

# Sabah Yatak Sustainability Report 2022



# SABAH BEDDING SUSTAINABILITY REPORT 2022

## CONTENTS

1. About the Report.....	1	5. Our Practices for a Sustainable Future .....	60
2. Message From the Management.....	2	5.1.Responsible Procurement and Value Chain.....	60-63
2.1.Message From Our Board Chairman.....	2-3	5.2.Customer Satisfaction Practices.....	64-67
2.2.Message From Our Sustainability Leader.....	4-7	6. Our Environmental Responsibility .....	68
3. Overview of Sabah Bedding.....	8	6.1.Decarbonization Vision.....	68-75
3.1.Sabah Bedding by The Numbers.....	8-12	6.2.Raw Materials, Natural Resources, and Waste Management....	76-77
3.2.Milestones .....	13	7. Our Social Responsibility.....	78
3.3.Our Company Profile.....	14-19	7.1.Human Rights Policy .....	79-82
3.4.Our Board Structure.....	20-21	7.2.Our Employees and Development Management .....	83-90
3.5.Ethical and Compliance Policies.....	22-25	7.3.Occupational Health and Safety Practices .....	91-92
3.6.Our Quality Approach .....	26-29	7.4.Social Benefits and Activities .....	93-96
3.7.Communication with Our Stakeholders and Memberships...	30-35	8. Annex.....	97
4. Sustainability Management at Sabah Bedding.....	36	8.1.Performance Indicators .....	97-103
4.1.Our Sustainability Policy .....	37-39	8.2.GRI Content Index.....	104-112
4.2.Our Sustainability Mechanisms.....	40-42	8.3.Contact.....	113
4.3.Our Sustainability Strategy and Priorities .....	43-47		
4.4.Our Sustainable Future Plan .....	48-59		

## 1- About Report

As Sabah Bedding Industry and Trade Inc., we consider sustainability as an integral part of our business and place this understanding at the center of all our activities. With this report, focusing on the year 2022, we aim to provide a summary of our sustainability efforts, achievements, and future goals.

By publishing our first sustainability report covering the period from January 1, 2022, to December 31, 2022, and including our sustainability practices, solutions related to stakeholder priority issues, and our economic, social, and environmental performance, we take pride in reflecting our company's commitment to sustainability and transparency. We are also proud to showcase how we intend to contribute to a more sustainable world in the future.

The content of our report has been prepared collaboratively by relevant departments under the leadership of the sustainability committee, encompassing all aspects of Sabah Bedding and subject to external audit. We are actively continuing our sustainability, decarbonization, and green transformation efforts, planning to further enhance and support our sustainability initiatives with innovation in the coming periods.

While preparing our inaugural sustainability report, we ensured content alignment based on the GRI Universal Standards 2021 version set by the Global Reporting Initiative (GRI). Our sustainability reporting activities initiated in 2022 have been carried out in harmony with our corporate governance approach that regularly updates our operations and aligns with the guidelines of the European Union Green Deal and Corporate Sustainability Reporting Directive (EU Green Deal, CSRD).

The content of our report invites all stakeholders of Sabah Bedding to collaborate for a sustainable future. Your opinions, suggestions, and feedback on this report are crucial to us. Your insights will help strengthen our sustainability journey. Please share your thoughts by emailing us at [sustainability@sabahbedding.com](mailto:sustainability@sabahbedding.com) You can also visit our website, where our sustainability efforts and initiatives are updated, at [www.sabahbedding.com/sustainability](http://www.sabahbedding.com/sustainability)

We look forward to progressing towards a greener and more sustainable future together with you. We appreciate your commitment to working towards a greener future and wish you enjoyable reading.

## 2- Message From the Management

### 2.1 - Message From Our Board Chairman



Dear Stakeholders,

As Sabah Bedding, we have officially embarked on our sustainability journey with our inaugural sustainability report for the year 2022. This report serves as both a source of pride and a significant milestone carrying a great responsibility, as it signifies our commitment to share our sustainability efforts, impacts, and commitments with our stakeholders.

In today's ever-evolving and changing world, sustainability has become not only a good way of doing business but also a fundamental element of all forms of business. Therefore, as a reflection of the responsibility we bear towards our environment and society, we strive to shape our business processes and value chain in line with sustainability principles.

Our sustainability vision is based on an approach encompassing environmental, social, and economic dimensions. It covers a broad spectrum, from the sustainable use of natural resources to respecting the rights of our employees, contributing to our local communities, and reducing the environmental impacts of our products throughout their lifecycle. Embracing sustainability principles allows us to build strong relationships with our stakeholders through transparent communication and collaboration, facilitating the achievement of our sustainability goals.

Our sustainability report provides a detailed overview of the steps taken by our company, the successes achieved, and our future goals. The aim of this report is to enable our stakeholders to understand and assess our company's performance in the field of sustainability, contributing to the transparent accountability of our company.

To access our sustainability report and obtain further information, please visit our website or contact us at [sabah@sabahbedding.com](mailto:sabah@sabahbedding.com). We extend our gratitude to all stakeholders who have supported us on this sustainability journey. We are committed to continuing our efforts together to build a greener future.

We engage in a wide range of activities, from improving every stage of the lifecycle to enhance sustainability. This report is a reflection of our sustainability commitments and goals. Day by day, we strive to exert more effort towards building a greener, fairer, and more sustainable world for the future.

The inaugural Sustainability Report released this year marks a starting point for us. We will continue to work towards achieving more success and progress in the field of sustainability. The feedback and support from our stakeholders are critical components of this journey.

Lastly, I extend sincere thanks to all colleagues who contributed to the preparation of this report. I believe their efforts will contribute to achieving more sustainability success in the coming years.

As Sabah Bedding, I would like to conclude by reiterating our commitment to a better future. We will keep moving forward.



Best Regards

**Levent Solmaz**

*President*

## 2- Message From the Management

### 2.2 - Message From Our Sustainability Leader



Dear Stakeholders,

It is with great pride and joy that Sabah Bedding presents the 2022 Sustainability Report, aiming to transparently share our commitments and activities regarding sustainability. This report offers a detailed insight into our company's sustainability journey, highlighting our core values, efforts, and progress, and outlining how we plan to achieve our future goals and sustainability vision.

Established in 1983, our company operates with a 10,000 m<sup>2</sup> production facility in Çorlu, Tekirdağ, and a Central Office in Istanbul. Placing significant importance on human health, we, as Sabah Bedding, continue to achieve new successes each year with our expert team of around 100 people, high-quality and special materials used in our products, extensive production capacity, and technological superiority.

Maintaining our goal of maximizing customer satisfaction, we combine superior quality in the production of a wide range of mattresses and bases with different features, headboards, functional additional bed alternatives, and top-quality bed textiles. Sabah Bedding has become a preferred brand not only in Turkey but also internationally, chosen by many hotels for its quality, durability, and cost-effective products. By producing world-class mattresses, bases, and home textiles, we increased our export volume, exporting 52% of our 2022 production abroad. With continuously improving quality and an innovative approach, Sabah Bedding takes pride in being a globally preferred brand.

Our Values and Statistics Between 2021 and 2022, our company's revenue showed a 120% increase. Our product-based sales consist of 65% mattresses, 25% bases, 5% textiles, and 5% additional product groups. Our net sales rank 23rd among 389 businesses in our sector nationwide and 6th among 98 businesses in the Istanbul region. Examining our 2022 data, our unit sales increased by 26% in our sector and by 42% in our business. Our exports accounted for 65% domestically and 35% internationally of our total turnover. In the export market, we rank 8th among 137 businesses nationwide and 2nd among 31 businesses in the Istanbul region. As an essential indicator of our international competitiveness, our business accounts for 7.62% of the total export amount to the Netherlands, exceeding its overall sector share of 8.66%. In 2022, we exported to 24 different countries, including Germany, France, the UK, and Azerbaijan. Our labor productivity increased by 42%, investment efficiency increased by 49%, and our capacity utilization rate increased by 7% in line with the sector's growth. Allocating 2% of our revenue to R&D expenses, we prioritize continuous improvement and innovation. Additionally, we hold a total of 5 brand registrations, allocating 3% of our 2022 revenue to investment projects and achieving a net profit of 9%. Taxes paid represented 7% of our revenue. Despite the sector's 8% decrease, our FAVÖK (EBITDA) ratio increased by 10%, reflecting our business's success in cost management.

Sabah Bedding, with these figures, pledges to embrace sustainable growth and quality, becoming a key player guiding our industry towards a sustainable future through growth, employment, and environmentally friendly practices.

**Our Sustainability Strategy** Our sustainability journey is shaped by the participation and expectations of our stakeholders. Following prioritization efforts, we determined our sustainability policy, shaping our sustainability strategy. To foresee the future of our industry, we considered critical elements of our value chain, forming our sustainability vision.

By conducting a materiality analysis considering stakeholder expectations and balance factors relevant to our industry, we identified the sustainability elements we will focus on between 2023-2026. We balanced these elements with an axiomatic approach and shared our sustainable future plan and detailed goals. To disseminate our understanding of sustainability throughout our supply chain, we collaborate with over 500 suppliers. This collaboration is a crucial step in ensuring the sustainability standards of many raw materials and logistics services, from steel to cotton, wood to metal, cardboard to plastic. We integrate our sustainability practices into our supply chain and develop various approaches to increase stakeholders' awareness of sustainability. Customer satisfaction is our priority. The satisfaction survey in the "Customer Rights" section of our website for retail customers provides an opportunity for customers to voice their opinions and provide feedback. Customer feedback guides us in improving our processes and enhancing our products. We carefully evaluate the feedback received to increase customer satisfaction and improve our sustainability practices.

**Our Environmental Responsibility: Paving the Way for a Sustainable Future** Climate change is increasingly affecting every aspect of our lives, from the economy to health, environment to society. Acting on our vision of decarbonization based on compliance with the EU Green Deal and the EU

Taxonomy, we strengthen our sustainability goals with a commitment to leave a clean and livable world for future generations.

We prepared our corporate greenhouse gas inventory in accordance with ISO 14064-1 standards. To monitor greenhouse gas emissions and improve reduction activities, we use our emission inventory. This inventory guides our internal and external stakeholders in taking action against climate change. In 2022, the total of our direct and indirect emissions was 8,908.85 tons of CO2e.

We conduct analytical studies to optimize our raw material supply and prefer recyclable products. Simultaneously, we focus on increasing water efficiency and reducing water consumption. Protecting water resources and water efficiency form the basis of our sustainability mission. By collaborating with communities fighting sea pollution, such as Seaqual, we support fishermen on ocean coasts. We combat marine pollution by transforming plastic waste into new threads and reusing them. Managing all waste processes meticulously with the Zero Waste certificate, we contribute to the conservation of natural resources by recycling all our waste. In 2022, we contributed to the conservation of natural resources by recycling 100% of our waste.

Through our Integrated Management System, we implement our sustainability policies and commit to creating positive impacts on our supply chain in terms of the conservation of natural resources, recycling, and waste management.

Our Social Responsibility: Human Rights, Occupational Health and Safety, Employee Development, and Social Benefit We rigorously implement occupational health and safety practices to protect our employees' health and safety.

Through risk plans, regular training, and informative activities, we transform our workplaces into safe working environments.

We value the personal and professional development of our employees, offering training programs in line with this approach. In 2022, by providing a total of 1784 Person × Hours of training, we enhanced our employees' knowledge and skills. Additionally, we aimed to increase awareness of sustainability by providing 65 Person × Hours of Sustainability and Decarbonization Training.

Considering the impacts of our products and services on societies and adhering to a social benefit approach respectful of universal human rights, we adopt social responsibility practices that promote respect for human rights in line with the principles of sustainability, transparency, and participation. Our social responsibility practices encourage respect for human rights and contribute to our goal of creating social benefits.

To create social benefits, we establish strategic partnerships, assist our stakeholders in acting in line with these principles, and support these efforts. We develop special approaches to disseminate awareness of social benefits among all our stakeholders, from customers to suppliers.

Towards a Common Future in Sustainability The year 2022 marked a turning point for Sabah Bedding in terms of sustainability. While continuing to grow and develop with our commitments to human health, the environment, and society, we updated our business ethics, quality, integrated management, ethics and compliance, sustainability, and environmental policies to ensure our company's solid foundation for the future.



At Sabah Bedding, we reinforce our belief and commitments to a sustainable future day by day. We act with determination to leave a cleaner and more livable world for future generations. We are grateful to all our stakeholders, business partners, and communities. Your support and collaboration propel us forward on our sustainability journey. With the 2022 Sustainability Report prepared based on the Global Reporting Initiative (GRI) Universal Standards, you had the opportunity to get a closer look at our way of doing business, our responsibility to the environment and society, and the future direction of our business. Our report will always be accessible for anyone needing more information, data, and details.

As part of our sustainability journey, we will continue to work with determination to achieve bigger goals and more success in the future. With your support and collaboration, we maintain our



Best Regards

**Önder Arıkan**

*Board Member & Sustainability*

*Program Team Leader*

### 3- Overview of Sabah Bedding

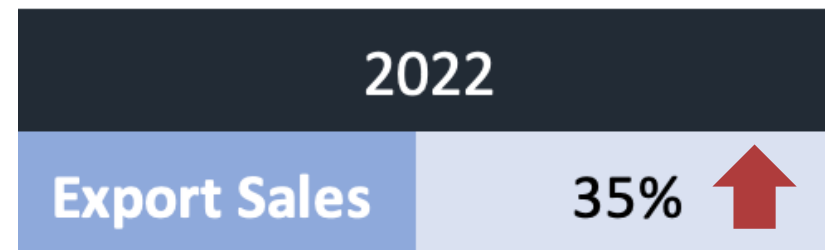
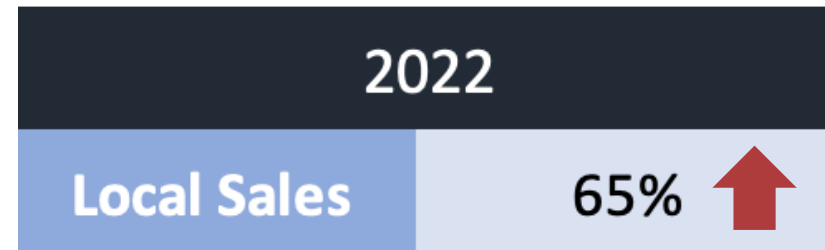
#### 3.1 - Sabah Bedding by The Numbers

- Establishment year 1983
- 40 Years of experience
- 100 + Team members
- Production in 10.000 m2 covered land
- Producer of mattress, base, extrabeds
- Producer of bedding products
- The female employment rate was 27% in 2022
- The employee satisfaction rate was 76% in 2022.
- The accident frequency rate was 22.07% per hour in 2022

- 120% Sales increase in total export and local sales during 2022.

Local Sales 2022 65%

Export Sales 2022 35%



2022		
Sales Data	Product	%
	Mattress	65%
	Base	25%
	Textile	5%
	Other	5%

➤ When considering the sales figures for the year 2022, our business ranks 24th out of 389 enterprises in its sector nationwide in Turkey.

➤ When taking into account the sales figures for the year 2022, our business ranks 6th among 98 enterprises in its sector within the TR1-Istanbul region

➤ In the year 2022, while the industry experienced a 26% increase in unit-based sales, our company saw a 42% increase.

➤ In the year 2022, 3% of our revenue has been allocated to investment projects.

➤ In the fiscal year 2022, 7% of our revenue has been paid to the government as taxes.

➤ In the year 2022, our net profit margin was 9%.

➤ In 2022, while the EBITDA ratio decreased by 8% in the industry, our business experienced a 10% increase.

## Comparisons

### Sectoral Comparisons

2021-2022	Sectoral Change	Sabah Bedding
<b>Active Size</b>	20% ↑	67% ↑
<b>R&amp;D Expenditures</b>	8% ↑	2% ↑
<b>Labor Productivity</b>	29% ↑	42% ↑
<b>Investment Efficiency</b>	22% ↑	49% ↑
<b>Capacity Utilization Rate</b>	7% ↑	7% ↑

➤ In 2022, based on international sales figures, our company ranks 8th among 137 enterprises in its sector nationwide in Turkey

➤ When considering international sales figures for the year 2022, our business ranks 2nd among 31 enterprises in its sector within the TR1-Istanbul region.

### Employee Data

	Female	Male
<b>Number of employees</b>	25	67

### Trade Marks

<b>In Turkiye</b>	5
<b>Outside of Turkiye</b>	5 ( Azerbaijan, Georgia, MonteNegro, Macedonia, Romania)

2022		
<b>Exportation Rates per Country</b>	Holland	39%
	Uzbekhistan	12%
	Algeria	10%
	Northern Cyprus	8%
	Hungary	6%






# 2022 Export Countries

Out of the total export amount to the Netherlands in the sector, our company accounted for 7.62% of the 8.66% total export value

## Sabah Bedding Sustainable Production Journey



### 3.2- Milestones

-  **1983** Sabah Bedding Establishment
-  **1983** 400 sqm production area in Güneşli, İstanbul
-  **1990** Received the 'Close Interest in Turkish Sports and Future-oriented Project' award from The Youth and Sports Foundation.
-  **1991** The first spring resistance machine, developed in collaboration with TSE (Turkish Standards Institution), has been produced and testing has commenced
-  **1991** TSE 7167 Spring Mattress standard conformity and first certification
-  **1996** Factory moved to Çorlu, Tekirdağ. 30.000 sqm land, 10.000 sqm covered land
-  **1997** One out of third companies in Turkey with high-level spring mattress production.
-  **1998** Received the environmentally friendly production award from the Chamber of Commerce and Industry."
-  **2005** ISO 9001 Quality Management System established and certificated
-  **2012** Evolved through investments, it has been renewed in line with global technological advancements and standards
-  **2014** Establishing biologic treatment facility for domestic waste in factory.
-  **2015** The global markets witnessed an increase in market presence
-  **2019** The ISO 14001 Environmental Management System has been established, and the certification has been obtained
-  **2019** The company became the first in the industry to receive the Covid-19 Safe Production Certificate.
-  **2020** The integrated management system, incorporating ISO 9001 Quality Management, ISO 14001 Environmental Management, and ISO 45001 Occupational Health and Safety, has been established, and informative sessions have been conducted.
-  **2021** "Sabah" brand has been registered in 5 different WIPO (World Intellectual Property Organization) countries
-  **2022** Corporate sustainability initiatives have commenced, and committees have been established.

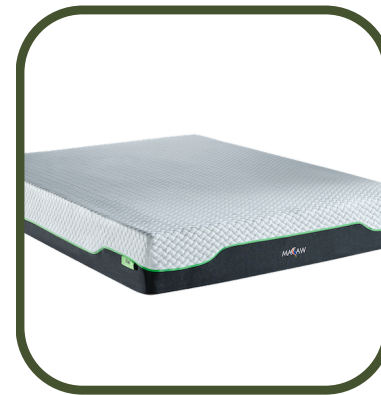
### 3.3 - Our Company Profile

Sabah Yatak Sanayi, which was established in 1983, operates with its factory covering 10,000 m<sup>2</sup> in the Çorlu district of Tekirdağ and its Central Office in Istanbul. With approximately 100 employees, the company achieves new successes every year. Prioritizing human health, Sabah Mattresses is recognized as one of the leading manufacturing companies in the Turkish mattress industry, thanks to its high-quality and special materials used in its products, extensive production capacity, and technological superiority

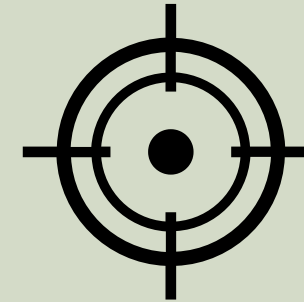
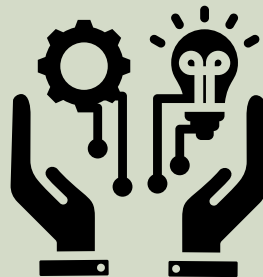




Sabah Yatakları, broad product range which includes beds and bases with different features, bed headboards, functional additional bed alternatives, and high-quality bed textiles. By combining superior quality in production, the company has achieved the highest level of customer satisfaction. In addition to products sold in the domestic market, it extends its reach to all of Turkey through Regional Sales Offices in Istanbul and Antalya, as well as a dealership system in other cities.



We draw strength from our values.



**COMMITMENT**

**CUSTOMER FOCUS**

**INNOVATION**

**SUSTAINABILITY**

**TARGET FOCUS**

**TEAMWORK**

We carry out our work with passion and fulfill our duties and responsibilities towards our organization with a strong sense of commitment in all circumstances.

We work with the awareness of the importance and value of establishing long-term relationships that enhance customer satisfaction, in addition to the quality of the products and services we offer to our customers.

We lead our industry by closely monitoring developments to always deliver products and services to the market that set the benchmark for continuous improvement.

We track the risks and opportunities brought by current trends, continually review our business strategies, and develop our products and services accordingly to ensure sustainability.

We work with high motivation on the path to achieving our business targets, even in the most challenging conditions, to accomplish the set objectives.

We work with a "we" mentality, fostering collaboration and solidarity with our colleagues to enhance our organization, understanding that improving our institution is not just about individual performance but also about working together.

SABAH YATAK SANAYİ VE TİC. A.Ş.	
Foundation	1983
Number of exportation countries	24
Product Range	Mattress Base Extrabeds Textile

For further information please visit our webpage  
[www.sabahbedding.com](http://www.sabahbedding.com)

Sabah Bedding becoming a preferred brand in the tourism sector, has evolved into a brand not only within Turkey but also internationally, with its high-quality, durable, and economical products. Renowned by numerous hotels abroad, the brand has gained recognition for its world-class production of beds, bases, and home textiles. By consistently increasing its export volume, Sabah Bedding now exports 52% of its production to foreign markets. With continually improving quality in production and an innovative approach, Sabah Bedding takes pride in being a globally preferred brand, advancing with confidence.



## Official Company Details

Type of Company : Public Limited Company

MERSIS # : 736002292

Registered Chamber : Istanbul Chamber of Commerce

Trade Registration # : 193196-0

Legal Name : Sabah Yatak Sanayi ve Ticaret Anonim Şirket

Head Office : Cevizli Mah. Bağdat Cad. Plaza 233 No 519  
Kat5 Daire 8, 34846 Maltepe / İstanbul

GSM : + 90 533 3855761

Tel. : + 90 216 4426262

Fax : + 90 216 4426202

Branch Office : Meydan Kavağı Mah. Perge Bulvarı. Süleyman  
Ekim Sitesi 46/E, 07030 Muratpaşa, / Antalya

GSM : +90 530 9729577

Tel. : +90 242 3126435

Fax : +90 242 3126428

Factory : Ulaş O.S.B. Mah. 207. Sok.No 7/ 1 Ergene 2  
O.S.B.Ergene / Tekirdağ

GSM : +90 530 3107887

Tel. : +90 282 6555976

Fax : +90 282 6555985

URL : [www.sabahbedding.com](http://www.sabahbedding.com)

Email : [sabah@sabahbedding.com](mailto:sabah@sabahbedding.com)  
: [info@sabahbedding.com](mailto:info@sabahbedding.com)

Date of Registration : 15/2/1983

Tax Office : Küçükyalı Vergi Dairesi

Tax Number : 7360002292

Field of activity : Manufacturing

### **Growth and Market Overview (2021-2022)**

Company revenue surged by 120% during this period.

Sales breakdown: 65% mattresses, 25% bed bases, 5% textiles, and 5% additional products.

Nationally, our net sales rank 23rd out of 389 businesses; in Istanbul, we are 6th out of 98.

The robust revenue increase indicates successful strategies in meeting market demands. The strong sales in mattresses and bed bases reflect high demand, and our rankings underscore our competitiveness in the industry. Sustaining this success may involve continued diversification and operational efficiency improvements.

### **Production and Export**

Unit sales increased by 26% in our industry, while our business experienced a remarkable 42% growth. Our exports accounted for 65% of total revenue, with 35% coming from international sales. In nationwide export rankings, we are 8th among 137 businesses in our sector, and in the Istanbul region, we hold the 2nd position among 31 businesses

### **Export Achievements**

Achieving 7.62% of our exports to the Netherlands underscores our competitiveness in the international arena.

In 2022, we conducted exports to 24 different countries, including prominent ones like Germany, France, the United Kingdom, and Azerbaijan. The specific percentage of exports to the Netherlands reflects our ability to compete internationally. Furthermore, diversifying our export destinations to include key European countries and Azerbaijan demonstrates a broadening and strategically sound approach to our international market presence. Continuing to explore and expand in diverse markets can contribute to sustained export success

### **Workforce and Capacity**

- Workforce productivity increased by 42%.
- Investment efficiency showed a significant increase of 49%.
- Our capacity utilization rate also rose by 7%, in line with the industry's growth.

### **Research and Development (R&D) and Branding**

- We allocate 2% of our revenue to R&D expenditures, emphasizing continuous improvement and innovation.
- Additionally, we hold a total of 5 trademark registrations, utilized both domestically and internationally.

### **Investments and Taxes**

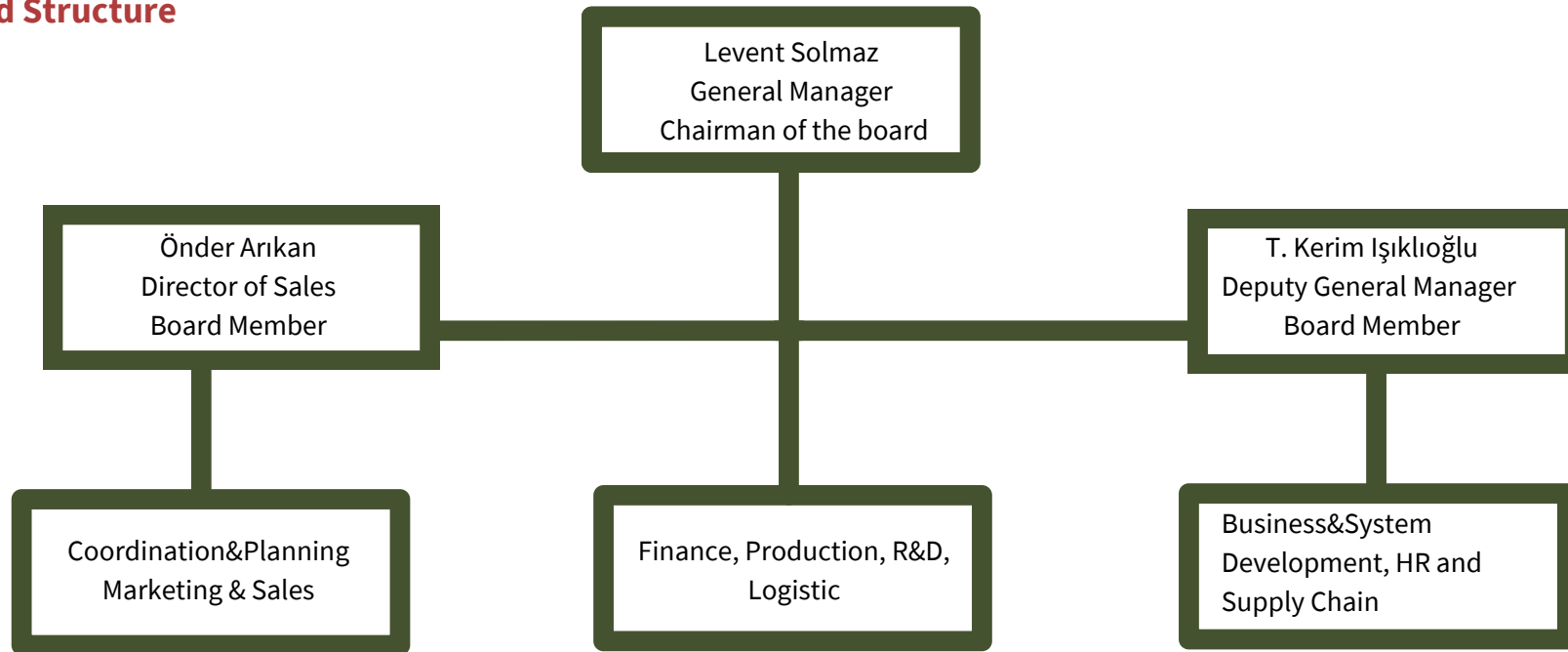
- In 2022, we allocated 3% of our revenue to investment projects and achieved a net profit of 9%.
- Taxes paid constituted 7% of our revenue.

### **Financial Achievements**

Despite a sector-wide decrease of 8% in the EBITDA ratio, our business demonstrated a 10% increase, reflecting our success in cost management.

**"Sabah Yatak Sanayi Ticaret A.Ş. is committed to creating a better future both in the business world and our environment by embracing sustainable growth and a focus on quality with these data. Sustainability goals are achieved through growth, employment, and environmentally friendly practices. This positions Sabah Yatak as a significant player directing towards a sustainable future."**

### 3.4- Our Board Structure

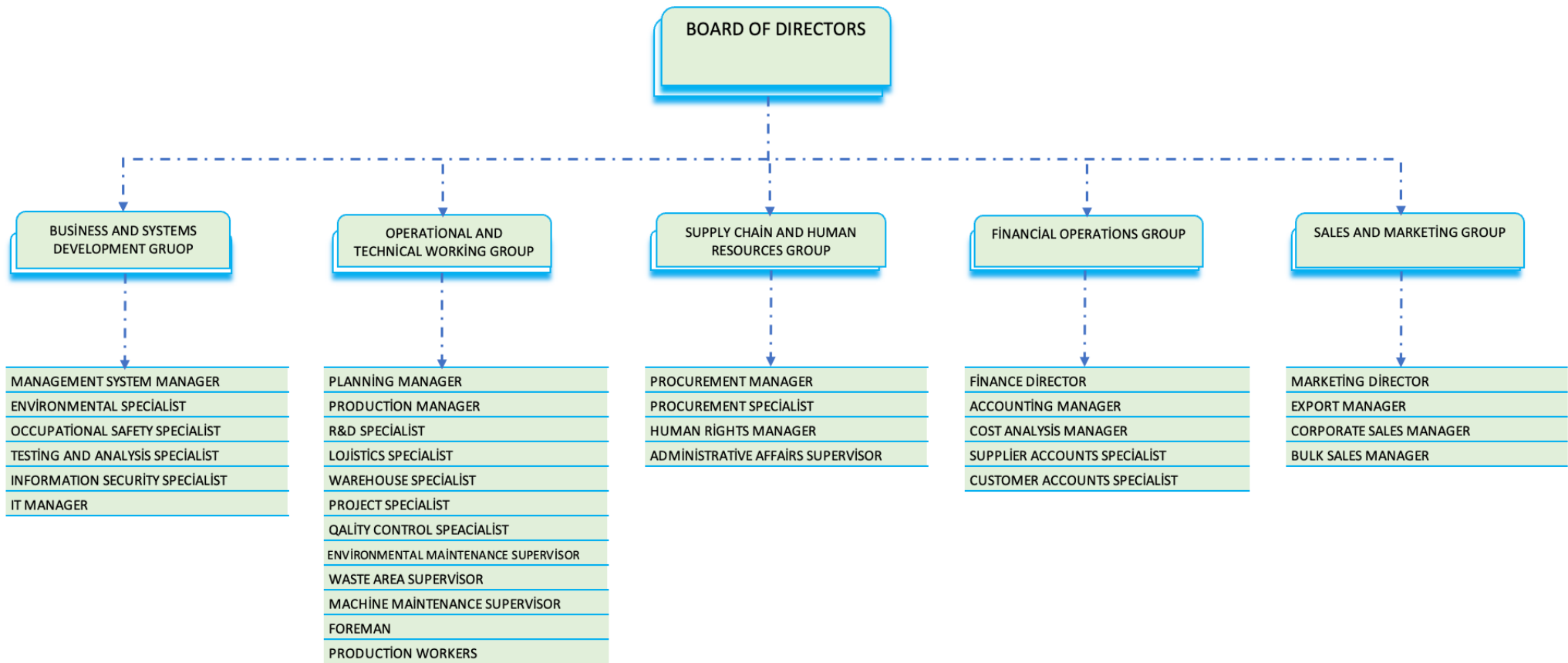


Board of Directors of Sabah Yatak, while outlining the authority limits for each position within the corporate structure and activities of the Sabah Yatak brand, aims to maintain balance in decision-making processes. In this way, decision-making mechanisms work towards achieving the most appropriate balance between power and authority. Fulfilling our responsibilities to all stakeholders, we operate within the framework of financial discipline, ethical values, performance criteria, transparency, and accountability principles. We act with a sense of savings to manage our resources and assets efficiently.

Our Sustainability Committee evaluates decisions regarding the implementation of strategic risks and opportunities of the task force towards our future goals. These decisions are reviewed and approved at the level of our Board of Directors. Investment, performance, and monitoring processes are monitored by our General Manager and members of the Board of Directors.

Creating a corporate culture that supports ethics and transparency in our company is the responsibility of our Board of Directors. Our sustainability policies and ethical principles are defined by our Board of Directors and implemented within this framework. Additionally, respect for human rights and compliance principles are at the core of all our policies and practices.

As members of the Board of Directors and Deputy General Managers, we actively support the Sustainability Committee established to manage our sustainability-focused activities. With this support, we strengthen the function of sustainability leadership, aiming to play a more effective role in achieving our sustainability goals."



### 3.5. Ethics and Compliance Policy

In order to contribute to corporate sustainability, Sabah Yatakları has implemented our Anti-Bribery and Anti-Corruption Policy to define the scope of principles and practices in combating bribery and corruption. Following the guidance of the UN Global Compact (2000), we aim to identify, mitigate, and effectively manage bribery and corruption risks in accordance with legal regulations, ethical principles, and international obligations. Our anti-bribery and anti-corruption policy is integrated into the Sabah Yatakları Code of Business Ethics and Conduct, company policies, and corporate values, and is applied across our field operations, activities, and throughout our entire value chain. Both our Anti-Bribery and Anti-Corruption Policy and Code of Business Ethics and Conduct impact and guide all our company operations.

All employees and managers in our areas of operation adhere to our policy covering ethical principles, ensuring controls in accordance with the procedures and requirements of Sabah Yatakları, and implementing these practices. We expect all stakeholders with whom we conduct services and product supply outside of Sabah Yatakları to comply with our policies, principles, and standards, and we work diligently to ensure their alignment to applicable extents.



**For further details about our below policies, please visit our webpage or click below links.**

**Anti-Bribery and Anti-Corruption Policy**

[www.sabahbedding.com/sustainability-and-anti-corruption-policy](http://www.sabahbedding.com/sustainability-and-anti-corruption-policy)

**Code of Business Ethics and Conduct**

[www.sabahbedding.com/sustainability-business-ethics-and-code-of-conduct](http://www.sabahbedding.com/sustainability-business-ethics-and-code-of-conduct)



## CODE OF BUSINESS ETHICS AND CONDUCT

At Sabah Yatakları, we expect our stakeholders, who are integral parts of our value chain and members of our corporate family, to demonstrate attitudes and behaviors that preserve the corporate integrity of our company. We anticipate that they contribute to the continuity of our corporate structure and reputation. All employees and stakeholders are obliged to adhere to ethical and behavioral rules, and we expect a high level of compliance with our business ethics rules and principles from our entire value chain.

The dissemination of the Code of Business Ethics and Conduct to all employees and ensuring its adherence is an essential part of the primary duties and responsibilities of our top management employees. This includes informing newly hired employees of these rules and ensuring compliance with them.

In addition to the responsibilities defined for employees within the framework of Business Ethics Rules, Sabah Yatakları managers also have additional responsibilities in line with the Code of Business Ethics.

### Sabah Yatakları managers have the following responsibilities:

- Ensuring the creation and continuity of the company culture and work environment within the framework of ethical rules.
- Representing ethical rules through their behavior and attitudes, and informing employees about ethical rules.
- Being open and tolerant to feedback, questions, complaints, suggestions, and feedback regarding ethical rules.
- Providing guidance to employees on what needs to be done, promptly reporting to the Ethics Committee considering feedback.
- Establishing and improving the structure within their area of responsibility to minimize ethical risks in all processes.
- Responsible for implementing the necessary methods and practices to ensure compliance with ethical rules.

### Reporting and Resolution of Non-Compliance with Ethical Rules

Any practice that goes beyond the Business Ethics Rules or legal regulations that our company is obligated to follow must be reported by employees to their respective managers, the Human Resources Department, or the Ethics Committee as soon as it is identified. Reports are concluded by evaluating the internal workings and mechanisms of the company, and decisions are made and implemented. Processes related to violations of company principles, Business Ethics Rules, or procedures are conducted according to the Discipline Management Procedure.

Discipline management measures are also applied to individuals who approve, neglect, or are aware of inappropriate behaviors and activities but fail to report them to the relevant authorities. Our zero-tolerance approach is rigorously applied to individuals displaying negative behavior in discipline evaluation boards.

Non-compliance with the Code of Business Ethics and Conduct is evaluated and resolved within Sabah Yatakları's Ethics Committee. The Ethics Committee is established to prevent conflicts of interest within the scope of Sabah Yatakları's Code of Business Ethics and Conduct and to evaluate feedback regarding the violation of ethical rules. Our employees and all stakeholders can easily submit any views, wishes, and complaints directly to the Ethics Committee via email or through the Sabah Yatakları website.

[Note: The provided URL "[sustainability@sabahbedding.com](mailto:sustainability@sabahbedding.com)" is a placeholder. Please replace it with the correct and functional URL.]

### **ETHICS COMMITTEE WORKING PRINCIPLES**

- The identity of individuals reporting to the Ethics Committee or filing a complaint is kept confidential.
- Individuals reporting to the Ethics Committee are protected under confidentiality, and they cannot be subjected to pressure, discrimination, or mobbing due to their reports.
- The Ethics Committee manages the evaluation and decision-making process with sensitivity to confidentiality.

- Individuals reporting to the Ethics Committee are protected under confidentiality, and they cannot be subjected to pressure, discrimination,
- It has the authority to directly request information, documents, and evidence related to the investigation from the relevant department. It can examine any information and documents obtained only within the limits of the evaluation/complaint subject.
- The evaluation process is documented in writing from the moment of the report or complaint. Information, evidence, and documents are attached to the record.
- The relevant record is signed by the Ethics Committee chairman and members.
- The evaluation is handled as quickly as possible, ensuring accuracy in reaching a conclusion.
- Decisions made by the committee are promptly implemented.
- Detailed information about the decision is provided to relevant departments and authorities.
- The Committee Chairman and members act independently without being influenced by their department managers or the hierarchy within the organization. They do not succumb to any external pressure or influence.
- The Committee may seek expert opinions when necessary, taking measures to ensure the confidentiality of the evaluation process and benefiting from the views of experts.
- The evaluation process is conducted in accordance with the "Discipline Management Procedure."

## TAXES

Embracing the societal assurance-providing importance of our tax obligations, we continue our taxation approach in line with ethical, transparent, reliable, and sustainable principles.

Our top management maintains our commitment to fulfilling all legal obligations (declarations, taxes, regulations) completely and on time. We closely monitor both national and international legal regulations. Our financial statements and financial data undergo regular full certification and independent audits by audit firms. These audits encompass the processes and documents used in the formation of financial statements.

We make our payments through online banking and the interactive tax office on the accrual date. When communication with the tax office is necessary, we conduct the required procedures using both telephone and face-to-face communication channels.

As part of our social responsibilities, we demonstrate maximum sensitivity to taxes with the aim of contributing to the development of our country. We prioritize making our tax payments regularly and, as a tax-compliant taxpayer, aim to support the economic growth of our country by benefiting from the incentives and discounts provided by our government.

### 3.6 - Our Quality Approach

Our management systems significantly contribute to effective data monitoring, risk management, strategic planning, goal setting, and sustainability efforts. We conduct our production activities and services in accordance with the Integrated Management System approach, complying with ISO 9001 Quality Management, ISO 14001 Environmental Management, and ISO 45001 Occupational Health and Safety Management standards.

Within the scope of the Integrated Management System, we undertake the responsibility of preserving and improving our environment. We are aware that the international prestige of the Sabah Yatak brand is gained through the efforts of all our employees, considering each employee as part of the Sabah Yatakları family. We continuously improve product quality, with a commitment to achieving the highest level of customer satisfaction as our fundamental management policy.

We consider the respect for information assets as an expression of our commitment to suppliers, customers, and employees. We manage all kinds of risks to ensure that our information is clean, secure, and accessible. In this context, elements such as data monitoring and risk management in our management systems support our sustainability goals and strengthen the success of our company.

#### **Integrated Management System Policy**

Our environmental and sustainability-focused management system takes shape in accordance with the values and goals we have committed to as a company. Our Integrated Management System Policy includes the following key principles:

#### Environmental Performance and Awareness:

We continuously enhance the environmental performance of our products throughout production and post-sales processes. We focus on reducing our environmental impact by raising awareness among our employees about environmental risks.

#### Conservation of Natural Resources and Waste Management:

We prioritize efforts to conserve and recycle natural resources and reduce waste. We support products and services that contribute to energy efficiency.

#### Energy Performance and Greenhouse Gas Emissions:

We work towards sourcing products that affect energy performance and support energy-efficient designs. Calculating greenhouse gas emissions, we continue efforts to reduce them in line with national and international goals.

#### Legal Compliance and Transparency:

We fulfill current legal obligations completely and continuously. Adhering to the principle of transparency, we manage our practices openly and transparently to the public.

#### Employee Health and Safety:

We take necessary measures to protect the physical and mental health of our employees and work to provide a safe working environment. Through training, we encourage the active participation of our employees in management systems.

Customer Satisfaction:

With the aim of continuously improving service quality, we strive to achieve the highest level of customer satisfaction. We collaborate with suppliers to enhance their quality levels.

Optimal Resource Utilization:

We aim to identify resource needs and use them optimally.

Continuous Improvement:

We ensure continuous improvement by enhancing the Integrated Management Systems we have established.

Security of Information Assets:

We assess risks threatening information assets and take necessary measures. By securing IT services, we limit access to personal and private data.

**"In the framework of this policy, we are dedicated to continuously improving our environmental and sustainability performance, fulfilling our social responsibilities to the highest level."**










**From Our Stakeholders**

**"Our company closely monitors industry developments through its in-house Research and Development team and incorporates them into production lines and models. Considering the needs arising from production, it guides manufacturers of machinery and raw materials in the sector, contributing to their development. Additionally, it adapts its product range by taking into account demand and suggestions from end consumers. Responding to the increased demand for extra comfort due to economic developments, our products are introduced to foreign markets, contributing to the country's economy."**

**Erdiç Okumuş**  
Sabah Bedding  
*Production Planning Manager*

Management System Certificates

Authorized Certification Company	Standard	Certification Number	Validity	Logo
TUV Germany	TS EN ISO 9001;2015 Quality Management System	15 100 52991	12.06.2026	 <p>Quality management system ISO 9001</p> <ul style="list-style-type: none"> <li>• Customer focus</li> <li>• Customer satisfaction</li> <li>• Continuous improvement</li> <li>• System/process effectiveness</li> </ul> <p>ID 15 100 52991</p>
TUV Germany	TS EN ISO 14001;2015 Environmental Management System	15 104 191731	12.06.2026	 <p>Environmental management system ISO 14001</p> <ul style="list-style-type: none"> <li>• Environmental protection as management task</li> <li>• Improvement of environmental performance</li> <li>• Reduction of environmental risks</li> </ul> <p>ID 15 104 191731</p>
TUV Germany	TS EN ISO 45001;2018 Occupational Safety Management System	15 118 20157	12.06.2026	 <p>Occupational safety management system ISO 45001</p> <ul style="list-style-type: none"> <li>• Hazard detection</li> <li>• Risk assessment</li> <li>• Control measures</li> <li>• Involvement of employees</li> </ul> <p>ID 15 118 20157</p>

Authorized Certification Company	Standard	Certification Number	Validity	Logo
Turkish Standards Insitution	TS EN 7167 Spring Mattress	044076 - TSE - 01/02	11.11.2024	 <p>Belge No : 044076-TSE-01/02</p>
Turkish Standards Insitution	TS EN 13710 Bases		11.11.2024	 <p>Belge No : 044076-TSE-04/01</p>
Turkish Standards Insitution	TS 12487 Authorized Services(Furniture) TS 13439 Authorized Services (Spring Mattress)	59-HYB-329	10.08.2024	 <p>Belge No : 59-HYB-329</p>
Ministry of Environment and Urbanization	Zero Waste	TS/59/C/20/75	12.06.2028	

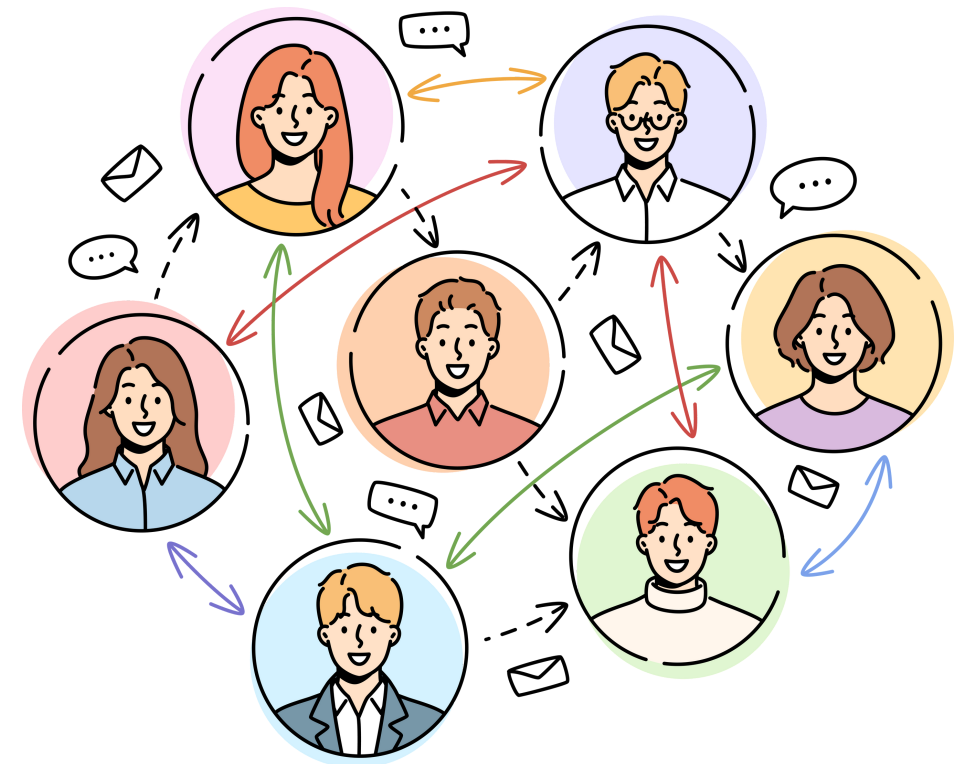
### 3.7- Communication with Our Stakeholders and Memberships

Throughout every stage of our value chain and across the diverse spectrum of our activities, we aim for the products we offer and our sustainability vision to have long-term positive effects on all segments of society. To achieve this goal, we place great importance on transparency, honesty, and openness principles in all processes where we actively communicate and interact with our stakeholders.

In the countries where our national and international operations take place, we engage with various stakeholder groups that encompass all social strata. We make efforts to identify the specific requests and expectations of these stakeholder groups, striving to gather their views and suggestions through regular communication channels in alignment with sustainable development goals.

We highly value the opinions and recommendations of our stakeholders in shaping our sustainability focuses, supporting our policies with coherent procedures, sustainable product development, production optimization, quality, safety, customer satisfaction, business continuity, and the implementation of new investment projects. Their experiences and perspectives guide us in shaping and improving our business decisions.

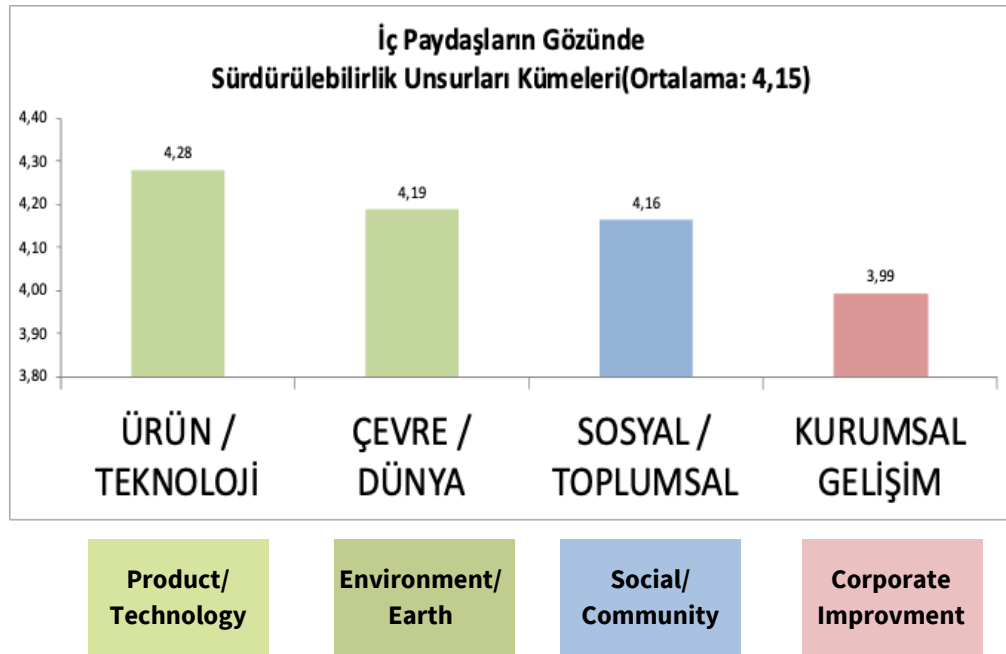
We provide continuous and up-to-date information to our stakeholders through communication tools such as our annual reports, corporate website, social media accounts, newsletters, and digital marketing presentations. In this way, we share with our stakeholders the impacts of our business activities, the steps we take for sustainability, and the progress we make towards achieving our goals, keeping them informed.



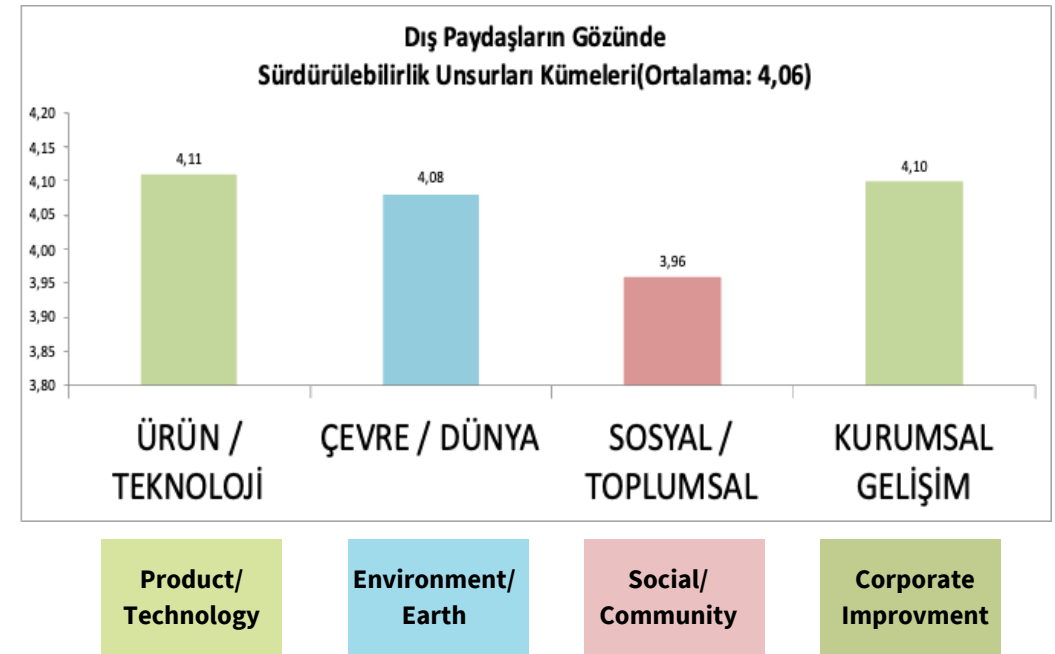


## Sustainability elements in the perspective of internal and external stakeholders

Sustainability elements in the perspective of eof internal stakeholders



Sustainability elements in the perspective of eof external stakeholders



Stakeholders Note: Examples might be as following	Communication Method	Communication Frequency
<b>Our Team Members</b>	Sales Department Internal Meetings	Once in a month
	Sales Department anual meetings	Once in a year
	Ofice team meetings	4 times in a month
	YGG Meetings	Once in a year
	OH&S Meetings	6 times in a year
	Social media posting to employees	Consistently
	Employee engagement survive ( Great place to work )	Once in 2 years
	OH&S Field activities	4 times in a month
	Intranet Portal	Consistently
	Web site blogs	Consistently
	Activities	Consistently
	Social responsibilty projects	Consistently
	Regular Update Emails Regarding Work-related Activities	Consistently
	Regulatory Institutions: Ministry of Finace Ministry of Economy. Ministry of Labor and Social Security Ministry of Justice, Ministry of Science, Industry and Technology.	One-o- one meetings
KEP ( Registered Emailing System)		Any time when needed
Regular Update Emails Regarding Work-related Activities		Any time when needed
Meetings & Conferances		Any time when needed
Regular Update Emails Regarding Work-related Activities		Any time when needed
Corporate internet site		Consistently

Stakeholders	Communication Method	Communication Frequency
<b>Note: Examples might be as following</b>		
Finance&Financial Service Providers ( Banks, Insurance )	One-o- one meetings	When needed
	Meetings & Conferances	When needed
	Regular Update Emails Regarding Work-related Activities	When needed
	Inspections	When needed
	Corporate internet site	Consistently
Suppliers&Contractors	Social media posting to employees	Consistently
	Regular Update Emails Regarding Work-related Activities	Consistently
	One-o- one meetings	Consistently
	Online meetings	Consistently
	Corporate internet site	Consistently
	Communication line	Consistently
Customers	Regular Update Emails Regarding Work-related Activities	Consistently
	One-o- one meetings & visits	Consistently
	Online meetings	Consistently
	Corporate internet site	Consistently
	Communication line	Consistently
	Social media posts	Consistently
Local Authorities ( Municipality, Local Authorities...)	Regular Update Emails Regarding Work-related Activities	When needed
	One-o- one meetings & visits	When needed
	Meetings & Conferances	When needed
	Corporate internet site	Consistently
	Communication line	When needed
Local People/Community	Corporate internet site	Consistently
	Social media posts	Consistently
	Social Responsibility Projects	When needed
	P&R and corporate communication activities	When needed

Stakeholders Note: Examples might be as following	Communication Method	Communication Frequency
Public Institutions&organisation	Regular Update Emails Regarding Work-related Activities	When needed
	One-o- one meetings & visits	When needed
	Meetings & Conferances	When needed
	Corporate internet site	Consistently
	Communication line	When needed
Turkish Standards Institution	Regular Update Emails Regarding Work-related Activities	When needed
	Inspections	Once in a year
	Meetings & Conferances	When needed
	Corporate internet site	Consistently
	Communication line	When needed
Universities	Regular Update Emails Regarding Work-related Activities	When needed
	One-o- one meetings & visits	When needed
	Meetings & Conferances	When needed
	Corporate internet site	Consistently
	Communication line	When needed



Our memberships and collaborations are closely linked to our strategic goals. We are members of various associations and organizations focused on sustainability issues and contributing to performance in different areas. Nationally, we are members of the Istanbul Mineral and Metals Exporters' Associations (IMMIB), Istanbul Ready-Made Garment and Apparel Exporters' Association (IHKIB), Istanbul Chamber of Commerce, Corlu Chamber of Commerce and Industry (CTSO), GS1 Turkey, We are a member of TUSID;

In the organizations where we hold memberships, we strengthen our presence through sustainability-focused initiatives. Through our Sustainability Committee and sub-working groups, we aim to contribute to the acceleration of sustainable development in the industry by transparently sharing information, projects, and experiences with sector and trade networks within the scope of our memberships.

In these organizations, we conduct various initiatives with a focus on our priority sustainability issues to support the transformation and development of the sector. Through our Sustainability Committee and sub-working groups, we share the knowledge, projects, and experiences we acquire in the organizations where we are members. These shared insights aim to create a broader impact in the industry and enhance the overall performance of the sector towards achieving sustainable development goals.

Our memberships and collaborations are closely linked to our strategic goals. Each passing year, we aspire to be in a more effective position for the acceleration of sustainable development in the industry. In line with this, within the framework of our memberships, we aim to advance our sustainability efforts, disseminate exemplary practices in the sector, and integrate sustainability into all processes of the industry. Throughout this process, we will continue to prioritize transparent communication and collaboration, progressing with our stakeholders towards a common vision.

**"We continue our efforts to become a signatory member of the Science Based Targets initiative (SBTi) and the Carbon Disclosure Project (CDP) in 2024, developing effective practices for preventing and adapting to climate change on an international scale. This initiative aims to enhance our alignment with the global decarbonization vision."**

## 4 - Sustainability Management at Sabah Bedding

As part of the goal to support sustainable development and green transformation, the measurement, evaluation, and management of any economic, environmental, and social impact arising from our sustainability practices are a paramount governance element for Morning Beds. At Morning Beds, we meticulously analyze, monitor, and manage the economic, environmental, and social impacts and risks created throughout the value chain of our national and global operations. This is integral to our commitment to sustainable development and green transformation.

### 4.1. Our Sustainability Policy

By placing sustainability at the core of our business strategies, we commit to contributing to the sustainable development of our country, reducing the economic, environmental, and social impacts arising from our operational activities, minimizing related risks, creating lasting value for our stakeholders, and leaving a sustainable world for future generations.

Our Sustainability Policy was published in 2022 with the approval of our Board of Directors. The policy is regularly reviewed by our Sustainability Committee, considering current requirements and changes in our operational conditions. Updates and revisions, approved by the Chairman of the Board upon the recommendation of our Sustainability Committee, are reflected in our policy. Our Sustainability Policy is accessible to all stakeholders through our corporate website and is also available to all employees through our corporate intranet system, QDMS.

**"Our sustainability policy encompasses the fundamental principles and guidelines that lead our sustainability initiatives, aligning with our vision for transitioning to a low-carbon economy and green transformation."**



- ✔ We integrate our management approach, operational activities, and future objectives with the UN Sustainable Development Goals, relevant sub-goals, and achievements of the European Green Deal. By working in line with international corporate sustainability principles and taxonomies, we aim to align with global sustainability standards and ESG criteria.
- ✔ We strive to maximize our sustainability performance in harmony with our vision, mission, and values.
- ✔ Our Sustainability Approach and Governance:  
We determine, monitor, and implement all sustainability initiatives through effective, transparent, and participatory democratic decision mechanisms within our Sustainability Committee, which has direct representation and voting rights on our Board of Directors.
- ✔ Sustainable Investments and Operations:  
Embracing a growth strategy focused on green transformation, we aim to conduct environmentally and socially responsible production by reducing the economic, environmental, and social impacts and risks stemming from our operational activities through sustainable investments.
- ✔ Leadership in the Industry:  
With a vision to be a leader in our industry, we secure product quality and safety to international standards. Simultaneously, we aim to create long-term value for all stakeholders, develop sustainable products with innovative technology and methods, and be prepared for the green transformation.

- ✔ Carbon Footprint and Climate Action:  
Under the "Net-Zero Emissions" and 1.5°C target, we calculate the carbon footprint of our products and conduct life cycle analyses. We engage in carbon offsetting efforts to reduce the climate impact of our products.
- ✔ Employment and Trade Contribution:  
We contribute to the sustainable development of our industry through the employment opportunities we create and our domestic and international trade volume.
- ✔ Stakeholder Engagement and Consumer Satisfaction:  
We prioritize stakeholder engagement and strive to meet the needs and expectations of our consumers/customers, aiming to achieve the highest level of consumer/customer satisfaction.
- ✔ Sustainable Supply Chain:  
We adopt a sustainable criterion in the selection of suppliers, demonstrating a respectful, fair, honest, transparent, and unbiased approach to human rights.
- Organizational Integration of Sustainability and Green Transformation:
- ✔ We integrate the concepts of sustainability and green transformation into our corporate culture and work to disseminate them throughout our entire value chain.
- Inclusive and Respectful Approaches:
- ✔ We aim to increase awareness of sustainability not only among our employees but also among our suppliers, customers, and all stakeholders through

inclusive, diverse, participatory, fair, and equal opportunity approaches that respect human rights.

- ✔ Holistic Risk Management:  
We comprehensively integrate risk management into all our business processes to assess financial, operational, strategic, legal, and external risks.
- ✔ Contribution to Climate Change Mitigation:  
Considering the economic, environmental, and social impacts of climate change, we contribute to the global fight against climate change and its associated risks and opportunities.
- ✔ Alignment with National Goals:  
In line with our country's 2053 net-zero emission goal, green development vision, and principles of a circular economy, we plan to increase our investments in energy/resource efficiency, renewable energy, recycling, and recovery.
- ✔ Zero Tolerance for Unethical Practices:  
We do not tolerate any form of human rights violations, anti-competitive behaviors, bribery, or corruption throughout our operations and value chain. In relevant cases, we act within the framework of our policies.
- ✔ Inclusive Work Environment:  
Prioritizing employee satisfaction, we provide an inclusive working

environment that respects human rights, encourages diversity, and offers fair and equal opportunities. We vehemently reject all forms of discrimination and aim to contribute to our employees' success with a fair reward and performance system.

- ✔ Occupational Health and Safety:  
We adhere to national, international, and sectoral regulations regarding Occupational Health and Safety, taking necessary measures to provide a healthy and safe workplace environment for our employees. Additionally, we raise awareness through regular training and information activities.
- ✔ Social Responsibility Projects:  
We aim to create added value for society by developing social responsibility projects that support sustainable development.
- ✔ Stakeholder Engagement:  
We closely monitor the activities of national and international initiatives related to sustainability and actively participate in collaboration platforms. We engage in mutual experience sharing with our stakeholders, including industry representatives, universities, public institutions, and non-governmental organizations.
- ✔ Transparent Reporting:  
Our sustainability performance is transparently shared with all stakeholders through our corporate website. We consider all opinions and suggestions from our stakeholders.



### ✓ Global Reporting Standards:

We conduct regular periodic sustainability reporting activities to disseminate international standard-compliant reporting practices throughout our value chain, align with ESG criteria, and optimize our corporate sustainability performance. We aim to comply with international sustainability standards by actively communicating our reports through various channels.

### ✓ Water Management and Sustainability:

We actively work to reduce water usage and enhance water use efficiency, focusing on decreasing the quantity of water used per unit of output and reducing the discharge of wastewater.

### ✓ Sustainable Packaging:

Within the framework of sustainable packaging management, we aim to reduce the amount of packaging waste generated by our products, minimize the weight of packaging materials, and increase recycling rates.

### ✓ Information Security:

We closely monitor innovations and developments in information security, continually improving our processes. We prioritize the privacy and protection of sensitive information for our employees, consumers/customers, and stakeholders, taking necessary measures in our activities and business relationships.

**In order to accelerate our green transformation process and ensure that our sustainability policy becomes a crucial component of our corporate strategy, the Sabah Beds Sustainability Committee commenced its operations in 2022. The committee works collaboratively with all stakeholders to achieve alignment and integration with our corporate objectives**



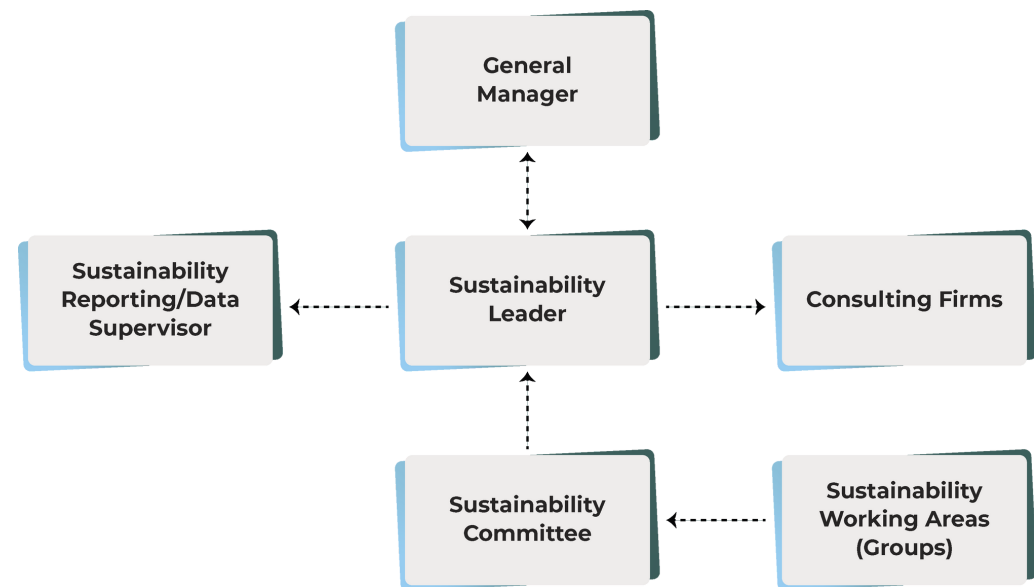
### 4.2. Our Sustainability Mechanism

In light of analytical reviews conducted based on the conditions of our industry, our global position in international trade, our product range, and international sustainability requirements, we have determined the structure and operation of our Sustainability Committee. The Sustainability Committee is configured as an effective and strategic decision-making body under the supervision of the Chairman of the Board of Sabah Beds.

Established in a comprehensive and multi-layered structure with the participation of employees selected based on expertise and training criteria in sustainability matters, the Sustainability Committee is directly responsible for managing our corporate sustainability strategy in line with the 2023-2026 and 2030 goals. Additionally, the committee oversees the measurement, evaluation, and audit of our environmental, social, and economic impacts, as well as ensuring the flow of data/information

Our Sustainability Committee operates under the chairmanship of Board Members and General Managers who hold direct responsibility in the framework of sustainability management. The committee's managerial definitions, duties and responsibilities, membership criteria, formation, meeting, and reporting frequency are determined by the 'Sustainability Committee Working Regulation' and integrated into our quality management system. The Committee Chairman oversees the practices, decisions, and requests within the committee, presenting these matters to the Board of Directors and ensuring decisions are made at the Board level. The Sustainability Leader guides the committee's activities in line with goals and performance criteria, overseeing the committee's tasks and ensuring the coordinated implementation of sustainability practices.

The Sustainability Experts within the committee organize committee meetings, create meeting minutes, facilitate numerical data and qualitative information flow, establish the data structure in the sustainability reporting and performance monitoring process, and archive the results of sustainability practices. The established Working Groups and Committee Members are responsible for the timely and complete implementation of practices in priority sustainability areas. They propose, plan, execute, monitor, and report visionary sustainability practices to the committee. Working groups and committee members directly report their activities to the Sustainability Leader, ensuring activities are carried out in alignment with our sustainability strategy



## Sustainability Committee's Duties and Responsibilities:

- Aligning the sustainability strategy and policy with Sabah Beds' strategies,
- Monitoring, tracking, and setting performance measurement goals for existing processes, practices, and projects related to approved sustainability strategies and policies, and ensuring the reporting of data and information provided by relevant departments,
- Monitoring current developments in sustainability and providing recommendations for the development of existing strategies, policies, and practices accordingly,
- Coordinating communication to ensure the adoption of sustainability strategy, policy, and practices by stakeholders, organizing necessary training on relevant topics, and coordinating stakeholder participation when deemed necessary,
- Identifying, measuring, tracking, recording, auditing, reporting, and reviewing improvements related to environmental, social, and economic risks and impacts encompassing climate change, carbon management, and circularity,
- Ensuring compliance with market-product changes and regulations in the field of sustainability in countries where Sabah Beds operates, as well as the compliance of business processes with these regulations,
- Evaluating and adapting data collection, analysis, and digitalization practices for sustainability-related data generated in business processes for compilation, analysis, and decision-making purposes,
- Conducting governance activities with national and international policy-setting organizations in the scope of sustainable development, including NGOs, managing membership, declaration, and reporting processes for these organizations,
- Determining sustainability-focused qualitative and quantitative assessment criteria in all components of the market, marketing, customer satisfaction, logistics, and the supplier chain.
- Ensuring the preparation of an informative report containing the following subheadings when presenting investment, project, and improvement proposals to the Board of Directors,
- Ensuring the preparation and presentation to the Board of Directors of a project evaluation report every two months for projects lasting more than six months,
- Collaborating with consulting firms to periodically collect data, consolidate data, visualize graphs, implement web applications, digitalization, promotion, dissemination, and editorial processes for writing the Sustainability Report (GRI Standards).



## From Our Stakeholders

In 2021, recognizing the turbulent state of the world due to the adverse effects of the climate crisis, our company embarked on a sustainability journey to improve our activities within the scope of responsible environmental awareness. Sabah Beds has established a sustainable integrated management model based on the efficient use of intellectual and human resources and continuous improvement of its impact, aiming to spread the principles of green transformation throughout its corporate culture and value chain. A robust management structure plays a vital role in achieving strategic goals. In this context, our Sustainability Committee, established in 2022, works on subtopics such as climate change combat, efficient use of energy and water, carbon footprint calculation, occupational health and safety, sustainable financial management, sustainable supply chain, raw materials-natural resources, R&D, and production activities. In line with these efforts, we have identified a holistic sustainability strategy and priorities to achieve our goals for 2023-2026, 2030, and the 2050 net-zero emission target rapidly. Analyzing our corporate structure, quality assurance approach, innovative product range, sustainable product development activities, global distribution network, regional position, and national and international benchmarking studies, we identified sustainability elements for our materiality analysis.

Customer satisfaction, which is at the forefront of our sustainability priorities, aims to increase by producing sustainable products. In our products, we use FSC-certified wood material, CertiPUR-US certified foam proven to be free of harmful substances to the environment and human health according to European standards, and nature-friendly fabrics with features such as reduce-reuse-recycle and sanitized. At the forefront of our 2023 goals is joining the United Nations Global Compact as a signatory member, committing to adopting and implementing all strategies and operations in accordance with the 10 principles. We are working towards universal requirements such as the European Green Deal and the 2030 Carbon Emission Target. We ensure responsible supply chain management and the adoption of the understanding of employee sustainability. When determining our sustainability balance, we take into account the opinions of all our stakeholders along with double materiality approaches. We created our sustainability policy by embracing the fundamental principles and rules that lead our sustainability activities in line with our vision of transitioning to a low-carbon economy and green transformation. While making meaningful contributions to the UN Sustainable Development Goals and the Paris Agreement, we are committed to progressing steadfastly.

With our 2022 Sustainability Report, we commit to creating lasting value for our stakeholders and leaving a sustainable world for future generations.

**Refik Zorlu**

Sabah Bedding

Management Systems Manager

### 4.3 - Our Sustainability Strategy and Priorities

In the dynamic and global markets of today, we strive to integrate sustainability elements into our corporate strategies for all stakeholders and make the vision of sustainable development an integral and central part of our corporate strategies to be among the leading actors in the competition.

To foresee the future of our industry, we conducted vision-setting exercises by considering critical links in our value chain. By integrating stakeholders' expectations, comparable balance factors relevant to our industry, and global trends into our business strategies, we conducted our materiality analysis on a multidimensional plane.

As a result of our materiality analysis and comparative studies, we identified the axiomatic depth and balanced dimensions of sustainability elements we will focus on during the 2023-2030 period.

**"As a result of our materiality analysis and comparative studies, we have formulated our comprehensive sustainability strategy that we will pursue during the 2023-2030 period."**

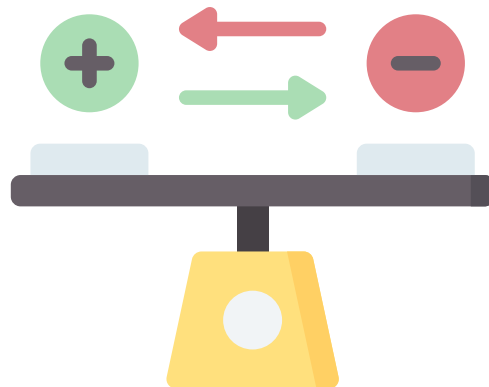


## Sustainability Balance

The transformation towards sustainability in our industry is becoming an increasingly important agenda globally with each passing day.

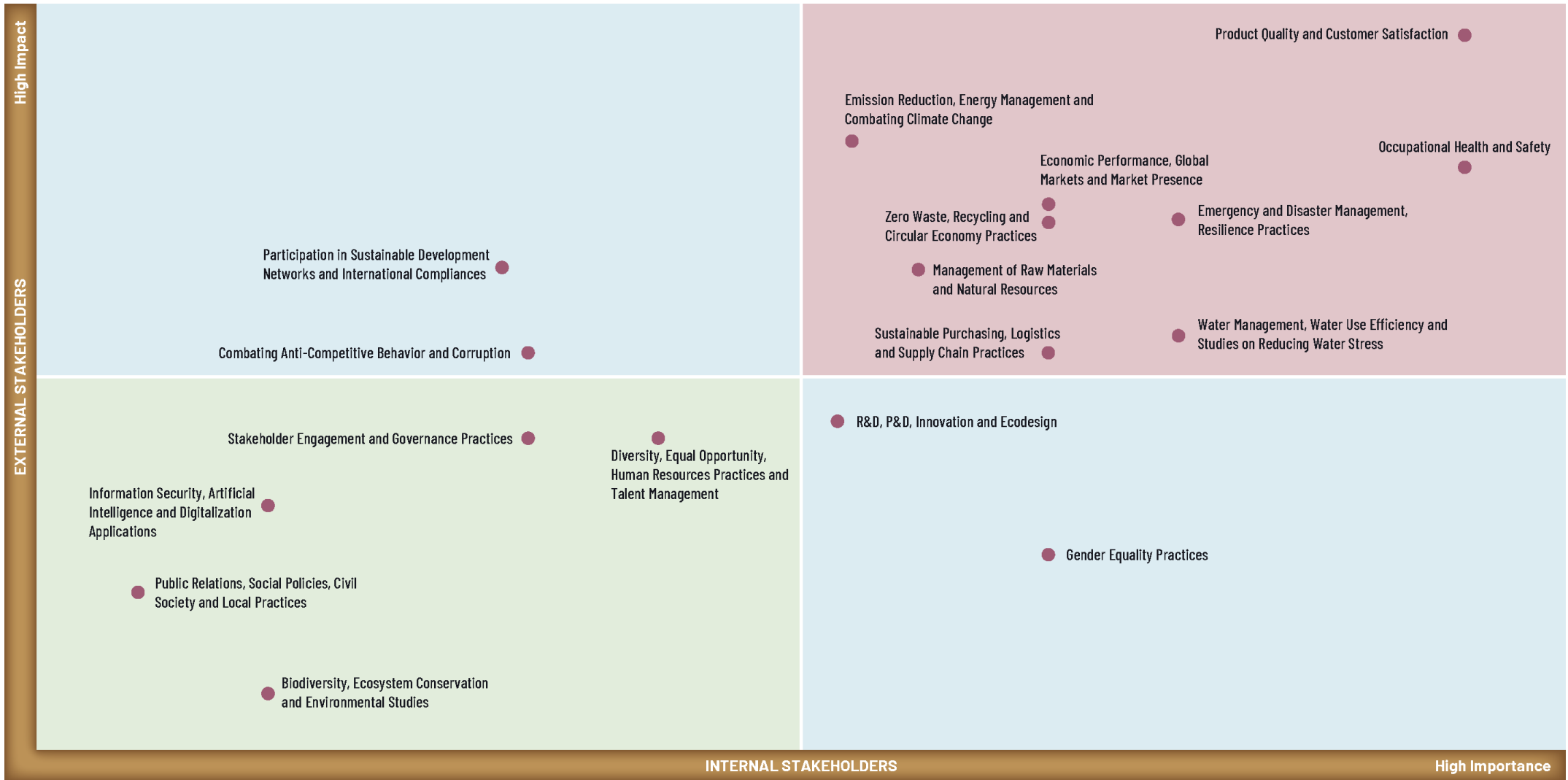
When determining our sustainability priorities, we adopted the approach of careful consideration of the positioning of our economic, social, environmental, and governance impacts on all our stakeholders, taking into account the GRI 2021 Standards Universal Disclosure Compatibility and the draft guidelines of EU CSRD materiality analysis.

Analyzing our corporate structure, quality assurance principles, innovative product range, sustainable product development activities, global distribution network, regional position, and national and international benchmarking studies along with the current reports of global sustainability networks, we identified the sustainability elements that will be included in our materiality analysis



## Sabah Yatakları's Sustainability Elements

- Product Quality and Customer Satisfaction
- R&D, Product Development, Innovation, and Eco-design
- Sustainable Procurement, Logistics, and Supply Chain Practices
- Information Security, Artificial Intelligence, and Digitalization Practices
- Emergency and Disaster Management, Resilience Practices
- Emission Reduction, Energy Management, and Climate Change Mitigation
- Zero Waste, Recycling, and Circular Economy Practices
- Raw Materials and Natural Resources
- Water Use Efficiency, Water Management
- Biodiversity and Environmental Studies
- Combating Unfair Competition and Corruption
- Stakeholder Engagement and Governance Practices
- Economic Performance, Global Markets, and Market Presence
- International Compliance and Participation in Sustainable Development Networks
- Occupational Health and Safety
- Gender Equality Practices
- Diversity, Equal Opportunity, Human Resources Practices, and Talent Management
- Public Relations, Social Policies, Civil Society, and Local Practices



While determining our sustainability balance approach supported by national and international benchmarking studies in line with stakeholder engagement and inclusivity principles, we took into account the opinions of our strategic external stakeholders and employees. We classified all expectations within the scope of sustainability based on their impact-significance degree, identifying the analytical position of sustainability elements.

**"When determining our sustainability balance, we consider the dual-materiality approach, taking into account the opinions of all our stakeholders."**

In all surveys and interviews conducted, our current internal and external stakeholders were asked to rate sustainability elements on a scale of 1 to 5 based on the impact of our activities. A rating of 5 was assigned to sustainability elements deemed highly important/effective, while a rating of 1 was given to elements considered less important/effective. Weighting studies were conducted based on stakeholder distribution and participation, adhering to the principle of the first moment, and statistical consistency was ensured.

#### **Very High Priority Issues:**

- Product Quality and Customer Satisfaction
- Raw Materials and Natural Resources
- Water Use Efficiency, Water Management
- Economic Performance, Global Markets, and Market Presence
- Sustainable Procurement, Logistics, and Supply Chain Practices
- Zero Waste, Recycling, and Circular Economy Practices
- Occupational Health and Safety
- Emergency and Disaster Management, Resilience Practices
- Emission Reduction, Energy Management, and Climate Change Mitigation

#### **High Priority Issues:**

- Combating Unfair Practices and Corruption
- International Compliance and Participation in Sustainable Development Networks
- Gender Equality Practices
- Research and Development (R&D), Product Development, Innovation, and Eco-design

#### **Medium Priority Issues:**

- Diversity, Equal Opportunity, Human Resources Practices, and Talent Management
- Stakeholder Engagement and Governance Practices
- Information Security, Artificial Intelligence, and Digitalization Practices
- Public Relations, Social Policies, Civil Society, and Local Practices
- Biodiversity and Environmental Studies



### Sustainability Priority Matrix



## 4.4 - Our Sustainable Future Plan

As the Sabah Beds family, our success is rooted in our commitment to corporate governance, social awareness, and our ability to act in a timely manner in line with strategic planning with all stakeholders. To achieve this success, we carefully analyze the expectations of all links in our value chain and our employees.

The risks faced by global and national markets and economic disparities among societal layers necessitate a change in our company's strategic management models and the continuous development of sustainable management practices. **Therefore, we embrace a strategic sustainability model where not only economic values but also environmental and social values are integral elements of our decision-making mechanism.**

By integrating the 2030 Sustainable Development Goals, which are decisive for our future and humanity, into the dimensions of our corporate culture's strategy development, **we align our strategic approaches by incorporating consistent actions and plans in line with our priority sustainability elements and focus areas, actively contributing to the UN 2030 Agenda.**




### Product, Quality & Technology


Developing sustainable products that support the transition to a green economy with a focus on sustainable tourism, eco-design culture, and clean energy is crucial for promoting environmentally friendly practices. This involves creating products that minimize their ecological footprint, contribute to sustainable tourism




**Global Competitive and Resilient Industry**



**Renewable Energy and Efficient Buildings**



**Durable and Long-Lasting Circular Products**



**Clean Energy Production and Renewable Energy Technologies**

### Environment & World

Producing environmentally friendly and beneficial products for human life by reducing our ecological footprint in line with the net-zero target for the environment and the world



Clean air, water, soil, and preserved biodiversity.	Durable and long-lasting circular products	Renewed, energy-efficient buildings.	Clean energy production and innovative energy technologies

### Social Responsibility

Promoting a culture of fair and equitable living based on health, well-being, and societal peace, supporting social development in all areas where we interact



Capacity building for future-oriented businesses and transitional periods

### Corporate development

Promoting economic growth within value chains through ethical, internationally compatible, and transparent governance approaches, ensuring full compliance with global fair transition mechanisms.



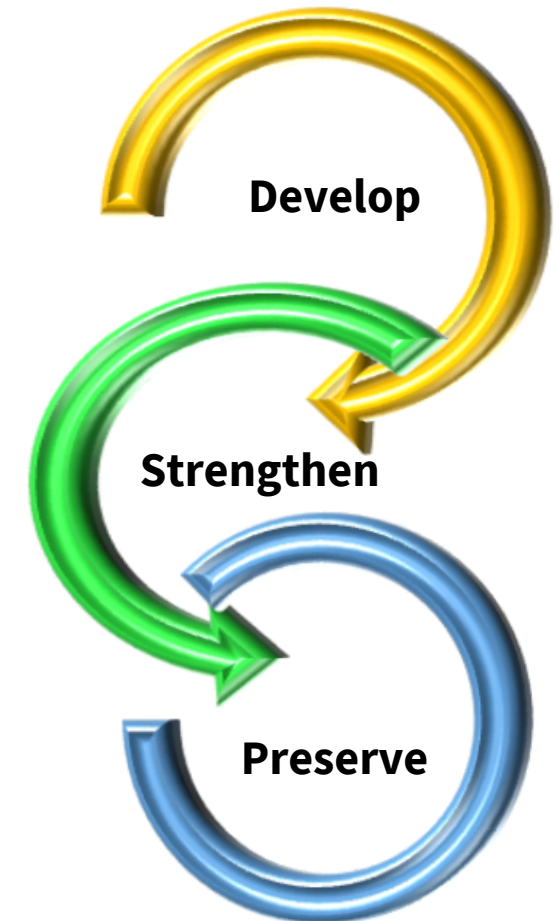

**Capacity development for future-oriented businesses and transitional periods**



**Globally competitive and resilient industry.**

We support our sustainable governance practices, conducted through participatory and inclusive approaches, with widespread roles and responsibilities across our entire organization, guided by defined goals that shape the future

We have integrated our strategic sustainability model, created through analytical prioritization efforts, with the mottos 'develop,' 'strengthen,' and 'preserve,' operationalizing it with sustainability goals spanning the period 2023-2026 and extending into the year 2030



We ensure the monitoring of our goals and the performance in all areas through the sustainability mechanisms established by our Sustainability Committee, which forms the core of our sustainability initiatives. Aligned with our holistic strategy prioritized through stakeholder engagement in all areas under the committee, we create orientations that encompass representation and responsibilities within our board of directors across all business functions

**In the light of our goals, we conduct effective planning activities**





Our Developer Orientation and Goals

		2023-2026 TARGETS
DEVELOP	Product Quality & Customer Satisfaction	<ul style="list-style-type: none"> <li>Increasing the capacity for sustainable transformation through feasibility studies for sustainable products with low ecological footprint, incorporating innovative energy technologies, and optimal resource utilization in line with the carbon-neutral society goal,</li> <li>Regularly monitoring customer satisfaction scores and maintaining the established levels,</li> <li>Including new customers in the existing customer portfolio.</li> </ul>
DEVELOP	Raw Materials & Natural Sources	<ul style="list-style-type: none"> <li>Increasing the use of sustainable raw materials</li> <li>Ensuring compliance of chemical usage with international regulations (such as REACH) and regular monitoring,</li> <li>Achieving a 100% certification rate for the chemicals used.</li> </ul>
STRENGTHEN	Water use efficiency and water management.	<ul style="list-style-type: none"> <li>Reducing the use of municipal water and the discharge of domestic wastewater,</li> <li>Increasing efficiency in household water use by using water purification devices instead of single-use products.</li> </ul>
STRENGTHEN	Economic Performance, Global Markets, and Market Presence.	<ul style="list-style-type: none"> <li>Ensuring full alignment with the green transformation process in the industry,</li> <li>Increasing the export rate,</li> <li>Enhancing international market presence and expanding the number of countries/regions/customers for exports.</li> </ul>
STRENGTHEN	Sustainable Procurement, Logistics, and Supply Chain Practices.	<p>Suppliers undergoing a sustainability-focused assessment system to minimize ESG risks across all components of the supply chain (increasing the supplier performance evaluation rate),</p> <ul style="list-style-type: none"> <li>Updating corporate procurement procedures in line with sustainability principles.</li> </ul>

		2023-2026 TARGETS
DEVELOP	Sustainable Procurement, Logistics, and Supply Chain Practices.	<ul style="list-style-type: none"> <li>• Increasing the proportion of responsibly sourced, low environmental impact supplies,</li> <li>• Increasing the number of suppliers subject to environmental and social audits with monitored performance,</li> <li>• Establishing/increasing support and development programs for local producers.</li> </ul>
DEVELOP	Zero Waste, Recycling, and Circular Economy Practices.	<ul style="list-style-type: none"> <li>• Widening the implementation of Zero Waste practices across all operational and production areas,</li> <li>• Increasing the share of the product range where a circular approach is applied/developed,</li> <li>• Developing circular economy and eco-design, eco-label applications,</li> <li>• Reviewing production processes to reduce material waste and minimize the amount of waste sent to recycling facilities,</li> <li>• Developing and implementing a sustainable packaging strategy,</li> <li>• Reducing the quantities of non-recyclable or non-biodegradable single-use packaging.</li> </ul>
DEVELOP	Occupational Health and Safety	<ul style="list-style-type: none"> <li>• Expanding the occupational health and safety (OHS) culture to the living spaces of employees to reduce workforce downtime and the number of workplace accidents,</li> <li>• Increasing activities and training sessions aimed at promoting the OHS culture and implementing leadership practices,</li> <li>• Establishing and maintaining the ISO 45001:2018 OHS system.</li> </ul>

		2023-2026 TARGETS
DEVELOP	Emission Reduction, Energy Management, and Combatting Climate Change	<ul style="list-style-type: none"> <li>Calculating the ISO 14064 Corporate Greenhouse Gas Inventory (Scope 1, 2, 3) to ensure compliance with the EU ETS,</li> <li>Determining the reduction plan for the Science-Based Targets Initiative (SBTi, 1.5 Degrees) for 2030 by 2026,</li> <li>Reducing non-renewable energy consumption per unit of production through energy efficiency/renewable energy investments and increasing the use of renewable energy,</li> <li>Transitioning to renewable energy by increasing the share of GES/RES investments.</li> </ul>
DEVELOP	Emergency and Disaster Management, Resilience Practices	<ul style="list-style-type: none"> <li>Transitioning to a resilient sector approach by creating an emergency risk assessment and intervention plan, developing preventive activities,</li> <li>Maintaining relevance through an emergency response team and drills</li> </ul>
STRENGTHEN	Combating Unfair Practices and Corruption	<ul style="list-style-type: none"> <li>Elimination of Non-compliances in Activity Reports Prepared by Internal and External Audit Mechanisms</li> <li>Addressing and rectifying any non-compliances identified in activity reports produced by internal and external audit mechanisms.</li> <li>Enhancement of Communication Efforts and Training on Business Ethics Policies and Procedures Increasing communication initiatives and training programs related to business ethics policies and procedures.</li> <li>Facilitation of Internal or External Reporting through Ethical Hotlines and Similar Application</li> <li>Implementing tools like an Ethics Hotline to enable internal or external reporting of ethical concerns.</li> <li>Strengthening the tracking of reported cases and enhancing measures taken in response to them.</li> </ul>
STRENGTHEN	International Compliance and Participation in Sustainable Development Networks	<ul style="list-style-type: none"> <li>Implementation of Sustainability Reporting According to GRI Standards:</li> <li>Executing sustainability reporting in accordance with the Global Reporting Initiative (GRI) standards.</li> <li>Increase in Collaborative Efforts for Sustainability Innovation:                             <ul style="list-style-type: none"> <li>Enhancing the number of collaborations undertaken for sustainability innovation.</li> <li>Participation in UNGC, WBCSD, and Related Working Groups:                                     <ul style="list-style-type: none"> <li>Joining the United Nations Global Compact (UNGC) and the World Business Council for Sustainable Development (WBCSD) and actively participating in their working groups.</li> </ul> </li> </ul> </li> </ul> <p>(Note: UNGC refers to the United Nations Global Compact, and WBCSD stands for the World Business Council for Sustainable Development.)</p>

		2023-2026 TARGETS
STRENGTHEN	Gender Equality Practices	<ul style="list-style-type: none"> <li>• Achieving Representation of Women Above 30% in Decision-Making Bodies and Subcommittees of the Board</li> <li>• Increasing the representation of women to over 30% in decision-making mechanisms attached to the board and its subcommittees.</li> <li>• Maintaining Female Workforce Above 30%:</li> <li>• Ensuring that the percentage of female employees remains above 30%.</li> </ul> <p>(Note: These goals align with efforts to promote gender diversity and inclusion within organizational leadership and the overall workforce.)</p>
STRENGTHEN	Research and Development (R&D), Product Development (PD), Innovation, and Eco-design	<ul style="list-style-type: none"> <li>• Conducting Life Cycle Analyses for Products and Increasing the Proportion of Products Undergoing Life Cycle Analysis</li> <li>• Performing life cycle analyses for products and increasing the proportion of products subjected to life cycle analysis.</li> <li>• Doubling Participation in Climate-Neutral Sustainable Product Development Grants and Funds in Alignment with the EU Green Deal Vision:</li> <li>• Doubling participation in grants and funds for climate-neutral sustainable product development, aligned with the EU Green Deal vision.</li> <li>• Investing in Environmental Performance Improvement:</li> <li>• Investing in initiatives to enhance environmental performance.</li> <li>• Increasing the Share of Revenue from Sustainable Products/Services within the Total Revenue:</li> <li>• Increasing the share of revenue generated from sustainable products/services within the overall revenue.</li> <li>• Enhancing the Impact of R&amp;D, PD, and Innovation Investments on Profitability:</li> <li>• Increasing the impact of Research and Development (R&amp;D), Product Development (PD), and innovation investments on profitability.</li> <li>• Increasing the Number of Products with Sustainable Product Labels:</li> <li>• Expanding the number of products carrying the sustainable product label.</li> </ul>
PRESERVE	Diversity, Equal Opportunity, Human Resources Practices, and Talent Management	<ul style="list-style-type: none"> <li>• "Equality at Work" Certification or Declarations of Inclusive Behavior Codes in Human Resources Management</li> <li>• Establishment of Performance Evaluation System</li> <li>• Establishment of Performance Evaluation System</li> <li>• Elevating Employee Satisfaction Scores</li> <li>• Increasing Awareness of Sustainability within the Organization</li> <li>• Increasing the Proportion of Employees Included in Talent Management Processes</li> </ul>
PRESERVE	Stakeholder Engagement and Governance Practices	<ul style="list-style-type: none"> <li>• Implementation of Sustainability Reporting According to GRI Standards:</li> <li>• Executing sustainability reporting in accordance with the Global Reporting Initiative (GRI) standards.</li> <li>• Increase in Collaborative Efforts for Sustainability Innovation:</li> <li>• Enhancing the number of collaborations undertaken for sustainability innovation.      • Participation in UNGC, WBCSD, and Related Working Groups:</li> </ul> <p>Joining the United Nations Global Compact (UNGC) and the World Business Council for Sustainable Development (WBCSD) and actively participating in their working groups.</p> <p>(Note: UNGC refers to the United Nations Global Compact, and WBCSD stands for the World Business Council for Sustainable Development.)</p>

		2023-2026 TARGETS
PRESERVE	Stakeholder Engagement and Governance Practices	<ul style="list-style-type: none"> <li>• Implementation of Sustainability Reporting According to GRI Standards:</li> <li>• Executing sustainability reporting in accordance with the Global Reporting Initiative (GRI) standards.</li> <li>• Increase in Collaborative Efforts for Sustainability Innovation:</li> <li>• Enhancing the number of collaborations undertaken for sustainability innovation. • Participation in UNGC, WBCSD, and Related Working Groups:</li> </ul> <p>Joining the United Nations Global Compact (UNGC) and the World Business Council for Sustainable Development (WBCSD) and actively participating in their working groups. (Note: UNGC refers to the United Nations Global Compact, and WBCSD stands for the World Business Council for Sustainable Development.)</p>
PRESERVE	Information Security, Artificial Intelligence, and Digitalization Practices	<ul style="list-style-type: none"> <li>• Increasing Efforts in Digitalized Processes and Services to Easily Meet Customer Needs:</li> <li>• Intensifying efforts towards digitalized processes and services to seamlessly address customer needs.</li> <li>• Establishing and Publicly Sharing an Information Security Management System (ISMS) Policy to Ensure Customer • • Information Privacy and Security</li> <li>• Creating an Information Security Management System (ISMS) policy that guarantees customer information privacy and security, and openly sharing it with the public.</li> <li>• Proactive Management of Efficiency and Effectiveness through Robotic Process Automation (RPA) in Administrative • Processes and Real-time Monitoring of Overall Equipment Effectiveness (OEE) in Operational Processes:</li> <li>• Conducting initiatives in RPA for administrative processes and real-time monitoring of Overall Equipment Effectiveness (OEE) in operational processes, proactively managing efficiency and effectiveness.</li> <li>• Increasing Efforts in Automation Systems for Production Processes and Monitoring:</li> <li>• Augmenting efforts towards automation systems in production processes and their monitoring.</li> <li>• Development of B2B-Focused Applications as Part of Digitalization Initiatives:</li> <li>• Developing applications with a focus on Business-to-Business (B2B) interactions as part of digitalization efforts.</li> </ul>
PRESERVE	Public Relations, Social Policies, Civil Society, and Local Initiatives	<ul style="list-style-type: none"> <li>• Implementation of Local Development and Social Projects in Collaboration with NGOs:</li> <li>• Collaborating with non-governmental organizations (NGOs) to execute local development and social projects.</li> <li>• Creation of a Sponsorship Budget with an Annual Increase of 10%:</li> <li>• Establishing a sponsorship budget and incrementally increasing it by 10% each year.</li> <li>• Documentation of Corporate Social Responsibility (CSR) Projects:</li> <li>• Recording and documenting corporate social responsibility projects.</li> <li>• Allocation of a Percentage of Revenue to Social/Community Issues:</li> <li>• Allocating a certain percentage of revenue to social and community issues.</li> <li>• Support for Local Production and Producers:</li> <li>• Promoting and supporting local production and producers.</li> </ul>
PRESERVE	Biodiversity and Environmental Studies	<ul style="list-style-type: none"> <li>• Implementation of Projects Preventing Biodiversity Loss in Alignment with the Green Deal, Green Industrial Zones, and Other Urban Renewal Visions:</li> <li>• Launching projects that prevent biodiversity loss in alignment with the Green Deal, Green Industrial Zones, and other urban renewal visions.</li> <li>• Conducting Environmental Research Measurements in Production and Storage Areas According to Standards/National Regulations, in Line with Responsible Production and Environmental Awareness Principles:</li> <li>• Carrying out "Environmental Research" measurements in production and storage areas according to standards/national regulations, in line with responsible production and environmental awareness principles.</li> <li>• Execution of Clean Production Studies and Analysis:</li> <li>• Performing clean production studies and analyses in accordance with responsible production and environmental awareness principles.</li> </ul>

## 5 - Our Practices for a Sustainable Future

### 5.1- Responsible Procurement and Value Chain

As Sabah Mattresses, we embrace our environmental, social, and economic responsibilities throughout our supply chain as part of our sustainability policy. This approach not only helps us establish a balanced and continuous business relationship with all components of our supply chain but also enables us to develop alternative risk management strategies against potential risks.

In our production and assembly processes, we operate in a vast production area of 10,000 square meters, with a production capacity of 150,000 square meters. With more than 100 expert employees, we strive to deliver high-standard products to our customers by using the finest and specialized materials in each product category. We cater to various customer segments, including hotels, dealers, and retail outlets, both domestically and internationally.

To integrate our sustainability understanding into all our activities, we collaborate with our extensive supplier network, which includes over 500 active suppliers. We procure materials such as steel, fabric, sponge, cotton, wood, metal, cardboard, plastic, and various other raw materials and services like logistics. We aim to develop our sustainability practices to ensure our products are produced to the highest quality and sustainability standards throughout the value chain, from raw material procurement to reaching the end-users.

We are working towards disseminating corporate sustainability and green transformation values to every level of our supply chain. Through our inclusive, socially just, and equal opportunity approaches, we aim to raise awareness of sustainability among our suppliers, customers, and all stakeholders.

Expanding our sustainability policy to encompass every stage of the supply chain, we collaborate with our vast supplier network, consisting of more than 500 active suppliers. Our supplier relationships offer not only material sourcing opportunities but also collaboration prospects in terms of sustainability.

Sustainability is our focal point at every step, from the production processes to the final stage where products reach our customers. This approach ensures that our products and services are designed and produced not only for our current customers but also to benefit future generations. We encourage sustainability not only in our own processes but also in the operations of our suppliers.

To achieve our sustainability goals, we focus on continuously improving our suppliers, guiding them towards sustainability-focused investments for transitioning to a low-carbon economy. We proliferate sustainability practices throughout all components of our supply chain with risk management, assessment processes, audits, and effective communication activities.

We utilize the by-products and products resulting from the processing of all raw materials used in the production of our final products to make a positive contribution to the circular economy. We adopt a sustainable approach, transforming inputs into outputs for our own business areas and other industry partners across different sectors.

In line with our principle of responsible procurement, we collaborate with the sub-working groups of our sustainability committee to integrate environmental and social factors into our supplier performance evaluation processes. This is part of our commitment to ensuring that our suppliers' business practices align with our ethical standards and sustainability commitments.

At Sabah Mattresses, we are committed to not working with business partners or suppliers who do not adhere to our ethical values, legal compliance regarding working conditions, wages, and other rights. We prioritize transparency and honesty in our business processes, expecting our business partners to uphold the same high standards. These principles are rigorously followed throughout our business processes and relationships, supporting our journey towards achieving sustainability goals.

As Sabah Mattresses, we continue to contribute to a greener and more sustainable future by extending our commitment to quality and sustainability of our products to every stage of our supply chain. We move forward on our sustainability journey, aligning with our vision of ensuring business continuity and offering the best products to our customers worldwide.

**Number of Active Suppliers: 522, 2022**

**Percentage of Total Procurement Budget for 100% Local Raw Material Procurement, 2022**



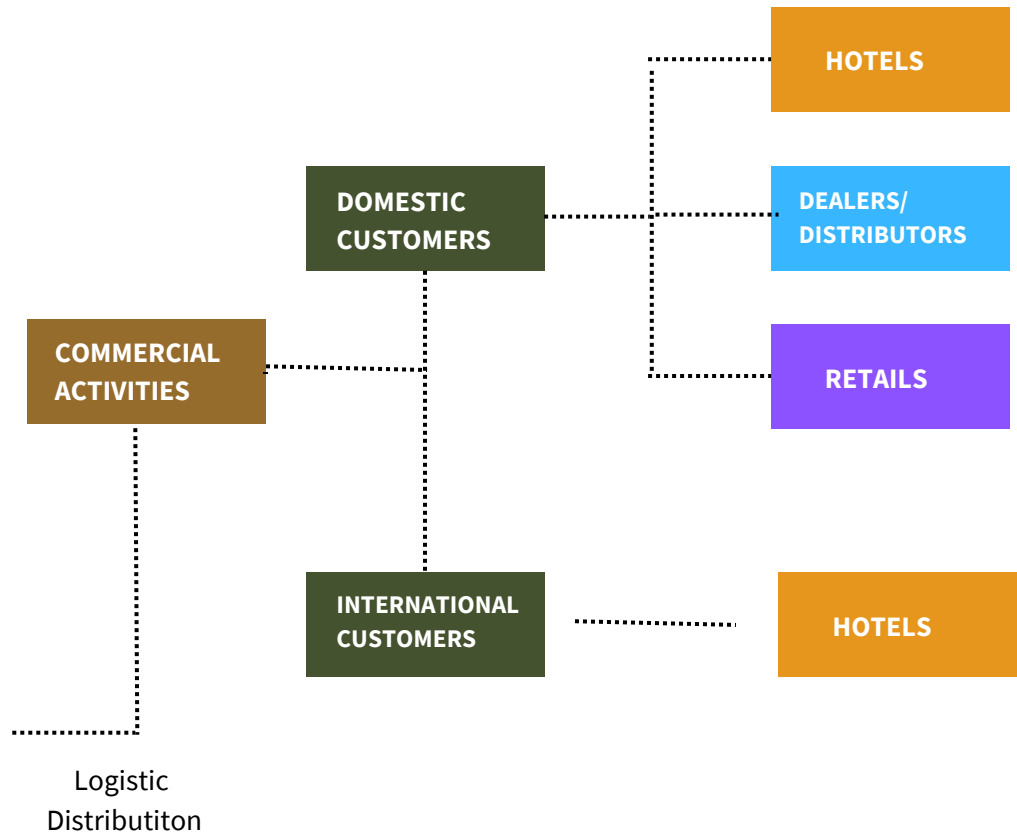
**SUPPLY**

Production of raw materials from +500 Active Suppliers, Product /Service

- Steel Wire
- Fabric
- Foam
- Cotton
- Wood
- Metal
- Cartoon
- Plastic

Procurement Materials & Services

With an annual production capacity of 150,000 square meters and a facility spanning 10,000 square meters, equipped with advanced technology and capabilities, our production facility, employing over 100 workers, contributes to the Turkish mattress industry. We offer high-quality and specialized materials across all product categories. Our extensive range includes various types of mattresses and bases with different features, complemented by bed heads, functional additional bed alternatives, and top-of-bed textiles. We strive to maintain the highest level of production for these products.







### From Our Stakeholders

We, as Metal Matris, have been collaborating with the Sabah family for over 17 years, providing them with spring wire and bag spring supplies. Our collaboration has been maintained with a sense of mutual trust and sincerity, and it is a pleasure to continue working with them.

Sabah Mattresses is a customer that does not compromise on product quality values, continuously supports innovation, and upholds principles. They are an innovative and principled customer for us. By staying abreast of industry innovations, supporting them, and maintaining a high sensitivity to quality control, Sabah Mattresses positively contributes to our development. Whenever we make innovations and changes on our side, the perspective of the Sabah Mattresses family serves as a reference for us.

Expressing our great pleasure in working with them, we extend our best wishes for their continued success.

**Münip Ahmetbeyođlu**

*DEMİRYAKA HOLDİNG  
Sales and Brand Marketing Manager*



### From Our Stakeholders

Our supplier-customer relationship with Sabah Mattresses, based on mutual trust and collaboration, has been ongoing for over 25 years. We provide them with the supply of lumber, MDF, print panels, and chipboard according to their needs.

Sabah Mattresses is not only a preferred customer in the domestic market but also internationally, known for producing at world standards and quality. They are an exemplary company in their industry, capable of swiftly adapting to constantly changing and evolving market conditions while staying abreast of new trends. Their ability to encourage innovation within their supply chain has resulted in a successful and continuous collaboration and communication.

We take pride in our long-term partnership, providing materials tailored to the needs of Sabah Mattresses. Their potential for continuous production at international standards makes them a standout customer, and we are honored to be part of their supply chain, contributing to and encouraging innovations.

**Deniz Altınel**

*Eksioglu Orman Ürünleri  
Sales Representative*

## 5.2- Customer Satisfaction Practices

Sabah Bedding is committed to maintaining the highest level of customer satisfaction and has implemented various practices to achieve this goal. Customer satisfaction is a fundamental part of our business, and we work diligently to increase and continuously improve satisfaction.

### Customer Satisfaction Survey on Our Website

For our retail customers, the satisfaction survey form located in the "Customer Rights" section on our website provides an opportunity for customers to voice their opinions and provide feedback.

Customers can fill out this survey to share their experiences and views with us. This survey is an important source for evaluating customer satisfaction and helps us better understand our customers' expectations.

### Hotel Survey Form

We have a specific customer survey form, especially for hotels, for our bulk sales. This special survey is designed for hotel customers to share their experiences and feedback. The feedback we receive from hotels helps us continuously improve our products and services and better respond to the specific needs of hotel customers.

### Data Evaluation and Satisfaction Score Calculation

Our company uses data collected at regular intervals to measure and evaluate customer satisfaction. This data is collected from our

website and hotel survey forms. The collected data is used to calculate a satisfaction score. This scoring system allows us to measure customer satisfaction with a numerical value and helps us monitor our performance.

**Number of Active Customers: 877, 2022**

**Percentage of Customer Satisfaction Score in 2022**

**94%**

### Customer Service Department

Our Customer Service Department plays a critical role in ensuring customer satisfaction. It addresses customer requests promptly and efficiently, assists in resolving any issues, and maintains positive interactions with customers. The department is equipped with expert customer representatives who adopt a personalized approach while dealing with each customer.

### Customized Products and Services

To enhance customer satisfaction, we offer customized products and services tailored to the needs and preferences of our customers. Providing personalized solutions based on the needs and preferences of our customers helps us meet their requirements in the best possible way.

### **Complaint and Feedback Management**

We take customer complaints and feedback seriously, considering each one as an opportunity for improvement. Complaints are addressed promptly, steps are taken to resolve issues, and feedback from customers is acknowledged. We strive to improve the customer experience by taking customer concerns seriously and working towards enhancement based on their feedback.

**In 2022, all customer complaints were responded to, and 97.6% of them were resolved.**

### **Training and Information**

We provide training materials to help our customers better use our products. These materials cover a wide range of topics, from product assembly to maintenance. Additionally, we inform customers about the sustainability features of our products. These training sessions help customers derive maximum benefit from our products.

### **Customer Relationship Management (CRM)**

Utilizing Customer Relationship Management (CRM) software, we manage customer relationships more effectively. CRM helps us track customers' purchase history and communication preferences. This information enables us to offer a more personalized experience and provide customers with special offers.

### **Customer Loyalty Programs**

We develop loyalty programs to incentivize customer loyalty. These programs offer customers special deals, discounts, gift items, or opportunities to participate in exclusive events. This encourages customers to become long-term patrons and enhances their loyalty to our brand.

### **Transparency and Communication**

We maintain regular and transparent communication with our customers. We promptly inform them about product changes, updates, or any important information. Moreover, respecting customers' preferences, we sustain communication through various platforms and methods.

As Sabah Bedding, we highly value our customers' feedback and see it as an opportunity to improve our business processes. We take customer feedback seriously to enhance satisfaction. Additionally, these insights help us make our products and services more sustainable and customer-focused.

We remain committed to keeping customer satisfaction at the highest level. By using these practices to measure and improve customer satisfaction, we aim to contribute to a better and more sustainable future. Our customers are our top priority, and we will continue working to meet their needs and expectations effectively.

Trade Fairs & Organisations

"ANFAŞ 32nd International Accommodation and Hospitality Equipment Specialized Fair, January 18-21, 2022, Antalya Fair Center."





## 6 - Our Environmental Responsibility

### 6.1. Decarbonization Vision

With a strong understanding of sustainability management, we are shaping and effectively implementing our corporate vision towards a sustainable future. We prioritize taking the right steps to promise a sustainable life for future generations by adapting to changing conditions.

The impacts of the climate crisis continue to threaten our future by making life cycles increasingly challenging. Rising temperatures, heatwaves, and drought, associated with climate change, bring environmental problems to the forefront, along with elements like poverty and migration. At this point, we are ready and determined to take steps, being aware of risks and threats.

The climate change, evolving into a global crisis, continues to escalate its effects in every aspect of life, irrespective of economy, health, environment, or society. We are conscious of the steps that need to be taken for the continuity of human and living beings. With awareness of our impact on the climate through production activities and field operations, we meticulously prepared our decarbonization vision with the goal of identifying and managing our impact.

In light of national and international obligations, we have built our decarbonization vision based on the foundation of "EU Green Deal and EU Taxonomy" and have taken action.

Accelerating green transformation and leaving a clean and livable world for future generations are among our top priorities as Sabah Bedding. Strengthening our value chain by promoting sustainable and eco-friendly products, enhancing energy efficiency, and transitioning to renewable energy are integral parts of our commitment to being at the forefront of a sustainable future, forming the basis of our sustainability approach.

As of 2021, our country, a signatory to the Paris Climate Agreement, has set a net-zero emissions target for the year 2053 in the fight against the climate crisis. Efforts to strengthen our vision in combating climate change, including the ongoing Climate Law studies, are in progress.

For our country to be a stakeholder in global competition for economic growth and sustainable development, green transformation is inevitable. We are developing technological solutions that serve our decarbonization vision by integrating sustainable activities into our value chain with a robust structure. Following Science-Based Targets (SBTi) in all our steps, we are committed to minimizing our ecological footprint, creating a guarantee of a livable world for future generations. We plan to strengthen the ecological contribution aspect of our value chain with our net-zero emissions target.

## International Protocols and Net-Zero Emission Goals

In alignment with international protocols, we have developed our greenhouse gas inventory for the year 2022, utilizing calculations that adhere to international standards. Commencing our net-zero emission and high-level carbon management initiatives using the techniques defined by the Science-Based Targets Initiative (SBTi), Sabah Mattresses has set emission reduction goals reaching up to 2050. We embark on these goals with meticulous planning, aiming to contribute to our value chain and the world while looking towards the future with optimism.

- Greenhouse Gas Emission Calculations:
  - We have calculated our direct and indirect greenhouse gas emissions in compliance with the IPCC AR6 GHG Protocol and ISO 14064 Standards.
- Emission Reduction Strategies:
  - Embracing the 1.5-degree pathway targeted in the fight against climate change, we have developed emission reduction strategies under the guidance of Science-Based Targets to achieve the net-zero standard.
- Sustainable Product Range Expansion:
  - Planning our activities and investments for eco-design, we aim to expand our sustainable product portfolio to become a Carbon-Neutral company.
- Collaboration and Stakeholder Engagement:
  - In collaboration with our stakeholders, we have conducted risk and opportunity analyses to shape our sustainable development roadmap and enhance our environmental, social, and governance performance.

- Integration and Acceleration:
  - Establishing working groups integrated with our Sustainability Committee, we have accelerated our development process, focusing on becoming a Carbon-Neutral company through eco-design activities and investments.
  - With these initiatives, Sabah Mattresses is committed to meticulous planning and implementation of our goals, striving to make a positive contribution to our value chain, the environment, and the global community. The integration of sustainability into our core business practices ensures a holistic approach towards a more sustainable and resilient future.



## CORPORATE GREENHOUSE GAS INVENTORY

In the year 2022, we prepared our corporate greenhouse gas inventory in accordance with ISO 14064-1 standards. Our goal is to monitor the development and changes in greenhouse gas emissions, and we have formulated reduction activities based on the insights gained from our emission inventory. By creating a verified greenhouse gas inventory, we aim to generate awareness among both internal and external stakeholders, guiding industry partners to take action.

Through collaboration with our Sustainability Committee and expert authorities, we prioritized three criteria (impact, size, risk) in the prioritization of our emissions. In this context, we established our emission threshold value at 0.5%, using it as a reference for all emission sources exceeding this threshold when creating our inventory. The objective is to create a tangible impact that guides our sector stakeholders to take proactive measures in response to our verified greenhouse gas inventory.

This meticulous approach ensures that our greenhouse gas inventory is not only compliant with international standards but also serves as a valuable tool for driving positive change within our organization and the industry as a whole.

14064 Code	Categories / Criterias	Impact	Dimension	Risk	Priority	Data	2022	
							Result	%
B3.2-a	Upstream transportation and distribution	Low	High	Medium	High	Yes	94,62	0,01
B3.2-e	Business travel	Medium	Medium	Low	Medium	Yes	4,14	0,00
B3.2-c	Employee commuting	Medium	Medium	Low	Medium	Yes	24,83	0,00
B3.2-b	Downstream transportation and distribution	Medium	High	Medium	High	Yes	355,05	0,04
B4.2-a	Purchased goods	High	High	Medium	High	Yes	8.095,33	0,93
B4.2-b	Capital goods	Medium	Medium	Low	Medium	Yes	9,59	0,00
B4.4-a	Waste generated in operations	Medium	Low	Medium	Medium	Yes	1,80	0,00
B4.4-b	Upstream leased assets	Low	Low	Low	Low	N/A	-	-
B4.4-c	Purchased services	Low	Medium	Medium	Medium	Yes	21,61	0,00
B4.5-d	Wastewater	Low	Low	Low	Low	Yes	0,52	0,00
B4.5-e	Water supply	Low	Low	Low	Low	Yes	0,29	0,00
B5.2-aa	Processing of sold products	Low	Low	Low	Low	N/A	-	-
B5.2-ab	Utilization of sold products	Low	Low	Low	Low	N/A	-	-
B5.2-c	End-of-life treatment of sold products	Low	Medium	Medium	Medium	Yes	26,64	0,00
B5.2-b	Downstream leased assets	Low	Low	Low	Low	N/A	-	-
B5.2-d	Investments	Low	Low	Low	Low	N/A	-	-
B6.1	Fuel and energy-related activities	Low	Medium	Medium	Medium	Yes	41,19	0,00
B6.1	Franchises	Low	Low	Low	Low	N/A	-	-

	<b>Priority</b>
If at least 1 is High	High
If at least 1 is Medium	Medium
If all are Low	Low



## Greenhouse Gas Calculations and Methodology

Within defined boundaries, we utilized the IPCC TIER-1 Methodology for our greenhouse gas calculations, while employing the TIER-2 Methodology for activities with national data, following the TIER-2 Methodology for activities with national data. For electricity emission factor calculations, we utilized data from Turkey Electricity Transmission Corporation Inc. (Türkiye Elektrik İletim A.Ş.), leading us to apply the TIER-2 methodology for Scope 2 indirect energy-related greenhouse gas emissions.

The total of direct and indirect emissions for Sabah Bedding in the year 2022 is 8,908.85 tons of CO<sub>2</sub>e. As illustrated in Table 4, direct greenhouse gas emissions constitute 1.12%, indirect energy emissions (electricity) account for 1.50%, while other indirect emissions collectively contribute to 97.38% of the total emissions.

This comprehensive breakdown provides a detailed insight into the composition of Sabah Bedding ' greenhouse gas emissions, allowing for a targeted and informed approach towards emission reduction strategies and sustainability initiatives.

2022	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	TOTAL
Greenhouse gas emission sources	ton CO <sub>2</sub>	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e
Direct greenhouse gas emissions	97,91	0,12	1,4	99,43
Indirect greenhouse gas emissions	138,38	0,05	0,38	133,81
Other indirect greenhouse gas emissions	8.675,27	0,006	0,33	8.675,61
<b>Total</b>	<b>8.906,56</b>	<b>0,17</b>	<b>2,11</b>	<b>8.908,85</b>

ISO 14064 Categories	2022	
	Total	Percentage
	ton CO <sub>2</sub> e	%
Category 1 - Direct greenhouse gas emissions and removals	99,43	1,12%
Category 2-Indirect greenhouse gas emissions from imported energy	133,81	1,50%
Category 3-Indirect greenhouse gas emissions from transportation sources	478,64	5,37%
Category 4-Indirect greenhouse gas emissions from the use of products by the organization	8.129,14	91,25%
Category 5-Indirect greenhouse gas emissions associated with the use of the organization's products	26,64	0,30%
Category 6-Greenhouse gas emissions from other sources	41,19	0,46%
<b>Toplam</b>	<b>8.908,85</b>	<b>100.00%</b>

## Greenhouse Gas Inventory According to ISO 14064 Standards

Our greenhouse gas inventory, prepared in accordance with ISO 14064 standards, consists of 99.43 tons of CO<sub>2</sub>e for direct greenhouse gas emissions and 8,675.61 tons of CO<sub>2</sub>e for indirect greenhouse gas emissions. In total, our company has a greenhouse gas emission of 8,908.85 tons of CO<sub>2</sub>e. With ongoing efforts led by our sustainability committee, our company aims to significantly reduce greenhouse gas emissions for the year 2023.

This commitment reflects our dedication to environmental responsibility and sustainability, and we continue to work towards a more eco-friendly and sustainable future. The detailed breakdown of direct and indirect emissions provides a foundation for targeted strategies and initiatives aimed at minimizing our environmental impact.

### Energy Consumption at Sabah Bedding

At Sabah Bedding, our highest energy consumption is derived from building fuel and electricity consumption, totaling 1,428.38 GJ. Additionally, energy consumption from vehicle fuels amounts to 968.36 GJ.

In 2022, the company's highest energy consumption is attributed to building fuel and electricity consumption, reaching 396.77 MWh. Energy consumption from vehicle fuels is calculated to be 268.99 MWh. The total net energy consumption for the company is determined to be 665.76 MWh.

This breakdown provides a clear understanding of the primary sources of energy consumption at Sabah Bedding, facilitating targeted efforts to enhance energy efficiency and reduce the environmental impact associated with energy use.

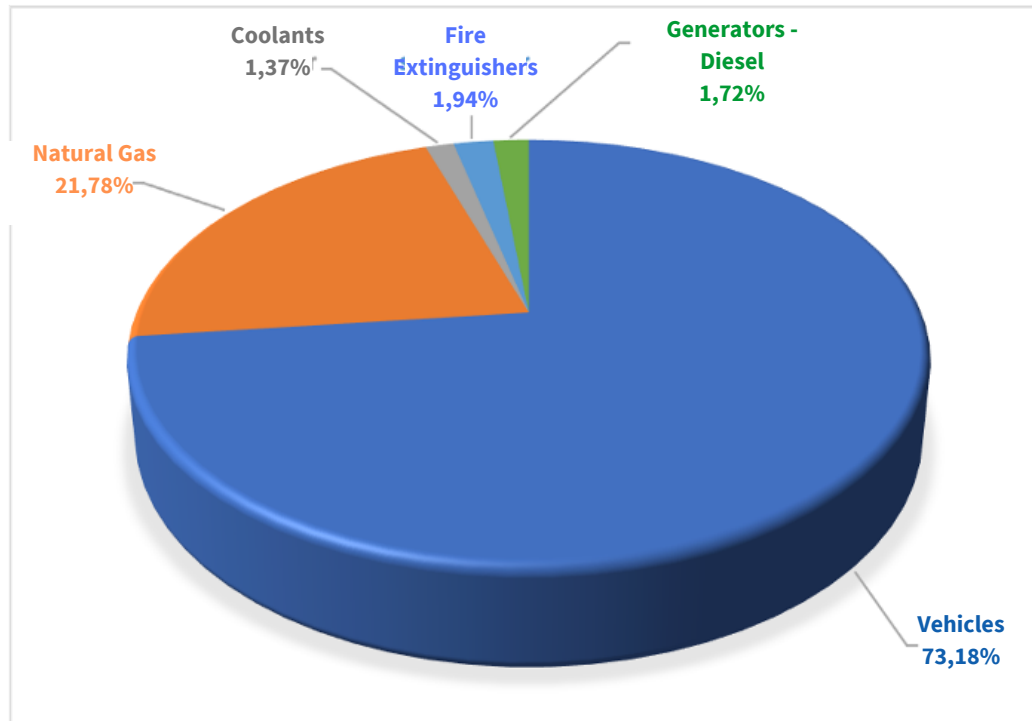
Energy Consumption	2022	
	GJ	MWh
<b>Buildings Fuel &amp; Electricity</b>	<b>1.428,38</b>	<b>396,77</b>
Purchased electricity	1.019,65	283,24
Natural Gas	385,69	107,13
<b>Generator</b>	23,04	6,4
<b>Vehicle Fuels</b>	<b>968,36</b>	<b>268,99</b>
Diesel	868,28	241,19
Gasoline	100,08	27,8
<b>Total Net Energy Consumption</b>	<b>2.396,74</b>	<b>665,76</b>

For the purpose of comparison, the values of direct and indirect greenhouse gas emissions per production unit for the year 2022 are shown in the table below.

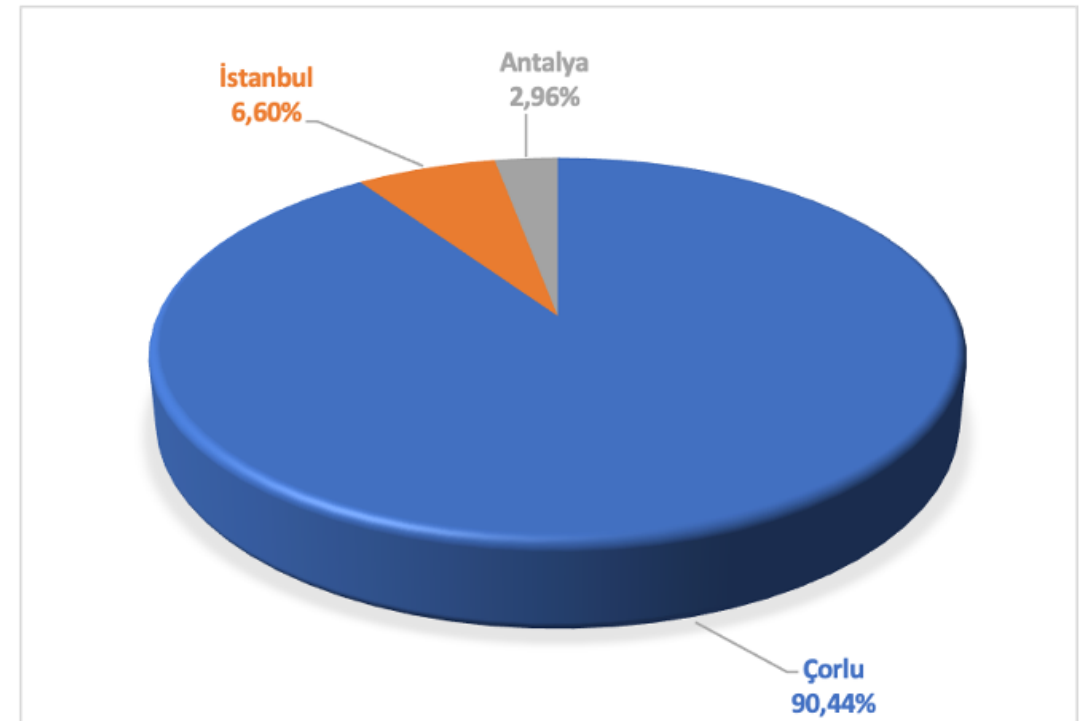
	2022
<b>Direct and Indirect Greenhouse Gas Emissions (tCO2e)</b>	233,24
<b>Sales Quantities (units)</b>	90.739
<b>(KPI) - Emissions per Unit (tCO2e per unit)</b>	0,003

The values of direct, indirect, and other indirect emissions per unit of production for the year 2022 are shown in the table below

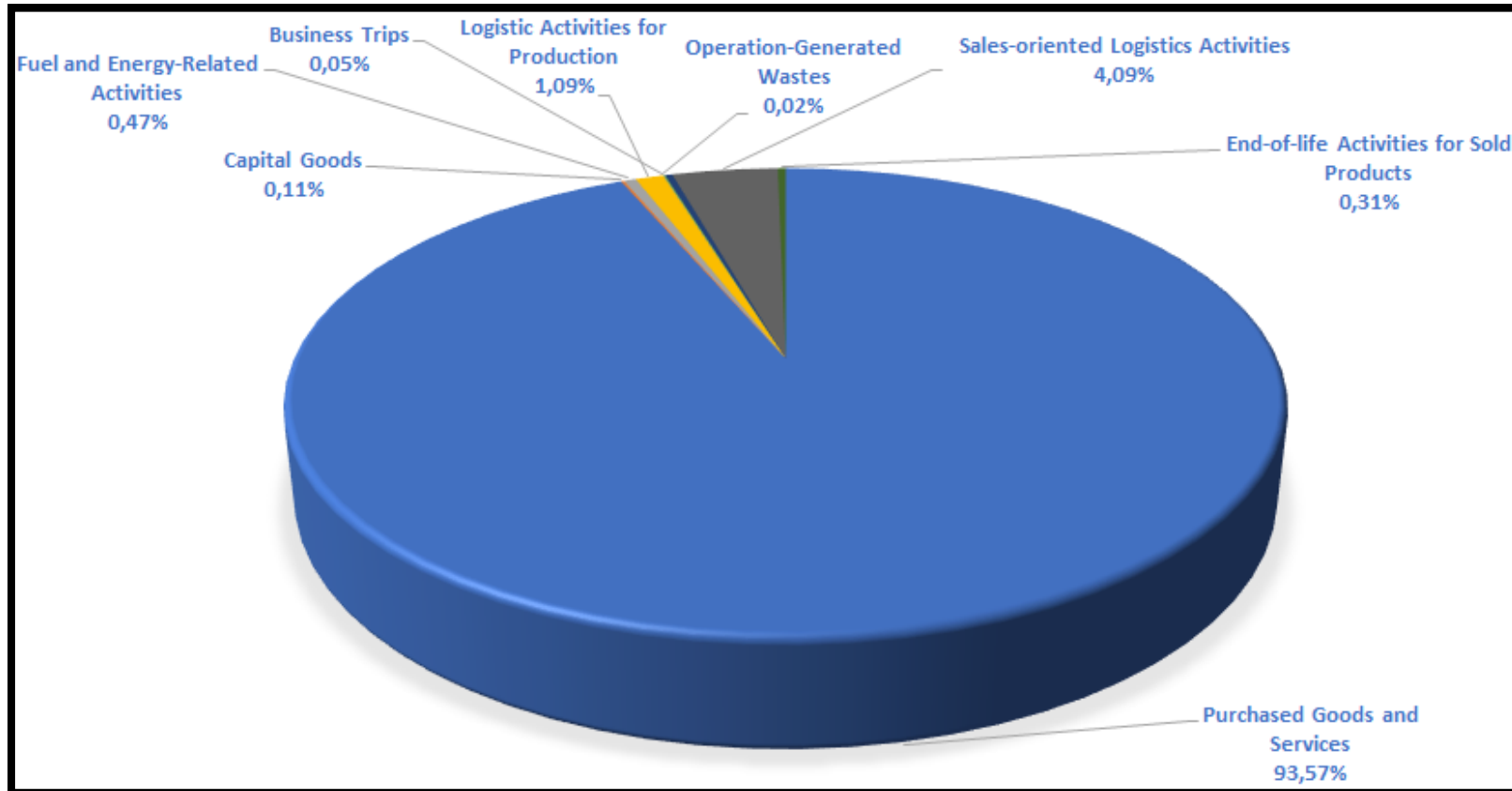
	2022
<b>Toplam Emissions (tCO2e)</b>	8.908,85
<b>Production Numbers (unit)</b>	90.739
<b>KPI (tCO2e/unit)</b>	0,1



In the distribution of direct greenhouse gas emissions for the year 2022, as seen, the largest share is attributed to direct emissions, with 73.18%, originating from the consumption of gasoline and diesel fuels used in vehicles. The second-highest share is 21.78%, associated with natural gas consumption.



In the year 2022, emissions arising from electricity consumption at the Çorlu facility, Antalya, and Istanbul offices amount to 133.81 tons of CO<sub>2</sub>e. Of these emissions, 90.44% originate from the Çorlu facility, 6.60% from the Istanbul office, and 2.96% from the Antalya office



In the year 2022, the largest share in Other Indirect Greenhouse Gas emissions is 93.56%, attributed to emissions from purchased goods and services. The second-highest share belongs to sales-related logistic activities, accounting for 4.09%.

Below are the direct emissions of Sabah Mattresses in 2022, based on facility categorization in the baseline year

2022	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Total
Facilities – Coverage 1 Emissions	ton CO <sub>2</sub>	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e
Çorlu	68,57	0,08	0,95	69,59
Antalya	11,36	0,02	0,16	11,53
İstanbul	17,98	0,03	0,3	18,3
<b>Total</b>	<b>97,91</b>	<b>0,12</b>	<b>1,4</b>	<b>99,43</b>

2022	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Total
Facilities – Scope 2 Emissions	ton CO <sub>2</sub>	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e
Çorlu	120,63	0,04	0,35	121,02
Antalya	3,94	0,001	0,01	3,96
İstanbul	8,8	0,003	0,03	8,83
<b>Total</b>	<b>133,38</b>	<b>0,05</b>	<b>0,38</b>	<b>133,81</b>

## 6.2 - Raw Materials, Natural Resources, and Waste Management

Sabah Bedding prioritizes placing sustainability at the core of our business, carrying a mission to preserve natural resources. In pursuit of realizing this mission, we continue to develop our business processes to contribute to a sustainable future.

We conduct analytical studies to ensure the optimal use of our raw materials. Our aim is to partially source our raw materials from recycled products. Additionally, we focus on reducing water consumption by enhancing our efforts in water efficiency. Within this framework, we attribute special importance to preserving underground water sources and water efficiency initiatives.

In 2022, our facility utilized a total of 1920 m<sup>3</sup> of water from underground sources. All of this water is used for domestic purposes in our cafeteria and lavatories and is discharged into the environment without causing harm after on-site treatment. We work on various water-saving measures and recycling processes to minimize the impacts of wastewater. We remain committed to using water efficiently and leaving it clean.

2022 Total Water Consumption (m3)	
Underground Water	Other
1920	0

2022 Total Wastewater Discharge Volume (m <sup>3</sup> )	
(Receiving Environment after On-site Treatment*	Other
1270	0
*All discharged wastewater goes through on-site treatment.	

Sustainability is further supported through another crucial initiative, the fight against marine pollution. In this regard, we engage in unique collaborations such as The Seaqual Initiative. Seaqual is a community-driven initiative that aims to pay fishermen living on the Mediterranean coasts for collecting and bringing marine waste ashore. Additionally, Seaqual plans to expand its efforts by building more waste collection platforms in America and Asia.

We provide support to various recycling projects to reduce the contribution of plastic waste to marine pollution. Particularly when it comes to plastic waste found in the oceans, we work with unique technologies that can transform them into new threads. We use these threads in the production of high-quality bed textiles and bed covers. In collaboration with BekaertDeslee Textile, we have decided to use sustainable materials such as SEAQUAL bed fabric

Waste Quantity by Type for the Year 2022 (Ton)	
Hazardous	1,2
Non-Hazardous	58,03
<b>Total</b>	<b>59,23</b>

Based on our measurements in the year 2022, the waste ratios per product are determined as follows

Waste (kg) Ratio per Product (kg/unit)	Hazardous Waste (kg/unit)	Non-Hazardous Waste (kg/unit)
	2022	
<b>Total</b>	0,02	0,81

Within the year 2022, 100% of all our waste has been recycled and reused. By recycling all of our waste, we have contributed to the conservation of natural resources.

At Sabah Bedding, we contribute to our 'Sustainable Future' vision by implementing our established policies through the Integrated Management System we have established. In line with this vision, we commit to creating positive impacts on the conservation of natural resources, recycling, and waste management within our supply chain, aiming to set an example in the industry.

To support efficiency and resource management, we continuously improve our efforts. Sustainability and effective resource management are integral parts of our business practices. Therefore, by taking steps to preserve natural resources, promote recycling, and minimize waste, we not only contribute to our business but also make positive contributions to our environment and society.

We continue our efforts to sustain this commitment as an example for our industry stakeholders. We acknowledge the responsibility of leaving a more livable world for future generations. Embracing sustainability at every level, we contribute to the conscious and efficient use of natural resources

## 7 - Our Social Responsibility

As Sabah Bedding, we place great value on social responsibility awareness at every stage of our operations. We embrace a universal understanding of social benefit that respects the universal human rights for communities affected by our products or services.

In line with our commitment to contributing to social development in countries, we aim to provide meaningful, equitable, and inclusive social benefits. We are determined to carry out our social responsibility practices with sustainability, transparency, and inclusivity principles, while respecting human rights.

Strategic partnerships and societal interactions we have established to create social benefits reflect our investments in environmental and social issues as Sabah Bedding. Human rights are fundamental pillars of our ethical values, guiding our stakeholders to act in line with principles that provide social benefits. We develop special approaches to promote social awareness among our customers and suppliers and support the implementation of these approaches.

To ensure the healthy and safe working environment of our employees and the communities in our operational areas, we enhance occupational health and safety practices through risk plans, regular training, and informative activities. While providing necessary resources for our employees to maintain their physical and mental health, we also implement pre-planned safety measures.

We consider maintaining continuous communication with our employees, regularly sharing matters related to them, and creating fair, healthy, and safe working environments where our employees can freely express their opinions with a participatory approach as our unwavering sustainability principles. We are committed to providing our employees with platforms where they can express their views freely, fostering fair, healthy, and safe working environments through predetermined safety measures.





## 7.1 - Human Rights Policy

We approach our employees, all stakeholders, and individuals affected by our products and service activities with a human rights understanding that befits human dignity, guided by the UN Global Compact (UNGC) (2000) and the Universal Declaration of Human Rights (UDHR) (1948).

Our Human Rights Policy is effectively implemented throughout our value chain in alignment with our corporate policies and values. Our practices are carried out in accordance with the Sabah Bedding Human Rights Policy, Code of Business Ethics Handbook, and Disciplinary Management Procedure. Employees and managers are responsible not only for exhibiting behavior in line with our human rights policy in the regions where we operate but also for diligently applying and supporting Sabah Bedding's relevant procedures.

We expect our stakeholders and all individuals and organizations in our value chain to act in accordance with the principles and fundamentals of our human rights policy, and we take the necessary measures in this regard. We manage all subcontractor employees providing services such as security, cleaning, and cafeteria within Sabah Bedding in accordance with our business ethics rules and human rights policy, actively informing them about our human resources practices through periodic meetings covering human rights, occupational health and safety, and business ethics

## Diversity, Inclusion, and Equal Opportunity

- To demonstrate an inclusive, diversity-focused, fair, and equitable attitude in job postings, placement processes, separation procedures, training, career and promotion opportunities, appointment and discipline procedures, salary management, and fringe benefit processes, without practicing any discrimination,
- To be a preferred employer for qualified candidates who are dedicated to their work and will add value to our company, while protecting the rights of our employees from the recruitment processes onward,
- To strictly prohibit any form of discrimination throughout our business operations and value chain,
- To maintain continuous communication with our employees, regularly inform them about all matters concerning them, and create a fair, healthy, and safe working environment where our employees can freely express their ideas,
- To evaluate our employees in roles where they can truly leverage their potential and contribute to achieving the company's main objectives

### Prevention of Child Labor and Forced/Compulsory Labor

- Throughout our operations, vehemently rejecting forced and compulsory labor practices such as child labor, modern slavery, debt bondage, and human trafficking that lead to physical and psychological harm to children,
- Similarly, supporting the development and implementation of appropriate procedures for our stakeholders to stay away from practices such as child labor and forced labor.



### Zero Tolerance for Harassment and Violence

- To take necessary measures and establish supportive procedures to ensure that our employees work in a safe and abuse-free environment,
- To not allow any form of abuse, intimidation, ill-treatment, physical, verbal, sexual/psychological harassment, bullying, threats, or violence in the workplace,
- To structure compensation in a fair and competitive manner in line with industry and local labor market conditions,
- To pay all wages, including fringe benefits, regularly and on time, in accordance with applicable legal regulations,
- To encourage our employees to fully and accurately exercise their employment rights,
- To expect the same approach from our stakeholders and contribute to the development of procedures for them to adopt a similar respectful, fair, and supportive approach towards their employees.





### Personal/Professional Development

- To consider our employees as valuable human capital and give importance to their personal/professional development,
- To continually invest in developing their skills and potentials through internal and external training, thereby fostering long-term work relationships, enabling our employees to perform their jobs better, and facilitating a successful career



### Occupational Health and Safety

- To adopt the "zero accidents" goal in compliance with Occupational Health and Safety Legislation in order to create a healthy and safe working environment for our employees and stakeholders in our workplaces, • To prioritize safety measures and include regular training and informative activities among our primary practices.



### Work Life and Data Privacy

To protect all information not disclosed to the public by the company, including personal data of our employees and stakeholders, as well as commercial, technical, financial, production, customer, product, equipment, technical formulas and drawings, system and program information, purchase information, engineering information, regulations, and business plans, in accordance with national and international regulations and digital privacy, data privacy, and security standards,

### Respect for the Environment and Society

- In line with our sustainable growth and green transformation goals, to analyze the environmental impacts of our investment projects in compliance with national and international regulations, with a sense of responsibility towards the environment and society
- Being aware of the potential impacts of land and natural resource use on human rights throughout our value chain and approaching this issue with specific policies and practices
- To prefer efficient use of energy, water, and raw materials, as well as renewable sources, to reduce the risk of harm to the environment and health
- To identify areas with high water stress, including our supply chain, and work to reduce water usage and wastewater discharge on a source basis, and to increase water use efficiency
- Accepting our role as part of the community and respecting the rights of communities affected by our activities, addressing local issues at the local level most appropriately, and communicating with civil society representatives on human rights when necessary.

### Complaint Mechanism

- We commit to making arrangements through contracts to monitor and safeguard compliance with international legal requirements regarding human rights in supply chain practices by all our employees and stakeholders, and to actively use the existing reporting/complaint line within Sabah Bedding and the email address; [sustainability@sabahbedding.com](mailto:sustainability@sabahbedding.com) for this purpose.



## 7.2- Our Employees and Development Management



We shape our processes related to recruitment, placement, separation, training, career development, promotion, appointment, discipline, and benefits management for our employees with an inclusive, diversity-emphasizing, fair, ethical, and equitable approach, without making distinctions based on religion, language, race, nationality, ethnic origin, belief, sect, color, age, sexual orientation, gender, marital status, political opinion, disadvantaged situation, or any legally protected characteristic. This approach is at the core of our corporate culture and policies.

Sabah Team Members		
2022		
	Female	Male
Managment	0	3
Blue Collar	12	47
White Collar	13	17
<b>Total</b>	<b>25</b>	<b>67</b>

At Sabah Bedding, we take great care to respect the rights of our employees and encourage continuous communication. We promote the voluntary participation of our employees in activities that contribute to social responsibility. With the steps we take in this direction, as one of the leading companies in our industry, we implement human resources policies that are respectful of the rights of our employees, sustainable, and transparent.

### Our Responsibilities Towards Our Employees

We do not engage in practices such as forced labor, compulsory labor, or child labor, neither directly nor through subcontractors.

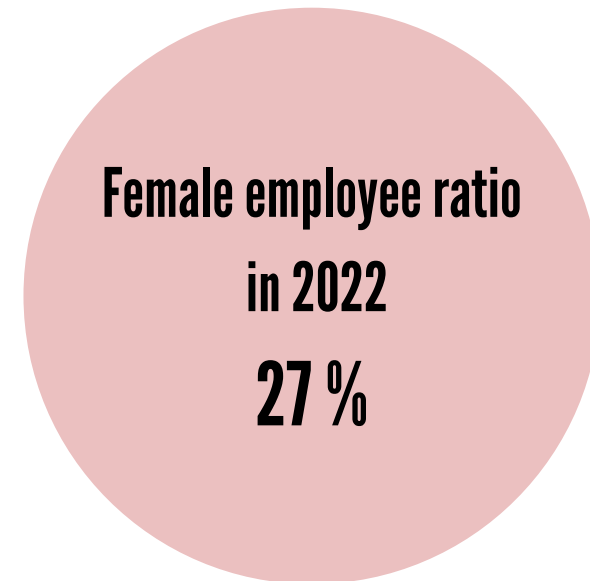
- We do not practice discrimination or mobbing during the recruitment process, throughout the employment, or when the employment relationship ends.
- Recruitment and promotion decisions are made objectively, based on the individual's qualifications, skills, and performance required for the job.
- We ensure that each employee is assigned to positions where they can best utilize their abilities, thus ensuring their optimal contribution to the company's goals.
- We make efforts to provide regular information to our employees about the company's vision, mission, strategies, policies, goals, and their own responsibilities, and keep them constantly updated on the issues relevant to their work.
- We provide all employees with a healthy and safe working environment where they can work with equality, justice, and confidence.
- We offer necessary training and development opportunities for our employees to enhance their abilities and perform their jobs more effectively.
- We fairly reward employees who adhere to ethical values and positively impact job performance.

- While achieving our sustainable growth goals, we support projects aimed at improving the living standards of the community and creating value for all our stakeholders. We implement our social responsibility projects in line with principles of sustainability, transparency, and inclusiveness, while respecting human rights.
- We respect the rich cultural fabric of Turkey and adhere to national and international regulations.

**The international principles that guide our human rights policy**

- Universal Declaration of Human Rights (UDHR) (1948)
- UN Global Compact (UNGC) (2000)
- UN Guiding Principles on Business and Human Rights (2011)
- ILO Declaration on Fundamental Principles and Rights at Work (1998)
- OECD Guidelines for Multinational Enterprises (2011)
- Women's Empowerment Principles (WEPs) (2011)

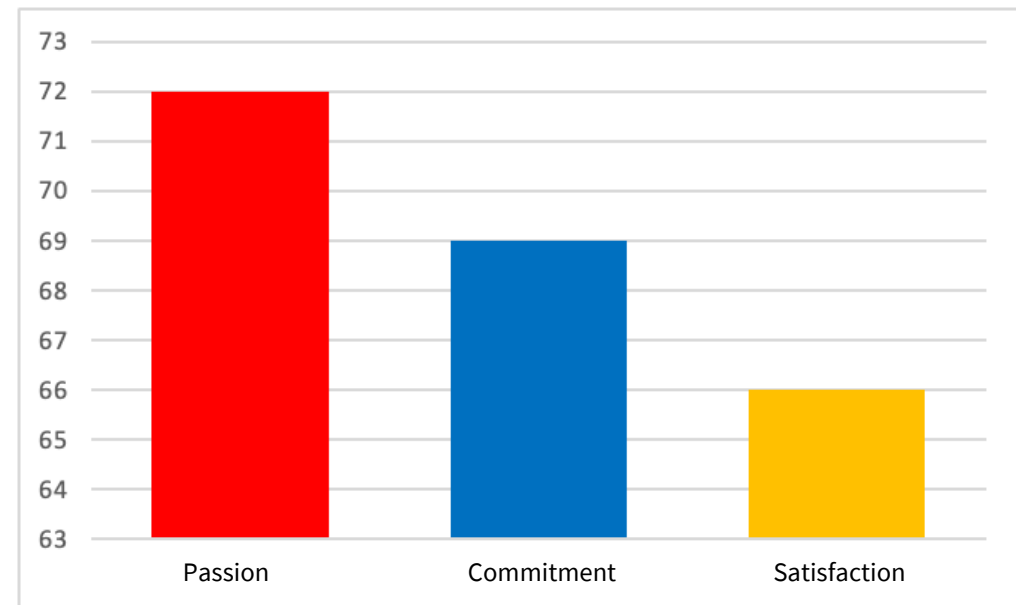
We continue to prioritize offering fair and equal opportunities in managing our human resources, aligned with our goals of enhancing the well-being of our employees, increasing their productivity, and maintaining long-term working relationships. Through our training activities, we aim to contribute to the personal and professional development of our employees, ultimately striving to enhance their productivity. Additionally, we provide training sessions that focus on our sustainability priorities for the future, aiming to raise awareness among our employees.



Effectively manage human resources by prioritizing cultural diversity. Our goal is to take steps towards creating a leading team that shapes the competition in the industry. While realizing this goal, we adopt integrated and professional approaches in all human resources processes, such as recruitment, performance management, talent development, compensation policies, career planning, and employee departure.

We actively use talent-based, objective, and position-focused multidimensional measurement and assessment tools to select individuals based on their qualifications and position requirements. Our human resources strategy, prioritizing worker satisfaction, focuses on creating a work environment that enhances the commitment and satisfaction of the workforce. In line with our sustainability principles, we develop various strategies to increase employee happiness and strengthen their commitment to their jobs.

Moreover, we work to maximize employee satisfaction throughout all human resources processes, starting from recruitment processes. We strive to develop practices that aim to increase workforce efficiency and define strong and open human resources practices. In adherence to sustainability principles, we aim to enhance employee happiness and commitment to their jobs.



The results of the 2022 Employee Satisfaction Survey

We assess the extent to which employees' expectations are met through employee satisfaction surveys. The content and analysis of these surveys involve the participation of all departments, taking into account the opinions and suggestions of employees. In this way, we measure and identify areas for improvement in employee satisfaction and make necessary adjustments.

**"We plan to provide yoga training for our female employees as of the year 2023."**



We have adopted various support practices (benefits) that will positively contribute to improving the living standards and increasing the well-being of our employees. In the year 2023, based on the analyses of our sustainability committee, we aim to expand and announce our benefits program to a broader framework for our stakeholders.

### Our training activities

Our training activities are fundamental pillars for sustainable success. In order to support the professional, technical, managerial, and personal development of our most valuable assets, our employees, and to assist in their career planning, we create annual training plans tailored to their needs and ensure their participation in these trainings. We conduct our employees' training processes through both face-to-face and online platforms. We provide an orientation process for all new employees. Our training plan includes various components such as mandatory trainings and personal development trainings requested by our departments. The training catalog is shared with all employees throughout the year, and requested trainings are integrated into personalized training plans. Additionally, we conduct technical trainings specific to departments during the year. These trainings generally take place within our company through face-to-face methods.

**1784**

**Per Person (x) Hour**

### Toplam Training/Education 2022

We are rapidly conducting content and needs analysis studies to provide visionary training to our employees on priorities such as sustainability, economic sustainability, circular economy, environmentally friendly development, and decarbonization.

**65 Participants**

**Per Person (x) Hour**

### Sustainability and Carbon Footprint

### Reduction Training 2022

TRAINING / EDUCATION CHART FOR 2022		Training Time	
		2022	
		Female	Male
<b>Personal Development</b> 1 - Sustainability Management Certificate Program 2 - FSC Certification Program 3 - Recycled Content Verification Program	Average Training Hours Per Employee	0	76
	Total Training Time (Person x Hour)	0	76
<b>Technical Training</b> 1 - Emergency and Fire Training 2 - Environmental Training 3 - ISO 9001-14001-45001 Integrated Management Training 4 - Quality Control Training 5 - Waste Management Training	Average Training Hours Per Employee	6,75	6,45
	Total Training Time (Person x Hour)	162	458
<b>Sustainability and Carbon Management Training</b>	Average Training Hours Per Employee	5	5
	Total Training Time (Person x Hour)	30	35
<b>Occupational Health and Safety Training</b>	Average Training Hours Per Employee	10,36	10,36
	Total Training Time (Person x Hour)	249	735
<b>Anti-Corruption, Ethics, and Human Rights Training</b>	Average Training Hours Per Employee	3	3
	Total Training Time (Person x Hour)	18	21



## From Our Stakeholders

Sabah Bedding has consistently upheld human rights throughout its institutional history, valuing diversity as an asset and placing employee satisfaction at the forefront, both in the best and challenging times. The company, unwavering in its commitment to these principles, regards its employees as the most crucial asset playing a key role in the success and sustainability of the business.

### Sabah Bedding Code of Conduct

serves as a vital guide determining the relationships among employees and the company's attitude towards its workforce. As explicitly stated, all employment, promotion, and similar human resources decisions within Sabah Bedding are implemented solely based on competency criteria, without discrimination based on race, national origin, religion, language, color, age, gender, sexual orientation, disability status, and other discrimination factors prohibited by applicable laws.

In 2022, the female employment rate is 27%, with the goal for the following year being to achieve a rate of 35%. The percentage of female employees in managerial positions is 23%. The percentage of foreign national employees is 9.3%. The internship employee rate is 5.40%. No child labor is employed within our company, and we do not collaborate with companies that employ child labor.

The Human Resources Management Policy outlines the fundamental elements established to achieve Sabah Mattresses' mission, vision, and values.

All employees of Sabah Bedding and its subsidiaries have their rights protected throughout all activities, including legally mandated rights and benefits such as retirement and maternity leave.

Employees at Sabah Bedding are guaranteed not to receive a salary below the minimum wage, which also covers employees on retirement and maternity leave, ensuring fair and ethical treatment.

As part of our sustainability strategy's fundamental principle of "Valuing Employees," Sabah Bedding and its subsidiaries conduct an annual Employee Engagement and Satisfaction Survey, encompassing all employees.

### Performance Evaluation

In 2022, approximately 100 employees at Sabah Mattresses participated in the performance evaluation system. The outputs of the performance evaluation system are crucial inputs for the career development process, providing employees with feedback on both their strengths and areas for improvement. During performance evaluation discussions, feedback is provided to employees, and their ideas and expectations for the future are collected. Action plans are developed for agreed-upon areas of improvement, and these plans are carried over to the goals of the next operational period.



## From Our Stakeholders

### Employee Training and Development

Sabah Bedding aims to create a culture that encourages both the organization and employees to achieve their goals, fostering a highly motivated and collaborative workforce, while also providing better working environments. Approximately 76.5% of the employees have received environmental training.

Training programs cover a range of skills, including communication, teamwork, guest focus, coaching, analysis and reporting, hygiene awareness, adherence to occupational safety rules, leadership, problem-solving, emotional intelligence, quality control, and creativity.

Our training programs include Environmental Legislation, Working at Heights Training, Hazardous Substance Safety, Chemicals for Safe Work, Fire Safety Training, Vocational Qualification Training, Occupational Safety Training, First Aid Training, and Quality Management Systems Training.

### Employee Benefits Special

Days and Activities are frequently organized to boost motivation among all our employees and foster team spirit. Events such as International Women's Day flower celebrations, barbecue parties, iftar dinners, staff nights, and gift draws are organized with the participation of all managers, providing examples of such activities.

### Talent Management

We aim to attract the talents we need for sustainable corporate success, unlock the potential of talents within Sabah Yatakları, retain talents, and nurture the future leaders. We shape Human Resources policies and practices to support Sabah Yatakları's strategic goals and performance for sustainable growth. All investments in human resources are made with the goal of becoming the most desirable company to work for. Ensuring our most valuable asset, our employees, perform their roles most effectively and efficiently, while maintaining high levels of satisfaction, loyalty, and motivation, is among our key corporate objectives.

**Ayşe VATANSEVER**  
**Sabah Bedding HR Manager**

### 7.3 - Occupational Health and Safety Practices

In every field we operate and at every stage of our global value chain, we consider protecting the health and well-being of employees as one of the fundamental priorities of our sustainability approach. In the field of Occupational Health and Safety (OHS), we strive to achieve the goal of "zero accidents" and develop proactive practices to prevent workforce loss, time loss, and well-being loss resulting from workplace accidents.

We conduct our Occupational Health and Safety activities within the framework of the ISO 45001 standard and legal requirements as part of our Integrated Management System. Our OHS activities cover a wide range, including risk assessments, periodic checks, field analyses, training, suggestion and notification mechanisms, occupational hygiene measurements, provision of personal protective equipment, and safe storage and use of chemicals.

Additionally, we collaborate with subcontractor firms to create plans for improving our occupational health and safety processes.

In this context, we plan to strengthen OHS criteria in our procurement and supply processes in collaboration with our sustainability committee.

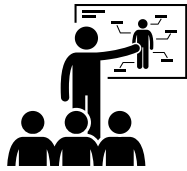
To ensure a healthy and safe working environment, we define key performance indicators and monitor these indicators.

We transparently evaluate this data with our employees in field meetings.

To ensure a healthy and safe working environment, we define key performance indicators and monitor these indicators. We transparently evaluate this data with our employees in field meetings. By tracking Occupational Health and Safety performance monthly and annually, we analyze the results in the sub-working groups of our sustainability committee, communicate development areas including new-generation sustainability practices to our top management, and plan continuous improvement activities towards our goals.

In our workplaces, we take necessary measures to ensure that employees have rapid access to appropriate personal protective equipment. We organize theoretical and practical training during entry to work and periodically to increase employees' awareness of occupational health and safety and determine the measures to be taken against specific risks in the work areas.

**984**  
**Person (x) Hour**  
**Occupational Health and**  
**Safety Training , 2022**



To be prepared for possible emergency scenarios, we conduct risk analyses and establish Emergency Response Teams within the framework of Emergency Action Plans. By regularly renewing the training of these teams, we organize Emergency Drills annually, covering all shifts and production areas, and take necessary measures to ensure business continuity.



## 7.4- Social Benefits and Activities

As Sabah Bedding, we aim to create social benefits and enhance our company's reputation by conducting activities in environmental and social areas. We evaluate strategic partnerships and interactions within the framework of our social investments to achieve this goal.

To support technological advancements in our industry and contribute experiential knowledge to workforce vocational education, we sponsor laboratories and organize academic seminars. Through these activities, we provide support to academic initiatives and contribute to the development of technological applications.

Furthermore, we aim to increase social awareness by interacting with various segments of society through our events. Some of these activities include:

- Environmental Cleanup Campaign

We encourage environmental awareness among our employees and the community by organizing activities for environmental protection and cleanliness.

- Education Seminars

We aim to increase young people's interest in the industry by organizing seminars in schools and universities.

- Social Responsibility Projects

Through projects aimed at supporting disadvantaged groups, we strive to create social benefits.

- Collaborations and Sponsorships

We support social responsibility projects by collaborating with various non-governmental organizations.

Through these activities, we consider providing social benefits and increasing environmental awareness as a crucial part of our sustainability approach.





Considering the generous gifts that nature has bestowed upon us, it is our responsibility to reciprocate. One of the most beautiful gifts we can give to nature is to plant trees.

As Sabah Mattresses Volunteers, we wholeheartedly contribute our efforts for the environment, society, and a more livable world. This year, we realized our tree planting event by bringing thousands of saplings together with the soil in the reforestation area of Çorlu Municipality.

Working with excitement to touch more lives and to be a small breath for the future, we eagerly contribute, bringing hopes closer to tomorrow.







In the Environment Week, we took action for a clean environment. In collaboration with Çorlu Municipality and **Let's Do It Turkey**, we participated in an event where, together with our environmental volunteers, we cleaned up the litter that ideally should never be thrown on the ground. Our goal is to raise awareness and demonstrate how dangerous and saddening environmental pollution can be. Let's protect our nature and the future of our children.



Sabah Bedding Volunteers participated in a seminar organized as part of the project initiated under the slogan "**Everyone is an Environmentalist, Everyone is an Educator.**" The seminar, led by Çorlu Municipality, focused on climate change and zero waste. It was highlighted that preparations for the "Sustainable Energy and Climate Action Plan" (SECAP) have begun. The first steps were taken to make Çorlu more resilient to climate change and to outline the necessary measures for a livable environment.





## From Our Stakeholders

For the past 12 years as the Marketing Director at Sabah Yatakları, I have been part of a company that values being socially responsible and sensitive to the community. As a company conscious of our Social Responsibility in the community we are a part of, we are ready to do our best to positively impact our surroundings. While our business activities focus on minimizing environmental and social impacts, we also consider the broader needs of the community.

In terms of Social Aid and Solidarity, we uphold our commitment to responding to the broader needs of the community. We work on providing social benefits through social responsibility projects and donations.

Particularly addressing one of the most crucial aspects of our time, our commitment to environmental sustainability and protection guides us in fulfilling our responsibility to the environment. We contribute to the environment by adopting sustainable business practices and investing in green energy sources.

Our commitment to Awareness and Diversity is another crucial aspect for our organization. We continuously assess our efforts in fulfilling our responsibilities in these areas and strive for improvement. We explore ways to increase our social responsibility and create a larger impact. Simultaneously, we aim to create a working environment where everyone's differences are respected, and we actively combat any form of discrimination and bias. I believe that diverse perspectives, ideas, and talents will enrich our work.

These principles reflect our organization's commitment to society. Acting responsibly and sensitively towards society is not only essential in the business world but is also a significant step towards contributing to a better future for humanity as a whole.

Regarding our social responsibility projects, I can mention the following:

### Support for Education:

- Donations of materials to schools.
- Scholarship programs.
- Support for educational seminars.
- Participation in school construction projects.

### Environmental Protection:

- Tree planting campaigns.
- Support for recycling programs.
- Endorsement of eco-friendly practices.

### Social Aid:

- Providing food aid to needy families.
- Support for shelters.
- Contribution to human rights campaigns.

**Uraz SOLMAZ**  
**Sabah Bedding Marketing Manager**

## 8 - Annex

### 8.1 - Performance Indicators

#### SPI Social performance indicator

Number of Employees	2022	
	Female	Male
Blue Collar Workers	12	50
White Collar Workers	13	17
Total	25	67

Employee Turnover Rate*	
2022	
Female	Male
2%	6%
*Voluntary Resignations/Total Employees	

AGE CATEGORY	Number of Employees with Disabilities/Disadvantaged	
	2022	
	Female	Male
> Over 50	0	0
Between 30 - 50	0	2
< Under 30	0	0

KEY DATA	Annual Total Working Hours	308070
	Total Number of Employees	1141
	Total Number of Accidents	7
	Total Lost Workday Cases	34

Employees by Education Level		
2022		
	Female	Male
Undergraduated	0	0
Elementary school degree	2	6
High school degree	14	48
University degree or higher	9	13

Number of Employees by Age		
2022		
	Female	Male
> 50 years old	5	15
30-50 years old	16	42
< 30 years old	4	10

Number of Senior Level Managers by Age		
2022		
	Female	Male
> 50 years old	0	2
30-50 years old	0	1
< 30 years old	0	0

Number of Employees Who Leave Work by Age		
2022		
	Female	Male
> 50 years old	0	2
30-50 years old	4	22
< 30 years old	1	16

Number of New Hires by Age		
2022		
	Female	Male
> 50 years old	0	2
30-50 years old	4	26
< 30 years old	1	19

Maternity Leave	
2022	
Number of Employees on Maternity	0
Number of Employees Who Returns to Work from Maternity	0

ANNUAL DATA	Accident Frequency Rate (AFR)	4,54 / hour	The Lost Time Injury Frequency Rate (LTIFR) is the number of lost time injuries occurring in a specific period per 200,000 working hours. It is calculated using the following formula: $LTIFR = \frac{\text{Total Working Hours}}{\text{Total Number of Lost Time Injuries in a Year}} \times 200,000$
	Accident Severity Rate (ASR)	22,07 / hour	The Lost Time Injury Severity Rate (LTISR) is a metric that represents the number of lost workdays due to a lost time injury per 200,000 working hours in a specific period. The formula for calculating the Lost Time Injury Severity Rate is as follows $(LTISR) = \left[ \frac{\text{Total Number of Lost Workday}}{\text{Total Working hours}} \right] \times 200\,000$
	Accident Frequency Rate	0,61%	The Accident Frequency Rate (AFR) is a metric that represents the number of accidents per employee within a specific period. The formula for calculating the Accident Frequency Rate is as follows: $AFR = \frac{\text{Total Number of Accidents}}{\text{Total Number of Employees}}$
	Accident Frequency Rate (AFR) - Alternative Calculation	22,07291 / hour	This rate is called the "Accident Frequency Rate," and it expresses the number of workplace accidents per 200,000 working hours within a specific period. The calculation formula is as follows: $AFR = \frac{\text{Total Number of Accidents in one year}}{\text{Total Working Hours}} \times 200,000$

**"The human-centric approach is a prioritized criterion in establishing a healthy and safe workplace environment for our employees."**

**"With ISO 45001:2018 Occupational Health and Safety Management Systems Certification, we are enhancing our existing processes by making corrections to reduce risks at their source, creating a more robust foundation."**



		Training Schedule	
		2022	
		Female	Male
<b>Professional Development</b> 1 - Sustainability Management Certificate Program 2 - FSC Certification Program 3 - Recycled Content Verification Program	Average Training Hours per Employee	0	76
	Total Training Hours (Person x Hours)	0	76
<b>Technical Training</b> 1 - Emergency and Fire Training 2 - Environmental Training 3 - ISO 9001 - 14001 - 45001 Integrated Management Training Quality Control Training 5 - Waste Management Training	Average Training Hours per Employee	6,75	6,45
	Total Training Hours (Person x Hours)	162	458
<b>Sustainability and Carbon Management</b>	Average Training Hours per Employee	5	5
	Total Training Hours (Person x Hours)	30	35
<b>Occupational Health and Safety</b>	Average Training Hours per Employee	10,36	10,36
	Total Training Hours (Person x Hours)	249	735
<b>Anti-Corruption, Ethics, and Human Rights Training</b>	Average Training Hours per Employee	3	3
	Total Training Hours (Person x Hours)	18	21

## Environmental Performance Indicators

### Corporate Greenhouse Gas Inventory

2022	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Toplam
Greenhouse Gas Emission Sources	ton CO <sub>2</sub>	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e	ton CO <sub>2</sub> e
Direct Greenhouse Gas Emissions	97,91	0,12	1,4	99,43
Indirect Greenhouse Gas Emissions	138,38	0,05	0,38	133,81
Other Indirect Greenhouse Gas Emissions	8.675,27	0,006	0,33	8.675,61
<b>TOTAL</b>	<b>8.906,56</b>	<b>0,17</b>	<b>2,11</b>	<b>8.908,85</b>

ISO 14064 Categories	2022	
	Total	%
	ton CO <sub>2</sub> e	%
Category 1 - Direct greenhouse gas emissions and removals	99,43	1,12%
Category 2 - Indirect greenhouse gas emissions from purchased energy	133,81	1,50%
Category 3 - Indirect greenhouse gas emissions from transportation	478,64	5,37%
Category 4 - Indirect greenhouse gas emissions from the use of products sold by the organization	8.129,14	91,25%
Category 5 - Indirect greenhouse gas emissions from the use of products purchased by the organization	26,64	0,30%
Category 6 - Other indirect greenhouse gas emissions	41,19	0,46%
<b>Toplam</b>	<b>8.908,85</b>	<b>100.00%</b>

Energy Consumption	2022	
	GJ	MWh
<b>Building fuel &amp; electricity</b>	<b>1.428,38</b>	<b>396,77</b>
<i>Purchased electricity</i>	1.019,65	283,24
<i>Natural Gas</i>	385,69	107,13
<i>Generator</i>	23,04	6,4
<b>Vehicle Fuels</b>	<b>968,36</b>	<b>268,99</b>
<i>Diesel</i>	868,28	241,19
<i>Gasoline</i>	100,08	27,8
<b>Total Net Energy Consumption</b>	<b>2.396,74</b>	<b>665,76</b>

Amount of Waste by Type (Tons)	2022		
	Generated Waste Amount	Waste Amount Prevented from Disposal	Waste Amount Sent to Disposal
Metal	4,81	4,81	0
Plastic	10,83	10,83	0
Paper-Cartoon	14,77	14,77	0
Glass	0	0	0
Wood	0	0	0
Electronic Waste	0	0	0
Waste Batteries	0	0	0
Household Waste	0	0	0
Textile Waste	27,62	27,62	0
Contaminated Waste	1,17	1,17	0
Fluorescent	0,02	0,02	0
Toner Waste	0,01	0,01	0
<b>Total</b>	<b>59,23</b>	<b>59,23</b>	<b>0</b>

**Waste Data**

Type of Waste Amount (Tons)	2022
Hazardous	1,2
Non-Hazardous	58,03
<b>Total</b>	<b>59,23</b>



**Water - Waste Water Data**

<b>HAZARDOUS WASTE</b>	
<b>Amount Prevented from Disposal Through Recycling (Tons)</b>	<b>2022</b>
Reuse or Preparation for Reuse	0
Waste Recovered for Energy Purposes	0
Recycled Waste	1,2
Recovery by Other Methods	0
<b>TOTAL</b>	<b>1,2</b>

<b>Source of Water Withdrawal</b>	<b>m3</b>	<b>%</b>
Tap Water	0	0,00%
Groundwater	1920	100,00%
Surface Water	0	0,00%
Other (Rainwater, etc.)	0	0,00%
Reclaimed Water	0	0,00%
<b>Total</b>	<b>1920</b>	

<b>NON-HAZARDOUS WASTE</b>	
<b>Recovered for Recycling (Ton)</b>	<b>2022</b>
Reused or Prepared for Reuse	0
Energy Recovered from Waste	0
Waste Recycled	58,03
Other Methods of Recovery	0
<b>Toplam</b>	<b>58,03</b>

<b>Wastewater Quantity (m<sup>3</sup>)</b>	<b>2022</b>
Discharged to the Receiving Environment After On-Site Treatment	1270
Discharged to Municipal Treatment Plant	0
Discharged to Industrial Zone (OSB) Treatment Plant	0
Direct Discharge to Sewer System (Wastewater Canal)	0
Discharged to Natural Sources Such as Sea/Lake/River	0
Other	0
<b>Total</b>	<b>1270</b>

	<b>2022</b>	
	<b>Hazardous Waste (kg/item)</b>	<b>Non-Hazardous Waste (kg/item)</b>
<b>Waste per Product (kg) Ratio (kg/item)</b>		
<b>TOTAL</b>	<b>0,02</b>	<b>0,81</b>

## 8.2- GRI Content Index

- Statement of use** : Sabah Yatak San. Tic. A.Ş. has reported in accordance with the GRI Standards for the period 01.01.2022-31.12.2022.
- GRI 1 used** : GRI 1: Foundation 2021
- Applicable GRI Sector Standard(s):** [There are not any applicable GRI Sector Standards]

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION		GRI SECTOR STANDARD REF. NO.
				REASON	EXPLANATION	
<b>General Disclosures</b>						
GRI 2: General Disclosures 2021	<b>2-1 Organizational details</b>					
	Company Legal Name	Sabah Yatak Sanayi ve Ticaret A.Ş.				
	Nature of ownership and legal structure	Message From Our Sustainability Leader , pp.4-7 Our Company Profile, pp.14-15				
	Location of Headquarters	Cevizli Mah. Bağdat Cad. No:519 K5. D8. 34846 Maltepe / İSTANBUL Contact, p.105				
	Countries of Operations	Message From Our Sustainability Leader, pp.4-7 Sabah Bedding by The Numbers, pp.8-12				
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.1				
	2-3 Reporting period, frequency and contact point	About the Report, p.1 Reporting will be done on an annual basis.				
	2-4 Restatements of information	This report is the first sustainability report of Sabah Bedding.				
	2-5 External assurance	No external audit was conducted.				
	2-6 Activities, value chain and other business relationships	Message From Our Sustainability Leader, pp.4-7 Sabah Bedding by The Numbers, pp.8-12 Our Company Profile, pp.14-19 Responsible Procurement and Value Chain, pp.60-63				
2-7 Employees	There were no significant changes in the size, structure, ownership or supply chain of the organization during the reporting period. Sabah Bedding by The Numbers, pp.8-12 Our Employees and Development Management, pp.83-90 Social Performance Indicators, pp.97-103					
2-8 Workers who are not employees	Our Employees and Development Management, pp.83-90 Social Performance Indicators, pp.97-103					

*A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.*

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMTTED	REASON EXPLANATION	
	2-9 Governance structure and composition	Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42			
	2-10 Nomination and selection of the highest governance body	Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42			
	2-11 Chair of the highest governance body	Our Board Structure, pp.20-21			
	2-12 Role of the highest governance body in overseeing the management of impacts	Message From Our Sustainability Leader, pp.4-7 Communication with Our Stakeholders and Memberships, pp.30-35 Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47			
	2-13 Delegation of responsibility for managing impacts	Message From Our Sustainability Leader, pp.4-7 Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42			
	2-14 Role of the highest governance body in sustainability reporting	Message From Our Sustainability Leader, pp.4-7 Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42			
	2-15 Conflicts of interest	Ethical and Compliance Policies, pp.22-24			
	2-16 Communication of critical concerns	Sustainability Management, p.36 Ethical and Compliance Policies, pp.22-24 Communication with Our Stakeholders and Memberships, pp.30-35			
	2-17 Collective knowledge of the highest governance body	Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42			
	2-18 Evaluation of the performance of the highest governance body	Our Board Structure, pp.20-21 Our Sustainability Mechanisms, pp.40-42			
	2-19 Remuneration policies	Human Rights Policy, pp.79-82 Our Employees and Development Management, pp.83-90			
	2-20 Process to determine remuneration	Human Rights Policy, pp.79-82 Our Employees and Development Management, pp.83-90			
	2-21 Annual total compensation ratio		2-21a, 2-21b, 2-21c	Confidentiality constraints	Sabah Bedding does not share this information publicly in accordance with the institution's privacy policies.
	2-22 Statement on sustainable development strategy	Message From Our Board Chairman, pp.2-3 Message From Our Sustainability Leader, pp.4-7 Our Sustainability Strategy and Priorities, pp.43-47			
	2-23 Policy commitments	Ethical and Compliance Policies, pp.22-24 Our Sustainability Policy, pp.36-39 Human Rights Policy, pp.79-82			
	2-24 Embedding policy commitments	Ethical and Compliance Policies, pp.22-24 Our Sustainability Policy, pp.36-39 Human Rights Policy, pp.79-82			
	2-25 Processes to remediate negative impacts	Ethical and Compliance Policies, pp.22-24			
	2-26 Mechanisms for seeking advice and raising concerns	Ethical and Compliance Policies, pp.22-24 Human Rights Policy, pp.79-82 Our Sustainability Mechanisms, pp.40-42			
	2-27 Compliance with laws and regulations	Ethical and Compliance Policies, pp.22-24			
	2-28 Membership associations	Communication with Our Stakeholders and Memberships, pp.30-35			
	2-29 Approach to stakeholder engagement	Communication with Our Stakeholders and Memberships, pp.30-35			
	2-30 Collective bargaining agreements		2-30 a	Not applicable	There are no employees covered by the collective bargaining agreement.
<b>Material topics</b>					
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47		A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
	3-2 List of material topics	Our Sustainability Strategy and Priorities, pp.43-47			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Economic performance</b>						
<b>Material Topic(s): Economic Performance, Global Markets and Market Presence</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.38-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Message From Our Sustainability Leader, pp.4-7 Sabah Bedding by The Numbers, pp.8-12 Our Company Profile, pp.14-19				
	201-4 Financial assistance received from government	There was no financial support received from any government during the reporting period.				
<b>Market presence</b>						
<b>Material Topic(s): Economic Performance, Global Markets and Market Presence</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.38-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Message From Our Sustainability Leader, pp.4-7 Our Employees and Development Management, pp.83-90				
	202-2 Proportion of senior management hired from the local community	Our Board Structure, pp.20-21				
<b>Indirect economic impacts</b>						
<b>Material Topic(s): Economic Performance, Global Markets and Market Presence; Public Relations, Social Policies, Civil Society and Local Practices</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.38-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Our Company Profile, pp.14-19				
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Social Benefits and Activities, pp.93-96				
	203-2 Significant indirect economic impacts	Social Benefits and Activities, pp.93-96				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Procurement practices</b>						
<b>Material Topic(s): Sustainable Purchasing, Logistics and Supply Chain Practices</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Quality Approach, pp.28-29 Our Sustainability Policy, pp.38-39 Our Sustainability Strategy and Priorities, pp.43-47 Responsible Procurement and Value Chain, pp.60-63				
	GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible Procurement and Value Chain, pp.60-63			
<b>Anti-corruption</b>						
<b>Material Topic(s): Combating Anti-Competitive Behavior and Corruption</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Ethical and Compliance Policies, pp.22-24 Our Sustainability Policy, pp.38-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
	GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Message From Our Sustainability Leader, pp.4-7 Ethical and Compliance Policies, pp.22-24			
205-2 Communication and training about anti-corruption policies and procedures		Ethical and Compliance Policies, pp.22-24 Our Anti-Bribery and Anti-Corruption Policy, pp.22				
205-3 Confirmed incidents of corruption and actions taken		We have no confirmed cases of corruption within the organization or among our business partners, or any lawsuits or legal penalties related to corruption.				
<b>Anti-competitive behavior</b>						
<b>Material Topic(s): Combating Anti-Competitive Behavior and Corruption</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Ethical and Compliance Policies, pp.22-25 Our Sustainability Policy, pp.38-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
	GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethical and Compliance Policies, pp.22-24  There were no ongoing or completed legal proceedings during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation.			
<b>Tax</b>						
<b>Material Topic(s): Economic Performance, Global Markets and Market Presence</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Ethical and Compliance Policies, pp.22-24 Taxes, p.25				
	GRI 207: Tax 2019	207-1 Approach to tax	Taxes, p.25			
207-2 Tax governance, control, and risk management		Taxes, p.25				
207-3 Stakeholder engagement and management of concerns related to tax		Taxes, p.25				
207-4 Country-by-country reporting		Taxes, p.25				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMSSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Materials</b>						
<b>Material Topic(s): Raw Materials and Natural Resources</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47			
GRI 301: Materials 2016	301-1 Materials used by weight or volume		Responsible Procurement and Value Chain, pp.60-63 RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103			
	301-2 Recycled input materials used		RawMaterials, Natural Resources, and Waste Management, pp.76-77			
	301-3 Re-claimed products and their packaging materials		RawMaterials, Natural Resources, and Waste Management, pp.76-77			
<b>Energy</b>						
<b>Material Topic(s): Emission Reduction, Energy Management and Combating Climate Change</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Decarbonization Vision, pp.68-75			
GRI 302: Energy 2016	302-1 Energy consumption within the organization		Decarbonization Vision, pp.68-75 Environmental Performance Indicators, pp.101-103			
	302-3 Energy intensity		Decarbonization Vision, pp.68-75 Environmental Performance Indicators, pp.101-103			
	302-4 Reduction of energy consumption		Decarbonization Vision, pp.68-75 Environmental Performance Indicators, pp.101-103			
	302-5 Reductions in energy requirements of products and services		Decarbonization Vision, pp.68-75 Environmental Performance Indicators, pp.101-103			
	<b>Water and effluents</b>					
<b>Material Topic(s): Water Use Efficiency, Water Management</b>						
GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47			
GRI 303: Water and Effluents 2016	303-1 Interactions with water as a shared resource		RawMaterials, Natural Resources, and Waste Management, pp.76-77			
	303-2 Management of water discharge-related impacts		RawMaterials, Natural Resources, and Waste Management, pp.76-77			
	303-3 Water withdrawal		RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103			
	303-4 Water discharge		RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103			
	303-5 Water consumption		RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMSSION			GRI SECTOR STANDARD REF. NO.	
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION		
<b>Biodiversity</b>							
<b>Material Topic(s): Biodiversity and Environmental Studies</b>							
GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity		Our Developer Orientation and Goals, pp.55-59				
	304-3 Habitats protected or restored		Our Developer Orientation and Goals, pp.55-59				
	<b>Emissions</b>						
<b>Material Topic(s): Emission Reduction, Energy Management and Combating Climate Change</b>							
GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		Corporate Greenhouse Gas Inventory, pp.70-77				
	305-2 Energy in direct (Scope 2) GHG emissions		Corporate Greenhouse Gas Inventory, pp.70-77				
	305-3 Other indirect (Scope 3) GHG emissions		Corporate Greenhouse Gas Inventory, pp.70-77				
	305-4 GHG emissions intensity		Corporate Greenhouse Gas Inventory, pp.70-77				
	305-5 Reduction of GHG emissions		Our Sustainability Policy, pp.4-7 Our Developer Orientation and Goals, pp.55-59 Decarbonization Vision, pp.68-75 Corporate Greenhouse Gas Inventory, pp.70-77				
	305-6 Emissions of ozone-depleting substances (ODS)		Corporate Greenhouse Gas Inventory, pp.70-77				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Corporate Greenhouse Gas Inventory, pp.70-77				
	<b>Waste</b>						
	<b>Material Topic(s): Zero Waste, Recycling and Circular Economy Practices; Raw Materials and Natural Resources</b>						
	GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		RawMaterials, Natural Resources, and Waste Management, pp.76-77				
	306-2 Management of significant waste-related impacts		RawMaterials, Natural Resources, and Waste Management, pp.76-77				
	306-3 Waste generated		RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103				
	306-4 Waste diverted from disposal		RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103				
	306-5 Waste directed to disposal		RawMaterials, Natural Resources, and Waste Management, pp.76-77 Environmental Performance Indicators, pp.101-103				
<b>Supplier environmental assessment</b>							
<b>Material Topic(s): Sustainable Purchasing, Logistics and Supply Chain Practices</b>							
GRI 3: Material Topics 2021	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria		Responsible Procurement and Value Chain, pp.60-63				
	308-2 Negative environmental impacts in the supply chain and actions taken		Responsible Procurement and Value Chain, pp.60-63				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMSSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMTTED	REASON	EXPLANATION	
<b>Employment</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management; Gender Equality Practices</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.22-25 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47				
	<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Human Rights Policy, pp.79-82 Our Employees and Development Management, pp.83-90 Social Performance Indicators, pp.97-100			
		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Rights Policy, pp.79-82 Our Employees and Development Management, pp.83-90			
	401-3 Parental leave	Social Performance Indicators, pp.97-100				
<b>Occupational health and safety</b>						
<b>Material Topic(s): Occupational Health and Safety</b>						
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Occupational Health and Safety Practices, pp.91-96				
	<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Occupational Health and Safety Practices, pp.91-96			
		403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Practices, pp.91-96			
403-3 Occupational health services		Occupational Health and Safety Practices, pp.91-96				
403-4 Worker participation, consultation, and communication on occupational health and safety		Occupational Health and Safety Practices, pp.91-96				
403-5 Worker training on occupational health and safety		Our Training Activities, pp.87-90 Occupational Health and Safety Practices, pp.91-96				
403-6 Promotion of worker health		Occupational Health and Safety Practices, pp.91-96				
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Occupational Health and Safety Practices, pp.91-96				
403-8 Workers covered by an occupational health and safety management system		Social Performance Indicators, pp.97-100				
403-9 Work-related injuries		Occupational Health and Safety Practices, pp.91-96 Social Performance Indicators, pp.97-100				
403-10 Work-related ill health		Occupational Health and Safety Practices, pp.91-96 Social Performance Indicators, pp.97-100				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Training and education</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47			
<b>GRI 3: Material Topics 2021</b>						
	404-1 Average hours of training per year per employee		Our Training Activities, pp.87-90			
	404-2 Programs for upgrading employee skills and transition assistance programs		Our Training Activities, pp.87-90			
<b>GRI 404: Training and Education 2016</b>						
	404-3 Percentage of employees receiving regular performance and career development reviews		Our Employees and Development Management, pp.83-90 Social Performance Indicators, pp.97-100			
<b>Diversity and equal opportunity</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management; Gender Equality Practices</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47			
<b>GRI 3: Material Topics 2021</b>						
	405-1 Diversity of governance bodies and employees		Human Rights Policy, pp.79-82 Our Employees and Development Management, pp.83-90 Social Performance Indicators, pp.97-100			
<b>GRI 405: Diversity and Equal Opportunity 2016</b>						
	405-2 Ratio of basic salary and remuneration of women to men		Human Rights Policy, pp.79-82			
<b>Non-discrimination</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management; Gender Equality Practices</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Mechanisms, pp.36-39 Our Sustainability Strategy and Priorities, pp.43-47 Human Rights Policy, pp.79-82			
<b>GRI 3: Material Topics 2021</b>						
	406-1 Incidents of discrimination and corrective actions taken		Human Rights Policy, pp.79-82			
<b>GRI 406: Non-discrimination 2016</b>						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Child labor</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management; Sustainable Purchasing, Logistics and Supply Chain Practices</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Human Rights Policy, pp.79-82			
<b>GRI 3: Material Topics 2021</b>						
	408-1 Operations and suppliers at significant risk for incidents of child labor		Responsible Procurement and Value Chain, pp.60-63 Human Rights Policy, pp.79-82			
<b>GRI 408: Child Labor 2016</b>						
<b>Forced or compulsory labor</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management; Sustainable Purchasing, Logistics and Supply Chain Practices</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Human Rights Policy, pp.79-82			
<b>GRI 3: Material Topics 2021</b>						
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		Responsible Procurement and Value Chain, pp.60-63 Human Rights Policy, pp.79-82 Our Employees and Development Management, pp.83-90			
<b>GRI 409: Forced or Compulsory Labor 2016</b>						
<b>Security practices</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Human Rights Policy, pp.79-82			
<b>GRI 3: Material Topics 2021</b>						
	410-1 Security personnel trained in human rights policies or procedures		Our Employees and Development Management, pp.83-90			
<b>GRI 410: Security Practices 2016</b>						



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMSSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Rights of indigenous peoples</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Human Rights Policy, pp.79-82			
<b>GRI 3: Material Topics 2021</b>						
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1 Incidents of violations involving rights of indigenous peoples		There were no cases of violation of the rights of indigenous peoples during the reporting period.			
<b>Local communities</b>						
<b>Material Topic(s): Diversity, Equal Opportunity, Human Resources Practices and Talent Management; Public Relations, Social Policies, Civil Society and Local Practices</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Human Rights Policy, pp.79-82			
<b>GRI 3: Material Topics 2021</b>						
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs 413-2 Operations with significant actual and potential negative impacts on local communities		Social Benefits and Activities, pp.93-96  There is no operations with significant actual and potential negative impacts on local communities against legal regulations, voluntary principles and codes.			
<b>Supplier social assessment</b>						
<b>Material Topic(s): Sustainable Purchasing, Logistics and Supply Chain Practices</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Responsible Procurement and Value Chain, pp.60-63			
<b>GRI 3: Material Topics 2021</b>						
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria 414-2 Negative social impacts in the supply chain and actions taken		Responsible Procurement and Value Chain, pp.60-63  Responsible Procurement and Value Chain, pp.60-63			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMSSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
<b>Customer health and safety</b>						
<b>Material Topic(s): Product Quality and Customer Satisfaction</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Responsible Procurement and Value Chain, pp.60-63 Customer Satisfaction Practices, pp.64-67			
<b>GRI 3: Material Topics 2021</b>						
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		Our Quality Approach, pp.26-29 Customer Satisfaction Practices, pp.64-67  There is no case against legal regulations, voluntary principles and codes.			
<b>Marketing and labeling</b>						
<b>Non-Material Topic(s)</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Company Profile, pp.14-19 Our Quality Approach, pp.26-29			
<b>GRI 3: Material Topics 2021</b>						
<b>GRI 417: Marketing and Labeling 2016</b>	417-1 Requirements for product and service information and labeling 417-2 Incidents of non-compliance concerning product and service information and labeling 417-3 Incidents of non-compliance concerning marketing communications		Our Company Profile, pp.14-19 Our Quality Approach, pp.26-29  There isn't any incident of non-compliance.  There isn't any incident of non-compliance concerning marketing communications.			
<b>Customer privacy</b>						
<b>Material Topic(s): Product Quality and Customer Satisfaction; Information Security, Artificial Intelligence and Digitalization Applications</b>						
	3-3 Management of material topics		Message From Our Sustainability Leader, pp.4-7 Our Company Profile, pp.14-19 Our Quality Approach, pp.26-29 Our Sustainable Future Plan, pp.48-59 Customer Satisfaction Practices, pp.64-67			
<b>GRI 3: Material Topics 2021</b>						
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		There isn't any substantiated complaint concerning breaches of customer privacy and losses of customer data			

Additional Material Topics					
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON EXPLANATION	
<b>R&amp;D, P&amp;D, Innovation and Ecodesign</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Quality Approach, pp.26-29 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47			
<b>Emergency and Disaster Management, Resilience Practices</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Our Sustainable Future Plan, pp. 48-59 Occupational Health and Safety Practices, pp. 91-96			
<b>Participation in Sustainable Development Networks and International Compliances</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Communication with Our Stakeholders and Memberships, pp.30-35 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Our Sustainable Future Plan, pp. 48-59			
<b>Stakeholder Engagement and Governance Practices</b>					
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Message From Our Sustainability Leader, pp.4-7 Communication with Our Stakeholders and Memberships, pp.30-35 Our Sustainability Policy, pp.36-39 Our Sustainability Mechanisms, pp.40-42 Our Sustainability Strategy and Priorities, pp.43-47 Our Sustainable Future Plan, pp. 48-59 Social Benefits and Activities, pp.93-96			

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