

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION/LINK ON PUBLIC DISCLOSURE
		YES	NO	PARTIAL	NOT APPLICABLE		
	A. General Principles						
	A1. Strategy, Policy and Targets						
A1.1	The Board of Directors determines environmental, social and governance (ESG) priority issues, risks and opportunities.	X				While Klimasan A.Ş. complies with the laws and regulations required by the sector and geography in which it operates, carries out responsible activities within the framework of the 10 basic principles of the United Nations Global Compact and the 17 Sustainable Development Goals, of which it is a signatory. Klimasan shares its Policies, Corporate Sustainability Strategy, as well as management strategies, and its ESG agenda, risks, performance indicators and projects with all stakeholders through the annual GRI Sustainability Reports. Klimasan A.Ş. conducted a comprehensive stakeholder analysis study in 2020 in order to determine the ESG priorities in the value chain, and shaped the Corporate Sustainability Strategy, which it established in 2021, on the priorities of its internal and external stakeholders. The treatment of priority issues and the implementation of the Corporate Sustainability Strategy are described in the Klimasan 2021 GRI Sustainability Report.	Klimasan Sustainability Policy https://www.klimasan.com.tr/uploads/2022/12/keys-pol-02-en-klimasan-sustainability-policy.docx Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan 2021 Sustainability Report, Sayfa 12, 26-40. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION/LINK ON PUBLIC DISCLOSURE
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A1.1	The Board of Directors establishes ESG policies (For example: Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) and declares to the public.	X				Klimasan A.Ş. Sustainability Policy, Social Compliance Policy and Integrated Management System Policy, as well as Ethical Code of Conduct and Application Principles (Employee Code of Conduct) and Supplier Code of Conduct Principles have been shared on Klimasan A.Ş. Corporate Website. (www.klimasan.com.tr)	Klimasan Sustainability Policy https://www.klimasan.com.tr/uploads/2022/12/keys-pol-02-en-klimasan-sustainability-policy.docx Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx Klimasan Ethical Code of Conduct and Principles of Practice https://www.klimasan.com.tr/uploads/2022/12/klimasan-ethical-code-of-conduct-and-principles-of-practice.docx
A1.2	The short and long term goals in line with ESG policies are declared to the public.	X				The short and long-term goals and commitments determined within the framework of the four main focuses of the Klimasan A.Ş. Corporate Sustainability Strategy are described in the 2021 GRI Sustainability Report.	Klimasan 2021 Sustainability Report, Sayfa 47, 73, 89, 90. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
	A2. Implementation/Monitoring						
A2.1	The committees and/or units responsible for the implementation of ESG policies as well as the highest-level person in charge of ESG issues and their duties are determined and publicly disclosed.	X				All information about the Klimasan A.Ş. Sustainability Committee is disclosed in the Klimasan A.Ş. GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 24, 32, 33. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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A2.1	The responsible committee / unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year.	X				The works carried out by the Klimasan A.Ş. Sustainability Committee and related teams within the scope of environmental and social sustainability, improvement projects are presented to the Top Management. A Management Systems Review Meeting is held at least once a year. At this meeting, the activities, improvements, risk analyses, performance indicators carried out during the year within the scope of QMS, EMS, EnYS and OHS YS are examined and decisions are made for the next period. The Early Diagnosis of Risk Committee of Klimasan A.Ş., which is affiliated to the Board of Directors, makes Consolidated Risk Analysis Reporting in two-month periods. All Klimasan processes are included in the scope of Risk Analysis.	Klimasan 2021 Sustainability Report, Sayfa 24, 32, 33. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan Corporate Management Compliance Report Sayfa 4. https://www.klimasan.com.tr/uploads/2023/1/Kurumsal%20Yonetim%20Uyum%20Raporu%202022.pdf Klimasan 2022 4th Quarter Annual Report Sayfa 13, 31-34, 46-48, 50,51. https://www.klimasan.com.tr/uploads/2023/1/Faaliyet%20Raporu%2031%2012%202022.pdf
A2.2	Implementation and action plans in line with the ESG targets are formed and declared to the public.	X				The short and long-term targets and commitments determined within the framework of the four main focuses of the Klimasan A.Ş. Corporate Sustainability Strategy are described in the 2021 GRI Sustainability Report. Klimasan completed the science-based emission reduction targets setting study, which it committed to and announced with the 2021 GRI Sustainability Report, in the first quarter of 2023 and submitted the determined targets for approval by SBTi. It is published in the SBTi Companies Taking Action List. https://sciencebasedtargets.org/companies-taking-action	Klimasan 2021 Sustainability Report, Sayfa 47, 73, 79, 81, 89, 90. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2022 4th Quarter Annual Report Sayfa 10. https://www.klimasan.com.tr/uploads/2023/1/Faaliyet%20Raporu%2031%2012%202022.pdf
A2.3	The scope of ESG Key Performance Indicators (KPI) and relevant indicators are announced on a yearly basis.	X				The short and long-term goals and commitments determined within the framework of the four main focuses of the Klimasan A.Ş. Corporate Sustainability Strategy, as well as the level of access to ESG KPIs, are disclosed to the public every year with GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 47, 73, 89, 90, 106, 107 https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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A2.4	Activities that improve sustainability performance in business processes, products, and services have been disclosed to the public.	X				In the sections “Our Strong Sustainability Performance” and “Our 2021 Realizations” of the Klimasan A.Ş. 2021 GRI Sustainability Report, important projects carried out within the scope of ESG in 2021 were reported. Klimasan A.Ş. considers the activities aimed at improving product and process sustainability in the focuses of Sustainable Business and Sustainable Growth of the Corporate Sustainability Strategy. Klimasan's continuous improvement, investment and efficiency activities are described in the 2021 GRI Sustainability Report “Continuous Improvement and Investments” Section. Klimasan A.Ş. product development and improvement activities are described in the 2021 GRI Sustainability Report “R&D and Innovation” and “Our Environmentally Friendly Products” Sections. Klimasan A.Ş. sustainability studies are explained in the “Sustainability Studies” Section of the Annual Reports, which are reported in 3-month periods.	Klimasan 2021 Sustainability Report, Sayfa 9-11, 53-58, 59-61, 87, https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2022 4th Quarter Annual Report Sayfa 9-12. https://www.klimasan.com.tr/uploads/2023/1/Faaliyet%20Raporu%2031%2012%202022.pdf
A3. Reporting							
A3.1	Information regarding the performance of the Incorporation in terms of sustainability performance, targets and activities are included correctly and adequately in the annual report.	X				Klimasan A.Ş. sustainability studies are explained in the “Sustainability Studies” Section of the Annual Reports, which are reported in 3-month periods.	Klimasan 2022 4th Quarter Annual Report Sayfa 9-12. https://www.klimasan.com.tr/uploads/2023/1/Faaliyet%20Raporu%2031%2012%202022.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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A3.2	Information about its activities on which of the United Nations (UN) 2030 Sustainable Development Goals are related to has been disclosed to the public by the Incorporation.	X				Klimasan A.Ş. supports the United Nations Global Compact, of which it is a signatory, and reports on the activities it conducts for this purpose during the year through GRI Sustainability Reports. The 2021 GRI Sustainability Report is explained in the section "Sustainable Development Goals to Which We Contribute".	Klimasan 2021 Sustainability Report, Sayfa 40-41. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
A3.3	Information about the important lawsuits filed and/or concluded in ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public	X				The lawsuits filed and/or ongoing lawsuits on behalf of Klimasan A.Ş. are disclosed in the Annual Reports with quarterly periods.	Klimasan 2022 4th Quarter Annual Report Sayfa 21. https://www.klimasan.com.tr/uploads/2023/1/Faaliyet%20Raporu%2031%2012%202022.pdf
A4. Verification							
A4.1	ESG Key Performance metrics of the Incorporation have been verified and publicly disclosed by an independent third party organization.			X		Klimasan A.Ş. 2021 emission measurement has been verified by an independent accredited third party within the framework of the 14064-1:2018 Standard.	Klimasan 2021 Sustainability Report, Sayfa 80. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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	B. Environmental Principles						
B1	The Company has disclosed its policies and practices in the field of environmental management, action plans, environmental management systems (known with ISO 14001 standard), and programs to the public	X				Klimasan A.Ş. has been organizing and conducting business processes within the scope of ISO 14001 Environmental Management System Standard since 2011. Klimasan A.Ş. Environmental Policy is explained in the Integrated Management System Policy. Klimasan A.Ş. has been disclosing its environmental, social, management and economic indicators, policies and practices, risk analyses, goals and plans to the public with GRI Sustainability Reports starting with the year 2020.	Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan 2021 Sustainability Report, Sayfa 73-87. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 42-48. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf Klimasan 2022 4th Quarter Annual Report Sayfa 8. https://www.klimasan.com.tr/uploads/2023/1/Faaliyet%20Raporu%2031%2012%202022.pdf Klimasan Sustainability Policy https://www.klimasan.com.tr/uploads/2022/12/key-s-pol-02-en-klimasan-sustainability-policy.docx
B2	The scope of the report, the reporting period, the reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared to provide information on environmental management	X				It is explained in the “About the Report” Section of the Klimasan A.Ş. GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 7. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 3. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf
B3	Stated in A2.1.	X					

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems based on stakeholders (such as members of the Board of Directors, managers and employees) have been disclosed to the public.			X		Klimasan Suggestion Evaluation System is an application in which all employees can express their technical and administrative suggestions, improvement ideas and are rewarded in return. The suggestions of the employees are evaluated within the scope of many different scoring criteria, environmental protection and energy conservation criteria are also included among them. While the total number of employee suggestions and suggestions related to environmental and energy that are implemented are tracked by the Sustainability Committee among ESG KPIs, department-based Suggestion Evaluation System KPIs are tracked by department managers. The indicators of the Suggestion Evaluation System are described in the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 53. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B5	How priority environmental issues are integrated into business targets and strategies has been disclosed to the public.	X				Klimasan conducted a comprehensive stakeholder analysis study in 2020 in order to determine the ESG priorities in the value chain, and shaped the Corporate Sustainability Strategy, which it established in 2021, on the priorities of its internal and external stakeholders. The treatment of priority issues and the implementation of the Corporate Sustainability Strategy are described in the Klimasan 2021 Sustainability Report. The “Our Planet” focus of Klimasan Corporate Sustainability Strategy is based on environmental sustainability activities.	Klimasan 2021 Sustainability Report, Sayfa 12, 28, 34-35. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B6	Stated in A2.4.	X					
B7	How environmental issues are managed and integrated into business targets and strategies throughout the company's value chain, including the operational process, suppliers and customers has been disclosed to the public.	X				The “Sustainable Business” focus of Klimasan A.Ş. Corporate Sustainability Strategy covers Sustainable Supply Chain Management and Customer Management concepts. In the 2021 GRI Sustainability Report, the “Sustainable Business” Strategy has been detailed, the principles committed to and expected to be recognized by Klimasan A.Ş. have been explained. Klimasan A.Ş. expects that the Supplier Code of Conduct Principles Document, which it has created in 2021, will be recognized by all business partners throughout the supply chain.	Klimasan 2021 Sustainability Report, Sayfa 12, 29. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan Supplier Code of Conduct https://www.klimasan.com.tr/uploads/2022/12/klimasan-supplier-code-of-conduct.docx
B8	Whether the environment organizations and non-governmental organizations are involved in the policy-making processes or not, and the collaborations with these institutions and organizations have been disclosed to the public.	X				Klimasan A.Ş.’s non-governmental organizations and social responsibility collaborations are explained in the “Our Stakeholder Map, Relations with our Stakeholders and Corporate Memberships” Section of the Sustainability Reports. Klimasan A.Ş. is a signatory of the United Nations Global Compact (UN Global Compact) and a supporter of the 10 basic principles of the United Nations Global Compact and the 17 Sustainable Development Goals. While Klimasan A.Ş. employees benefit from the UN Global Compact Academy and participate in training and certification programs, Klimasan A.Ş. representatives also participate in workshops and development programs organized by UN Global Compact during the year. Within the scope of Klimasan A.Ş. Social Responsibility and Environmental Protection understanding, “Klimasan Employees Love Grove” has been created in cooperation with the Aegean Forest Foundation.	Klimasan 2021 Sustainability Report, Sayfa 10, 11, 42-45. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B9	In the light of environmental indicators (greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Indirect energy), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts), comparable information on its environmental impacts are disclosed to the public.	X				Klimasan A.Ş. has been measuring, monitoring and reporting its carbon emissions in accordance with the GHG Protocol since 2011. As of 2021, Klimasan A.Ş. measures, monitors and reports carbon emissions in accordance with the ISO 14064-1:2018 Standard, as well as the GHG Protocol. Emission reporting is carried out through Klimasan A.Ş. GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 78-81, 106. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 44. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf
B10	Standards, protocols, methodologies, and reference year details used to collect and calculate data are disclosed to the public.	X				Klimasan A.Ş. has been measuring, monitoring and reporting its carbon emissions in accordance with the GHG Protocol since 2011. As of 2021, Klimasan A.Ş. measures, monitors and reports carbon emissions in accordance with the ISO 14064-1:2018 Standard, as well as the GHG Protocol. Emission reporting is carried out through Klimasan A.Ş. GRI Sustainability Reports. The calculation methodology and standard are specified in the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 79-81. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 44. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf
B11	The status of the environmental indicators for the reporting year (increase or decrease) in comparison with previous years has been described.	X				Environmental performance indicators are described every year in the “Performance Indicators” Section of GRI Sustainability Reporting. Within the scope of Environmental Management, parameters related to environment, energy, emissions, water and waste management are reported in the “Our Planet” focus of Klimasan A.Ş. Corporate Sustainability Strategy.	Klimasan 2021 Sustainability Report, Sayfa 73-83, 106,107. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 73. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B12	Short and long-term targets to reduce environmental impact are set and these targets are announced together with information on their progress in relation to the goals set in the past years.	X				Within the scope of the “Our Planet” focus of Klimasan A.Ş. Corporate Sustainability Strategy, short and long-term targets and commitments were determined and announced through the 2021 GRI Sustainability Report. Klimasan completed the science-based GHG emission reduction targets setting study, which it committed to and announced with the 2021 GRI Sustainability Report, in the first quarter of 2023 and submitted the determined targets for approval by SBTi. It is published in the List of Companies Taking Action published by SBTi. https://sciencebasedtargets.org/companies-taking-action	Klimasan 2021 Sustainability Report, Sayfa 73, 79. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B13	The strategy and actions to combat the climate crisis are announced.	X				Within the scope of the “Our Planet” focus of Klimasan A.Ş. Corporate Sustainability Strategy, short and long-term targets and commitments were determined and announced through the 2021 GRI Sustainability Report. Klimasan A.Ş. completed the science-based GHG emission reduction targets setting study, which it committed to and announced with the 2021 GRI Sustainability Report, in the first quarter of 2023 and submitted the determined targets for approval by SBTi. It has been published in the Companies Taking Action List published by SBTi. https://sciencebasedtargets.org/companies-taking-action	Klimasan 2021 Sustainability Report, Sayfa 73, 79. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B14	In order to prevent or minimize the potential negative impact of products and/or services on the environment, programs or procedures have been established and disclosed to the public.	X				The “Sustainable Business” focus of Klimasan A.Ş. Corporate Sustainability Strategy includes the concept of Sustainable Products and Production. Klimasan A.Ş. aims to maximize product recyclability and minimize negative environmental impacts of the product with its Sustainable Business Strategy. R&D activities and responsible growth studies are included in the focus of “Sustainable Growth” of Klimasan A.Ş. Corporate Sustainability Strategy. With its Sustainable Growth Strategy, Klimasan aims to conduct environmental impact analysis at the design stages of products and engage in environmentally friendly design development activities. Klimasan A.Ş. performs recyclability analysis of its products, conducts R&D and Purchasing activities to increase product recyclability. Klimasan A.Ş. completed the science-based GHG emission reduction targets setting study, which it committed to and announced with the 2021 GRI Sustainability Report, in the first quarter of 2023 and submitted the determined targets for approval by SBTi. Without air conditioning. Scope 3 prepares a plan to reduce the emissions caused by the use phase of its products in emissions (Other Emissions). The environmentally friendly characteristics of Klimasan products are described in the “Our Environmentally Friendly Products” Section of the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 12, 29, 30, 47, 87. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 45-46. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B14	Actions for reducing greenhouse gas emissions of third parties (eg. suppliers, subcontractors, dealers, etc.) are taken and these actions have been disclosed to the public.		X			Klimasan A.Ş. Corporate Sustainability Strategy and Management Approach aims to create responsible added value in the entire value chain. In this context, Klimasan A.Ş. Supply Chain responsible activities are explained in the GRI Sustainability Reports. Klimasan A.Ş. determines the environmental and social requirements that business partners in the supply chain are expected to comply with with the principles of the Supplier Code of Conduct.	Klimasan Supplier Code of Conduct Sayfa 5-6. https://www.klimasan.com.tr/uploads/2022/12/klimasan-supplier-code-of-conduct.docx Klimasan 2021 Sustainability Report, Sayfa 62-65. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B15	The environmental benefits / profits and cost savings provided by projects and initiatives carried out to reduce environmental impact are announced.	X				Klimasan A.Ş. reports the environmental impacts and earnings of the improvement projects it carries out, as well as the environmental management system improvement and development expenditures made during the year through GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 53-58, 82, 84, 107. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan 2020 Sustainability Report, Sayfa 34, 58, 59, 73. https://www.klimasan.com.tr/uploads/2020/11/klimasan-2020-sustainability-report.pdf
B16	The total energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling) data are announced as Scope-1 and Scope-2.	X				Annual energy consumption of Klimasan A.Ş. is disclosed to the public through GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 75, 77 80, 106. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B17	Information on electricity, heat, steam and cooling generated and consumed in the reporting year is provided.		X			There is no electricity, heat, steam and cooling generation.	

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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B18	Efforts to increase the use of renewable energy and transition to zero or lowcarbon electricity have been made and disclosed to the public.	X				As of 2020, Klimasan A.Ş. is investing in renewable energy sources based on its total annual electricity consumption and has received an I-REC Certificate. With the Klimasan A.Ş. Solar Power Plant Investment, a significant part of electricity consumption will be covered by renewable energy. Within the scope of the “Sustainable Growth” focus of Klimasan A.Ş. Corporate Sustainability Strategy, we are working with the aim of increasing energy efficient product sales.	Klimasan 2021 Sustainability Report, Sayfa 47, 55, 77. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B19	The renewable generation of energy and the usage data are announced.	X				As of 2020, Klimasan A.Ş. is investing in renewable energy sources based on its total annual electricity consumption and has received an I-REC Certificate. as of 2020, every year, all of the total annual electricity consumption is covered by renewable energy investments and disclosed to the public through GRI Sustainability Reports, published on the Klimasan A.Ş. website.	Klimasan 2021 Sustainability Report, Sayfa 73, 77. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan Websitesi https://www.klimasan.com.tr/tr/haberler
B20	Energy efficiency projects are realized and the amount of energy consumption and emission reduction gained by means of these studies are announced.	X				Klimasan A.Ş. energy efficiency projects and the results of the projects are described in the “Continuous Improvement and Investments” and “Energy Management” Sections of the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 55-58, 76, 77. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B21	The amount of water withdrawn, used, recycled and discharged from underground or above ground, its sources and procedures are reported.	X				Data on Klimasan A.Ş. water consumption and water resources are described in the “Water Management” and “Our Performance Indicators” Sections of the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 82, 106. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
B22	Explains whether the operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).		X			Operations or activities of Klimasan A.Ş. are not included in any carbon pricing system.	

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	NOT APPLICABLE		
B23	The carbon credit information accumulated or purchased during the reporting period is announced.		X			There are no carbon credits accumulated or purchased during the reporting period.	
B24	If carbon pricing is applied in the company, details are disclosed.		X			Carbon pricing is not applied within the Company.	
B25	Platforms where the Company discloses environmental information is announced.	X				All environmental information reported by Klimasan A.Ş. has been presented to the public with the Sustainability Reports contained in the “Sustainability” Section of the Klimasan website.	Klimasan Website https://www.klimasan.com.tr/tr/surdurulebilirlik
	C. Social Principles						
	C1. Human Rights and Labor Rights						
C1.1	Corporate Human Rights and Labor Rights Policy is established in which full compliance with the legal framework and legislation regulating the human rights and business life in Turkey, ILO Conventions that are ratified by Turkey and the Universal Declaration of Human Rights is committed. Roles and responsibilities associated with the implementation of the policy are determined and announced	X				Klimasan A.Ş. carries out responsible activities within the framework of the 10 basic principles of the United Nations Global Compact and the 17 Sustainable Development Goals. When creating Human Rights Policies, Klimasan A.Ş. takes the requirements of global organizations such as the United Nations Global Compact (UNGC) and the International Labour Organization (ILO), of which it is a supporter, as a basis and explains all the activities it conducts in this context through GRI Sustainability Reports. The “People” focus of Klimasan A.Ş. Corporate Sustainability Strategy has been designed based on human rights and ethical business understanding within this framework. The Principles of the Social Compliance Policy and the Code of Conduct created by Klimasan A.Ş. have been published on the Klimasan website.	Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx Klimasan Ethical Code of Conduct and Principles of Practice https://www.klimasan.com.tr/uploads/2022/12/klimasan-ethical-code-of-conduct-and-principles-of-practice.docx Klimasan Supplier Code of Conduct https://www.klimasan.com.tr/uploads/2022/12/klimasan-supplier-code-of-conduct.docx Klimasan 2021 Sustainability Report, Sayfa 10, 91, 97. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

		COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION/LINK ON PUBLIC DISCLOSURE
		YES	NO	PARTIAL	NOT APPLICABLE		
C1.2	Considering the supply and value chain effects, the Company includes fair workforce, improvement of labor standards, women's employment and inclusion (such as nondiscrimination on women, men, gender, religious belief, language, ethnicity, race, age, disability, refugee etc.) in its policy regarding the labor rights	X				Klimasan A.Ş. has publicly announced the Principles of Ethical Business Understanding, Human and Employee Rights and Compliance with Legal Regulations in the Social Compliance Policy, which it has designed to be applied in all areas in which it operates. In addition, in all the processes it conducts with its internal and external stakeholders, it has established Ethical Business Understanding Principles as Codes of Conduct for its employees and business partners involved in the supply chain. With these principles, it aims to prevent human rights and ethical violations in business and communication processes with its stakeholders. Klimasan A.Ş. manages Human Rights, Business Ethics, Social Diversity and Equality practices in the “People” focus of the Corporate Sustainability Strategy and explains them through GRI Sustainability Reports.	Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx Klimasan Ethical Code of Conduct and Principles of Practice https://www.klimasan.com.tr/uploads/2022/12/klimasan-ethical-code-of-conduct-and-principles-of-practice.docx Klimasan Supplier Code of Conduct https://www.klimasan.com.tr/uploads/2022/12/klimasan-supplier-code-of-conduct.docx Klimasan 2021 Sustainability Report, Sayfa 12, 27. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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C1.3	Precautions taken throughout the value chain regarding the consideration of specific economic, environmental, and social factors such as low-income groups, women, or minority rights/opportunities have been disclosed to the public.	X				Klimasan A.Ş. is one of the 25 Turkish participating enterprises that participated in the Target Gender Equality Program organized by the United Nations Global Compact (UNGC), of which it is a supporter and signatory, in the period 2022-2023. Klimasan A.Ş. is one of the participating enterprises of the "Z.E.K.İ" (Workplace with Intellectual Disability Protection) Project carried out in cooperation with the Manisa Organized Industrial Zone and the Manisa Association for the Education and Protection of the Mentally Disabled, and offers employment opportunities to disadvantaged people. Klimasan A.Ş. received the Award for the Enterprise Providing the Most Employment of Disabled Employees in Manisa Province with the number of disabled employees it employed in 2021. Klimasan A.Ş. contributes to the economic development of the region where it is located and increasing the employment level through employment projects developed, university-industry collaborations, business partnerships with the Manisa Organized Industrial Zone and local institutions and organizations. All the projects and efforts carried out by Klimasan A.Ş. for this purpose are described in the GRI Sustainability Reports.	UN Global Compact Target Gender Equality Programı Katılımcıları https://www.globalcompactturkiye.org/un-global-compact-hedef-toplumsal-cinsiyet-esitligi-programi-turkiyede-basladi/ Klimasan 2021 Sustainability Report, Sayfa 6, 11, 93, 99, 103, 104. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	NOT APPLICABLE		
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced labor and child labor are reported.	X				Klimasan A.Ş. is one of the 25 Turkish participating enterprises that participated in the Target Gender Equality Program organized by the United Nations Global Compact (UNGC), of which it is a supporter and signatory, in the period 2022-2023. Klimasan A.Ş. explains the applications of its Corporate Sustainability Strategy within the scope of Human Rights, Business Ethics, Social Diversity and Equality Concepts managed under the focus of “People” through GRI Sustainability Reports. These principles applied by Klimasan A.Ş. cover the entire value chain within the framework of the Sustainable Supply Chain Concept of the “Sustainable Business” focus. Klimasan A.Ş. discloses to the public the policies, codes of conduct and principles it has established within the framework of Human Rights and Business Ethics.	UN Global Compact Target Gender Equality Programı Katılımcıları https://www.globalcompactturkiye.org/un-global-compact-hedef-toplumsal-cinsiyet-esitligi-programi-turkiyede-basladi/ Klimasan 2021 Sustainability Report, Sayfa 12, 27, 29, 89-103. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx Klimasan Ethical Code of Conduct and Principles of Practice https://www.klimasan.com.tr/uploads/2022/12/klimasan-ethical-code-of-conduct-and-principles-of-practice.docx Klimasan Supplier Code of Conduct https://www.klimasan.com.tr/uploads/2022/12/klimasan-supplier-code-of-conduct.docx

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	NOT APPLICABLE		
C1.5	Investment in employees (training, improvement policies), compensation, vested benefits, right to unionize, work/life balance solutions and talent management issues are included in employee rights policy.	X				Klimasan A.Ş. Education Approach is explained in the Integrated Management System Policy. Klimasan A.Ş. explains the equal, fair working conditions, rights, principles of compliance with legal regulations and their management methodologies that it provides for its employees with the Social Compliance Policy that it has established. Employment, development, career planning, training, remuneration and benefits applications provided to employees are managed with the Employee Development Approach, which is the focus of Klimasan A.Ş. Corporate Sustainability Strategy “People”. In the “Human Resources” Section of the GRI Sustainability Report, Klimasan Human Resources policies and principles and activities carried out for this purpose are reported.	Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan 2021 Sustainability Report, Sayfa 12, 27, 91-95. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx
C1.5	Dispute resolution processes are determined by creating mechanisms for employee complaints and dispute.	X				Klimasan A.Ş. has established the Ethical Line and Employee Suggestion System mechanisms through which employees can make their feedback transparently and their notifications are evaluated and resolved. In addition, solution processes are carried out with the activities of the Klimasan Disciplinary Board.	Klimasan 2021 Sustainability Report, Sayfa 24. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
	The activities carried out to ensure employee satisfaction during the reporting period are announced.	X				The studies carried out for the satisfaction of Klimasan employees are disclosed to the public through GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 91-95. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	NOT APPLICABLE		
C1.6	Occupational health and safety policies are established and declared to the public.	X				Klimasan Occupational Health and Safety processes are managed with ISO 45001 Occupational Health and Safety Management System. The Occupational Health and Safety Policy is explained in the Klimasan Integrated Management System Policy. Klimasan has positioned the Understanding of Occupational Health and Safety to the “People” focus of the Corporate Sustainability Strategy with its commitment to providing a healthy and safe working environment to its employees and all its stakeholders. Klimasan's Understanding of Occupational Health and Safety, the studies carried out in this context and the realizations are explained in the GRI Sustainability Reports.	Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan 2021 Sustainability Report, Sayfa 12, 27, 100, 101. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
	The occupational accidents, measures taken to maintain health, and accident statistics are announced.	X				Klimasan A.Ş.'s Understanding of Occupational Health and Safety, the studies carried out in this context and the realizations are explained in the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 100, 101. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
C1.7	Protection of personal data and data security policies are established and disclosed to the public.	X				Klimasan A.Ş. Information Security processes are managed with ISO 27001 Information Security Management System. The Information Security Management Policy is explained in the Klimasan Integrated Management System Policy. Klimasan A.Ş.'s Understanding of Information Security and the activities carried out in this context are described in the GRI Sustainability Reports.	Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan 2021 Sustainability Report, Sayfa 71. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	NOT APPLICABLE		
C1.8	Ethical policy is established and declared to the public.	X				Klimasan A.Ş. Ethical Business Understanding is explained in the Klimasan Social Compliance Policy. In addition, Klimasan A.Ş. has explained the principles and expectations of ethical business understanding in the Ethical Code of Conduct and Principles of Practice (Employee Code of Conduct) and Supplier Code of Conduct Principles that it has created. Klimasan's Ethical Policy, Ethical Business Understanding and the activities carried out in this context are described in the GRI Sustainability Reports.	Klimasan Social Compliance Policy https://www.klimasan.com.tr/uploads/2022/12/klimasan-social-compliance-policy.docx Klimasan Ethical Code of Conduct and Principles of Practice https://www.klimasan.com.tr/uploads/2022/12/klimasan-ethical-code-of-conduct-and-principles-of-practice.docx Klimasan Supplier Code of Conduct https://www.klimasan.com.tr/uploads/2022/12/klimasan-supplier-code-of-conduct.docx Klimasan 2021 Sustainability Report, Sayfa 27, 96,97, 98. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
C1.9							
C1.10	Information meetings and training programs for employees on ESG policies and practices are organized.	X				The details of the organized trainings are explained with the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 40, 71, 85, 89, 91, 96, 107, 113. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
	C2. Stakeholders, International Standards and Initiatives						
C2.1	A customer satisfaction policy regarding the management and resolution of customer complaints is established and announced.	X				Klimasan A.Ş. customer-oriented management approach is explained in the Integrated Management System Policy. The Customer Satisfaction Approach is managed under the “Sustainable Business” focus of Klimasan A.Ş. Corporate Sustainability Strategy. Customer Satisfaction Processes and activities carried out during the year are explained through GRI Sustainability Reports.	Klimasan Integrated Management System Policy https://www.klimasan.com.tr/uploads/2022/06/integrated-management-system-policy.pdf Klimasan 2021 Sustainability Report, Sayfa 12, 29, 66-68, . https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
C2.2	Information on stakeholders communication (with which stakeholders, on what issue and how often) is announced.	X				Klimasan A.Ş. Stakeholder Communication Methodology is explained in the Section “Our Stakeholder Map, Relations with Our Stakeholders and Corporate Memberships” through the GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 42-45. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf

KLİMASAN KLİMA SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

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		YES	NO	PARTIAL	NOT APPLICABLE		
C2.3	International reporting standards adopted for the reportings are disclosed.	X				Klimasan A.Ş. reports its Environmental, Social and Economic indicators in accordance with the GRI Standard.	Klimasan 2021 Sustainability Report, Sayfa 7, 108-116. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
C2.4	Principles, signatory and member international organizations, committees and principles on sustainability and adopted by the Company are disclosed.	X				Klimasan A.Ş.'s Understanding of Sustainability is explained in the "Sustainability Governance" Section by the institutions and organizations that are signatories and supporters of GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, Sayfa 7, 10, 12, 27-45. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
C2.5	Improvements and activities are conducted in order to be listed in the sustainability indices of Borsa Istanbul and/or international index providers.	X				Klimasan A.Ş. has started its studies in 2023 in order to be included in Borsa Istanbul's Sustainability Index. In addition, all the activities carried out within the scope of Klimasan A.Ş. Sustainability Management are explained through GRI Sustainability Reports.	Klimasan 2021 Sustainability Report, https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
	D. Corporate Governance Principles						
D1	Stakeholders were consulted in determining measures and strategies in the field of sustainability.	X				Klimasan A.Ş. conducted a comprehensive stakeholder analysis study in 2020 in order to determine the ESG priorities in the value chain, and shaped the Corporate Sustainability Strategy, which it established in 2021, on the priorities of its internal and external stakeholders. The treatment of priority issues and the implementation of the Corporate Sustainability Strategy are described in the Klimasan 2021 Sustainability Report.	Klimasan 2021 Sustainability Report, Sayfa 27-38. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf
D2	Efforts have been made to increase awareness about sustainability and its importance through social responsibility projects, awareness-raising activities, and trainings.	X				All details of social responsibility projects, activities and trainings carried out by Klimasan A.Ş. are disclosed to the public through the GRI Sustainability Report.	Klimasan 2021 Sustainability Report, Sayfa 9-11, 85, 89-91, 103,104, 107. https://www.klimasan.com.tr/uploads/2023/1/Klimasan_2021_Sustainability_Report.pdf