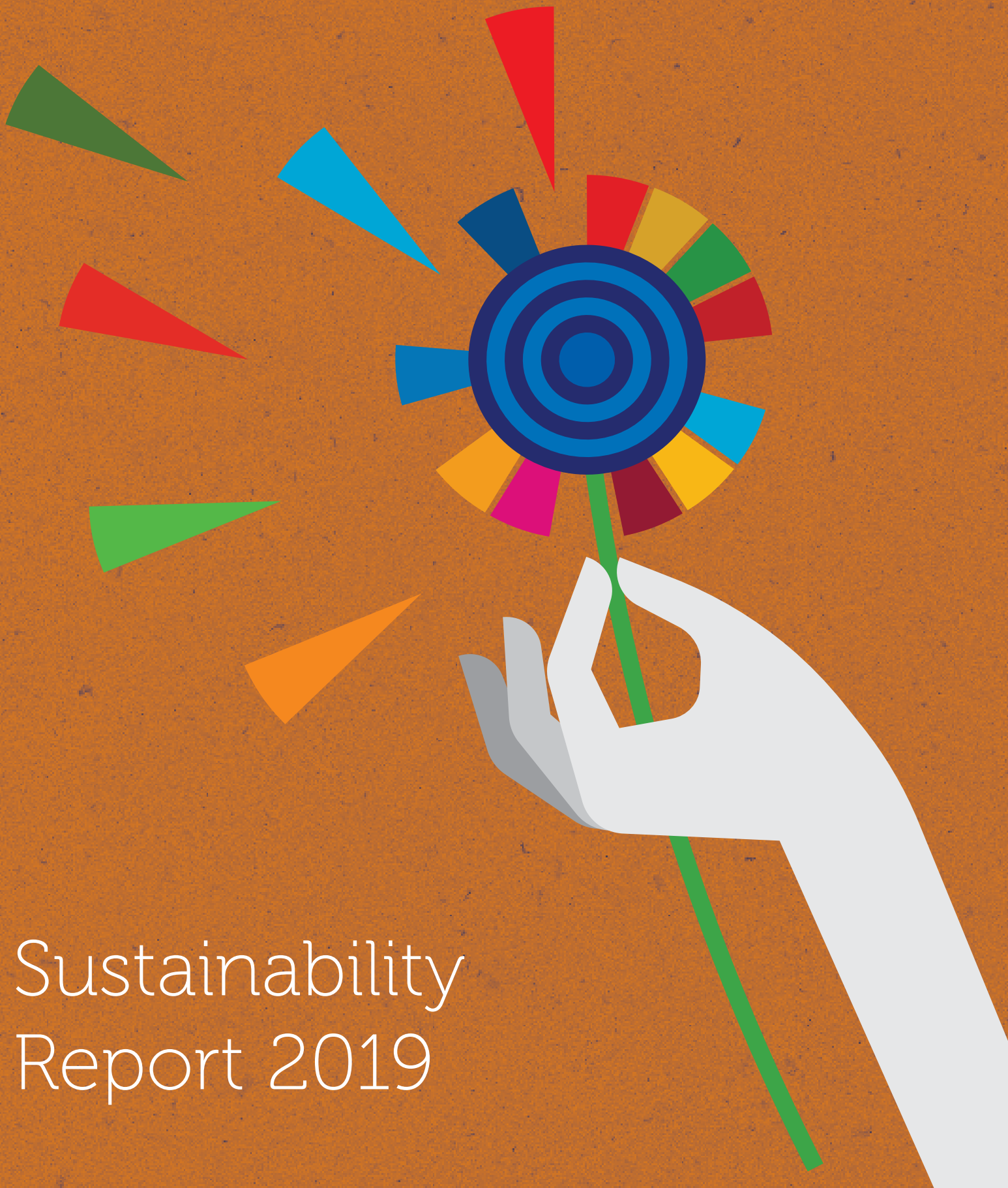

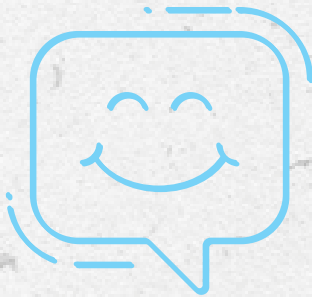
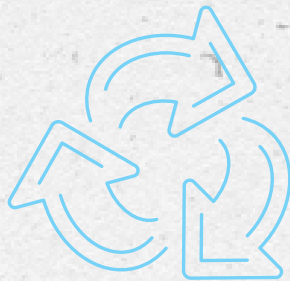
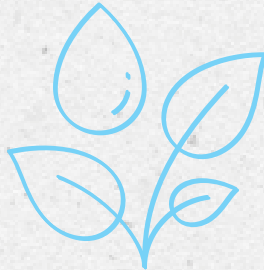
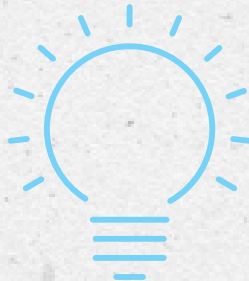
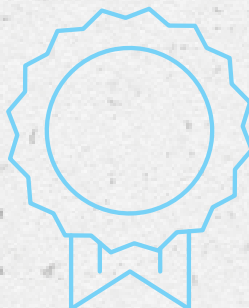


SILVERLINE



Sustainability
Report 2019

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About the Report



With this first sustainability report of Silverline, we aimed to present a summary of our sustainability understanding and performance in the economic, social and environmental areas to all our stakeholders.

The information included in the report covers the period between 1 January - 31 December 2019, and aims to present the performance of our companies; Silverline Industry and Trade Inc. and Silverline Built-in Appliances Sales and Marketing Inc. These manufacture and sales companies, which constitute all of the activities of Silverline Built-in, are shared as "Silverline" in the report.

Our 2019 Sustainability Report has been prepared in accordance with the GRI Standards: "core" compliance level. In the report, we also included our contribution to the United Nations Sustainable Development Goals.

You can send us any questions, comments and suggestions about our Sustainability Report or our sustainability performance through our website at <https://www.silverline.com/en/contact.asp>

Message from General Manager



In the last three years, we have increased our investments in R&D and innovation studies by nearly 300%. **In Turkey, we are among the first 250 companies engaged in R&D investment.**



Dear Stakeholders,

We are going through extraordinary times. On the one hand, we are keeping pace with the new normals brought by the Covid-19 pandemic, while experiencing a great change in our private and business life. On the other hand, we realize the changes in the planet we live in, and understand the importance of leaving a habitable world to the future. Both human beings and the world are in a process of astounding advancement. It is up to us to ensure that this advancement will be positive for both people and our world.

The World Meteorological Organization (WMO), affiliated with the United Nations (UN), announced that 2020 is on its way to becoming "the second hottest year on record in modern history" after 2016, due to droughts outside of the seasonal normal in autumn. In the report, it was stated that there is a record rise in sea temperature worldwide and a heat wave is observed in 80 percent of ocean waters. WMO General Secretary Petteri Taalas underlined that humanity should make more efforts to reduce the carbon emission rate and said, "2020 was unfortunately another extraordinary year in terms of the Earth's climate."

In his speech at Columbia University in December, United Nations Secretary-General Antonio Guterres stated that humanity's war against nature is a "suicide attempt" and defined the fight against the Climate Crisis as the first priority of the 21st century. According to the information given by Guterres, 1 million species are at risk of extinction, 10 million hectares of forest are destroyed every year, air and water pollution causes 9 million deaths annually, and this number is six times more than the losses caused by the Covid-19 pandemic.

These statements remind us of the great responsibility that we all have, both in the business world and individually. The Covid-19 pandemic, which turned our lives upside down, considerably raised our awareness in certain regards. Most prominently, there were studies revealing that the destruction of habitats due to the Climate Crisis is directly related to the outbreak of Covid-19 and similar epidemics. All of this reminds us over and over again how important sustainability management is. We must focus on responsible growth, go beyond short-term thinking, and focus on long-term strategies to protect both our economy and the world. Now, the protection of natural resources and the adoption of more sustainable production and consumption models should become indispensable conditions for institutional success.

As Silverline, we have been acting with the mission of "transforming kitchens into attractive living spaces with our innovative designs and environment friendly solutions" since our establishment. The basis of our management approach is to be a reliable, innovative company that attaches importance to resource efficiency and aims to minimize its environmental impact for all our stakeholders. We define our corporate values as innovation, respect for the environment and reliability. We carefully evaluate the impacts of our activities and products for our natural environment and all our stakeholders. We aim to create sustainable value with our long-term strategies.

We support the Sustainable Development Goals (SDG) of the United Nations, which is a universal call to action to protect our planet, eliminate poverty, and ensure that all people live in peace and prosperity. We attach great importance to

contributing to these common goals in line with our activities.

We support innovation and innovative products for sustainable development. In line with our sustainability strategy, we give great importance to R&D and innovation. In the last three years, we have increased our investments in R&D and innovation studies by nearly 300%. In Turkey, we are among the first 250 companies engaged in R&D investment.

We invest in energy efficient, innovative technologies. We follow the energy density indicator, which is the amount of energy we use per number of products produced, and we look for ways to reduce the energy density. We continue our work on our IoT-enabled devices, and we prioritize designing smart products. In 2021, we aim to fill 10% of the total production with the IoT Connectivity product family.

As a result of all these innovative efforts, we are proud to be awarded 150 international awards in the categories of best quality, best product, best design, and most innovative brand.

// As Silverline, we have been acting with the mission of "transforming kitchens into attractive living spaces with our innovative designs and environment friendly solutions" since our establishment.//

Our awards are not limited to our design and products. We were rewarded the Zero Waste Award in 2018 by the Ministry of Environment and Urban Planning for our integrated waste management approach and our zero-waste policy. All of these merits give us even greater strength by providing evidence of how well we are on the right track in our sustainability strategy.

While maintaining our innovative, high-tech, and environmentally friendly production, we are aware that our employees are our greatest asset, and we strive to provide the best conditions for our employees with our occupational health and safety practices. By successfully managing our business process during the pandemic, we were honored with TSE Covid-19 Safe Production Certificate.

With our equal opportunity approach, we are focused on increasing the rate of women and disabled employees. In the last 5 years, our number of female employees has increased up to 300%. We deem it important to provide a comfortable work environment for our disabled employees and making their lives easier.

As Einstein said, "We cannot solve our problems with the same thinking we used when we created them." As Silverline, we are aware of the great responsibility that is bestowed upon us as we shape our future. We are determined to constitute our entire business strategy on our sustainability principles, and to develop these strategies each and every day with innovative approaches.

Best regards,

Mustafa Laçın
General Manager

About Silverline

// Founded in Turkey in 1994, Silverline offers a new generation of culinary enjoyment to millions of kitchens in more than 70 countries today. With our innovative designs, expert technologies, and environment friendly products, we are one of the top five hood manufactures in Europe and one of the top ten in the world, having a production volume of 1,2 million annually.//

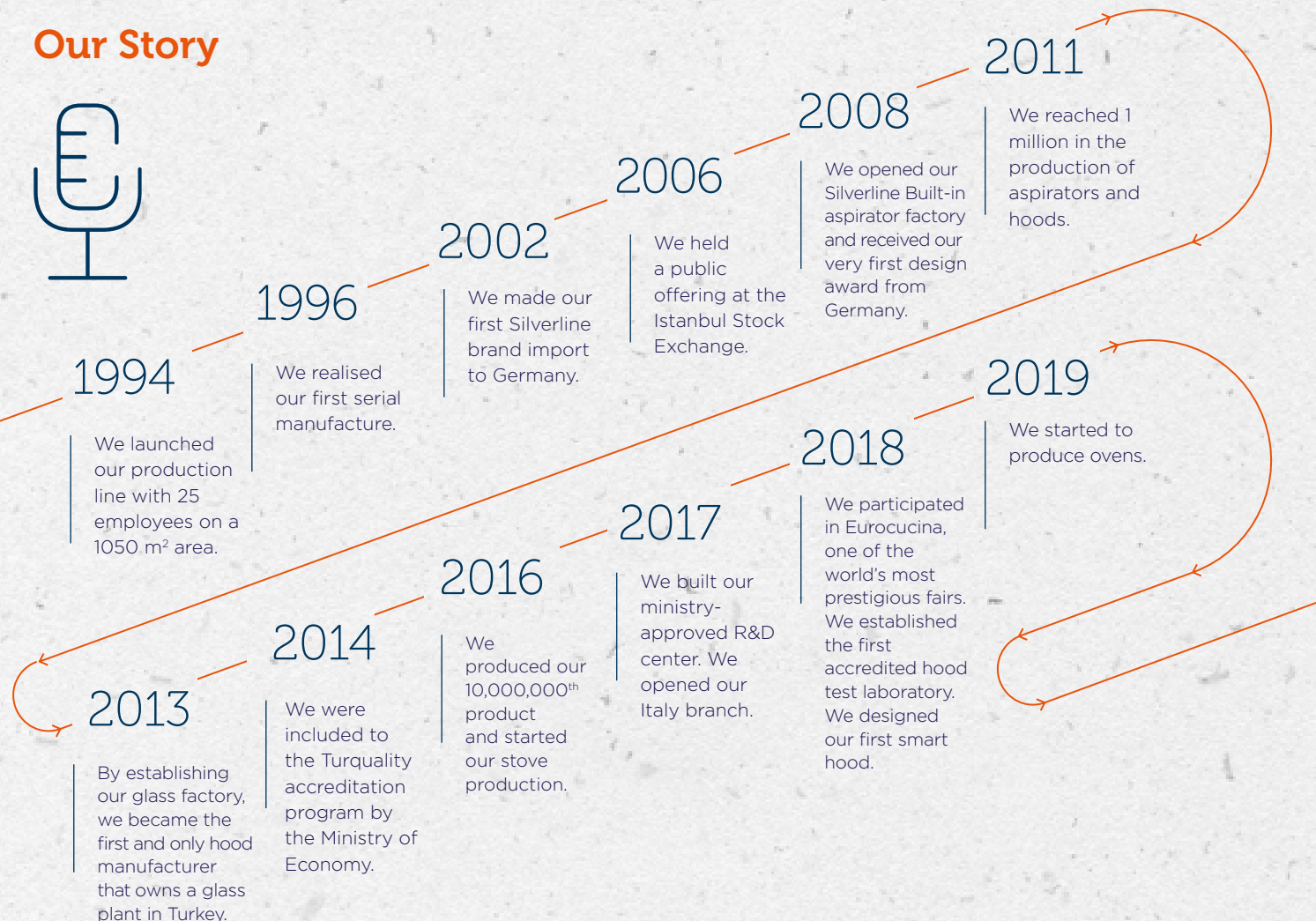
OUR VISION

The trustworthy brand that brings joy to our lives

OUR MISSION

Using innovative design and environmentally conscious solutions to transform the kitchen into an appealing living space

Our Story



HIGHLIGHTS

1,319
employees

103,000
m² production
area

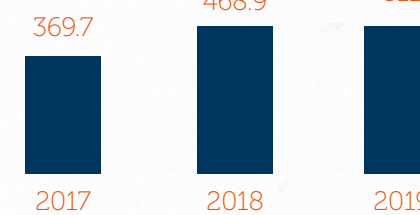
One of the top
5
brands in built-in
market

Import
to more than
70
countries

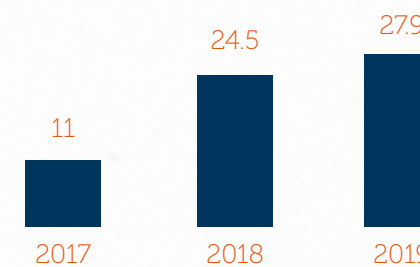
// The First and only manufacturer company that has ISO 17025 Standard while meeting all the requirements for testing hood performance within our accredited laboratory.//

// First built-in company in the industry to have a glass processing plant.//

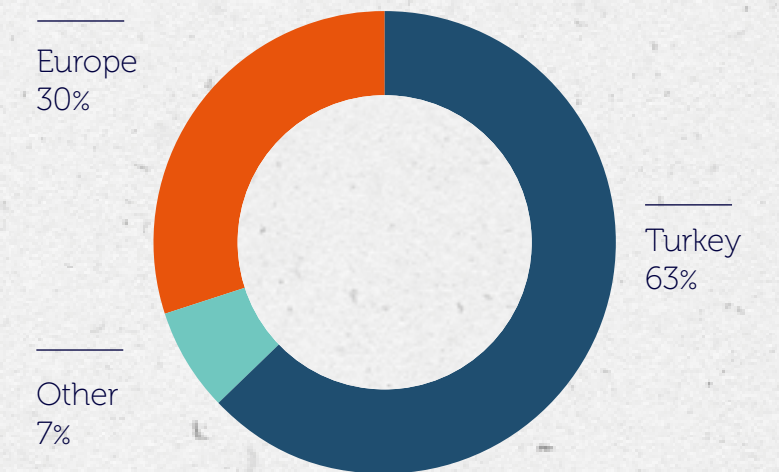
Net sales revenue (million TL)



Investment expenditures (million TL)



Sales revenue by region



EXPORT MARKETS

Algeria, Argentina, Australia, Azerbaijan, Bahrain, Bolivia, Bosnia and Herzegovina, Bulgaria, Chile, Colombia, Crimea, Croatia, Czech Republic, Cyprus, Denmark, Egypt, England, Estonia, Ethiopia, France, Gambia, Georgia, Germany, Ghana, Greece, Hungary, India, Iran, Iraq, Israel, Italy, Jordan, Kazakhstan, Kenya, Kosovo, Kuwait, Latvia, Lebanon, Libya, Lithuania, Macedonia, Malaysia, Moldova, Montenegro, Morocco, New Zealand, Nigeria, Norway, Palestine, Poland, Portugal, Reunion Islands, Romania, Russia, Saudi Arabia, Serbia, Singapore, Slovakia, Slovenia, Spain, Sudan, Syria, Taiwan, Tajikistan, Thailand, Tunisia, Turkmenistan, UAE, Ukraine, USA, Uzbekistan, Venezuela, Vietnam

OUR MANAGEMENT APPROACH



//The foundation of Silverline's management approach is to be a reliable, reputable, and innovative company that attaches importance to resource efficiency and aims to minimize its environmental impact for all its stakeholders.//

Through this approach we aim to adapt to rapidly changing global conditions, and to create sustainable value for all our stakeholders.

Built on the basis of sustainability, Silverline's short and long-term strategic plans aim not only to succeed financially but also to create sustainable value. Silverline continues its activities as a company that focuses on product

safety and customer satisfaction, assures innovation in all processes, develops innovative products that make life easier, adapts easily to change, remains highly competitive and aims to grow on a global scale. We undertake to convey transparent and timely information about our activities to all our stakeholders and to comply with all laws and regulations in our operating geographies.



Detailed information about Silverline Board of Directors can be found at <http://yatirimci.silverline.com.tr/index.asp?id=19>



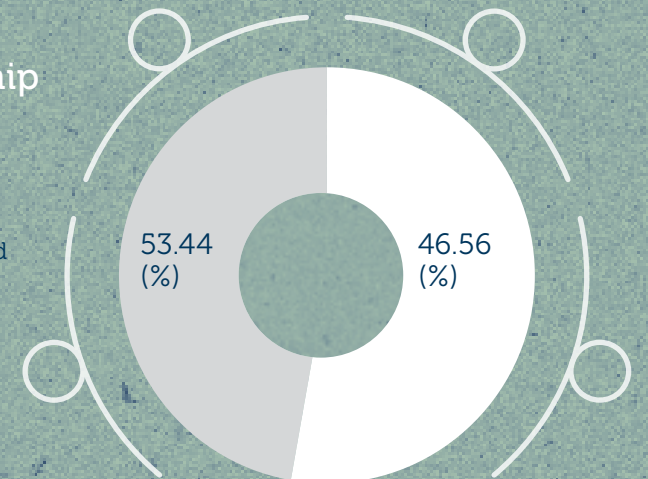
Detailed information about Silverline's corporate governance structure and policies can be found at <http://yatirimci.silverline.com.tr/index.asp?id=5>

CORPORATE GOVERNANCE AND REPORTING

Silverline, a company whose shares of 46.6% are traded on Istanbul Stock Exchange, meticulously fulfills the requirements and information requests of capital markets and evaluation institutions. In Silverline, a management structure compatible with corporate governance principles is adopted as an ethical and transparent management approach. The Board of Directors is Silverline's highest strategic decision-making body. It is responsible for determining corporate goals, ensuring compliance with corporate governance principles, determining and managing strategic orientations, and ensuring the functionality of risk management and control systems. Audit Committee, Corporate Governance Committee and Early Risk Detection Committee, which operate under the Board of Directors, support the Board of Directors in their areas of expertise. Silverline CEO is responsible for implementing the strategies determined by the Board of Directors.

Silverline partnership structure (%)

■ Publicly-held (%)
■ Private



As a publicly-held corporation, financial reports are made to Capital Markets Board of Turkey, Public Oversight Accounting and Auditing Standards Authority, financial and credit institutions, relevant public institutions and organizations.

RISK MANAGEMENT AND COMPLIANCE

We regularly review our risk management to minimize the effects and possibilities of risks that may affect our company. Accordingly, the Early Detection of Risk Committee, which operates under the Board of Directors, is responsible for the early detection of risks, taking the necessary measures against the identified risks and managing them. We proactively monitor emerging risks, evaluate their potential financial/non-financial impacts on our company in the long run, and inform Senior Management on the subject.

Within the scope of risk management, we carry out the establishment of the necessary systems, taking actions and monitoring them in order to define, evaluate and manage the risks and opportunities that may affect the company targets within the framework of the policies determined by the Board of Directors.

We set 5-year targets in line with our strategic vision and develop preventive approaches by identifying the factors that pose a threat to our strategic goals at senior management and departmental level. All departments manage the risks related to strategic goals in their areas of responsibility with their own internal control mechanisms.

Audit activities are carried out by an independent third party. In addition, since we are a publicly-held corporation, we prepare financial reports to Capital Markets Board of Turkey and Public Oversight Accounting and Auditing Standards Authority, financial and credit institutions, relevant public institutions and organizations.

We use an information security management system in order to carry out our business processes safely, to minimize the loss that may arise from the risks of our corporate information assets and to ensure the continuity of the main activities of our institution in case of unforeseeable interruptions. With the Risk and Opportunity Management procedure we published, we aim to identify the risks against

Silverline's information assets, to take measures against these risks, to implement them and to evaluate the opportunities provided by risks.

Our company started to manage IT processes with the ISO27001 certificate as of 2016. We continue our work every year with regular internal and external audits. Every year in November, we are audited by Turkish-accredited institutions and we ensure that our certificate is renewed. We carry out our operations in accordance with the processes defined in the Information Security Management System (ISMS) and ensure user development at all points with periodic trainings. In addition, we continuously receive consultancy services with our "Intervention to Cyber Security Incidents" team and increase the capabilities of the IT team in terms of information security within the company. We have our systems inspected by third parties with periodic infiltration tests, and we carry out improvement studies in our infrastructure according to the results.

In the process of determining and rating risks and determining management strategies, the financial and operational impacts of risks as well as their environmental, compliance and social impacts are evaluated. In this context, in our corporate risk map; issues such as fire, occupational health and safety, environment, employee rights, abuse etc.

The discipline regulation is made available to each of our employees, thus making Ethical Rules of Conduct and Implementation Principles a document to comply against internal and external customers. This regulation governs the relations of our employees among themselves and with our stakeholders, and covers issues such as ethical codes of conduct, anti-corruption and social responsibility.

For the health and safety of our employees, we share our "Safe Workplace Booklet" with each of our employees and periodically make the necessary reminders to emphasize the importance of the issue. We aim to prevent and reduce our environmental and social risks with the trainings we provide to our employees to prevent work and vehicle accidents.

We create and follow up risk analysis reports for occupational health and safety. With a pro-active approach, we make daily field controls and determine preventive measures. We closely monitor all risky situations with our occupational safety experts and workplace doctor. Health screenings, department-based trainings, employee and equipment periodic checks, etc. We aim to zero the risks with such measures.



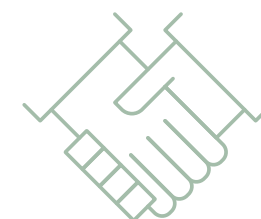
INTERNAL AUDIT AND CONTROL

In Silverline, internal audit activities are carried out in a risk and process-oriented manner in order to control compliance with corporate policies, principles, and strategic goals. Findings about risks identified within the scope of audit activities are conveyed to the relevant units and improvement suggestions are presented. Corruption and abuse issues are taken into consideration in all audits performed in Silverline. Internal audit and control activities are reported to the Corporate Governance Committee, which operates under the Board of Directors.

ANTI-CORRUPTION

Silverline does not tolerate any form of bribery and corruption. Financial relations with public institutions and organizations are subject to independent audit. As a result of the audits, it was verified that no penalty was imposed for non-compliance with social, environmental and anti-corruption laws.

All Silverline employees are obliged to report any breach of ethics or suspected bribery or corruption. The notices are treated confidentially. Anti-bribery and anti-corruption approach is binding for all relevant stakeholders, especially suppliers and business partners, as well as employees.



SUPPLY CHAIN MANAGEMENT

We work with our suppliers to ensure continuous supply and to improve the environmental and social performance of our suppliers. By working with local supplier companies as much as possible, we increase our contribution to the country's economy and reduce our logistics-related environmental footprints.

We manage our business process with our suppliers via innovative methods and professional solutions. We started to use a digital purchasing platform in our business process and we aim to increase the number of participants and propagate it to all our suppliers.

Silverline purchasing strategy is based on long-term cooperation and mutual

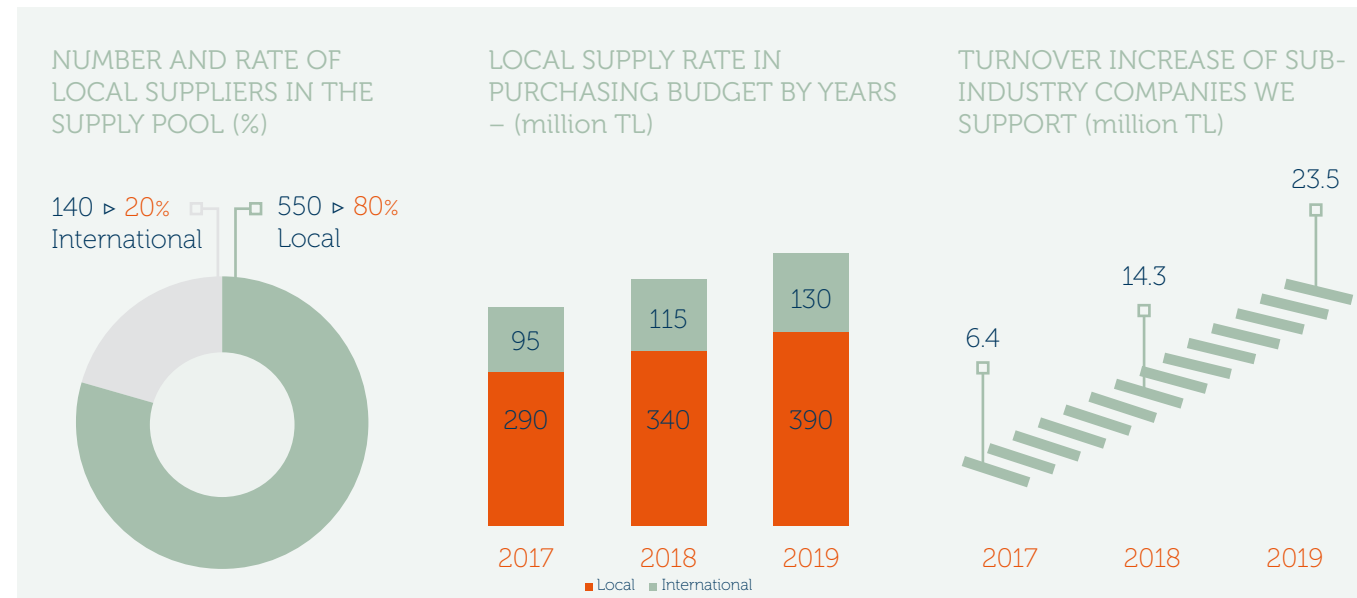
growth. We have four different supplier groups. Raw material suppliers, service and machinery equipment (investment) supply, suppliers that supply semi-finished products for use in production (subsidiary industry) and suppliers that supply products that we do not produce.

In Silverline, we have given great support to sub-industry development in the last three years in order maintain our pace of regular growth, to reduce our supply risks and to increase efficiency. We have provided consultancy to supplier companies on quality standards, investment areas and business arrangements. As a result of our support, sub-industry companies in our region grew rapidly and made significant contributions to regional employment.



CONFLICT MINERALS

//There is no use of conflict minerals in our business processes. We support the non-use of conflict minerals in countries that violate human rights and are the source of funding for armed insurgencies.//



SUPPLIER SELECTION

We evaluate our potential suppliers with a 23-item question survey covering topics from environmental management to working conditions. Following the survey and inspections, we initiate dummy orders after the approvals of the quality control and R&D units.

Supplier Evaluation Criteria

ISO 9001, ISO 14001, ISO 45001 Standard
Quality Policy and targets
Corrective and preventive actions
Inappropriate product management
Employee development programs
Material management



SUPPLIER AUDITS AND TRAINING

We routinely conduct process audits with our suppliers. We share the results of the audit and follow up the actions regarding nonconformities opened to the supplier during the audit. We hold weekly action and improvement follow-up meetings with critical suppliers. In 2019, we conducted 37 supplier visits and 12 supplier audits in 51 days.

We provide regular specification trainings for our suppliers to better understand the standards we demand from them.

IN 2019, WE CONDUCTED 37 SUPPLIER VISITS AND 12 SUPPLIER AUDITS IN 51 DAYS.



SUSTAINABILITY IN SILVERLINE

The development in information technologies, mediums that provide instant access to information, changing demands of young employees and consumers, threats to public health, the widespread use of green economy and responsible financing practices have encouraged organizations to create sustainability strategies integrated with business processes. Declining biodiversity, increasing social instability and the rapidly changing global agenda have carried the criteria of being a successful company far beyond short-term profit growth.

At Silverline, we define innovation, respect for the environment and reliability as our corporate values. These values give us a long-term perspective. We carefully evaluate the impacts of our activities and products for our natural environment and all our stakeholders. We are looking for ways to integrate our understanding of sustainability into all our business processes and products. For this purpose, we adopt a highly participatory management structure. Silverline Sustainability Working Group is our managerial body responsible for managing sustainability issues within the company and following trends in this area. The opinions and suggestions of the Working Group are evaluated by senior management and included in strategic plans.

SUSTAINABILITY PRIORITIES

We have determined our sustainability priorities in line with global sustainability trends, peer company practices, corporate strategic plans and stakeholder expectations.

We formed our prioritization matrix as a result of the prioritization study consisting of research studies, stakeholder surveys and workshops.

1. Research Study: At the beginning of the prioritization study, we evaluated global sustainability trends, good practice examples, our corporate strategies, competitor analyzes and sectoral requirements, and created a wide list of 53 topics.

2. Evaluation Study: Our Sustainability Working Group re-evaluated these issues, their impact on our activities, the risks and opportunities they create, and we prepared a sustainability issue matrix consisting of 37 themes.

3. Stakeholder surveys: We presented this matrix to the views of our employees and external stakeholders through a survey study. 158 colleagues and 69 external stakeholders participated in the survey.

4. Sustainability Workshop: Survey results were evaluated by the Sustainability Working Group in the "Sustainability Workshop" and submitted for managerial approval. In the Sustainability Workshop, we also identified global trends that have the potential to affect our activities and the UN Sustainable Development Goals to which we contribute the most.

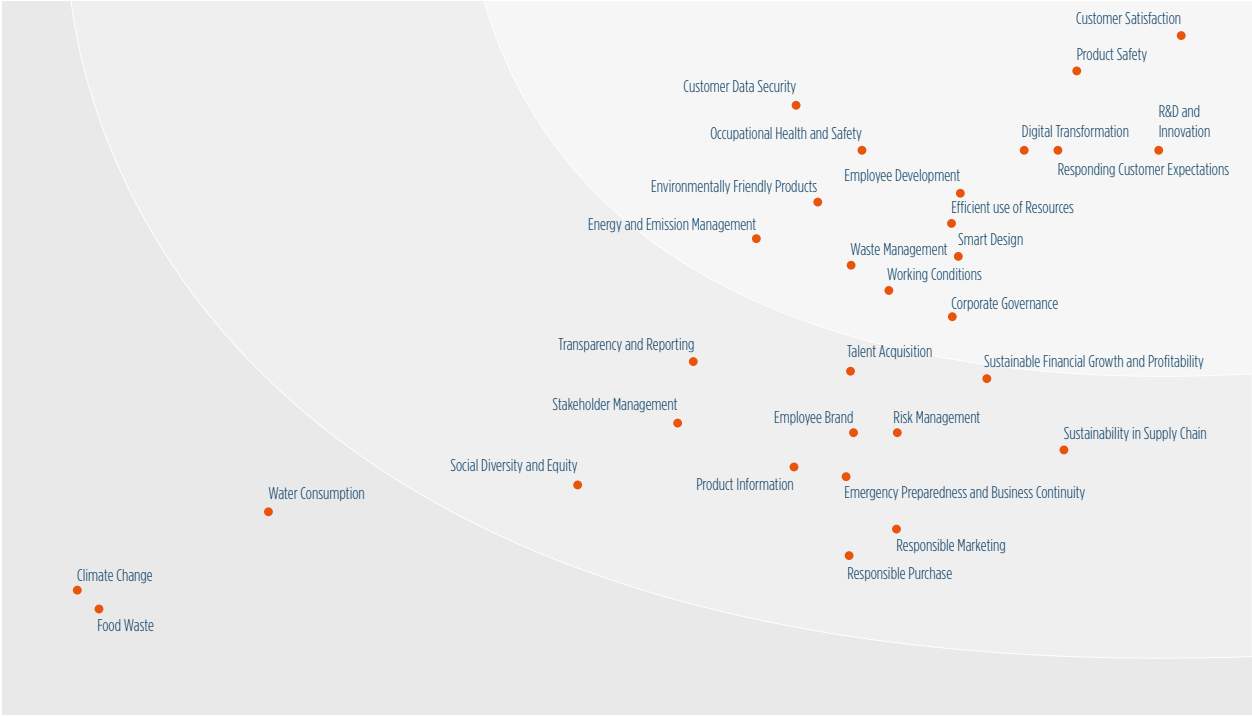
5. Management Review: The management team, led by the Silverline CEO, reviewed and approved the study results.

Resources we refer to when determining our sustainability priorities

- » Corporate strategies
- » Corporate values
- » Stakeholder expectations
- » Global sustainability trends
- » Sectoral requirements
- » Corporate engagements
- » UN Sustainable Development Goals



MATERIAL ISSUES



SUSTAINABILITY EXPECTATIONS ACCORDING TO STAKEHOLDER GROUPS

Material Issues	Dealers	Business Partners	Academic Institutions	Suppliers	Customers
Product Quality and Safety	✓	✓	✓	✓	✓
Working Conditions	✓				✓
Customer Data Security	✓	✓			✓
Occupational Health and Safety	✓		✓		✓
Digitalization				✓	✓
Environmentally Friendly Products	✓	✓	✓		✓
R&D and Innovation			✓	✓	
Customer Satisfaction		✓	✓	✓	
Efficient Use of Resources	✓				
Responding Customer Expectations		✓			
Corporate Governance	✓		✓		
Smart Design				✓	
Employee Development				✓	
Sustainable Financial Growth and Profitability		✓			
Energy and Emission Management		✓			
Transparency and Reporting	✓				
Sustainability in Supply Chain				✓	

OUR CONTRIBUTIONS TO THE SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals (SDG) determined in 2015 is a call for action for governments, companies and non-governmental organizations to collaborate and act in areas critical to a sustainable future. As Silverline, we support the United Nations Sustainable Development Goals. We directly contribute to 5 goals with our operations.



Goal 3: Good Health and Well-being: As a manufacturing company, we strive to provide the best possible health conditions for employees with occupational health and safety practices.



Goal 4: Quality Education: We provide access to vocational training and lifelong learning opportunities for our employees.



Goal 8: Decent Work and Economic Growth: To provide our employees with the working conditions they deserve, we take international standards as a guide. In procurement, we ensure fair working conditions and

we are legally against employing child labor and forced labor. We increase production and economic growth with our investments in R&D and innovation.



Goal 9: Industry, Innovation and Infrastructure: We support innovation and innovative products for sustainable development.



Goal 12: Responsible Consumption and Production: We adopt a circular economy-based production model, use natural resources efficiently, increase reuse with effective waste management, and prefer environmentally friendly disposal methods.

OUR MATERIAL ISSUES AND SDG'S WE CONTRIBUTE:



STAKEHOLDER RELATIONS

We aim to provide accurate and timely information to all our stakeholders. For this reason, we maintain stakeholder communication on many platforms specially tailored for different stakeholder groups. We are increasing our corporate knowledge with numerous non-governmental organizations, global and sectoral initiatives that we are a member of and support.

OUR STAKEHOLDERS AND COMMUNICATION METHODS:

Authorized Services: We organize annual service meetings and technical training organizations for our authorized services. We spend time with them at service visits, learn about their suggestions and expectations, and conduct compliance checks. We regularly conduct expectation surveys for our services.

Dealers and Distributors: We frequently visit our local dealers and get their feedback. We conduct stakeholder surveys for our dealers.

Our call center and managers work to meet the expectations and complaints of our dealers. Our field force is the closest contact points that our business partners can reach and get support from whenever they want. We conduct sales support personnel satisfaction surveys twice a year for 40 dealers. Nearly 600 of our dealers attend the dealer meetings held every two years.

End Users / Consumers: We conduct regular consumer satisfaction surveys for end users. We receive complaints, information, suggestions and requests from our call center, websites like sikayetvar.com, and social media accounts.

Our Suppliers: We support the development of our suppliers with regular evaluation meetings, annual audits and training programs. We support the development of local supply and the local economy with our supplier support programs.

Our Employees: We hold an employee satisfaction survey every year to get the opinions of our employees. We support the personal and professional development of our employees with regular training programs. In 2019, we provided 6,088 hours of training to our employees.

Memberships

Istanbul Chamber of Commerce

White Goods Manufacturers' Association of Turkey

Merzifon Chamber of Commerce

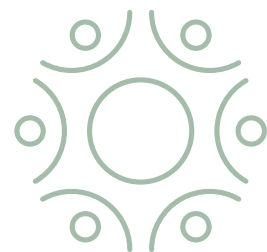
Central Anatolian Exporters' Union

Istanbul Minerals and Metals Exporters' Association

Machinery Exporters' Association

Istanbul Ferrous and Non-Ferrous Metals' Exporters' Association

Association for Electrical and Electronic Equipment Recycling and Waste Management



IN 2019, WE PROVIDED
6,088 HOURS OF TRAINING
TO OUR EMPLOYEES.



2019 IN NUMBERS;

65

Service Meetings

126

Service Audit and Visits

Stakeholder Surveys to
180
Services

Satisfactions Surveys to
94
dealers, with success rate of
89.6%

11,651
Customer Surveys

12
supplier audits,
37
supplier visits

WHAT KIND OF A WORLD? GLOBAL TRENDS

At Silverline, we are constantly conducting evaluations in order to meet the current needs of our customers while predicting their future expectations. In the rapidly changing business world, we believe in the importance of analysis and integration of global trends into business strategies.

Digital transformation and Industry 4.0:

Digital transformation is happening rapidly in all sectors. Internet of Things, smart devices and fast access to big data deeply affect the way we do business. At Silverline, we implement projects on the digitalization of our production processes, products and customer experience. Instant and remotely accessible devices create important business opportunities for Silverline. We also meticulously manage the information security risks brought about by digitalization.

Within the scope of these efforts, while our meetings are transferred to the digital platform through Microsoft Teams, we continue to transfer our business processes to digital systems via SAP modules.

We aim to use up-to-date automation technologies for our industrial applications to ensure higher efficiency, increase flexibility in our production processes, reduce our unit costs, and create smart factory production environments in the future. When our Industry 4.0 strategy comes to life, the production time, cost and amount of energy we will need for the production of our products will decrease, thus our production amount and quality will increase exponentially. It is certain that "Enchanting the Customer" will be the most important link of our thought.

Epidemic Diseases:

The continuing growth of the world population, environmental damages, global migrations and irresponsible use of natural resources accelerate the spread of epidemic diseases. The increasingly unknown future, humankind's search for solutions and a war that shows no apparent winner goes on.

Epidemics are an important risk that threatens the health of our employees and our business continuity. Epidemics also radically change companies' business practice, work culture and habits. It is possible to consider this cultural change from different angles, both as a risk and as an opportunity. Efficient management of the operational effects of epidemics by institutions can result in less business disruption and competitive advantage. Silverline has shown that the process in respect to the pandemic is well managed by obtaining the TSE Covid-19 Safe Production Certificate. As a result of digitalization investments, the implementation of flexible working models, being able to work regardless of the place, can positively affect the motivation of office employees.

Talented Employees:

The race to recruit talents around the world continues independently from the industry. A decrease in the number of talented employees poses a great risk for Silverline as in all other industries and companies. It is important to find talented, competent employees with great potential in order to achieve the company's strategic goals defined in the near and distant future. A company's commitment to its employees is of great importance, especially for the young generation. Since Silverline is a growing company with ambitious goals for the future, its organizational structure is also extremely dynamic. This provides the opportunity to offer diverse career opportunities for all talents.



As the company grows, the flexibility of the organization to launch new areas of work is an important opportunity for the talents who want to grow professionally.

Combating Climate Change and Diminishing Natural Resources:

One of the most important problems threatening the world, global warming has begun to make itself seen in different parts of the world. Indispensable for health, food production and industrial production, water, energy and natural resources are important areas where the effect of warming is felt. In order to protect the biosphere and to ensure the sustainable development of human communities, water and energy resources must be used in a way that meets today and future requirements. If we do not redesign all production processes and products with these concerns in mind, the sustainability of our business will be under serious risk. Working to increase the production and consumption of environmentally friendly products is our most important business opportunity in this field.

Compliance with Changing Regulations:

One of the important issues of the rapidly changing business world is compliance with changing regulations and regulations. We proactively manage our processes to monitor, analyze, and integrate new regulations in a timely and accurate manner to manage compliance risk. As a company that has a wide supply chain and exports to many countries, compliance in Silverline is a meticulously managed issue.

Increasing Expectations of Quality of Life:

The expanding middle class all over the world has different consumption expectations. The business life and product preferences of young employees and consumers make it necessary for companies to review the products and opportunities they offer.

Developing user-friendly products with reduced environmental impacts becomes a must to gain competitive advantage. Being able to act and be organized with the entire value chain in order to develop products that meet consumer needs can pose risks. Increasing potential, especially in hybrid and smart products, creates important opportunities for a company that follows innovations like Silverline.

// At Silverline, we are constantly conducting evaluations in order to meet the current needs of our customers while predicting their future expectations.//

GOOD PRODUCTS



//WE BRING TOGETHER TECHNOLOGIES THAT MAKE LIFE EASIER WITH UNIQUE DESIGNS.//

The kitchen today is more than just a functional cooking space in

our homes. New urban lifestyles encompassing high technology, green life, common areas and high efficiency change the characteristics of kitchens and make kitchens more integrated into our daily routines. This transformation brings along a structure in which the consumer at the very center. As Silverline, we started to organize all elements from product features to aesthetics,

from design to benefits, around the consumer's usage habits. While creating experiences that make lives easier and shaping the format of the product according to today's and future trends, we continue to shape our products by taking into account the relationship between the environment and the people who use it.

RESPONSE TO CONSUMER EXPECTATIONS AND CUSTOMER SATISFACTION

We take into consideration numerous variables in order to increase the added value of the products we produce. We develop user-friendly products that at the same time meets the needs, and we care to keep the satisfaction of our customers at the highest level with the after-sales services we offer.

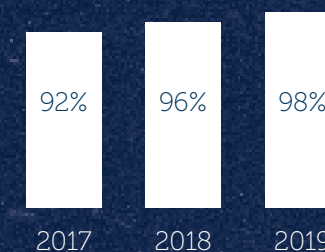
We conduct regular consumer satisfaction surveys for the end

users of our products. We collect complaints, information, suggestions and requests from our call center, sikayetvar.com, websites and social media accounts. We actively use these feedbacks to improve our products and services.

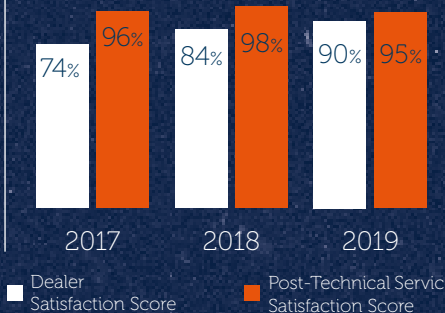
As with our products, we work to make our customers' lives easier through our services. During the reporting period, we implemented our "VIP Service Project" project to provide faster and higher quality service, and our "Late Time Service" project for maintenance and repair requests out of working hours. The standard warranty period of 2 years has been increased to 3 or 5 years, depending on the product group. Hood chimney cutting service was made free of charge.

We get together with our service, dealers and distributors at regular intervals in order to improve the service we provide. Through organizing annual service meetings, technical training organizations, as well as annual visits and compliance audits, we learn about expectations and control the service provided by our authorized services. In addition to these practices, we aim to increase the quality of service we offer by increasing the competencies of our technical services' employees with the trainings we provide. In this context, we provided a total of 5,880 person*hour of training to our technical service employees in the last three years.

CUSTOMER SATISFACTION RATES BY YEARS



DEALER / TECHNICAL SERVICE SATISFACTION SCORES BY YEARS



WE PROVIDED A TOTAL OF **5,880** PERSON*HOUR OF TRAINING TO OUR TECHNICAL SERVICE EMPLOYEES IN THE LAST THREE YEARS.



PRODUCT SECURITY

In addition to making our customers' lives easier, our products have high-level security standards, which we pay special attention to. In line with this understanding, we fully comply with national and international standards and directives. We carry out our quality systems within the framework of ISO 9001 standard. We test our products with customer use simulations. We carry out internal and external inspections, and implement quality control plans on the process, sampling according to the plan and product safety studies by testing / controls.

THE ONLY ACCREDITED LABORATORY

We guarantee the quality level of our products through our Quality Lab. We are the only manufacturing company that includes all the requirements for energy label testings. In our Security Laboratory, we conduct our safety tests in accordance with EN 60335-1 and EN 60335-2-31 standards. Our laboratory is managed according to the EN ISO / IEC 17025 standard. Our laboratory is the only laboratory authorized by Turkish Accreditation Agency (TÜRKAK) to conduct hood performance tests in Turkey.

ENVIRONMENTALLY FRIENDLY PRODUCTS

Within the scope of the ISO 14001 Environmental Management System, we keep track of the environmental impacts of all our activities from a life cycle perspective. As we try to keep the culture from cradle to cradle alive, we implement the necessary precautions and best practices for a sustainable environment. We protect the rights of future generations for a better environment, and try to fulfill our sense of conscientious obligation to the Earth and the environment we live in. We continue to work towards being among the pioneers of the industry in line with our environmental targets. In order to reduce the environmental impact of our products, we conduct mitigation studies, component reduction studies and energy labeling studies.

HIGHLIGHTS OF 2019

In 2019, the packaging was made recyclable by switching from non-recyclable packaging products such as craft parcels and TS foam-styrofoam to imitation craft products in some products. In this way, we obtained a lighter product using less wood. We eliminated the amount of printed materials such as guides and labels by introducing data matrix codes on certain products.

We reduce the use of plastic by adding 15% V3-V4 crushed plastic material to the plastic used in the production of snail fans, thus enabling the product to be reused. In addition, by removing the plastic motor support leg on the A700 snail fans, we achieved less plastic use and energy savings in the machine.

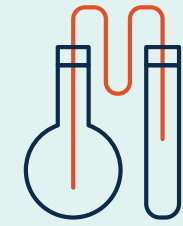
MANAGEMENT OF CHEMICALS

As Silverline, we evaluate the components that will make up our products in terms of their chemical properties and select them with a feature that will not cause spilling in the short and long term. We do not use substances of very high concern in our products.

We do not use banned chemicals on the list of substances of very high concern (SVHC) published by the European Chemicals Agency (ECHA). We comply with the Minamata Convention on Mercury and do not use mercury-containing chemicals in our products. We do not include conflict minerals into any of our products.

In order to prevent air pollution and climate crisis, we constantly check our emission sources resulting from our activities and try to limit their emissions. In our cooler product groups, we limit the fluorinated greenhouse gases within the framework of the Kyoto Protocol and prefer environmentally friendly gas groups. We care to eliminate the environmental impacts of our products throughout their life cycle.

PROJECT FOR THE REDUCTION OF CHEMICAL CONSUMPTION



With this project, the paints in current use have been altered to thin film paints with high opacity. The use of chemicals has been reduced by providing waste improvements through operator trainings and mechanical improvements in the paint line.

- We achieved 30% improvement with the project for reducing paint waste.
- We achieved 57% improvement in chemical consumption with the pretreatment chemical project.
- We achieved a 5% increase in efficiency and a reduction in paint consumption with hanger revisions.

With our ongoing efforts;

- We continue to work on reducing the amount of paint usage by increasing paint opacity.
- We planned an investment in "oil separator" in order to improve the pre-treatment chemical consumption by 15%.

QUALITY | Compliance With International Standards

	ISO 9001:2015 Quality Management		ISO 14001:2015 Environment Management System		ISO 17025:2017 Laboratory Management System
International Standards EMC Report		Electrical Safety LVD report and CB certificate		Chemical Tests REACH, RoHS	

- ✓ Electrical Safety Standards
- ✓ Performance Standards

- ✓ Environmental Standards
- ✓ Correct Declaration

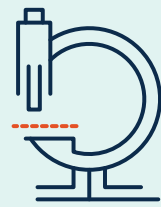


SMART DESIGN

// While shaping the reception of the product according to the trends of today and the future, we offer solutions that reveal the design identity of the brand, taking into account its relationship with the environment that creates it and people today. //

Today, connectivity, user-oriented experience and innovation are some of the most important criteria that enable products to differentiate in the market. At Silverline, we reshape our products by considering all these global trends and changing user needs. With this approach, we started to meet the needs of our consumers with environmentally friendly, decorative and customizable innovative products. Our focus is on the new kitchen technology that creates a new generation kitchen experience that combines user-centered innovative perspectives and simple lines. In this line, we attach special importance to meeting consumer needs with hybrid and smart products and increasing our efforts in this matter.

SMART DESIGN INNOVATIVE PRODUCTS



SilverConnect - Connecting the hood and the stove, SilverConnect automatically activates the ventilation as soon as the cooking starts and can adjust the ventilation level according to the cooking temperature. SilverConnect remains active not only during cooking but also afterwards until it cleans the air.

SilverCVS (Central Ventilation System) - Developed by our R&D Center, SilverCVS provides a high level of energy efficiency by being integrated into the central ventilation system of the buildings. SilverCVS can clean the air without having to start the hood engine and is a remarkable product with its low noise level of 26dB and its self-cleaning features.

SilverFlex - By allowing the hood engine to be transported modularly, SilverFlex technology offers a comfortable kitchen experience to its user. A quiet and comfortable era begins in kitchens with this special technology that enables the ventilation engine, which is the main sound source of the hoods, to be mounted to an external place.

SilverWire - Our steel suspension system called SilverWire allows easy mounting for hoods and provides convenient installation by saving time. With the help of 4 steel ropes easily assembled by one person, the hood can be positioned in the area where it will be used.



// 150 international awards in the categories of Best Quality, Best Product, Best Design and Most Innovative Brand. Silverline is granted the world's most prestigious awards such as Red-dot, Plus X Award, IF Design, German Design Award with many different products. //

PRODUCT INFORMATION

The first and most important address for presenting our products to customers is our website. It is possible to reach all kinds of information and documents about our products online. Labeling of all our products is carried out in full compliance with product information and relevant regulations. In this line, we implement the basic information issues such as consumer safety in our products, as well as information such as water and energy consumption, within our labeling practices. In addition to these practices, promotional materials such as brochures at sales points and price lists are other ways we inform our customers about our products.

While mediums of communication have changed due to the impact of digitalization, we are promoting our products via these channels and also find ways to convey detailed information about our products to our customers.

During the reporting period, we decided to respond to other information needs for our products with materials such as 3D product models for professionals, videos of product assembly, etc. We designed and launched our website in a more innovative way. We aim to activate our virtual store in 2020. In this way, our customers will be able to browse the stores at home and get online information about the product they want. In 2022, we aim to implement augmented reality application of our products so that our customers will be able to experience what the products will look like for the space they choose to locate them.





For us, innovation means the combination of existing products with products on the market. Innovation is not an invention but an integration. For this reason, innovation management includes the integrated management of the process from an initial idea to the final product. We believe in the importance of a target-oriented, organized and highly motivated R&D team for the successful management of this process. Ideas emerging as a result of the analysis pass through filters such as priority, value, innovative, plan, cost, demand. During the reporting period, we created 1,113 prototypes in total.

We support our work in our R&D Center by executing collaborations that follow our open innovation approach. Thanks to these academic collaborations with universities, we exchange information on special areas of expertise. In this context:

-
- | Year | Number of Employees |
|------|---------------------|
| 2017 | 1,749,000 |
| 2018 | 2,941,000 |
| 2019 | 6,946,000 |



INCLUSIVE – Smart and Adaptive Interfaces for Inclusive Work Environment Project

Ufuk (Horizon) 2020 Program

Completed in October 2019 with the support of 11 participants, this project aimed to increase productivity in robotics via automation. We contributed to increasing the efficiency of our robotic bending works commissioned by our automation team in our factory and to the development of robotic applications.



In-house entrepreneurship / In-house entrepreneurship for recent graduates

We support the spread of innovation as a concept among company employees. Generation Y, which constitutes a large part of the company's employees, is especially motivated in working environments where they can express their ideas freely and do not avoid taking responsibility.

In this context, when our recently graduated employees started to work in our Innovation team, we offered them an in-house entrepreneurship opportunity. We offer them project opportunities where they have the luxury to make mistakes, but also own the consequences.



Silverline SMART KITCHEN

For this innovation project, we aimed to transform already available products into "smart" ones by designing an IoT card that can be integrated to existing Silverline products.

The images taken from the cameras or cameras to be placed on the hood are processed on the image processing card to achieve functions of recognition and warning, mobile applications that will allow the user to interact with IoT-enabled devices and back-end services, interfaces and related software that will work on the cloud are included in our project.

We made a total of **10** patent applications in 2018 and 2019.



During the reporting period, we created **1,113** prototypes in total.



During the reporting period, we allocated a budget of approximately **7 million TL** for R&D and innovation work.



DIGITAL TRANSFORMATION

// We create sustainable, digital business models by incorporating developing technologies into our business processes. By integrating digital transformation into all our operations and business processes, we add value to all our stakeholders; we improve and accelerate our production and services.//

Industry 4.0, a globally developing concept, points to the integration of information technologies into our living spaces in all its aspects. Accordingly, the way companies do business is also changing. Technological innovations brought about by Industry 4.0 change the expectations of consumers and reshape the production processes of the industry of white goods. New features such as instant access to products and remote control are among the emerging trends in our industry within the scope of Industry 4.0.

As Silverline, we integrate digital transformation into our company in 3 diverse areas: production processes, product groups and customers.

In our production processes, we use technologies such as robotics, artificial intelligence, internet of things (IoT), data analytics, tech methods brought by Industry 4.0. With these technologies, we minimize errors and losses.

We carry out all sales, orders, SSH (Secure Shell), human resources and production processes on computer systems via SAP modules. With the

VEPO system, we ensure a high level of digitalization in our procurement processes. We use Trex MES system to collect data from production sites and to reflect the work orders generated in SAP to the field. We invest in robots and integrate robots into the Trex system, bringing the industry 4.0 transformation to production sites.

We aim to increase digital transformation in our production processes by allocating more resources to investments on robotic.

You can find the digital transformation in our products on our "Technology and Innovation" page.

We maintain the importance we attach to digital transformation in the production phase, as well as during and after sales with our business partners and customers.

We have digitalized our customers' online ordering, collection and balance tracking processes with our dealer applications. In addition, with the processes we develop in SAP systems, we carry out all BA-BS processes digitally. Our sales and after-sales processes have also been digitalized with the SAP CRM module. With our tailor-made PIM system specially designed for us, we publish digital content that will improve customer experience and make product promotions and campaign announcements.

As part of our IoT works for which a road map was planned in 2017, our primary goals are to interact with our users' IoT-enabled devices and to design smart products. In 2019, we rapidly continue our work, where all cloud system infrastructures are completed and tested.

CUSTOMER DATA PRIVACY

In addition to the opportunities created by digital transformation, the risks brought about may threaten the security and privacy of companies' relationships with customers. We carefully protect the information of our customers and business partners and take precautions regarding information security.

At Silverline, we have been carrying out IT (Information Technologies) processes within the framework of ISO 27001 Information Security Management System standards since 2016. We check the functioning of these processes through internal and external audits every year. We are audited by accredited institutions, especially TÜRKAK (Turkish Accreditation Agency), and renew our certificates.

In order to protect the information security of our customers, we carry out our operations in accordance with the processes defined in the ISMS (Information Security Management System) system and enrich user development at all points with periodic trainings within the company. According to the results of periodic leakage tests, we are making improvements in our infrastructure.

During the reporting period, we did not receive any complaints regarding breach of customer information privacy.



HAPPY EMPLOYEES



//We are a safe, improvement-oriented, participatory, fair and equitable company. We are working to increase the happiness of our employees.//

We consider it a fundamental priority to ensure the happiness of our employees, one of our most valuable assets. We consciously act with the idea that a good work performance and a peaceful working environment are only possible with happy employees. We aim to continuously increase the commitment and motivation of our employees both with the opportunities we offer and our contribution to employee development. We strive to be a strong employee brand preferred by employees.

WORKING CONDITIONS

We provide our employees with a respectful work environment in which employee and human rights are secured. We attach great importance to the safety and health of our employees, and organize a work life that promotes equal opportunity and justice.

All issues regulating life at work in Silverline are included in the Human Resources Handbook in written form. These practices are reviewed every year and kept up-to-date. In addition, all human resources processes are managed within the scope of the Gümüş Group HR Regulation and shared on platforms where employees will have continuous access. With this regulation, we aim to provide the employees with the opportunity to obtain information by arranging the issues related to recruitment and placement, rotation, promotion and appointment, working conditions, employee personal rights and resignations.

We create an inviting work environment for our current and potential employees with the wide range of fringe benefit policies we offer to our employees.

EQUAL TREATMENT PRINCIPLE

As Silverline Human Resources; we respect differences such as gender, language, religion, ethnic origin and age, and we do not allow practices that can be qualified as discrimination in any process of human resources. We adopt the principle of equal pay for equal work regardless of gender in remuneration. As a wage management system, we manage our wage scales, which are determined according to the job valuation methodology we use for both our white-collar and blue-collar employees, by comparing them with market wages at certain periods, according to both internal and external wage balances.

We do not allow child and youth labor, forced or compulsory labor in Silverline operations and affiliated corporations.

We also support the employment of disabled employees. We organize our workplaces in a way that makes the work life of disabled employees easier. Thanks to facilitating practices, 35 disabled employees were employed within the company in 2019.

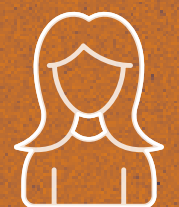
In line with our understanding of equal opportunity, we support and encourage the active participation of women in business life. We work to increase the share of women employees and to strengthen their role within the organization. Female employees constitute 22% of our team and 26% of our senior managers.

The number of our female employees has increased in the last 5 years. At Silverline, we believe in the unlimited power of women and we aim to increase the number of women working at all levels each year in comparison to the previous year.

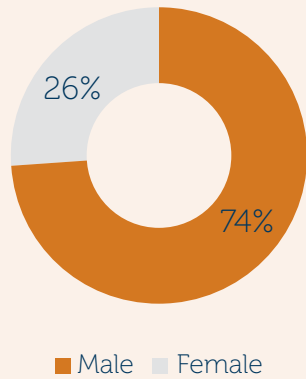
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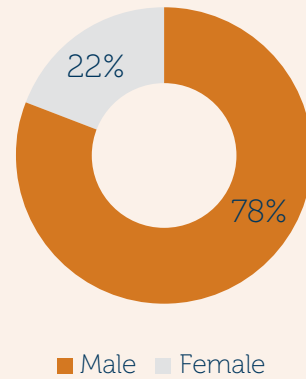
Female employees constitute **22%** of our team and **26%** of our senior managers.



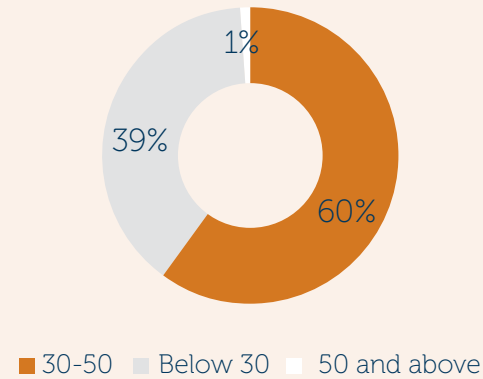
DISTRIBUTION OF SENIOR MANAGEMENT BY GENDER



EMPLOYEE BREAKDOWN BY GENDER

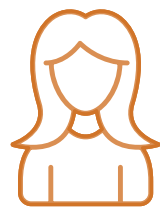


EMPLOYEE BREAKDOWN BY AGE GROUPS



300 %

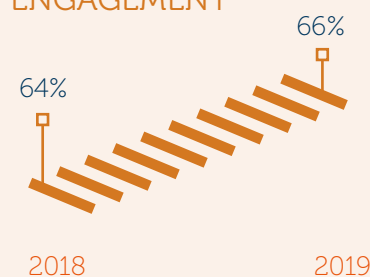
Increase in the number of female employees in the last 5 years



EMPLOYEE ENGAGEMENT AND MOTIVATION

We receive evaluations from our employees in terms of satisfaction, loyalty and motivation through the "Employee Satisfaction Survey" that we regularly conduct every year and we create action plans according to the results. In line with the action plans created, we carry out practices that increase the engagement and motivation of our employees throughout the year. Thanks to our engagement enhancing practices, the employee engagement rate, which was 64% in

EMPLOYEE ENGAGEMENT



Cooperation with **11** high schools and **231** universities



TALENT ACQUISITION

The reduction in the number of talented employees poses a great risk for Silverline, as in all other industries and companies. It is important to find talented, full of potential and competent employees in order to realize the strategic goals of the company defined in the near and distant future. There is especially a great need for skilled employees in areas such as R&D, innovation and digitalization. At this point, the issue of talent acquisition emerges as an important priority.

As Silverline, we take it as a mission to attract qualified workforce and keep the retention rate high, with the awareness that young talents are a very valuable asset for our country. As a growing company with ambitious goals for the future, we offer various career opportunities to young talents within our dynamic structure. We show the flexibility to open new fields of work within the organization for talented employees who'd like to share our growth with their career aspirations.

We aim to be an attractive workplace for both current and potential employees. We carry out various research in order to contribute to the creation of qualified workforce and to create new employment opportunities. In this context, we organize technical trips to our factory and keep our internship quota high. In 2019, 590 students visited our factory and 60 students had the opportunity to pursue an internship at Silverline. In the last 3 years, the number of people working as interns in our company has reached 342.

We develop collaborations with vocational high schools and universities in order to help students get to know the company and business life closely, and to contribute to their technical and personal development. In addition, we offer young people studying at undergraduate and graduate levels at universities the opportunity to monitor the projects we carry out and contribute to the results. With our Workplace Training Program, we offer engineer candidates the opportunity of full-time workplace training and project experience. Candidates contribute to the development of an R&D project development within the scope of this program.

EMPLOYEE DEVELOPMENT

The continuous development of our employees in parallel with the development of our company is crucial for us. We believe that our employees will be happier and more productive in a work environment that allows them to reach their potential. While designing training and development programs, we focus on strengthening employees' personal knowledge and skills, as well as professional competencies. We organize courses, seminars and on-the-job trainings as part of our employee development training.

With the training activities we carry out under the roof of Gümüş Academy, we aim to raise solution-oriented employees that add value to themselves and their work, and are highly committed to the company. At Gümüş Academy, we implement

programs for the development of dealers as well as Silverline employees.

We organize orientation trainings in order to facilitate the adaptation of our employees to the work environment at the start of their work.

We make sure that our employees get together with their managers at regular intervals to plan their professional development journey. The executive candidates who pursue managerial positions are included in the Leadership School and become a part of our evaluation center. By determining their areas for professional growth and strengths, we create personalized development steps. Employees who successfully complete training and coaching interviews that last about a year are ready for managerial positions.



İşkur On-the-Job Training Program is a program that we jointly run with İşkur in order to help people who are actively looking for a job. Through this program, job-seekers gain professional experience, observe the professions they know theoretically in real life, and adapt to the working environment. Within the scope of the program, our internal instructors provide trainings for employees of İşkur.

One of the important factors contributing to employee development is performance evaluation processes. We ensure that our employees are evaluated from a holistic perspective in the performance meetings we hold annually. We gave performance feedback to 83% of our employees in 2019.

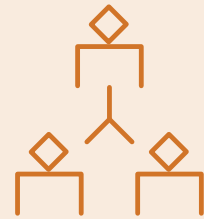
In 2019, we provided **6,088** person*hours of training to **2,306** employees.



Gümüş Academy Internal Instructor Training Project

We train our own internal instructors to work at Gümüş Academy. Within the scope of the project, the instructors who participate in the "Presentation Techniques" and "Educator's Training" programs work as academy instructors.

Organizational Development



Within the scope of our organizational development work, we conduct status quo analysis in terms of organization and employee management and thereafter collect the most appropriate project proposals. Thanks to this study, we determine the change map and implement projects that best suit our strategy and goals. The Success Factor Project, which we have been conducting since 2016, is following the HR processes on the system and making it a part of organizational development by choosing the best practices. We systematically manage the performance evaluation, development planning, backup, talent determination processes of employees through Success Factor. We use the Job Classification System to perform job analysis of our blue-collar employees, define job descriptions and manage wage systems.



OCCUPATIONAL HEALTH AND SAFETY

Occupational health and safety is among our priority sustainability issues. We take it as a fundamental responsibility to provide a safe and reliable working environment for our employees, whom we see as the source of our strength. We determine our approaches and practices towards creating a safer, healthier working environment within the framework of National and International legislation, directives and conventions.

We are in constant communication with customers, employees, suppliers and relevant groups in order to ensure the highest level of safety standards at all stages of our business processes. Security measures determined with common sense both ensure the safety of company employees and enable them to work more efficiently.

Silverline has two Occupational Health and Safety Committees established in line with legal regulations. Employees participate in the occupational health and safety process through these committees that include employee representatives. OHS Committees contribute to the spread of culture of safety throughout the company and make recommendations for the OHS management process. In 2019, 20 members took part in the committee, 7 of which were employee representatives.

The protection of employee health is as crucial as our safety-sensitive approach. Keeping occupational diseases and injuries below industry averages is among our primary goals. In this regard, we attach utmost importance to employee health, with practices made in line with high-level occupational safety standards, by employing healthcare workers at our locations and implementing emergency action plans.

We consider increasing the knowledge and awareness of our employees about occupational health and safety as a basic method of minimizing risks. In this line, we organize occupational health and safety trainings at regular intervals. We provided 349 employees with 4,188

person*hour of OHS training in 2019. In the next reporting period, we aim to provide 390 employees with 4,680 person*hour of OHS training.

Thanks to our preventive approach to occupational health and safety, we reduced the accident frequency rate from 3.71 to 3.67 in 2019. During the reporting period, there were no occupational illnesses or fatal accidents within our operations.

ACCIDENT FREQUENCY RATE



Occupational Health and Safety Indicators	Actual (2019)	Goal (2020)
Accident Severity Rate	0.058	0.055
Accident Frequency Rate	3.67	3.60

We provided **349** employees with **4,188** person*hour of OHS training in 2019.



We aim to provide **390** employees with **4,680** person*hour of OHS training.



RESPECT FOR THE ENVIRONMENT



// Respect for the environment is at the heart of all our products and processes. We are working to reduce our environmental footprint while designing environmentally friendly products. //

In parallel to the growth in human population, the production and consumption amounts are also increasing. As a result of inefficient resource consumption and production activities carried out insensibly, environmental pollution increases the burden and consumes the resources of future generations today.

The effects of climate change and environmental damage are felt more and more every day. Biosphere destruction, remission in biodiversity and natural disasters make life on earth difficult. The Global Risk Report of the World Economic Forum points out that the business world should urgently address environmental crises as such.

At Silverline, we carefully monitor the risks and opportunities created by climate change and environmental damage. We strive to reduce our environmental footprint in all our processes, from our production processes to our product range. We share our environmental sensitivity with our value chain, and we strive to do our part in the struggle for the protection of natural resources.

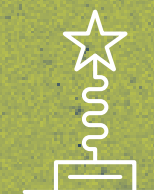
We try to reinforce a culture of environmental awareness to our employees through basic environmental information trainings and informative seminars. We choose recyclable materials in all packaging groups, and register our packages that can be collected separately at the source with the use

of the green dot brand. We ensure that the wastewater generated in the production processes is brought to discharge standards in the chemical pretreatment facility in order to eliminate the environmental pollution burden. We try to minimize natural resource consumption with sustainable energy policies and solar power plant project.

We developed a zero-waste policy with an integrated waste management approach. As Silverline, we took part in the preliminary process of a zero-waste project by providing opinions to both the Ministry and relevant organizations. We were deemed worthy of the Zero Waste Award in 2018 for our work and contributions to the process.

As Silverline, we are committed to taking precautions and measures for a sustainable environment in all of our activities, taking into account the environmental effects in the process from the first stage of the product to its delivery to the consumer.

We were deemed worthy of the Zero Waste Award in 2018



ENERGY AND EMISSION MANAGEMENT

We monitor energy consumption in production and logistics processes, and implement projects and practices that will save energy. We invest in energy efficient, innovative technologies. In 2021, we plan to certify our energy management system, which is compatible with the ISO 50001 Energy Management System.

We follow the energy intensity indicator, which is the amount of energy we use per number of products produced, and we look for ways to reduce the energy intensity. We implement various projects on productivity throughout the year. We achieved energy savings of 2,647 GJ in 2019 with LED conversion projects, ensuring efficient use of engines, thermal efficiency efforts, efforts to reduce compressed air usage, and efficient combustion projects.

We achieved energy savings of 2,647 GJ in 2019



2019'DA ÖNE ÇIKAN ENERJİ VERİMLİLİĞİ PROJELERİ

Lighting (LED) Conversions

Thanks to this project, an annual electricity saving of **52,277 Kw** was achieved.

Abkant Press Energy Saving Project

Thanks to this project, **12,277 Kw** annual electricity savings were achieved.

Switching to Heat Exchanger System from Steam Boiler

Thanks to this project, **32,604 m³** of natural gas was saved per year.

Economizer Project

Thanks to this project, an annual natural gas saving of **11,928 m³** was achieved.

Compressed Air Reduction Projects

Thanks to this project, an annual electricity saving of **10,957 Kw** was achieved.

As a result of these projects, approximately **137,000 TL** in cost savings were achieved.

RESOURCE EFFICIENCY

The negative environmental effects of diminishing natural resources and increasing waste are growing day by day. For this reason, we work on the basis of resource efficiency in all our activities. We consume all resources responsibly -particularly natural resources- with the creative projects we carry out.

PROJECT FOR THE REDUCTION OF PLASTIC USE

With a project we implemented in 2019, plastic raw material efficiency has been achieved with the improvements we made in outer plastics of our products' engines.

Improvements were made per semi-finished product by the following amounts:

Product Name	Old	New	Disparity	%
A 700 Left Snail	210.85 Gr	198.4 Gr	12.45 Gr	5.9
A 700 Right Snail	274 Gr	258.60 Gr	15.40 Gr	5.62
New Generation Right Snail	255gr	239.60 Gr	15.40 Gr	6.03
New Generation Left Snail	205.45 Gr	194.60 Gr	10.85 Gr	5.28

PROJECT FOR THE REDUCTION OF CHEMICAL CONSUMPTION

With this project, the paints in current use have been altered to thin film paints with high opacity. The use of chemicals has been reduced by providing waste improvements through operator trainings and mechanical improvements in the paint line.



WASTE MANAGEMENT

Rapid population growth and increasing consumption habits caused a critical waste problem all over the world. At Silverline, we reduce waste generated during our production processes and produce solutions for waste through our products. We are trying to reduce packaging waste, our use of plastic and chemicals, and we aim to increase recycling to support the circular economy. Through the solid waste recycling project we conducted, we recycled 241 tons of waste and contributed to the economy.

In 2019, 99.97% of the hazardous waste generated in the production processes were sent to recycling and converted into added-value. Medical waste generated in the health center in 2019 were regularly stored after being sterilized by licensed institutions. All recycled hazardous waste is converted into added value as waste derived fuel. Waste derived fuels are used as alternative natural resources in cement plants.

By fulfilling our obligations within the scope of Waste Electrical and Electronic Equipment (WEEE) regulation, we recycle our end-of-life products in increasing amounts every year.

We prevented the use of 450,000 sheets of paper through our paper-free office policy.



Our work on waste has been approved and documented by the Provincial Directorate of Environment and Urban Planning. Our official commitment to achieve Zero Waste, which started with the award we received as a result of the evaluation made by the Governorship in December 2018, continued in 2019 as well. We aim to obtain the "Zero Waste Certificate" in 2020.

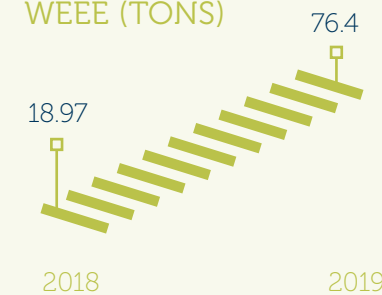
We prevented the use of **450,000** sheets of paper through our paper-free office policy.

In 2019, **99.97%** of the hazardous waste generated in the production processes were sent to recycling

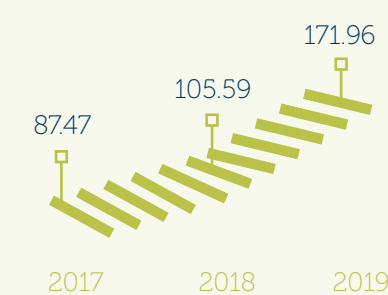
We recycled **241** tons of waste and contributed to the economy.



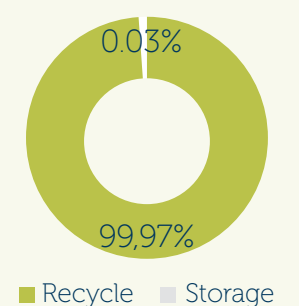
THE AMOUNT OF PRODUCT RECLAIMED WITHIN THE SCOPE OF WEEE (TONS)



THE AMOUNT OF RECYCLED HAZARDOUS WASTE (TON)



2019 RECYCLE RATES OF HAZARDOUS WASTE



APPENDIX

1- AWARDS GRANTED IN 2019

Award	Award Description	Model
Plus X	High Quality	4386
Plus X	Design	4386
Plus X	Ease of Use	4386
Plus X	Functionality	4386
IDA	Silver	4386
Plus X	High Quality	3412
Plus X	Design	3412
Plus X	Ease of Use	3412
Plus X	Functionality	3412
IDA	HONORABLE MENTION	3412
Plus X	High Quality	3474
Plus X	Design	3474
Plus X	Ease of Use	3474
Plus X	Functionality	3474
IF	Product Design Award	3474
IDA	Silver	3474
Plus X	Retail Brand of the Year 2019	—
A'Design Award	Silver A'Design Award	4386
A'Design Award	Silver A'Design Award	3412
A'Design Award	Bronze A'Design Award	3360
A'Design Award	Bronze A'Design Award	3474
A'Design Award	Bronze A'Design Award	3129
A'Design Award	Iron A'Design Award	3472
Plus X	Best Brand of the Year 2019	—
archiproducts - ADA 2019	LONGLISTED 2019	3412

PERFORMANCE INDICATORS

ECONOMIC INDICATORS

Economic Performance Indicators	2017	2018	2019
Net sales revenue (TL)	369,736,255	468,965,256	511,055,055
By region			
Turkey	229,018,903	254,804,029	321,509,275
Europe	114,684,642	174,541,401	154,479,811
Other	26,032,710	39,619,827	35,065,969
By product group	369,736,255	468,965,256	511,055,055
White goods*	347,778,528	435,426,607	487,608,955
Other**	21,957,727	33,538,650	23,446,099
	2017	2018	2019
Number of active suppliers	620	640	690
Number of local suppliers	490	510	550
Local supplier rate	0.79	0.79	0.79
Total purchasing budget (million TL)	390	450	520
Local supply	290	340	390
International supply	95	115	130
Local supply rate in the purchasing budget	0.74	0.76	0.75
Number of supplier companies that received training	45	50	55
Customer satisfaction score (%)	92	96	98
Dealer satisfaction score (%)	74	84	90
Technical service satisfaction score(%)	96	98	95
	2017	2018	2019
R&D Budget (TL)	1,749,000	2,941,428	6,945,692
Number of Patent Applications	12	4	6
Number of Patents Obtained	4	-	-
Number of Utility Models	7	-	-
Number of R&D Employees	37	50	69
Number of university/industry R&D collaborations	7	6	15
Technical collaboration grants (TL)	-	-	88,414

* *Washing machine, dishwasher and refrigerator are grouped under white goods. The list also encompasses built-in products (ventilation, oven, stove).

** Products such as water dispenser, Schock sink, fan etc.

SOCIAL INDICATORS

Employee Demographics	2017	2018	2019
Employees			
<i>Total number of employees</i>	1,187	1,308	1,319
<i>Total number of female employees</i>	250	283	288
<i>Total number of male employees</i>	937	1,025	1,031
<i>White collar female employees</i>	124	139	132
<i>White collar male employees</i>	219	246	254
<i>Blue collar female employees</i>	126	141	156
<i>Blue collar male employees</i>	715	767	777
<i>Total number of disabled employees</i>	34	34	35
<i>Total number of intern university students</i>		4	20
<i>Total number of intern high school students</i>	2	10	60
Employees by age groups			
<i>Below 30</i>	512	547	518
<i>30-50</i>	659	748	786
<i>Above 50</i>	16	13	15
Employees by nationality			
<i>Native</i>	1,187	1,308	1,319
<i>Foreigner</i>	0	0	0
Average years of seniority by employee categories			
<i>Senior executives</i>	9	7	7
<i>Mid-level managers</i>	8	7	8
<i>Experts & officers</i>	4	4	5
Employees by type of contract			
<i>Permanent</i>	1,187	1,308	1,319
<i>Temporary</i>	0	0	0
Senior executive demographics			
<i>Total number of senior executives</i>	14	19	19
<i>Total number of female senior executives</i>	2	5	5
<i>Total number of Turkish senior executives</i>	14	19	19
Senior executives by nationality			
<i>Native</i>	14	19	19
<i>Foreigner</i>	0	0	0
Senior executives by age groups			
<i>30-50</i>	13	17	17
<i>Above 50</i>	1	2	2
Employee retention rate after maternity leave			
<i>Number of employees on maternity leave</i>	6	11	3
<i>Number of employees returning from maternity leave</i>	6	9	1

Employee Development	2017	2018	2019
Employee trainings - Number of participants			
<i>Blue collar</i>	777	580	791
<i>White collar</i>	314	315	412
<i>Female</i>	240	185	238
<i>Male</i>	851	710	865
Employee Trainings - Total Hours (person*hour)			
<i>Blue collar female</i>	1,729	803	334
<i>White collar female</i>	4,335	4,122	1,436
<i>Blue collar male</i>	9,260	7,591	1,752
<i>White collar male</i>	7,654	7,379	2,566
Number of employees that receive regular performance evaluation feedback			
<i>Blue collar female</i>	116	129	125
<i>White collar female</i>	98	109	106
<i>Blue collar male</i>	637	671	643
<i>White collar male</i>	189	221	226
Employee engagement rate	64%	64%	66%
Employee Turnover	2017	2018	2019
Employee turnover by gender			
<i>Female</i>	3%	3%	4%
<i>Male</i>	8.4%	10.1%	11.8%
Employee turnover by age groups			
<i>Below 30</i>	6.7%	9.6%	13.2%
<i>30-50</i>	4.2%	5.2%	4.4%
<i>Above 50</i>	0.4%	0.1%	0.2%
Recruited employees			
<i>Number of recruited female employees</i>	94	67	45
<i>Number of recruited male employees</i>	128	191	133
<i>Number of recruited employees below 30 years old</i>	136	159	137
<i>Number of recruited employees between 30-50 years old</i>	84	98	40
<i>Number of recruited employees above 50 years old</i>	2	1	1
Employees who have resigned			
<i>Number of female employees who have resigned</i>	34	45	56
<i>Number of male employees who have resigned</i>	100	132	155
<i>Number of employees below 30 years old who have resigned</i>	79	114	157
<i>Number of employees between 30-50 years old who have resigned</i>	50	62	52
<i>Number of employees above 50 years old who have resigned</i>	5	1	2

PERFORMANCE INDICATORS

OCCUPATIONAL HEALTH AND SAFETY	2017	2018	2019
OHS Committees			
<i>Number of OHS Committees</i>	2	2	2
<i>Number of OHS Committee Members</i>	20	20	20
<i>Number of employee representatives at OHS Committees</i>	7	7	7
OHS Trainings			
<i>Total OHS training hour for employees</i>	3,684	4,524	4,188
<i>Number of employees participated to OHS trainings</i>	307	377	349
Accident Severity Rate	0.042	0.035	0.058
Occupational Disease Rate (ODR)	0	0	0
Number of work-related fatalities	0	0	0
Accident Frequency Rate	4.02	3.71	3.67

ENVIRONMENTAL INDICATORS

USE OF MATERIAL	2017	2018	2019
Amount of production (unit)	1,209,733	1,164,804	1,123,004
Total amount of materials used (ton)			
<i>Plastic Raw Material (kg)</i>	776,984	702,074	771,466
<i>Metal Raw Material (kg)</i>	702,074	5,615,603	5,689,659
<i>Packaging Materials (unit)</i>	771,466	13,157,462	13,658,312
<i>Glass Materials (unit)</i>	6,775,197	1,129,925	1,259,330
<i>Electronic Materials</i>	5,615,603	29,739,162	26,712,358
<i>Chemicals (kg)(BOYA H701*)</i>	5,689,659	521,601	661,639
<i>Amount of plastic used during production processes</i>	11,977,295	26,170	35,782
Amount of reclaimed packaging materials (ton)	13,157,462	20,10	42,89
Amount of saving by cause of paper-free office efforts (unit).	13,658,312	230,000	450,000
ENERGY AND EMISSIONS	2017	2018	2019
Total energy consumption (GJ)	36,591	36,943	39,780
<i>Natural Gas (m³)</i>	568,346	572,076	635,343
<i>Electricity (kWh)</i>	4,168,329	4,226,631	4,347,369
Energy intensity (GJ/unit)	0.030	0.032	0.035
Amount of energy saving (GJ)	1,278	1,323	2,647
Carbon emissions (tonCo2e)	2,589	2,668	3,029
Emission intensity (tonCo2e/unit)	0.0021	0.0023	0.0027

PERFORMANCE INDICATORS

WATER CONSUMPTION	2017	2018	2019
Total amount of water withdrawal (m³)			
<i>Mains water used</i>	19,058	22,374	22,796
Water intensity (m³/unit)	0.016	0.019	0.020
WASTE	2017	2018	2019
Hazardous waste (ton)	87.5	105.63	172.01
<i>Recovery</i>	87.47	105.59	171.96
<i>Medical waste</i>	0.034	0.037	0.053
Non-hazardous waste (ton)	329.5	437.46	241.66
Number of significant spills	0	0	0
Collected waste through solid waste recycle project			
<i>Metal</i>	-	367.04	134.89
<i>Glass</i>	-	55	93.26
<i>Paper</i>	-	4.48	4.6
<i>Plastic/Nylon</i>	-	2.32	3.29
<i>Wood</i>	-	8.63	5.63
Amount of collected waste in the scope of WEEE (ton)		19.0	76.4
ENVIRONMENTAL TRAININGS	2017	2018	2019
Trainings for employees (total hours)	94	164	228

GRI CONTENT INDEX



Disclosure	Descriptions and Page Numbers
GRI 101: Foundation 2016	
GRI 102: General Disclosures 2016	
Corporate Profile	
102-1	About the Report, page: 1
102-2	About Silverline, page: 4-5
102-3	Contact, back cover
102-4	About Silverline, page: 5
102-5	http://yatirimci.silverline.com.tr/index.asp?id=69; Corporate Governance and Reporting, page: 7
102-6	About Silverline, page: 4-5
102-7	About Silverline, page: 4-5 ;Performance Indicators, page: 38
102-8	Happy Employees, page: 27-28 ; Performance Indicators, page: 38
102-9	Supply Chain Management, page: 9-10
102-10	GRI Content Index: Silverline 2019 Sustainability Report is Silverline's first report.
102-11	Risk Management and Compliance, page: 8
102-12	Stakeholder Relations, page: 14
102-13	Stakeholder Relations, page: 14
Strategy	
102-14	Message from the General Manager, page: 2-3
102-15	What kind of a world? Global Trends, page: 15; Risk Management and Compliance, page: 8
Ethics and Integrity	
102-16	Risk Management and Compliance, page: 8
102-17	Risk Management and Compliance, page: 8
Governance	
102-18	Corporate Management and Reporting, page: 7
102-19	Corporate Management and Reporting, page: 7; Sustainability in Silverline, page: 11
102-20	Sustainability in Silverline, page: 11
102-21	Stakeholder Relations, page: 14
102-29	Sustainability Priorities, page: 11
102-30	Risk Management and Compliance, page: 8
102-31	Sustainability in Silverline, page: 11
102-32	Sustainability in Silverline, page: 11
Stakeholder Engagement	
102-40	Stakeholder Relations, page: 14
102-41	GRI Content Index: There is no collective bargaining agreement in Silverline.
102-42	Stakeholder Relations, page: 14
102-43	Stakeholder Relations, page: 14
102-44	Stakeholder Relations, page: 14; Sustainability Priorities, page: 11-12
Reporting Practices	
102-45	About the Report, page: 1
102-46	About the Report, page: 1
102-47	Sustainability Priorities, page: 12
102-48	GRI Content Index: Silverline 2019 Sustainability Report is Silverline's first report.
102-49	GRI Content Index: Silverline 2019 Sustainability Report is Silverline's first report.
102-50	About the Report, page: 1
102-51	GRI Content Index: Silverline 2019 Sustainability Report is Silverline's first report.
102-52	GRI Content Index: Reporting is annual.
102-53	About the Report, page: 1
102-54	About the Report, page: 1
102-55	GRI Content Index, page: 42
102-56	GRI Content Index: There is no external assurance.

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the Turkish version of the Report.

Material Issues		
Standard	Disclosure	Descriptions and Page Numbers
Sustainable Financial Growth and Profitability		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Sustainability in Silverline, page: 11
	103-2 The management approach and its components	Sustainability in Silverline, page: 11
	103-3 Evaluation of the management approach	Sustainability in Silverline, page: 11
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About Silverline, page: 4-5
	201-2 Financial implications and other risks and opportunities due to climate change	What kind of a world? Global Trends, page: 15
	201-4 Financial assistance received from government	GRI Content Index: The financial support received from the government is 9,746,896 TL.
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	R & D and Innovation, page: 23-24; Talent Acquisition, page: 29
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management, page: 9-10; Performance Indicators, page: 37
Corporate Management		
GRI 103: Management Approach 2016	103-1 Öncelikli Konunun Açıklaması ve Bağlayıcılığı	Yönetim Yaklaşımımız, sayfa: 7
	103-2 Yönetim Yaklaşımı ve Bileşenleri	Yönetim Yaklaşımımız, sayfa: 7
	103-3 Yönetim Yaklaşımı Değerlendirmesi	Yönetim Yaklaşımımız, sayfa: 7
GRI 205: Anti-corruption 2016	205-1 Yolsuzlukla ilgili riskler bakımından değerlendirilmiş faaliyetlerin toplam sayısı, yüzdesi ve tespit edilen belirgin riskler	Yolsuzlukla Mücadele, sayfa: 9
	205-2 Yolsuzlukla mücadele politika ve prosedürleri ile ilgili iletişim uygulamaları	GRI İçerik İndeksi: Raporlama döneminde bu tür bir ceza alınmamıştır.
Resource Efficiency		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Resource Efficiency, page: 34
	103-2 The management approach and its components	Resource Efficiency, page: 34
	103-3 Evaluation of the management approach	Resource Efficiency, page: 34
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Performance Indicators, page: 40
	301-3 Reclaimed products and their packaging materials	Performance Indicators, page: 40
	303-1 Interactions with water as a shared resource	Resource Efficiency, page: 34
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Performance Indicators, page: 41
	303-5 Water consumption	Performance Indicators, page: 41
Energy and Emission Management		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Energy and Emission Management, page: 33
	103-2 The management approach and its components	Energy and Emission Management, page: 33
	103-3 Evaluation of the management approach	Energy and Emission Management, page: 33
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Performance Indicators, page: 40
	302-2 Energy consumption outside the organization	Performance Indicators, page: 40
	302-3 Energy intensity	Performance Indicators, page: 40
GRI 302: Energy 2016	302-4 Reduction of energy consumption	Energy and Emission Management, page: 33; Performance Indicators, page: 40
	302-5 Reduction in energy requirements of products and services	Energy and Emission Management, page: 34; Performance Indicators, page: 40
	305-1 Direct (Scope 1) GHG emissions	Performance Indicators, page: 40
GRI 305: Emissions 2016	305-4 GHG emissions intensity	Performance Indicators, page: 40
Waste Management		
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Waste Management, page: 35; Performance Indicators, page: 41
	306-3 Significant spills	Performance Indicators, page: 41
	306-5 Water bodies affected by water discharges and/or runoff	GRI Content Index: There are no water sources significantly affected by Silverline's operations.

Standard	Disclosure	Descriptions and Page Numbers
Working Conditions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Happy Employees, Working Conditions, page: 27
	103-2 The management approach and its components	Happy Employees, Working Conditions, page: 27
	103-3 Evaluation of the management approach	Happy Employees, Working Conditions, page: 27
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	GRI Content Index: There are no gender-based salary differentiation. Silverline employs "equal work-equal pay" understanding. Regardless of gender, the starting level wage is determined with a rate of 1.03 of minimum wage for blue collar; and a rate of 1.52 for white collar employees.
	202-2 Proportion of senior management hired from the local community	GRI Content Index: All senior level managers are Turkish citizens.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Performance Indicators, page: 39
	401-3 Parental leave	Performance Indicators, page: 38
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	GRI Content Index: Legal notice periods are taken into account for significant changes.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Equal Treatment Principle, page: 28; Performance Indicators, page: 38
	405-2 Ratio of basic salary and remuneration of women to men	GRI Content Index: There are no gender-based salary differentiation. Silverline employs "equal work-equal pay" understanding.
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	GRI Content Index: No discrimination incident occurred during the reporting period.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Equal Treatment Principle, page: 27
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Equal Treatment Principle, page: 27
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	GRI Content Index: All security personnel have completed the necessary legal training.
Employee Development & Talent Acquisition		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Employee Development, page: 29
	103-2 The management approach and its components	Employee Development, page: 29
	103-3 Evaluation of the management approach	Employee Development, page: 29
GRI 404: Employee Development 2016	404-1 Average hours of training per year per employee	Employee Development, page: 30 ; Performance Indicators, page: 39
	404-2 Talent management and life-long learning programs	Employee Development, page: 29-30
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Development, page: 30 ; Performance Indicators, page: 39
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Occupational Health and Safety, page: 31
	103-2 The management approach and its components	Occupational Health and Safety, page: 31
	103-3 Evaluation of the management approach	Occupational Health and Safety, page: 31
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, page: 31
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, page: 31
	403-3 Occupational health services	Occupational Health and Safety, page: 31
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, page: 31; Performance Indicators, page: 40
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, page: 31; Performance Indicators, page: 40
	403-6 Promotion of worker health	Occupational Health and Safety, page: 31
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, page: 31
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, page: 31; Performance Indicators, page: 40
	403-9 Work-related injuries	Occupational Health and Safety, page: 31; Performance Indicators, page: 40

Standard	Disclosure	Descriptions and Page Numbers
Customer Health and Safety & Product Security		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Product Security, page: 18
	103-2 The management approach and its components	Product Security, page: 18
	103-3 Evaluation of the management approach	Product Security, page: 18
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	GRI Content Index: There are no cases of non-compliance in the reporting period.
Product Information		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Product Information, page: 21
	103-2 The management approach and its components	Product Information, page: 21
	103-3 Evaluation of the management approach	Product Information, page: 21
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Product Information, page: 21
	417-2 Incidents of non-compliance concerning product and service information and labeling	GRI Content Index: There are no cases of non-compliance in the reporting period.
	417-3 Incidents of non-compliance concerning marketing communications	GRI Content Index: There are no cases of non-compliance in the reporting period.
Customer Data Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Customer Data Security, page: 25
	103-2 The management approach and its components	Customer Data Security, page: 25
	103-3 Evaluation of the management approach	Customer Data Security, page: 25
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	GRI Content Index: There are no incidents of breach in customer data security.
Stakeholder Management		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Stakeholder Relations, page: 14
	103-2 The management approach and its components	Stakeholder Relations, page: 14
	103-3 Evaluation of the management approach	Stakeholder Relations, page: 14
Other Material Issues		
R&D and Innovation		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	R&D and Innovation, page: 23-24; Performance Indicators, page: 37
	103-2 The management approach and its components	R&D and Innovation, page: 23-24; Performance Indicators, page: 37
	103-3 Evaluation of the management approach	R&D and Innovation, page: 23-24; Performance Indicators, page: 37
Digital Transformation		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Digital Transformation, page: 25
	103-2 The management approach and its components	Digital Transformation, page: 25
	103-3 Evaluation of the management approach	Digital Transformation, page: 25
Smart Design & Environmentally Friendly Products		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Smart Design, page: 20; Environmentally Friendly Products, page: 18
	103-2 The management approach and its components	Smart Design, page: 20; Environmentally Friendly Products, page: 18
	103-3 Evaluation of the management approach	Smart Design, page: 20; Environmentally Friendly Products, page: 18
Response to Consumer Expectations and Customer Satisfaction		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	Response to Consumer Expectations and Customer Satisfaction, page: 17
	103-2 The management approach and its components	Response to Consumer Expectations and Customer Satisfaction, page: 17
	103-3 Evaluation of the management approach	Response to Consumer Expectations and Customer Satisfaction, page: 17

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