



BANVİT BANDIRMA VİTAMİNLİ YEM SANAYİ ANONİM ŞİRKETİ
01 JANUARY 2024 – 30 JUNE 2024 PERIOD
INTERIM PERIOD ACTIVITY REPORT

13.08.2024

TABLE OF CONTENT

A. General Information

- 1) Reporting Period
- 2) Information on the Company
- 3) Shareholding Structure and Capital Structure
- 4) Explanations Related to Preference Shares and Voting Rights of the Shares
- 5) Information on the Board of Directors and Executive Management
- 6) Staff and Employee Movements and Collective Bargaining Practices and Rights and Benefits Provided to Staff and Employees
- 7) Corporate Governance Principles Compliance Report
- 8) Changes to the Articles of Association

B. Financial Rights Given to Board Members and Executive Management

- 1) Total Amount of Financial Rights Such As Attendance Fee, Wages, Bonus, Premium and Dividend Payments
- 2) Information on Allowance Granted, Travel, Accommodation and Representation Expenses and Total Amount of Facilities in Cash and Kind, Insurances and Similar Guarantees

C. Research and Development Activities

D. Activities and Significant Developments Regarding the Activities

- 1) Investment Activities
- 2) Internal Control System and Internal Auditing Activities
- 3) Direct and Indirect Subsidiaries

E. Financial Status

- 1) Summary of Financial Statements
- 2) Key Ratios
- 3) The Development of Financial Sources and The Policies Applied in This Framework this Development
- 4) The Nature and Amount of Issued Capital Market Instruments
- 5) General Assembly
- 6) Dividend Distribution
- 7) Information About the Sector and the Position within the Sector

- 8) Incentives
- 9) Development of the Business
- 10) Products
- 11) Developments on the Sales

F. Risk Management

- 1) Corporate Risk Management
- 2) Early Risk Detection Committee

G. Other Information

- 1) Organizational Structure
- 2) Sustainability Principles
- 3) Recent Significant Developments
- 4) Significant Developments After Reporting Period

ANNEX – Banvit BRF Sustainability Studies

A. General Information

1) Reporting Period

01.01.2024 – 30.06.2024

2) Information on the Company

Commercial Title	Banvit Bandırma Vitaminli Yem Sanayi A.Ş.
Trade Registry No	4153
Tax Office	Bandırma
Tax Number	1400036590
Address of the Headquarter	Ömerli Mah. Ömerli Sok. No: 2/8 A Bandırma-Balıkesir
Phone & Fax of the Headquarter	Phone: (0266) 733 86 00 Pbx Fax: (0850) 2001052
Website	www.banvitas.com
Upper Limit of the Registered Capital	TRY 8,000,000,000
Paid In/Issued Capital	TRY 100,023,579

3) Shareholding Structure and Capital Structure

Shareholders	Number of Shares	%
TBQ Foods GMBH	91,727,012	91.71
Other (Publicly Held)	8,296,567	8.29
Total	100,023,579	100.00

There has been no change in the direct shareholding and capital structure within the period.

4) Explanations Related to Preference Shares and Voting Rights of the Shares

There is no privileged shares in the capital and each shareholder has one (1) voting right.

5) Information on the Board of Directors and Executive Management

In accordance with the Turkish Commercial Code ("TCC") and the related legislation, the election of the Board of Directors is executed by the General Assembly within the

framework of the articles of association. Should there be a vacancy in the membership of the Board of Directors within the respective period, an election for the available positions is made according to the provisions of TCC and the company's articles of association and the results are submitted to the upcoming Ordinary General Assembly to be approved. Changes during the respective period are made with the decision of the Board of Directors to be approved at the next Ordinary General Assembly.

Within the framework of the provisions of the TCC and the Capital Markets Law, at the Ordinary General Assembly Meeting held on 9 May 2023 registered by the Bandırma Trade Registry Directorate on 17 May 2023, eight (8) members of the Board of Directors, three of whom are independent members, have been appointed by the General Assembly for a term of three (3) years in accordance with Article 8 of the Company's Articles of Association.

The Members of the Board of Directors on duty as of 30.06.2024

Board of Directors	Position	Duty Period
Igor Fonseca Marti	Chairman	09.05.2023-09.05.2026
Fadi Felfeli	Deputy Chairman	09.05.2023-09.05.2026
Fabio Luis Mendes Mariano	Member	09.05.2023-09.05.2026
Davide Luigi Vimercati	Member	09.05.2023-09.05.2026
Feras Abdulaziz M H Al-Naama	Member	09.05.2023-09.05.2026
Meral Kurdaş	Independent Member	09.05.2023 – 09.05.2026
Selim Taso	Independent Member	09.05.2023-09.05.2026
Ali Ferda Elerman	Independent Member	09.05.2023-09.05.2026

Powers and Duties of the Members of the Board of Directors

The Board of Directors carries out and executes the duties assigned to them by the resolutions held by the General Assembly meeting in matters specified in the TCC, the Capital Markets Law and other relevant legislation and the article 9 of the company's articles of association.

Executive Management as of 30.06.2024:

Name Surname	Duty	Commencement Date
Tolga Gündüz	General Manager	16.10.2019
Levent Aytimur	Finance Director	09.01.2023
Nerdin Alp	Sales Director	06.04.2001
Atakan Sakin	Logistics Director	01.06.2022
Yasemin Gürleroğlu	Marketing and Corporate Communications Director	18.05.2020
Gökçen Aslan Özşar	Human Resources Director	27.09.2021
Miray Ilıksoy Baran	Legal and Corporate Affairs Director	23.09.2021
Erdal Elmas	Operational Director	01.02.1995
Özlem Kutluk	Business Planning and Development Director	12.01.2003
Jorge Luiz Biffi	Production Director	18.09.2020

6) Staff and Employee Movements and Collective Bargaining Practices and Rights and Benefits Provided to Staff and Employees

The wages and benefits of **our blue-collar employees** working in the food business line are subject to collective bargaining agreements.

Our **white-collar employees** are not subject to collective bargaining agreement.

In addition to base salaries; bonuses, marriage benefits, health insurance, Company annual dividends, commodity assistance, food assistance and vehicle assistance are offered to our employees.

Leaves are annual paid leave, excuse leave, unpaid leave and marriage leave, death leave, working limit leave, maternity leave (pregnancy), breastfeeding leave.

The number of employees of Banvit Bandırma Vitaminli Yem Sanayi A.Ş. as of dates between 30 June 2024 - 31 December 2023:

	30.06.2024	31.12.2023
Blue Collar	4,202	4,174
White Collar	659	642
Total	4,861	4,816

7) Corporate Governance Principles Compliance Report

In accordance with the Capital Markets Board's decision dated 10.01.2019 and numbered 2/49, the "Corporate Governance Compliance Report (URF)" which shows compliance with the principles that are voluntary and mandatory to be implemented by our company's Corporate Governance Principles and "Corporate Governance Information Form (KYBF)" which provides information about our current corporate governance practices was disclosed on the Public Disclosure Platform ("PDP) using relevant templates and open to the public at the addresses of <https://www.kap.org.tr/tr/Bildirim/1252093> and <https://www.kap.org.tr/tr/Bildirim/1252092>.

Information on the corporate governance can be accessed from the: <https://www.kap.org.tr/tr/cgif/4028e4a1415f4d990141601902e33250>.

8) Changes to the Articles of Association

The draft amendment to the Articles of Association regarding the amendment of Articles 2, 3, 6 and 24 of the Articles of Association of our Company for the purpose of correcting the title of our Company from "Sanayii" into to "Sanayi", aligning the address of our Company with the numbering system, extending the validity period of the registered capital upper limit to cover the years 2024-2028, increasing the registered capital upper limit to 8.000.000.000 (eight billion) Turkish Liras and revision of the announcement procedure in accordance with the legislation was approved by our shareholders at the Ordinary General Assembly Meeting for 2023 on 14.05.2024 and the general assembly resolution was registered by Bandırma Trade Registry Directorate on 23.05.2024.

The final version of the Articles of Association was published on PDP. (<https://www.kap.org.tr/tr/Bildirim/1291935>)

B. Financial Rights Given to Board Members and Executive Management

1) Total Amount of Financial Rights Such As Attendance Fee, Wages, Bonus, Premium and Dividend Payments

At the Ordinary General Assembly meeting of the company on 14 May 2024, it has been resolved that the members of the Board of Directors are not paid and, starting from the month following the General Assembly, until the next Ordinary General

Assembly, a monthly gross salary/attendance fee of TRY 83,500.00 -per month to be paid to each Independent Board Members.

Salaries of the company's senior executives are determined by the Company's Board of Directors. All senior executives have private health insurance.

In the fiscal period ending on 30 June 2024, all benefits provided to senior executives are short-term benefits and include wages, premiums and other payments.

Performance-based additional payments are made to out-of-scope personnel, including senior managers, within the company.

Between 1 January 2024 and 30 June 2024; a total of TRY 30,990,603 was paid for senior executives and TRY 1,291,662.78 SSI-employer deduction was made. In addition, in the period of 01.01.2024 – 30.06.2024, a total of TRY 1,000,989.34 was paid for 3 independent members as attendance fee.

No payables were given, no loans were issued directly or through a third party and no indemnity such as sureties was given to Board Members or executive management during the period.

The total of fees paid to Board of Directors and executive managers for the period between 01.01.2024 – 30.06.2024 is indicated in the table below.

(TRY)	30.06. 2024	30.06.2023
Board of Directors	1,000,989.34	604,000.20
Executive Managers	30,990,603,00	16,416,356.07
Total	31.991.592,34	17,020,356.27

Between 1 January 2024 and 30 June 2024; a total of TRY 31.991.592,34 was paid as benefits for board members and senior executives (30 June 2023: TRY 17,020,356.27).

No performance-based payment was made to Board Members.

No payables were given, no loans were granted directly or through a third party and no indemnity such as sureties was given to Board Members or executive management during the period.

2) Information on Allowance Granted, Travel, Accommodation and Representation Expenses and Total Amount of Facilities in Cash and Kind, Insurances and Similar Guarantees

The total amount of allowance, travel, accommodation and representation expenses as well as in cash and kind facilities and insurances given to the members of the Board of Directors and senior executives during the period is TRY **3,093,799.67**.

C. Research and Development Activities

Our company carries out R&D studies on product development and new product production in order to meet the expectations of our consumers and customers in a creative, high quality and delicious way, to meet the demands and needs of the companies that we supply, in addition, to ensure that our consumers are fed with healthy and affordable protein. Further, R&D studies are carried out within the body of our company on the development of packaging and recyclable packaging, to ensure that the products are stored in a quality and reliable manner and to contribute to nature by effective waste management.

In this context, 14 new products and 31 new packages were developed in the second quarter of 2024. Between 01.01.2024 - 30.06.2024, the utilization rate of packaging produced from recyclable materials was 94.8%. Our company aims to increase the variety of packaging produced from recyclable materials.

Our R&D studies continue to increase the variety of packaging produced from recyclable materials.

D. Activities and Significant Developments Regarding the Activities

1) Investment Activities

As of 30 June 2024, the total investment expenditure of Banvit Bandırma Vitaminli Yem Sanayi A.Ş. is TRY 19,230,715 (30 June 2023: TRY 276,745,100).

2) Internal Control System and Internal Auditing Activities

The Internal Audit unit provides independent, impartial, and reasonable assurance activities to the Board of Directors regarding corporate governance processes. Internal Audit activities aim to provide a reasonable assurance to the stakeholders of the company, especially shareholders, on the establishment of managerial accountability,

efficiency and effectiveness of business processes, reliability of the financial reporting system, compliance of company activities with laws and regulations. Internal Audit activities are carried out according to the “International Internal Auditing Standards” established by the International Institute of Internal Auditors (IIA). The internal audit unit works in compliance with the “Banvit Internal Audit Regulation” and monitors the audit findings until the risk disappears.

The Internal Control unit carries out the activities of early detection, evaluation, calculation of the effects and probabilities of risks that may affect the company, managing and reporting these risks in accordance with the corporate risk appetite of the company, taking necessary measures to reduce the effects and probabilities of the identified risks and establishing effective internal control systems in this direction. Internal Control unit aims to provide reliable financial reporting and effective management of risks according to the basic internal control components consisting of “control environment, risk assessment, control activities, information and communication and monitoring”.

3) Direct and Indirect Subsidiaries

The primary business activities of the companies and the participation in their shareholding of the affiliates subject to consolidation are as follows.

Company	Country of Operation	Operation	Effective Share	
			30.06.2024	31.12.2023
Nutrinvestments B.V.	Holland	Holding Company	100.00%	100.00%
Tasfiye Banvit Enerji ve Elektrik Üretim A.Ş.	Türkiye	Energy Production	100.00%	100.00%

Nutrinvestments B.V., a subsidiary of Banvit. was established as a Limited Company on 18 August 1999 in Amsterdam, Netherlands, in order to operate as a holding. Liquidation decision has been taken regarding Nutrinvestments B.V. (“Nutrinvestments”), 100% owned by our Company. Since our company is subject to full consolidation in the preparation of its financial statements, it is considered that the liquidation of Nutrinvestments will not have a negative impact on the financial statements.

Banvit's subsidiary, Banvit Enerji, was established on 14 May 2009 and registered on 5 June 2009 by obtaining the necessary license from the Energy Market Regulatory Board for the purpose of establishing, commencing and renting manufacturing plants to have the energy sources turned into electrical energy in those plants, producing electrical energy, selling the produced electrical energy and/or the capacity of the produced energy to the customers. Since it is not deemed necessary for Tasfiye Halinde Banvit Enerji ve Elektrik Üretim A.Ş. to continue its operations, it was decided to initiate liquidation procedures at the general assembly meeting of the company held on 4 April 2024. The liquidation of Tasfiye Halinde Banvit Enerji ve Elektrik Üretim A.Ş. is not expected to have a significant impact on the operations and financial statements of our Company. Public disclosure will be made when the liquidation process is completed.

E. Financial Status

1) Summary of Financial Statements

The financial statements are prepared in accordance with the financial reporting standards published by the Capital Markets Board. In accordance with the Board of Directors' resolution numbered 2021/22 and dated 06.10.2021, the Company's 1st and 3rd quarter interim financial statements will not be subject to independent audit. On 07.10.2021, a material event disclosure was published on the Public Disclosure Platform regarding this matter.

Summary of Balance Sheet

	(Reviewed)	(Audited)
(TRY)	1 January - 30 June 2024	1 January - 31 December 2023
Current Assets	9,709,830,492	8,052,865,412
Non-Current Assets	5,558,851,549	5,582,146,519
Total Assets	15,268,682,041	13,635,011,931
Short Term Liabilities	6,777,983,109	7,042,448,071
Long Term Liabilities	1,092,213,239	1,102,358,448
Equity	7,398,485,693	5,490,205,412
Total Equity and liabilities	15,268,682,041	13,635,011,931

Summary of Income Statement

	(Reviewed)	(Reviewed)
(TRY)	1 January - 30 June 2024	1 January - 30 June 2023
Net Sales	13,891,787,661	13,182,319,369
Gross Profit	3,492,756,830	1,295,254,435
EBIT	2,376,210,756	269,597,635
EBITDA	3,064,523,769	1,089,609,759
Net Profit	1,913,991,445	133,232,577

The company prepares its budgets within the frame of its strategic goals and the prepared budget is approved by the Board of Directors.

In its regular meetings, the Board of Directors is reviewing the current position of the company and activities are compared with the previous period and budget targets.

2) Key Ratios

(%)	1 January - 30 June 2024	1 January - 30 June 2023
Gross Profit Margin	25.14%	9.83%
EBIT Margin	17.11%	2.05%
EBITDA Margin	22.06%	8.27%
Net Profit Margin	13.78%	1.01%
Profit Per Share	1913.54%	133.20%

3) The Development of Financial Sources and The Policies Applied in this Framework this Development

New funding alternatives according to changing market conditions are continuously analyzed and offers are evaluated. The debt policy of Company is developed based on the capability of cash generation and the strong equity structure. Hedging methods and ratios are used against financial risks are developed based on a frame of determined models.

4) The Nature and Amount of Issued Capital Market Instruments

There is no capital market instrument issued in the period.

5) General Assembly

With the resolution of our Company's Board of Directors dated 18.04.2024, it was decided to hold the Ordinary General Assembly Meeting for 2023 on Tuesday, 14.05.2024 at 11:00, at Banvit facilities at the address of Ömerli Mah. Ömerli Sok. No: 2/8A Bandırma/Balıkesir. Our announcement regarding the Ordinary General Assembly meeting was published on the Public Disclosure Platform and on our Company's website on 18.04.2023.

(<https://www.kap.org.tr/tr/Bildirim/1274770>)

At the 2023 Ordinary General Assembly Meeting held on 14.05.2024, the following agenda items were discussed and resolved. The minutes of the Ordinary General Assembly Meeting for the year 2023 have been published on the Public Disclosure Platform. (<https://www.kap.org.tr/tr/Bildirim/1286196>)

Banvit Bandırma Vitaminli Yem San. A.Ş. 2023 Ordinary General Assembly Meeting Agenda

1. Commencement and the election of the Meeting Chairmanship.
2. Reading and discussing the Activity Report of Board of Directors for the fiscal year 2023.
3. Reading the summary of the Independent Audit Report for the fiscal year 2023.
4. Reading, discussing and approving the Financial Statements for the fiscal year 2023.
5. Release of each member of the Board of Directors in relation to the activities of the Company's in 2023.
6. Discussion on offer of the Board of Directors regarding the manner of use and distribution of the profits of 2023 in accordance with the Company's profit distribution policy and resolving on such offer.
7. Informing the shareholders on (i) "Remuneration Policy for the members of the Board of Directors and the Senior Executives" and (ii) the total sum of benefit provided to the members of the Board of Directors and the executive management in 2023.
8. Decision on the annual and/or monthly salaries of the Members of the Board of Directors.
9. Discussion and resolving on the proposal of the Board of Directors regarding election of Independent Audit Institution.
10. Informing the shareholders about the donations made by the Company in 2023 financial year and discussion and determining an upper limit for donations to be made in 2024 financial year.

11. Informing the shareholders about the collaterals, pledges, mortgages and surety granted in favor of third parties and the income or benefits obtained in 2023 by the Company and subsidiaries.
12. Informing the shareholders about the transactions conducted with the related parties in 2023.
13. Informing the shareholders on the transactions carried out in the year 2023 by the shareholders that have management control, the members of the Board of Directors, the senior executives and their spouses and relatives related by blood or affinity up to the second degree.
14. Authorizing the Members of the Board of Directors as per the provisions of the Articles 395/1 and 396 of the Turkish Commercial Code.
15. Discussion and decision on the amendment of Article 2 titled as "Commercial Title of the Company", Article 3 titled as "Headquarters and Branches of the Company", Article 6 titled as "Registered Capital and Shares" and Article 24 titled as "Announcements" of the Company's Articles of Association as per Annex-1 hereof, provided that required permits are obtained from the Capital Markets Board and Ministry of Trade.
16. Wishes and opinions.
17. Closing.

6) Dividend Distribution

In article 23 titled "Profit Determination and Distribution" of the Company's articles of association, the determination and distribution of profit is explained as follows:

The method and time of distribution of the profit decided to be distributed is determined by the general assembly upon the proposal of the board of directors. However, the period of distribution of the end-of-period profit share cannot exceed the period specified in the communiqués of the Capital Markets Board.

The dividend is distributed equally to all existing shares as of the distribution date, regardless of their issue and acquisition dates.

No dividend distribution was made during the period.

With the Board of Directors' decision dated 18.04.2024, it has been decided that no dividend payment shall be made. At the Ordinary General Assembly Meeting for the year 2023 held at our Company headquarters on 14.05.2024, the proposal of the Board of Directors regarding non-distribution of dividends was submitted to the approval of the general assembly and non-distribution of dividends was accepted unanimously.

(<https://www.kap.org.tr/tr/Bildirim/1286196>)

7) Information About the Sector and the Position within the Sector

Banvit, which started its journey as a feed producer in 1968, assumed a pioneering role in the sector by stepping into chicken meat production in 1984. Introducing cleaned and packaged fresh chicken to consumers for the first time in Türkiye, the Company expanded its product range with the commissioning of the Advanced Processing Facilities in 2001 and started to produce ready-to-eat products such as nuggets, doner kebabs, kebabs, meatballs and delicatessen. In addition to its main campus in Bandırma, Banvit has production facilities in Izmir and Elazığ, reaching millions of consumers both domestically and in the countries to which it exports.

Celebrating its 56th anniversary last May, Banvit is one of Türkiye's leading food companies serving its customers daily with a wide range of products including whole and piece chicken meat products, sauced products, pre-cooked products and delicatessen group. Acting with the vision of "Strengthening its position as Türkiye's leading chicken and chicken meat products company", Banvit has adopted the mission of "Meeting consumer and customer expectations in a creative, high quality and delicious way; contributing to consumers' access to reliable animal protein produced under hygienic conditions in accordance with their nutritional needs; being sensitive to the environment, animal welfare and employee happiness".

In addition to its main brand, Banvit also provides services with sub-brands for different customer types and needs.

8) Incentives

The rights of the Company, which can be used by all companies that meet the criteria required by the legislation, regardless of the sector, are as follows:

- Investment incentive documents (Customs Duty exemption, VAT exemption, corporate tax advantages, insurance premium employer share incentive),
- Inward processing permission certificates,
- Social Security Institution incentives
- Energy incentive

9) Development of the Business

Our company's finished chicken meat production in the first 6 months of 2024 increased by 1% compared to the same period last year. In advanced processed products, it increased by 40.6% compared to the first 6 months of last year due to the more efficient use of new production lines.

Approximately 12.4% of the total poultry and further processed products produced were exported. Domestic sales increased by 0.5% in the first 6 months of 2024 compared to the same period last year, while exports increased by 9.6%.

General Turkish poultry production is updated via Turkish Statistical Institute. In the middle of each month, the data closing information from 2 months ago is published.

According to Turkish Statistical Institute data, in the January-May 2024 period, the amount of chicken sent to the domestic market increased by 10.2% compared to the same period of the previous year, while the amount exported decreased by 11,7%.

January-May 2024 in total production increased by 6% compared to the same period of 2023. While the total chicken production in Türkiye was 957 thousand tons in the relevant period of 2023, it increased to 1018 thousand tons in the same period of 2023.

10) Products

The main products of Company are as follows:

Bandırma/İzmir/Elazığ (Chicken)	Bandırma (Advanced Processing)
Chicken Whole	Delicatessen (Salam, Sausage, Sujuk, Ham)
Tenderloin Chicken Breast	Ready Products (Crisps, Burgers, Meatballs, Kebabs, Special Products)
Chicken Brest	
Chest with Back	Raw Doner
Baguette	Cooked Doner
Bony Hip	
Boneless Hip	
Drumstick	
Drumstick With Hip	
Chicken Wings	
Liver	
Chicken Gizzards	
Chicken Feet	
Other (Wingtip, Tail, mechanical stripped meat)	
Mix Piece (for Kebab, Soup)	

11) Developments on the Sales

Considering the second quarter of 2024 - second quarter of 2023 in Domestic; there is a 94.4% increase in net turnover in the second quarter of 2024 compared to the second quarter of 2023 in the sales of Finished Chicken and Processed Products (Finished Products & Delicatessen).

The change on the net turnover per production unit is as follows:

Product	(%)
Poultry	89.7%
FPP (Finished Products & Delicatessen)	113.1%
Total	94.4%

Considering the second quarter of 2024 and first quarter of 2024 change in Domestic; according to first quarter of 2024 figures, there is a 22% increase in net turnover in the sales of Poultry Chicken and Processed Products (Finished Products & Delicatessen).

The change on the net turnover per production unit is as follows:

Ürün	(%)
Poultry	%26.4
FPP (Finished Products & Delicatessen)	%10.2
Total	%22.0

Considering the second quarter of 2024 - second quarter of 2023 change in Abroad; there is a 65.6% increase in net turnover in the second quarter of 2024 compared to the second quarter of 2023 in the sales of Finished Chicken and Processed Products (Finished Products & Delicatessen).

Net Turnover distribution by production type is as follows:

Product	(%)
Poultry	27.8%
FPP (Finished Products & Delicatessen)	376.7%
Total	65.6%

Comparing the second quarter of 2024 to the first quarter of 2024 in abroad; there is a 21.8% decrease in net turnover in Finished Chicken and Processed Product (Finished Products & Delicatessen) sales compared to the first quarter of 2024.

The change on the net turnover per production unit is as follows:

Ürün	(%)
Poultry	-20.3%
FPP (Finished Products & Delicatessen)	-24.8%
Total	-21.8%

In comparison of the first 6 months 2024/2023 abroad; there was a 101.9% increase in the sales of Finished Chicken and Processed Products (Finished Products & Delicatessen).

F. Risk Management

1) Corporate Risk Management

The risk map and risk management policies have been published by the internal control unit with the purpose of ensuring systematic and comprehensive identification, evaluation, control, monitoring and establishing action plans to identify those responsible and reduce their impact of risks and opportunities that may affect company's assets, reputation, profitability.

The policies include guidance on support and positioning, risk identification, prioritization, improvement, reporting, monitoring/surveillance, and guidances regarding communication principles related to risks in order to manage company-wide risks to the highest standard.

In order to measure the risks incurred by the company and ensure conformity to the risk tolerance limits; risks are monitored and managed in accordance with regulations and guidelines developed for critical risks.

2) Early Risk Detection Committee

The purpose of the Committee is to identify the risks that may threaten the existence, progress and continuation of the company operations within the scope of this regulation and legal legislation, to implement the necessary measures related to the risks identified and to manage those risks.

The meetings of the Committee are held once for every two-month period in order to ensure that the Committee can fulfill its duties effectively. After each meeting, a written report on the activities of the Committee is submitted to the Board of Directors with a summary of the minutes.

G. Other Information

1) Organizational Structure

Our company continues its activities through its head office at the address of Ömerli Mah. Ömerli Sok. No: 2/8 A Bandırma-Balıkesir and branches. As of 30.06.2024 our operating branches are as follows:

İzmir Pınarbaşı Sales Branch
İzmir Sarnıç Sales Branch
İstanbul Hadımköy Sales Branch
İstanbul Kadıköy Sales Branch
İstanbul Kartal Sales Branch
Muğla Sales Branch
Fethiye Sales Branch
Bodrum Sales Branch
Trakya Sales Branch
Ankara Esenboğa Sales Branch
Ankara Sales Branch
Samsun Sales Branch
Kayseri Sales Branch
Kuşadası Sales Branch
Bursa Sales Branch
Kemerburgaz Sales Branch
Adana Sales Branch
Antalya Sales Branch
İzmir Feed Factory Branch
İzmir Armutlu Slaughterhouse Branch
Elazığ Slaughterhouse Branch
Elazığ Feed Factory Branch
Elazığ Hatchery Branch
Pamukçu Hatchery Branch
Bandırma Hatchery Branch
Doğruca Feed Factory Branch

2) Sustainability Principles

Environmental, social and corporate governance activities that fall within the scope of the Sustainability Principles Compliance Framework are carried out by our Company. The implementation of sustainability principles is voluntary and their impact on

environmental and social risk management is evaluated by our Company. A summary of sustainability activities is attached as Annex.

3) Important Developments

- As announced on 23.05.2024 on PDP's announced at PDP on 23.05.2024, Eren Bağımsız Denetim A.Ş. (Grant Thornton) was appointed at the Ordinary General Assembly of our Company for the year 2023 dated 14.05.2024 to audit the consolidated financial reports of our Company for the accounting period of 2024 and to carry out other activities within the scope of the relevant regulations in these laws in accordance with the principles determined in Turkish Commercial Code No. 6102 and the Capital Markets Law No. 6362, and the relevant matter was registered at the Bandırma Trade Registry Directorate.
- Since it is not beneficial for Tasfiye Halinde Banvit Enerji ve Elektrik Üretim A.Ş., a 100% subsidiary of our Company, to continue its activities, it was decided to initiate liquidation procedures at the general assembly meeting held on 4 April 2024. The liquidation of Tasfiye Halinde Banvit Enerji ve Elektrik Üretim A.Ş. is not expected to have a significant impact on the operations and financial statements of our Company. Public disclosure will be made when the liquidation process is completed.

4) Significant Developments After the Reporting Period

- The liquidation procedures of our subsidiary Nutrinvestments B.V. located in the Netherlands, in which our Company holds 100% of the shares and whose liquidation was announced on 31.03.2023, have been completed and the company has been withdrawn from the trade registry in the Netherlands as of 19.07.2024. The related disclosure was published on PDP.

Annex

BANVIT BRF SUSTAINABILITY STUDIES

As Banvit BRF, in addition to producing products that add flavor and practicality to our consumers' lives, we carry out our activities by focusing on sustainability issues. In order to reduce the carbon footprint in nature; We carry out applications in different areas from education studies to energy, from recyclable packaging to savings measures, from animal welfare to waste management. Within the framework of BRF's sustainability plan and related policies, we reinforce our determination to include ESG (environmental, social and governance) principles in our Company's future vision.

BRF's sustainability plan continues with our meticulous work at all stages of the value chain and in our operations from farm to table. We double our environmental commitment when it comes to sustainability.

Sustainable Development Goals that we are involved in within the scope of Banvit BRF Sustainability Strategy:

- SDG-2 (No Hunger)
- SDG-3 (Health and Quality of Life)
- SDG-6 (For Everyone Clean Water and Sanitation)
- SDG-7 (Accessible and Clean Energy)
- SDG-8 (Useful Business and Economic Growth)
- SDG-9 (Industry, Innovation and Infrastructure)
- SDG-12 (Responsible Consumption and Production)
- SDG-13 (Climate Action)
- SDG-15 (Life on Land)
- SDG-16 (Peace, Justice and Strong Institutions)

1. Strategy and Goals

Banvit BRF strategy has 5 basic principles regarding sustainability:

- Protecting the environment and being eco-efficient,
- Being inclusive and pluralistic of differences,
- Promoting animal welfare,
- Achieving innovative and sustainable solutions to global challenges,
- Acting in harmony with our partners and to positively impact the communities in which we operate.

In addition, there are 22 sustainability commitments created around these principles.

Membership Associations and Working Groups

In today's business world, sectoral cooperation and coordination are increasingly important. In this context, the associations and working groups of which we are members have become an important resource for companies.

First of all, they facilitate sectoral cooperation and coordination, ensuring effective communication and cooperation between companies engaged in similar industrial or commercial activities. Thanks to this cooperation, it is possible to follow developments in the sector and carry out joint projects.

We continue this initiative as an important opportunity to follow sectoral agenda topics, discuss sectoral problems and produce solutions. We carry out joint projects, technical feedback and industrial collaborations more effectively by coming together with working groups and all member companies. We see these platforms as important structures in terms of overcoming sectoral problems and finding sustainable solutions.

Associations

- YASED- International Investors Association
- Sustainability Academy
- BESD-BİR
- TOBB
- GGD (Food) Safety Association)
- TÜRKİYEM-BİR
- TÜĞİS
- DEİK
- TEİD

Working groups

- Circularity and Food Waste Management (Sustainability Academy)
- Climate Change and Resource Management (Sustainability Academy)
- Transparency, Traceability and Responsible Consumption (Sustainability Academy)
- Sustainable Supply Chain and Agriculture (Sustainability Academy)
- Environmental Working Group (BESD-BİR)

2. Sustainability Studies

In this report, we present the update results for the second quarter of 2024 and important points regarding the sustainability agenda.

- We purchased 32,978 MWh of electricity from renewable sources under the i-REC certificate. (January-June Period)
- In 2024, 15%* less natural gas consumption was achieved in our operations until June, which means approximately 3.048.32 tCO₂eq less emissions for the environment.
- Over 370,000 m³ of drinking water was produced with the “Wastewater Recycling Facility”. This represents the recovery of 46% of treated water.
- We aim to reduce our water use in our facilities by 13% by 2025. The result up to June 2024 is a reduction of 12.03% compared to the same period in 2020.