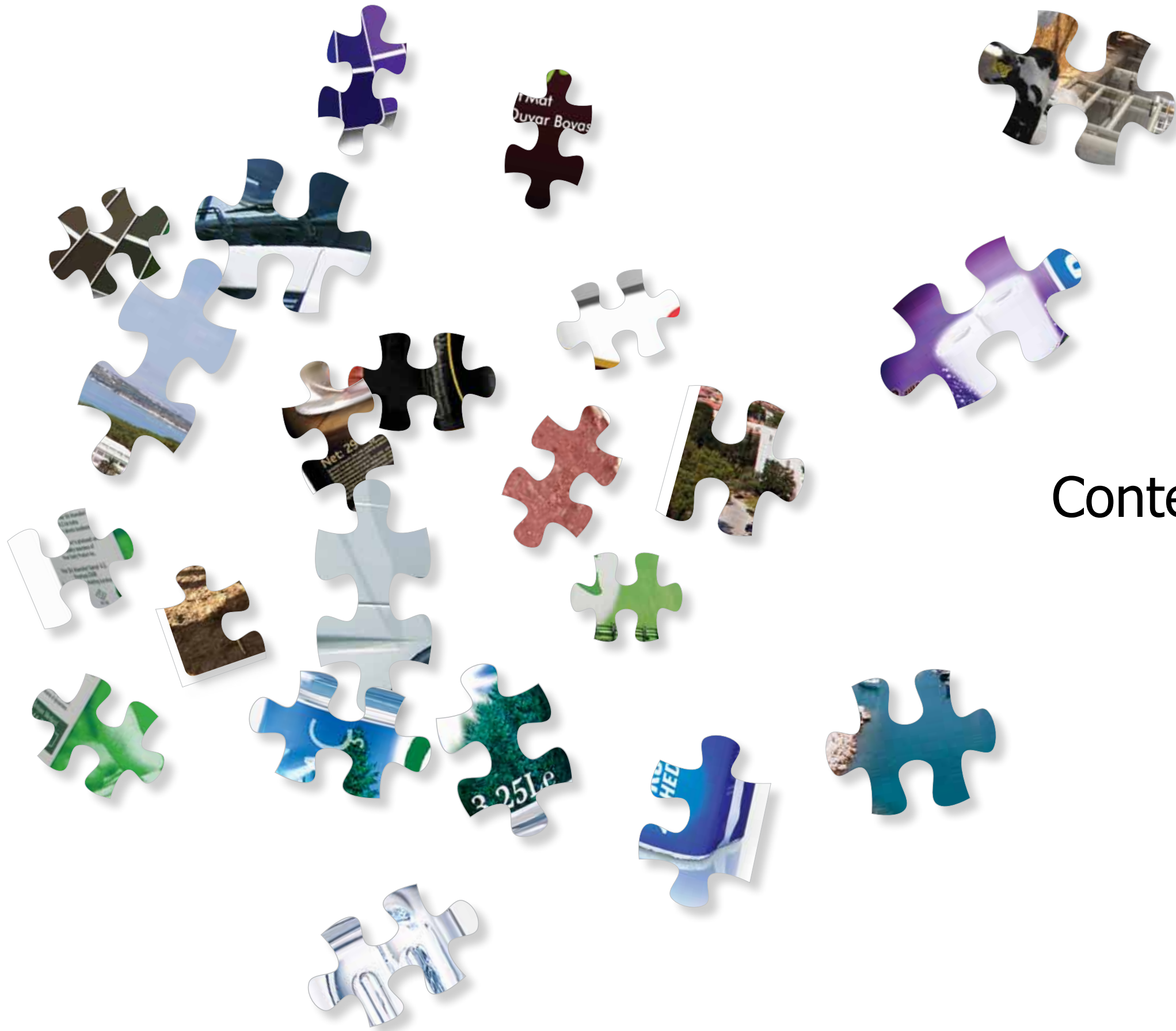




# Yaşar 2013 Sustainability Report



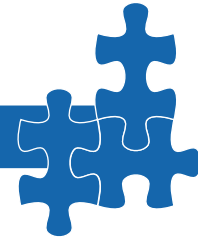


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## Our Approach in Reporting



### Sustainability

Sustainability is defined as “meeting the needs of the current generation without compromising the ability of future generations to meet their own needs.” While it is considered a part of “social responsibility” efforts and increased consumer awareness particularly over the past couple of years, sustainability requires creating value in addition to a much more visionary perspective to be shared by all.

With three aspects, namely economic, environmental, and social, this concept transforms life styles and business models through increased consumer awareness, demands from individual and corporate investors, assessment of sustainability risks in funding investments, and guidance provided by non-governmental organizations. Being a part of this transformation and devising a futuristic vision to be owned by every social segment seems possible on the axis of the notion of sustainability.

The new business model presented by sustainability, which enables us to take an integrated approach to economic solutions, environmental management, and social responsibility offers unique opportunities for a sustainable future and the business community, being aware of their responsibility as

corporate citizens, combines this new business model with corporate culture in order to fulfill its responsibility for future generations.

Yaşar Group, which has been contributing to social development in addition to economic development and creating common values shared by society since its formation, is keeping the sustainability approach, inherent in its tradition, at the focus of its operations. Following a much more systematic approach to sustainability under the United Nations Global Compact (UNGC) signed in November 2007, Yaşar Group published its Communication on Progress (COP) Reports for 2009 and 2010 shared them with its stakeholders.

The Yaşar Group is conducting its operations in order to “add value to life” as part of its goal under the motto “for a better life” and it shared the results of its operations through those reports based on the principle of transparency. Yaşar Group is constantly improving the reporting systematic for its operations in addition to its sustainability efforts.

We are delighted to present you our “Yaşar 2013” Sustainability Report following “Yaşar 2011” and “Yaşar 2012” Sustainability Reports.

As with our COP Reports

and “Yaşar 2011” and “Yaşar 2012” Sustainability Reports, we have taken account of the reporting guidelines of the Global Reporting Initiative (GRI) and the UNGC principles.

### What is GRI?

Reporting based on internationally recognized standards and the principles of reliability, coherence, and comparability provides a substantial convenience in terms of implementation and the assessment of results.

“Sustainability Reporting Guidelines” presented by GRI constitutes an important source for organizations in that context. GRI “Sustainability Reporting Guidelines”, which have been recognized and approved by various stakeholders, including governments, business community, and investors is the sole sustainability reporting framework which have been globally standardized.

Offering a framework which will be voluntarily developed by companies and used for reporting their environmental, economic, and social activities related to sustainability and the results of those activities, the Guidelines is one of the components of Yaşar Group’s approach to reporting.

GRI, which is a non-profit organization and has a large number of stakeholders, works in close cooperation with

international organizations and agencies and operates in all parts of the world.

Our Yaşar 2013 Sustainability Report has been drawn up with support from all related departments of companies within Yaşar Group and the process of collecting data and information has been handled by the Corporate Affairs Coordinatorship Department. Reporting efforts were led by the Chairperson of Board and involved the Sustainability Committee, members of the Sustainability Reporting Team, Carbon Leaders, and Carbon Footprint Teams.

### Determination of Report Content

Our report comprises the projects and operations conducted by 11 domestic companies, which are listed under the title “corporate profile”, in Turkey between

01.01.2013 and 31.12.2013.

In addition, the content of the report also comprises Yaşar University founded by Yaşar Education and Culture Foundation and Selçuk Yaşar Sports and Education Foundation and Pınar Institute. Data generally presented in the report, however, are not related to those entities. The report only highlights their operations for the purpose of sharing information.

The Turkish and English versions of our report are accessible electronically in the following websites:



[www.yasar.com.tr](http://www.yasar.com.tr)



[www.unglobalcompact.org/participants/detail/10228-Yasar-Holding-Co](http://www.unglobalcompact.org/participants/detail/10228-Yasar-Holding-Co)

### Corporate Profile

**Corporate Name:** Yaşar Holding A.Ş.

**Business Segments:** Food-beverages, coating, agricultural production, tissue paper, trade-services

**Number of Employees:** 7.400

**Date of Membership in GC:** November 12, 2007

**Address:** Şehit Fethi Bey Cad. No:120 35210 İzmir, Turkey

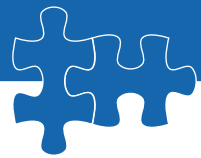
**Authorized Person and Position:** Dilek EMİL, Coordinator, Corporate Affairs

### Contact Details

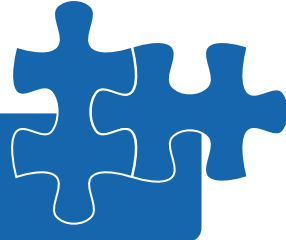
**Phone:** +90 312 294 92 00

**E-mail:** dilekemil@yasar.com.tr

The new business model presented by sustainability, which enables us to take an integrated approach to economic solutions, environmental management, and social responsibility offers unique opportunities for a sustainable future.



## We Create Value on the Axis of Sustainability



As we deal with the different aspects of sustainability, we realize that sustainability is directing us to an area far beyond the struggle against climate change and minimization and recycling of waste.

Our journey, which started with the signing of UNGC in 2007 and crowned by our first report published in 2009, continues. This journey enables the Yaşar Group to take a different approach to the world, nature, and humanity while changing our way of thinking and actions.

Our report for 2013 comprises actions and steps that we have taken in the interest of sustainability. We are focusing on sustainable agriculture, animal husbandry, contract farming, dialogue with stakeholders, and

responsible production as part of "Yaşar Group's Priority Areas for Sustainability" which we have identified and made public in the past.

We are aware that we should be more productive in order to subsist on the limited resources of our world and to leave future generations a habitable world. Increasing our efficiency is the only way to minimize/avoid increasing our environmental footprint while growing the value that we create.

We attach importance to the development of knowledge and skills of our employees so that they perform at a perfect level consistent with the "Yaşar Vision" and "Yaşar Values."

We are actively taking part in

all kinds of initiatives in order to enhance women's role in employment and endeavor to make them a part of our operations.

Our excellence and sustainability in terms of production is directly connected to our suppliers. We, therefore, expect our suppliers to meet sustainability standards and work and continue to work with our suppliers in order to strengthen our supply chain for that purpose. We want to continue this journey with our dealers, one of the outward oriented faces of the Yaşar Group, in a more efficient and stronger fashion.

Sincerely

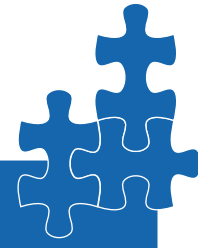
**İdil Yiğitbaşı**

Chairperson of Board of Directors



We are aware that we should be more productive in order to subsist on the limited resources of our world and to leave future generations a habitable world.

## Sustainability in Risk Management



The strength and reliability of our business model is one of the cornerstones of our success. For this reason, predicting the risks we will face in the future and being able to take measures or contributing to measures being taken against them is of critical importance for being able to maintain our business successfully.

Although climate change appears to be a major risk, the real point is to be aware of how closely interconnected the physical, social and intellectual worlds are. That's why demographic changes, the ageing of population in Europe and Japan, and the impacts of displacements that will occur due to climate change are very important for us. The possible impacts of climate change on

food security and food safety are another dimension of the risk.

To be able to cope with global risks and to turn risks into opportunities, we nurture and further strengthen our corporate culture.

Gender equality remains a current issue. Considering that the human element is essential for economic development, it is not possible to ensure sustainable development without women. That's why our Group has become a member of the "Platform for Equality at Work". To this end, we continue to work closely with the Ministry of Family and Social Policies.

We maintain our fine work through the high capacity of our employees. Our contributions to the low-carbon economy

are continued by our carbon footprint group leaders.

We know that our country does not have an infinite wealth in water resources. Our Sustainability Committee has made the current picture concrete by implementing a water survey at our companies. Areas for improvement have been determined and training needs identified. Just as in our carbon footprint work, we will through our own teams make our calculations at the international standard and reduce our water use.

I am greatly happy to share with you our activities serve sustainability that I highlighted some of them herewith through this report.

**Dr. Mehmet Aktaş**  
Chief Executive Officer

The most important step for sustainability is to be aware of how closely interconnected the physical, social and intellectual worlds are.





## Yaşar Holding at a Glance

Yaşar Holding's subsidiaries listed in Borsa İstanbul:

Pınar Dairy (PNSUT)

Pınar Meat (PETUN)

Pınar Water (PINSU)

Dyo Coating (DYOBY)

Viking Tissue (VKING)

Altın Yunus (AYCES)

With a total of 20 companies, including six publicly-traded companies, 19 factories and production facilities, two foundations, and 7,400 employees and operating in the fields of food and beverages, foreign trade, agricultural production, tissue papers, tourism, and energy industries, the Yaşar Holding's foundations were laid in 1945.

Making significant contributions to the national economy and social welfare since 1945, the Yaşar Group offers products increasing the quality of consumer's lives while taking steps intended to ensure a sustainable social development through values it creates.

The subsidiaries of the Yaşar Group, one of the leading conglomerates in Turkey, are

among the leading companies in their respective business segments.

The Yaşar Group is operating with a wide range of products from milk and dairy products to meat and water in the "Food and Beverages" segment under its flagship trademark "Pınar," which ranks high on consumer preferences and has a high market share. Leading the industry in the fields of milk, spreadable cheese, delicatessen, and frozen meat products, Pınar also supports regional development through its investments. Pınar Süt's plant in Şanlıurfa, which is scheduled to be put into operation in 2014, will contribute to the economic and social development of the region.

Pınar also maintains its leading

position and competitiveness among Turkey's global brands through its overseas companies. Operating in Germany through Pınar Foods GmbH, Pınar's mission is to become a reliable regional brand of high quality in the Middle East, particularly the Gulf countries, through Dubai-based HDF FZCO.

Supported under the Turquality® Program, Pınar was the first Turkish milk brand sold in the EU.

The Yaşar Group's past in the coatings industry dates back to 1927 and there are five companies, all members of the Yaşar Coatings Group, operating in the fields of construction, industry, furniture, auto coatings, and printing ink in Turkey and abroad. Consumers are offered 1,100 different products, 3,200

different packaging, and 6,000 different colors under "Dyo" and "Dewilux" brands supported by the Turquality Program. Dyo Coating has a plant producing auto repair coatings in Egypt (in partnership with Sipes), a plant producing construction coatings in Romania, and Kemipex Sale, Marketing, and Production Plant in Russia.

The Yaşar Group's gross turnover in 2013 was TL 3.6 billion.

Conducting each of its operations based on corporate citizenship and responsibility, the Yaşar Group signed the UNGC in 2007 and thus demonstrated its commitment to sustainability, which is a part of its corporate tradition. In that context, the Yaşar Group published the COP Reports for 2009 and 2010, it took its reporting approach

and systematic one step ahead and drew up "Yaşar 2011," "Yaşar 2012", and "Yaşar 2013" Sustainability Reports in accordance with the UNGC and GRI and demonstrated value ascribed to corporate responsibility and sustainability within its organization.

The Yaşar Group, which is one of the signatories to the CEO Statement of Support for "Women's Empowerment Principles" launched by the UN and continues to provide support in that field, has also decided to take part in the "Platform for Equality at Work", which has been proposed by the World Economic Forum and is being led by the Ministry of Family and Social Policies.



### Food & Beverage Group

the most beloved flavors  
the most wholesome products  
the most advanced technology

Pınar Dairy  
Pınar Meat  
Pınar Water  
Çamlı Feed and Fattening  
YBP  
Pınar Foods GmbH (Germany)  
HDF FZCO (Dubai)



### Coatings Group

technological leadership  
strong brands and  
distribution network

Dyo Coating  
Dyo Printing Inks  
Kemipex Joint-stock Co.  
(Russia)  
S.C. Dyo Balkan SRL (Romania)  
Mediterranean Trade for Paints  
Co. (MTP Co.) (Egypt)



### Tissue Paper Group

environment-friendly  
production,  
innovative products

Viking Tissue



### Trade & Service Group

superior service approach

Altın Yunus  
Bintur  
Yaşar Foreign Trade  
YADEx International GmbH  
(Germany)  
Desa Energy  
Astron

### Foundations

highly responsible  
corporate citizen

Yaşar Education and Culture  
Foundation  
Selçuk Yaşar Sports and  
Education Foundation

## Mission and Corporate Values



### Our Mission

Offering products and services of high quality under our trustworthy brands, which add value to the lives of our consumers.



### Our Consumers and Customers Come First

Our all units rapidly and precisely identify the needs of our consumers and domestic and foreign customers and take a swift, proactive, and innovative approach to meeting their varying expectations of a better life.



### Our Operational Excellence

The efficient use of technology in all fields, simple business processes, a systematic intended to carry out well-defined works, and our rapid decision-making systems based on data are at the root of our operational excellence. Agility is one of our main competences.



### Human Resources

In light of our leading motto "Science, Unity, Success," we believe that our well-trained, experienced, and highly dedicated and committed employees who are open to all scientific advances, attach importance to exchange of information and team spirit, and have adapted themselves to success-oriented work, is one of our primary assets.



### Our Ethical Stand

We respect social, political, and cultural values and comply with laws and business ethics and act transparently in every country where we operate. We attach great importance to integrity, open communication, and fair management.

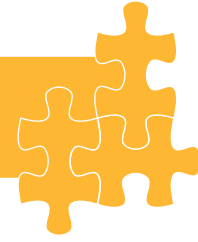


### Our Environmental and Social Responsibility

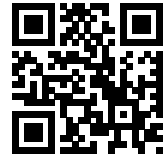
We manufacture our products based on an approach showing respect for the environment and the nature and contribute to creation of a better future. We are maintaining our tradition to support contemporary education, sports, culture, and fine arts with a view to increasing the quality of social life, being aware of our social responsibility.



## Corporate Profile Food and Beverage Group



### Pınar Süt Mamulleri Sanayii A.Ş. (Pınar Dairy)



A member of the Yaşar Group listed in Borsa Istanbul, Pınar Dairy was formed in Izmir in 1973 and launched its operations as the modern milk and dairy products plant in Turkey. Pınar Dairy carries out its production in İzmir and Eskişehir plants which have 110,075 and 150,000 m<sup>2</sup> respectively.

Pınar Dairy contributes to the economic development of geographical areas where it is conducting its operations. Aiming to increase value added created by its plants in Izmir and Eskişehir, the company started preparations in order to build a Pınar Dairy plant on a total



area of 100,000 square meters in Şanlıurfa under a decision made in 2012. The company's milk processing capacity will increase 180 million liters per year when Pınar Dairy's Şanlıurfa plant is put into operation in 2014. The investment will make a significant contribution to regional development by creating new jobs and export potential.

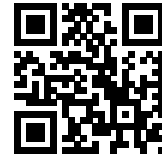
Offering a contribution to bringing up healthy generations and increasing society's life quality, Pınar Dairy continues to add value to consumers' lives by means of more than 300 healthy, delicious, and reliable products of high quality.

Meeting consumer expectations by taking advantage of its innovative and dynamic organization, Pınar Dairy keeps abreast of both industry-related and global developments and created trust lasting for generations as a result of its fast and effective steps.

Supporting the economic and social development of society by means of its products, investments, and corporate principles and values, the company continues to fulfill its commitments related to sustainability.

[www.pinar.com.tr](http://www.pinar.com.tr)

### Pınar Entegre Et ve Un Sanayii A.Ş. (Pınar Meat)



Pınar Meat preserves long-standing customer confidence thanks to its healthy and trustworthy products of high quality and it is the first privately-owned integrated meat plant in Turkey, which adheres to global and EU standards.

Pınar Meat has been leading the industry thanks to its products of high quality and its innovative production concept since its formation. It has also created brand trust and increased its visibility abroad. In that context, Pınar Meat has been carrying out product diversification, R&D, and marketing efforts regarding targeted markets.

Focused on consumer expectations and needs, Pınar

Meat regards food safety and traceability as indispensable principles while renewing its product portfolio and it is guided by these principles in all value chains and business processes.

Pınar Meat is subjected to internal inspections conducted annually by Turkish Standards Institute (TSE) for the certification of the validity of its certificates in addition to an external audit carried out by SAI Global, an independent food inspection firm. Points allocated as a result of those inspections vindicate consumer trust in Pınar Meat.

[www.pinar.com.tr](http://www.pinar.com.tr)





## Corporate Profile Food and Beverage Group



### Pınar Su Sanayi ve Ticaret A.Ş. (Pınar Water)



Pınar Water which is the first Turkish water brand offered in a TSE-certificated packing and has received a compliance certificate from the US National Sanitation Foundation (NSF), laid the foundation stone of a plant producing spring water in disposable bottles, the first of its kind in Turkey, in 1984.

Offering water obtained from Madran (Aydın-Bozdoğan), Gökçeada (Sakarya-Hendek) and Akçaağaç (Isparta) springs to consumers in Turkey and more than 20 countries, Pınar Water produces bottled water in its plants, which adhere to hygiene standards significantly above the industry standards without changing the natural composition or mineral content of spring water.

Bottles are filled automatically in a filling chamber, which is constantly ventilated and prevents the infiltration of

external air, in Pınar Water plants which use Class 100 Isolator and Clean Room technology.

Closely watching technological advances and innovations intended to increase production quality, Pınar Water subjects water to physical, chemical, and microbiological tests at each phase of production.

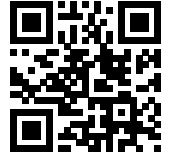
Focused on increasing the market share of its products, enhancing customer satisfaction, and ensuring sustainable growth, the company is constantly growing and maintains its leadership owed to its competitiveness resulting from its high quality standards, logistical capabilities, and its ability to transform global and country trends into products.

Serving its customers through its sale and distribution network consisting of 499 PC and 168 PET dealers throughout Turkey, Pınar Water also offers different channels through which its customers can place orders through an order line (444 99 00), [www.pinarsu.com.tr](http://www.pinarsu.com.tr) online order system, and smart phone applications (IOS, Android). Those innovative applications facilitating its customers' lives have enabled Pınar Water to surpass its competitors.

[www.pinarsu.com.tr](http://www.pinarsu.com.tr)



### Yaşar Birleşik Pazarlama Dağıtım Turizm ve Ticaret A.Ş. (YBP)



YBP handles the domestic sale and distribution of products produced by Pınar, the leading brand of the food industry, through its customer-oriented specialized and experienced employees. Offering its services in four main offices, nine regional offices, 1,250 employees, and a large fleet consisting of more than 1,000 vehicles, YBP delivers more than 500 products included in Pınar-branded product categories and

subcategories to 150,000 sales points.

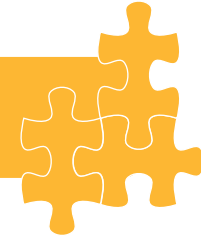
YBP is pursuing an extensive distribution strategy, which comprises more than 100 dealers and is based on efficiency, offers customer oriented and rapid solutions.

[www.ybp.com.tr](http://www.ybp.com.tr)





## Corporate Profile Food and Beverage Group



Çamlı Yem Besicilik San. ve Tic. A.Ş. (Çamlı Feed and Fattening)



Contributing to the development of a modern, strong, and a highly competitive animal husbandry industry thanks to its experience gained in the past 30 years, Çamlı Feed and Fattening has extended its operations launched only in order to produce cattle feed and turned into an "Agriculture, Livestock and Fisheries Group" active through the entire food chain from farms to kitchens.

Leading the agriculture and livestock industry, Çamlı Feed and Fattening is operating in a large field ranging from feed production, dairy farming, fish

and turkey production, and plant nutrition.

Following a production policy sensitive to ethical values, livestock welfare, and the environment, Çamlı Feed and Fattening continues to invest in knowledge, training, and research as part of its social responsibility and commitment to the growth of this industry by setting up strong cooperation with all of its stakeholders.

Beydere Milk Processing Plant, which became fully operational in 2012, has started producing organic coarse fodder and organic milk in 2013.

[www.camli.com.tr](http://www.camli.com.tr)



## Corporate Profile Coatings Group



Dyo Boya Fabrikaları Sanayi ve Ticaret A.Ş. (Dyo Coating)



Dyo Coating has been contributing to the Turkish coatings industry through its wide range of products for 59 years, Dyo Coating is active in the fields of building and heat insulation systems, manufacturing industry, furniture, automotive, and marine coatings.

Dyo Coating is the only company manufacturing products in five sub-sectors of the coating industry at its plant in Çiğli, Izmir Çiğli, which has a total area of 67,000 square meters, and its plant located in Kocaeli Gebze Dilovası, which has a total area of 65,000 square meters.

Building coatings and emulsifiers are produced at its Dilova plant, which has highly automated systems and upgraded based on technological advances while Çiğli plant produces furniture coatings and varnishes, industrial coatings, auto coatings, marine coatings, and polyester for special purposes.

Dyo Coating has also made major investments abroad and became an international company exporting its goods to many countries in the world. Dyo Coating has a plant producing auto repair coatings and furniture coatings in Egypt (jointly owned with Sipes) in

addition to a plant producing building coatings in Romania and Kemipex sale, marketing, and production firm in Russia.

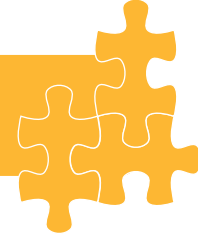
Dyo Boya, the first Turkish coating company which has been granted the first R&D central certificate, also permits customers to select among thousands of colors by using coloring system entitled "Color Spring" which allows the production of any color selected by a customer at sales point.

[www.dyo.com.tr](http://www.dyo.com.tr)





## Corporate Profile Coatings Group



### Dyo Matbaa Mürekkepleri San. ve Tic. A.Ş. (Dyo Printing Inks)



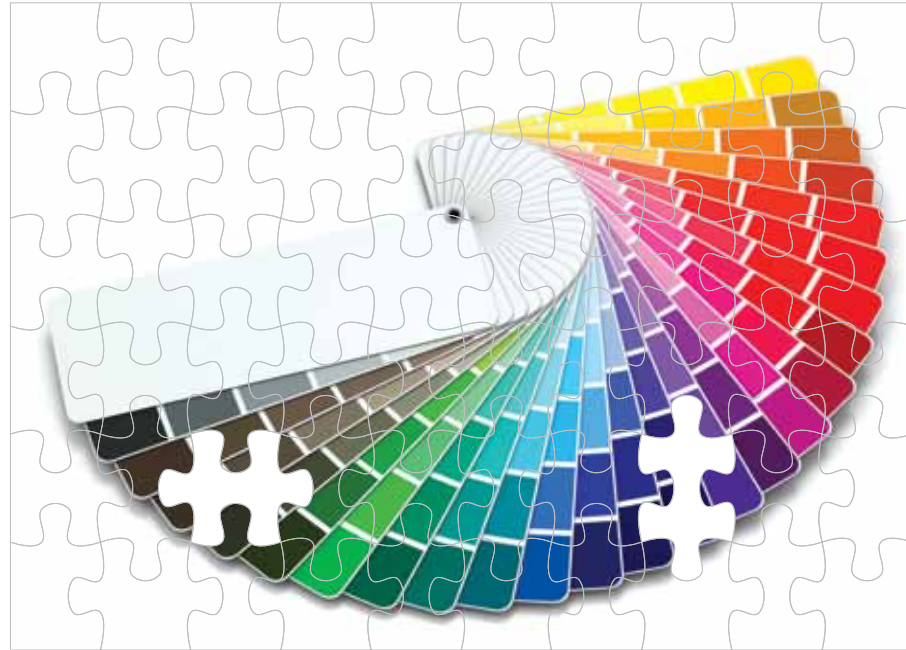
Offering its services as the first producer of printing inks in Turkey since 1968, Dyo Printing Inks targets customers in printing-publishing and packaging industries. With a wide range of products comprising all kinds of products and ancillary materials used in the packaging and printing industries, Dyo Printing Inks offers products in five sub-industries, including newspaper - magazine inks, layer offset inks, flexographic and rotogravure printing inks, serigraphy inks, and metal packaging systems.

With 42 dealers throughout Turkey, sale offices in four cities, and a 40% market share, the company employs modern production techniques and follows an environment-friendly production policy.

Dyo Printing Inks produces its products at its plant which is located at the Manisa Technology Park (MOSB) and has a total indoor space of 12 thousand square meters, including nine thousand square meters allocated to production and 600 square meters allocated to R&D and quality control laboratories. With a capacity to produce 25,000 tons of ink annually, the plant is the largest of its kind in Turkey and its region and one of the five largest production plants in Europe.

The company offers training so that companies in the printing industry can meet global standards related to production and quality and increase their efficiency and customer satisfaction. It also helps its customers develop all quality processes through training programs it designs according to their needs.

[www.dyoinks.com.tr](http://www.dyoinks.com.tr)



## Corporate Profile Tissue Papers Group



### Viking Kağıt ve Selüloz A.Ş. (Viking Tissue)



Built in Aliağa, Izmir in 1969 as Turkey's first privately-owned paper mill, Viking Tissue joined the Yaşar Group in 1982.

Viking Tissue has been operating in the domestic and international markets in the fields of finished and semi-finished cleaning paper tissues for domestic and industrial use since 1996. Its primary strategies are aimed to grow and preserve its position

within the industry while presenting hygienic and practical products facilitating daily life.

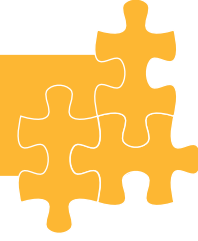
The company also intends to increase its exports by focusing on the sale of final products in international markets.

[www.viking.com.tr](http://www.viking.com.tr)

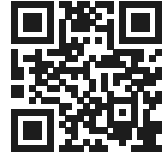




## Corporate Profile Trade and Service Group



### Altın Yunus Çeşme Turistik Tesisler A.Ş. (Altın Yunus)



Operating in Çeşme, Izmir since 1974, Altın Yunus has an important place in Turkish tourism industry with its marina services and Blue Flag beaches. Altın Yunus is one of the largest facilities in Turkey with a total of 423 rooms in the main building and marina with a total floor area of 140 thousand square meters and 42 apart hotel rooms located separately. It serves winter tourism with its thermal

spring water, which has healing properties, and to health tourism through Thalasso therapy pool in its SPA unit.

Hosting conventions, seminars, wedding parties, banquets, and business events throughout the year, the facility has contributed to the development of Turkish tourism industry through many international events it hosted.

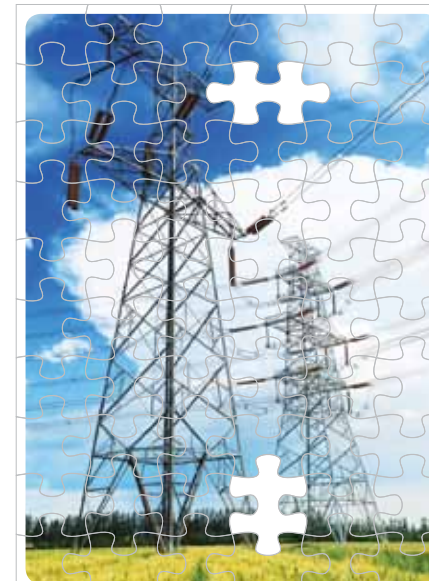
[www.altinyunus.com.tr](http://www.altinyunus.com.tr)



### Desa Enerji Elektrik Üretim A.Ş. (Desa Energy)

Desa Energy was formed in 1996 as a co-generator company owned by the Yaşar Group. Providing services for the Group as a power generation company since 2011, Desa Energy generates electricity and heat energy at its Pınarbaşı Power Plant which is fired by natural gas and has an installed capacity of 9.8 mW. Searching for investment opportunities based on renewable resources as part of its growth strategy, the company also offers a cost advantage to its partners which it supplies with electricity and heat energy.

[www.desaenerji.com.tr](http://www.desaenerji.com.tr)



### Yaşar Bilgi İşlem ve Ticaret A.Ş. (Astron)

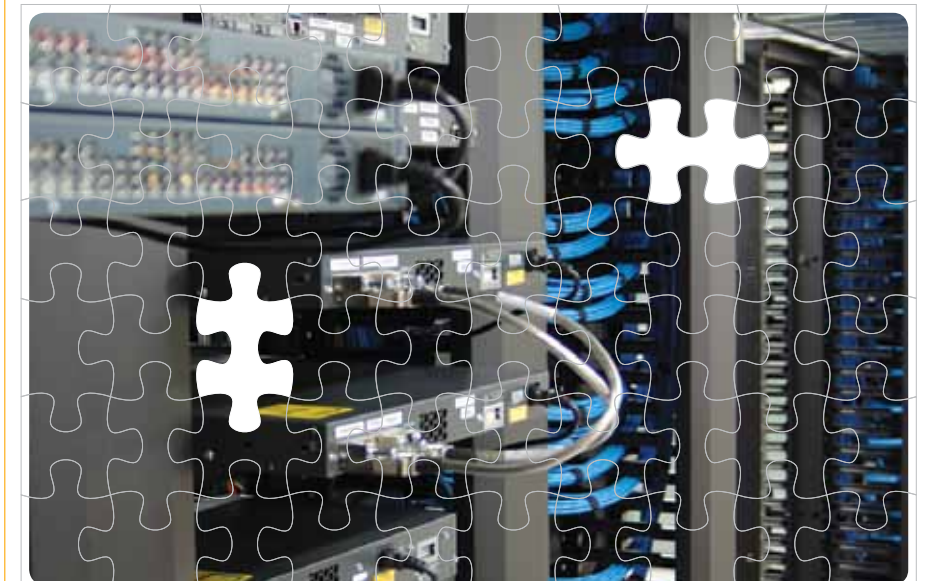


Formed in 1983 with a view to performing and managing the information system functions of the Yaşar Group, Yaşar Holding Bilgi Sistemleri (Yabim)-Astron was engaged in the field of hardware and software until 1996 when it was merged with Astron.

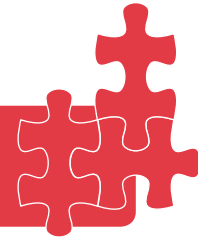
Astron organization carried out the first large-scale SAP project in Turkey, which was the first of its kind in Turkey. Astron uses technologies, processes, and methods in the field of information systems in order to strengthen the Yaşar Group's technological capabilities while helping the Group companies gain a competitive advantage and attain their targets.

Astron was integrated with the Group's information systems in 2001 and it meets all IT requirements while conducting its operations in accordance with laws, the expectations of internal and external stakeholders, and the regulations, decisions, and policies of all companies within the Yaşar Group. It also offers solutions designed to consolidate the business processes of the Group companies and to increase their efficiency.

[www.astron.ws](http://www.astron.ws)







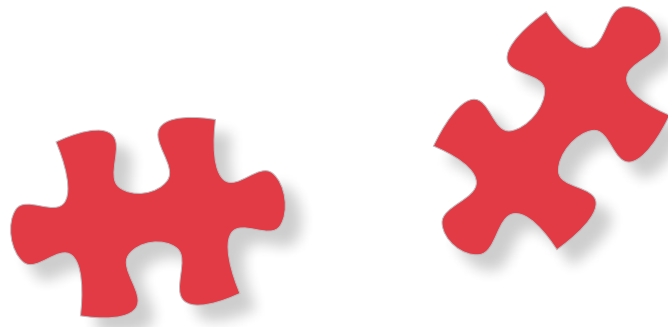
## Top Management

### Yaşar Holding Board of Directors

Name & Surname	Title
İDİL YİĞİTBAŞI	Chairperson of the Board of Directors
FEYHAN YAŞAR	Vice Chairperson of the Board of Directors
MEHMET KAHYA	Member of the Board of Directors
TURHAN TALU	Member of the Board of Directors
YILMAZ GÖKOĞLU	Member of the Board of Directors
MEHMET AKTAŞ	Member of the Board of Directors

### Yaşar Holding

Name & Surname	Title
MEHMET AKTAŞ	Chief Executive Officer
HİKMET ALTAN	President of Finance
LEVENT DAĞHAN	President of Financial Affairs and Budget Control
HASAN GİRENES	President of Agriculture, Livestock and Fisheries Group
AHMET YİĞİTBAŞI	President of Coatings Group
CÜNEYT BAŞBAKKAL	Vice President of Foreign Trade
SİNAN GERÇEK	Vice President of Information Systems
SENEM DEMİRKAN	Capital Markets Coordinator
KAMİL DEVECİ	Audit and Risk Management Coordinator
DİLEK EMİL	Corporate Affairs Coordinator
TURGUT SARIOĞLU	Supply Chain and Logistics Coordinator
SEÇKİN ŞENOL	Budget Control and Analysis Coordinator

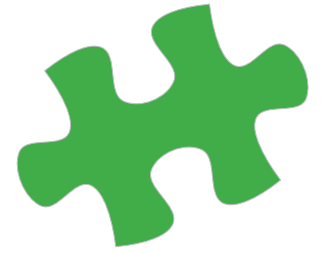


### Companies

Name & Surname	Title
SERDAR ORAN	Vice President of Coatings Group and General Manager of Dyo Coating
AHMET ABDULLAH AKÇASIZ	General Manager of Viking Tissue Paper <sup>(1)</sup>
ÖZDEMİR BAHAR	General Manager of Desa Energy
YAKUP BENLİ	General Manager of Dyo Printing Inks
HASAN GİRENES	General Manager of Çamlı Feed and Fattening
GÜRKAN HEKİMOĞLU	General Manager of Pınar Dairy
HÜSEYİN KARAMEHMETOĞLU	General Manager of Pınar Water
SUAT ÖZYİĞİT	General Manager of YBP
ERHAN SAVCIGİL	Pınar Dairy R&D and Investment Coordinator
TUNÇ TUNCER	General Manager of Pınar Meat

(1) Since 22/01/2014

All directors are members of the Audit Subcommittee, Subcommittee for the Early Detection of Risks, and Subcommittee for Human Resources and Management.



## Corporate Management

Yaşar Holding regards corporate management as a factor crucial to the sustainability of companies and applies these universal principles to its operations as a whole. Its efficient and proactive practices in that regard constitute the basis of value that it creates for its stakeholders and society in the broader sense.

Its corporate management structure, which is based on accountable, responsible, open, transparent, and fair behavior adopted by the Group, is being constantly reviewed in accordance with the Corporate Management Guidelines which was issued by the Capital Market Board (SPK) in 2003 and revised in 2005 and many provisions of which became mandatory for publicly-traded companies as a result of an amendment done in 2011 as well as the Corporate Management Communique revised by the SPK early in 2014. As a result of improvements made in that area, the corporate management ratings of Pinar Dairy and Pinar Meat, both included in the Istanbul Corporate Management Index, were up from 8.87 to 8.99 and from 8.77 to 9.01, respectively, by also taking account of updates done in 2014 pursuant to applicable regulations. Corporate management rating of

Pinar Water, which was included in the Corporate Management Index of the Borsa Istanbul in 2013, is 9.17.

The roles of the Chief Executive Officer and the Board of Directors of Yaşar Holding were separated from each other in 2000 in accordance with the OECD Principles of Corporate Governance. All processes and roles related to management and the organizational structure are clearly described in "Yaşar Group Corporate Management Manual." Yaşar Holding's Chief Executive Officer performs executive functions and he reports to the Board of Directors regarding all operations of the Yaşar Group. All employees are expected to fully comply with the Yaşar Group Business Ethics Guide issued in 2009.

Yaşar Holding's Board of Directors is composed of a total of six directors, including two independent directors. There is an Audit Subcommittee, Subcommittee for the Early Detection of Risks, and Subcommittee for Human Resources and Management which report to the Board of Directors. There are at least two independent directors in the Board of Directors of Yaşar Holding's publicly-traded companies in accordance with

the SPK's Corporate Management Guidelines.

There are investor relations units in all publicly-traded companies of the Yaşar Group. An information policy based on transparency and accuracy has been formulated and made public so that shareholders, public at large, and other stakeholders are fully and accurately informed in a timely manner and under understandable and equal conditions in accordance with applicable regulations. Compensation and dividend policies of those companies are posted on their own websites.

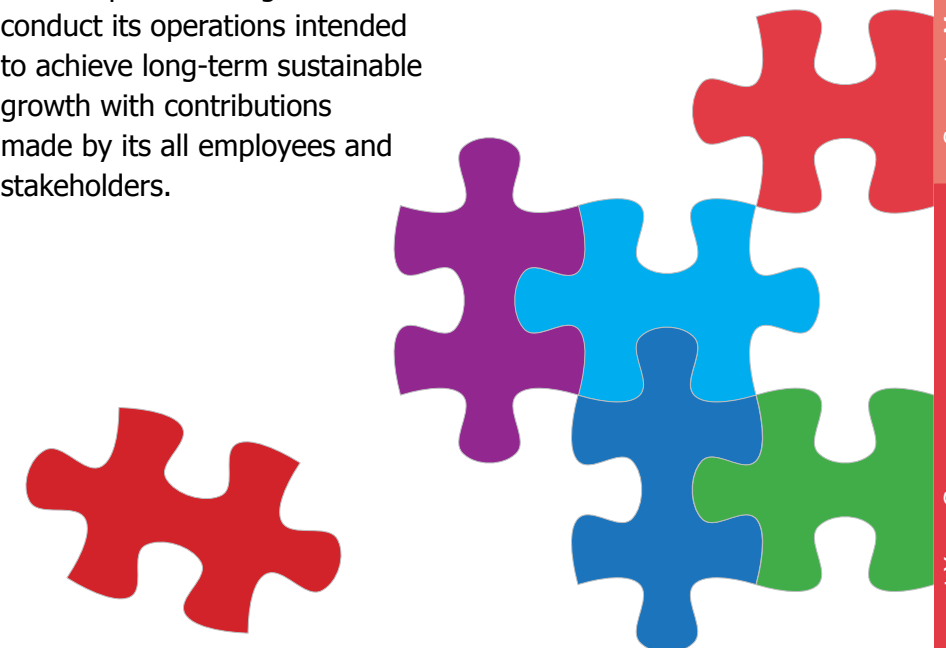
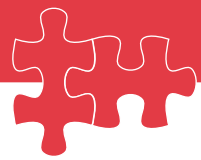
Yaşar Holding's website features detailed information about the Group companies and their respective business segments and brands and it provides access to "Investment Relations" module containing detailed information about the Group's publicly-traded companies.

Progress made by the Yaşar Group's publicly-traded companies in terms of corporate management is made public through reports on compliance with Corporate Management Guidelines, which are drawn up for being included in annual operating reports in accordance with capital market regulations.

An Audit Subcommittee, Subcommittee for the Early Detection of Risks, and Subcommittee for Corporate Management have been set up in the publicly traded companies of the Yaşar Group in line with the SPK's Corporate Management Guidelines and capital market regulations. In addition, a Nomination Committee and a Compensation Committee have been set up as part of the Corporate Management Committee.

Yaşar Holding continues to meet the expectations of its all stakeholders by means of its deep-rooted values and strong corporate foundation and to create values for its subsidiaries and the public at large and to conduct its operations intended to achieve long-term sustainable growth with contributions made by its all employees and stakeholders.

Yaşar Holding continues to meet the expectations of its all stakeholders by means of its deep-rooted values and strong corporate foundation.





## Corporate Reputation Management

New dynamics brought about by the globalization have encouraged businesses to create new values related to the environment, society, and individuals for its all stakeholders, going beyond the quality of products and services. At the top of those new values is corporate reputation comprising the evaluations of all stakeholders about an organization.

Reputation is evaluated based on characteristics related to recognition, management, and quality of products and services in addition to employee characteristics, financial strength, social responsibility, and emotional attachment.

Yaşar Holding launched the "Corporate Reputation Project" in 2010 with a view to manage its corporate reputation which it regards as one of the key components of its corporate strategy and set up a Corporate Reputation Committee and a Corporate Communication, Sustainability, Social Responsibility, Corporate

Governance and Ethics, and Corporate Values subcommittees reporting to the Corporate Reputation Committee.

Those committees, which raise awareness on reputation management within the Group, have carried out benchmark studies about how reputation management is handled in different companies and ensured that projects best suited to the Yaşar Group were developed by analyzing different structures.

Yaşar Group manages its corporate reputation in collaboration with its all units and employees. Being aware of the fact that its employees' opinions are very valuable, the Group ensures that its employees participate in all phases of corporate management through internal communication.

Employee ownership and commitment to endeavors related to corporate reputation contributes to its efforts in that field. Thus, meetings organized by the Corporate Governance and Corporate Values

committees within the Yaşar Group companies and attended by a large number of people aim to ensure the effective participation of its employees.

The results of sector analyses, forming a part of RepMan (Reputation Management) Turkey Reputation Index, done with the support of GfK Turkey are shared with the public. "Survey on Reputation Management Performance of Industries and Companies in Turkey", sponsored by GfK Turkey research company and conducted by RepMan Reputation Research Center, involved one-on-one interviews with 12,299 respondents in 15 cities in seven geographical regions in 2013. Fourteen industries and 161 companies engaged in those industries were evaluated under the survey. A total of 155 companies were included in the survey conducted in 2012 and six companies were added to the list in 2013. The most interesting aspect in terms of company performance was that there was an increase in reputation performance under

all titles related to reputation. Pınar managed to secure a place among the most reputable 10 brands in Turkey in the past three years and reinforced its commitment to maintaining its corporate reputation efforts.

İtibar Araştırmaları Merkezi

# RepMan

Reputation Research Center



Yaşar Group manages its corporate reputation in collaboration with its all units and employees.

## Risk Management, Our Risk Management Concept and Anti-Corruption Practices



### Risk Management

New customer and consumer demands, uncertainties, interacting markets, and increased competition make it necessary for all organizations to handle risk management in the most effective manner. Organizations need to identify risks and demonstrate how they intend to manage them as one of the main prerequisites for ensuring sustainable development. Limiting risk management only to financial risks would, however, not be sufficient in today's world. Operational and strategic risks should be considered a part of risk management for organizations operating in multiple industries under different business models.

### Our Risk Management Concept

Corporate risk management is regarded as a systematic process which identifies, analyzes, controls, and monitors risks in companies which are members of the Yaşar Group. This management concept ensures that unforeseen risks and negative effects on the companies' assets can be controlled. The objectives of the risk management processes within the Group companies include the following:

- To identify existing risks by analyzing all operations, business units, and profit centers of the companies;
- To set up a risk management structure for ensuring a systematic and continuous process;

- To clearly define and maintain roles and responsibilities;
- To assess current controls in order to avoid risks with known causes and results;
- To design new and effective controls and putting a long-term effective risk management and monitoring process into practice.

This approach provides a competitive advantage to companies while assuring shareholders that company assets are well preserved and improved.

Internal audits are regularly conducted within the Group companies in order to help the Group companies achieve their targets by providing a systemic and disciplined approach intended to evaluate and

increase the efficiency of the risk management and control processes. These audits enable us to determine if the processes function in a fashion conducive to the attainment of the Group's goals and objectives. In addition, results related to performance effectiveness and efficiency provide information about potential improvements in those areas.

### Anti-Corruption Practices

All companies within the Yaşar Group fight against all forms of corruption, including bribery and extortion and fulfill their all obligations to prevent corruption. In that context, the Group supports the "United Nations Convention Against Corruption" and the government's "Strategy To Increase Transparency and To

Strengthen Fight on Corruption". The employees of the Yaşar Group are required to work in compliance with the "Yaşar Group's Business Ethics Guide."

Corporate risk management is regarded as a systematic process which identifies, analyzes, controls, and monitors risks in companies which are members of the Yaşar Group.





## Business Ethics

Business ethics draws a boundary for operating in accordance with principles and the values of society. In societies evolving within multiple social and cultural dynamics ethical guidelines ensure that universal values such as equality, transparency, and impartiality are upheld by the business community.

Respecting social values in the geographical area in which it operates, the Yaşar Group acts in accordance with business ethics and ensures transparency within the framework of those principles. "Business Ethics Guide", which was drawn up in 2009 and printed as a manual and distributed to all employees of the Group in 2010, is a manifestation of the Yaşar Group's approach to business ethics. This manual is used for orientation training for newly recruited employees and training

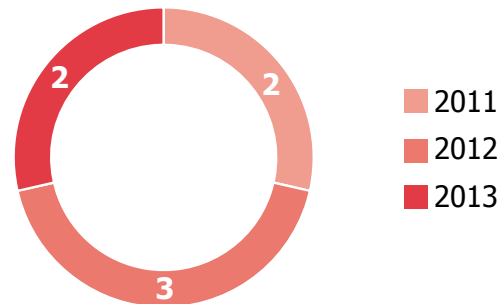
on business ethics is provided through Yaşar Academy, the Yaşar Group's online learning platform.

The employees of the Group companies are encouraged to inform the Ethics Committee, made up of a total of five members, including a chairperson who is a director of the Yaşar Holding, three members from the Yaşar Holding's top management, and a secretary-general, about any non-compliance with or breach of business ethics by email, letter, or telephone. Any issue reported to the Ethics Committee is resolved within one week in accordance with guidelines laid down in the guide.

Two issues were reported to the Ethics Committee in 2013 and they were resolved after completing related investigations.

The employees of the Group companies are encouraged to inform the Ethics Committee about any non-compliance with or breach of business ethics by email, letter, or telephone.

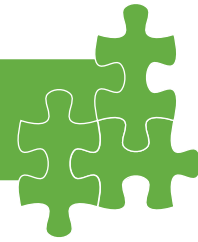
Number of Topics Reported to Ethics Committee



## Yaşar Group's Business Ethics

- To work in a safe work environment ensuring respect for the rights of others without permitting any discrimination;
- To make an efficient use of the company's resources;
- To avoid any conflict of interest;
- To comply with competition rules set forth in laws and to compete against rival companies without distorting market conditions;
- To ascribe importance to customer satisfaction and to be always considerate and honest toward customers and consumers;
- To pay maximum attention to ensure that the company's data, assets, and records are kept accurately and to treat them as confidential and not to use them for obtaining a personal benefit;
- To ensure that all Yaşar employees protect social benefits and respect the environment during their all activities;
- To adopt a life style that would not create a negative impression about the company and not conflict with social rules both within and outside of the workplace.

## Sustainability Approach of Yaşar Holding



### Five priority areas listed under the title "Sustainability":

- Energy and Climate Change
- Water Usage and Wastewater
- Used Materials and Waste
- Health and Safety
- Social Contribution

The world has been undergoing a rapid transformation in the past 30 years, which was unprecedented in its history, and this transformation does not only bring about development and progress. While the level of welfare and population increase, limited resources that the world offers to us are diminishing. Changes in the environment and the climate directly affect all spheres of life. Conventional economy theories are not sufficient to understand and evaluate the new emerging conditions. This new process that we are faced with necessitates an overarching approach extending from production to daily habits. The concept of sustainability offers this approach that would enable us to understand the new conditions and overcome challenges facing us.

A new forward-looking future that will be built on the conditions that we are observing calls for proper business processes that are being reshaped by sustainability and a sense of responsibility infusing the entire value chain. In that context, sustainability presents the model that is needed by the business community with all economic, environmental, and social aspects. While

fulfilling their responsibilities arising from their operations, companies contribute not only to the community in which they are operating but also to the sustainability of the entire planet.

Being aware of its responsibility for designing a sustainable world and creating a better world, the Yaşar Group devises strategies focusing on sustainability. Aiming to add new values to those existing today and to transfer them to future generations, the Yaşar Group has harmonized sustainability principles with business processes and united its all stakeholders around this common value.

Taking its approach to sustainability which is inherent in its tradition to one step further with every passing day, the Yaşar Group integrates its environmental concerns, social responsibilities, and business processes and considers sustainability as its priority in all those processes.

The Yaşar Group is making efforts focusing on energy efficiency, greenhouse emissions, energy management systems, water consumption, and corporate responsibility in line with its motto "for a better life" as well as universal principles.

The Yaşar Group joined the UNGC Network in 2007 in order to integrate importance that it attaches to sustainability with international standards and opened a new channel to share information about its operations by means of COP Reports for 2009 and 2010.

In 2011, the Yaşar Group adopted a systematic approach to reporting efforts made in the field of sustainability and started to publish its "Sustainability Report" containing more detailed information about values it creates and operations affecting people's lives.

The Yaşar Group considers human beings as the most valuable assets and opens channels for social development by establishing contacts with communities in places where it is operating. With parallel corporate assets and sustainability goals, the Yaşar Group ensures that its companies exchange information about their operations through a communication network making a more effective involvement possible for its all employees who are committed to and internalize those assets and goals. The Group believes in the transforming power of cooperation with stakeholders

and allows them to join this journey as a result of steps it takes in order to achieve vision for the future.

The Yaşar Group has identified five priority areas under the title "sustainability" and directed its efforts to those priority areas:

- Energy and Climate Change
- Water Usage and Wastewater
- Used Materials and Waste
- Health and Safety
- Social Contribution

These five priority areas constitute the basis of the Yaşar Group's sustainability strategy and special importance is ascribed to the reduction of carbon footprint in each plant. Places where energy consumption is at the highest level and cause carbon emission have been identified and a carbon reduction strategy has been devised. Carbon team members and carbon leaders have been designated in the Group companies.

Guided by the motto "you cannot manage what you cannot measure," the Yaşar Group has made a ground-breaking move in Turkey and declared its carbon reduction goal after calculating the carbon footprint

of its 10 companies. The Group companies closely monitor their emissions in line with that anticipated reduction, seize reduction opportunities, and continue to make efforts in order to achieve that goal.

Having included the combating with climate change among its priorities, the Yaşar Group will not only fulfill its commitments, but will also take its efforts in this field to the next level by setting new goals, and continue to manage risks associated with greenhouse gases and reduction opportunities in a much more efficient manner.

Having declared its intention to initiate efforts in the field of "water usage and waste water" in 2012, the Yaşar Group conducted a water survey and an assessment with the involvement of all of its companies in 2013 and made its analyses public. The Group decided to devise its strategies pertaining to "water usage and waste water" management and it will complete its calculations related to the water footprints of its companies in 2014.

## Energy and Combating Climate Change

### Yaşar Group's Endeavors

Climate change, with its gradually increasing impacts, remains to be a priority item on the global agenda. With its consequences posing a threat to the entire ecosystem, climate change is also observed in such fields as productive efficiency and food security. Studies conducted over the past couple of years have shown that changes witnessed in the climate are mostly human induced. Thus, it seems that this threat facing the world can be eliminated by controlling human activities.

Demand for energy is one of the primary causes of climate change. Thus, actions should be taken to ensure energy efficiency as a matter of priority in order to stop the change that we are witnessing. Governments, business community, and the academia attempt to develop common strategies in order to combat climate change and actions to be taken and works to be carried out in every field from legislation to implementation.

Conducting its operations with special emphasis on sustainability, the Yaşar Group has identified energy and combating climate change as one of its priorities and it gave its efforts a fresh impetus after

analyzing risks associated with climate change in collaboration with its all companies.

### Reducing Carbon Emissions

The Yaşar Group is aware that adapting ourselves to climate change is as important as waging an effective fight in order to manage risks associated with climate change. Engaged in several industries, including agriculture, food, coatings, tourism, and tissue paper, the Yaşar Group has initiated efforts to manage greenhouse gases originating from its operations while taking account of their impact on the entire life cycle and it is assessing and managing the components of ecological footprints in the entire value chain and production processes based on its approach to sustainability.

Guided by the motto "you cannot manage what you cannot measure," the Yaşar Group has measured and recorded the carbon emissions of its companies and established a system that enables it to record such measurements and designated actions that should be taken with a view to reducing carbon emissions. The Group companies continue their efforts related to actions and investments in energy efficiency and aim to ensure that the

method employed for generating and consuming energy are sustainable.

The "hot carbon points of Pınar Dairy, Pınar Meat, Pınar Water, YBP, Viking Tissue, Dyo Coating, Dyo Printing Inks, Altın Yunus, Çamlı Feed and Fattening, and Desa Energy have been identified as a result of efforts to reduce carbon emission and the outcome of those efforts were reported in accordance with ISO 14064-1 "Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals." In addition, EU ETS (Emissions Trading System) was used for the calculations of some of the companies. Data collected at designated emission points were put together at Holding level and then consolidated at the head office. After verifying the conformity of related data with standards and their accuracy, the results were shared with the related units in order to create a greenhouse gas inventory management and a quality management system at the Holding and individual firm levels. Efforts are monitored through data flow and field visits and improvements made are shared in the intercompany communication network.

Efforts will be initiated in 2014 in order to create a greenhouse inventory management system and data related to all Group companies will be collected in a single system by means of software to be developed by Astron and it will be possible to monitor them on real-time basis.

### Carbon Teams

The Yaşar Group believes that strong commitment on the part of its all employees to upholding its corporate values and principles is of crucial importance and that their involvement in the related processes will yield meaningful results in sustainability efforts. It, therefore, permitted an organization ensuring the involvement of its employees in every phase of the carbon management process. Carbon leaders, who will ensure active participation in carbon management, have been designated in the Group companies. Carbon leaders were trained in order to enable them to follow developments in that field and to maintain motivation among Carbon Footprint Teams which calculate carbon footprints in their respective companies. Training programs, organized periodically, have enhanced the sense of belonging among employees

while making it possible to follow carbon management efforts in companies and to extend targets.

The Yaşar Group resolutely continues its efforts to fulfill its commitments regarding carbon reduction. A "company carbon manager" for each company within the Group and a "plant carbon expert" for each plant will be designated for that purpose. A team made up of the designated managers and experts is expected to be actively involved in sustainability efforts in 2014. In addition, efforts are under way to increase the number of employees who are capable of calculating carbon footprint and assessing the results of analyses within the Group.

Yaşar Group is assessing and managing the components of ecological footprints in the entire value chain and production processes based on its approach to sustainability.

Yaşar Group resolutely continues its efforts to fulfill its commitments regarding carbon reduction.



### Training Programs

The members of the Company Carbon Footprint Teams received training in ISO 14064 in order to inform them about the general structure of standards related to the calculation and reporting of greenhouse gas emissions and methodologies and sources that can be used for the calculation of emissions at organization level.

The employees of the Group companies also received necessary training with regard

do the establishment of an Energy Management System. The training programs aimed to raise awareness on energy efficiency and they were used for informing employees about methods that could be effectively used for the formulation of the Group's energy policies and fulfillment of commitments made. The training programs mentioned above will be repeated in 2014.

Yaşar Group has also taken steps to measure water footprint in

addition to carbon footprint and already completed preliminary work in that field. Employees will receive training about this issue and water footprint measurements will be completed in 2014.

### Improvement Studies Conducted

As the global demand for energy increases, energy resources fall short of meeting this increased demand and governments, organizations, and the business community shift their attention to alternative sources of energy

and take actions intended to increase energy efficiency. While Turkey is one of the countries with increased demand for energy, it is unable to meet that demand. Our country has an energy industry dependent on imports and actions and efforts aiming to ensure energy efficiency have become more important than ever.

Yaşar Group is making intensive efforts to ensure energy efficiency and reduce carbon emissions after designating its as

one of its priorities. In addition to its endeavors to complete the installation and certification of energy management systems, the Group companies have extended the scope of projects aiming to reduce and improve energy consumption so that they also comprise the supply chain.

### Examples of Practice

#### Çamlı Feed and Fattening Projects

The milling system in the fish feed production unit, forming a part of the feed plant, has been modernized and the amount of energy used for the milling process was decreased.

Raw fertilizer delivered to the plant nutrition plant first passes through a separator in order to eliminate excess humidity. This process decreases the quantity of diesel consumed and ensures that fertilizer is fermented in a shorter period. In addition, a valid compost system ensures that fertilizer can be produced faster throughout the year

without being dependent on seasonal conditions. Beydere Organic Milk Plant built a solar energy system in order to obtain hot water used in recreational amenities and it increased the use of renewable energy sources. A heat pump was installed instead of water boilers used for heating water in the marine plant, which saved 5,427,192 kWh electricity while reducing CO<sub>2</sub> emission by 862,187.9 kg.

#### Lean 6 Sigma Projects

Aside from financial gains to be derived from 2013 projects through out the Food Group, these projects aimed to achieve

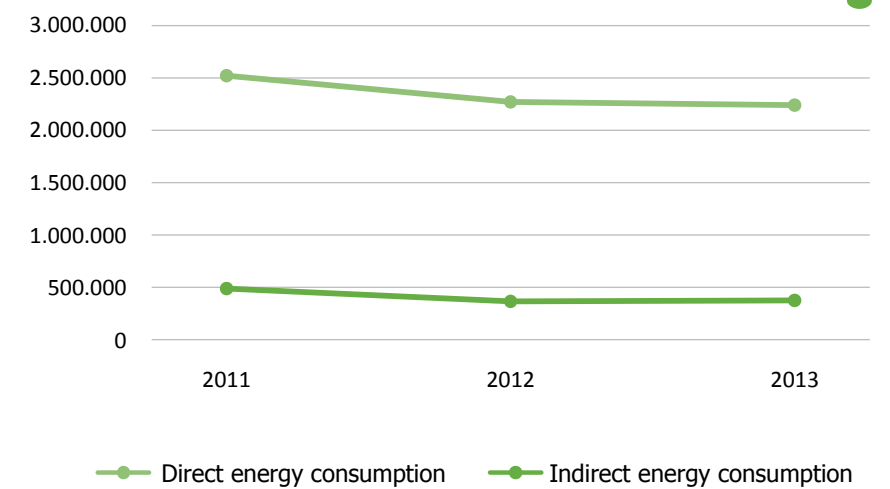
improvement in terms of the quantity of electricity and natural gas consumed. They resulted in a total saving of 721.278 kWh/year (electricity) and 599,672 cubic meters of natural gas).

#### Altın Yunus Projects

Geothermal energy available in the region was used for supplying heat to Altın Yunus in 2013. Thus, the facility's consumption of fossil fuels decreased 50%.

This project provided uninterrupted heating for the facility and its total carbon footprint was cut by 20%.

### Total Energy Consumption (Gigajoule)



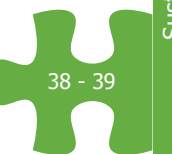
Food and Beverage Group reduce its carbon emissions by 1.504,6 tonnes with completion of the Lean 6 Sigma projects.

# Our Aim

is to reduce the average carbon emissions per production unit by

15%

Until  
2020





## Energy Efficiency

### Pinar Meat

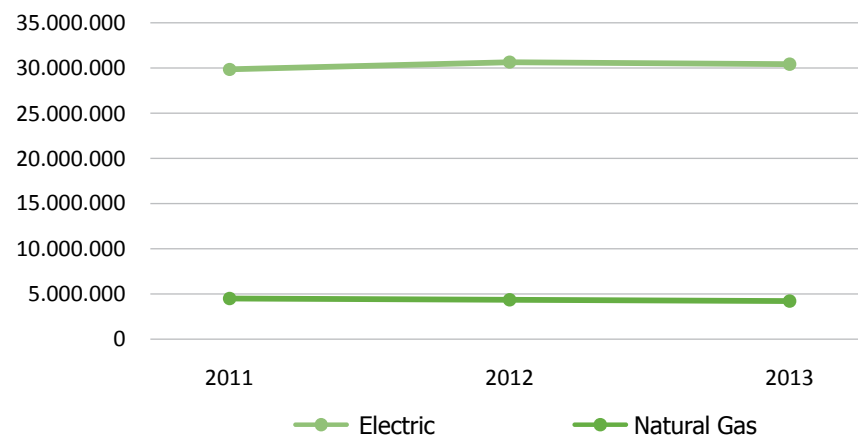
Two separate Lean 6 Sigma projects were carried out with a view to reducing power and natural gas consumption in 2013. Numerous system improvements were made as part of these projects. System improvement points, which had been identified under the projects, were included in the scope of investments for the following year. Those improvement efforts are also being followed as action steps for 14001 Environment and 50001 energy management systems.

Our plant's total natural gas consumption was 4,224,131 cubic meters in 2013. Its power consumption was 30,510,212 kWh in the same year. Energy consumption is monitored and assessed on a monthly basis.

As a result of the improvement of the production processed at our plant following the completion of the projects, power consumption decreased 3.3% per ton of product and natural gas consumption fell 5.3% per unit ton of product in 2013 as compared with the preceding year. Some of our projects, which aimed to reduce the consumption of electric energy, are outlined below:

Emission per unit product, which was 634.5 in 2012, went down to 599.0 tons of CO<sub>2</sub>e in 2013 and carbon emission was down 11.1% per unit ton of product as compared with 2012 (base year).

Pinar Meat Energy Consumption



### Pinar Water

#### Aydın Bozdoğan Madran Filling Plant:

A line automation monitoring system was installed on two production lines in 2013 and scheduled and unscheduled stoppages were monitored. It led to improvements in the plant performance indicators as compared with the preceding year. Line efficiency went up from 78.7% to 80% while pre-form wastage declined. Pre-form wastage fell from 2.61% in 2012 to 2.45%. Although production grew on the PET side, which consumes more energy, rather than PC, electric energy consumed for a unit production remained unchanged at 41.4 kWh/ton. In-house training and equipment were provided in order to allow the use of SAP machine maintenance module.

The effective use of the machine maintenance module aims to ensure that failures can be reported online via the network, a faster response can be possible, and spare parts can be used for a specific machine.

Rechargeable forklifts rather than diesel forklifts are used at areas within the plant in order to achieve hygienic production.

#### Isparta Eğirdir Filling Plant:

3.25 and 1 liter products were manufactured after two lines, previously operated at Hendek plant, were transferred to Isparta plant in 2013. The total quantity of production was 40,835.59 tons in 2012 and it went up 45.5% to 59,404.96 in 2013. Increased production also led to an increase in efficiency measured according to the number of workers. Per capita production, 124.1 tons/man in

2012, rose to 164.1 ton/man in 2013. Similarly, our power consumption for a unit tonnage fell from 53.2 kWh/ton in 2012 to 44 kWh/ton in 2013 and power consumption per unit tonnage was down 17.3%.

#### Sakarya Hendek Filling Plant:

New machines installed in the plant as part of efforts to increase energy efficiency led to a 122% capacity increase in the production of 0.5 liter bottles. Capacity increase was 40% for 1.5 liter bottles and 150% for 5 and 10 liter bottles. Furthermore, per capita power consumption, which was 20.17 kw/ton, was down to 20.1 kw/ton in 2013 and the consumption of excess filling water fell from 15% in 2012 to 14 % in 2013. Total kw consumption was reduced from 4,889,455 kw to 4,347,472 kw in 2013.

170,000 kWh electric energy was saved as a result of 45 projects forming a part of an energy management system installed in Çamlı Feed and Fattening plants.

### Pınar Dairy

#### İzmir Plant

- The quality of boiler feedwater was improved and blow-off quantity was reduced 10%.
- LED bulbs were applied to existing lighting fixtures in suitable sections in order to achieve a 40% decrease in power consumption per fixture. LED bulbs were mounted in peripheral lighting, laboratory, machinery maintenance, planning, and Tetra Pak unit and desired saving was achieved.
- We aimed to decrease power consumed by pumps in ALCIP cleaning unit and 3% power saving was achieved by installing devices at ALCIP-5 unit line.
- A total of 21 projects, which were among proposals received during the Energy Operational Cost Improvement Week organized for the first time in 2013, were carried out.
- An ISO 50001 Energy Management System certificate was obtained and a 5% reduction in energy consumption was achieved in line with plans through an Energy Management Program.

### Eskişehir Plant

- Energy consumption was reduced by using evaporative condensers, which have an axial fan and high efficiency and consume less electric energy.
- Saving of electric energy was achieved by means of inverters in compressors, pumps, fans operating in varying loads.
- The efficiency of steam boiler was increased and natural gas consumption was improved after the replacement of the flame tubes in the steam boiler.
- Surface and bottom blow-off automation systems were installed in steam boilers in order to achieve water and energy savings.
- High efficiency (IE3) electrical motors were preferred.
- Air-conditioning plants were modernized by installing heat recovery systems.

### Dyo Printing Inks

Consumption of electric energy per kilogram fell from 0.30 kWh/kg in 2010 to 0.24 kWh/kg in 2011 as a result of improvements related to energy efficiency. Consumption of electric energy per kilogram did not change in 2012, but lowered to 0.237 kWh/kg in 2013.

#### Dyo Coating

- All electric motors used in the coil coating production plant were in energy efficiency class.
- Chillers in energy-efficiency class were used in the cooling water system built for the coating production plant and automation was provided between cooling water and machine operation systems.
- Crushing machines (3 units) with a high performance and energy efficiency were purchased.

- Efforts were made to achieve savings in energy and raw materials consumed by modular coating production systems.
- Slurry was used on K-151 line as part of the process improvement program.
- 9.0 ton/batch rather than 4.5 ton/batch production was achieved without changing the process cycle time.
- 10% improvement was achieved in Tep/ton or kwh/ton values.
- Air-conditioning was improved in indoor sections of the plant. Automatic doors were installed in the same areas within the plant and a temperature control system was installed for internal heating.
- Inverter compressors were used in order to obtain air needed by pneumatic systems from a variable compressor so that excess air production and power consumption were reduced.

### Astron

E-invoice and e-payroll systems were put into operation in 2013 with a view to reducing paper consumption used for printing documents such as invoices, dispatch notes, and payrolls, which are required to be printed on paper pursuant to laws. In addition, an e-dispatch note and an e-book are planned to be initiated in 2014.



## Cooperation with the Representatives of Non-Governmental Organizations and the Industry

Economic and social development is gradually becoming an area requiring more participation and a new approach favoring negotiations to be shared by all stakeholders. The involvement of all stakeholders in decision-making processes increase common benefits to society and creation of value and also allows a collaborative working culture to take root.

While various organizations such as chambers of commerce/ industry, stock exchanges, and unions in which membership is mandatory, other organizations, including associations, business councils, and professional organizations which are based on volunteering have become more visible in decision-making mechanisms and increased their efficiency.

The Yaşar Group, which is the founding member of numerous associations, is fully committed to participation and processes based on negotiations. With active memberships in many associations, the Yaşar Group contributes to the development of industries in which it is operating while providing voluntary support for non-governmental organizations in various fields such as public health, environment, and food

security and it actively takes part in their activities. Being aware of the fact that cooperation with stakeholders is indispensable, the Yaşar Group believes in the importance of developing a collaborative work culture which activities undertaken by associations provide for public benefit.

### Our Memberships

Adana Commodity Exchange  
 Aegean Exporter Unions  
 Aegean Industrialists' and Businessmen's Association  
 Aegean Region Chamber of Industry  
 Aegean Tourist Business and Accommodation Association  
 Aliağa Chamber of Commerce  
 American Business Councils - Foreign Economic Relations Board  
 American Turkish Council  
 Ankara Commodity Exchange  
 Antalya Chamber of Commerce and Industry  
 Antalya Commodity Exchange  
 Association of Advertisers  
 Association of Cuisine Amicable  
 Association of Infant Food Manufacturers  
 Association of Packaged Dairy Industry of Turkey  
 Association of Thermal Insulation, Waterproofing, Sound Insulation and Fireproofing Material Producers, Suppliers and Applicators  
 Association of Turkish Construction Material Producers

Association of Turkish Travel Agencies  
 Bornova Association of Farmer Assets  
 Cattle Breeders' Association of Turkey  
 Central Anatolian Exporters Union  
 Coatings Research Institute (CoRI)  
 Corporate Governance Association of Turkey  
 Çeşme Tourism Hoteliers Association  
 Denmark Business Councils - Foreign Economic Relations Board  
 Dubai Chamber of Commerce  
 Dubai Turkish Business Council  
 East Anatolian Exporters Union  
 Environment Education Foundation of Turkey  
 Environmental Protection and Packaging Waste Recovery And Recycling Trust  
 Eskişehir Chamber of Commerce  
 Eskişehir Chamber of Industry  
 Ethics and Reputation Society  
 Federation of Food and Drink Industry Associations of Turkey  
 Foundation For Environmental Education  
 Foundation of Economic Researches  
 Fruit Juice Industry Association  
 Gebze Chamber of Commerce  
 General Secretariat of Istanbul Mineral and Metals Exporters'  
 Global Compact Network Turkey  
 International Chamber of Commerce  
 Investor Relations Association  
 Istanbul Chamber of Commerce

Istanbul Chamber of Industry  
 Istanbul Commodity Exchange  
 Istanbul Exporters Union  
 Izmir Association of Businessmen  
 Izmir Chamber of Agriculture  
 Izmir Chamber of Commerce  
 Izmir Commodity Exchange  
 Izmir Union of Aquaculture and Fishery  
 Kocaeli Chamber of Industry  
 Manisa Chamber of Commerce and Industry  
 Manisa Organized Industry Association  
 Marine Chamber of Commerce  
 Mersin Commodity Exchange  
 National Food Technology Platform  
 National Milk Board  
 National Red Meat Council  
 Organic Product Producers and Industrialists Association  
 Outward Investments Business Council - Foreign Economic Relations Board  
 Packaged Water Manufacturers Association  
 Packaging Manufacturers Association  
 Paint Research Association  
 People Management Association of Turkey  
 Poultry Meat Producers and Breeders Association  
 Pulp and Paper Industry Foundation  
 The Association of Paint Industry  
 The Chemicals, Petroleum, Rubber and Plastics Industry Employers' Association of Turkey

The European Food Information Council  
 The Valley of Kağıthane - Ayazağa Urban Development Association  
 TOBB Global Standards Center  
 Turkey GULF Business Councils - Foreign Economic Relations Board  
 Turkish Egypt Businessmen Association  
 Turkish Feed Manufacturers' Association  
 Turkish Food and Beverage Industry and Employers Association  
 Turkish Food Safety Association  
 Turkish Industry and Business Association  
 Turkish Marine Environment Protection Association  
 Turkish Quality Association  
 Turkish Spas Thalasso and Health Resorts Association  
 Turkish - African Business Councils - Foreign Economic Relations Board  
 Turkish - American Business Association  
 Turkish - Middle Eastern Business Councils - Foreign Economic Relations Board  
 TURKTRADE  
 Uludağ Exporters Union  
 Union of Dairy, Beef, Food Industrialists and Producers of Turkey  
 World Economic Forum

### Occupational Chamber Memberships

Chamber Of Electrical Engineers  
 Chamber Of Food Engineers  
 Chamber Of Agricultural Engineers

## Our People

### Our Human Resources Policy

#### Labour and Labour Force

Yaşar Group is managing its human resources policy with the intention of employing qualified workforce, which is innovative and has a high motivation and performance, and to consolidate their loyalty by making this workforce sustainable. The human resources strategy centered on the motto "placing right people in right positions," has put the Yaşar Group's companies at the top of the list of "most attractive companies in terms of employment" thanks to its fair human resources policy and practices.

#### Recruitment

Yaşar Group creates its human resources based on various criteria, including knowledge, skills, and experience required by specific positions, in light of the principle "science, unity, success." Having adopted a people-focused management concept, the Yaşar Group brings together individuals who value exchange of information and team spirit and are open to all scientific advances and have embraced a participatory management policy and success-oriented work.

Aside from qualifications required for a specific position, the extent to which a candidate is ready to accept advances is also taken into consideration. The Yaşar Group's Basic Competencies and Work Family Competencies, separately defined for each level, ensures that a candidate is evaluated based on his or her competences.

People are not subjected to any discrimination on grounds of nationality, faith, gender, age, and marital status in the Yaşar Group. The Group companies take an approach to the management of human resources, which is consistent with universal values as is the case with its all other operations. Candidates who desire to

work for companies which are members of the Yaşar Group can submit their applications directly via the Yaşar Group's website or employment websites or through a consulting company. Yaşar Holding posts traineeship and vacancy advertisements on its website and candidates are allowed to upload their resumes in the application pool.

The Yaşar Group companies received applications from 38,203 female and 53,427 male candidates in 2013.

Evaluations done by the human resources unit continue with reference checks and positions are offered to candidates selected after the completion of these processes. Candidates whose applications are not accepted are informed via a career portal, email, or telephone.

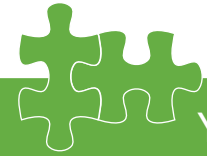
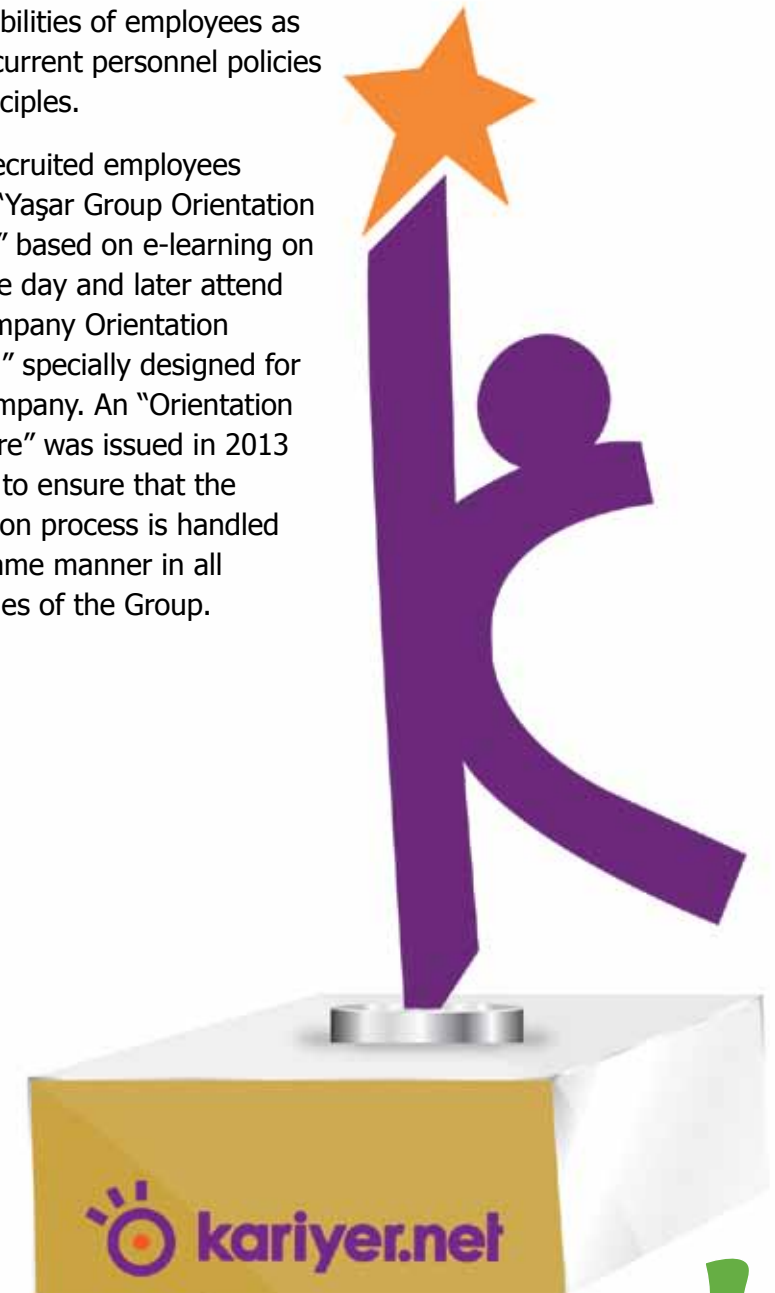
In 2013, the Yaşar Group received its third "Respect for People" award presented by "kariyer.net" as one of the indicators of value attributed to human resources because of the Group's swift response to all candidates who have submitted their applications.

The Yaşar Group applies its recruitment procedures in accordance with Labour Law No. 4857 and Yaşar Holding's

Personnel Regulation.

When their recruitment processes are completed, the employees of the Group companies are informed through Company Personnel Regulations laying down the working conditions, rights, duties and responsibilities of employees as well as current personnel policies and principles.

Newly recruited employees receive "Yaşar Group Orientation Training" based on e-learning on the same day and later attend the "Company Orientation Program" specially designed for each company. An "Orientation Procedure" was issued in 2013 in order to ensure that the orientation process is handled in the same manner in all companies of the Group.



Yaşar Group companies take an approach to the management of human resources, which is consistent with universal values as is the case with its all other operations.



Although there is no statutory requirement, the Yaşar Group companies adheres to the principle of not employing people younger than 18 years.

### Our Compensation Management System

Compensation is determined or adjusted based on various criteria such as the category of position; employee's experience, education, location, and language skills; evaluation of his or her position in comparison with his or her peers and higher or lower positions; positions reported by employees; performance points/premiums for previous years; and compensation level in the labor market. In addition, participation in compensation enquiries is encouraged in order to formulate better compensation policies and to monitor the market. Employees are not subjected to any discrimination on grounds of nationality, faith, gender, age or marital status. Compensation and other rights of in-scope employees are determined under collective agreements signed.

### Child Labour

Employment of children in our country is subject to Labour Law No. 4857. Any person younger than 15 years may not be employed under applicable provisions. As an exception, however, any person who is 14-years old and has graduated from a primary school may be assigned to light work, which will not hinder their physical

development and education, for limited working hours. Although there is no statutory requirement, the Yaşar Group companies adheres to the principle of not employing people younger than 18 years.

### Involuntary Servitude and Forced Labour

Work days and hours as well as public and general holidays and weekly rest days are defined and notified to employees in all companies that are members of the Yaşar Group.

If the nature of the work requires or due to increase in production overtime maybe required. Such work is arranged in accordance with the provisions of the Law and compensation is paid as stipulated in the Law.

Job descriptions are drawn up for the employees of the Group companies and they are informed of their job descriptions upon their recruitment. Documents related to job descriptions are shared within the company through a common system which is used in accordance with ISO 9001 and accessible to all employees. All newly recruited employees attend an inter-departmental orientation program. No incident involving forced labour or compulsory work has ever been

reported in companies that are members of the Yaşar Group.

### Employment of Disabled People

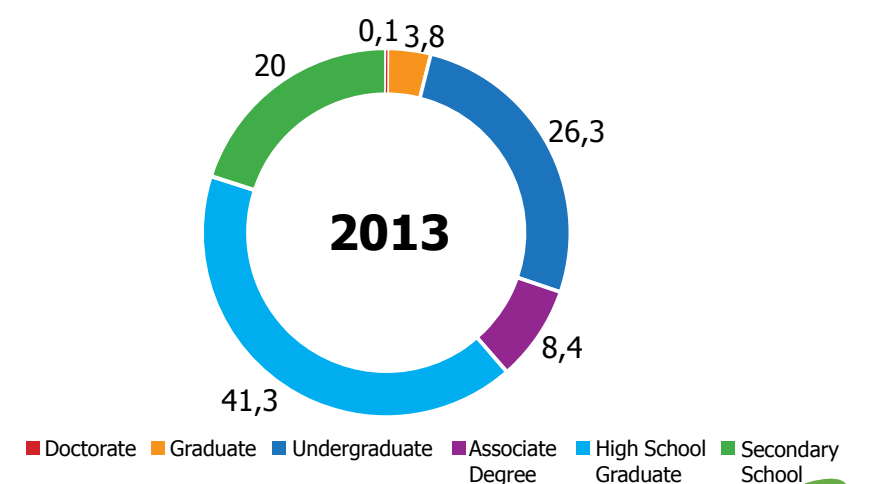
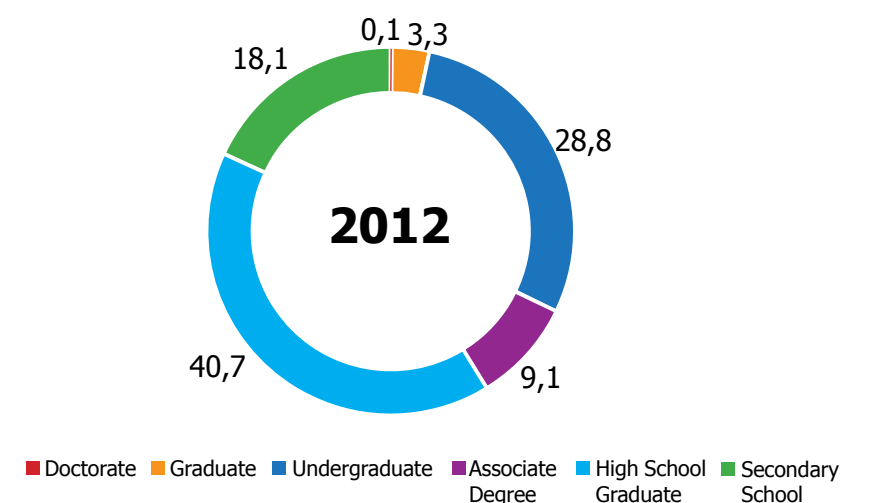
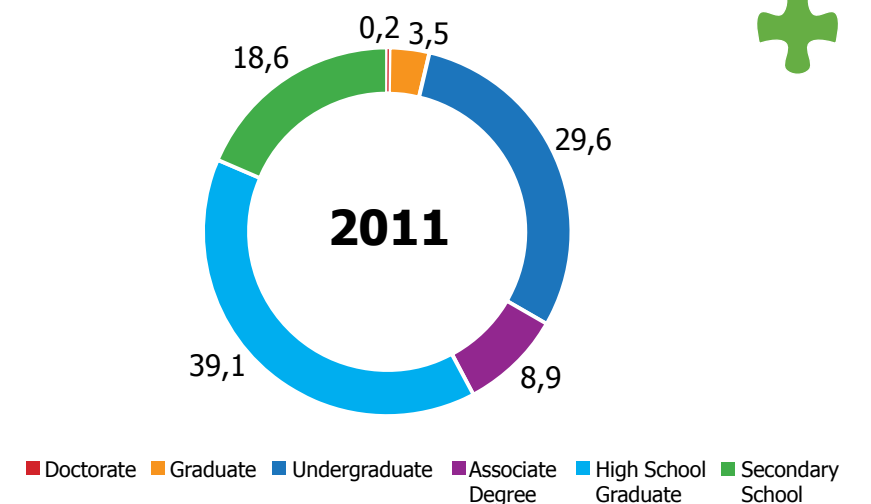
Yaşar Group ascribes importance to the social integration of the disabled and giving them more roles in the public domain. Maintaining its efforts to employ disabled people as part of its management of human resources, the Group employs disabled individuals in percentages envisioned by law. Disabled employees make up 2.35% of the total number of employees within Yaşar Group.

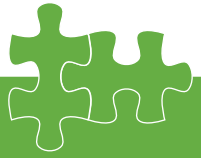
### Legal Rights of Employees

Employees can exercise their all legal rights, including rest days, meals, paid annual leave, and severance pay.

If an employee is transferred to another position within a company which is a member of the Yaşar Group, related formalities are completed within periods defined in Labour Law No. 4857 and the Personnel Regulation. Periods set forth in the Collective Bargaining Agreement are applicable to employees who are subject to the Collective Bargaining Agreement.

### Educational Background of Employees Percentage





Yaşar Group companies have 81 internal instructors who continue to provide training related to different areas of specialization.

#### Employee Opinion Poll

Yaşar Group conducts an "Employee Opinion Poll" based on the motto "people first" in order to get their opinions about employee expectations and needs and evaluates employee's loyalty to the company. Employee Opinion Poll permits us to formulate policies intended to heighten motivation among employees and to take actions for medium- and long-term improvements.

It has been decided to conduct the Employee Opinion Poll biannually in order to facilitate the implementation of action plans and the next Employee Opinion Poll is planned to be conducted online in 2014.

#### Social and Cultural Activities Organized for Our Employees

Companies which are members of the Yaşar Group grow hand in hand with their employees and regard employee motivation as one of the leverages of that growth. Employees are entitled to all fringe benefits within the Yaşar Group and they also share their time outside of working hours by attending events reinforcing their communication and motivation. In that context, celebrations of special days, company dinners, soccer, backgammon, table tennis, and bowling tournaments, dinners, picnics, weekend trips, and fishing trips are organized. Dragon Festival, visits to Ataturk's Mausoleum, trips to Canakkale Martyrs Cemetery, and Intercompany Boat Race are among events that bring the Group's employees together.

### Employees' Right to Development

#### Training and Development Activities

Yaşar Group attaches importance to the professional development of its employees as well as their continued personal development. Thus, we aim to provide training supporting individual development areas as well as opportunities allowing them to achieve their goals the Group companies and to enhance Yaşar Group Basic and Business Family competencies. Orientation training, on-the-job training, personal development training, specialization training, and workshops and conferences are among the training and development opportunities offered to employees.

The Group companies have 81 internal instructors who continue to provide training related to different areas of specialization.

The number of a training platform developed by using e-learning methodology under the brand "Yaşar Academy" in 2012 increased in 2013 and all white-collar employees and blue-collar employees managing teams were included in the system. Comprising a total of 2,800 people, the learning program allocates different

training programs to each level and function. 21 training programs and 99 videos have been installed in the system and they are accessible to employees in certain intervals. In addition to ready-to-use content, training programs outlining the policies, procedures, and business models of the Yaşar Group companies are prepared and shared with employees via Yaşar Academy learning program.

#### Performance Management System

In the Yaşar Group, the performance management system is regulated by premium regulations for the employees of the sales function and by performance evaluation regulation in case of other employees. The Group has adapted an integrated management system in order to attain its fundamental objectives and strategic goals. Launched in 2005, the Performance Management System aim to achieve corporate objectives and personal objectives in tandem. The results of performance evaluation are used by individuals in connection with their personal development, career planning, and recognition/compensation. Based on balanced scorecard technique,





“The Yaşar Group trains its own managers.”

the evaluation system uses key performance indicators (KIP) which are selected at the beginning year and have targets agreed upon. Achievement of goals is monitored through counseling and follow-up interviews in the middle of the year and necessary adjustments, if any, are done. Employees who are subjected to the premium regulation are excluded.

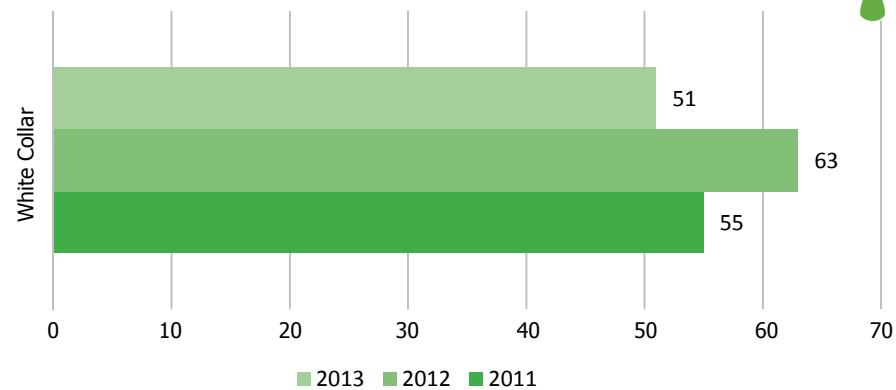
687 people were included in the Performance Management System which is being implemented in Pınar Meat, Pınar Dairy, Pınar Water, YBP, Viking Tissue, Çamlı Feed and Fattening, Dyo Coating, Dyo Printing Inks, Yaşar Foreign Trade, Altın Yunus, Bintur, Yaşar Holding, and subsidiaries based abroad.

Yaşar Group employees take advantage of Yaşar Group Basic Competences and Business Family Competences for their personal and professional development. Employees who identify competences that they can develop in collaboration with their supervisors can select some of those areas by using Personal Development Forms. An employee’s training and development needs are identified based on those forms and training plans are drawn up after the completion of analyses. Year-end evaluations are reflected in performance cards subject to pre-defined rates.

Employee performance cards were integrated with SAP system in 2012 and Personal Development Forms followed suit in 2013. Thus, infrastructure for human resources information systems was consolidated. Only white-collar employees are included in the performance management system launched in 2005. The system is planned to be extended in the coming years.

Internal promotion is preferred within the Yaşar Group companies. Rate of internal promotion among managers and senior officers was 61 % in 2013.

Percentage of Employees Covered by Performance Management System



## Leadership Development Programs

### Manager Training Pool Project (MTTP)

Yaşar Group aims to obtain information about young prospective managers, to develop vision among its members and to educate them, to monitor their career development, and to ensure that they participate in projects and activities that would develop their potential through the MTTP which it has been implementing since 1996.

Candidates, who have a high potential and found eligible for investing in the future, are selected in the Group companies and they are included in a 18-month development program.

The project has three legs i.e. training, mentoring, and project efforts. Aside from training in management and leadership skills, personal development, and specialization provided as part

of training activities, workshops are organized in order to enable members to have information and ideas about different issues. One-on-one interviews are held between project members and Group managers, who are selected by them and voluntarily assume this task, in the mentoring system. Members are also expected to draw up a project in an area designated by the senior management through teamwork under the MTTP and to carry out an individual completion project aiming to achieve improvement in business processes in their own departments.

A total of 326 people have attended in the project so far and 109 of them continue to work for the Group. 83% of MTTP members, who still working in the Group, were promoted. 31% of the promoted employees were female and the remaining 69% were male.



### Manager Training Workshop (MTW)

A program consisting of training in basic management skills, personal development, and specialization is being implemented within the Yaşar Group since 2011 and “Manager Training Workshops” are organized for the development of employees who are hired as managers or later promoted to become managers.



## Examples of Practice

### Dyo Coating

#### Work Evaluation System (Blue-Collar Workers)

Dyo Work Evaluation System, which comprises blue-collar workers, have been initiated with a view to attracting, motivating, and keeping talents through a fair human resources system supporting the corporate strategy and human resources plans. The system ensured that comparative values of positions are demonstrated based on various criteria such as working conditions, responsibility, training, skills, efforts, and risk. It also permitted us to evaluate employee performance and competences, to recognize the targeted level of performance, and to ensure the continuity of personal development. The system has been jointly designed by company managers, trade union representatives, and a specialized consultant.

#### Creators of Colors (Proposal System)

A "Proposal System for Creators of Colors" have been launched at Dyo Coating plants in order

to recognize employees who make endeavors and proposals "creating colors" about works being performed by himself or herself or other employees in line with the corporate vision and goals. Ideas and practices which are believed to facilitate life and create color by rendering existing things more useful are at the root of this system. All employees may submit proposals to the system irrespective of their level and scope. Proposals are assessed by a committee set up for this purpose and awards are presented to those found eligible after getting approval from the General Manager's Office.

#### Red Seat System

Red Seat System permits employees to come together in order to communicate their opinions and suggestions directly to the General Manager. Opinions expressed by employees at sessions attended by groups consisting of eight to ten employees are assessed by the General Manager and actions taken are also monitored by the General Manager.

### Other Training

Yaşar Group companies also organize training programs tailored to their own needs. In that context, training in intra-family communication, body language, effective business management, leadership workshop, guidelines for successful sales, leadership and motivation, management of customer-focused relationship, Lean 6 Sigma green belt and yellow belt, and stress management, competence-based interview techniques, non-verbal communication, effective speech, elocution, and persuasion techniques are offered within the companies in addition to technical training about issues which employees may need while performing their work is also organized.

Yaşar Group ascribes importance to its employees and its families. Training programs, which lasted 151 hours, were organized for 60 employees in order to help them overcome problems they experienced in communication with their children and develop parental attitudes that need to be displayed in response to the needs of a generation.

A total of 75,736 hours of training was provided throughout the Yaşar Group in 2013 and the period of training per person was 14 hours. Of this, external training and internal training accounted for 42% and 58%, respectively. Blue-collar workers made up for 30% of participants in training programs organized in 2013. Respective percentages for non-key and key employees were 56% and 14%, respectively.

#### Training Hours Per Person

	2011	2012	2013
Yaşar Holding	22	18	9
<b>Coatings Group</b>			
Dyo Coating	27	19	18
Dyo Printing Inks	46	29	36
<b>Food and Beverages Group</b>			
Pinar Dairy	13	10	10
Pinar Meat	15	10	10
Pinar Water	30	24	13
Çamlı Feed and Fattening	12	9	4
YBP	9	17	21
<b>Tissue Paper Group</b>			
Viking Tissue	17	17	16
<b>Trade and Services Group</b>			
Altın Yunus	22	28	16
Desa Energy	10	10	5



## Occupational Health and Safety

### Training Programs and Health Controls

Yaşar Group aims employee satisfaction and devises plans in order to ensure development in their living environment as a whole. Paying attention to its employees' life quality, the Yaşar Group organizes training programs focusing on hypertension and diet, coping with stress, healthy and balanced diet, breathing exercise, cold and influenza, protection against breast cancer, ergonomics, back, waist and neck safety, hazards of smoking and quitting methods, maternal and child health, misadministration of medication, family planning, food poisoning, and infectious diseases in order to support its employees and their families. It cooperates with the academia and organizes training in collaboration with interns about healthy diet in pregnancy, family planning methods, actions to be taken after delivery, and childcare.

Workplace health units monitor health checks performed for employees who are subjected to health checks for infectious diseases and audiometry examinations in addition to taking their throat cultures and

stool culture screening and lung X-rays as part of eradication of tuberculosis.

Comprehensive examinations are needed in some areas because of the nature of work performed. In that context, Dyo Coating employees undergo quarterly heavy metal and solvent tests, lung screening, respiratory function tests, and annual blood tests.

Health service including workplace doctor and nurse is provided in Yaşar Group companies 2 and/or 5 days a week.

### Occupational Safety

All requirements aiming to ensure health and safety at work are met in our companies and an Occupational Health and Safety Internal Regulation is implemented with a view to preventing work accidents and occupational diseases that could occur. Occupational Health and Safety Board has been set up in accordance with the Regulation.

Necessary notifications are communicated to the Ministry of Environment and Urban Planning pursuant to Seveso II Regulation in order to prevent major industrial accidents in the Coatings Group companies.

### Examples of Practice

#### Viking Tissue

Basic training related to health and safety at work, including training required under Law No. 6331 and training in working at high altitudes, techniques for safe operation of forklifts, first aid, and emergency response was provided.

#### Pınar Dairy

#### İzmir Plant

- Occupational Health and Safety Board held a total of eight meetings in 2013 and published its decisions.
- Work permission system related to hazardous works was maintained and new hazardous works were included.
- Scenarios were written and tested during fire drills. Shortcomings identified during drills were eliminated.
- A light barrier device that would ensure safety at work was used in the Rafomat spare part system. Risks associated with possible hand injuries were eliminated by this system.
- A horizontal lifeline, which could be connected to a parachute type safety belt used for ensuring safety when workers are working on a tanker

parked at the milk delivery unit, has been installed.

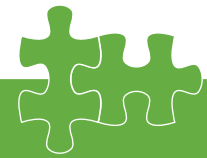
- Warning signs showing emergency exits, risky situations, and vehicle traffic have been installed throughout the plant in accordance with the new regulations.
  - A training program designed for the Emergency Response Team set up in our plant was repeated this year in accordance with the Regulation on the Protection of Buildings Against Fire.
  - All cabinets have been fastened to walls so that moving objects do not cause any injury to employees during an earthquake.
  - A total of 766 employees attended 10 training programs organized in 2013 in accordance with new regulations. They included training on TS OHSAS 18001 Health and Safety at Work Management System and ISO 50001:2011 Energy Management System.
- #### Eskişehir Plant
- Occupational Health and Safety Board held 12 meetings in 2013 and its decisions were published. In addition, sub-employees also set up a council on health and safety at work pursuant to Law

No. 6331 on Occupational Health and Safety and their decisions are reviewed and implemented by Pınar Dairy, the main employer.

- There is a work permission system related to hazardous works since 2012. In 2013, Work Permit for Subcontractors, Permit for Operating Construction Machinery, and Permit for Working at High Altitudes were added to the list.
- Drills related to possible emergencies are held two times a year and shortcomings are eliminated.
- Sub-employee workers set up emergency response teams and received training.

#### Altın Yunus

- Risk analysis studies and emergency action plans were completed in 2013.
- Risk control and prevention forms were drawn up.
- Risks identified as a result of the risk analysis were eliminated by subsequent actions.
- The members of the Occupational Health and Safety Board received training.
- Basic training in health and safety at work was provided for newly recruited personnel.
- Other training in health and safety at work was provided



All requirements aiming to ensure occupational health and safety are met in our companies.

depending on different tasks assigned to departments.

- Instructors from the Ministry provided training in health and safety at work for hotel employees under a project carried out by ÇASGEM (Training Unit of the Ministry of Labor and Social Security).
- Planning of mandatory training in hygiene, which is required to be provided for employees pursuant to the Hygiene Regulation, has been completed.
- Fire and floor plans have been revised.
- Periodic inspection of pressure vessels was conducted.
- Chemical risk analyses have been done.
- A fire drill has been conducted.
- The existing pipes of LPG lines were replaced with rolled steel pipes and a gas shut-off system was installed.
- Worn-out personal protective equipment used by workers have been replaced with new ones. An expert on health and safety at work briefed workers about how personal protective equipment should be used.
- The existing electricity cabling of Baküs restaurant was replaced with a weak current cabling.

### Dyo Printing Inks

No sign of an occupational disease was observed during the medical examination of employees in 2013 and there was a decrease in the frequency of work accidents and the number of lost days.

### Occupational Training for Workers Performing Heavy and Hazardous Works

Necessary training programs were delivered in our companies under the "Communique on the Occupational Training for Workers Performing Heavy and Hazardous Works" which has been issued under the Labor Law No. 4857.

### Other Work-Related Training Provided for Our Employees

Ensuring the technical development of our employees is among the priorities of our human resources policy and technical, managerial, and personal development is considered as a whole. Training in health and safety at work, hygiene - personal hygiene, safe utilization of chemicals, fire fighting, pest control, fire fighting and evaluation, and HACCP (Hazard Analysis Critical Control Points) is provided.

### First Aid Training

First aid training is provided in our companies so that first aid can be provided after accidents under the First Aid Regulation issued by the Ministry of Health.

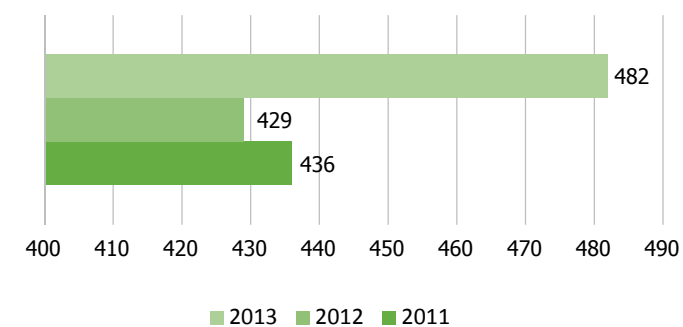
The training is designed to enable employees to learn information that could save his or other people's lives in case of an emergency and how he or she can respond calmly.

### Security Services

Security services in the Yaşar Group companies are provided by people who have received special training in that field and hold a certificate. Security personnel assigned to companies periodically attend training programs.

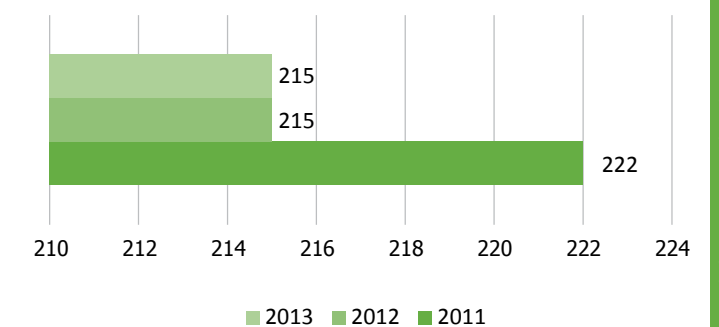
#### Number of First Aid Certified Personnel

	2011	2012	2013
Yaşar Holding	2	4	5
<b>Coatings Group</b>			
Dyo Coating	69	86	93
Dyo Printing Inks	20	24	23
<b>Food and Beverages Group</b>			
Pınar Dairy	108	94	115
Pınar Meat	85	86	113
Pınar Water	20	11	19
Çamlı Feed and Fattening	28	16	45
YBP	51	42	16
<b>Tissue Paper Group</b>			
Viking Tissue	37	50	40
<b>Trade and Services Group</b>			
Altın Yunus	16	16	13
Desa Energy	0	0	0



#### Number of Security Personnel

	2011	2012	2013
Yaşar Holding	15	15	15
<b>Coatings Group</b>			
Dyo Coating	24	24	24
Dyo Printing Inks	8	8	8
<b>Food and Beverages Group</b>			
Pınar Dairy	35	35	30
Pınar Meat	24	24	24
Pınar Water	22	22	22
Çamlı Feed and Fattening	22	23	20
YBP	43	36	45
<b>Tissue Paper Group</b>			
Viking Tissue	15	15	15
<b>Trade and Services Group</b>			
Altın Yunus	10	9	8
Desa Energy	4	4	4





## Right to Association

### Union and Collective Bargaining Agreement

Collective agreements with an unlimited term are concluded with all employees of the Yaşar Group companies under the Labor Law No. 4857. It is also mandatory for the Group companies and their contractors and subcontractors to employ workers with social security.

Employees' rights are guaranteed under workplace and enterprise collective agreements signed between the Coating Group companies and Petrol-İş and between Pınar Dairy and Pınar Meat, both members of the Food Group, and Tek Gıda İş Trade Union.

As per a Workplace Collective Bargaining Agreement concluded between Petrol-İş and the

Employer and in addition to the Labor law, the Employer:

- agrees to strictly comply with the Regulation on Health and Safety at Work;
- agrees to employ a nurse or a paramedic in order to perform dressing and to give injections for workers in case of an illness or injury when no physician is available at the workplace;
- will ensure that a vehicle is always available at the workplace in order to transport sick and injured people to a hospital in case of an emergency.

As per a Workplace and Enterprise Collective Bargaining Agreement signed between the employer and Tek Gıda İş Trade Union:

- Access to medical facilities: The Employer is required to ensure that a vehicle to be used for rapidly transforming an injured worker to a health care unit and its driver are available during work hours irrespective of the number of workers and the distance to the units of the Social Security Agency. Otherwise, the employer will be held liable for any failure to provide medical intervention for the worker when required.

Occupational Health and Safety Board:

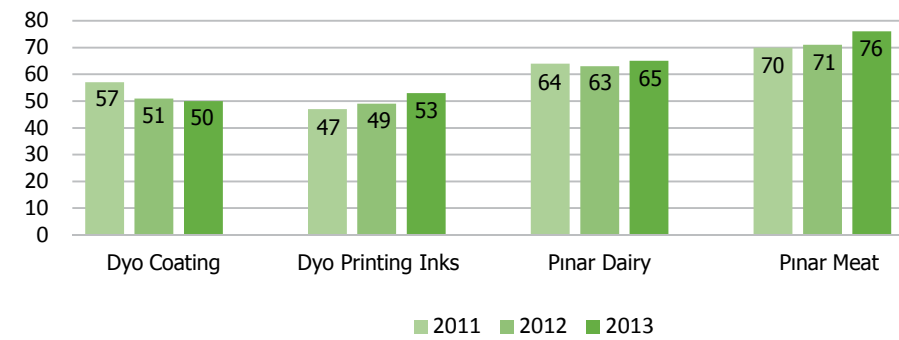
1. The provisions of the regulation about councils on health and safety at work are applied at the workplace.
2. The trade union should notify the names of its principal and alternative representative in the council within (15) days from the date of execution of the agreement pursuant to

paragraph (g) of Article 3 of the regulation in question. The employer informs the trade union about the names of its principal and alternative member in the Board within the same period.

3. As per Article 5 of the Regulation, files, books, and other documents comprising all activities, including the Council's monthly meetings, resolutions passed, actions, maintenance, inspection, and training may be subjected to audits and examination if considered necessary by branch or regional branch managers.

4. All activities of the trade union's representative assigned to the Council are taken into consideration as if he or she has actually worked.

Percentage of Employees Covered by Collective Bargaining Agreement



## Our Environmental Concerns and Principles

The environment is no longer a phenomenon protected by laws and regulations and confined to areas such as recycling and energy saving. It has become one of the main components of the policies and strategies of governments, agencies, and enterprises.

Development of production and consumption models requiring less spending of funds and the creation of a model for the sustainable utilization of resources require the regeneration of information about the environment.

Yaşar Group supports a cautious approach to the regeneration of information about the environment, development of new business models, and environment-related challenges with its all resources. All companies within the Yaşar Group is guided by the principle that "Lack of scientific certainty cannot be cited as a reason for a delay in taking cost-effective actions preventing harm to the environment in cases where the environment faces the risk of serious or irreparable damage."

Aiming to achieve economic growth and the improvement of the environment and development of society,

the Group has integrated its corporate strategy with its responsibilities toward its employees, consumers, customers, suppliers, and society. As a sign of its environmentalist concern, one of the key components of this corporate strategy, the Yaşar Group keeps its promises to develop products, processes, and servicing requiring a lower quantity of resources; to measure and minimize their impact on the environment; to make an efficient use of energy and natural resources; and to reduce the use of toxic and hazardous chemicals and waste, wastewater, and emissions.

The Group companies has adopted production process sensitive to the environment, use environment-friendly inputs, and pays attention to ensure that environmental impact of all anticipated investments is assessed and the investment program is drawn up based on that assessment.

Yaşar Group believes that all systems implemented in accordance with the sustainability concept should be improved and integrated and it supports these activities through training and practices aiming to achieve improvements.

Society's expectations of businesses are rapidly changing and businesses constantly enhance their ability to catch up with that pace. The Yaşar Group constantly follows and analyzes such expectations received from society, its employees, and stakeholders and transparently shares its actions and activities with interested parties.

Our Group is committed to keep its promises about the environmental and social impact of its investment decisions, production and planning, environmental effects and social projects as it has done in the past.

### Examples of Practice

#### Pınar Dairy

Pınar Dairy takes into consideration below parameters while it is realizing its goals about environmental concerns.

**Efficient use of natural resources:** Saving measures are implemented in order to attain the goal of reducing the quantity of natural resources used.

**Environmental safety of raw materials used in the process:** All waste raw materials and ancillary materials used is treated at the chemical and anaerobic treatment plant.

**Environmental performance of processes:** Environmental impact inventories and impact logs have been formed in all production-related units in our plant and risky processes were assessed. Risky processes are regularly measured and those areas are kept under control.

#### Altın Yunus

- 3,950 kg of waste grease and 20,100 kg of waste paper was delivered to recycling plants in 2013.

- A team made up of hotel employees collected trash on the public land at the entrance of the hotel and Cape Kalem Island in 2013.

- Research is under way in order to provide power from alternative sources such as solar energy and wind energy.

- Five photocell doors have been installed in various sections of the hotel in order to prevent loss of heat.

- Bunkers were installed in the Hotel to collect hazardous waste.

- A blower with a higher capacity was installed in the treatment plant due to insufficient capacity.

- Drip and automatic irrigation systems were installed on gardens.

- The quantity of canned and bottled beverages was reduced by 197,938 as part of the project designed to improve beverage costs and the number of waste cans and bottles was reduced.

#### Viking Tissue

Guided by the principle to minimize the industry's impact on the environment and to conserve the environment, Viking Tissue is working with Yaşar University to carry out a project aiming to ensure that process waste is used by another industry as raw material.

#### Dyo Coating

In 2013, the Turkish coating industry continued investing mostly in building coatings and heat insulation systems. Firms focused on developing environment-friendly products in order to minimize their impact on the environment and to meet customer demand for environment-friendly products. Thus, the number of products with high additive content, powder coatings, and products with low VOC content is gradually rising. The market share of water-based coatings is also increasing.



## Use of Resources

### Lean 6 Sigma Practices

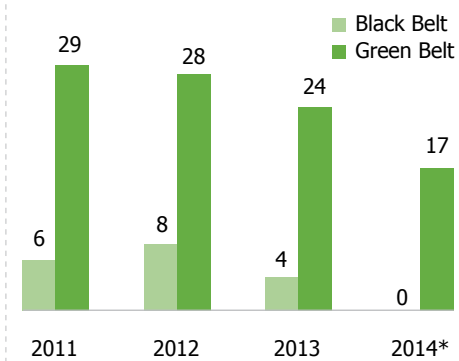
Some companies within the Yaşar Group apply Lean 6 Sigma in the field of efficiency and resource utilization. Issues such as energy saving, customer satisfaction, and process design are accorded priority when selecting projects to be carried out by those companies and projects consistent with corporate strategies are carried out under supervision of project leaders.

Training and coaching needed for managing this process are supported by internal resources and the system was backed up by 2 new Master Black Belts in 2013. In 2013 and 2014 and four Master Black Belts were actively involved as a liaison between project leaders and the management during the project. Master Black Belts are also responsible for ensuring that the methodology is applied by appropriate tools and that efforts are well coordinated and

continue in accordance with the time schedule.

A breakdown of the number of human resources trained and projects carried out by years:

#### Number of Projects



(\*) Planned  
• One scheduled Green Belt project was not completed in 2013.

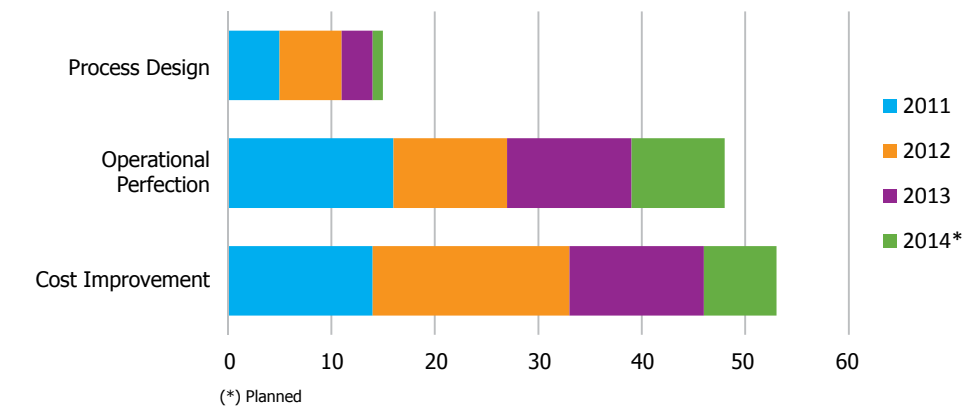
#### Number of Employees Trained

	2008-2013	2014*
Master Black Belt	5	0
Black Belt	26	0
Green Belt	89	16
Yellow Belt	379	42

(\*) Planned  
• 2013 was completed as scheduled.

Projects are divided into three main categories. A breakdown of projects carried out in 2011-2013 and scheduled for 2014;

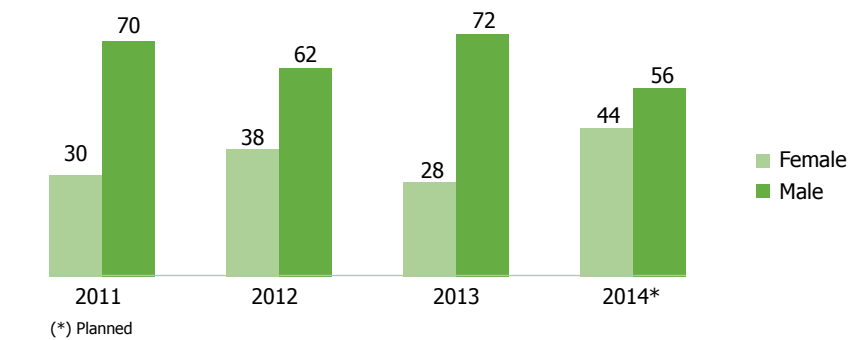
#### Project Groups



A breakdown of project leaders by gender depending on their

titles and consistency of project themes is given below:

#### Breakdown Percentage of Project Leaders by Gender



#### Operational Cost Improvement (OCI) Activities

The Yaşar Group includes the sustainability approach, which exists in its tradition and which is at the heart of its activities, also in its OCI efforts.

OCI projects, which can be implemented once only or continuously depending on project headings, seek results generating data which can be used in sustainability efforts and including all possible quantitative data as well as cost savings.

## Water Management

Due to being a rapidly depleted natural resource as well as its daily increasing strategic importance, water comes first among the priority issues addressed on a wide platform from governments to NGOs, from institutions to the business community. An important part of the world population has no access to clean drinking water and to sources of water from which they can meet their sanitary needs. Projections indicate that countries which can meet their water needs "for the time being" may also face a shortage of water in the future years and that there may be drought on a global scale if the necessary measures are not taken. Therefore, the efficient use and management of water resources is of great

importance for the sustainability of resources.

The Yaşar Group takes the goal of the efficient use of water into consideration in all its business processes, and plans the steps that can be taken in this direction. Exploiting opportunities for the efficient use and saving of water, the Yaşar Group included "water footprint" studies in the work programme of the Sustainability Committee in 2013 and began to analyze the risky areas, the opportunities of reduction and the parameters needed for water footprint calculation by conducting a water use survey with all the companies. The employees to be determined by the companies will be given training on water footprint calculation, and the water footprint calculations of all the Group companies will be completed in 2014.

### Examples of Practice

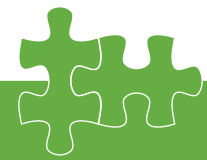
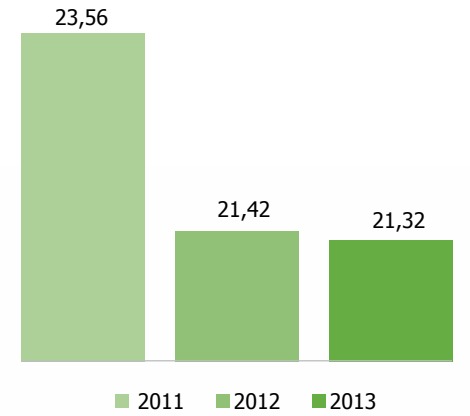
#### Pınar Meat

All waste waters coming out of production processes and social areas are treated at the physical, chemical and biological waste water treatment facility located inside the factory, and the quality of waste water

is periodically analyzed at independent laboratories and at the company's own laboratory.

Water consumption per ton of product was brought down from 21.42 ton/m<sup>3</sup> in 2012 to 21.32 ton/m<sup>3</sup> in 2013, achieving a reduction of 0.47%.

Water Consumption Per Ton of Product (m<sup>3</sup>)



Water survey which is carried out among Yaşar Group companies indicates that about 6,688.35 tonnes water is consumed annually.





## Packaging Waste and Waste Management

In addition to its sustainability commitments, the Yaşar Group extends support to projects aimed at raising public awareness of waste recovery and recycling in particular. The Foundation for Environmental Protection and Packaging Waste Recovery (ÇEVKO), of which Pinar Water, a Group company, is one of the founders, is the solution partner of the Yaşar Group, which raises the awareness of its employees through internal training, in its packaging waste recovery and recycling efforts.

Certain companies of the Yaşar Group which operate with organizations licensed by the Ministry for the recovery and

recycling of packaging waste follow the packaging waste management plan prepared under contracts and submitted to the Ministry of Environment and Urban Planning. In cooperation with ÇEVKO, training activities are implemented concerning the separate collection at source, recycling and recovery of packaging waste and contributions are sought to be made to the development of informed consumption habits in society.

Product packagings are selected and manufactured with a view to ensuring recycling so as to generate the least amount of waste from their design to the end of their consumption.

Article 11 of the Packaging Waste Control Regulation provides: "Those who place a product on the market must use packagings that will generate the least amount of waste after the use of the product and that are the most economical and easiest to recycle and recover."

### Pinar Meat

In the section of advance processed products, the rate of plastic waste was reduced from 4.4 % 2012 to 3 % in 2013; likewise, in the section of meat product packaging, it was reduced from 2.90 % to 2.38 %; in the section of white meat, from 0.14 % to 0.08 %; and in

the section of red meat, from 1.44 % to 1.29 %.

### Çamlı Feed and Fattening

The employees were given "Waste Management" training for the separate collection at source of recycled packaging waste and the rate of recyclable waste was increased.

### Viking Tissue

The quantity of waste paper recovered at the de-ink facility of the enterprise was 20,279 tons, making a contribution to the economy. The pulp equivalent of the recovered waste paper was the amount of pure cellulose obtained from 245,000 trees.

### Amounts of Recycling Over the Years (%)

Type of Package	2011	2012	2013	2014*
Paper-Cardboard	38	40	42	44
Plastic	38	40	42	44
Glass	38	40	42	44
Metal	38	40	42	44

(\*) Planned

### Waste Amounts for 2013

kg	Hazardous Waste	Evaluable Waste
Pinar Meat	32,060	3,689,000
Çamlı Feed and Fattening	8,940	436,580
Viking Tissue	19,340	325,270
Pinar Dairy	11,006	10,200
Dyo Coating	3,288,000	320,000
Dyo Printing Inks	125,000	48,000

## Our Relations with Society

### Our Employment Data

#### Regional Percentages of the Total Workforce

Region	2011	2012	2013
Aegean Region	69.49	68.22	66.14
Marmara Region	17.60	18.52	20.39
Central Anatolia Region	9.82	9.84	9.98
Mediterranean Region	2.08	2.35	2.51
Black Sea Region	0.52	0.54	0.53
South Eastern Anatolia Region	0.29	0.31	0.31
Eastern Anatolia Region	0.20	0.22	0.14

#### Percentages of the Total Workforce by Type of Employment

Type of Employment	2011	2012	2013
Key	6.9	7	6
White Collar	45.4	44.5	44.2
Blue Collar	45.3	45.9	46.8
Temporary	2.4	2.6	3

#### Personnel Turnover Rate

	2011	2012	2013
Across the Group	7.9	7.6	7.9

#### Personnel Turnover Rate by Age 2013

18 years and below	-
18-25	9.4
26-30	8.8
31-35	7.6
36-40	5.8
41-45	5.8
46 years and above	15.7
<b>Across the Group</b>	<b>7.9</b>

#### Personnel Turnover Rate by Region 2013

Aegean Region	7.4
Marmara Region	10.8
Central Anatolia Region	5.9
Mediterranean Region	3.2
Black Sea Region	2.9
South Eastern Anatolia Region	2.1
Eastern Anatolia Region	18.2
<b>Across the Group</b>	<b>7.9</b>

#### Personnel Turnover Rate by Gender 2013

Female	8.0
Male	7.8
<b>Across the Group</b>	<b>7.9</b>



## Gender Distribution of Employees

### Gender Distribution Percentage of All Employees

	2011		2012		2013	
	Female	Male	Female	Male	Female	Male
Yaşar Holding	51	49	49	51	50	50
<b>Coatings Group</b>						
Dyo Coating	14	86	13	87	14	86
Dyo Printing Inks	19	81	18	82	18	82
<b>Food and Beverages Group</b>						
Pınar Dairy	18	82	19	81	19	81
Pınar Meat	15	85	16	84	21	79
Pınar Water	14	86	16	84	18	82
Çamlı Feed and Fattening	13	87	13	87	12	88
YBP	15	85	16	84	13	87
<b>Tissue Paper Group</b>						
Viking Tissue	10	90	10	90	8	92
<b>Trade and Services Group</b>						
Altın Yunus	22	78	17	83	19	81
Desa Energy	7	93	13	87	15	85

The Yaşar Group regards increasing the participation of women in working life as one of the principles of its human resources policy and extends support to efforts to increase women's employment. Having signed the "Principles of Empowering Women" CEO Support Declaration initiated by the United Nations, the Yaşar Group also participated actively in the work of the "Platform for Equality at Work" initiated by

the World Economic Forum and led by the Ministry of Family and Social Policies. The Group believes that these and similar initiatives will bring considerable gains in terms of both women's employment and gender equality in Turkey.

When the workforce of Yaşar Holding is examined, it is noted that there is an even distribution of female and male employees, but a picture in favour of male

employees is observed in the Group companies –mostly due to the qualities required by the job. To overcome this situation, the necessary assessments are being made to increase the number of female employees, and human resources practices are being revised with the management of the companies.

### Gender Distribution Percentage of White Collar Employees

	2011		2012		2013	
	Female	Male	Female	Male	Female	Male
Yaşar Holding	57	43	59	41	54	46
<b>Coatings Group</b>						
Dyo Coating	27	73	26	74	27	73
Dyo Printing Inks	35	65	41	59	40	60
<b>Food and Beverages Group</b>						
Pınar Dairy	34	66	35	65	32	68
Pınar Meat	26	74	27	73	29	71
Pınar Water	19	81	20	80	23	77
Çamlı Feed and Fattening	27	73	31	69	27	73
YBP	16	84	17	83	13	87
<b>Tissue Paper Group</b>						
Viking Tissue	21	79	20	80	18	82
<b>Trade and Services Group</b>						
Altın Yunus	26	74	21	79	23	77
Desa Energy	7	93	8	92	16	84



### Gender Distribution Percentage of Team Leaders and Superior Management Staff

	2011		2012		2013	
	Female	Male	Female	Male	Female	Male
Yaşar Holding	57	43	57	43	57	43
<b>Coatings Group</b>						
Dyo Coating	24	76	23	77	23	77
Dyo Printing Inks	32	68	33	67	32	68
<b>Food and Beverages Group</b>						
Pınar Dairy	30	70	32	68	34	66
Pınar Meat	27	73	29	71	34	66
Pınar Water	24	76	17	83	18	82
Çamlı Feed and Fattening	26	74	26	74	21	79
YBP	19	81	19	81	22	78
<b>Tissue Paper Group</b>						
Viking Tissue	25	75	16	84	15	85
<b>Trade and Services Group</b>						
Altın Yunus	14	86	5	95	15	85
Desa Energy	0	100	17	83	20	80

### Average Age of Employees

#### Average Age of All Employees

	2011	2012	2013
Yaşar Holding	39	41	42
<b>Coatings Group</b>			
Dyo Coating	35	35	35
Dyo Printing Inks	37	37	37
<b>Food and Beverages Group</b>			
Pınar Dairy	33	33	33
Pınar Meat	36	36	35
Pınar Water	35	34	35
Çamlı Feed and Fattening	35	35	36
YBP	35	35	35
<b>Tissue Paper Group</b>			
Viking Tissue	35	35	35
<b>Trade and Services Group</b>			
Altın Yunus	34	34	34
Desa Energy	37	38	39



#### Average Age of White Collar and Management Staff

	White Collar			Management Staff		
	2011	2012	2013	2011	2012	2013
Yaşar Holding	39	38	42	41	44	45
<b>Coatings Group</b>						
Dyo Coating	36	35	36	40	40	40
Dyo Printing Inks	37	35	37	40	40	41
<b>Food and Beverages Group</b>						
Pınar Dairy	33	32	33	36	36	36
Pınar Meat	36	35	36	39	39	40
Pınar Water	35	34	36	37	38	39
Çamlı Feed and Fattening	35	33	35	40	42	41
YBP	35	34	35	39	39	40
<b>Tissue Paper Group</b>						
Viking Tissue	35	34	36	37	39	40
<b>Trade and Services Group</b>						
Altın Yunus	36	35	36	44	43	41
Desa Energy	37	33	39	55	48	47

#### Age Distribution Percentage of All Employees for the Year 2013

	-18	18-25	26-30	31-35	36-40	41-45	+46
Yaşar Holding	0,0	0	10	20	28	13	29
<b>Coatings Group</b>							
Dyo Coating	0,0	9	21	23	22	18	8
Dyo Printing Inks	0,0	8	17	18	23	21	12
<b>Food and Beverages Group</b>							
Pınar Dairy	0,0	16	28	22	19	11	5
Pınar Meat	0,0	15	20	17	22	17	9
Pınar Water	0,0	12	18	26	22	15	6
Çamlı Feed and Fattening	0,0	7	20	26	22	16	9
YBP	0,0	5	21	33	20	15	7
<b>Tissue Paper Group</b>							
Viking Tissue	0,0	6	20	26	25	18	5
<b>Trade and Services Group</b>							
Altın Yunus	0,0	20	20	16	17	17	10
Desa Energy	0,0	0	20	15	35	15	15

## Our Studies on Management Systems

While offering quality and trust for our consumers and all our stakeholders through our products and services, we conduct our activities at internationally accepted standards. We continuously develop our management systems activities with the aim of achieving international standards to increase efficiency, to develop an effective system

of management and to be able to make the necessary improvements by ensuring the traceability of our activities.

Under our sustainability approach, we continuously assess our management systems and their effectiveness, thereby fulfilling our commitments regarding our impact on the environment as well as the optimization of operations.

Management System	System Certification	Pinar Meat	Pinar Dairy	Pinar Water	Dyo Coating	Dyo Printing Inks	Altın Yunus	Viking Tissue	Çamlı Feed and Fattening	Desa Energy	YBP
Quality Management System	ISO 9001	•	•	•	•	•	•	•	•		
Food Safety Management System Certificate	ISO 22000	•	•	•					•		
Environment Management System	ISO 14001	•	•	•	•	•			•		
Occupational Health and Safety Management System Certificate	OHSAS 18001	•	•	•	•	•					
Test and Calibration Laboratory Accreditation	ISO 17025	•									
Customer Satisfaction Management System Certificate	ISO 10002			•	•	•					
Energy Management System	ISO 50001	•	•		•	•			•		
Conformity Assessment-General Requirements for Bodies Operating Certification of Persons	TS EN ISO/IEC 17024				•						

Management System	System Certification	Pinar Meat	Pinar Dairy	Pinar Water	Dyo Coating	Dyo Printing Inks	Altın Yunus	Viking Tissue	Çamlı Feed and Fattening	Desa Energy	YBP
Automotive Sector and Sub-Industry Quality Management System	ISO 16949				•						
Organic Farming Entrepreneur Certificate									•		
FSC-CoC ( Forest Stewardship Council-Chain of Custody ) Management System	FSC 40-004							•			
	FSC 40-007							•			
US National Sanitation Foundation	NSF			•							
British Retail Consortium	BRC								•		
International Food Standard	IFS								•		
Global Gap	CFM/COC								•		
National Britannia	NB						•				
Food Safety System Certificate	FSSC 22000	•	•								
Halal Food Certificate	TS OIC/SMIC 1	•									
Friend of the Sea	FOS								•		



### Altın Yunus

- An interim audit was performed and successfully completed in 2013 in accordance with the ISO 9001:2008 Quality Management System.
- Also in 2013, the hotel was awarded by National Britannia (NB) with the Golden Certificate in food safety.
- Following audits, it was certified with the Blue Flag also in 2013.
- Work is under way concerning the TS ISO EN 50001 Energy Management Systems.
- The stage of application to the Ministry of Culture and Tourism for becoming a "Green Star Hotel" has been reached.

### Pınar Water

Work is under way on the TS ISO EN 50001 Energy Management Systems concerning energy management.

### Pınar Meat

TS ISO EN 50001 Energy Management System certification was completed in 2013.

## Projects and Systems to Enhance Customer Satisfaction

### YBP

#### E-Invoice Project

The e-invoice application of the Revenue Administration (RED) was introduced at YBP in 2012. With customers also being included in the e-invoice process that started with Pınar Dairy and Pınar Meat, producer companies in the Food Group, integration into the invoice sending and receiving and SAP system continued in 2013 together with improvements in the reporting processes.

In 2013, the number of e-invoices received was 125,487 and the number of e-invoices sent 34,718.



### Dealer Portal Project

Dealer Portal has been created in order to establish a systematic structure that enables the Yaşar Group to communicate with dealers. Designed to serve dealers through modules such as announcements, proposals and complaints, and document management, the Dealer Portal is planned to be opened for use in 2014.

The aim of the Dealer Portal Project is for wishes, complaints and proposals made by YBP dealers in particular to be recorded by specialists and communicated to the relevant departments and for a response to be sent to the dealer. Specialist and dealer training on portal use is continuing. Below is the distribution of authorized groups across Turkey.

#### West Directorship

- Specialists 11
- Dealers 10

#### Marmara Directorship

- Specialists 9
- Dealers 7

#### East Directorship

- Specialists 10
- Dealers 38

### Autonomous Project

This is a project open to continuous development, implemented for the manual devices with which YBP conducts the sales operation in the field to operate and be developed in accordance with the company principles. Entering into a new period in 2013 at YBP, the autonomous process is also supported by the Turkish Council for Scientific and Technical Research as the first android-based software project with 3G connection support on manual devices in Turkey. Thanks to the project, the manual device will be capable of operating online or offline whenever required, and through this flow the sales team in the field will be able to have instant access to all details and changes regarding the customers in the system.

YBP Autonomous Project is a visionary project that will cover all the flexibilities of tablet technology in the future years, too.

### Dealer Kanban Project-East Directorship Extension

Kanban Project (System of Filling and Drawing on Location at Dealer Warehouses) was introduced in 2012 at the West pilot dealers and, following successful results, it was decided to extend it across Turkey. In 2013, 14 dealers under the East Directorship were taken into the live system. Aimed at increasing the order response rates of dealers and lowering the numbers of stock days, the project has enabled business efficiency and customer satisfaction to be increased.

## Support to Development of Sectors That We Operate In



### Support to the Promotion of the Brand Turkey

Launched and conducted by the Ministry of Economy with the vision of "creating 10 world brands in 10 years", the TURQUALITY® Programme is the only brand-building programme with state support in the world. Conducted with the aim of increasing the competitiveness of Turkish brands and enabling them to join global brands on the international markets, the Programme also aims at creating global brands with a strong institutional infrastructure and increasing exports.

Providing an important strength and dynamism to the national economy, the Programme gives Turkish brands a global vision and enables them to generate more value-added and to raise their market shares.

TURQUALITY® Programme is not limited to financial support and makes it possible for brands to develop new management and business models.

While reaching consumers in the global markets through its brands Dyo, Dewilux and Pinar, the Yaşar Group also conducts its activity with the support of the TURQUALITY® Programme. The brand Pinar has been included in the TURQUALITY® Programme since 2007 and the brands Dyo and Dewilux have since 2008. Exports are made in the "Food

and Beverage" group to the Gulf and EU countries and in the "coating" group to many countries including especially Asian, European and Gulf countries.

#### Goals of TURQUALITY®

- To play an acceleratory role in brand-building by providing financial resources to firms with brand potential on the road to becoming a global brand;
- To support the development of firms and their brands through strategy, operation, organization and technology consulting activities to create global Turkish brands;
- To strengthen total human resources by providing training support to the management units of firms covered by the Programme;
- To enable a positive image of Turkish goods to be created and maintained abroad through communication and promotion activities;
- To increase the brand potential and awareness of Turkish firms;
- To provide intelligence support for Turkish firms to be able to take action with market knowledge; and
- To be an incubator and catalyst for selected Turkish brands.

### Pinar Institute

Located in the Yaşar University Campus, Pinar Institute was established in 2012 to conduct researches to provide support for researches and trainings to publish the results and to operate in this direction with the objective of contributing to the healthy development of society within the context of social responsibility.

Setting out with the mission of extending support to scientific projects in order to inform the public on food, health and nutrition issues and to create awareness of quality living, participating in information networks and engaging in education activities, the Pinar Institute with the members of its Managing Board and Scientific Board started its activities on 13 June 2013.

Aiming to be a reliable point of reference in the area of food and nutrition, the Pinar Institute also aims to contribute to the formation of a society composed of individuals who are fed in a healthy way. In line with this aim, the Pinar Institute first implemented the project "Let's Act and Have Fun and Let's Have

Healthy Diet" and carried out educational activities to create awareness in children regarding food, health and nutrition issues. Under the project, children aged 6 to 12 on holiday at Çeşme Altun Yunus Resort and Thermal Hotel in summer were provided with education concerning healthy nutrition and physical activity.

The study on "Consumer Perception of Meat and Milk Products" was designed jointly with the Communication Faculty of the Yaşar University and approved for support by the Turkish Council for Scientific and Technical Research.

Joint work is being conducted with the National Food Technology Platform (NFTP), which carries out activities of R&D and innovation to support a successful and competitive food and beverage sector based on economic growth, knowledge and technology transfer, sustainable production and consumer trust.

By becoming a member of the European Food Information Council (EUFIC) through Pinar

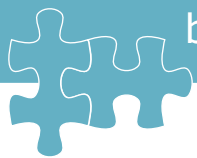
Meat, cooperation with the EUFIC has been formalized. Activities to be implemented in the area of food and nutrition will be announced through the Pinar Institute.

Pinar Institute will share information over its website to ensure circulation of knowledge and consumer awareness and will offer its website as an information platform to users in 2014.

[www.pinarenstitusu.org.tr](http://www.pinarenstitusu.org.tr)



TURQUALITY® Programme makes it possible for brands to develop new management and business models.



## The Value We Add to the Lives of our Consumers: Customer Satisfaction

The Yaşar Group companies offer contributions to the economic and social development of the society in which they operate, while adding value to the lives of their consumers and customers. In addition to its rapid and effective business solutions and its high-quality and reliable products, the Yaşar Group generates values of common benefit to society. Underlying the loyalty to the brands of the Yaşar Group are these values and shared principles. Social cohesion, customer satisfaction, social and cultural values and consumer rights are concepts that cannot be thought of separate from the Group culture.

### Altın Yunus

- The second phase of the renovation of the Marina apart rooms, begun in March 2012, was completed in 2013.
- Additional cold rooms have been built in the food and beverage units.
- In the beach apartments, the key systems of the rooms have been converted to the card system.
- The sports centre of the Hotel and the sports equipment in use have been renewed.
- The railings and banisters of the marina and terrace outer

spaces have been arranged in accordance with international standards.

- As part of the restructuring of the scullery, the glass washing area has been separated from the main scullery and established in a different place.
  - The working conditions of the administrative units have been improved. The office windows have been renovated so as to allow the offices to receive more sunlight and directly.
  - In the kitchen and the Petunia restaurant, the capacity of the ventilation system has been increased.
  - The wall between the thermal pool and the thalasso pool at the Fitness Centre has been removed to ensure integrity between the two sections. The pools area has been visually improved.
  - A lift suitable for use by disabled guests has been constructed for coming down from the main building of the Hotel to the Marina zone.
  - The floors of the kitchen and the cold rooms has been covered with epoxy in accordance with the standards of hygiene.
- The customer satisfaction rate of the Hotel in 2013 was 90%.

### YBP

For the criterion of customer satisfaction, which forms 20% of scoring for the award of the European Foundation for Quality Management (EFQM), a YBP Customer Satisfaction Survey was conducted also in 2013. Under the project with a confidence interval of 95%, a closed envelope survey was applied to 3,071 YBP customers. The survey results were shared with the regions, proposals were identified to improve satisfaction, and they were submitted to the senior management for implementation.

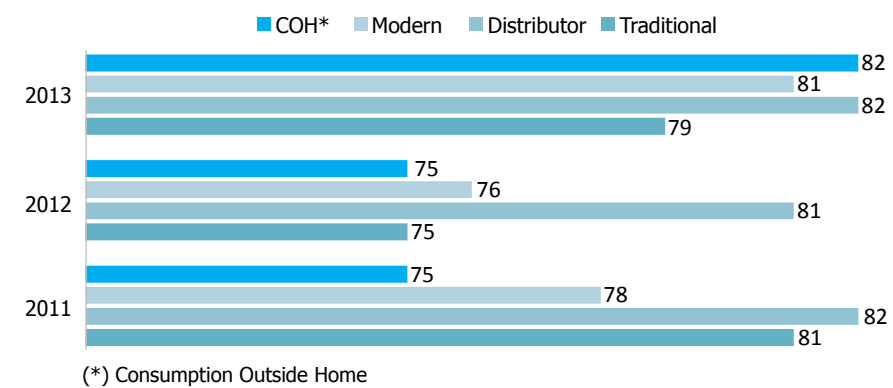
### Çamlı Feed and Fattening

The animal health and feeding training and supports given by the Technical Field R&D employees to farmers on location are aimed at increasing customer satisfaction.

### Pınar Communication Centre

In accordance with the principle "Our consumers and customers first", Pınar acts in a proactive and innovative approach to perceive rapidly and correctly the needs of its consumers and its domestic and foreign customers and to meet their expectations for a better life. Adopting the principle of doing business with a focus on the consumer, Pınar

### Customer Satisfaction Percentage



carefully examines and evaluates the wishes and proposals coming from its consumers.

Customer requests and complaints reaching the Pınar Communication Centre (PCC) at 444 76 27, which may be called from anywhere in Turkey without dialling the city code, are answered live by operators between 07:00 and 23:00 for seven days a week, and consumers are provided with information in the shortest time about the issues communicated. The call response rate of the PCC is 90%, and 92% of calls are answered in 15 seconds. With the PCC Twitter account that went into operation in 2013, wishes and proposals coming through the social media are examined and consumers responded to. The service level of the PCC is regularly measured through the satisfaction survey applied to consumers with whom

a communication has been made. According to the results of the survey implemented with consumers who reached the Pınar Communication Centre in 2013, the customer satisfaction rate is 91%.

### Dyo Printing Inks

The customer satisfaction rate was 95% according to the results of the 2013 survey.

### Dyo Coating

The EFQM Excellence Model was introduced in order to assess where the company stood on the road to corporate excellence, to identify its strengths and its areas open to improvement in connection with the company vision and mission, to achieve the improvements, and to turn the culture of excellence into the lifestyle of Dyo Coating.

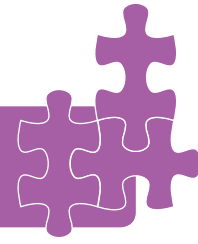
Consulting services began to be received from a consultant

specialized in his field and from the Quality Association to implement the model successfully. Different working groups were created out of the company employees and they were given training on the model. In addition, information and awareness-raising courses were organized for all factory and regional sales personnel. With the working groups created, the EFQM criteria (leadership, strategy, employees, partnerships and resources, processes, products and services, results concerning customers, results concerning employees, results concerning society, business results) were analyzed on the company basis and activities carried out to prepare and implement action plans.

A dynamic evaluation framework was created for sustainable corporate excellence. Following an application made in June 2013 for the National Excellence Award, Dyo Coating was found worthy of the EFQM 5-Star Excellence Award. This award clearly showed the accumulated assets of Dyo Coating in its quest for excellence and the distance it covered as a result of the activities conducted for this purpose.



## Our Social Contribution Projects



### Yaşar Education and Culture Foundation



Supporting activities and achievements in the fields of education, art and culture in Turkey, Yaşar Education and Culture Foundation has ever since the day of its establishment assumed the construction of many schools and of additional buildings, dining halls, and sports and cultural facilities in line with needs.

In the framework of education investments, the construction of the Yaşar Education and Culture Foundation Special Education Application Centre and Work Application Centre with 18 classrooms, a project specially designed for the education of autistic children, commissioned by the Yaşar Education and Culture Foundation in the Kahramandere Neighbourhood, Güzelbahçe, Izmir, was

completed in 2013 and the buildings were handed over to the Directorate of National Education.

Various training courses are provided throughout the year to the companies of the Yaşar Group and to other institutions and organizations at the Durmuş Yaşar Training Centre of the Yaşar Education and Culture Foundation.

The Foundation, which has published about 40 works so far, organizes events where current problems in Turkey and in the world are assessed with a scientific approach and the results are made public.

The charter of the Foundation entrusts it with the duties of carrying out services to publicize and protect our cultural and historical heritage, supporting archaeological excavations, publishing their findings, publicizing them at national and international level and offering them to the public for its information. In this framework, Yaşar Education and Culture Foundation continued to extend financial support to the Nysa excavations in 2013 and allocated vehicles for use at the site.



### 46 years of Dyo Painting Competitions

Durmuş Yaşar, the founder of Dyo Coating, which was founded in 1954 and which is the first coating factory in Turkey, started the work out of the conviction that it was necessary to carry out artistic and cultural activities as well as economic activities, and in 1967, thirteen years after the foundation of the company, it was decided to organize a painting competition to encourage the arts and artists.

Dyo Painting Competition, which started in 1967 as the only private painting competition in Turkey and which has been organized by the Yaşar Education and Culture Foundation since 1993, was held for the 35th time in 2012. The 1.585 works by the 944 artists entering the competition were presented to art lovers in Izmir, Antalya, Gaziantep, Ankara and Erzurum during 2013.



### Selçuk Yaşar Art Gallery and Painting Museum

Put into service in 1990, the Selçuk Yaşar Art Gallery operates within the Selçuk Yaşar Museum, which was opened in 1985 and which is the first private painting museum in Turkey.

In 2013, Yaşar Education and Culture Foundation continued its activities of art through the exhibitions of Hüseyin Yüce, Ayşegül İzer, Orhan Ersoy, Umur Türker, Bekir Sami Çimen, Cavit Atmaca, Mustafa Pilevneli and Yalçın Gökçebağ in the gallery on the lower floor of the museum. The summer exhibitions were held with Fahri Sümer, Murat Ateşli, Funda İyçe Tuncel and Mahmut Durmuş in the Çeşme Altın Yunus Art Gallery.







### Assistance to Other Institutions and Organizations

A chemistry laboratory was provided to the Ödemiş Science High School and equipment to the Special Education Class in the Nazire Merzeci Primary School. A scholarship was granted to a student under the "European College Postgraduate Scholarship Programme" started by the Ministry of European Union Affairs in order to develop the human resources needed in the area of the European Union.

Under the project "My Country is Special" supported by the Ministry of National Education

and the Association of Turkish Businesswomen, assistance was provided to the Ceylan Primary and Secondary School in Silopi, Şırnak for a playground, a fountain and interior coating.

Yaşar Education and Culture Foundation participated in the Contemporary Istanbul International Modern Art Fair and granted a contribution to the Orion Education Foundation towards the cost of printing the book "The Logbook of Piri Reis". In 2013, the Foundation continued to provide financial and in-kind support as a sponsor to a large number of institutions and organizations.



## Pınar

With the social responsibility projects it implements, Pınar contributes to the well-being of society and to increasing the quality of life for individuals. Carrying on activities in the fields of education, sports and art on the social dimension of sustainability, the company puts into practice and carries on projects for all segments of society.

Pınar generates value for the whole of society through the direct and indirect employment opportunities it creates, its investments, the goods and services it procures and the taxes it pays as well as its products. In addition to these, the company regards the permanent support and contribution it provides to the arts, to education, to sports and to the protection of cultural

assets as an important and essential means of the principle of giving back to society. The Pınar Painting Competition, the Pınar Children's Theatre and the sponsorship for the Pınar Karşıyaka Basketball Team are among the social responsibility projects carried on by the company for many years without interruption.

### Pınar Painting Competition

For 32 years now, the Pınar Painting Competition has allowed hundreds of thousands of children to express themselves by painting and aimed to support the painters of the future by ensuring the development of children's painting skills.

Pınar Painting Competition, which is opened with a different theme each year and which was organized in 2013 with the

theme "Let's Protect Nature, Let's Take Care of the Future", received a large number of entries, a total of 377,824 works from every region of Turkey, from the Turkish Republic of Northern Cyprus and from Germany. 23 children selected by the jury including specialists gained the right to participate in the 1-week Art Camp in Istanbul under the coordination of the famous painter Devrim Erbil.

The students who took part in the competition were given their netbooks and certificates in a ceremony held on the last day of the Art Camp. 3 students participating in the Art Week from Ağrı, Diyarbakır and Cyprus became entitled to a scholarship.

The awareness rate of the Pınar Painting Competition in 2013 is 31% according to the awareness measurement carried out by GfK Turkey.

Pınar Painting Competition, Pınar Children's Theatre and the sponsorship for Pınar Karşıyaka Basketball Team are among the social responsibility projects carried on by Pınar for many years without interruption.



### Pinar Children's Theatre 26 Years Old

Having reached more than three million children across Turkey free of charge in 26 years, the Pinar Children's Theatre aims to inculcate a love of theatre in children and continues in every play to contribute to the cultural, psychological and mental development of children.

Having staged dozens of plays for children every year since 1987 with its professional staff, the Pinar Children's Theatre put on stage its new play "Aladdin's Magic Lamp" in the teaching year of 2012-2013 and shared the excitement of this visual world with children. The Theatre met thousands of theatre-going children during its Anatolia Tour in the provinces of Izmir, Mardin, Kızıltepe, Şanlıurfa, Gaziantep and Eskişehir.

The awareness rate of the Pinar Children's Theatre in 2013 is 33% according to the awareness measurement carried out by GfK.

### Pinar-UNICEF Cooperation

Pinar continues its cooperation with UNICEF and develops joint projects that will make a change in the lives of children. In this framework, Pinar cooperated with UNICEF for a donation to the Regional Boarding Primary Schools in Şanlıurfa, instead of New Year presents to be sent on the occasion of the New Year in 2013, as it did in 2012.



## Other

### Altın Yunus

#### Contributions to Education Institutions

- We participated in the career days of the Balıkesir University Tourism School for Higher Learning and provided students with information about the job and training opportunities at the Hotel.
- Following negotiations with the Çeşme Tourism School of the Aegean University, a practical training programme was included in the curricula of the school. The students will begin to have practical training at the Hotel enterprises in the teaching year of 2014-2015.

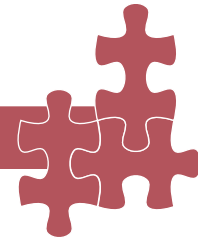
### Social Contribution Projects

- Housekeeping materials were donated for the renovation of the rooms at the Alaçatı Tourism Training Centre. As a result, the school was able to put up the relevant rooms for sale on a daily basis in the summer months and to start revolving capital operations. With this revolving capital income obtained, resources were provided for other areas in need of improvement at the school.
- Support has been extended to the construction of the animal shelter in Çeşme and the food needs of the animals in this shelter are provided from meals not served or from leftovers.

- 250 kg of blue caps collected from water bottles used after services provided to guests have been delivered to the Konak Municipality to purchase wheelchairs for the disabled.
- An event organized for the benefit of the autistic disabled was hosted, with the funds raised to be spent for their education.







### Yaşar University

Yaşar University, which started education in the academic year of 2002-2003, is one of the 5 foundation universities in Izmir.

Carrying on education in the Selçuk Yaşar Campus in Bornova, Yaşar University has 6,211 students and a total of 631 personnel members with 393 of them academic and 238 administrative.

In Yaşar University, there are 7 faculties with 25 departments, one Vocational School for Higher Learning that offers 11 pre-graduate programmes, one Foreign Languages School for Higher Learning, one Social Studies Institute that offers 12 post-graduate and 3 doctorate programmes, and one Science



Institute that offers 8 post-graduate and 3 doctorate programmes.

Yaşar University aims to raise individuals who:

- Can easily put their mental potentials into practice;
- Have high design and project skills;
- Can think analytically, systematically and regularly;
- Are not content with what they find and are curious, investigate and question;
- Care about the environment and their own lives;
- Can act with the awareness of social responsibility; and
- Participate in and organize civil society activities organized in the framework of sensitivity to ethical and aesthetical values.

Yaşar University, whose institutional identity and stand is identified with the slogan "Science, Unity, Achievement", has introduced the compulsory courses of Design Culture, Project Culture, Research Culture, Human Sciences, Ethics Culture, Aesthetics Culture and Social Responsibility Project under the heading of

Institutional Basic Courses in all its departments with the aim of ensuring that its students are aware of their responsibilities to society.

Starting from its competences, Yaşar University continues to work in line with its fundamental mission of "high quality education and research that establishes the science culture and contributes to the development of society in the local and global sense".

Yaşar University believes in the power of recognizing different cultures and disciplines and encourages its students in this respect. In this framework, the Yaşar University offers five-star accommodation service at the Altın Yunus Student Hostel with a capacity for 400 persons to Erasmus Exchange Programme students as well as its own students and guest members of teaching staff.

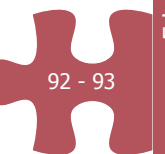
Carrying its success in academic education to social events, sports and art activities organized with the participation of students, Yaşar University with its many sportsmen obtained important positions in the inter-university competitions held in the academic year of 2013-2014.



### A Campus Pushing the Boundaries of International Standards!

International standards determined in terms of the criteria of natural environment and physical space per student are implemented at the Selçuk Yaşar Campus.

At the Campus, where ramps and lifts conforming to standards are used for the convenience of physically disabled students, a first has been achieved in Turkey by banning the consumption of cigarettes and other tobacco products in the indoor and outdoor spaces.



### An International City University

Through the publicity work and student exchange programmes conducted by the International Relations and European Union Centre, a large number of foreign students prefer to continue their studies at the Yaşar University, a city university which has achieved international standards.

Underlying the Yaşar University's concept of management and responsibility are for international quality concern in education to be reflected in all units of the university and in students and for the education offered and diplomas to be at world quality.

In addition, the Yaşar University English Preparatory Class was the first Turkish programme and ninth non-US programme to be accredited in the area of English teaching by obtaining CEA accreditation.

### EU Centre, Erasmus Programmes

Under the Bologna process harmonization work conducted at the Yaşar University, the European Commission awarded the university with the Diploma Attachment Label in 2011 and with the AKTS Label in 2012.

As the only university from Turkey among the first 20 universities selected out of 64 applications from 27 different countries, Yaşar University was found by the European Commission worthy of the "2010 Erasmus Achievement Award". In the academic year of 2013-2014, 83 students went abroad under the Erasmus Programme and 120 Erasmus students came to Yaşar University for study.

### International Relations Office

Established to develop the international perspective of Yaşar University and to coordinate its international activities, the International Relations Office increases international education opportunities for students and academics and integrates campus life with the intercultural and international dimension.

At the Yaşar University, which offers an international experience of education with a diverse student profile at its campus, students from 25 different countries including the USA, Great Britain, Oman, Azerbaijan, Pakistan, Nigeria and Australia receive full-time education.

### Scholarships

Yaşar University supports the achievements of students and contributes to their education with different scholarship opportunities including the Education Scholarship, the Academic Achievement Scholarship, the Talent Scholarship, the War Veterans Scholarship, the Accommodation Scholarship and the International Student Scholarship.

45% of the students at the Yaşar University benefit from scholarships granted at different rates.

### Social Life

In addition to academic education, the Yaşar University makes efforts and organizes

events to develop the social life of its students. Concerts of classical music, exhibitions, conferences and panels are held in the campus and support is given to the social and cultural activities of students with 43 actively working student clubs.

### New Investments

An area of 8,400 square metres, located opposite the local metro stop, next to the Selçuk Yaşar Campus, has been purchased and made part of the campus. Following this investment, Yaşar University has an additional indoor area space of 30,000 square metres.

In the academic year of 2013-2014, the Foreign Languages School for Higher Learning and the Vocational School for Higher Learning were moved from the Alsancak Campus to the modern building constructed on the said area.

[www.yasar.edu.tr](http://www.yasar.edu.tr)





## Trainings, Meetings and Activities for Stakeholders

### Pinar Meat Occupational Training Unit

Established as part of Pinar Meat due to the lack of an institution providing training in meat and meat products processing, the Pinar Meat Occupational Training Unit was opened for training in 1998 to eliminate the shortage of trained personnel in the sector. This training activity, which set a first example in Turkey, is aimed at ensuring that young people aged 15 to 19 who have completed their basic education, entered into working life and wish to learn a trade receive their theoretical and practical occupational training under a programme and thereby including them in the skilled intermediate manpower needed by the country. Such training also makes it possible to achieve the goals of ensuring professional discipline in working life, reaching occupational standards at national level, improving the quality standard in production and raising efficiency.

In 2013, at the occupational training unit, 16 apprentice students were provided by master instructors with occupational skills in meat and meat products processing and were entitled to receive Experienced Apprentice Certificates. Nine of the students

who completed their training were recruited by Pinar Meat. At the year end, 57 students were attending the Occupational Training Unit, from which a total of 325 persons graduated between 1998 and 2013.

### "Yaşam Pınarım" Magazine

Containing useful information especially for parents and having been published since 2004, the "Yaşam Pınarım" magazine is an important instrument of the link established with Pinar's consumers and business partners and with academic and bureaucratic circles. The magazine is published quarterly and distributed freely. Starting to be sent to consumers as an e-bulletin in 2013, the magazine reaches 115,000 people every month as a result.

### Pinar Newspaper

Being an important source of information on issues such as fattening, dairy technologies, and fatstock health for dairy and meat farmers and published quarterly, the Pinar Newspaper is prepared for the 25,000 farmers who supply milk to Pinar, for veterinary surgeons and for the farmers with whom the Pinar Meat purchasing department works.

### "Meat from the Point of the Producer and the Consumer" Book

Pinar has made the second printing of the book "Meat from the Point of the Producer and the Consumer" by Prof. Dr. Cemal Sarıcan.

### "Dyorum" Magazine

"Dyorum" magazine is published as 3 issues a year and sent to 10,000 persons free of charge.

### Business Management Systems Directorship - System Projects Bulletin

Prepared by the YBP Business Management Systems Directorship under the heading of "News from the System" and quarterly published for the Food Group, the bulletin provides information about technological innovations concerning the sector as well as ongoing or completed projects concerning systems implemented by all project teams included in the Food Group.

### Technical Training Directorship - Thematic Publications

Prepared by the Technical Training Directorship, "Thematic" (Bulletin of the Technical Training Directorship) is published on the first day of every month, describing the activities of training conducted, sharing

developments, examining issues of human and social psychology, covering particular cases, and offering book summaries.

The bulletin, published for 14 months now, is sent to the YBP sales staff and to the high-level managers of the Group companies.

### Trainings and Meetings for Other Stakeholders

#### Çamlı Feed and Fattening

Çamlı Feed and Fattening organized "Cattle Feed Seminars for Farmers" in Dört Yol, Milas Merkez, Kemikler, Türbe and Selimiye for farmers. "Cattle Feed Training" is among the training activities conducted for stakeholders.

#### YBP

#### Dealer SAP and Business Processes Training by the Business Management Systems Directorship

The Dealer Sap and Business Processes Training provided by the YBP Business Management Systems Directorship to newly established dealers of the YBP, Dyo Coating and Pinar Water companies includes SAP installation training and additional training needed. One-to-one training is provided for 10 days under the name of "SAP Transition" about all processes,

and additional training is organized for 4 to 6 days under the name of personnel changes, additional staff, and updates. 361 dealers trained 5,390 hours in related programmes.

Training activities are planned at the beginning of the year and on a monthly basis by the dealer managers of the relevant company and the YBP Business Management Systems Directorship.

#### Sales Techniques Training for Dealers by the Technical Training Directorship

Sales techniques training to develop the sales personnel of dealers continued in 2013. A total of 23 training sessions have been organized for the sales representatives, the fresh teams and the non-domestic consumption channel.

#### Dyo Coating

#### Dyo Academy

The minimum norms and qualifications adopted by the European Union to show the required knowledge, skills and attitudes for an occupation to be successfully practised in accordance with the levels of competence are determined in our country by the Occupational Qualifications Agency (OQA).





Dyo Coating is the first coating firm authorized to give testing and certification services under the qualification of Master Building Painter who uses our products, as in many branches of work.

Dyo Academy Certification Department started a project in 2013 to carry out its activities in this direction and took an important step to clear the way for nearly 50,000 master painters across Turkey to receive an Occupational Qualification Certificate. It was accredited by the Turkish Accreditation Agency under the TS-EN-ISO-IEC 17024 Standard and was authorized under the qualification 11UY0023-3 Building Painter Level-3. As a result, the Dyo Academy Department became

the 21st organization in our country licensed to carry out testing and certification for building painters on the basis of national qualifications.

With all its infrastructure and preparations completed in 2013, Dyo Academy Certification Department will issue OPA-approved Occupational Qualification Certificates to building painters who prove their occupational skills and competences by successfully passing the tests that involve two stages as theoretical and practical.

In 2013, a total of 5,475 persons including dealers, sub-dealers, shop assistants, masters and consumers were given 10,861 man/hours of training to ensure customer satisfaction and to provide information about products.

#### Hardware Supermarket Activities

To increase brand awareness in the final consumer and to publicize the products, hardware supermarket activities are organized at certain points during certain periods every year. Such activities were carried out in April to June 2013 in Istanbul and Izmit at hardware supermarkets where Dyo products are sold. Band performances and caravan

shows took place as part of the activities.

#### Regional Master Seminars

The master seminars, which are annually held across Turkey and have become traditional, were held in 2013 with the participation of 3,650 masters. At the seminar, information was provided on issues to contribute to the professional development of the masters, and new products were introduced.

In 2013, the marketing, sales and technical service teams carried out screening work in order to become solution partners in respect of surface problems at hotels located on the coastal line in our country due to both regional effects and utilization during the year.

- Antalya Hotel Screening Work: A total of 410 hotels were visited in November 2013.
- Aegean Region Hotel Screening Work: A total of 97 hotels were visited in December 2013.

#### Road-to-Victory Training

In 2013, training was provided to wholesale dealers across Turkey through the training seminars called "Dyo Road to Victory" on different subjects from personal development to sales techniques, from customer relations management to

leadership. Under the training programme, which lasted for 6 months, training was given to 1,195 persons including repeats.

#### Industrial Paints Technical Service Activities

In 2013, large industrial firms such as Otokar, Vestel and Arçelik were given 2,400 hours of training, contributing to the promotion of Dyo.

#### Dyo Printing Inks Activities

In addition to the training implemented at Dyo Printing Inks, training seminars are organized through R&D and technical service departments cooperation to provide technical information and to share sectoral developments for the Printing Schools of the Marmara and Istanbul Universities, for dealers, for industrial customers and for printing house masters.

Special training seminars continue to be organized in addition to group training events.

Participating in sector-specific fairs and symposiums and closely watching the market in the light of developments, Dyo Printing Inks started to produce local printing inks for the first time in Turkey in 2013.

One of the activities implemented to enhance total quality in the sector is

the FOGRA certification. In all processes of the FOGRA PSO (Offset Printing Process Standard), which is the quality indicator of the printing sector, firms are supported and consulting services are offered through the FOGRA partners at the company. 2 FOGRA certifications were effected in 2013.

Dyo Printing Inks participated in the campaign "I Have A Tree Planted", launched by Natural and Environmental Protection Urbanism Services for a greener Turkey, and presented saplings that had been planted in Karaağaçlı, Manisa to all its business partners.

#### Practical Training Opportunities for High School and University Students

The Yaşar Group offers practical training opportunities to high school and university students in order to contribute to raising skilled, innovative and responsible generations moving forward in the light of science and to enable them to acquaint themselves more closely with working life and to develop themselves. As a result, students find the opportunity of practical, on-the-job training and are included in a database of skilled candidates who can occupy the relevant positions in the future.

Vocational high school students and university students receive practical training at our companies, respectively, for three days a week and in June to September. 509 university students had practical training at our companies in 2013.

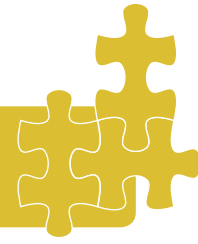
Under the long-term training programme "Stepping into Yaşar into Life (SYL)" introduced in 2012, 6 students in that year and 3 students in the following year worked on a project basis at our companies Yaşar Holding, Pınar Dairy and YBP for 6 months.

#### Cooperation With Universities

University students form a unique manpower pool for the business community. Participating in career days, which make it possible to meet the need for skilled manpower and allow students to get acquainted with the business community, the Yaşar Group considers this channel one of the most effective means of communication with students. In this framework, we participated in the career days of 8 universities in 2013.



## Sponsorships and Recognitions



### Main Sponsorships



#### Pınar KSK

Pınar displays its contribution to sports, which it regards as an important part of social development, by sponsoring the Pınar Karşıyaka Basketball Team (Pınar KSK), who have continued their struggle in the Turkish Basketball Premier League under the name of "Pınar Karşıyaka" since 1998. As a sponsor, Pınar also provides nearly 1,000 children every year with the opportunity of doing sports at the Çiğli Selçuk Yaşar Facilities.

Winning the Spor Toto Turkish Cup and becoming champion in the 2013-2014 season, Pınar KSK also represents Turkey abroad and brought the Eurochallenge Cup to Turkey in the 2012-2013 season, taking part in the final four contest.

#### Yaşam Pınarım KVSK

Pınar contributed also to volleyball through the support it extended to the Yaşam Pınarım Karşıyaka Volleyball Sport Club in 2013.



#### Pınar Water, Turkish Athletics Federation Official Beverage Sponsor

Giving support to projects that will make a social contribution out of corporate citizenship awareness, Pınar became the official beverage sponsor of the World Indoor Athletic Championship to increase the interest of the Turkish people in athletics. Pınar was also the main sponsor of the European Teams Athletic Championship organized by the Turkish Athletics Federation.

#### ESTİ

Pınar gives support as the main sponsor to the Aegean Water Sports and Tennis Specialty Club (ESTİ), established in 1993 in Izmir. Having successfully represented Izmir in the Turkish Premier League since 2008 under Pınar Water Sponsorship, ESTİ also contributes to the promotion of Turkey in tournaments held abroad.

#### Hido Talent Camp

Pınar sponsored the "Hido Talent Camp" organized by the Hidayet Türkoğlu Sports Schools at the Halkapınar Sports Hall on 23 to 29 June 2013.

### Other Sponsorships

#### Pınar

Main events sponsored by Pınar in 2013:

- Aegean Brand Summit organized by the Aegean University, 12 March
- 13<sup>th</sup> Paediatric Days organized by the Nursing School of the September 9 University Hospital at the Sabancı Cultural Centre in Izmir, 5-6 April
- 10<sup>th</sup> Leadership Summit, 11 April
- TRT Children's Country implemented by the TRT Children channel, 15-23 April
- International Children's Theatres Festival implemented by the Ankara State Theatres, 24-30 April
- 28<sup>th</sup> Torunlar Athletic Competition organized by the Karşıyaka Rotary Club at the Atatürk Olympic Stadium, 2-3 May
- 4<sup>th</sup> Food Safety Summit, 14-15 May
- "Quality in Life, Projects and Ideas Competition", organized by the Izmir Branch of the Quality Association for the first time, 30-31 May
- "Food R&D Project Market" implemented by the Aegean Exporters Union, 3-4 June

- 14<sup>th</sup> Symposium in Search of Quality implemented by the Izmir Quality Association, 5-6 June
  - Panel on Water in the Aegean Region, 7 June
  - 49<sup>th</sup> Turkish Paediatric Congress, 11-13 June
  - 59<sup>th</sup> Meat Science Congress, 18-23 August
  - "World Food Day" implemented by the FAO Head Office, 10 October
  - "Engelsizmir" Project implemented by the Güzelyalı Rotary Club and the Izmir Metropolitan Municipality, 30 October
  - 22<sup>nd</sup> Congress on Quality, 12-13 November
  - UIP-4<sup>th</sup> Bosphorus Summit, 20-22 November
  - Summit on Marketing in the Customer Age, 4-5 December
  - Tire Milk Symposium organized by the Tire Kutsan Vocational School for Higher Learning, Aegean University, 5 December
  - Brand Conference, 19-20 December
- Dyo Coating**
- Paint sponsorship of the children's festival held in the Aziz

- Nesin Foundation "Children's Paradise"
- Paint sponsorship of the event "Painting the Poorhouse"
- Paint sponsorship of the Fevzi Çakmak Primary School, Keban, Elazığ
- Sponsorship of the poster painting event of the Bilkent University Model United Nations Group
- Sponsorship of the "Activity Week" event of the Bosphorus University Operations Research Club
- "Avaşın Yorulmaz" Painting Exhibition, School of Fine Arts, Kocaeli University
- Project of colouring the garden walls of the Bornova Çamdibi Primary School and Secondary School with the Architecture Department of the Yaşar University
- Alsancak Stadium name right sponsorship
- Fethiye Tennis and Alpinism Club sponsorship
- Dance with Colours, Tango (Joint Painting Exhibition) sponsorship
- TTF International Turkish Telecom Izmir Cup Challenger Tennis Tournament sponsorship



## Fairs and Congresses

### Pinar

Pinar participates in and also extends support to many congresses organized every year in areas such as quality, food, R&D and marketing for the development of the sector. Meeting with different marketing and consumer channels at the fairs in which it participates within and outside the country, Pinar with its more than 600 products is one of the participants in the most prestigious fairs of the region and the world. Refusing to compromise on the principle of sustainability in terms of contributing to sectoral development, Pinar more closely promotes its products on the international markets and puts its signature to distinguished events that contribute to the food sector on different dimensions.

Sponsoring events aimed at the development of gastronomic and culinary culture in Turkey, Pinar creates opportunities to meet with sector leaders and scientists.

In 2013, Pinar:

- Displayed its products at the stand of the Yaşar Holding Food and Beverage Group in the 82nd International Fair of Izmir;
- Participated in the Non-Domestic Consumption EXPO Fair at CNR in Istanbul and found the opportunity to promote its products in the non-domestic consumption sector; and
- Participated in the Gulffood 2013 Fair organized in Dubai, which is the most prestigious and most highly attended fair in the Middle East, and found the opportunity to promote its products to the international markets.

### Çamlı Feed and Fattening

- Agroexpo Agriculture and Animal Husbandry Fair, Izmir
- Taste activities from Çamlı Marine at 475 spots
- Sheep and Goats Fair, Seferihisar
- Ese European Seafood Exposition, Brussels

## Recognitions

### Pinar

- According to the "Best Liked Companies in Turkey" research organized by GfK and the Capital Magazine, Pinar Dairy is the best liked Turkish company in the dairy sector and Pinar Meat the second best liked Turkish company in the meat sector.
- The RepMan Reputation Surveys Centre announced the most reputable sectors and companies in Turkey. According to the survey conducted by GfK Turkey among a total of 16,243 people in the 7 geographical regions, Pinar was among the most reputable 10 companies in Turkey. Ranked eighth last year among the most reputable 10 companies elected by the public, Pinar has risen to the seventh rank this year.
- One out of every four brands listed in Superbrands was in the food and beverage category. Pinar received an award as one of the super brands.
- At the Turkish Customer Satisfaction Index (TCSI) Awards Ceremony organized by the Turkish Quality Association, Pinar was found worthy of 3 awards following a satisfaction survey conducted among 119 brands and some 275,000 consumers:

- Fruit Juice Sector: TCSI Sustained Achievement Award – Gold Statue
- Received in 2013 for the Fruit Juice Sector: TCSI 2012 Sector First - Silver Statue
- Received in 2013 for the Milk and Milk Products Sector: TCSI 2012 Sector First - Silver Statue
- According to the Turkish Customer Satisfaction Index (TCSI) 2013 second quarter results, Pinar Fruit Juices achieved the highest customer satisfaction rate as in the past 4 years and proved to be the brand best liked by consumers in the fruit juice sector. In the TCSI study, the packaged water and fruit juice sectors at 80 points were the sectors with the highest TCSI rating among the sectors measured in the second quarter of 2013.
- In the "brand closest to mothers" survey of the MOM-Z platform led by mothers of the Z generation, Pinar Dairy received the first award as the brand closest to mothers.
- Pinar Dairy received the Mediacat Felis "best outdoor media use" award through the growing rackets application of the campaign "I Have Grown with Pinar".

• In the Outdoor Advertisements Competition organized by "Awards", Pinar Dairy was found worthy of the "Best FMCG Advertisement" and "Best Special Application" awards.

• Pinar Dairy's advertising film "I Have Grown with Pinar" which made a great echo was shown by MediaCat among the 10 advertisements with the best insight in 2013.

• Pinar Delight Sausages and Gourmet Finger Sausages received the "Excellence Award" in the Food Category of the Packaging Crescent and Stars Competition organized by the Association of Packaging Industrialists for the fourth time this year.

• The Direct Marketing Awards organized by the Association of Direct Marketing Communication Experts for the sixth time this year determined the best in the sector. At the event, where 78 agencies had applied with 357 projects, the "Pinar Gourmet Sausage Delicacy Table" was the winner of the third prize in the category of the best guerrilla activities.

• Following a survey conducted by BrandSpark International with some 15,000 shoppers, Pinar

Water was found worthy of the best new product awards in the categories of Water (domestic) and Glass Bottles with a Seasonal Concept and of Water (individual).

• In the Packaging Crescent and Stars Competition organized by the Association of Packaging Industrialists for the fourth time this year, Pinar Water was found worthy of the gold prize in the graphic design category as a result of its glass bottle series with a seasonal concept.

• On the occasion of the Aegean Chamber of Industry 2012 Awards, a total of 15 awards were given to Pinar Meat and Pinar Water. In the Industry Group of Milk and Milk Products, Pinar Dairy became first in the categories of "Highest Exports", "Highest Investment", "Highest Production" and "Highest Employment in Production" and third in the category of "Highest Taxpayer". In the Industry Group of Meat and Meat Products, Pinar Meat became first in the categories of "Highest Investment", "Highest Employment in Production" and "Highest Tax Payer" and second in the categories of "Highest Exports" and "Highest Production".



In the Industry Group of Beverages, Pinar Water became first in the categories of "Highest Taxpayer" and "Highest Employment in Production" and second in the categories of "Highest Investment", "Highest Production" and "Highest Exports".

- In the Izmir Chamber of Commerce Traditional Tax Awards Ceremony, Pinar Dairy received a plate as one of the top three members of the Chamber in Corporation Tax in the province of Izmir. Pinar Dairy in the Group of Milk and Milk Products, Pinar Meat in the Group of Meat and Meat Products, and Yaşar United Marketing in the Group of Food and Consumption Goods Manufacturing and Wholesale Trading won Gold Medals in the Net Commercial Profit Declaration while Pinar Water received a Special Award in the Group of Alcoholic and Non-Alcoholic Beverages. In addition, Pinar Dairy won a Gold Medal in Foreign Currency Earning while Pinar Meat was awarded the Silver Medal and Pinar Water a certificate of commendation.

#### Altın Yunus

- An award was given by the Environmental Events organization for sustainable contributions to the environment and to the development of nature.
- Certificates of acknowledgement were given by the Çeşme Municipality, the Konak Municipality and the Association of Nature and Animal Lovers for the food support regularly provided to the animal shelter since 2006.
- A Golden Certificate in Hygiene and Food Safety was received.
- A Blue Flag Certificate was received.
- A certificate of acknowledgement was given for the housekeeping materials donated by the Alaçatı Tourism Training Centre to a school.

## Social Media

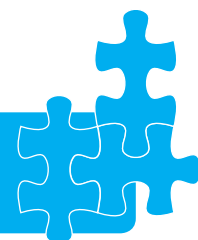
- [twitter.com/PinarKurumsal](https://twitter.com/PinarKurumsal): Special recipes, press bulletins, special announcements, and celebration messages for special days and weeks are shared with consumers through the corporate twitter account. In addition, the wishes, needs and proposals of consumers are followed and resolved by the Pinar Communication Centre through the official twitter account at [twitter.com/InfoPinar](https://twitter.com/InfoPinar) made available for consumers who reach the corporate account for comments and proposals.
- [www.facebook.com/LightYasaminSirlari](https://www.facebook.com/LightYasaminSirlari): Consumers are directed to healthier living through the light living contents daily shared on the Facebook page "Secrets of Light Living" opened for those who adopt light living as a way of life.
- [www.facebook.com/PinarLabne](https://www.facebook.com/PinarLabne): The Pinar Labne Facebook page reaches consumers with interesting content and recipes.
- [www.facebook.com/PinarSutleBuyuyorum](https://www.facebook.com/PinarSutleBuyuyorum): The Facebook fan page "I am Growing with Pinar Milk" has been opened to provide continuous and measurable

communication with women aged 25 to 45. Many campaigns and competitions are implemented through the Facebook fan page.

- [www.facebook.com/anneningunlugu](https://www.facebook.com/anneningunlugu): Useful information for mothers and their children and detailed information concerning our products are shared through the Facebook page "Mother's Diary".
- [www.facebook.com/PinarKido](https://www.facebook.com/PinarKido): Information concerning Kido's campaigns, and activities organized for children are shared through the Pinar Kido Facebook page.
- [www.facebook.com/pratikanneler](https://www.facebook.com/pratikanneler): The "Practical Mothers" Facebook page for Pinar Ready Food has been introduced. The page aims to reach working mothers and shares with them contents that make their daily lives easier.



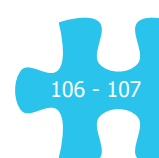
# GRI Index and UNGC Principles



## GRI Index

GRI Indicators	Related UNGC Indicators	Scope of Report	Reported Part	Page of the Report
<b>Profile</b>				
<b>1. Strategy and Analysis</b>				
1.1 Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	UNGC Continued Support Statement	Full	Chairperson's Message Chief Executive Officer's Message	4-5 6-7
<b>2. Organizational Profile</b>				
2.1 Name of the organization		Full	Our Reporting Approach	2-3
2.2 Primary brands, products, and/or services.		Full	Yaşar Holding At a Glance	8-9
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures		Full	Yaşar Holding At a Glance	8-9
2.4 Location of organization's headquarters		Full	Inside Back Cover	
2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report		Full	Yaşar Holding At a Glance	8-9
2.6 Nature of ownership and legal form		Full	Yaşar Holding At a Glance	8-9
2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)		Full	Yaşar Holding At a Glance	8-9
2.8 Scale of the reporting organization, including: Number of employees, net sales (for private sector organizations) or net revenues (for public sector organizations), total capitalization broken down in terms of debt and equity (for private sector organizations); and quantity of products or services provided		Full	Yaşar Holding At a Glance	8-9
2.9 Significant changes during the reporting period regarding size, structure, or ownership including		Full	Determination of Report's Content	3
2.10 Awards received in the reporting period.		Full	Recognitions	102-104
<b>3. Report Parameters</b>				
<b>Report Profile</b>				
3.1 Reporting period (e.g., fiscal/calendar year) for information provided		Full	Our Reporting Approach	2-3
3.2 Date of most recent previous report (if any)		Full		112
3.3 Reporting cycle (annual, biennial, etc.)		Full	Our Reporting Approach	2-3
3.4 Contact point for questions regarding the report or its contents		Full		112
<b>Report Scope and Boundary</b>				
3.5 Process for defining report content, including: Determining materiality, Prioritizing topics within the report, and Identifying stakeholders the organization expects to use the report		Partial	Our Reporting Approach	2-3
3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers) See GRI Boundary Protocol for further guidance.		Full	Our Reporting Approach	2-3

GRI Indicators	Related UNGC Indicators	Scope of Report	Reported Part	Page of the Report
3.7 State any specific limitations on the scope or boundary of the report		Full	Our Reporting Approach	2-3
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations		Full	Determination of Report's Content	3
3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report		Full	Our Reporting Approach	2-3
3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)		Full	Our Reporting Approach	2-3
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report		Full	Our Reporting Approach	2-3
<b>GRI Content Index</b>				
3.12 Table identifying the location of the Standard Disclosures in the report		Full	GRI Index	106-110
<b>Assurance</b>				
3.13 Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s)			GRI G3 indicators are applied in preparation of this report. No external inspection	
<b>4. Governance, Commitments, and Engagement</b>				
<b>Governance</b>				
4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight		Full	Top Management	22-23
4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement)		Full	Governance at Yaşar Group	24-25
4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members		Full	Governance at Yaşar Group	24-25



GRI Indicators	Related UNGC Indicators	Scope of Report	Reported Part	Page of the Report
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body		Partial	Governance at Yaşar Group	24-25
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided		Full	Risk Management Business Ethics	28-29 30-31
4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics		Full	Corporate Reputation Management	26-27
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation		Full	Sustainability Approach of Yaşar Holding	32-33
4.14 List of stakeholder groups engaged by the organization		Full	Collaboration with Non-Governmental Organizations and Sector Representatives	44-45
4.15 Basis for identification and selection of stakeholders with whom to engage		Partial	Collaboration with Non-Governmental Organizations and Sector Representatives	44-45

#### Economic

##### Disclosure on Management Approach

EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments

Please refer to following web pages for Economic data  
[www.yasar.com.tr](http://www.yasar.com.tr)  
[www.investyh.com](http://www.investyh.com)

EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operations	UNGC 1	Partial	Our Compensation Management System	48
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operations	UNGC 6	Full	Recruitment Our Employment Data	46-47 70-71

#### Environmental

##### Disclosure on Management Approach

EN2 Percentage of materials used that are recycled input materials	UNGC 8 UNGC 9	Partial	Packaging Waste and Waste Management	68-69
EN3 Direct energy consumption by primary energy source	UNGC 8	Full	Energy and Combating Climate Change	34-37
EN4 Indirect energy consumption by primary source	UNGC 8	Full	Energy and Combating Climate Change	34-37

GRI Indicators	Related UNGC Indicators	Scope of Report	Reported Part	Page of the Report
EN5 Energy saved due to conservation and efficiency improvements	UNGC 8 UNGC 9	Partial	Energy Efficiency	40-41
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	UNGC 8 UNGC 9	Partial	Energy Efficiency	40-41
EN7 Initiatives to reduce indirect energy consumption and reductions achieved	UNGC 8 UNGC 9	Partial	Energy Efficiency	40-41
EN8 Total water withdrawal by source	UNGC 8	Full	Water Management	66-67
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved	UNGC 7 UNGC 8 UNGC 9	Full	Energy and Combating Climate Change	34-37 40-41
EN22 Total weight of waste by type and disposal method	UNGC 8	Partial	Packaging Waste and Waste Management	68-69
EN23 Total number and volume of significant spills	UNGC 8	Full	Our Environmental Concerns and Principles	62-63
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	UNGC 8	Full	Our Environmental Concerns and Principles	62-63
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	UNGC 7 UNGC 8 UNGC 9	Full	Packaging Waste and Waste Management	68-69
EN27 Percentage of products sold and their packaging materials that are reclaimed by category	UNGC 8 UNGC 9	Full	Packaging Waste and Waste Management	68-69

#### Labor Practices and Decent Work

##### Management Approach

LA1 Total workforce by employment type, employment contract, and region		Full	Our Employment Data	70-71
LA2 Total number and rate of employee turnover by age group, gender, and region	UNGC 6	Full	Our Employment Data	70-71
LA4 Percentage of employees covered by collective bargaining agreements	UNGC 1 UNGC 3	Full	Union and Collective Bargaining Agreement	60-61
LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	UNGC 3	Full	Legal Rights of Employees	49
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	UNGC 1	Partial	Occupational Safety	56-59
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	UNGC 1	Full	Training Programs and Health Controls	56



## UNGC Principles

GRI Indicators	Related UNGC Indicators	Scope of Report	Reported Part	Page of the Report
LA9 Health and safety topics covered in formal agreements with trade unions	UNGC 1	Full	Union and Collective Bargaining Agreement	60-61
LA10 Average hours of training per year per employee by employee category		Full	Employees' Development Rights	51-55
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings		Full	Employees' Development Rights	51-55
LA12 Percentage of employees receiving regular performance and career development reviews		Full	Performance Management System	51-52
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	UNGC 1 UNGC 6	Full	Employees' Gender Distribution Data Employees' Average Age Distribution Data	72-74 75-77
LA14 Ratio of basic salary of men to women by employee category	UNGC 1 UNGC 6	Full	Our Compensation Management System	48
<b>Human Rights</b>				
<b>Disclosure on Management Approach</b>				
HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	UNGC 1 UNGC 2 UNGC 5	Full	Child Labor	48
HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	UNGC 1 UNGC 2 UNGC 4	Full	Involuntary Servitude and Forced Labour	48
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	UNGC 1 UNGC 2	Full	Security Services	59
<b>Society</b>				
<b>Disclosure on Management Approach</b>				
SO2 Percentage and total number of business units analyzed for risks related to corruption	UNGC 10	Partial	Risk Management Business Ethics	28-29 30-31
SO4 Actions taken in response to incidents of corruption	UNGC 10	Partial	Risk Management Business Ethics	28-29 30-31
<b>Product Responsibility</b>				
<b>Disclosure on Management Approach</b>				
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction		Full	Added Value to Lives of our Consumers: Customer Satisfaction	84-85

Subjects	UNGC Principles
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights. Principle 2: Businesses should make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour. Principle 5: Businesses should uphold the effective abolition of child labour. Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Report Name	Period	Publication Date	Scope
Yaşar 2009 UNGC COP Report	01.01.2008 - 31.12.2009	30.03.2010	The companies indicated on pages 5-8
Yaşar 2010 UNGC COP Report	01.01.2010 - 31.12.2010	08.04.2011	The companies indicated on pages 9-13
Yaşar 2011 Sustainability Report	01.01.2011 - 31.12.2011	06.07.2012	The companies indicated on pages 12-33
Yaşar 2012 Sustainability Report	01.01.2012 - 31.12.2012	06.07.2013	The companies indicated on pages 14-27
Yaşar 2013 Sustainability Report	01.01.2013 - 31.12.2013	04.07.2014	The companies indicated on pages 12-21

#### E-mail addresses for Stakeholder Feedbacks:

You may transmit us all your opinions, suggestions, and questions concerning the Sustainability Report printed by the Yaşar Group to the e-mail address specified below:

**forabetterlife@yasar.com.tr**

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#### We express our thanks to Sustainability Reporting Team Members

Due to their contribution to the preparation of Yaşar 2013 Sustainability Report we extend our sincere thanks to;

the Sustainability Committee,

Sustainability Reporting Team,

Carbon Footprint Team Members,

And to our Carbon Leaders...



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