KILIÇ

Sustainability Report
2024

TABLE OF CONTENTS

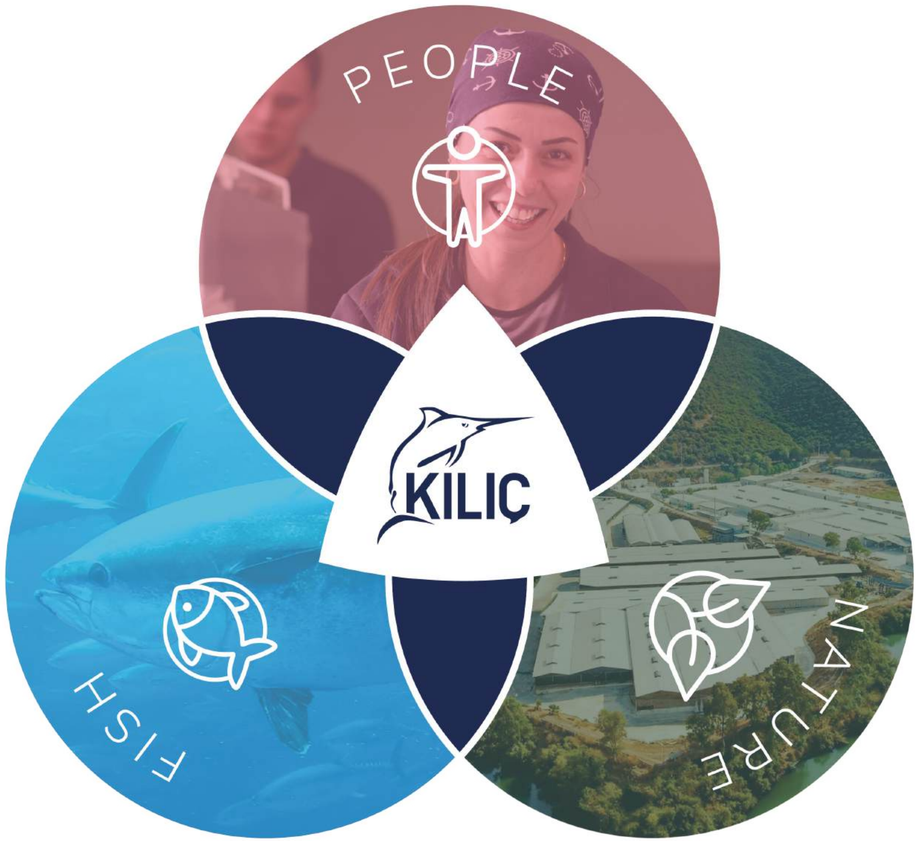
ABOUT THE REPORT

As Kılıç Deniz, we previously experienced the justified pride and satisfaction of leading our sector by publishing Türkiye's first sustainability report in our industry. With our second sustainability report, prepared in line with our principles of transparency and accountability, we are pleased to share our sustainability journey with all our stakeholders.

Sustainability requires a holistic approach not only in environmental aspects but also across social and governance dimensions. With this understanding, we place great importance on integrating sustainability into our company's management system and strategic decision-making processes. We present all risks and opportunities related to our performance in environmental, social and governance (ESG) matters to our stakeholders in a transparent manner, supported by verifiable data.

In line with this approach, we identified the material topics for our company and aligned each of them with the United Nations Sustainable Development Goals (SDGs). In addition, as of this year, we further strengthened our alignment with international expectations by mapping our priority topics to the thematic areas of the European Union Corporate Sustainability Reporting Directive (CSRD). This report has been prepared in accordance with the Global Reporting Initiative (GRI) 2021 Standards. The reporting period covers 1 January 2024 to 31 December 2024, and the report presents, in a comprehensive and holistic manner, all activities undertaken to ensure sustainability.

We welcome any feedback, opinions, questions and suggestions regarding our report and sustainability activities. You may contact us at kilicsurdurulebilirlik@kilicdeniz.com.tr



MESSAGE FROM THE VICE CHAIR OF THE BOARD

Dear Stakeholders,

The year 2024 has been a period in which we, as Kılıç Deniz, expanded our operations while further advancing our sustainability vision. As we continued to lead Türkiye's aquaculture exports, we also took determined steps to reduce our environmental impacts and enhance our contribution to society.

The effects of climate change on sea temperatures are creating increasing risks for marine ecosystems. In light of these developments, we continuously review our production methods and develop practices aimed at reducing our environmental footprint. By adopting approaches that jointly address food safety and ecosystem balance, we prioritize nature-respectful and sustainable aquaculture production.

We place great importance on ensuring that future generations have access to healthy, traceable and low-emission food; in this regard, we continue to strengthen our practices in areas such as energy efficiency, water management and waste recovery.Our collaborations with universities continued throughout 2024. The studies carried out with various institutions, particularly Muğla Sıtkı Koçman University, provide a valuable platform for knowledge sharing and engagement with younger generations. Through branded courses, internship programmes and joint projects, we aim to contribute to the future of our sector.

We continue our efforts to expand digitalisation and data-driven decision-making systems across different stages of our value chain. Steps are being taken to enhance traceability from production to distribution and to make our processes more transparent and accountable. In this context, the data and strategic commitments included in our sustainability report are defined in line with our principle of transparency and are further strengthened through the contributions of our stakeholders.

In our feed raw material procurement processes, we remain committed to sourcing from environmentally and socially responsible origins and continue to evaluate best practices in this field.

I sincerely hope that the efforts we have demonstrated throughout 2024 will create value not only for today but also for the food systems of the future, and I extend my sincere gratitude to all our stakeholders who have supported us throughout this journey.

Ersin Kılıç Kızıltan
Vice Chair of the Board

OUR BUSINESS

Sustainable and Low-Emission Food Production for Healthy Generations

As Kılıç Deniz, we are one of the world's leading aquaculture producers in meeting the need for healthy and safe protein. With our global leadership in seabream and seabass production, we not only create economic value but also contribute to the future of our planet through our low-emission food production approach.

In 2024, we increased our exports from USD 253 million in the previous year to USD 340 million, representing a 34% increase, and became the Export Champion of Türkiye's Aquaculture and Animal Products sector.

With a turnover exceeding 600 million dollars, we not only contribute to the national economy but also demonstrate our position as a leading producer of healthy and reliable food. Our fully integrated value chain, extending from sea to table, operates with a focus on quality, traceability and environmentally responsible production processes .

Our core vision is to meet the growing global demand for healthy protein, driven by the increasing world population, through production models that respect natural resources and are sustainable. With our responsibility to leave a liveable world for future generations, we continue to produce, transform and inspire.

A Healthy Future Lies Within Every Fish

OUR FACILITIES AND PRODUCTS

Kılıç Deniz holds a leading position in aquaculture production in Türkiye, supported by its integrated facility infrastructure across the country. The company manages the entire value chain from production to consumption within its own structure, in line with sustainability principles.

Our company's headquarters is located in Milas district of Muğla province, and all operations are strategically coordinated from this center.

Our Facilities:

Aegean Region

Muğla: Hatchery and adaptation facilities, offshore cage farms, feed factories, packaging and processing facilities, an EPS packaging plant, ice production, and a rendering facility are located in this region. Muğla constitutes the core of Kılıç Deniz's integrated production model.
Aydın: Hatchery, adaptation facility and cage farming operations are located in the Didim region.
İzmir: A tuna cage farming operation is located here.

Mediterranean Region

Mersin: Cage farms, a packaging and processing facility, and an EPS packaging factory operate in this region.
Kahramanmaraş: A hatchery, cage farming operations, and a packaging and processing facility are active in this area.
Gaziantep ve Şanlıurfa: Cage farming operations contribute to the production chain.

Black Sea Region

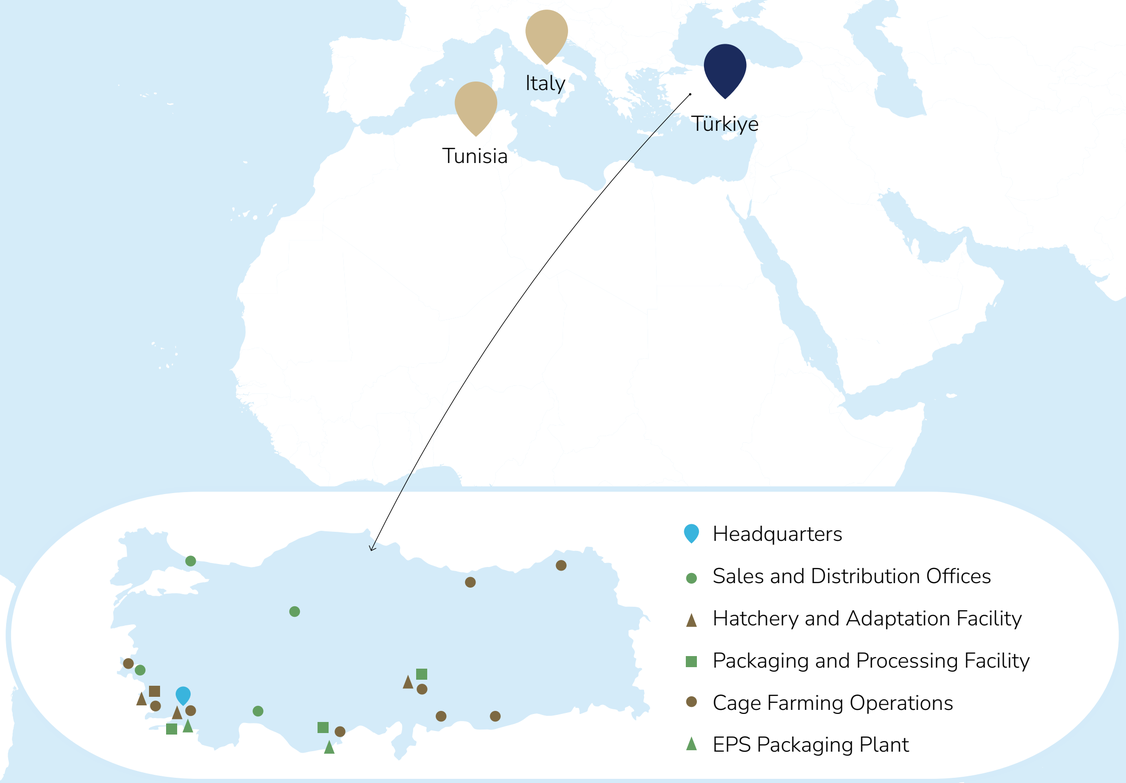
Artvin ve Giresun: Offshore cage farming operations for Turkish salmon are located in this region. Through this extensive and integrated facility network, Kılıç Deniz delivers healthy, reliable and environmentally conscious aquaculture products not only across Türkiye but also to consumers in 68 countries worldwide. Each of our facilities operates in line with high quality standards, advanced technologies and sustainability principles.

Our Global Facilities and Sales Offices:

Kılıç Deniz continues its growth in international markets through strategic production investments and sales offices:

Italy: Sales office
Tunisia: uvenile fish sales and distribution office
USA (Miami): Sales office

Through this integrated production and distribution network extending from Türkiye to the world, Kılıç Deniz successfully carries out low-emission, environmentally responsible and sustainable food production on a global scale to meet the need for healthy and affordable protein.



Our Global Facilities and Sales Offices

SPECIES WE PRODUCE

Kılıç Deniz offers consumers a wide range of healthy and delicious seafood products.

The species we produce are listed below:

- Sea Bream (Sparus aurata)
- Sea Bass (Dicentrarchus labrax)
- Meagre (Argyrosomus regius)
- Trout (Oncorhynchus mykiss)
- Bluefin Tuna (Thunnus thynnus)
- Turkish Salmon (Oncorhynchus mykiss)

OUR VALUE CHAIN

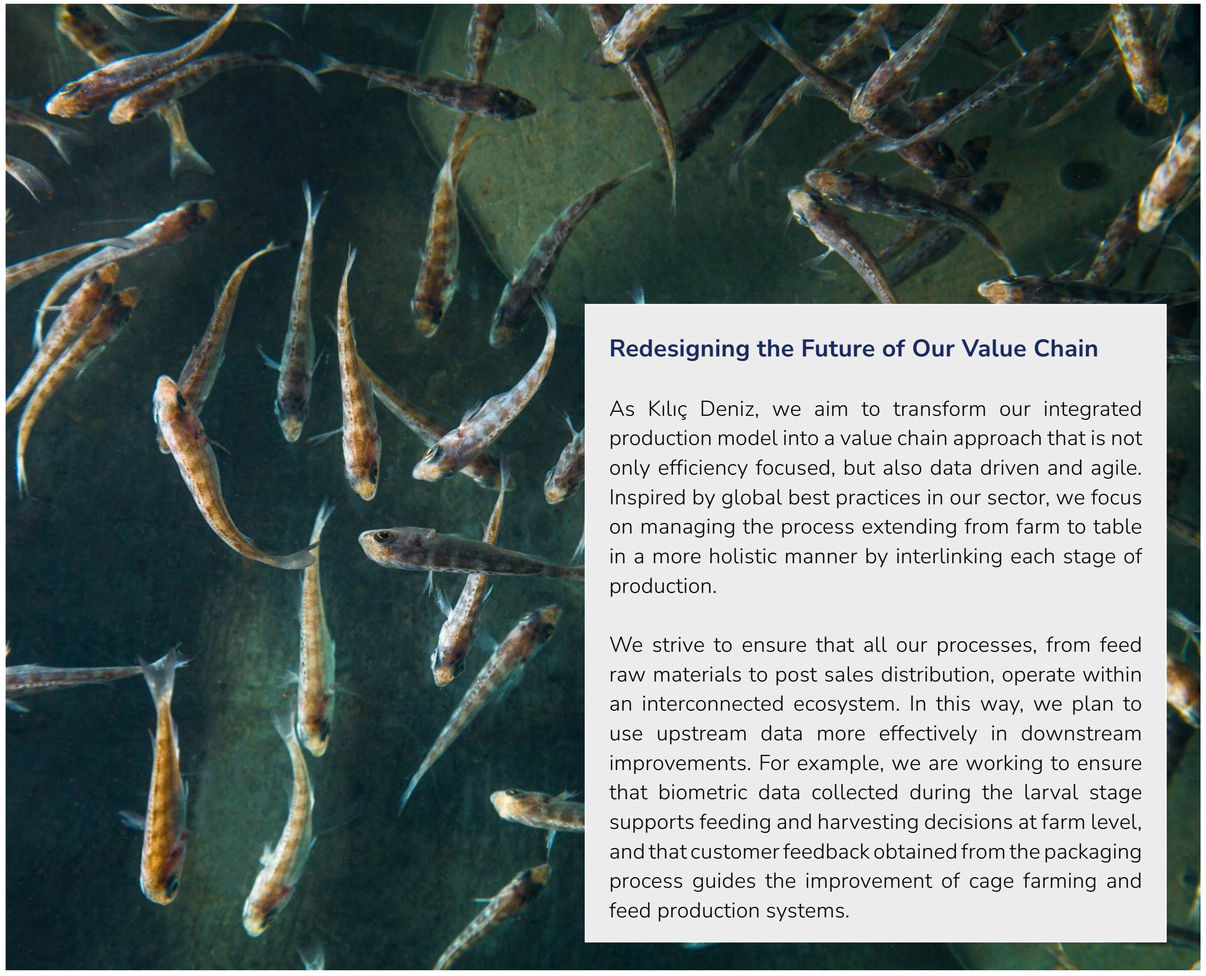
The aquaculture sector is not limited to production processes alone; it encompasses a comprehensive value chain that involves complex and multidimensional interactions with nature. This chain covers a wide scope—from the sourcing of raw materials to delivering the product to the end consumer, and finally to waste management at the end of its life cycle.

Taskforce on Nature-related Financial Disclosures

The Aquaculture Sector Supplement published by the Taskforce on Nature-related Financial Disclosures (TNFD) systematically addresses this value chain to help sector stakeholders better understand their dependencies and impacts on nature.

As Kılıç Deniz, we view our production processes not merely as a sequence of operational activities, but as a strategic value chain in constant interaction with nature. In this context, our end to end processes from procurement to sales and logistics have been structured within a holistic framework, taking into account the TNFD aquaculture value chain model, which is recognised as one of the global best practices in the aquaculture sector.

Our value chain extends from raw material procurement to feed production; from hatchery and adaptation units to farm operations; from harvesting to processing and packaging; and ultimately to distribution and sales channels. This structure has been meticulously defined to ensure effective management of environmental impacts and to maintain full traceability throughout all stages.



Redesigning the Future of Our Value Chain

As Kılıç Deniz, we aim to transform our integrated production model into a value chain approach that is not only efficiency focused, but also data driven and agile. Inspired by global best practices in our sector, we focus on managing the process extending from farm to table in a more holistic manner by interlinking each stage of production.

We strive to ensure that all our processes, from feed raw materials to post sales distribution, operate within an interconnected ecosystem. In this way, we plan to use upstream data more effectively in downstream improvements. For example, we are working to ensure that biometric data collected during the larval stage supports feeding and harvesting decisions at farm level, and that customer feedback obtained from the packaging process guides the improvement of cage farming and feed production systems.

Pre-Production Stages

Procurement: Sustainability criteria are increasingly taken into account in the sourcing of feed raw materials, production materials and auxiliary inputs used in production, and our suppliers are regularly reviewed in terms of environmental and social responsibility.

Direct Operations

Feed Production: Our modern feed factory, with an annual capacity of 240,000 tons, is one of the cornerstones of our value chain, as it directly influences product quality and fish welfare .

Hatchery – Ova – Fry: Ova obtained from genetically selected broodstock develop into fry under controlled conditions in our hatchery facilities, in full alignment with traceability principles.

Nursery – Conditioning: Following the fry stage, the gradual growth phases particularly the transition from live feed to formulated feed are carried out in our adaptation centres, where fish are prepared for transfer to the farm environment.

- **Farm:** Juvenile fish are raised in HDPE cage systems, where systematic feeding and monitoring procedures are applied. .
- **Harvesting:** Fish harvesting is carried out using thermal stunning and electrical stunning methods, ensuring fish welfare. Following harvest, products are transported to the packaging facilities in insulated special tanks without breaking the cold chain.

Transportation (Shipment – Transfer): Juvenile fish are systematically transferred to different units, facilities or countries according to their age and growth stage.

Packaging and Processing: In our packaging facilities, fish are graded by weight using sorting machines and prepared in EPS boxes with added ice. In our processing facilities, products are further processed through filleting, cleaning, MAP (Modified Atmosphere Packaging), vacuum packaging, IQF (Individual Quick Freezing) and value-added product applications. Products are prepared either fresh or frozen in vacuum packs, bags, bulk packaging or retail-ready formats.

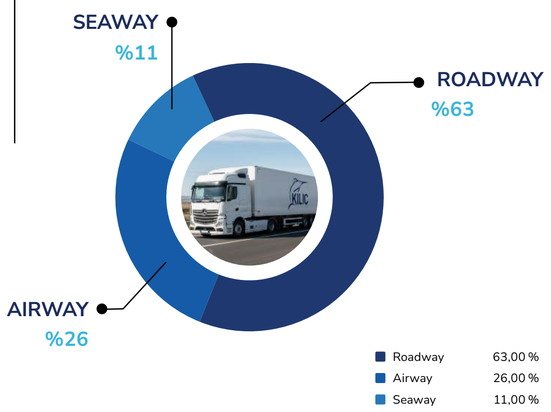
All post-production processes are carried out with a holistic approach that prioritises food safety, employee health and safety, environmental impacts, waste management and full traceability.

Post-Harvest Operations

Infrastructure: Cold-chain logistics and modern processing and storage technologies such as MAP and IQF support the sustainability of our production processes.

Sales and Distribution: Our products are delivered to the domestic market as well as to more than 68 countries worldwide in the shortest possible time, using land, sea and air transportation networks while maintaining the cold chain.

Consumer Access: In the domestic market, our products reach consumers through our own sales channels and well-known retail chains in Türkiye. For international markets, the products we export are distributed to major retail chains through our customers, ensuring they reach end consumers around the world.



End of Life

In post-production processes, food safety requirements and sector standards are regularly monitored to identify alternative and sustainable packaging solutions.

Cold chain logistics processes are monitored with the aim of reducing the carbon footprint, and methods to increase energy efficiency during transportation are explored.

Organic and packaging waste generated during processing and packaging stages is managed in line with source separation and disposal policies.

Throughout the year, our organization carries out regular monitoring and audit activities in cooperation with authorised inspection bodies.

All these processes are continuously improved to reduce environmental impacts, recognise dependencies on nature, ensure traceability and maintain alignment with the TNFD framework, while resource efficiency initiatives are implemented.

ECONOMIC PERFORMANCE

Kılıç Deniz continued to pursue its sustainable growth strategy with determination in 2024 and significantly increased its export performance through its strong production capacity.

Our company increased its exports from 253 million USD in 2023 to 340 million USD in 2024, marking a 34% growth, and became the Export Champion of Türkiye in the Aquaculture and Animal Products Sector.

The group companies operating under Kılıç Holding exported a total of USD 443,303,293 to 68 countries, continuing to contribute to the national economy.

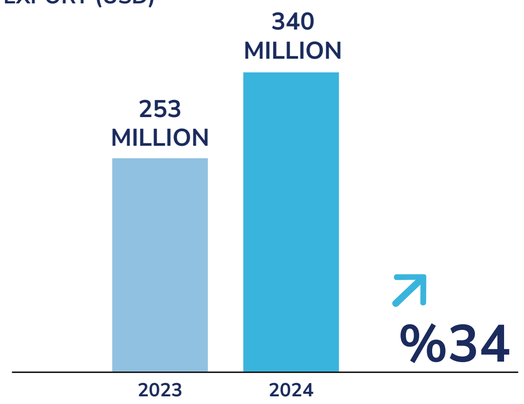
As of 2024, Kılıç Deniz achieved a significant milestone by ranking 89th in the “Top 500 Industrial Enterprises of Türkiye” list announced by the Istanbul Chamber of Industry (ISO). This position represents a remarkable rise of 60 places compared to the 2023 ranking.

This substantial leap reflects the increase in our production capacity, improvements in operational efficiency, and the successful implementation of our sustainable growth strategies.

It also demonstrates our competitiveness in the sector and our corporate resilience.

As Kılıç Deniz, we will continue to enhance our environmental, social, and governance (ESG) performance in alignment with economic growth in the coming period.

EXPORT (USD)



500 TÜRKİYE'NİN 500 BÜYÜK SANAYİ KURULUŞU 2024

89. PLACE

↗ 60

KILIÇ HOLDİNG

68 COUNTRIES

443.303.293 USD

Export Champion of Türkiye’s Aquaculture and Animal Products Sector

Based on our financial results for 2024, our position within the sector is as follows

As of 2024, the highest production volumes realized by Kılıç Deniz were recorded in sea bream and sea bass.

As of 2024, sales of harvest-size fish recorded an approximate 21% increase compared to 2023.

↗ **%21**

Production data were realized in line with the planned production capacity on a species basis and were managed in accordance with the distinction between commercial and strategic products. The results obtained serve as key inputs for the evaluation of species-based production performance and the review of market strategies.

All these outcomes represent a strong reflection of Kılıç Deniz’s business model, which prioritizes efficiency, quality, and sustainability across all processes from production to export.

HIGHLIGHTS OF 2024

Natural Capital

- To protect marine ecosystems, water quality monitoring systems, ozonation technologies and effective waste management practices were implemented, minimising environmental impacts.
- The carbon footprint is reduced through climate action initiatives and energy efficiency projects.

Social Capital

- Regular stakeholder meetings are held, with transparency prioritised in communication.
- The ethics hotline and grievance mechanisms are actively used, achieving a 100 percent resolution rate.
- Various support initiatives are carried out for non governmental organizations.

100%
RESOLUTION RATE

Human Capital

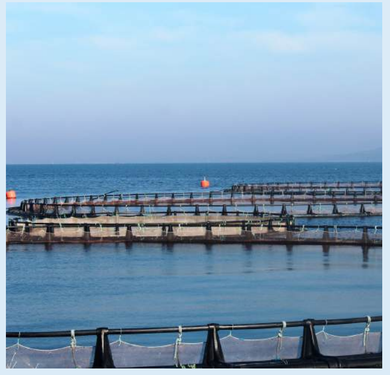
- A total of 2,626 employees are employed within the company.
- The rate of female employees is 31%.
- Regular on-site inspections are carried out within the scope of health and safety (H&S), and risks are managed proactively.

2.626
EMPLOYEE

%31
FEMALE EMPLOYEE RATE

Manufactured Capital

- A robust cold chain infrastructure has been established to preserve product quality.
- Modified Atmosphere Packaging (MAP) and Individual Quick Freezing (IQF) systems are actively utilized..



Intellectual Capital

- Digital monitoring systems are utilised in production and quality processes.
- Compliance has been achieved with international quality, environmental and food safety standards such as ISO, BRC and GlobalG.A.P.

Financial Capital

- The annual export volume amounts to 340 million USD.
- Ranked 89th in the ISO 500 list, which features Türkiye's largest industrial enterprises.

340 MILLION USD
ANNUAL EXPORT VOLUME

89.
ISO 500 RANKINGS

OUR MISSION, VISION AND VALUES

We believe that lasting success in our industry is built upon a strong vision, a solid mission and consistent corporate values. As Kılıç Deniz, we develop innovative solutions without compromising integrity and fulfil our responsibilities to all stakeholders under all circumstances.

These core values guide not only the way we conduct business but also the relationships we build with our employees, business partners and the communities in which we operate. This approach, which shapes our corporate culture, reinforces our credibility and ensures the sustainability of our leadership position in the sector.

Purpose
Delivering healthy protein solutions for a healthier world.

Mission
To create value through sustainable resource management by producing with safe, traceable and high-quality methods, and ensuring accessibility for all.

Vision
To be a globally recognized leader in the aquaculture value chain, setting industry benchmarks in innovation, quality, and sustainability, and delivering value-added solutions that shape the future of the sector.

Our Values

Determination
The aquaculture sector in Türkiye has gained a new meaning from the ground up with Kılıç Deniz, growing with the ambition of becoming the market leader by consistently delivering the highest-quality and healthiest products to consumers. Kılıç Deniz owes its continued growth and institutionalisation to this unwavering passion.

Integrity
Kılıç Deniz has always adopted a transparent management approach and has aimed to excel in the sector in which it operates. In all its relationships with stakeholders, the company maintains an honest and transparent attitude, ensuring the protection of mutual rights.

Innovation
Kılıç Deniz leads the sector by closely following and implementing new technologies across all operations. Through its digital transformation solutions, it has strengthened its corporate identity. By developing innovative projects through its in-house R&D centres, the company continues to advance its position in the sector.

Responsibility
In its relationships with customers, employees, regulatory authorities, local communities, NGOs, suppliers and all other stakeholders, Kılıç Deniz acts with full awareness of social and environmental compliance and responsibility. With this awareness, the company prioritises stakeholder engagement and works continuously to enhance its responsibilities.

BUSINESS ETHICS

As Kılıç Deniz, we consider our ethics-based way of working to be a fundamental element of our corporate culture. In order to build a structure that earns the trust of our employees, business partners and all our stakeholders, we continuously review and improve our ethical processes.

Our ethics communication system, established in 2023, was actively operated throughout 2024, creating a structure in which notifications received from our employees and stakeholders were assessed in a transparent, confidential and impartial manner. Our ethical principles are based on core values such as integrity, fairness, openness and accountability, and the processes carried out within this framework are conducted under the supervision of both internal audit mechanisms and the Ethics Committee.

In 2024, a total of six complaints were received through the ethics hotline, and all of these complaints were resolved, achieving a 100 percent resolution rate. All notifications were evaluated by the Ethics Committee in line with the principles of independence and confidentiality, and feedback was provided to the relevant parties.

In parallel with rising expectations in the global business environment, Kılıç Deniz continues to further integrate its ethics management system into corporate governance standards and aims to achieve stronger alignment with international best practices in the future.

100%
RESOLUTION
ETHICS LINE

Notifications can be submitted through the secure channels listed below:

External Stakeholder:

- **etik@kilicdeniz.com.tr** e-mail address
- Ethics Line: 0252 551 01 78
- Website “**Contact Us**” section

Ethics Violation Reporting QR Code

Internal Stakeholder:

- **QR-coded reporting forms:** Trainings have been provided to personnel on the use of QR codes, and the related system has been put into operation.

GOVERNANCE

Our Corporate Governance Approach

The primary objective of our corporate governance practices is to ensure that our decision-making processes are objective and traceable, to manage risks effectively, to ensure the efficient use of resources, and to establish trust-based relationships with all our stakeholders.

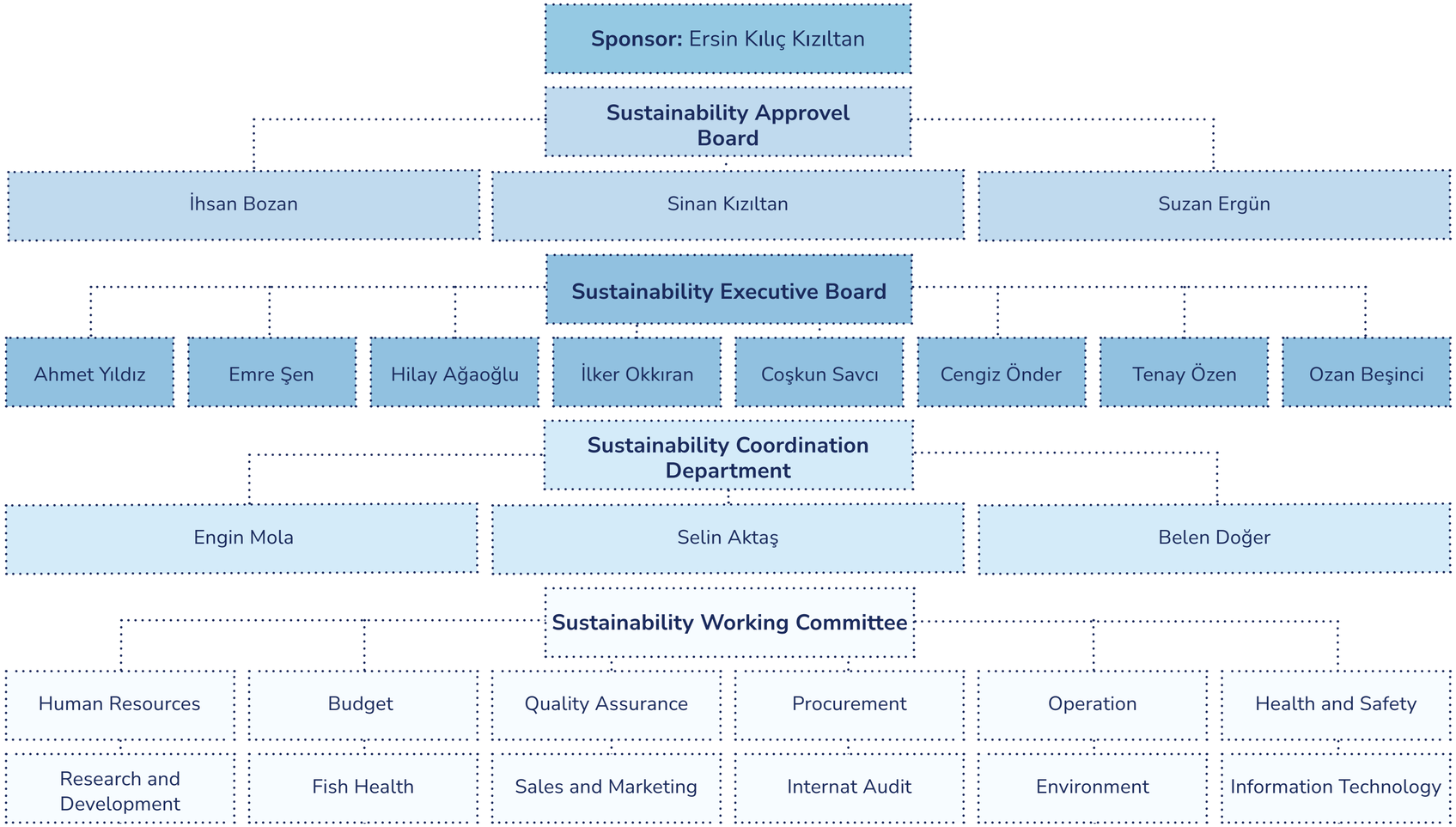
At Kılıç Deniz, the highest governing body is the Board of Directors.

Our Sustainability Governance

The Board of Directors defines the Charter, as well as the roles and responsibilities related to member competencies, terms of office, nomination processes and board composition. All members of the Board of Directors are appointed for a three-year term and may be re-elected in accordance with the Charter. The Board consists of six members elected by the General Assembly and is responsible for the company's vision, mission, strategic direction, risk management, crisis preparedness and the management of stakeholder relations.

The CEO represents executive activities on the Board of Directors. In line with Corporate Governance Principles, the roles of Chair of the Board and CEO are held by different individuals.

Kılıç Deniz aims to strengthen compliance with corporate governance principles at the Board level and to enhance diversity and expertise in decision-making processes.



GOVERNANCE

General Operating Principles of the Sustainability Committee

- The Vice Chair of the Board sponsors the Committee..
- Members are restructured in line with changes in their roles; when a member leaves, a new appointment is made within three months.
- Independent experts may be consulted when necessary, and managers may be invited to meetings.
- Meeting invitations are sent prior to the meeting, and decisions are taken by majority vote and recorded in the minutes.
- Members are obliged to comply with confidentiality and ethical principles.
- The Committee is accountable to the Board of Directors for its activities.

Sustainability Approval Board

- Provides leadership to the Sustainability Executive Board and integrates sustainability activities into financial planning.
- Reviews Sustainability Executive Board reports and evaluates required resources and development needs.
- Performs secretariat duties on behalf of the Sustainability Coordination Department when required.

Sustainability Executive Board

- Leads the Sustainability Working Committee, appoints its members and manages processes.
- Develops sustainability goals and strategies, implements them and monitors performance.
- Promotes sustainability awareness across the organisation and identifies priority topics.
- Supports climate change mitigation and carbon reduction projects.
- Evaluates activities through regular meetings and reports to the Sustainability Approval Board.

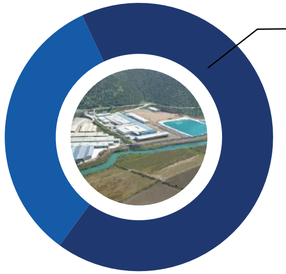
Sustainability Coordination Department

- Ensures coordination between the Sustainability Executive Board and the Working Committee.
- Coordinates sustainability reporting processes.
- Provides advisory support to the Sustainability Executive Board when required.
- Organises meetings of the Sustainability Executive Board and the Sustainability Working Committee.
- Informs both the Sustainability Executive Board and the Sustainability Working Committee about national and international developments.

Sustainability Working Committee

- Is composed of employees from different departments.
- Is responsible for promoting sustainability awareness.
- Priority topics are identified through stakeholder engagement.
- ESG risk and opportunity analyses are conducted.
- Project based sub groups may be established.
- Activities are reported to the Sustainability Executive Board.

Our Board of Directors consists of six members, with a female representation rate of 67%. We place significant importance on gender diversity and strengthening inclusive representation.



%67

WOMEN ON THE BOARD OF DIRECTORS

As Kılıç Deniz, we continuously enhance our organisational structure with a focus on sustainability and support this structure through ongoing training. Our priority is to extend sustainability awareness beyond specific departments and embed it across all teams, thereby fostering a shared culture throughout the organisation.

In the medium term, together with our sustainability team, we aim to develop projects centred on the themes of fish, people and nature, and to implement this approach collectively—from field operations to executive management. We are working together to make sustainability a fundamental way of doing business.

OUR SUSTAINABILITY STRATEGY

As Kılıç Deniz, we focus on carrying out our aquaculture activities with measures aimed at reducing environmental impacts, increasing efficiency in the use of natural resources, and creating sustainable value for all our stakeholders.

The foundation of our sustainability strategy is built not only on environmental responsibility but also on workforce development, digitalisation and corporate innovation. In this context, we implement projects aimed at reducing water and energy consumption in our production processes and carry out initiatives focused on waste management and feed efficiency.

Our R&D and innovation activities focus on developing more efficient aquaculture methods and optimising the use of resources.

Within the framework of our corporate sustainability approach, we place importance on supporting the development of our employees through human resources practices, promoting a culture of occupational health and safety, and encouraging equal opportunities. In addition, managing supply chain risks, developing alternative raw materials, and establishing long-term partnerships based on responsible sourcing principles are among our priorities.

By deepening our sustainability focus toward operational development and strengthening corporate capacity, we aim to pursue a measurable, responsible growth path that takes environmental and social impacts into consideration.


PEOPLE
KILIÇ
FISH
NATURE

OUR SUSTAINABLE AQUACULTURE APPROACH

Nature;

- We exercise due care in sourcing feed raw materials from nature and socially responsible suppliers.
- We conduct initiatives to identify efficiency potential in energy and water use and to strengthen our measurement infrastructure, and we include these topics on the agenda of our stakeholder meetings.
- We systematize waste reduction, recycling, and reuse practices.
- We act with diligence in protecting biodiversity and managing ecosystem impacts.
- We develop adaptation policies in response to the impacts of climate change and proactively manage related risks.

People;

- The health, safety and well-being of our employees come before everything else.
- By engaging with local communities, we support the social and economic development of the regions in which we operate.
- We prioritise transparency and traceability throughout our supply chain.
- We implement responsible supplier management practices based on fair trade principles.
- Through innovation and technology investments, we deliver sector-leading solutions that enhance the way our employees work.

Fish;

- We fully comply with food safety and quality standards.
- We observe animal welfare principles at every stage of production.
- With strong and experienced fish health teams, we continuously develop projects to safeguard fish health.

Every step we take in line with these priorities is part of our commitment to a more liveable world.

ENGAGEMENT AND COMMUNICATION WITH OUR STAKEHOLDERS

Within the scope of our sustainability reporting process, a comprehensive stakeholder analysis was carried out to evaluate the environmental, social and governance impacts of our activities and to collect the views of our internal and external stakeholders.

Considering our sector and areas of operation, ensuring the participation of our stakeholders, particularly local communities as well as internal stakeholders who play a critical role in the effective and efficient execution of our business processes, is of great importance. In this context, stakeholder engagement activities have been designed as a continuous and cyclical process, prepared in line with legal requirements, sector standards and best practices.

The identification of stakeholders is carried out by taking into account their level of interest and interaction with our activities. As a result of group workshops conducted by management teams, internal and external stakeholders who influence or are influenced by our operations were identified, and the importance of these stakeholders for Kılıç Deniz and the relevant engagement methods were determined.

We are at the same table!

Throughout 2024, surveys conducted with our domestic and international suppliers, customers and employees continued. In addition, stakeholder meetings were held with representatives of civil society organisations, village headmen, university representatives, local administrations, provincial directorates of public institutions, analysis laboratory representatives and environmental inspection bodies representing the local community. The opinions and suggestions of participants were collected during these meetings.

As Kılıç Deniz, we attach great importance to developing our sustainability priorities through the contributions and feedback of our stakeholders. In this regard, we consider the stakeholder meetings we conduct as strategic platforms for dialogue and joint learning.

The 2024 Stakeholder Meeting was held at the Kılıç Deniz Products Management Centre with the participation of Muğla Sıtkı Koçman University, an environmental consultancy firm, the laboratory firm providing support for our analysis and control processes, and the Kılıç Deniz Quality Systems and Sustainability teams.

The meeting was structured under environmental, social and governance themes, and comprehensive evaluations were carried out in line with the company's sustainability approach. Within the environmental dimension of the meeting, it was identified that one of the company's most significant environmental risks is wastewater management, while emission levels remain below legal limits and therefore do not pose a major risk. It was also emphasised that the effectiveness of environmental training provided to employees should be increased.

The potential for wastewater reuse was discussed, and it was determined that reuse in the food sector is not feasible. Views were exchanged on technological improvements such as ozonation that could increase water efficiency. The importance of discharging wastewater into the environment in a controlled manner was underlined, and the need to investigate potential impacts on groundwater resources was highlighted. In this context, the importance of conducting joint studies with expert geologists and sector stakeholders was emphasised.

Pollution sources in the region, including domestic waste, olive oil factories, fisheries and the textile sector, were evaluated. It was noted that the company works meticulously to minimise its environmental impacts by monitoring parameters such as Chemical Oxygen Demand, nitrite, nitrate, nitrogen and phosphate within limit values. Sensitivities regarding the prevention of increased organic waste load through safeguarding fish welfare and effective stock management were also shared.

Within the scope of social and governance themes, the importance of Kılıç Deniz's collaborations with Muğla Sıtkı Koçman University, efforts to introduce the sector to young people, branded courses and internship opportunities provided to students were emphasised. In addition, it was highlighted by tourism sector representatives that aquaculture and fisheries create negative perceptions. The meeting concluded as a platform where Kılıç Deniz reviewed its sustainability strategies in line with valuable stakeholder feedback, strengthened its existing strengths and identified areas for improvement by outlining a roadmap.

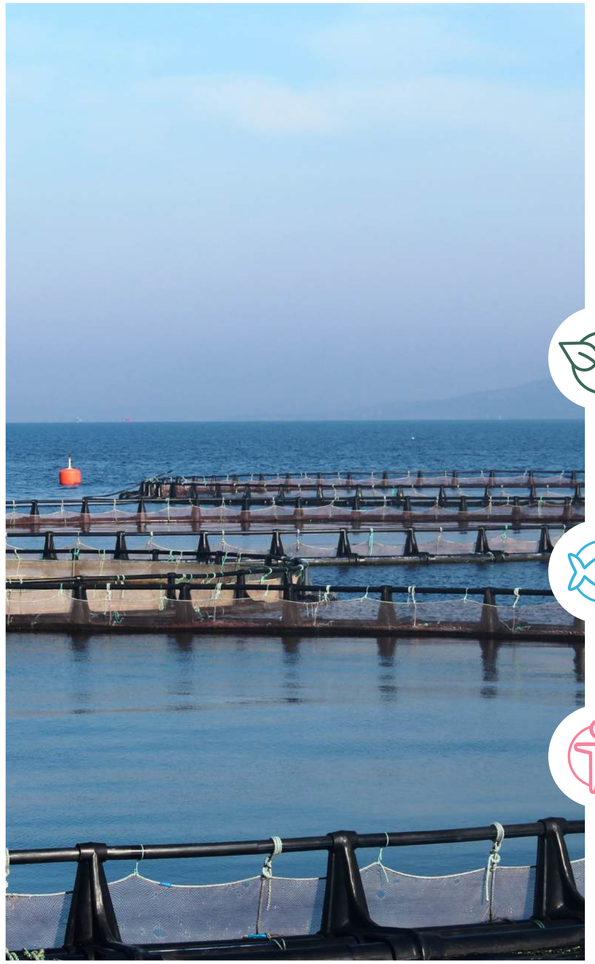
Feedback and suggestions received from our stakeholders will continue to guide our sustainability journey and help us further enhance our impact.

OUR MATERIALITY APPROACH

As Kılıç Deniz, when identifying the material topics that will guide our sustainable growth, we take into account the risks of our sector, global trends, best practices and GRI standards, while also adhering to corporate governance principles.n 2023, during our first comprehensive materiality assessment, we conducted surveys and one-to-one interviews with both internal and external stakeholders, and we brought our stakeholders together through meetings held at our headquarters. Throughout this process, we evaluated the environmental, social and ecosystem impacts of our activities from a multidimensional perspective. With the feedback received from our stakeholders, we aimed to enhance participation, strengthen our sustainability perception and build a solid foundation for our strategic decisions.

In 2024, we carried out a new materiality study, building on the double materiality analysis we initiated in 2023. In this process, we first adopted GRI's impact-based materiality approach. We then utilised EFRAG's double materiality guidance to conduct an assessment that considers not only environmental and social impacts but also financial impacts.

This study also incorporated TNFD's nature-related risk approach, sectoral analyses, SASB Sector Standards, international trends and Türkiye's long-term climate plans. The resulting priority topics were shared with our Sustainability Steering Committee, and the final list was shaped in line with the strategic guidance received.



Thanks to this approach, we are able to closely monitor developments both within our organisation and in the external environment, respond to changing conditions in a timely manner and turn risks into opportunities.

Our priority topics shaped by feedback from all internal and external stakeholders have been grouped under the following themes:

Nature Theme:

- Biodiversity and Ecosystem Health
- Greenhouse Gas Emissions and Climate Change
- Use and Protection of Land, Water and Marine Ecosystems
- Waste Management and Pollution Control (Circularity)

Fish Theme:

- Supply Chain Traceability and Responsible Sourcing
- Food Safety
- Animal Welfare

People Theme:

- Employee Health, Safety and Employment Practices
- Economic Inclusion and Improvement of Living Standards
- Fair Working Conditions and Equal Opportunities
- Relations and Engagement with Local Communities

Through this comprehensive assessment, we aim not only to understand our impacts more clearly but also to identify opportunities that will enhance our long-term resilience.

Our priority topics form the foundation of our sustainability strategy, enabling us to build stronger and more transparent communication with our stakeholders while taking determined and well-informed steps toward the future.

By aligning this approach with the ESRS standards developed under the CSRD, we underscore that our sustainability framework is coherent and robust not only at the national level but also globally.

OUR MATERIALITY APPROACH

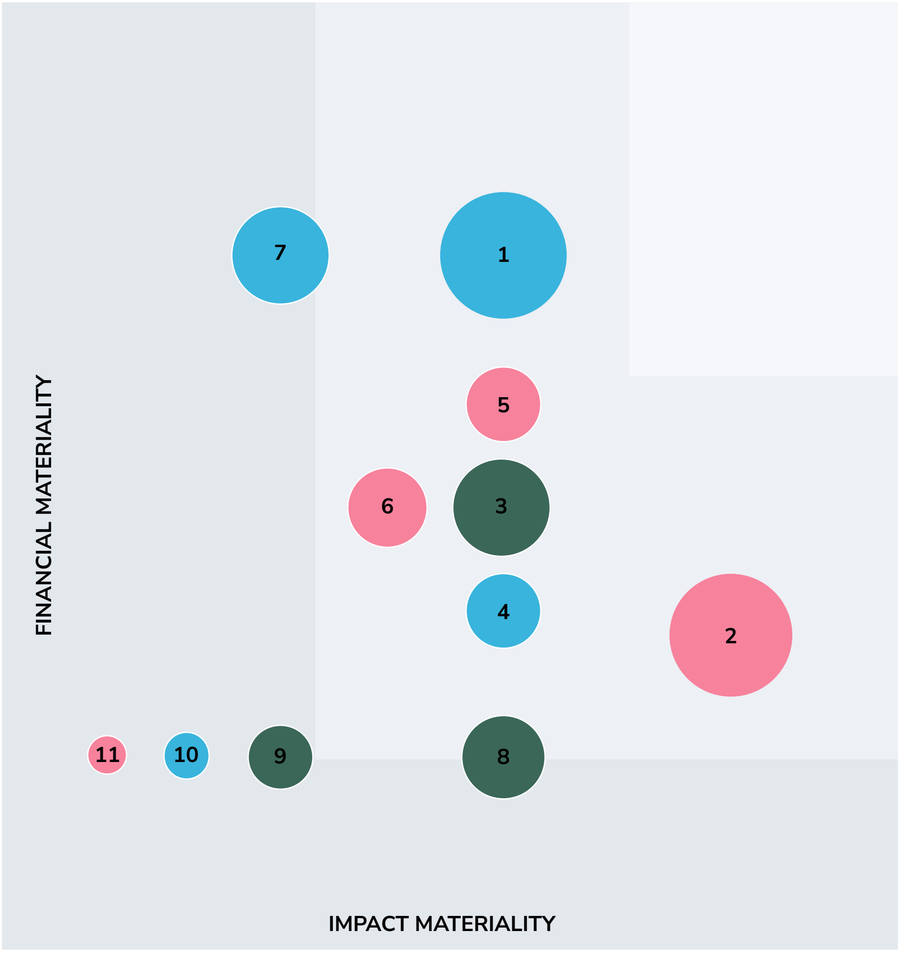
Theme	Material Issue	Relevant SDG	Relevant ESRS Modules
Nature	Biodiversity and Ecosystem Health	14 SUDAKİ YAŞAM, 15 KARASAL YAŞAM	ESRS E4: Biodiversity and Ecosystems
	Greenhouse Gas Emissions and Climate Change	13 İKLİM EYLEMİ	ESRS E1: Climate Change
	Use and Protection of (Land, Water and Marine) Ecosystems	14 SUDAKİ YAŞAM, 15 KARASAL YAŞAM	ESRS E4: Biodiversity and Ecosystems ESRS E3: Water and Marine Resources ESRS E2: Pollution
	Waste Management and Pollution Control (Circularity)	12 SORUMLU ÜRETİM VE TÜKETİM, 14 SUDAKİ YAŞAM	ESRS E5: Circular Economy ESRS E2: Pollution
Fish	Supply Chain Traceability and Responsible Sourcing	12 SORUMLU ÜRETİM VE TÜKETİM	ESRS S2: Workers in the Value Chain ESRS S3: Affected Communities ESRS G1: Business Conduct
	Food Safety	2 AÇLIĞA SON, 3 SAĞLIK VE KALİTELİ YAŞAM	ESRS S3: Affected Communities ESRS G1: Business Conduct (Product Responsibility)
	Animal Welfare	12 SORUMLU ÜRETİM VE TÜKETİM	ESRS S3: Affected Communities ESRS G1: Business Conduct

Theme	Material Issue	Relevant SDG	Relevant ESRS Modules
People	Employee Health, Safety and Employment Practices	3 SAĞLIK VE KALİTELİ YAŞAM, 8 İNSANA YAKIŞIR İŞ VE EKONOMİK BÜYÜME	ESRS S1: Own Workforce
	Economic Inclusion and Improvement of Living Standards	1 YOKSULLUĞA SON, 10 EŞİTSİZLİKLERİN AZALTILMASI	ESRS S1: Own Workforce ESRS S3: Affected Communities
	Fair Working Conditions and Equal Opportunities	5 TOPLUMSAL CİNSİYET EŞİTLİĞİ, 8 İNSANA YAKIŞIR İŞ VE EKONOMİK BÜYÜME	ESRS S1: Own Workforce
	Relations and Engagement with Local Communities	11 SÜRDÜRÜLEBİLİR ŞEHİRLER VE TOPLULUKLAR, 17 AMAÇLAR İÇİN ORTAKLIKLAR	ESRS S3: Affected Communities

Our Material Topics

1. Supply Chain Traceability and Responsible Sourcingi
2. Employee Health, Safety and Employment Practicesı
3. Biodiversity and Ecosystem Health
4. Food Safety
5. Fair Working Conditions and Equal Opportunities
6. Economic Inclusion and Improvement of Living Standards
7. Animal Welfare
8. Greenhouse Gas Emissions and Climate Change
9. Use and Protection of Land, Water and Marine Ecosystems
10. Waste Management and Pollution Control (Circularity)
11. Relations and Engagement with Local Communities

Kılıç Deniz also reviewed the sector-specific standard “GRI 13: Agriculture, Aquaculture and Fishing Sectors (2022)” when identifying its material topics. Within this scope, all topic disclosures included in the GRI 13 Standard were incorporated into the double materiality analysis, taking into account the Company’s activities, value chain and stakeholder expectations. As a result of the analysis, it was determined that some GRI 13 topic disclosures represent a low level of impact or financial risk for Kılıç Deniz’s operations and are effectively managed through existing policies and procedures. Accordingly, the topics that generate the highest impact in relation to the Company’s activities and show the strongest alignment with stakeholder priorities were grouped under the themes of Nature, Fish and People and prioritised for reporting purposes.These themes cover impacts related to ecosystem health, supply chain traceability, food safety and animal welfare, as well as impacts on employees and local communities.



OUR SUSTAINABILITY RISKS

Reputational Risks

The Company's reputation is directly linked to multiple factors, including environmental responsibility, public perception, and compliance with regulations. Pollution that may occur within the marine ecosystem can lead to deterioration in water quality and a decline in biodiversity. Such circumstances may create negative public perception.

In order to mitigate reputational risks and build public trust, comprehensive initiatives are undertaken.

Within this scope:

- Environmental and social performance is transparently disclosed through regular sustainability reporting..
- Credibility is strengthened through international certification processes (e.g., quality, environmental, and food safety certifications).
- Transparent and continuous information flow is ensured through corporate communication activities and regular social media engagement.
- Social impact is reinforced through collaborations with non-governmental organizations and universities.
- Initiatives are carried out in the Milas region to increase sectoral awareness.
- The implementation of environmental awareness programs at the primary school level is planned.

Market Risks

Fluctuations in fish prices, changes in the strategic and commercial policies of buyer countries, rising production costs, and foreign exchange rate movements constitute the primary market risks faced by the Company. These economic variables may directly impact profitability and create uncertainties in strategic planning.

Additionally, the long return period of investments in R&D may limit the Company's ability to respond swiftly to market needs and may threaten the sustainability of its competitive advantage.

In order to mitigate market risks:

- The delivery of products and services aligned with customer expectations and requirements has been prioritized.
- Sales strategies have been reviewed, and brand value has been strengthened through transparent reporting, international certifications, and R&D activities..

Technological Risks

Even without technological infrastructure such as cage monitoring systems, critical operations (e.g., water temperature, oxygen levels, feeding processes) can be carried out manually. However, this may lead to limitations in real-time data monitoring and rapid decision-making, thereby hindering operational efficiency and sustainability.

In order to reduce technological risks:

- Investments continue to ensure the digital monitoring of environmental and operational data.
- Systems are being established to digitally monitor parameters such as water temperature, oxygen levels, and feeding processes.
- Data-driven decision-making mechanisms are being developed in hatchery operations.

Occupational Health and Safety Risks

Across all Kılıç Deniz operations, occupational health and safety risks may arise from physical, chemical, biological, mechanical, and psychosocial factors. These risks may affect employee health across all processes, from offshore operations to hatcheries and processing facilities, and may lead to occupational diseases related to ergonomic conditions.

In order to mitigate occupational health and safety risks:

- Structured OHS management systems have been implemented within the Company for many years.
- Effective audit and monitoring mechanisms have been established to identify, control, and continuously improve risk management processes.
- Internal and independent third-party audits are conducted regularly, and continuous health surveillance is provided to employees.
- Dedicated control systems and management processes have been implemented to prevent occupational diseases.
- Following risk assessments, workplace environmental measurements, ergonomics, and hygiene studies are conducted to ensure workplace monitoring and safety.

Ethics and Compliance Risks

Unethical practices such as corruption, fraud, conflicts of interest, or non-compliance with legal regulations may damage the Company's reputation and result in legal sanctions and financial losses.

Such behavior may lead to a loss of trust among both internal stakeholders and the public, thereby threatening long-term sustainability.

In order to prevent ethics and compliance risks:

- The Company's ethical values have been clearly defined and communicated to all employees.
- An ethics reporting hotline has been activated to ensure secure, rapid, and transparent reporting of potential violations.
- An Anti-Bribery and Anti-Corruption Policy has been established and communicated to internal stakeholders.
- A Conflict of Interest Policy has been prepared and shared with internal stakeholders.
- Regular internal control activities are conducted to monitor potential risks within the defined scope.

Compliance with New Regulations

Within the scope of climate and environmental policies, new regulations such as the expansion of marine and terrestrial protected areas and stricter water quality requirements may limit production areas and inputs used. This may result in increased operational costs, reduced efficiency, and regulatory non-compliance risks for producers unable to adapt. In order to ensure compliance with current and anticipated environmental regulations, Kılıç Deniz is strengthening its water quality monitoring infrastructure and restructuring its production processes in line with sustainability and regulatory compliance principles.

To prevent legal risks, regular communication is maintained with relevant authorities, and technical and operational preparedness measures are undertaken against potential regulatory changes.

OUR SUSTAINABILITY RISKS

Human Resources Risks

Due to the challenging working conditions specific to the sector, employee turnover rates are relatively high. Furthermore, as operations require specialized expertise, accessing experienced and qualified personnel may be difficult, creating risks in terms of operational continuity and efficiency.

In order to mitigate human resources risks:

- Operational efficiency is supported through outsourcing (third-party collaborations) in packaging processes.
- Sectoral awareness initiatives are conducted at universities to enhance the industry's perception and attractiveness as an employer.
- Regular employee satisfaction surveys are conducted to measure engagement and satisfaction, and continuous improvements are implemented in line with the feedback received.

Supply Chain Risks

Kılıç Deniz's supply chain involves various environmental, social, and governance (ESG) risks.

From an environmental perspective, key risks include overfishing, ecosystem degradation, high carbon footprint, and challenges related to agricultural sustainability. Social risks include potential violations of labor rights, child labor, conflicts with local communities, and unethical working conditions.

From a governance standpoint, risks may arise from lack of transparency within the supply chain, use of fraudulent documentation, and non-compliance with legal regulations.

In order to mitigate supply chain risks:

- A responsible sourcing approach has been adopted, and collaborations have been established with certified suppliers
- R&D initiatives are carried out to develop alternative ingredients and sustainable feed formulations. Through newly developed feed formulations, dependency on certain critical raw materials is reduced, thereby enhancing supply chain flexibility and control.
- Through this approach, environmental impacts are minimized while external supply risks are strategically managed in the long term.

Enviromental Risks

Within the scope of environmental risk management:

- Initiatives focusing on the protection of the marine ecosystem have been prioritized. In this context, production areas that do not harm seagrass habitats have been selected, and environmental impacts have been regularly monitored through TRIX index assessments and benthic biodiversity analyses.
- Regular analyses required by relevant public authorities are conducted in full compliance. In addition, the Company performs supplementary analyses and observation studies to proactively monitor risks related to marine health.
- During the establishment and operation of fish farms, the criteria specified in applicable regulations particularly distance from the coastline, production capacity, and the assimilative capacity of the receiving environment are meticulously considered. Planning and site selection carried out within this framework ensure both the minimization of environmental impacts and production aligned with the carrying capacity of the marine ecosystem.

Risk	Time	Financial Impact	Opportunity Potential	Related Material Topic	Related Theme
Reputational Risks	Long	Potential medium- to long-term financial impact	Sustainable production may positively influence customer preferences.	Biodiversity and Ecosystem Health; Food Safety; Relations and Engagement with Local Communities; Fair Working Conditions and Equal Opportunities	Nature Fish People
Market Risks	Short Medium	Medium- and long-term financial impact	Sustainable production practices may enable positive differentiation in customer preferences.	Economic Inclusion and Improvement of Living Standards	Nature Fish People
Technological Risks	Short Medium	Long-term financial impact	Investments in technological advancements provide opportunities to maintain competitiveness and enhance product safety.	Animal Welfare	Fish
Occupational Health and Safety Risks	Short	Long-term financial impact	Effective management of occupational health and safety contributes to reducing workplace incidents and improving operational efficiency and engagement.	Employee Health, Safety and Employment Practices	People
Ethics and Compliance Risks	Medium Long	Reputational and financial impact	A strong ethical culture and internal control environment may enhance stakeholder trust and reputation.	Fair Working Conditions and Equal Opportunities	People
Human Resources Risks	Short Medium	Medium-term financial impact	Employee-focused practices support operational continuity and talent attraction	Fair Working Conditions and Equal Opportunities	People
Supply Chain Risks	Short Medium Long	Short-, medium-, and long-term financial impact	Responsible sourcing enhances transparency, sustainability, and regulatory compliance while strengthening long-term partnerships.	Supply Chain Traceability and Responsible Sourcing	Fish People
Environmental Risks	Short Medium Long	Short-, medium-, and long-term financial impact	Environmental monitoring and proactive practices support compliance and strengthen market positioning.	Biodiversity and Ecosystem Health; Use and Protection of Land, Water and Marine Ecosystems	Nature

OUR CLIMATE RISKS

Increase in Sea Temperatures:

Rising sea water temperatures may lead to decreased oxygen levels, slower fish growth rates, and increased disease risks. Deterioration in water quality may result in imbalances in the food chain, harmful algal blooms, and reduced productivity.

In accordance with our Fish Welfare Procedure, water temperature and oxygen levels are regularly monitored, and feeding practices, stocking density, and harvesting plans are reviewed when critical thresholds are reached. Veterinary services are strengthened to mitigate disease risks, while species with higher temperature tolerance and technical adaptation measures are implemented.

According to the RCP 4.5 scenario, annual average temperatures in Türkiye are projected to increase by approximately 1.5°C by 2040, while under the RCP 8.5 scenario, the increase may reach 2.5°C. These overall temperature increases may directly affect sea water temperatures, creating significant physical risks for aquaculture operations.

Source: Temperature and Precipitation Projections for Türkiye Based on the GFDL-ESM2M Model under RCP4.5 and RCP8.5 Scenarios.

Under the RCP 8.5 scenario, sea surface temperatures in the Eastern Mediterranean are projected to increase by up to 3°C. While this increase may stimulate growth in the short term, in the long term it may result in reduced oxygen levels, increased feed conversion ratios, and an overall decline in productivity. As stress levels rise in species such as sea bass and sea bream, the risk of certain diseases spreading may also increase.

Water temperatures and oxygen levels are continuously monitored, and in cases where critical thresholds are exceeded, feeding strategies, stocking density, and harvesting plans are revised accordingly. Under the RCP 4.5 scenario, annual average temperatures in Türkiye are expected to increase by approximately 1.5°C by 2040. Under the RCP 8.5 scenario, this increase may reach 2.5°C. These projected temperature increases are anticipated to significantly affect sea water temperatures and create physical climate risks for aquaculture activities.

Source: Temperature and Precipitation Projections for Türkiye Based on the GFDL-ESM2M Model under RCP4.5 and RCP8.5 Scenarios (ResearchGate link).

Extreme Weather Events and Storms:

Facilities located along the coastal regions of Muğla, Aydın, and Mersin are exposed to the risk of physical damage due to the increasing frequency and intensity of hurricanes, storms, and high waves associated with climate change. Cage farming operations, in particular, may suffer structural damage as storm severity intensifies. This may result in operational disruptions, production losses, and potential insufficiencies in insurance coverage. In order to enhance resilience against extreme weather events, stronger mooring ropes and connection systems are utilized, and operational measures are reviewed during high-risk periods. Meteorological data are closely monitored and integrated into early warning systems, with planning processes adjusted accordingly.

According to the Turkish State Meteorological Service, climate change-induced increases in summer temperatures and variations in precipitation patterns are contributing to a rise in the frequency and intensity of extreme weather events. Under the RCP 4.5 scenario, annual precipitation across Türkiye is projected to decrease by approximately 3% to 6% during the period 2016–2099. This trend is expected to heighten drought and water stress risks, while irregular precipitation patterns may lead to an increase in sudden natural events such as floods and flash floods.

Source: Turkish State Meteorological Service & ResearchGate Publication – RCP Projections.

Decrease in Freshwater Resources and Changes in Salinity Levels:

Climate change-induced disruptions in hydrological regimes, declining precipitation levels, and decreasing groundwater reserves are leading to a reduction in freshwater resources. This situation poses particular challenges for hatchery operations, complicating water supply and placing production processes at risk.

Increasing salinity levels adversely affect the living conditions of certain fish species, leading to reduced growth rates, higher disease risks, and adaptation challenges. A decline in the availability of freshwater required for aquaculture may also result in reduced production capacity. In order to adapt to water scarcity, alternative water management solutions such as Recirculating Aquaculture Systems (RAS) are being evaluated. In addition, efforts are underway to cultivate fish species with higher salinity tolerance, and production techniques are being optimized accordingly.

Projections for the Mediterranean region indicate that summer precipitation is expected to decrease by 10% to 30%. This decline may lead to reduced river flows and groundwater levels, potentially resulting in increased seawater intrusion and rising salinity levels in coastal areas.

Source: MedECC – Mediterranean Climate Change Assessment Report (SPM, 2021).

Risk of Heavy Rainfall and Flooding:

Irregularities observed in precipitation patterns as a result of climate change are increasing the frequency of sudden and intense rainfall events, thereby elevating flood risk.

To mitigate flood risks, early warning systems are closely monitored, facility infrastructure is reinforced, and operational plans are reviewed during critical periods.

According to meteorological projections, disruptions in the seasonal distribution of precipitation and the increasing frequency of heavy rainfall events significantly heighten the risk of floods and inundations across many coastal regions of Türkiye. This situation poses a threat to both physical infrastructure and the continuity of production operations.

Extreme Temperatures and Wildfire Risk:

Rising temperatures associated with climate change are increasing the frequency and intensity of forest fires, particularly during the summer months. Wildfires that occurred in the Güvercinlik and Ören regions have reached certain facility areas belonging to Kılıç Deniz, posing significant threats to operational safety, employee health, and production continuity.

During periods of elevated wildfire risk, emergency action plans are activated. Preventive cleaning and firebreak measures are implemented in natural areas surrounding the facilities. Personnel awareness training programs are conducted to enhance preparedness levels, and fire suppression infrastructure is reviewed to ensure readiness for potential scenarios.

According to IPCC and regional meteorological reports, the frequency and duration of extreme heatwaves are increasing, thereby extending wildfire seasons and intensifying fire risks from both ecological and economic perspectives.

OUR CLIMATE RISKS

Spread of Diseases and Pests:

Rising sea water temperatures associated with climate change have adverse effects on fish health. In particular, bacterial species such as Aeromonas, Vibrio, and Streptococcus reproduce more rapidly at higher temperatures, increasing the risk of infections. Elevated temperatures facilitate the spread of bacterial, viral, and parasitic diseases and may increase the likelihood of mandatory pharmaceutical use. This situation may pose risks to both production efficiency and environmental sustainability.

Within the framework of our veterinary health plan, which is specifically tailored for each hatchery, immune-supporting feed additives are utilized to reduce disease risks. Regular veterinary supervision is maintained, and the scope of disease monitoring systems is continuously expanded. Adaptive management approaches are developed based on early detection and preventive measures.

Stricter Environmental Regulations and Policies:

The tightening of sustainability requirements in the European Union and other major export markets may lead to more comprehensive environmental regulations for the aquaculture sector. New legal requirements may arise concerning issues such as excessive feeding, wastewater management, and the restriction of practices that harm ecosystems. This creates increasing compliance pressure on production processes in order to maintain international competitiveness.

Kılıç Deniz regularly audits and improves its production processes to ensure full compliance with national and international environmental legislation. In order to meet the sustainability criteria of export markets, particularly the European Union, production techniques that reduce environmental impacts are being developed, and wastewater management systems are operated effectively.

The EU Green Deal and the Deforestation Regulation introduce new obligations related to sustainable production and supply chains, creating transformation pressure within the sector. Failure to ensure compliance may result in reduced export opportunities and increased operational costs.

Changes in Customer Preferences and Sustainability-Focused Consumption Trends:

As consumer sensitivity toward sustainability increases, there is a risk of declining demand for products that do not hold sustainable seafood certifications (e.g., ASC, MSC). This may negatively affect market competitiveness and brand preference.

Kılıç Deniz obtains and maintains internationally recognized sustainable aquaculture certifications such as ASC and MSC across all production facilities. Compliance with these standards is ensured through independent audits, and a transparent and reliable procurement approach is adopted in line with customer expectations.

As consumer preferences shift toward sustainable products, certified production provides a competitive advantage in the market. Therefore, adherence to sustainable farming principles and the continuity of certification processes are strategically important for both maintaining current market share and entering new markets.

Brand and Reputation Risks:

Production processes that do not comply with environmental sustainability criteria may weaken customer trust and loyalty. Increasing expectations regarding the sustainability of fish feed (e.g., the environmental impacts of soy-based or wild-fish-based feed) may heighten public perception risks and reputation concerns for the brand.

To strengthen sustainability within the supply chain, efforts are underway to evaluate our feed and raw material suppliers based on sustainability criteria. In this context, transparent data sharing with suppliers, regular audits, and compliance checks with sustainable production principles are being planned.

Growing sustainability sensitivities have become a factor that directly affects not only environmental impact but also brand value and consumer loyalty. Therefore, supplier selection and responsible management of raw material sources are critically important for corporate reputation.

Risk	Type of Risk		Sub-Risk
Climate Risks	Physical	Chronic	Increase in Sea Temperatures
		Acute	Extreme Weather Conditions and Storms
		Chronic	Reduction of Freshwater Resources and Changes in Salinity Levels
		Acute	Risk of Heavy Rainfall and Flooding
		Acute	Risk of Extreme Temperatures and Wildfires
		Chronic	Spread of Diseases and Pests
	Transition		Stricter Environmental Regulations and Policies
			Changes in Customer Preferences and Sustainability-Oriented Consumption Trends
			Brand and Reputation Risks

OUR CLIMATE RISKS

As Kılıç Deniz, while carrying out our sustainable marine fish farming activities, we comprehensively analyse not only current operational risks but also the long-term environmental and biological risks posed by climate change.

In this context, the research titled “The Impact of Climate Change on Sustainable Marine Fish Farming”, conducted by Ege University Faculty of Fisheries and EkipEGE, provides significant contributions to our strategic risk analyses and sustainability management.

On a global scale, temperature increases have reached 1.1°C compared to the pre-industrial period, approximately 2°C in Europe, and surface water temperature increases of up to 3°C are projected for the Mediterranean and Aegean Seas by the end of the century under the RCP 4.5 scenario (+1.5°C) and the RCP 8.5 scenario (+3°C and above). Indeed, in the Aegean Sea, summer temperatures in recent years have exceeded seasonal averages by 2.5°C.

This situation creates risks that may directly affect Kılıç Deniz’s aquaculture operations. For example, increases in temperature may lead to heightened disease and parasite pressure, harmful algal blooms, infrastructure losses, reduced production efficiency and economic losses.

The research titled “The Impact of Climate Change on Sustainable Marine Fish Farming” analyses the physiological and pathological effects of increasing temperatures on sea bass (Dicentrarchus labrax) and sea bream (Sparus aurata) species based on scientific data. In the study, growth performance, immune system response, metabolic balance and disease susceptibility of experimental fish groups formed under RCP 4.5 (+2°C) and RCP 8.5 (+4°C) scenarios are examined in detail.

As Kılıç Deniz, we consider such scientific studies as an integral part of our climate risk analysis processes. We take into account up-to-date and reliable data on the biological and environmental impacts of climate change not only for regulatory compliance and operational sustainability, but also to enhance our long-term resilience and competitiveness.

OUR BIODIVERSITY RISKS

Spread of Diseases and Pests:

The disruption of balance within the marine ecosystem and the degradation of habitats create favorable conditions for the spread of pathogens. This situation weakens the immune systems of local species, placing pressure on fish health and threatening biodiversity. Harmful algal species, bacteria, and parasites may affect both farmed fish and natural populations. In the long term, increasing disease pressure may disrupt species' life cycles and jeopardize the sustainability of the ecosystem.

In order to mitigate these risks to biodiversity, regular water quality and disease monitoring systems are implemented at production sites, and feed additives aimed at reducing pathogen load are utilized. Water parameters, water quality, and fish health are monitored on a monthly basis within the framework of the existing water monitoring plan and veterinary health plan. In addition, production activities are carried out in accordance with fish welfare procedures. Environmentally responsible aquaculture practices are promoted to support environmental sustainability, and production planning is conducted in alignment with local species.

Ecosystem Degradation:

Kılıç Deniz takes environmental impact criteria into consideration in the site selection and capacity planning of its farms, and adapts its production processes in line with seabed monitoring, benthic structure analysis, and carrying capacity assessments.

Water Quality Regulations:

New environmental regulations introduced to protect natural water resources may result in restrictions on certain inputs used in production processes. This may lead to limitations in the use of inputs such as feed, additives, and disinfectants that directly affect water quality, potentially causing a loss of efficiency. Furthermore, if water pollution cannot be effectively prevented, natural habitats may be damaged and environmental carrying capacity may be exceeded.

Kılıç Deniz utilizes environmentally friendly alternative inputs to preserve water quality and revises its production processes accordingly. In line with the water parameters monitoring plan, digital systems are being implemented to track water quality, and wastewater discharge parameters are regularly monitored to ensure compliance with environmental regulations.

Consumer Reaction Due to Environmentally Harmful Inputs:

The use of chemical or biological inputs in production processes that are perceived as harmful to the environment may lead to negative consumer perception. In line with increasing environmental awareness and sustainability expectations, this situation may undermine brand credibility, resulting in reduced customer support and potential loss of market share.

Taking consumer sensitivities and environmental impacts into consideration, production inputs are reassessed in accordance with sustainability criteria, and environmentally friendly alternatives are preferred. Through transparent communication and traceable production practices, consumer trust is strengthened, while R&D efforts aimed at reducing environmental impact are continuously pursued.

Risk	Type of Risk		Sub-Risk
Biodiversity Risks	Physical	Chronic	Spread of Diseases and Pests
		Acute	Ecosystem Degradation
	Transition		Compliance with New Regulations
			Water Quality Regulations
			Consumer Reaction Due to Environmentally Harmful Inputs

In order to mitigate biological risks arising from climate change and to ensure product safety, various R&D, control, and health management systems are being developed within our Company.

- Within the scope of the Food Safety Procedure, antibiotic residue analyses are conducted on a regular basis, and testing plans are implemented in compliance with global requirements.
- Vaccination programs and alternative treatment methods against disease risks associated with rising temperatures are implemented in the field, and early detection systems (NGS) are actively utilized.
- Using specialized flow cytometer devices, it is monitored every 15 minutes whether Ozone and UV systems effectively reduce bacterial load.
- Product-based systematic control structures have been established, and proactive health monitoring systems have been developed specifically for each product.
- The Company's strong fish health team, early diagnosis laboratory, and advanced health monitoring infrastructure directly contribute to production processes

In addition:

- The transition to low-carbon energy sources (e.g., renewable energy) reduces energy costs and limits environmental impacts.
- Through waste management practices and environmentally friendly production processes, brand perception is strengthened and competitive advantage is achieved.

OPPORTUNITIES

Can Transition Risks Be Turned into Opportunities?

As Kılıç Deniz, we view the transition risks posed by climate change not merely as threats but as a strategic opportunity to develop innovative and sustainable solutions.

Transition to Sustainable Production

Sustainable production begins with the procurement of sustainable raw materials and continues with actions taken in the field of social compliance. In addition, investing in low-carbon energy sources (such as the use of renewable energy) can both reduce costs and lower environmental impacts.

Transitioning to waste management and environmentally friendly production processes strengthens brand perception, while R&D studies on the alternative protein market—such as developing seaweed-based proteins and low-impact feed—bring innovation to the sector.

Furthermore, sustainability certifications are now available in many producers and have become a fundamental requirement for remaining in the industry. Internationally recognized standards such as ASC (Aquaculture Stewardship Council) help us stay competitive in sustainability-focused markets.

Opening New Markets Through Sustainable Certifications Certifications such as ASC can provide a competitive advantage in sustainability-driven markets such as Europe.

Can Nature-Related Risks Be Turned into Opportunities?

Efficiency

- **Resource Efficiency:** Achieving reduced production costs and improved performance through the use of fewer natural resources and less energy.

Products and Services

- **Transition to Alternative Feed Ingredients:** Reaching sustainable consumer groups and accessing new markets through environmentally friendly alternative feeds.
- **Investment in Low-Environmental-Impact Technologies:** Creating growth opportunities by reducing negative impacts on the ecosystem.

Market Opportunities

- **Increasing the Share of Sustainably Certified Products:** Achieving higher pricing in existing markets and gaining access to new sustainable markets.
- **Exploring Alternative Protein Markets:** Increasing revenues and market share through growing consumer interest in alternative proteins such as seaweed.

Financial Incentives

- **Environmentally Responsible Financial Loans:** Securing lower cost of capital through sustainability-focused credit programs.
- **Blue Carbon Credit Opportunities:** Creating new revenue streams through carbon credit mechanisms

As Kılıç Deniz, we view transition and nature-related risks not only as threats but also as potential opportunities to be leveraged. Investments in low-carbon energy sources (such as renewable energy), improvements in waste management and the shift toward environmentally friendly production processes offer opportunities to reduce costs while adapting to evolving market expectations.

Resource efficiency and improved feed conversion ratios provide opportunities to reduce costs, while transitioning to low-impact technologies and alternative feed ingredients can enable access to new market segments. Ecosystem investments and blue carbon projects can both increase the resilience of production areas and create new revenue streams.

However, while evaluating these opportunities, we prioritize based on economic developments, scientific processes and feasibility analyses. We focus on what is achievable and closely monitor other developments.

OUR CUSTOMER SATISFACTION FOCUS

Customer satisfaction has always been among the highest priorities for Kılıç Deniz. For this reason, it was not evaluated as a separate topic in the prioritization study. Instead, it has been embedded at the core of all our sustainability efforts through its ethical and financial dimensions.

Customer expectations are continuously monitored across the sector and remain an area open to improvement. We believe that by managing this area effectively, we can create new market opportunities and gain competitive advantage.

At Kılıç Deniz, meeting the needs and expectations of our customers in the best possible manner lies at the heart of our operations. Our primary objective is to maintain customer satisfaction at the highest level, continuously improve our operational capabilities, and sustainably grow our business accordingly.

Within this framework, we have been utilizing the Customer Complaints module within the QDMS system since 2015 to systematically monitor our quality management processes. Customer feedback is carefully evaluated through this system, and relevant departments take prompt action to resolve issues.

Feedback is recorded in the QDMS database, and in line with traceability procedures, relevant process records are analyzed. Root cause analyses are conducted, and action plans are implemented accordingly. Where necessary, process or line modifications are introduced, related instructions are updated, and personnel training is completed.

In order to measure customer satisfaction, we conduct annual surveys to gather feedback on various areas, including product quality, logistics processes, pricing, and customer services.

As part of the double materiality analysis conducted in 2023 and remaining valid throughout 2024, our customers were actively involved in the process. Based on surveys conducted with both domestic and international customers, biodiversity, fish health and welfare, and climate change were identified as priority sustainability topics from the perspective of our customers.

As of 2024, evaluations indicate that our production processes continue to operate strongly, supported by high production capacity with a strong focus on quality.

The sustainable production approach adopted company-wide supports a structure that prioritizes the reduction of environmental impacts and efficient resource use. Our strong capability to respond to customer demands and our ability to take swift action based on feedback are among the key factors enhancing customer satisfaction.

On the other hand, digitalization has been identified as a priority development area to simplify business practices and ensure more efficient processes. In this regard, efforts are ongoing to establish a digital infrastructure with a standardized reporting structure that enables real-time monitoring of data across production, field operations, and managerial processes. Furthermore, certain processes currently carried out intermittently on production lines are planned to be transformed into a continuous and efficient mass production model through automation systems.

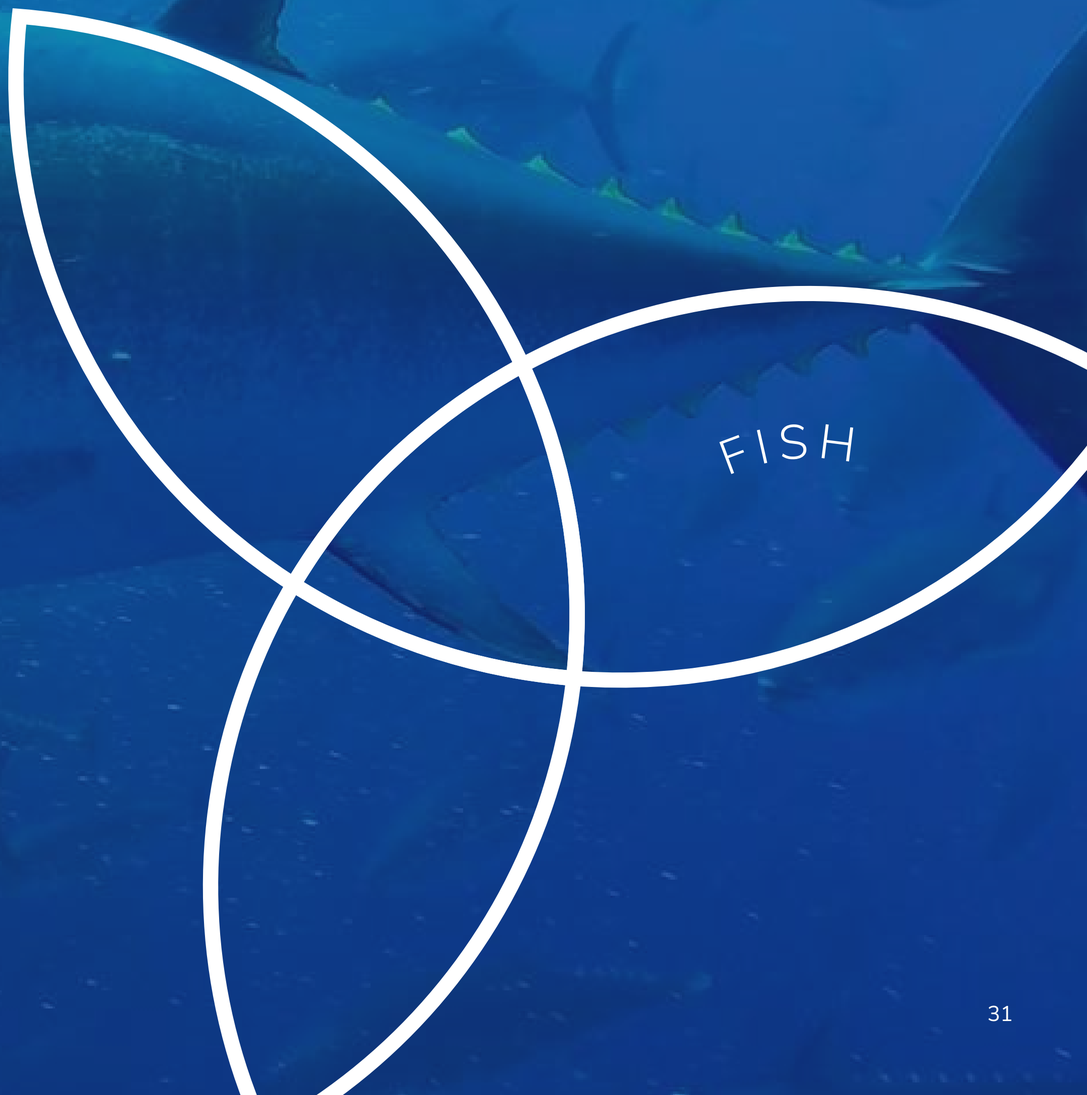
Fish

As Kılıç Deniz, we carry out all our aquaculture activities based on scientific knowledge, national and international standards, and a commitment to continuous improvement. Food safety, product quality, and animal welfare are among the priorities of our sustainability strategy under the fish theme, and systematic, traceable, and regulation-compliant practices are implemented in these areas.

Our farming processes are conducted on the basis of traceability at all stages, from feed production to harvesting and from processing facilities to distribution. Ensuring full compliance with food safety and quality standards not only fulfills legal obligations but also contributes to our competitiveness in global markets and strengthens our brand reliability.

In addition, animal welfare principles are addressed not only as an ethical responsibility but also as a factor that directly affects product quality. All processes, including water parameters, stocking density, feeding techniques, and transport conditions, are continuously monitored and improved from this perspective.

Within this framework, every step we take is based on a strategic approach aimed at increasing our sustainable production capacity, meeting stakeholder expectations, and reducing our environmental impacts.



FEED PRODUCTION

Among the raw materials used in production, fishmeal, soybean meal, and poultry meal were the primary components, while wheat, fish oil, SPC, corn gluten, soybean oil, and wheat gluten were also included as other key ingredients. The FFDRm (fishmeal dependency ratio) and FFDRo (fish oil dependency ratio) indicators are regularly monitored to support sustainable aquaculture feed production.

FCR	The amount of feed consumed by the fish to achieve 1 kg of live weight gain
Sea Bass	2,3
Sea Bream	2,2
Meagre	2,4
Trout	1,30
Turkish Salmon	1,45

In 2024, various R&D and innovation activities were carried out to improve the efficiency and traceability of feed production processes. The renewal of factory floor panels, the revision of raw material conveyors, and performance analyses of micro-ingredients within production processes were completed.

Additionally, data obtained from the quality control laboratory were transferred to digital platforms and integrated into the formulation program. By expanding the instrumental analysis capacity of the quality control laboratory, more comprehensive and reliable measurements have been made possible.

FOOD SAFETY

At Kılıç Deniz, we meticulously carry out the quality control processes of our products from pre-harvest through processing and final product stages. Before harvest, an authorized member of our quality team participates in randomly selected harvests through sampling methods, observing and documenting harvest conditions, cold chain and hygiene practices. The initial controls conducted after harvest include organoleptic inspection, cold chain inspection and parasite and foreign matter checks. After the raw material is accepted, quality controls continue at every stage of the process, based on compliance with legal regulations, international standards and customer specifications.

Environmental hygiene checks are also conducted, and effectiveness measurements are taken during and after cleaning. Results are recorded and trend analyses are performed on these records to determine necessary actions.

Sampling frequency is determined in line with legal regulations, customer requirements and risk analyses, and takes place on daily, weekly, monthly, annual and biennial cycles. In addition to the analysis plan, some customers require product analysis before each shipment, and these are also performed accordingly. Recent audits have revealed no findings that would affect production or certification; identified nonconformities were related to infrastructural deficiencies, documentation errors or incomplete definitions in production areas. These issues were promptly corrected, and to prevent recurrence, training sessions, maintenance repair plans, targeted investments where necessary and regular monitoring activities were implemented.

The relationship between fish welfare, environmental sustainability and product quality is fundamentally important. Ensuring that environmental conditions, nutrition and living environments are compatible with the biological structure of the fish reduces disease risk, strengthens immunity and directly influences product quality and shelf life. Since negative chemical reactions in the body are minimized when fish are raised and harvested under stress-free conditions, meat quality and shelf life are significantly improved.

To promote and embed a food safety culture, monthly and annual activities are carried out with all company employees at every level, starting from the orientation process, ensuring that all employees are included in the process with an awareness of protecting food safety.

Among our development goals set for 2025 and beyond is the integration of quality assurance processes that have so far been monitored separately in each facility. By bringing together all parts of the process including hatcheries, feed operations, cages and packaging facilities we aim to create a process map, monitor the entire process using defined quality parameters, identify the relationships between these components and ensure continuous improvement.

TRACEABILITY

Full traceability of our products is ensured at every stage, from broodstock to the final product. In the packaging unit, traceability is managed through batch numbers; each incoming harvest is assigned a code, and the entire process from raw material intake to the final product is tracked using this code. In cage farms and hatcheries, the Aquamanager system is used; with this system, each batch is assigned a code, and records are kept on which broodstock tank it originated from, in which hatchery it was produced, through which adaptation facility it passed and in which cages it was grown.

ANIMAL WELFARE

We regard not only the production of high-quality seafood but also ensuring the health and welfare of the animals involved in the production process as one of our fundamental responsibilities. In this context, we prioritize adherence to national and international animal welfare principles, particularly the GLOBALG.A.P. and Tesco TWA standards.

Kılıç Deniz places animal health and welfare at the center of its production processes, based on the “Five Freedoms” principle adopted by the World Organisation for Animal Health (OIE). Fish are fed in accordance with their species and developmental stages; feeding processes are planned to support their natural behaviors and are regularly audited through the GlobalG.A.P. CFM certification.

Environmental parameters in the fish habitats such as water quality, oxygen levels, temperature and light cycles are optimized to ensure growth in a stress-free and comfortable environment. A proactive approach is adopted to prevent diseases through biosecurity measures, regular veterinary inspections and advanced monitoring systems. By providing areas where fish can exhibit natural behaviors, their healthy development is supported, and every effort is made to create an environment free from fear and stress throughout the entire production chain.

The company integrates this approach with the understanding that **“A healthy fish is a fish raised in welfare”** and aims to continuously enhance its animal welfare standards.

8–10 kg/m³ STOCK DENSITY

The ASC (Aquaculture Stewardship Council) standard aims to manage impacts in critical areas such as biodiversity conservation in aquaculture, responsible raw material sourcing, pollution and disease management, energy consumption, greenhouse gas emissions, occupational health and safety and human rights.

Twelve percent of our fish farms an important part of our aquaculture processes have been ASC certified since 2019.

Our animal welfare policy aims to meet the physiological, behavioral and environmental needs of the fish we raise:

- Stocking density, water quality (oxygen level, temperature, pH) and light cycles are managed in accordance with the biological needs of each fish species to provide living environments that support natural behaviors.
- We take all necessary precautions to ensure that our fish can grow in an environment free from hunger, stress, disease and discomfort.
- Feeding processes are planned and regularly monitored to support the natural feeding behaviors of the fish.
- Biosecurity measures are implemented and regular veterinary inspections are carried out to prevent diseases and ensure effective health management.

As Kılıç Deniz, with this approach, we aim not only to meet today’s needs but also to address tomorrow’s responsibilities by continuously improving fish welfare and presenting best practices in the sector.

CAGE SURVIVAL RATE (%)	
Sea Bass	75
Sea Bream	80
Meagre	65
Trout	80
Turkish Salmon	80

HATCHERY SURVIVAL RATE (%)	
Sea Bass	40
Sea Bream	42
Trout	85

ADAPTATION SURVIVAL RATE (%)	
Sea Bass	60
Sea Bream	59

ANIMAL WELFARE

Our Approach to Fish Health and Welfare

At Kılıç Deniz, we consider fish health and welfare to be an essential part of our production processes, and we carry out our efforts in this area with an approach aimed at enhancing both production efficiency and animal welfare. Our holistic strategy, which focuses on disease prevention, early diagnosis, and effective treatment, aims to ensure compliance with national and international standards; thereby contributing to our ability to follow innovative practices in our sector and strengthen our sustainable production approach.

Some of Our Practices;

- **Vaccination Studies:** The effectiveness of vaccines was evaluated through trial tests, and double-vaccination protocols were developed.

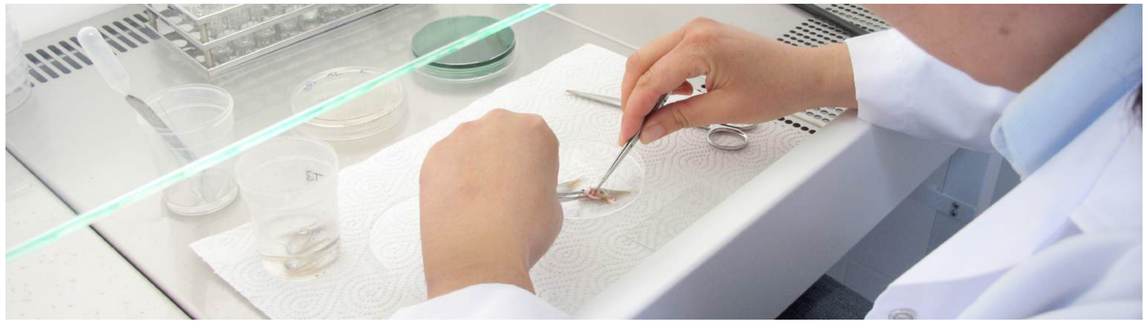
- **Feed Additives:** Probiotics, protek feed additives, and organic acids were used to support immunity and enhance growth performance.

- **Phage Therapy:** Bacteriophages were isolated and tested, and alternative treatment methods targeting bacterial diseases were explored.

» **Project 1**: Isolation of lytic bacteriophages specific to Photobacterium damselae subsp. piscicida and Vibrio anguillarum pathogens, and in vivo phage therapy application.
» **Output:** Patent registration – "Isolation and Plaque Analysis Method of Photobacterium damselae subsp. piscicida Lytic Bacteriophage" (Registration No: 2020 07757).

» **Project 2**: Isolation, morphological and genomic characterization of lytic bacteriophages specific to bacterial pathogens threatening fish health in aquaculture.
» **Output:** International publication – Yaşa, İ., Evran, S., Eren Eroğlu, A. E., et al. (2024), Microorganisms, 12(5), 895.

» **New Application:** Investigation of the antibacterial and antivirulence effects of combinations of endolysin (phage protein) and quorum sensing inhibitors (QSI) against fish pathogens (under evaluation).



- **Next-Generation Sequencing (NGS) Analyses:** Genomic analyses have been explored to better understand the molecular mechanisms of diseases and to identify microbial communities, and project development efforts in this field are ongoing.

The molecular biology, microbiology, and histology laboratories within our facilities contribute to the healthy cultivation of aquaculture products, while TÜBİTAK- and university-supported projects conducted in collaboration with external partners support environmentally compatible production processes.

R&D AND INNOVATION

R&D activities are one of the core elements of our sustainability strategies. Comprehensive studies are carried out by our team of expert engineers, biologists and technicians. A significant portion of our R&D work is conducted at the Oğuz Uçal R&D Center. Additionally, various R&D projects are carried out in our hatcheries, adaptation facilities and packaging–processing plants.

At Kılıç Deniz, we consider sustainable aquaculture not only an economic activity but also a science-based responsibility. Accordingly, we conduct genetic, biotechnological and laboratory-based R&D studies to minimize our environmental impacts and build a resilient structure against sectoral risks. .

As of 2024, substantial investments have been made in R&D activities.

Innovation and R&D Activities in 2024

As Kılıç Deniz, we continued our R&D and innovation activities in 2024 across various fields, including genetic improvement, fish welfare, and diagnostic and treatment methods. Through research conducted by our R&D Center and in collaboration with universities, we aimed to achieve improvements in sustainable production and aquaculture processes. Through international partnerships, we monitored new approaches within the sector and took steps to further ground our production processes on scientific foundations.

Some of Our R&D Studies;

Genetic Selection and Breeding Studies - Within the scope of the genetic selection program carried out since 2013, improvements have been pursued in production parameters such as growth rate and feed conversion ratio (FCR) in sea bass and sea bream.

International Collaborations and Projects - The project titled “Optimization and Practical Applications of New Methods in Fish Reproduction for the Future of Aquaculture,” which began in 2022 and is supported by TÜBİTAK, continues under a Hungary–Türkiye partnership. The project aims to improve fish reproduction processes and explore new production techniques.

Breeding of Alternative Species and Market Diversification - In addition to sea bass and sea bream, trial production activities are being conducted for hirame and red porgy species, while R&D studies are ongoing for yellowtail, turbot, and sole species.

Science-Based R&D and Application Areas - While focusing on genetic improvement and production efficiency in our R&D activities, scientific validity and practical applicability are taken into consideration.

Bioplastic Film Production for Food Packaging Using Fish Scales - The project titled “Bioplastic Film Production for Food Packaging Using Fish Scales (BIOFILSH),” developed in collaboration between Kılıç Deniz and BioMAR Engineering Industry and Trade Ltd. Co., founded by Assoc. Prof. Dr. H. Duygu Bilgen from Mersin University, was awarded second place among 72 projects selected for exhibition at the 2024 R&D Project Market event organized by Mersin Technopark and Mersin Technology Transfer Office.

The project aims to recover waste fish scales obtained from fish processing facilities and transform them into bio-based and biodegradable food packaging films. Serving as a strong example of the circular economy by both valorizing fish processing waste and reducing fossil-based plastics, the project stands out through its innovative material development, use of green technologies, and production approach based on local resources.

In 2024, the prototype developed within the scope of the project was successfully exhibited. Building on this achievement, it is planned to submit a TÜBİTAK-supported R&D project application in 2025 and to seek access to international funding by participating in European Union-funded programs. At the same time, the initiation of commercial production in 2025 is targeted, with BIOFILSH packaging planned to be introduced to various markets, primarily the food sector.

As Kılıç Deniz, we encourage and support such innovative collaborations that transform organic waste generated from fish processing into valuable raw materials. This project represents a concrete example of our sustainability vision, contributing to the reduction of environmental impacts, the enhancement of circularity, and the promotion of economic growth.

FOODIMAR Project - Kılıç Deniz considers the sustainable utilization of marine resources as a strategic priority and, in this context, takes part as an external stakeholder in the FOODIMAR Project, which is supported under the European Sustainable Blue Economy Partnership (SBEP) Programme and coordinated by Tetis Biotechnology Inc.

Within the scope of the SBEP project, Tetis Biotechnology manages processes aimed at converting marine side streams into high value-added products suitable for human consumption.

Considering the environmental, economic, and social challenges faced by food systems, as well as the adverse impacts of climate change on seafood production, FOODIMAR presents an important model that seeks to restructure existing systems through resource efficiency and a circular economy approach.

Under the project, marine by-products and unused biomass are evaluated as sustainable alternatives to commercially valuable components such as collagen, gelatin, and glycosaminoglycans, which are traditionally derived from terrestrial animal sources. Solutions developed through innovative extraction technologies and processes based on green chemistry principles not only contribute to reducing environmental impacts but also enhance the resilience of food systems across Europe.

Through its role in the External Advisory Board (EAB) of the project, Kılıç Deniz provides technical and strategic feedback based on its sectoral expertise and experience in sustainable production, thereby strengthening the Europe-wide applicability of the solutions developed. The Life Cycle Assessment (LCA) studies conducted within the project comprehensively evaluate the environmental impacts of production processes and aim to develop more efficient and climate-friendly production models.

In this way, the project contributes to increasing resource efficiency across the seafood supply chain and reducing the environmental footprint by minimizing waste and transforming it into high value-added products.

Fully aligned with the European Green Deal, the Circular Economy Action Plan, and the Sustainable Blue Economy Strategy, the FOODIMAR Project promotes transformation in food systems through innovative and inclusive solutions. Through this initiative, Kılıç Deniz contributes to the development of technologies shaping the future of the sector while extending its sustainability vision to a Europe-wide collaboration platform.

FOODIMAR KILIÇ TETIS

EFFICIENCY AND DIGITALIZATION STEPS IN PRODUCTION PROCESSES

As of 2024, comprehensive investments in machinery, software, and automation have been carried out to increase the production capacity of the Central Packaging and Processing Facility and to ensure product quality and standardization. Data collection stations have been integrated into all stages of the process, and as of January 2024, production data, efficiency rates, and critical process parameters have begun to be monitored digitally. As a result of revisions and pilot studies conducted on the fillet line, capacity has been increased and additional employment has been generated.

Within the scope of R&D, advanced technology machinery investments are being planned for the gutting and pin bone removal processes, and supplier negotiations are ongoing. In addition, production area layout plans have been reorganized, and by combining the scale removal machine reception tanks, both space efficiency and personnel performance have been improved.

- **Energy Efficiency and Cold Chain Management:** Product loading ramps have been redesigned to prevent the uncontrolled loss of cold air from indoor areas to the external environment. This has ensured the preservation of the cold chain while also delivering energy savings. Existing cooling systems have been converted to more efficient ammonia-based systems with lower operating costs, thereby improving ice quality and production capacity while achieving additional energy gains.

- **Water and Chemical Use Optimization:** Across all facilities, pressurized satellite devices are utilized to prevent water and chemical waste. In selected areas, infrastructure has been established to enable the control of water consumption through automation systems.

Some of Our Efficiency Initiatives;

- **Genetic Breeding and Efficiency:** Selection studies conducted on sea bass and sea bream have achieved progress in growth and feed conversion ratios. Molecular analyses have been carried out to identify efficient genetic lines.

- **Alternative Species**: Trial productions of flounder, yellowtail, turbot and sole contribute to diversifying the product range.

- **International Project Collaborations:** Within the Hungary-Türkiye joint project, studies have been conducted on new methods to improve fish reproduction processes.

- **Laboratory and Analytical Infrastructure:** The facilities of the histology, fish health, microbiology and molecular biology laboratories at the Oğuz Uçal R&D Center continue to be enhanced.

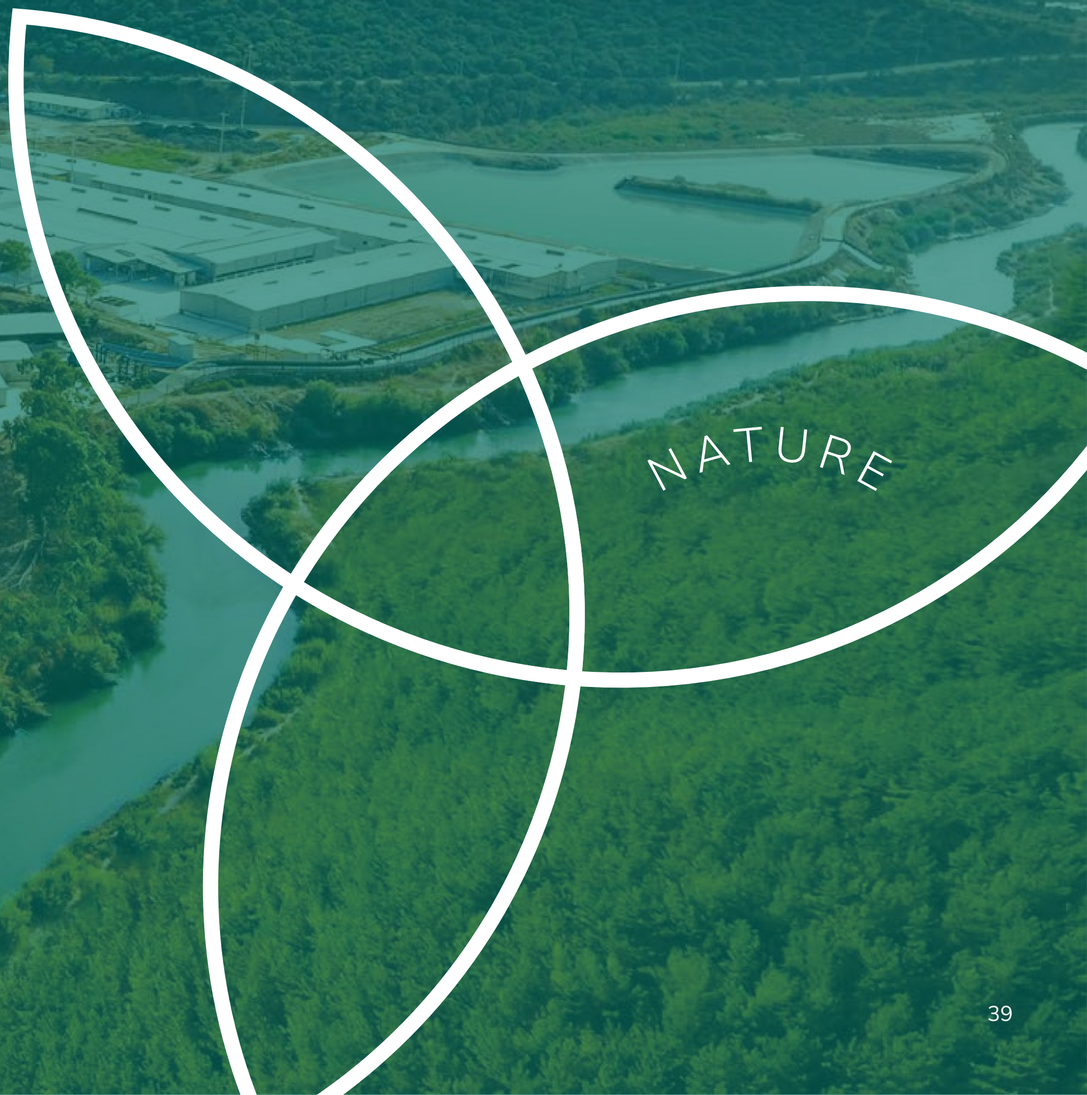
- **Energy and Environment:** The Solar Power Plant (SPP) installed at the Akarca Hatchery and Adaptation Facility aims to contribute to reducing environmental impact.

All these efforts support our R&D and innovation approach while enabling sustainability and efficiency-oriented improvements.

Nature

Nature is not only a resource but also a service provider that makes life possible. Many essential elements such as water, oxygen, food, and climate balance exist thanks to the ecosystem services provided by nature. In this context, aquaculture represents not only the production of aquatic products but also the support of these natural services.

At Kılıç Deniz, we structure our operations in a manner that protects, supports, and ensures the sustainability of the services provided by nature. We recognize the value of every service nature offers and conduct our production in alignment with their long-term sustainability. We view aquaculture not only as an economic activity but also as a model of ecological value creation, and we aim to build a future in harmony with nature.



WATER MANAGEMENT AND CONSUMPTION

As Kılıç Deniz, ensuring the efficient use of water in our facilities and leading efforts to mitigate the adverse impacts of global climate change on water resources are among our primary objectives. The water used in our facilities is obtained from seawater with the permission of the Ministry of Agriculture and Forestry, from the mains water with the permission of the local infrastructure authority, and from groundwater with the permission of the General Directorate of State Hydraulic Works.

In our sector, water management refers to the efficient, effective, and sustainable use, protection, and control of water resources within systems where fish and other aquatic species are cultivated. This management process is critical both for the health and productivity of aquatic organisms and for minimizing environmental impacts. For us, water management is built upon regularly monitoring water quality, establishing systems that reduce water consumption, managing wastewater, and ensuring the sustainability of water resources affected by climate change and pollution.

In 2024, the revision works for the evaporator machine used to process wastewater from the decanter at our rendering facility were initiated. Additionally, an investment in a new oil separator was made to enable more efficient production.

Some of Our Water Efficiency Projects;

- **Water Efficiency in Ice Production:** As Kılıç Deniz, a series of innovative practices have been implemented in our integrated production facilities as part of our efforts to ensure efficient water use and energy savings. In 2024, through innovation and R&D activities carried out at our Ice Factory, significant improvements were achieved in processes, along with increases in resource efficiency.

» The water used in the bath pool to separate the ice from the bucket has been integrated into a closed-loop system. Through this application, wastewater corresponding to approximately 50% of daily water consumption has been recovered, water waste has been prevented, and up to 20% savings in energy costs have been achieved.

» By directing the bath water in the closed-loop system to the ammonia cooling system, both cooling and heating needs were met within a single cycle. Through this integrated system, the ammonia system was cooled while the bath water was heated, resulting in dual-direction energy savings.

» The portion of the water used in the production process that exits the reverse osmosis (R/O) and filtration systems is reintroduced into the process after its suitability is confirmed through chemical and microbiological analyses. With this application, the protection of groundwater resources, the reduction of wastewater discharge, and the improvement of energy efficiency have been targeted, and positive results have been achieved.

» The wastewater generated from the Reverse Osmosis (RO) unit at the central facility is planned to be reused in non-process areas (such as environmental cleaning applications). In this way, reducing water consumption and increasing resource efficiency are targeted.

» In addition, by converting the block ice crusher to a horizontal system, 80% of the manual labor was transferred to the machine, providing significant time and labor savings in production processes. The transfer of water at +20 to +27 °C from the filtration system to the fillers at 0 to +7 °C after processing has contributed to reducing energy costs and increasing production speed.

All these practices are carried out in line with our environmental sustainability goals and resource efficiency policy, forming the basis of our nature-friendly, efficient, and traceable production approach. The improvements implemented provide significant contributions to reducing environmental impacts, ensuring the efficient use of resources, and strengthening sustainable production models.

Our Water Data

As of 2024, total water supply was sourced from various resources for use in production, cleaning, cooling, and auxiliary services.

In this context, 103,451 m³ of water was obtained from the mains water, 64,995,337 m³ from wells, 9,980,419 m³ from a natural source, and 9,922,176 m³ from the sea.

WATER SUPPLY MANAGEMENT	2024 (m³)
Mains Water	103.451
Well Water	64.995.337
Spring Water	9.980.419
Seawater	9.922.176

Wastewater Management

The wastewater discharged from our facilities into receiving environments is managed in compliance with the relevant legal regulations and discharged within the defined limit values. Wastewater is monitored and managed under the environmental permit obtained from the Ministry of Environment, Urbanization and Climate Change. The treated water discharged from our wastewater treatment plant or sedimentation pool is released into the receiving environment in accordance with the limit values specified in the Water Pollution Control Regulation and/or the Communiqué on Technical Procedures for Wastewater. This compliance is ensured in line with both sector-related legal requirements and the specific characteristics of the receiving environment. Wastewater analyses are carried out in accordance with the Communiqué on Sampling and Analysis Methods under the Water Pollution Control Regulation and at specified intervals. These analyses are conducted by accredited laboratories authorized by the Ministry and recorded in the Wastewater Information System through the Integrated Environmental Information System (EÇBS).

SUPPLY CHAIN TRACEABILITY AND RESPONSIBLE SOURCING

In 2024, we conducted an assessment of our domestic and international suppliers within the scope of ESG (Environmental, Social and Governance) criteria. In this study, we focused on four main areas:

- Environment and Climate Change
- Social Responsibility
- Corporate Governance
- Monitoring and Reporting

Environmental and climate-related aspects were reviewed by examining our suppliers' environmental policies, approaches to combating climate change, and responsible production practices. In the area of social responsibility, we evaluated labor rights, occupational health and safety, and stakeholder engagement. For corporate governance, we assessed management structures, risk management practices, and the integration of sustainability. Under monitoring and reporting, we evaluated performance tracking and transparent reporting practices..

To monitor progress in these areas and support improvements, we initiated regular follow-up processes. In the upcoming period, we will continue to report developments and plan the necessary actions.

Responsible Sourcing

Supplier Relations Within the Scope of the Sustainable Procurement Policy

As of 2024, our Company's sustainable resource use and supplier management practices have been carried out within an integrated framework based on a responsible sourcing approach. Transparency, traceability, and certification processes have been prioritized in raw material procurement, and suppliers have been systematically evaluated based on their environmental and social performance.

As Kılıç Deniz, we continue to strengthen our sustainable supply chain approach and attach importance to shaping our procurement processes in line with environmental and social responsibility principles. In our collaborations with suppliers, we consider not only quality and cost factors but also environmental impacts, ethical standards, and local development objectives. Within this framework, we aim to create long-term value by placing sustainability criteria at the core of our supplier relationships.

In addition to environmental performance, we also take social compliance criteria into account in our supplier relations. We establish mutual agreements with our business partners in line with the Amfori Code of Conduct and social responsibility principles. Furthermore, we prioritize suppliers with sustainability certifications for animal-based feed raw materials in order to minimize our impact on ecosystems.

By prioritizing local suppliers, we aim both to contribute to the reduction of carbon emissions and to support economic development in the regions where we operate. Through this holistic approach, we continuously seek to improve our sustainable sourcing practices in a way that generates both environmental and social benefits.

The ratio of certified raw materials used specifically for fish meal and fish oil is regularly assessed, and efforts are underway to increase this rate. Soy raw material procurement is carried out directly by the Feed Mill. These initiatives related to the use of certified raw materials are integrated into the Company's annual development plans in line with its sustainable supply chain objectives and are monitored accordingly.

In addition to certified soy procurement, Marine Trust-approved marine by-product-based raw materials have been preferred. To support domestic production, wheat has been sourced from the local market, and domestically produced alternatives of equivalent quality have been prioritized over imported animal by-products (ABP).

Other initiatives undertaken within this scope include;

- We make every effort to ensure that the materials used in our packaging processes hold internationally recognized food safety certifications such as ISO 22000, BRCGS, and IFS, and we support our business partners in achieving compliance with these standards..
- For wooden pallets and cardboard box procurement, we have begun working with FSC-certified suppliers, aiming to support the sustainable management of forest resources.

BIODIVERSITY AND ECOSYSTEM HEALTH

Nature-Integrated Production with the TNFD Approach

As Kılıç Deniz, we adopt a production approach that respects natural life, aligns with ecosystems, and supports biodiversity across all regions in which we operate.

When evaluated from the perspective of nature-related risks and dependencies shaped within the TNFD (Taskforce on Nature-related Financial Disclosures) framework, this approach represents a strong example of environmental governance.

- Our aquaculture operations are directly dependent on the sustainability of natural assets such as healthy water resources, seabed ecosystems, benthic organisms, and balanced environmental conditions.
- We conduct our production planning in accordance with the carrying capacity of marine ecosystems.
- Through practices such as the Trix index, benthic biodiversity analyses, flora-fauna monitoring studies, and the prevention of fish escapes, we transparently monitor, limit, and report our environmental impacts.
- As Kılıç Deniz, we conduct our Trix index analyses annually and monitor our eutrophication risk. In 2024, all analyses performed across our cages showed Trix index values below 4, indicating no detected eutrophication risk.
- Our net systems are produced from specially designed materials with the durability needed to prevent fish escapes and are regularly maintained and tested against external risks such as predators and weather conditions.
- No formations that could damage marine vegetation, particularly seagrass beds, have been observed. Our operations have no negative impact on marine vegetation. Seagrass beds are not found within 500 meters of the areas where our cages are installed. This is confirmed through inspections conducted prior to cage installation.
- Our systems, designed not to harm birds, seagrass, benthic organisms, or water quality, form an integral part of our nature-aligned production approach.

As highlighted in our biodiversity risks;

Kılıç Deniz systematically monitors and manages nature-related risks to biodiversity and ecosystems, recognizing that our operations are carried out in a sector directly dependent on nature. In this context, we address our risks within the framework of physical and transition risks, in line with the classification recommended by TNFD.

Physical risks include chronic threats such as disease outbreaks and pests in our production areas, as well as acute events such as habitat degradation and sudden environmental changes. These risks may directly lead to stock losses, reduced production efficiency, and decreased profitability.

Transition risks arise from evolving regulatory requirements, water quality standards, and societal expectations.

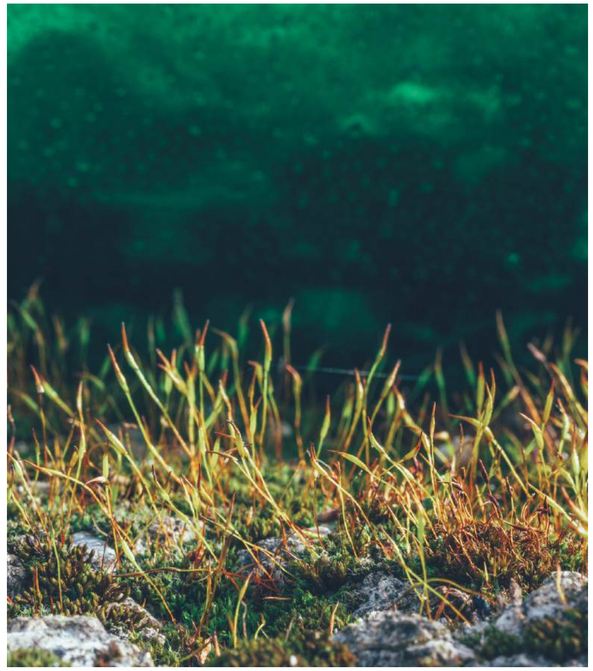
For example:

- The expansion of protected areas may reduce operational zones and increase costs.
- Stricter water quality regulations may limit usable inputs and affect productivity.
- Environmentally harmful inputs or chemical residues may pose risks to brand reputation and customer trust.

To proactively address these risks, we structure our medium- and long-term strategy around practices that prevent biodiversity loss.

Land Use and Respect for Local Ecosystems

- We ensure full compliance with Environmental Impact Assessment (EIA) processes and local ecosystem protection regulations in all our integrated land-based operations, such as the feed factory and processing plant.
- Factors such as proximity to forest areas, groundwater resources, and protected zones are taken into consideration when selecting production sites.



GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE

As Kılıç Deniz, we are aware of the impact of climate change on our areas of operation. We foresee that climate-related threats such as rising temperatures, extreme weather events, decreasing water resources, and increased disease risks may directly affect our aquaculture activities, and we take strategic measures accordingly.

While the food industry accounts for approximately 30% of all global greenhouse gas emissions, fish products are among the options with the lowest carbon footprint compared to other animal-based protein sources.

With this awareness, Kılıç Deniz works toward a more sustainable food system by increasing energy efficiency in our production processes, evaluating renewable energy investments, and maintaining our commitment to reducing our impact on nature.

We also carry out projects aimed at reducing direct and indirect greenhouse gas emissions in our production processes and work to integrate carbon management across our entire value chain.

To manage climate-related risks, we primarily focus on:

- Conducting R&D studies on heat-resistant species and production systems with low salinity tolerance,
- Strengthening production facilities through infrastructure investments to withstand extreme weather events such as storms and floods,
- Working to digitalize disease monitoring systems to enhance early warning and intervention capacity.

Life Cycle Analysis

Kılıç Deniz has completed a life cycle assessment (LCA) study to evaluate the environmental impacts of its feed production processes. This study provides a scientific basis for our climate change mitigation strategies. At the same time, it covers the entire process from the raw materials used in feed production to logistics activities, from in-facility operations to emission sources scientifically demonstrating the impacts on climate change.

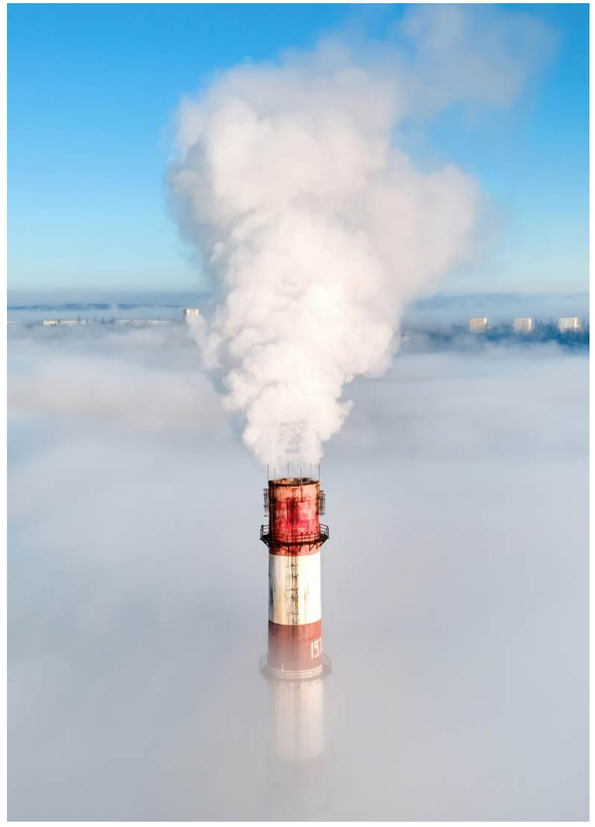
To manage sustainable aquaculture production more effectively within Kılıç Deniz, the LCA methodology has been systematically applied; the completed studies covered not only feed production but also sea bream and sea bass farming, carried out specifically for the Mersin and Salih Island facilities. Based on real field data, these studies were detailed by species and location, enabling the evaluation of environmental impacts in line with operational realities.

During the analysis process, factors such as energy use, emissions, water consumption, feed-related environmental burdens, transportation, and processing stages were examined with a holistic perspective. This approach made it possible to identify which stages generate greater environmental impact on a species basis and to develop prioritized improvement strategies for these areas.

LCA outputs enable the measurability and impact tracking of environmental improvement projects, while also supporting decision-making mechanisms with scientific data. Additionally, they contribute to monitoring annual sustainability performance and provide an institutional foundation for evaluating the effectiveness of improvement investments.

The findings reveal priority improvement opportunities in areas such as increasing energy efficiency, expanding the use of renewable energy sources, and reducing dependence on fossil fuels in logistics operations.

In addition, evaluating feed formulation additives that reduce methane emissions or exploring alternative protein sources are among other strategic approaches that may contribute to lowering biogenic emissions.



Our Carbon Footprint

As Kılıç Deniz, we have been measuring and reporting our greenhouse gas emissions since 2018 in accordance with ISO 14064-1:2018 and the GHG Protocol. In this context, we calculate our emissions annually under three main categories: Scope 1 (direct emissions), Scope 2 (indirect energy-related emissions), and Scope 3 (other indirect emissions from product shipment and transportation processes).

As of 2023 and 2024, Kılıç Deniz's greenhouse gas emissions were reported under three main categories: direct emissions (Scope 1), indirect energy-related emissions (Scope 2), and other indirect emissions such as transportation, logistics, and product shipment (Scope 3).

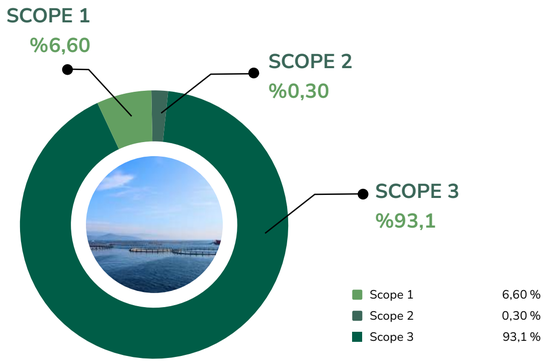
Scope 1 emissions increased from 44,879.53 tons CO_2e in 2023 to 45,768.4 tons CO_2e in 2024, accounting for 6.60% of total emissions. Scope 2 emissions, driven down by renewable energy investments, decreased from 9,842.3 tons CO_2e in 2023 to 1,964.79 tons CO_2e in 2024, representing 0.30% of the total. Scope 3 emissions continued to make up the largest portion of total emissions, recorded at 638,748.4 tons CO_2e (92.1%) in 2023 and 648,754.03 tons CO_2e (93.1%) in 2024.

Our product-based carbon footprint analysis efforts are also ongoing. For our fish product, measurements showed a product carbon footprint of 10.06 kg CO_2e per unit in 2023, which decreased to 9.08 kg CO_2e in 2024.

This improvement was achieved through the commissioning of the solar power plant, the implementation of energy efficiency projects in production processes, and the continued use of green energy supported by financial instruments.

GREENHOUSE GAS EMISSIONS	2023 (t-CO_2e)	2024 (t-CO_2e)
Scope 1	44.879,53	45.768,4
Scope 2	9.842,3	1.964,79
Scope 3	638.748,4	648.754,03
Total	**693.470,23**	**696.487,22**

TOTAL EMISSIONS RATE (2024)



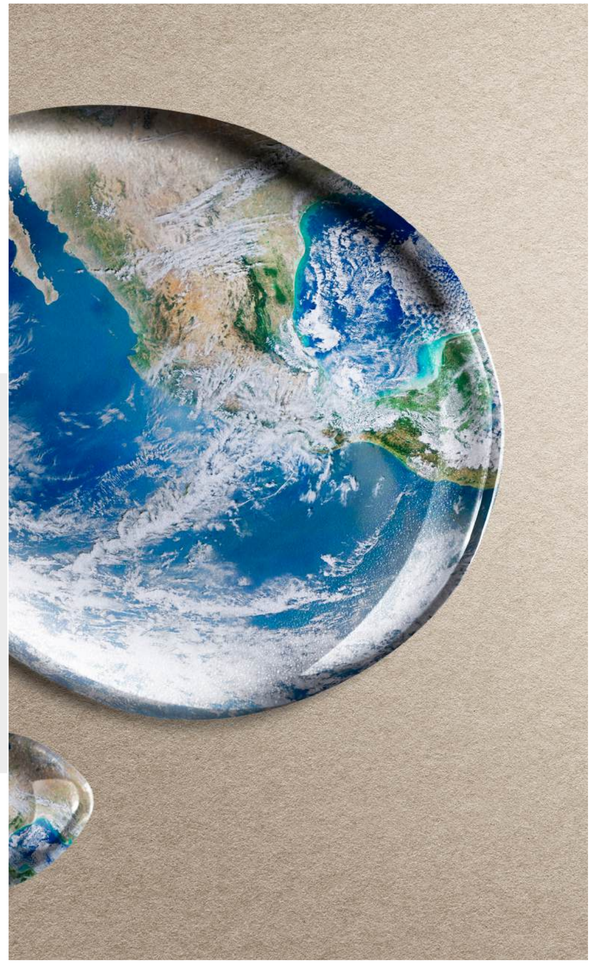
Our company not only calculates its emissions but also develops reduction and improvement strategies, taking an active role in combating climate change. Our emission data is monitored transparently and managed in line with our corporate sustainability strategy through a principle of continuous improvement.

Some of Our Climate Change Mitigation Projects;

- We optimize energy consumption in our production processes through energy efficiency projects.
- Since 2021, we have achieved carbon neutrality for our Scope 2 electricity consumption through IREC certificates.
- Feasibility studies for alternative energy sources, particularly solar energy systems, are ongoing.

9,08 CO_2e

PRODUCT CARBON FOOTPRINT (PER KG OF FISH)



ENERGY EFFICIENCY

As of 2024, through renewable energy investments implemented at our Salih Island and Akarca facilities, a total of 871,468 kWh of energy production and consumption was achieved, eliminating the need for externally sourced renewable energy. Solar energy systems with a capacity of 0.1 MW at Salih Island and 1 MW at our Akarca facility are actively in operation.

Throughout 2024, our overall energy intensity was calculated at 1,456.07 GJ, and particularly through technical improvements carried out in the packaging department, energy savings amounting to 332.67 GJ were achieved.

Within this scope, relocating the existing air compressor to a centralized location, repositioning the backup air tank in alignment with system operations, and optimizing and reducing the overall system pressure played a significant role in enhancing total energy efficiency. These projects directly contribute to the core elements of our energy management strategy, including performance measurement, efficiency initiatives, and renewable energy investments.

As part of our energy efficiency investments, we prioritize the procurement of machinery and equipment that consume less energy or operate more efficiently, and we meet a significant portion of our energy needs through rooftop solar power systems. In addition, we are evaluating ground-mounted solar energy investments and aim to reduce our carbon footprint by procuring electricity from I-REC (International Renewable Energy Certificate) certified suppliers.

Infrastructure strengthening and energy efficiency-focused initiatives continued throughout 2024. Cooling systems were replaced with high-efficiency ammonia-based refrigeration systems with lower operating costs, resulting in improvements in both energy consumption and overall costs. At the same time, in response to the increasing impacts of climate change, system resilience against high temperatures and humidity levels was enhanced, thereby strengthening overall infrastructure performance. Within this framework, it was aimed to ensure that structural components operate with reduced failure rates and lower maintenance requirements.

871.468 kW/h

ENERGY PRODUCTION

332,67 GJ

ENERGY SAVINGS

With specific regard to feed production, cost and efficiency controls related to energy, water, and natural gas consumption are carried out in an integrated manner. Through analyzers installed at critical energy consumption points, data are digitally monitored, recorded, and regularly analyzed to identify areas for improvement. These practices are positioned as part of our continuous improvement culture aimed at digitalizing energy management processes and reducing environmental impacts.

The compressor system optimization project implemented in the packaging department not only delivered energy savings but also stood out due to its low investment cost and short payback period. The anticipated energy gains were successfully realized, and the project was completed in 2024.

During implementation, necessary technical precautions were taken to avoid negatively affecting system performance. In particular, the use of elbows was minimized, and pressure losses at the outlet were prevented, thereby enhancing overall energy efficiency.

25-30% DECREASE

AMMONIA-BASED COOLING SYSTEM AND AUTOMATED ENERGY CONSUMPTION

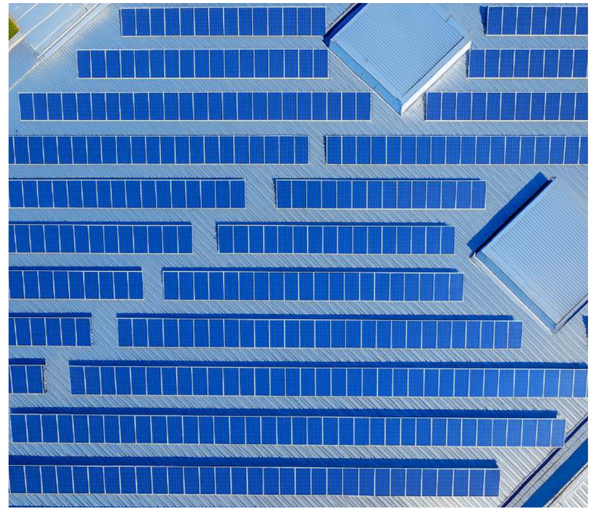
By relocating the compressor and air tank system to a centralized and easily accessible location, maintenance processes have been facilitated and the system has been enabled to be managed in a more sustainable manner. With its low investment requirement, short payback period, and systematic gains, this project has served as a model application for other operational units.

I-REC STANDARD

SOLAR POWER PRODUCTION (2024)	
Akarca	764.068 kWh
Salih Island	107.400 kWh

2% DECREASE

ENERGY CONSUMPTION PER TON (CENTRAL PACKAGING PROCESSING FACILITY)



WASTE MANAGEMENT AND POLLUTION CONTROL (CIRCULARITY)

A comprehensive and documented system is operated across all our facilities in accordance with our Waste Management Procedure and relevant legal regulations. In this context:

- Generated waste is first reduced at the source,
- Then segregated according to type,
- And whenever possible, reintegrated into the economy through recycling or recovery.

Each of our facilities has enclosed, leak-proof, and lockable temporary waste storage areas, with necessary precautions taken to prevent spills or overflows for safety and environmental protection.

These areas are regularly monitored through identification signs and warning labels. The management of our hazardous waste is tracked via the Mobile Waste Tracking System (MOTAT) and officially reported annually through the Waste Declaration System of the Ministry of Environment, Urbanization and Climate Change.

Additionally, through our Waste Management Plans, which we update every three years:

- Potential waste volumes are forecasted,
- Appropriate disposal or recovery methods are determined,
- Compliance with regulations, performance monitoring, and continuous improvement are ensured.

As Kılıç Deniz, we consider minimizing the environmental impacts of waste generated by our operations a fundamental responsibility and, accordingly, implement an integrated, regulation-compliant, and continuously improving waste management system.

All our waste is classified in accordance with relevant environmental legislation, segregated at the source, collected, and directed to disposal or recycling processes through licensed companies. The entire process is managed in a traceable manner and supported by performance indicators.

As of 2024, a total of 15,450 tons of non-hazardous waste and 2,014 tons of hazardous waste were generated at our facilities.

These data have been reliably obtained through monitoring systems installed across the facilities and regular record-keeping processes. Hazardous waste is temporarily stored in dedicated storage areas to prevent harm to the environment and human health and is sent to authorized disposal facilities at regular intervals. Non-hazardous waste is reintegrated into the circular economy wherever possible by evaluating recycling opportunities, thereby reducing environmental impacts and contributing to the conservation of natural resources. .

In waste management, we adopt an approach that goes beyond legal obligations, focusing on the continuous improvement of our environmental performance. Within this scope, technical and operational improvements are implemented in production processes to reduce waste at the source, and employee awareness programs are conducted to support a culture of waste segregation. With classification, tracking, and monitoring systems specifically developed for each type of waste, the separation of hazardous and non-hazardous waste is carried out effectively, and the most appropriate recycling or disposal method is determined for each waste type.

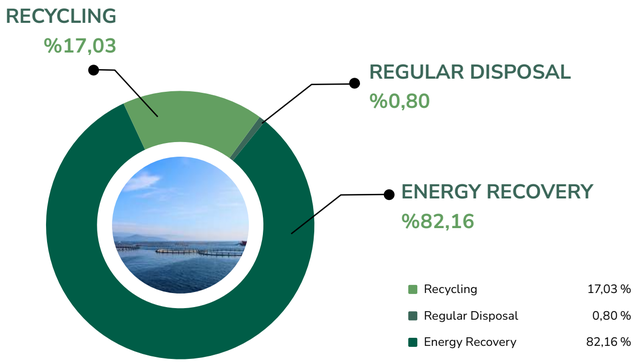
As Kılıç Deniz, we continuously optimize our disposal methods to minimize environmental impacts and contribute to the circular economy in our waste management practices.

As of 2024, 82% of the waste generated was utilized for energy production, 17% was processed through recycling and recovery methods, and only 0.8% was directed to solid waste disposal facilities.

15.450 TONS
NON-HAZARDOUS WASTE

2.014 TONS
HAZARDOUS WASTE

WASTE DISPOSAL DISTRIBUTION



People

At Kılıç Deniz, people are not only a workforce but the center of value, development, and transformation. Respect for people, human health, personal development, and well-being form the foundation of every step we take across all areas, from production and quality to R&D and sustainability.

EMPLOYEE HEALTH AND SAFETY

Our Health and Safety Practices

Throughout 2024, significant improvements and preventive measures were implemented in occupational health and safety (OHS) across Kılıç Deniz facilities. Short and clear toolbox trainings were organized targeting the most frequent workplace accidents; these materials were posted in tea rooms and common rest areas to ensure accessibility for all employees.

Life lines were completed in production areas, including the roofs and above the tea room in the central packaging facility, ensuring a safe working environment at heights. Most of the uneven external flooring at the central facility was corrected in 2024, with the remaining areas scheduled for completion in 2025.

Safety deficiencies at the shipment ramps were addressed, the ramps were revised, and light and sound warning systems were installed to facilitate truck docking. Field reports were regularly shared with managers and relevant departments, and follow-up processes were actively conducted to resolve identified non-compliances.

Lighting and noise non-compliances identified in environmental measurement tests were corrected; poorly lit areas were improved, training was provided for noisy areas, and ear protection was issued to employees.

In 2025, the goal has been set to transition H&S processes to a digital platform, and preparations have been initiated for the implementation of an H&S software system.

Some of Our Trainings;

The following H&S and professional trainings for employees were completed during 2024:

- Basic H&S Trainings
- Manlift Training
- Machine Maintenance Level-3 Training
- Electrician Training
- Plasterer Training
- Environmental-Site Cleaning Worker Training
- Plastic Processing Training
- Industrial Cooling System Training

These trainings have both strengthened employees' safe working habits and played a significant role in reducing workplace accidents.

OUR TRAINING AND EMPLOYEE DEVELOPMENT ACTIVITIES

As Kılıç Deniz, we continued to implement comprehensive training programs in 2024 to support the professional and personal development of our employees.

The trainings we provide aim to strengthen both individual growth and our company's values in sustainability, ethics, and occupational health.

In 2024, a total of 33,398 training hours were delivered at Kılıç Deniz, including 22,239 hours dedicated to H&S trainings.

Our training topics include:

- Health and Safety (first aid, emergency response, fire, chemicals)
- Forklift and welding equipment operation
- General hygiene and food safety
- Quality systems and environmental standards
- Social compliance and business ethics
- Food Safety
- Hygiene training
- Ethical Principles
- Working Standards
- Anti-Bribery and Anti-Corruption
- Equality, Equal Opportunity, and Inclusion
- Sustainability and Environment
- ISO 27001:2022 Internal Auditor Training

These trainings aim to ensure that our employees act more consciously regarding quality, safety, and efficiency in daily operations. In addition to focusing on technical topics such as the safe use of forklifts and welding equipment, fire safety, and chemical handling, significant progress has also been made in personal development areas, including leadership, communication, and problem-solving skills.

Additionally, to support female employment, initiatives were launched under the İŞKUR Positive Discrimination Project for Women's Employment (KİPAP), and daycare support was provided to help employees maintain a healthy work-life balance. In 2024, a total of 151 children benefited from this support.

33.398
TRAINING (HOURS)

Through all these initiatives, we aim to enable our employees to realize their potential, contribute to team performance, and strengthen the corporate capacity of our company.

Our training and development activities enhance not only individual competencies but also the organization's internal innovation and adaptation capabilities.

Kılıç Deniz embraces the principle of "sustain the people to sustain the organization," viewing the workplace not only as a production environment but also as a space grounded in trust, health, and engagement.

Our H&S approach is not only reactive but also proactive and open to continuous improvement.

In this context:

- Risks are assessed through probability and severity analyses.
- All routine and non-routine hazards are identified and categorized.
- A learning system is established through root cause analyses and "lessons learned" practices.
- Awareness is reinforced through post-incident trainings.

OUR EMPLOYMENT PRACTICES

At Kılıç Deniz, we view people not merely as a component of production but as stakeholders at the center of value, development, and corporate success.

We shape all our employment processes with this understanding and consider providing our employees with a fair, safe, respectful, and inclusive working environment as a fundamental principle.

Our Fair and Ethical Employment

Kılıç Deniz has zero tolerance for discrimination and forced labor, and applies the principles of fair compensation and equal opportunity to all employees. A zero-tolerance policy against child labor is enforced, and the employment of individuals under 18 years of age is strictly prohibited. To prevent forced labor, coercion, threats, and non-consensual practices, regular audits are planned both within our operations and throughout our supply chain. During recruitment processes, identity and personal data security are ensured in compliance with national and international standards.

Social Compliance and Supply Chain Responsibility

Kılıç Deniz conducts risk-based social compliance assessments by obtaining a Partner and Code of Conduct Commitment from suppliers that are not members of BSCI (Business Social Compliance Initiative). Through social compliance trainings, supplier audits, and reporting of results, the company aims to promote an inclusive culture of responsibility throughout its supply chain.

Human-Centered Corporate Culture

Operating under the principle of “People First for People,” Kılıç Deniz ensures ethical behavior, transparent communication, fair working hours, the right to representation, freedom of association, and rest rights at every stage of production. To support the individual development of employees, development programs focusing on leadership, teamwork, technological adaptability, and skill enhancement are implemented.

OUR EMPLOYEES

As of 2024, our Company employs a total of 2,626 employees, of whom 31% are women and 69% are men.

These figures reflect the current status of gender representation within the Company and indicate areas of opportunity for increasing female employment across our operations.

Eighty-three percent of our workforce consists of blue-collar employees, while 17% are white-collar personnel. In addition to our directly employed staff, contractor employees who operate in compliance with health and social responsibility standards also work at our facilities.

In order to enhance employee satisfaction, particular emphasis has been placed on the following areas within the scope of our human resources policies.

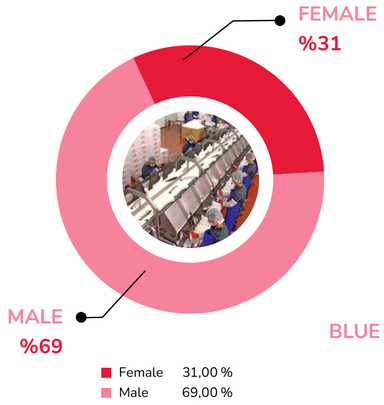
- The reasons for employee departures have been thoroughly reported through systematic exit interviews.
- Areas for improvement have been identified.
- Enhanced orientation, mentoring, and workplace improvement practices have been implemented, particularly for blue-collar employees.

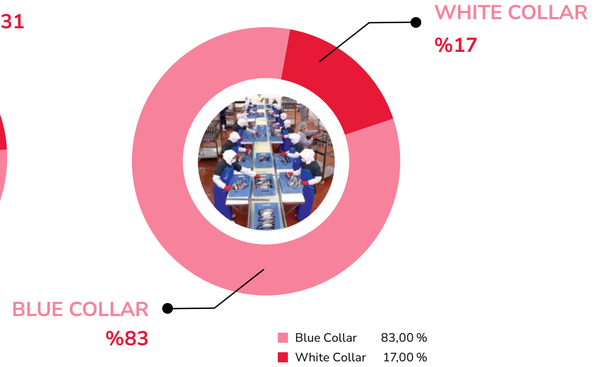
We consider employee turnover not merely as a numerical indicator but as an important signal regarding the overall employee experience. By increasing our awareness in this area, we continue our efforts to foster a stable and long-term working environment..

In line with the BSCI Social Compliance Principles, our Company places emphasis on protecting employee rights, ensuring safe and healthy working conditions, preventing discrimination, providing fair wages, maintaining reasonable working hours, and preventing child labor. In addition, gender equality, freedom of expression, digital security, and privacy are also taken into account within our processes.

Through BSCI audits conducted by independent audit firms, our working conditions and practices are regularly evaluated for compliance with human rights standards. In the event that any non-conformity related to human rights is identified, corrective action plans are prepared and implemented. Feedback is collected through established grievance mechanisms available to our employees, and improvement initiatives are carried out where necessary.

2.626
TOTAL EMPLOYEES





IMPROVING ECONOMIC PARTICIPATION AND LIVING STANDARDS

Women's Employment and Nursery Support

We prioritize hiring from local communities and implement inclusive recruitment strategies that elevate our women's employment rate above regional averages. Additionally, we provide nursery support for the children of our employees between the ages of 0–6. In 2024, a total of 151 children benefited from this support.

Through this practice, we aim to support our employees in balancing work and personal life. A total net payment of 11,390,066 TL was provided for nursery support. Nursery assistance is offered to all employees regardless of gender who have children of nursery age and request this support, with employee welfare and satisfaction taken into consideration.

Scholarship Support

As of 2024, Kılıç Deniz provides scholarship support to university and high school students, prioritizing the children of our employees. The scholarship process is carried out based on transparency and accurate information, and is diligently managed to contribute to the education of young people and support equal opportunities.

Our Wage Policy

Our wage policy is determined based on market data, with the aim of ensuring that our employees are compensated fairly and transparently for their work.

While careful attention is paid to ensuring that wages are sufficient to meet minimum living conditions, we also provide additional social rights and benefits to all employees.

In addition, special programs are implemented for specific employee groups such as women, young employees, and older employees. Beyond legally mandated leave such as marriage, bereavement, and personal leave, we offer additional leave rights. For example, while the legal entitlement for marriage leave is three days, it is applied as five days in our company, and personal leave is granted as five days. Likewise, although working on official public holidays is legally compensated as one day of pay, our company applies a rate of 1.5 days of pay.

11.390.066 TL
DAY NURSERY SUPPORT

151
KIDS

EMPLOYEE SATISFACTION

Aligned with its sustainable growth vision, Kılıç Deniz identifies employee satisfaction as one of its strategic priorities. In this context, satisfaction surveys are conducted regularly each year, and employees' experiences and feedback are converted into quantitative data and integrated into managerial decision-making processes.

The 2024 satisfaction results were obtained with the participation of blue-collar and white-collar employees working across different locations. The 5-point Likert scale used in these surveys aimed to systematically measure employee satisfaction levels.

Employees participating in the survey represented various age, tenure, education, and job groups, reflecting the demographic diversity of the company:

- The majority of participants have a tenure of seven years or more, indicating a strong employee retention profile for the company.
- Education levels range widely from primary school to bachelor's degree.
- The age distribution is concentrated between 25 and 55, while participation of female employees remained limited in some locations..
- In terms of job distribution, the worker/personnel group constitutes the majority.

This profile clearly reflects Kılıç Deniz's blue-collar–based production strength and the impact of its human resources on the sustainability of field operations.

Strengths

According to the survey results, the physical working environments are perceived as clean and orderly, and access to work equipment is considered adequate. The clarity of job descriptions enables employees to clearly understand their roles. Additionally, confidence in occupational health and safety practices is high.

Areas for Improvement

The survey results also highlight several improvement areas that can support organizational development. Some employees reported that their individual contributions are not sufficiently visible and that their achievements should be more frequently recognized. Furthermore, increasing the frequency of feedback from managers and ensuring that employee opinions are more effectively reflected in decision-making processes stand out as areas with development potential.

Improvement Plans

In line with this feedback, Kılıç Deniz plans to take the following steps:

- Making feedback processes more structured and accessible through digital platforms
- Developing dedicated human resources projects to increase the proportion of female employees
- Expanding facility-based ergonomic initiatives aimed at improving the physical working environment

Kılıç Deniz's strengths include its corporate reputation, safe working environment, social responsibility approach, emphasis on teamwork, and accessibility of managers. Areas identified for improvement include human resources processes, compensation, promotion systems, physical conditions, communication processes, and career management.

Employee Feedback

At Kılıç Deniz, we value the voice of our employees and provide various communication channels to evaluate their suggestions, opinions, and complaints in an effective, transparent, and solution-oriented manner.

Through the "Complaint and Suggestion Boxes" located in all our facilities, employees can share their thoughts in accordance with the principle of confidentiality. These boxes are regularly checked on a monthly basis by our Human Resources department, and the feedback received is reviewed together with the relevant facility managers to ensure appropriate actions are taken. Additionally, each facility has employee representatives who are elected by the employees.

To ensure effective tracking and management of employee complaints, the QDMS digital platform is used, enabling all submissions to be recorded and making the process traceable and measurable.

This high resolution rate reflects the company's commitment to transparency, accountability, and an employee-centered approach. Work continues on the remaining submissions, and improvement actions are planned to further enhance employee satisfaction. Through these systems, our goal is not only to resolve individual issues but also to strengthen our participatory corporate culture and continuously improve employee satisfaction.

Within the scope of business ethics practices, an ethics hotline is actively used to ensure that employee feedback is received in a safe, confidential, and accessible manner.

FOOD SECURITY

According to the 2024 report “The State of Food Security and Nutrition in the World” by the United Nations Food and Agriculture Organization (FAO), as of 2023, approximately 757 million people worldwide are struggling with hunger, representing roughly 10% of the global population.

The primary drivers of the food security crisis include conflicts, climate change, and economic fluctuations.

In this context, our sector emerges as a strategic area to feed the growing population and expand sustainable protein sources.

For the reason that:

- Fish is a high-nutrient animal protein source, rich in iron, zinc, omega-3 fatty acids, and vitamin D.
- Compared to land-based agriculture, aquaculture can offer more sustainable production models with lower water and feed usage.
- According to FAO data, following studies conducted between 2020 and 2022, more than 50% of global seafood production now comes from aquaculture, and this proportion is expected to increase further by 2030.

According to FAO data, current food production must double by 2050 to feed the global population. In this context, sustainable fisheries and aquaculture are seen as key solutions.

As of 2018, 50% of Turkey’s seafood production originates from aquaculture. Turkey is a strong exporter in aquaculture, particularly in species such as sea bass and sea bream. This strengthens the country’s strategic position not only in terms of food supply security but also in food economy and diplomacy (Seafood Sector Policy Document 2019–2023).

Based on these data, Kılıç Deniz not only produces fish but also supports millions of people in accessing safe and healthy food.

RELATIONS AND ENGAGEMENT WITH LOCAL COMMUNITIES

Our organization is a member of various national and international institutions to closely monitor developments in its sector, enhance industry collaboration, and strengthen sustainability practices. These memberships provide an important platform for knowledge sharing, conducting joint projects, and contributing to policy development.

Our memberships:

- Muğla Cultural Fishermen Association
- Bodrum-Milas Aquaculture Producers' Union
- Mersin Cultural Fishermen Association
- İzmir Seafood Association

Diver Training Program

In 2024, Kılıç Deniz launched the "Diver Training Program," a strategic initiative to develop human resources that support expertise in the aquaculture sector. Publicly announced, this program aims to train individuals interested in diving at a professional level, thereby providing the industry with qualified personnel. By transferring the company's sectoral knowledge to human resources, the initiative also offers young people an opportunity to develop their careers in underwater activities.

The program includes safe and effective diving training under the guidance of professional diving supervisors. Candidates who successfully complete the training earn the status of "trainee diver," gaining technical competence and becoming part of the potential workforce to be considered for various roles within the sector. Participation requirements include proficient swimming skills, interest in the underwater environment, physical endurance, and the ability to work collaboratively, reflecting the program's seriousness and professional approach.

The Diver Training Program has been designed in full alignment with Kılıç Deniz's sustainable human resources policies. By considering not only today's but also future operational needs, this initiative strengthens institutional memory and ensures the development of well-equipped employees to serve in the field over the long term. Institutionalizing training activities in this manner enhances the company's ability to create value from internal resources and positions investment in human capital as a strategic asset.

As a result, the Diver Training Program reinforces Kılıç Deniz's leading position in the sector and provides a tangible example of the company's commitment to human resource development. Expanding and continuing such programs in the future, while integrating them into internal training and development strategies, will provide significant contributions to both operational efficiency and sustainable growth.

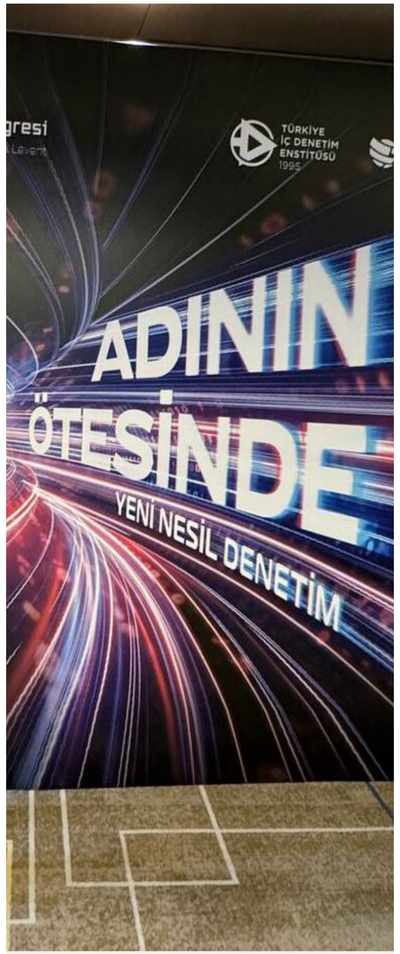
International Student Visit – James Madison University Field Tour

In 2024, Kılıç Deniz hosted university students from the United States, organizing a field tour focused on international collaboration and knowledge sharing. The visiting group, composed of students from the James Madison University College of Business, was welcomed at the company's facilities and provided with comprehensive information about production processes. During the visit, our managers accompanied the students, sharing both technical insights into operational processes and sectoral experiences.

These visits are not limited to academic observation; they also provide students with a hands-on learning environment, strengthening the interaction between universities and the business world. Visual documentation from the field tour has been added to the company's institutional memory as a record of the engagement.

The continuity of this interaction underscores Kılıç Deniz's commitment to international educational collaborations. The decision to repeat the program reflects the satisfaction and enduring connections established in previous years. Accordingly, the same project is planned for 2025.

FAIR AND CONFERENCE PARTICIPATION



Participation in the TİDE Congress

In 2024, Kılıç Deniz attended the TİDE Congress, organized by the Turkish Institute of Internal Auditing (TİDE), to closely follow developments in auditing and governance and to engage in knowledge exchange with industry professionals. Held under the theme “Next-Generation Auditing Beyond the Name,” this year’s congress served as an important platform for discussing the evolving role of internal auditing, innovative practices, and strategic audit approaches. The Kılıç Deniz internal audit team represented the company, participating in sessions and sharing insights on sectoral developments.

The event was particularly valuable in demonstrating how internal auditing can transition from being solely a control mechanism to a strategic partner contributing to decision-making processes. In line with this transformation, our audit unit gained an important opportunity to follow best practices, analyze new methodologies, and strengthen the internal audit function as part of corporate sustainability through a continuous improvement approach. Internal auditors attending the congress participated in sessions on topics such as digitalization, auditing of ethical culture, and risk-based internal auditing, aiming to bring next-generation audit practices into operational implementation.

Social media coverage of the congress also created a positive communication platform to increase internal awareness and strengthen professional networks. Kılıç Deniz’s visibility at such professional events enhances corporate reputation, supports a culture of knowledge sharing, and increases engagement with the sector. Actively participating in an established institution like TİDE not only adds value to our auditing processes but also contributes to deepening the company-wide corporate governance approach. The experiences gained and connections established during the congress serve as a reference for the strategic planning our internal audit team will implement in the future. Within this framework, the company will continue to steadfastly adopt and develop next-generation auditing practices.

Seafood Expo Global Fair

Kılıç Deniz represented the company at Seafood Expo Global 2024, one of the world’s largest seafood trade fairs, held in Barcelona, Spain, from April 23 to 25, 2024. The fair serves as an international meeting point, bringing together all stakeholders in the seafood sector, including retail, restaurants, catering, food service, and processing.

By participating in this important platform, we had the opportunity to strengthen relationships with existing clients and explore new business collaborations. During the fair, we engaged with industry professionals from different regions, promoting our products, enhancing marketing activities, and increasing brand visibility. Additionally, we gained firsthand insights into rapidly evolving global consumer trends, sustainable sourcing approaches, and innovations in seafood technologies. Our participation was considered part of strategic efforts to enhance Kılıç Deniz’s presence in international markets and strengthen global competitiveness. It also represented a significant step in closely following R&D and innovation developments within the sector, analyzing potential entry into new markets, and expanding export volumes.

FAIR AND CONFERENCE PARTICIPATION

Seafood Expo North America Fair

Kılıç Deniz participated in Seafood Expo North America 2024, one of the most prestigious international seafood trade fairs, held in Boston, USA, from March 10 to 12, 2024. During the fair, our company actively engaged to closely follow the latest developments in the sector, represent our product portfolio in the global market, and lay the groundwork for potential business collaborations.

At our stand, we held one-on-one meetings with customers and industry representatives, and the strong interest in our products created a highly positive interaction environment. Visitors were informed about the advantages of our products in terms of quality, sustainability, and supply assurance, with detailed information provided in line with customer expectations. Throughout the event, existing partnerships were strengthened, and valuable connections were established for new business relationships.

Seafood Expo North America 2024 was a key event that reinforced Kılıç Deniz's corporate visibility on a global scale, enhanced brand credibility internationally, and contributed to export capacity. Our participation represented an important step toward strengthening the company's position in strategic markets in line with its foreign trade vision.

Future Fish Eurasia Fair

Kılıç Deniz participated in the Future Fish Eurasia Fair, held in İzmir from October 10 to 12, 2024. As one of the region's leading specialized fairs in aquaculture, processing, and marketing, this event provided an opportunity to showcase our seafood products, cultivated in fully integrated production facilities in compliance with national and international standards.

During the fair, industry representatives visiting our stand were informed about the quality attributes of our products, our sustainable production methods, and our innovative applications. Our production processes, which contribute to healthy nutrition and are based on traceability, attracted significant attention, with species such as Turkish salmon, sea bream, sea bass, and rock bass standing out.

Future Fish Eurasia served as an important touchpoint to strengthen relationships with existing business partners and explore new markets. It also functioned as a strategic platform for monitoring current industry developments, conducting competitor analyses, and observing consumer trends.

Kılıç Deniz's participation, highlighting our domestic production capacity and integrated supply structure, provided valuable support in expanding brand awareness and professional networks. Feedback collected during the fair will inform marketing and product development strategies in the upcoming period.

INTERNSHIP PROGRAMS

Kılıç Deniz regularly conducts internship programs each year to support the development of young talent. These programs provide high school students with the opportunity to explore the professional world, gain practical experience, and observe the corporate structure up close. They not only offer students an important step in their career journey but also contribute to shaping the company's future workforce.

Through mentorship and feedback provided during the internship, participants develop their professional skills, and successful interns may become candidates for long-term positions within the company in the future.

SOCIAL RESPONSIBILITY

At Kılıç Deniz, we prioritize contributing to society and acting with a strong sense of social responsibility in all the regions where we operate. In 2024, within the scope of our social responsibility activities, we provided support and contributions across various areas.

Among the organizations supported were numerous aquaculture associations, including the Bodrum-Milas Aquaculture Producers' Union, Muğla Cultural Fishermen Association, Mersin Cultural Fishermen Association, İzmir Aquaculture Association, and the Aquaculture Producers' Associations of Aydın and Adana.

In the field of education, scholarship programs were implemented for students, and various educational supports were provided.

Contributions were also made to other non-governmental organizations, including the Turkish Education Foundation, Muğla Foundation, Muğla Maturation Institute, Turkish Police Strengthening Foundation, and Silifke Public Education Center. In addition, sponsorships were provided to support local sports clubs in the regions where our facilities are located.

Through these initiatives, Kılıç Deniz aims to support social development, contribute to education, strengthen local communities, and maintain its social responsibility approach. We plan to continue our social responsibility activities consistently in the coming year.

Donation on International Women's Day

On International Women's Day 2024, Kılıç Deniz implemented a meaningful initiative centered on social benefit. The company made donations to the Turkish Education Foundation (TEV) on behalf of its female employees, providing support to university students with limited financial means. The donations made on this special occasion not only reflected the company's corporate social responsibility approach but also served as a strong statement emphasizing the transformative power of women in access to education and social development.

The donations made on behalf of each female employee were communicated to them through individually prepared personal messages. In this way, a sense of appreciation was reinforced, and a stronger feeling of belonging within the organization was fostered. These personalized messages were perceived as a meaningful gift supporting education and were received with a high level of satisfaction among employees.

This approach by Kılıç Deniz provides a concrete contribution to key areas of social responsibility such as gender equality, equal opportunity, and access to education. It is also considered a reflection of the company's value-based human resources policies. By honoring the contributions of female employees, creating social impact, and placing education at its core, this initiative has strengthened the corporate culture and contributed to the social dimension of the company's sustainability strategy.

Discounted Fish Program

As of June 2024, Kılıç Deniz launched the "Discounted Fish" program for its employees, valid at all Kılıç Markets. Within the scope of this campaign, fresh farmed fish produced by Kılıç Deniz, as well as selected fast-food products, are offered to employees at discounted rates.

Through this initiative, Kılıç Deniz aims to support its employees' healthy and balanced nutrition, strengthen internal engagement, and encourage employees to become more familiar with the company's own products.

Annexes

OUR PERFORMANCE INDICATORS – FISH

Stock Density

Product	2023	Unit
Sea Bass	8-10	kg/m^3
Sea Bream	8-10	kg/m^3
Meagre	8-10	kg/m^3
Trout	8-10	kg/m^3
Turkish Salmon	8-10	kg/m^3

FCR (Feed Conversion Ratio)

Product	2023	2024
Sea Bass	2,7	2,3
Sea Bream	2,17	2,2
Meagre*	2,3	2,4
Trout	1,1	1,30
Turkish Salmon	1,19	1,45

*In the 2023 report, 5.3 was mistakenly written instead of 2.3.

Cage Survival Rate (%)

Product	2023	2024
Sea Bass	78	75
Sea Bream	77	80
Meagre	73	65
Trout	90	80
Turkish Salmon	90	80

Juvenile Fish Production

Product	2023	2024	Birim
Sea Bass	94.527.605	111.697.115	Adet
Sea Bream	96.119.801	215.447.688	Adet
Meagre	470.000	847.856	Adet
Trout	13.299.953	35.000.000	Adet

Hatchery Living Rate (%)

Product	2023	2024
Sea Bass	50	40
Sea Bream	40	42
Trout	85	85

Adaptation Living Rate (%)

Product	2023	2024
Sea Bass	62	60
Sea Bream	65	59

OUR PERFORMANCE INDICATORS – NATURE

Amount of Waste Generated

Total Hazardous Waste	ton	2.014,85
Total Amount of Non-Hazardous Waste	ton	15.450,2
Total Waste	ton	17.465,1

Amount of Fish Waste Transferred from Kılıç Deniz to the Mavi Deniz Rendering Facility

Product	2023 (tons)	2024 (tons)
Recycled Fish Waste	6.681	15.974

Solid Waste Management

Waste Management by Disposal Method	2024 (tons)
Recovery	%17
Controlled Waste Storage	%0.8
Energy Recovery	%82,2

Product-Based Carbon Footprint Calculation

Product	2023 (CO_2e)	2024 (CO_2e)
Fish	10,06	9,08

Trix Analysis

Parameter	2023	2024	Unit
Trix Index of Point	3,57	3,46	µg/L

Greenhouse Gas Emissions

Emission Scope	Emission Source	2023 (t-CO_2e)	Ratio	2024 (t-CO_2e)	Ratio
Scope 1	Direct Emissions	44.879,53	6,47	45.768,4	6,60
Scope 2	Indirect Emissions	9.842,3	1,43	1.964,79	0,30
Scope 3	Transportation/Shipping/Product Shipping	638.748,4	92,1	648.754,03	93,1

Solar Energy Production

		2023	2024	Unit
Akarca Tesisi	Installation Power	1		MWh
	Amount of Energy Produced	-	764.068	KWh
Salih Adası	Installation Power	0,1		MWh
	Amount of Energy Produced	52,78	107.400	KWh

OUR PERFORMANCE INDICATORS – NATURE

Electricity Uses

Facility	2023 (MWh)	2024 (MWh)
Blue Ice Facility	1306	1450,995
Mavi Deniz Rendering Facility	510	615,701
Kemikler Packaging and Processing Facility	5470	5915,846
Kemikler EPS Packaging Factory	1383	1210,255
Mersin EPS Packaging Factory	924	966,489
Mersin Packaging and Processing Facility	4748	4410,438
Maraş Packaging and Processing Facility	2365	5133,875
Ören Hatchery Facility	2392	2669,930
Güvercinlik Hatchery and R&D Facility	2471	2396,821
Özbaşer Adaptation Facility	954	1102,629

Facility	2023 (MWh)	2024 (MWh)
Yaşyer Adaptation Facility	1199	1245,709
Alağün Hatchery and Adaptation Facility	1003	1421,830
Akarca Hatchery and Adaptation Facility	5347	4120,777
Didim Hatchery and Adaptation Facility	8607	9051,015
Value Added Facility	1711	1734,196
Feed Mill	12360	12700,469
Maraş Hatchery Facility	111	97,660
Mersin Cage Farms	19	21,338
İzmir Cage Farms	109	113,824
Artvin Cage Farms	12	10,608

*Electricity consumption increased in parallel with the rise in production volume in 2024.

OUR PERFORMANCE INDICATORS – NATURE

Domestic Wastewater Volumes and Disposal Methods

Facility	2023 (m³/day)	2024 (m³/day)	Source	Disposal
Kemikler Packaging and Processing Facility	65	80	Well	Treatment
Akarca Hatchery and Adaptation Facility	1,8	5	Mains Water	Treatment
Alagün Hatchery and Adaptation Facility	1,5	5,3	Mains Water	Vacuum Truck
Özbaşer Adaptation Facility	1,8	1	Mains Water	Vacuum Truck
Yaşyer Adaptation Facility	2	1	Mains Water	Vacuum Truck
Feed Mill	10	20	Well	Treatment
Didim Hatchery and Adaptation Facility	17	12,5	Well	Treatment
Ören Hatchery Facility	4	1,4	Spring Water	Vacuum Truck
Blue Ice Facility	1,6	1	Well	Vacuum Truck
Güvercinlik Hatchery and R&D Facility	3,5	2,5	Mains Water	Vacuum Truck
Advanced Processing Facility	1,2	17	Mains Water	Sewerage System
Maraş Hatchery Facility	23,5	21	Mains Water + Well	Treatment
İzmir Cage Farms	4	1	Mains Water	Vacuum Truck
Artvin Cage Farms	1	1	Mains Water	Vacuum Truck
Mersin Cage Farms	48	31,5	Mains Water + Well	OSB infrastructure

Water Consumption

Facility	2024	Unit
Mains Water Consumption	103.451	m³
Well Water Consumption	64.995.337	m³
Spring Water Consumption	9.980.419	m³
Seawater Consumption	9.922.176	m³

OUR PERFORMANCE INDICATORS – NATURE

Industrial Wastewater Volumes and Disposal Methods

Facility	2023 (m³/day)	2024 (m³/day)	Source	Disposal
Kemikler Packaging and Processing Facility	850	840	Well	Treatment
Akarca Hatchery and Adaptation Facility	18478	18748	Well	Sedimentation Pond
Alagün Hatchery and Adaptation Facility	29721	29721	Well	Sedimentation Pond
Özbaşer Adaptation Facility	12528	12528	Well	Sedimentation Pond
Yaşyer Adaptation Facility	6912	6912	Well	Sedimentation Pond
Salih Island*	14	-	Well	-
Feed Mill	30	30	Well	Authorized Discharge
Didim Hatchery and Adaptation Facility	127180	127180	Well	Sedimentation Pond
Ören Hatchery Facility	21600	21600	Seawater	Sedimentation Pond
Mavi Deniz Rendering Facility	30	30	Well	Disposal + Treatment
Blue Ice Facility**	-	-	-	-
Güvercinlik Hatchery and R&D Facility	8467	8467	Well	Sedimentation Pond
Value Added Facility**	-	-	-	-
Maraş Packaging Facility	23,5	88	Mains Water + Well	Treatment
İzmir Cage Farms**	-	-	-	-
Artvin Cage Farms**	-	-	-	-
Mersin Cage Farms	450	500	Mains Water + Well	Post Treatment OIZ Infrastructure

*No net washing was carried out in 2024; therefore, no industrial wastewater was generated.
**No industrial wastewater is generated at these facilities.

OUR PERFORMANCE INDICATORS – PEOPLE

OHS Trainings

Training Type	2023	2024	Unit
Number of Employees Receiving OHS Training	2.344	2.683	People
Training Hours	11.848	22.239	Hour

Female/Male Employee Ratio

Gender	White Collar	Blue Collar	Total
Female	153	662	815
Male	282	1529	1811
Total	435	2191	2626

OHS Data

Status	2023	2024	Unit
Minor Injury	211	433	Case
Major Injury	3	7	Case
Accident with Minor Injury	98,6 %	%98,4	%

Accident Frequency and Accident Severity Rates

Row	Facility	Total Accident Frequency Rate (AFR*)		Total Accident Severity Rate (ASR**)	
		2023	2024	2023	2024
1	Artvin Fish Farming Cages	84,5	77,98	0,08	0,08
2	Bodrum Fish Farming Cages	43,3	43,4	0,04	0,04
3	Didim Fish Farming Cages	64,2	144,7	0,06	0,14
4	İzmir Fish Farming Cages	43,3	12,5	0,04	0,01
5	Kahramanmaraş Processing and Packaging Facility	6,7	13,6	0,007	0,01
6	Kahramanmaraş Kılavuzlu Fish Farming Cages	15,4	13,33	0,015	0,01
7	Mersin EPS Packaging	50,9	0	0,05	0
8	Mersin Processing and Packaging	198,2	354,9	0,19	0,35
9	Mersin Fish Farming Cages	148,9	271,2	0,15	0,27
10	Value Added	206	238,78	0,21	0,24
11	Kemikler EPS Packaging	20,4	203,8	0,02	0,20
12	Kemikler Processing and Packaging	303,1	202,34	0,30	0,20

Row	Facility	Total Accident Frequency Rate (AFR*)		Total Accident Severity Rate (ASR**)	
		2023	2024	2023	2024
13	Blue Ice	57,2	113,01	0,06	0,11
14	Mavi Deniz Rendering Facility	0	17,07	0	0,02
15	Feed Production	63,6	41,4	0,06	0,04
16	Alagün Hatchery and Adaptation	43,5	13,1	0,04	0,01
17	Akarca Hatchery and Adaptation	56,7	61,4	0,05	0,06
18	Didim Hatchery and Adaptation	27,9	29,5	0,02	0,03
19	Güvercinlik Hatchery and R&D	26,3	26,2	0,02	0,03
20	Ören Hatchery	8	0	0,008	0
21	Özbaşer Hatchery	15,1	57,04	0,01	0,06
22	Yaşyer Adaptation	54,7	0	0,05	0
	AVERAGE	**69,90**	**87,97**	**0,07**	**0,09**

*KSO = (Total number of accidents in a year / Total working hours) × 1,000,000 **KAO = (Total lost workdays in a year / Total working hours) × 1,000,000

OUR PERFORMANCE INDICATORS – PEOPLE

Human Resources Data

Indicators	Value		Unit
	2023	2024	
Employee Satisfaction Rate	69	69,4	%
Employee Turnover Rate	70	58	%
Female Representation on the Board of Directors	57	67	%
Female Employee Ratio	30	31	%
Salary Increase Rate (July 2023 Average Value)	30	33	%
Number of Complaints Received Through the Ethics Hotline	0	6	Unit
Resolution Rate of Ethics Hotline Complaints	0	100	%

Social Assistance Provided to Employees

Type of Assitance	2023	2024
Childcare Assistance	3.369.472 TL	11.390.066 TL
Food Assistance	3.158.999 TL	24.254.898 TL

Social Assistance Provided to Employees

Topic	2023	2024
Employment from the Local Region	%100	%100
Number of Information Meetings with Local Communities per Year	2	1
Number of Projects Conducted with Associations	1	1
Rate of Addressing Requests Raised in Meetings with the Local Community	%100	%100
Resolution Rate of Issues Following Action Taken on CİMER Complaints	%100	%100

GLOSSARY OF TERMS

Abbreviation/Term | English Equivalent

ASC	Aquaculture Stewardship Council
BAP	Best Aquaculture Practices
BSCI	Business Social Compliance Initiative
CFM	Compound Feed Manufacturing
CSRD	Corporate Sustainability Reporting Directive
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
EPS	Expanded Polystyrene
FAO	Food and Agriculture Organization of the United Nations
FEAP	Federation of European Aquaculture Producers
GRI	Global Reporting Initiative
IFS	International Featured Standards
ISO	International Organization for Standardization
LCA	Life Cycle Assessment
MAP	Modified Atmosphere Packaging
MSC	Marine Stewardship Council
SDG	Sustainable Development Goals
TNFD	Taskforce on Nature-related Financial Disclosures
TWA	Tesco Welfare Approved

STAKEHOLDER ENGAGEMENT LIST

Our Stakeholders	Importance for Kılıç Deniz	Engagement Method
Board of Directors	The Board of Directors plays a role in areas such as determining company strategies and targets, monitoring performance and risks, evaluating sustainability performance, making investment decisions, creating resources, increasing profitability and efficiency, and strengthening corporate culture.	Interaction with the Board of Directors is ensured through Executive Committee and board reports
Our Senior Management Teams	Our senior management teams hold critical importance and are responsible for fulfilling legal obligations, achieving production and efficiency targets, meeting sustainability objectives, and ensuring employee engagement and satisfaction.	Interaction with senior management teams is maintained through reports submitted by unit managers. Communication is carried out via e-mail and face-to-face meetings
Our Employees	Our employees play a critical role in ensuring that the company's strategy and targets are carried out in alignment with our sustainability policy. By ensuring that the risk and performance indicators of business processes correspond with the established targets, they enable an efficient and effective production process.	Interaction with our employees is ensured through employee satisfaction studies, face-to-face meetings, and internal audit activities. In addition, we engage with our employees through our complaint and suggestion mechanism.
Our Customers	Customer satisfaction is an important performance indicator for our company. All our standards, operational processes, and activities continue in order to meet this satisfaction.	Interaction with our customers is carried out via e-mail, telephone, and the proprietary online platforms used by our customers
Local Community	The local communities living in the areas where we conduct our operations are affected by our activities. Taking into account the needs and expectations of the community plays a critical role in ensuring social cohesion and fulfilling our environmental responsibilities.	Meetings with the local community and their representatives are held during the public participation meetings conducted as part of the EIA process, as well as during the annual stakeholder meetings we organize. In these meetings, the suggestions and complaints of the local community are heard. Communication channels available on our website are also utilized.
Suppliers of Raw Materials for Feed	Feed raw materials hold critical importance for the sustainability of natural resources. Therefore, sourcing high-quality and standards-compliant raw materials, as well as ensuring the sustainability of the supply chain, is essential.	Interaction with our suppliers is ensured through telephone and e-mail communication during our procurement processes. In addition, within the scope of the stakeholder analyses conducted each year, information is exchanged on key matters, and our collaboration is maintained in line with these insights.
Other Suppliers Service Providers, Certification Bodies, Feed Suppliers	Our suppliers hold a significant role in ensuring the continuity and operational efficiency of our activities.	E-mail, telephone, trade fairs, and both online and on-site meetings are our methods of engagement with suppliers.
Non-Governmental Organizations Aquaculture Association, Regional NGOs	NGOs are key stakeholders in areas such as monitoring domestic and international developments related to our sector, shaping collective insight on competition regulations, and contributing to environmental, health, and social matters. Collaboration with NGOs supports the execution of environmental activities such as marine and coastal clean-ups, while also playing a critical role in helping us understand the needs and expectations of the local community	Information on key matters is exchanged during the annual stakeholder meetings.
Regulatory Authorities Republic of Türkiye Ministry of Agriculture and Forestry – Milas District Directorate of Agriculture,Republic of Türkiye Ministry of Trade,Republic of Türkiye Ministry of Environment, Urbanization and Climate Change – General Directorate for the Protection of Natural Assets,Provincial Directorate of Environment and Urbanization, Republic of Türkiye Ministry of Energy and Natural Resources,Republic of Türkiye Ministry of Labor and Social Security,Republic of Türkiye Ministry of Transport and Infrastructure – Çeşme Port Authority, Giresun Port Authority, Güllük Port Authority, Hopa Port Authority, Taşucu Port Authority	Regulatory authorities hold critical importance in matters such as obtaining the necessary permits related to our activities, protecting production areas in terms of marine and human health, and preventing marine pollution. Working in alignment with these authorities who play a key role in ensuring legal compliance supports our operational, social, and environmental responsibilities.	Audit processes, fulfillment of requested notifications, and periodic visits.

STAKEHOLDER ENGAGEMENT LIST

Our Stakeholders	Importance for Kılıç Deniz	Engagement Method
Other Companies in the Sector	Our interaction with other companies is important as we share the same marine area. Examples of our collaboration include obtaining joint EIA reports, cooperating on TRIX analyses required under the regulations, and conducting analyses in line with jointly approved plans.	Communication with other companies is carried out via e-mail, telephone, and face-to-face meetings.
Aquaculture Stewardship Council	The Aquaculture Stewardship Council (ASC) is an organization that publishes and audits globally recognized aquaculture technical standards. The ASC standards implemented at our five farms cover areas such as legal compliance, risk assessments, biodiversity, pollution, diseases, greenhouse gas emissions, social compliance, and stakeholder engagement. In line with these standards, we carry out continuous improvement efforts, enhancing our operational processes and making significant progress in our sustainability journey.	Interaction with ASC is carried out through annual audits and detailed questionnaires conducted during standard update periods.
Global G.A.P.	Global GAP is the aquaculture technical standard through which we are certified in areas such as occupational health and safety, food safety, animal welfare, biodiversity, and the environment. This standard supports the development of our employees' knowledge and skills in these critical areas and plays an important role in enhancing the quality and safety levels of our operations.	Interaction with Global GAP is carried out through the annual audits and the webinars organized by Global GAP.
BSCI	BSCI is a social compliance standard that we implement in the areas of employee rights, OHS, and the environment. This certification, which we have integrated into our business processes to ensure compliance with the Amfori Code of Conduct, supports social compliance and ethical business practices, ensuring that our operations align with the required standards.	Interaction is ensured through on-site and online Amfori BSCI trainings and the annual social compliance audits. The Amfori BSCI Platform is also utilized.
Sedex	Our Sedex reports are particularly important for our customers in the United Kingdom. The rights of our employees are safeguarded based on the ETI Base Code.	As Kılıç Deniz, we hold Sedex membership. Interaction is carried out through the Sedex Advance Platform.
Creditors	The cooperation we have maintained with the lenders from whom we receive green financing support, ongoing since 2019, holds great importance for our company. Within the scope of the financing provided, we are carrying out a long-term capacity-building project with this stakeholder who has high expectations in environmental and social areas within the framework of the IFC Performance Standards	Communication with creditors is carried out through e-mail, phone, online meetings and on-site visits. Monitoring is ensured through the Environmental and Social Compliance Report that we prepare annually.
Universities	Our collaboration with universities is important for conducting joint studies within TÜBİTAK projects, preparing reports and research required by regulations, and developing joint R&D projects.	Communication with creditors is carried out through e-mail, phone, online meetings and on-site visits. Monitoring is ensured through the Environmental and Social Compliance Report that we prepare annually.
Consumer	Consumers hold critical importance as the final purchasers of the products. In this context, the satisfaction and trust of consumers have a direct impact on the success of Kılıç Deniz.	Communication with creditors is carried out through e-mail, phone, online meetings and on-site visits. Monitoring is ensured through the Environmental and Social Compliance Report that we prepare annually.

GRI CONTENT INDEX

Purpose of Use	Kılıç Deniz has prepared this report in accordance with the GRI Standards, covering the period from 01 January 2024 to 31 December 2024
GRI 1	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 13:Sector Standard for Agriculture, Aquaculture, and Fishing

GRI Standard / Other Source	Title	References
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Facilities and Products (p. 6)
	2-2 Entities included in the organization's sustainability reporting	Our Facilities and Products (p. 6)
	2-3 Reporting period, frequency and contact point	About the Report (p. 3)
	2-4 Restatements of information	About the Report (p. 3)
	2-5 External assurance	The report has not been externally assured.
	2-6 Activities, value chain and other business relationships	Our Facilities and Products, Types of Production (pp. 6, 7, 8)
	2-7 Employees	Our Employees (p. 52), Performance Indicators – Human (pp. 69, 70)
	2-8 Workers who are not employees	Performance Indicators – Human (pp. 69, 70)
	2-9 Governance structure and composition	Governance (p. 14)
	2-10 Nomination and selection of the highest governance body	Governance (p. 14)
	2-11 Chair of the highest governance body	Governance (p. 14)
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance (p. 14)
	2-13 Delegation of responsibility for managing impacts	Governance (p. 15)
	2-14 Role of the highest governance body in sustainability reporting	Governance (p. 15)

GRI Standard / Other Source	Title	References
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Code of Ethics (p. 13), Governance (p. 15)
	2-16 Communication of critical concerns	Code of Ethics (p. 13), Governance (p. 15)
	2-17 Collective knowledge of the highest governance body	Governance (pp. 14, 15)
	2-18 Evaluation of the performance of the highest governance body	Governance (p. 14)
	2-19 Remuneration policies	Our Employees (p. 52)
	2-20 Process to determine remuneration	Our Employees (p. 52)
	2-21 Annual total compensation ratio	Not disclosed due to company-specific information.
	2-22 Statement on sustainable development strategy	Our Materiality Approach (p. 21)
	2-23 Policy commitments	Code of Ethics (p. 13), Governance (pp. 14, 15), Our Sustainability Strategy (p. 16), Our Approach to Sustainable Aquaculture (p. 18), Stakeholder Engagement and Participation (p. 19), Our Materiality Approach (pp. 20, 21), Food Safety (pp. 32, 33), Supply Chain Traceability and Responsible Sourcing (pp. 39, 40), Our Employees (pp. 52–55)
	2-24 Embedding policy commitments	Code of Ethics (p. 13), Governance (pp. 14, 15), Our Sustainability Strategy (p. 16), Our Approach to Sustainable Aquaculture (p. 18), Stakeholder Engagement and Participation (p. 19), Our Materiality Approach (pp. 20, 21), Food Safety (pp. 32, 33), Supply Chain Traceability and Responsible Sourcing (pp. 39, 40), Our Employees (pp. 52–55)
	2-25 Processes to remediate negative impacts	Code of Ethics (p. 13)
	2-26 Mechanisms for seeking advice and raising concerns	Code of Ethics (p. 13)
	2-27 Compliance with laws and regulations	Our Sustainability Risks (p. 23)
	2-28 Membership associations	Engagement with Local Communities and Participation (p. 56)

GRI Standard / Other Source	Title	References
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder Engagement List (p. 72)
	2-30 Collective bargaining agreements	There are no labor unions.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Materiality Approach (pp. 20, 21, 22)
	3-3 Management of material topics	Our Materiality Approach (pp. 20, 21, 22)
Supply Chain Traceability and Responsible Sourcing		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Traceability and Responsible Sourcing (p. 41)
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain Traceability and Responsible Sourcing (p. 41)
GRI 414: Supplier Environmental Assessment	414-1 New suppliers that were screened using social criteria	Supply Chain Traceability and Responsible Sourcing (p. 41)
	414-1 New suppliers that were screened using social criteria	Supply Chain Traceability and Responsible Sourcing (p. 41)
Employee Health, Safety and Employment Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Health and Safety (p. 49)
	403-1 Occupational health and safety management system	Employee Health and Safety (p. 49)
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health and Safety (p. 49)
	403-3 Occupational health services	Employee Health and Safety (p. 49)
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Health and Safety (p. 49)
	403-5 Worker training on occupational health and safety	Employee Health and Safety (p. 49)

GRI Standard / Other Source	Title	References
GRI 403: Occupational Health and Safety 2018	GRI 403-6: Promotion of worker health	Employee Health and Safety (p. 49)
	GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health and Safety (p. 49)
	GRI 403-8: Workers covered by an occupational health and safety management system	Employee Health and Safety (p. 49)
	GRI 403-9: Work-related injuries	Employee Health and Safety (p. 49)
	GRI 403-10: Work-related ill health	Employee Health and Safety (p. 49)
Biodiversity and Ecosystem Health		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Our Biodiversity Risks (p. 28), Biodiversity and Ecosystem Health (p. 42)
	304-2 Significant impacts of activities, products, and services on biodiversity	Our Biodiversity Risks (p. 28), Biodiversity and Ecosystem Health (p. 42)
	304-3 Habitats protected or restored	Our Biodiversity Risks (p. 28), Biodiversity and Ecosystem Health (p. 42)
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Our Biodiversity Risks (p. 28), Biodiversity and Ecosystem Health (p. 42)
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management and Consumption, Wastewater Management (p. 40)
Food Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Our Customer Satisfaction Focus (p. 30)
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Our Customer Satisfaction Focus (p. 30)
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Our Value Chain (p. 8)

GRI Standard / Other Source	Title	References
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Our Value Chain (p. 8)
Fair Working Conditions and Equal Opportunities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employment Practices (p. 51)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Employment Practices (p. 51)
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Our Employment Practices, People-Oriented Corporate Culture (p. 51)
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Our Training and Employee Development Activities (p. 50)
	404-2 Programs for upgrading employee skills and transition assistance program	Our Training and Employee Development Activities (p. 50)
	404-3 Percentage of employees receiving regular performance and career development reviews	Our Training and Employee Development Activities (p. 50)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our Employment Practices, People-Oriented Corporate Culture (p. 51)
	405-2 Ratio of basic salary and remuneration of women to men	Our Employment Practices, People-Oriented Corporate Culture (p. 51)
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Our Employment Practices, People-Oriented Corporate Culture (p. 51)
Economic Inclusion and Improvement of Living Standards		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Our Economic Performance (p. 10)
	203-2 Significant indirect economic impacts	Our Economic Performance (p. 10)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Value Chain (p. 8), Our Economic Performance (p. 10), Annexes (p. 61)

GRI Standard / Other Source	Title	References
Animal Welfare		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Animal Welfare (pp. 34, 35)
Greenhouse Gas Emissions and Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 305: Emissions 2016	GRI 305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions and Climate Change (p. 43)
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions and Climate Change (p. 43)
	GRI 305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions and Climate Change (p. 43)
	GRI 305-4 GHG emissions intensity	Greenhouse Gas Emissions and Climate Change (p. 43)
	GRI 305-5 Reduction of GHG emissions	Greenhouse Gas Emissions and Climate Change (p. 43)
Use and Protection of (Land, Water and Marine) Ecosystems		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management and Consumption, Wastewater Management (p. 40)
	303-2 Management of water discharge-related impacts	Water Management and Consumption, Wastewater Management (p. 40)
	303-3 Water withdrawal	Water Management and Consumption, Wastewater Management (p. 40)
	303-4 Water discharge	Water Management and Consumption, Wastewater Management (p. 40)

GRI Standard / Other Source	Title	References
GRI 303: Water and Effluents 2018	303-5 Water consumption	Water Management and Consumption, Wastewater Management (p. 40)
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected area	Biodiversity and Ecosystem Health (p. 42)
	304-2 Significant impacts of activities, products, and services on biodiversity (including impacts on terrestrial, freshwater and marine ecosystems)	Biodiversity and Ecosystem Health (p. 42)
	304-3 Habitats protected or restored	Biodiversity and Ecosystem Health (p. 42)
Waste Management and Pollution Control (Circularity)		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management and Pollution Control (Circularity) (p. 46)
	306-2 Management of significant waste-related impacts	Waste Management and Pollution Control (Circularity) (p. 46)
	306-3 Waste generated	Waste Management and Pollution Control (Circularity) (p. 46)
	306-4 Waste diverted from disposal	Waste Management and Pollution Control (Circularity) (p. 46)
	306-5 Waste directed to disposal	Waste Management and Pollution Control (Circularity) (p. 46)
Relations and Engagement with Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Materiality Approach (p. 20)
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Relations and Engagement with Local Communities (p. 56), Social Responsibility (p. 60)

GRI Standard / Other Source	Title	References
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Relations and Engagement with Local Communities (p. 56), Social Responsibility (p. 60)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Food Safety (p. 55), Relations and Engagement with Local Communities (p. 56), Social Responsibility (p. 60)
	413-2 Operations with significant actual and potential negative impacts on local communities	Food Safety (p. 55), Relations and Engagement with Local Communities (p. 56), Social Responsibility (p. 60)

For more detailed information about the Kılıç Deniz Sustainability Report and our sustainability activities, or to share your feedback and suggestions:

kilicsurdurulebilirlik@kilicdeniz.com.tr

Kılıç Deniz

Headquarters

Kemikler Mahallesi, Güllük - Güvercinlik Arası - 2 Bulvar, No:15/1 Milas - MUĞLA

+90 252 501 10 00
info@kilicdeniz.com.tr
www.kilicseafood.com

kilicdeniztr

KilicDenizTr

Kılıç Deniz

kilicdeniztr

Sustainability and Reporting Consultancy
Sachi Consultancy
info@sachiconsultancy.com
www.sachiconsultancy.com

Report Design
omg! iletişim
info@omgiletisim.com
www.omgiletisim.com