with our methodology was not applied for this year due to the time frame limited by the data collection process and verification calendar. However, as TAB Gıda, we plan to include uncertainty analysis in our methodology starting from the next reporting periods in order to further increase the transparency and accuracy of our calculations.

In this context, it is aimed to start preparatory work by 2025 in order to establish the methodological infrastructure for uncertainty analysis and to systematically monitor the variance in the emission factors and activity data used.



### *Calculation based on activities such as combustion or electricity consumption*

#### **CO<sub>2</sub> Emissions (t CO<sub>2</sub>e) = Activity Data x Emission Factor**

- **Activity Data:** Refers to the quantitative measure of activities that cause GHG emissions. For example, natural gas or diesel consumption (in tonnes) or electricity consumption (in kWh).
- **Emission Factor:** Indicates the amount of greenhouse gas emitted per unit for the relevant activity. For electricity-based emissions, country or grid-based emission factors are used. For fuel-based emissions, IPCC-based emission coefficients determined depending on the carbon content of the fuel are used.

### *Calculation based on leakage and direct measurements*

#### **CO<sub>2</sub> Emissions (t CO<sub>2</sub>e) = Emission Amount x Global Warming Potential**

- **Emission Amount:** Refers to the quantitative measure of emissions produced. e.g. the amount of directly measurable fugitives, e.g. refrigerant refilling (e.g. tonnes CH<sub>4</sub>, kg HFC).
- **Global Warming Potential (GWP):** A factor indicating the amount of heat trapped by 1 tonne of a gas relative to the amount of heat trapped by 1 tonne of CO<sub>2</sub> over a given period of time. Expressed in tonnes CO<sub>2</sub>-e/T greenhouse gas emissions (there is a factor for each type of greenhouse gas).





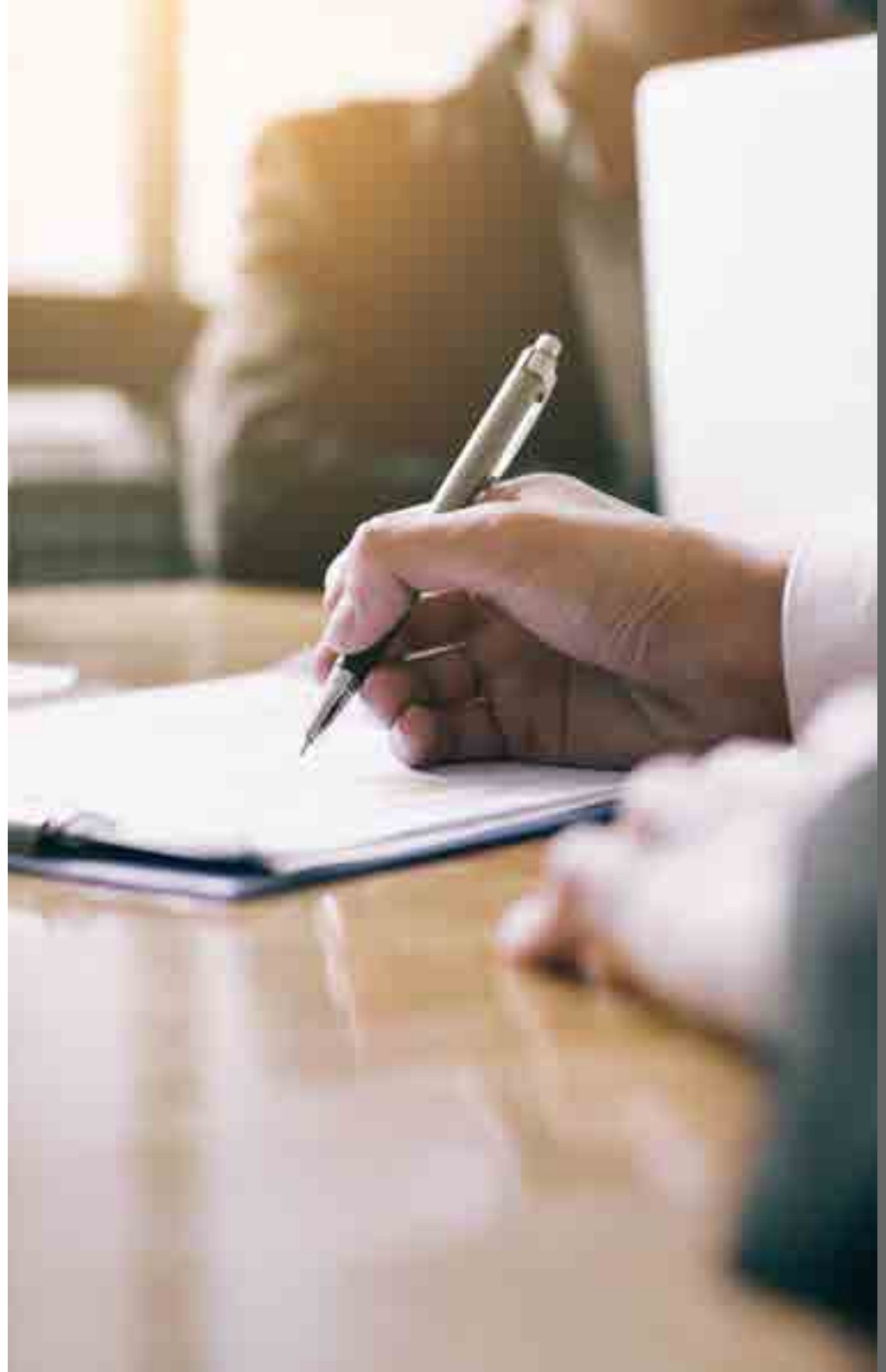
## Changes

There is no change in the calculation methodology within the scope of the relevant TSRS report year, which is reported for the first time this year.

## Calculation Assumptions

Scope 1.3 Direct emissions from leakage/leakage of greenhouse gases in anthropogenic systems is based on the number of TAB Gıda restaurants as of 31 December 2024 (Burger King: 409, Popeyes: 325, Arby's: 135, Usta Dönerci: 59, Sbarro+Usta Pideci: 40, Subway: 4)<sup>7</sup>

<sup>7</sup> Scope 1.3 is based only on TAB Gıda's own restaurants in Türkiye.





# Sector-Based Metrics

## TSRS 2 32, Appendix Volume-26-Restaurants

As TAB Gıda, we evaluated SASB resources and TSRS 2 Appendix Volume 26 – Restaurants within the scope of our 2024 TSRS Report.

Restaurant sector specific metrics are presented below.

Table 12 Sustainability Disclosure Topics and Metrics

| Metrics                                         | 2024 Data | Code         |
|-------------------------------------------------|-----------|--------------|
| Total energy consumed (Gigajoules) <sup>8</sup> | 829,975   | FB-RN-130a.1 |
| Percentage of grid electricity <sup>9</sup>     | 60.7%     | FB-RN-130a.1 |
| Percentage of renewable energy <sup>10</sup>    | 23.9%     | FB-RN-130a.1 |
| Total water withdrawn                           | 576,844   | FB-RN-140a.1 |
| Total water consumed                            | 576,844   | FB-RN-140a.1 |

<sup>8</sup> DEFRA; 139.991.596,83kWh×0,0036GJ/kWh=503.969,7486GJ  
<sup>9</sup>2024 Total Energy Consumption: 230,548,479 kWh / Grid Electricity Consumption: 139,991,597 kWh=Ratio: 60.7  
<sup>10</sup>In 2024, 55,123 MWh of consumption, corresponding to approximately 39% of imported electricity and 24% of total energy consumption, was met with YEK-G certificates.



| Metrics                                                                                                          | 2024 Data                                                           | Code         |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------|
| Percentage of areas with High or Extremely High Baseline Water Stress                                            | E.g. <i>Areas with High or Extremely High Baseline Water Stress</i> | FB-RN-140a.1 |
| Percentage of food purchased that meets environmental and social procurement standards                           | 49%                                                                 | FB-RN-430a.1 |
| Percentage of food purchased certified to third-party environmental or social standards                          | 31%                                                                 | FB-RN-430a.1 |
| Discussion of strategy for managing environmental and social risks in the supply chain, including animal welfare | E.g. <i>Supply chain risk management approach</i>                   | FB-RN-130a.1 |
| Number of restaurants owned by the company <sup>11</sup>                                                         | 1,010                                                               | FB-RN-000.A  |
| Number of franchised restaurants <sup>12</sup>                                                                   | 820                                                                 | FB-RN-000.A  |
| Number of employees at the restaurant points of the enterprise                                                   | 14,684                                                              | FB-RN-000.B  |
| Employees at franchise locations                                                                                 | 7,942                                                               | FB-RN-000.B  |

<sup>11</sup> As there may be seasonal changes in the number of restaurants and employees during the year, the number of restaurants and employees reflect the consolidated closing data as of 31 December 2024.

<sup>12</sup> As there may be seasonal changes in the number of restaurants and employees during the year, the number of restaurants and employees reflect the consolidated closing data as of 31 December 2024.



## Areas with High or Extremely High Groundwater Stress

Our business meets its water needs to a large extent from municipal and municipal water sources. In this context, water is used in operational activities carried out in our restaurants, such as hygiene of kitchen and preparation areas, cleaning of equipment and regular maintenance of general areas. Interruptions in access to water have the potential to affect our business continuity. For this reason, we regularly monitor our water consumption, utilise backup storage systems to meet daily needs in case of interruptions, and assess risks related to water stress through scenario-based analyses.

Our analyses for 2030 show that a significant portion of our operations take place in areas of high-water stress. In these analyses, internationally recognised data sources such as WRI Aqueduct were used. Currently, we have not experienced any water interruptions that have disrupted our operations, and we have not seen any significant operational and financial impact due to water scarcity.

Therefore, the limited sharing of quantitative data in our analyses of water stress stems from the difficulty in estimating a meaningful total financial impact with the available data sets due to factors such as the geographically dispersed nature of our operations and low volume water consumption in each location. However, it is anticipated that water resources may become more limited in some regions due to climate change in the medium and long term.

Possible impacts of these risks on our operations may include delays in cleaning and hygiene processes, which may put pressure on our service quality. In order to mitigate these risks and be prepared for the future, we carry out studies to increase water efficiency, and expand our practices for efficient equipment use, personnel training, maintenance optimisation and savings awareness.



## Supply chain risk management approach

As TAB Gıda, we do not limit our sustainability focus to our own operations; we also take into account the environmental and social performance of all our stakeholders in our supply chain. Recognising that our current supply chain brings with it various risks, we apply an integrated risk management approach to systematically address these risks.

In line with our goal of ensuring food safety and quality standards, we see it as a basic criterion that our suppliers have internationally recognised certificates within the scope of GFSI (Global Food Safety Initiative). We support our business partners who have not yet completed this process with audit mechanisms carried out with similar principles, and we ensure development together.

In order to minimise environmental risks arising from agricultural production, we prefer traceable and certified systems such as Good Agricultural Practice (GAP) in our vegetable supply. Working with GAP-certified producers, especially in main products such as tomatoes, lettuce and onions, is an important part of our sustainable procurement approach. Thus, we see sustainable agriculture not as a goal, but as a promise to the future. In order to keep this promise, we continue to support sustainable agriculture with practices that are in harmony

with nature, friendly to people and consider future generations thanks to the integrated food ecosystem we are a part of.

Our potato supply is carried out through a group company that has achieved the 'Gold' level under the FSA Sustainable Agriculture Management System. Thanks to the training programmes offered to farmers by our group company, we not only provide reliable product supply, but also contribute to the spread of sustainable agriculture culture.

In order to reduce environmental risks such as deforestation and habitat loss, we prefer RSPO (Roundtable on Sustainable Palm Oil) Mass Balance certified products in our frying oil supply. Thus, we contribute to the protection of natural ecosystems and the global environmental balance.

As part of the management of social and ethical risks related to animal welfare, we only work with producers in our red meat supply chain who have ISO 34700 Animal Welfare Management System certification and have adopted high hygiene, ethical and sustainability standards. This practice constitutes a fundamental assurance in terms of social responsibility and consumer safety in animal-derived products.



In order to measure and support the environmental, social and governance (ESG) performance of our suppliers, we launched the 'ESGenius' supply chain management module in 2023. Within the scope of this system, the evaluation process of 33 of our suppliers, i.e. 64%, has been completed as of 2024. As a result of the evaluation, 4 of our suppliers were evaluated in the basic, 22 in the transition, 6 in the transformation level and 1 supplier in the special<sup>13</sup> category.

- Basic level: Suppliers that fulfil legal requirements but have room for improvement,
- Transition level: Suppliers that have established ESG policies and started to integrate them into their business processes,
- Transformation level: Suppliers that adopt sustainability as an integral part of their operations and report in accordance with international standards,

In 2025, we plan to complete the assessments of the remaining suppliers and follow the development of basic and transition level suppliers. We will also continue to monitor the levels of suppliers at the transformation level.

<sup>13</sup> The company did not choose the option to share its ESG assessment results with other system users.



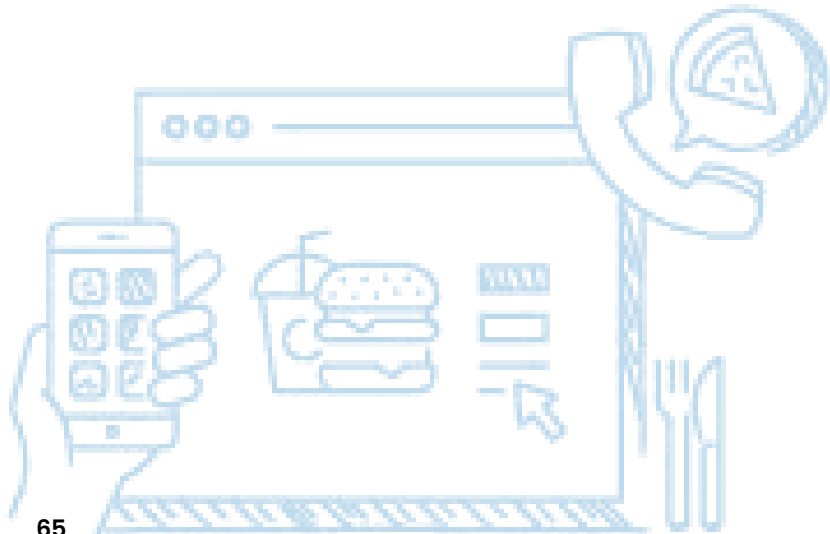


## Internal Carbon Prices

TAB Gıda does not apply a carbon price in its decision-making process, therefore there is no GHG emission price per metric tonne that we use for GHG emission cost assessment. In addition, as of the 2024 reporting period, no carbon credits have been utilised in voluntary or mandatory markets.

## Pricing

For the reflection of climate-related issues on executive remuneration, see the relevant sections Governance – Remuneration Systems and Executive Remuneration



## Climate-Related Risks, Opportunities and Capital Allocation

We anticipate that we may feel the impacts of climate change in different ways throughout our business model and operational chain. In addition to events such as floods, droughts and frost in agricultural production areas, heavy rainfall and extreme weather conditions may affect many processes from our supply chain to our restaurant operations. We assess that this may have an impact on our product supply, energy and water use, and logistics activities in particular. At the same time, we recognise the need to be vigilant in compliance with legislation in line with increasing expectations for climate regulations. As a result of the studies we conducted to understand the impacts of climate change on our operations, we started to identify areas where we may be exposed to both transition and physical risks. However, it was not possible to detail the activities affected by these risks on a quantity or percentage basis due to methodological and data-related limitations in the current reporting period.



Within the scope of transition risks, we anticipate that issues such as compliance with climate regulations, water and energy-related cost pressures and waste management may have an impact on our operations. We assess that these risks may be felt especially in our restaurant operations, supply chain and logistics processes. However, the amount and percentage of operations exposed to transition risk in total operations have not yet been quantified as of this period. The main reason for this is that these risks may have a simultaneous and variable impact on many processes of our operations. In the coming periods, we aim to add a quantitative dimension to this information by creating impact maps and activity-based data sets disaggregated by risk types.

Within the scope of physical risks, we have observed in our scenario analyses that risks related to extreme weather events, temperature increases and water stress may have an impact on our supply, logistics and restaurant operations. In the studies conducted on water stress, it was determined that a significant portion of the water we consume is supplied from high-risk regions. However, the quantitative amount and percentage of assets or activities exposed to these risks could not be presented for this period due to the fact that the data infrastructure we have does not allow for a disaggregation at this scale. Our data development efforts continue in order to monitor climate risks spatially and operationally in more detail.

Our climate-compatible activities include regular monitoring of our carbon footprint, procurement of a portion of our electricity consumption in a carbon neutral manner through renewable energy certificates and our practices in the field of energy efficiency. However, the ratio of these practices in our total activities or the amount of assets affected by these practices has not yet been structured at a measurable level in this reporting period. TAB Gıda carries out carbon footprint monitoring activities at the corporate level, taking into account Scope 1, 2 and 3 emissions. In 2024, 24% of total electricity consumption was provided from renewable resources with YEK-G certificate. This ratio covers 32.5% of the 1830 restaurants directly operated by TAB Gıda.

As of 2024, we have observed that the financial impacts of risks directly related to climate remain at a limited level. Therefore, there is no capital expenditure, investment or financing allocation specifically for climate risks and opportunities in the reporting period. Likewise, no new business models or financing instruments supporting the achievement of climate targets were developed during this period. In case the financial impact of risks increases in order to maintain our climate resilience, we will reconsider resource allocation and update our investment planning.



TAB Gıda's leased restaurants, owned machinery and equipment have a significant financial size within tangible fixed assets. Among these assets, there is no asset that can be considered “vulnerable” to the effects of climate change. Most of the equipment is located indoors.

As of 2024, TAB Gıda has not conducted a detailed mapping study to analyse the location of the restaurants on the coastline in terms of climate risk. However, this issue will be addressed within the scope of location-based physical risk assessments to be carried out in the coming periods. In the first stage, it is planned to identify the restaurants located within 5 km distance, which IPCC defines as ‘medium risk zone’ in coastal zone classifications, and include them in the risk impact analysis.

There was an isolated flood event in previous years, where a restaurant was temporarily exposed to flooding. However, the event did not have a material and lasting impact on going concern or financial statements. In this framework, no assets are currently categorised as vulnerable to climate change. However, physical risk mapping and asset-based impact analyses for climate risks will be expanded and continued in the future.





## Climate-Related Targets

TAB Gıda's sustainability goals are determined jointly with TAB Gıda's Sustainability Board and relevant thematic working groups with the vision of creating added value for a more livable world with a focus on Food, Planet and People. These goals are designed to ensure that environmental, social and economic impacts are managed with a holistic approach, and have been turned into a strategic structure that supports the rooting of sustainability culture throughout the organisation. TAB Gıda aims to protect the planet, put people at the centre and make food systems more resilient in every step it takes for a sustainable future.

There is no risk that requires action within the scope of our climate risk analysis. Therefore, there is no target. However, we regularly monitor climate-related developments in order to be prepared for possible changes in risk levels. If we detect an increase in the impact of risks in line with our observations, we plan to take the necessary steps to determine the necessary actions and define appropriate targets. As of the 2024 reporting period, no third-party verification has been applied for our defined targets and the methodology underlying them.





Table 13 TAB Gıda short-medium-long term sustainability targets

| No | Focus Area | Strategy Focus                                   | Target Description                                                                                                                                                                                                                                                                     | Progress Status | Metrics                                                                                                                                                                                                                                                           | Target Year |            |
|----|------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------|
| 1  | Planet     | Responsible Sourcing and Sustainable Product Use | RSPO Mass Balance certified product ratio reaching 100%<br>2025 - 9%<br>2026 - 54%<br>2027 - 64%<br>2030 - 100%                                                                                                                                                                        | Continuing      | Number of products containing palm oil<br>RSPO Mass Balance Certified Product Rate (%)                                                                                                                                                                            | 2030        | Long-Term  |
| 2  |            |                                                  | Procurement of all red meat products from suppliers with ISO 34700 Animal Welfare Management System                                                                                                                                                                                    | Continuing      | Number of red meat suppliers<br>Ratio of suppliers with ISO 34700 Animal Welfare Management System (%)                                                                                                                                                            | 2025        | Short-Term |
| 3  |            |                                                  | Reaching 100% of our Rainforest Alliance certified product ratio<br>2026 - 40%<br>2027 - 50%<br>2028 - 75%<br>2030 - 100%                                                                                                                                                              | Continuing      | Number of coffee products supplied<br>Proportion of Rainforest Alliance certified coffee (%)                                                                                                                                                                      | 2030        | Long-Term  |
| 4  |            |                                                  | Establishing and implementing BSCI and BEPI systems within the scope of amfori membership, especially for critica <sup>14</sup> suppliers, to ensure trust, transparency and ESG compliance in the supply chain, and continuous improvement by digitally monitoring their performance. | Continuing      | Number of suppliers to be included in ESG performance<br>Number of suppliers receiving BSCI training<br>Number of suppliers receiving BEPI training<br>Ratio of suppliers included in BSCI audit (%)<br>Ratio of suppliers included in BEPI evaluation system (%) | 2030        | Long-Term  |

<sup>14</sup> Critical suppliers are strategically important food, service and primary packaging suppliers that provide high tonnage and risky products (especially meat, vegetables, chicken, bread, dairy products, sauces, etc.), which constitute the most important components of TAB Gıda's main products, and ensure the continuity of operations by supplying these products on time and in high quality, without which the operation would be disrupted



| No | Focus Area | Strategy Focus                                    | Target Description                                                                                                                                          | Progress Status | Metrics                                                                                             | Target Year |             |
|----|------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------------------------|-------------|-------------|
| 5  | Planet     | Responsible Sourcing and Sustainable Product Use  | Using traceable and sustainable raw materials, reaching 100% FSC certified paper packaging supply rate<br>2025 -7%<br>2026 - 20%<br>2027- 50%<br>2030- 100% | Continuing      | Number of paper packaging suppliers<br>Proportion of FSC certified paper packaging suppliers (%)    | 2030        | Long-Term   |
| 6  |            | Energy, Carbon Management and Digitalisation      | Transition to the use of digital platforms for monitoring carbon footprint                                                                                  | Continuing      | Number of modules started to be actively used on the digital platform                               | 2025        | Short-Term  |
| 7  |            |                                                   | Continuing to meet 100% of the electricity consumption of all TAB in-line restaurants from renewable energy sources                                         | Continuing      | Ratio of energy covered by I-REC/YEK-G certificate (%)                                              | 2025        | Short-Term  |
| 8  |            | Integrated Sustainability and Resource Management | Establishment and certification of ISO 14001 Environmental management system in the centre and selected pilot restaurants                                   | Continuing      | Number of internal audit non-conformities                                                           | 2026        | Short-Term  |
| 9  |            |                                                   | Measurement, reporting and certification of ISO 14064 Greenhouse gas emissions in the centre and selected pilot restaurants                                 | Continuing      | Completion rate of actions to be taken (%)                                                          | 2027        | Medium-Term |
| 10 |            |                                                   | Dissemination of environmentally friendly practices in a pilot restaurant and initiation of a GREEN RESTAURANT application                                  | Continuing      | Green Restaurant internal audit success score<br>Green Restaurant Number of internal audit findings | 2030        | Long-Term   |



| No | Focus Area | Strategy Focus                                    | Target Description                                                                                                                                                         | Progress Status | Metrics                                                                              | Target Year |            |
|----|------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------------|-------------|------------|
| 11 | Planet     | Integrated Sustainability and Resource Management | In 2025, conducting a stakeholder study to understand the current situation of food and packaging waste in restaurants and to bring these wastes into the circular economy | Continuing      | Amount of packaging waste                                                            | 2025        | Short-Term |
| 12 |            |                                                   | By the end of 2025, the number of In-Line restaurants with zero waste systems established and certified will reach 177                                                     | Continuing      | Number of zero waste certified in line restaurants                                   | 2025        | Short-Term |
| 13 | Food       | Food Safety and Product Innovation                | Providing at least 10 trainings to operation teams to improve food safety and quality.                                                                                     | Continuing      | Number of food safety and brand standards trainings given during the year            | 2025        | Short-Term |
| 14 |            |                                                   | Maintaining supplier food safety and quality audit results above 95% by NSF International on behalf of Burger King and Popeyes brands                                      | Continuing      | Number of suppliers audited by NSF International                                     | 2025        | Short-Term |
| 15 |            |                                                   | GFSI - Global Food Safety Initiative (Global Food Safety Initiative) certified critical food supplier ratio to be 90%                                                      | Continuing      | Critical Number of food suppliers Ratio of GFSI Certified Suppliers (%)              | 2025        | Short-Term |
| 16 |            |                                                   | GFSI - Global Food Safety Initiative (Global Food Safety Initiative) certified critical primary packaging supplier rate to be 60%                                          | Continuing      | Number of Critical Primary Packaging Suppliers Ratio of GFSI Certified Suppliers (%) | 2025        | Short-Term |

For information on the governance structure of the relevant targets, please refer to Governance - Governance of Sustainability Strategy and Targets.



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