

Human Capital

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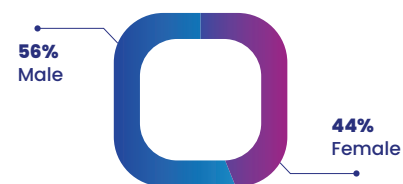
Employee Gender Breakdown



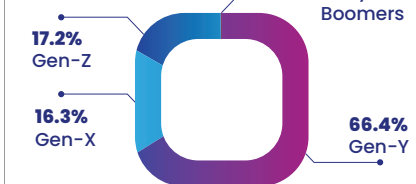
Manager Gender Breakdown



Board of Directors Gender Breakdown



Generational Distribution



Introduction

As of December 2023, Sabancı Group provides employment opportunities to more than 60 thousand employees worldwide, including subcontractor employees.

Committed to becoming a global player, Sabancı Group is striding confidently towards the future with its diverse and highly capable human capital.

Strategic Human Resources Roadmap

Sabancı Group designed its human capital strategy in line with the Group Strategy House and defined a new human resources roadmap for the next three years.

The roadmap focuses on five key pillars:



1. Attract and Retain the Best Talent Ever

This pillar aims to attract and retain top-tier talent by aligning with global trends and implementing strategies that resonate with the needs and preferences of top talent.

In 2023, Sabancı Group maintained its position as being an “Employer of Choice.” Aiming to hire the best local and global talent, Sabancı Group is committed to delivering exceptional employee experience.

The New Generation Career Experience Program offers third-year and fourth-year university students the opportunity to work

on projects and experience the Sabancı ecosystem for an eight-week period. A diverse group of 42 highly capable undergraduates from six countries, 54% of whom were women, participated in this program in 2023.

The SEED Young Talent Program was redesigned to align with the Group’s digital growth strategy. The revamped SEED Digital Young Talent Program targets young professionals with 1-3 years of experience in digital fields. A total of 5,600 applications were received in 2023. The program participants are involved in a diverse range of digital roles, embarking on an upskilling journey to launch their professional careers.

Sabancı Global Ambassadors program is designed to help achieve the Group’s global growth target. Under the program, top Turkish students at QS 500 European and American universities are selected as Sabancı Ambassadors. The student ambassadors aim to raise awareness about Sabancı Group at career events and across other networks.

Reskilling and upskilling are key strategic initiatives for talent management across the Group.

Program	Objective	Duration	Number of Participants
Advanced Data Analytics Academy	Ensuring the development of critical employees in the field of “data analytics” within the digitalization road map of Sabancı Group.	8 months	55
IN-LEAD	Providing high-potential technical managers and engineers with professional and leadership development.	1 year	23
NEXT	Targeting the alumni of Group Development Programs; this year’s focus was on crafting a comprehensive, experiential cybersecurity training program, including cyber threats.	1 day	45
X-TEND	Fostering a resilient and socially responsible community, this online academy provides insights into key areas such as Adult and Child Psychology after Earthquake, First 72 Hours of Disasters, Practical Information on Earthquake Resistant Buildings, etc.	1 year	~ 3,100
X-LAB	Supporting the Group’s strategic direction on innovation; the third cohort, including the Ideathon phase, was completed in 2023 and four teams were selected for Sabancı ARF.	4-6 months	224

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2. Establish a Fast, Flexible, Fluid Organization

Creating an agile and adaptable organizational structure that emphasizes speed, flexibility, and fluidity in companies to push Sabancı Group's strategy forward is the goal of this pillar.

In 2023, Sabancı Group completed the strategic workforce planning initiative. Human resources actions will be designed accordingly, focusing on crucial organizational skills and capabilities for companies to achieve their objectives.

Leadership bench strength is a key success factor at Sabancı Group. Maintaining continuity and expanding the talent pool are accomplished through organizational and group-level people review gatherings. These efforts ensure adherence to leadership potential assessments, succession strategies, pipeline capacity, and overall organizational health and flexibility across the Group.

X-TEAMS, a business development platform utilizing agile methodology, aims to identify potential business areas aligned with the Group's strategies. Since the platform's launch, eight cohorts with 50 teams consisting of employees from cross-functional teams have realized more than 50 projects.

3. Build a Purpose Driven, High Performance Culture

The objective of this pillar is to foster a culture centered on purpose and high performance, motivating Sabancı Group employees to concentrate on an inspiring goal and collectively attain sustainable outcomes.

Sabancı Group's purpose is to *unite Türkiye and the World for a sustainable life with leading enterprises*. All strategies and actions based on this purpose are shared with Group employees at the annual management meeting and quarterly CEO talks.

As part of the Sabancı Republic Day Campaign, the Group participated in the Istanbul Marathon with 2,800 employees – the largest number to join the popular event from a single company. Adopting the slogan "It's Worth Running," Sabancı Group ranked among the top conglomerates to raise the most charity donations.

At the 14th Golden Collar Awards, 153 projects from across the Group competed. The best projects were recognized and rewarded in the following categories: "Digitalization and

Continuous Improvement," "Innovation," "Customer Experience," "Sustainability," and "Sabancı of New Generation."

Embraced by every Sabancı Group company, the continuous performance system (OKRs, KPIs) prioritizes transparency, maintains agility, fosters collaboration, and thrives on feedback. In 2023, 100% of Group employees had regular performance evaluations.

Remuneration – Total Reward Model

Total Reward	Total Income Package	Recognition, Appreciation and Supportive Practices	Flexible Working Career Development Training Support Golden Collar Awards Recognition & Appreciation Programs	Sabancı Group provides a range of benefits, recognition, appreciation, and supportive practices to employees that are designed to reflect peer group and market practices.
		Benefit & Allowances	Employer-Contributed Private Pension System Private Health Insurance Employee Transportation Support / Fuel Support/Company Car Mobile Phone/Data Line	
		Total Cash	Variable Salary	
		Fixed Salary	Base Salary	Base salary is defined by the size, scope and complexity of the role, level of responsibility, professional experience and is reviewed annually.

Human Capital

All Sabancı Group companies offer separate side benefit schemes with varying content and flexibility based on role status and requirements in line with employee expectations and needs. The Group does not tolerate a raw gender pay gap between male and female employees. Sabancı Group is committed to conducting an annual equal pay for equal work research study, including a raw gender pay gap analysis, to maintain wage equity going forward.

In 2023, Sabancı Group executed an interim salary increase in line with macroeconomic data and market conditions to ensure competitive employee welfare.

STI (short-term incentive plan) enable employees to focus their performance on achieving key financial and non-financial objectives. LTI (long-term incentive plan) are offered to a defined group of senior executive positions to

boost share value and help them gain a shareholder perspective, as well as to reward long-term performance and stability. The Board of Directors reviews and defines long-term KPIs for the senior management team each year.

KPIs for variable remuneration in 2023 follow below.

Short Term (1-Year) Financial KPIs*

- Net Sales
- EBITDA
- Free / Operational Cash Flow
- Net Financial Debt
- Working Capital
- Market Share
- Market Cap Growth
- Net Profit

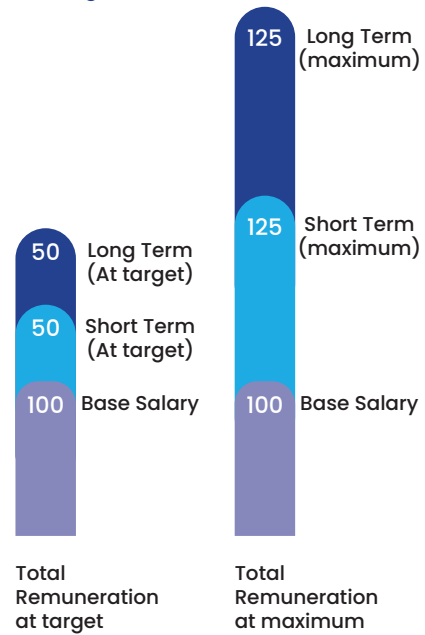
Short Term (1-Year) Non-Financial KPIs*

- Action against the climate crisis
- Reduction in plastic usage
- Improvement in MSCI score
- Diversity and Inclusion
- Future of Work
- Operational Excellence

Long Term (3-Year) KPIs

- r-TSR above competing companies**
- Net Asset Value Growth
- Free Cash Flow***
- Equity Growth***

Total Cash Distribution Model (%)
Sample for a company general manager



Pricing ability, competitive position and operational excellence

Capital distribution and value creation

4. Enable Orchestrator Leadership for Teams

Cultivating leaders in line with the Sabancı Leadership Model, and skillfully orchestrating teams and all stakeholders are the objective of this pillar.

In 2023, the Sabancı Leadership Model was renewed with collective wisdom and a participatory approach. The new model aims to raise future-ready leaders who act as ecosystem leaders, focus on growth, prepare for the future by transforming, and strengthen connections.

Leadership Development Programs are regularly conducted to bolster the diverse leadership pipeline and extend the Sabancı Leadership Model to all levels of the organization.

Program	Objective	Duration	Number of Participants
TP-X	Supporting individuals with high potential who are new in their business careers and the Group.	1 ½ years	17
X-POSURE	Improving the leadership potential of Sabancı Group mid-level managers.	1 ½ years	21
HR Journey	Supporting Group HR leaders by incorporating global perspectives and methods to prepare them for a future-ready ecosystem.	1 year	24
X-CELERATE	Supporting CXO leaders' transformation and deepening their global and leadership perspective.	1 ½ years	22
Sabancı Transformation Team (SATT) Program	Sabancı Holding Executive Board Members and Company General Managers are positioned as "key accelerators" who will realize the transformation of the Group. Throughout the Sabancı Transformation Team (SATT) initiatives, strategic areas are focused, and leadership development is supported.	1 year	30

5. Create a Human Touch for Sustainable Lives

This pillar aims to instill a human-centric approach to promote sustainable lifestyles, fostering connections that prioritize personal touchpoints and continuous learning for general well-being and vitality.

Sabancı Holding was included in the 2023 Bloomberg Gender Equality Index – the sole Turkish holding company in the global index.

employees are union members. Collaborative environments are fostered by labor and employer relations, ensuring sustainable labor relations. As the leader of TÜSİAD's Employment and Social Security Working Group, Sabancı Group supports initiatives focused on labor legislation compliance, secure flexible work, employment incentives, and future job skills.

Sabancı Group is committed to providing an inclusive work environment and driving community growth where it operates. The Group strictly prohibits discrimination based on language, race, ethnicity, gender, religion, age, or disability. Embracing the Declaration of Principles on Equality at Work, Sabancı Group prioritizes a fair workplace in line with its sustainability strategy. Progress is monitored via a comprehensive roadmap, which includes female leadership, equal pay, inclusive culture, anti-harassment policies, and women's support, as acknowledged by the Bloomberg Gender Equality Index. Notably,

Sabancı Group companies receive regular data-based analysis on potential industrial relations and labor law risks. Immediate updates are provided on these developments to aid proactive risk management. Embracing adaptable work approaches, the Group implements flexible working models within legal and regulatory frameworks.

Respecting employees' rights to organize and engage in collective bargaining, Sabancı Group maintains a neutral stance towards unions and unionization processes. A substantial portion of Group

Sabancı Group ensures compliance with relevant legislation and internal standards for employee health and safety. Through training and knowledge transfer, the Group aims to standardize and enhance employee health and safety practices continually. Embracing the principle of "Occupational Health and Safety First," Sabancı Group emphasizes the importance of employee well-being. This commitment to excellence is reflected in both the Group's workforce and stakeholders.

* Short-term KPIs are not limited to those included on this page; those shown are merely examples.
** Change in market capitalization compared to peers for listed companies.
*** For non-listed companies.