

KAYA PALAZZO RESORT & RESIDENCES LE CHIC BODRUM

SUSTAINABILITY REPORT 2024



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1. ABOUT THE SUSTAINABILITY REPORT

As Kaya Palazzo Resort & Residences Le Chic Bodrum, we launched our sustainability initiatives as of May 2024. In this context, we aim to play an active role in protecting the environment and supporting the development of sustainable tourism. At the same time, we are taking various steps to raise awareness among our employees and guests regarding the risks that threaten the future of the environment, nature, and healthy living.

All unit and department managers within our hotel are aware that in order for regional and national tourism activities to continue developing sustainably, it is of vital importance to protect natural life and all living species, to ensure clean air and seas, and to use natural resources efficiently and effectively.

We extend our sustainability vision beyond the hotel itself and develop it in cooperation with all our stakeholders; we embrace this understanding as a model of governance. Every step we take not only presents us with new opportunities but also continues to shape our roadmap on our sustainability journey.

2. OUR MISSION & VISION

Kaya Palazzo Resort & Residences Le Chic Bodrum is committed to delivering unforgettable experiences to its guests by combining a high-quality service approach with a professional team that has strong employee engagement. With an uncompromising commitment to guest satisfaction, it aims to become a pioneering brand recognized worldwide, guided by innovative management and sustainable quality principles.

Kaya Palazzo Hotels & Resorts brings to life its unique understanding of hospitality in the tourism sector through a dynamic organizational structure that draws strength from a deeply rooted corporate culture, embraces continuous learning, and remains open to innovation. By maintaining its position as a preferred brand among guests, employees, and all stakeholders, it aims for continuous improvement, backed by the trust and reputation it has earned. In this regard, it seeks to elevate its brand to a reputable, dependable, and high-quality position both in

Türkiye and on international platforms, with the goal of operating in various destinations around the world.

OUR HOTELS

- Kaya Palazzo Resort & Residences Le Chic Bodrum
- Kaya Palazzo Resort & Casino / Kyrenia
- Kaya Palazzo Golf Resort
- Kaya Palazzo Golf Club
- Kaya Palazzo Ski & Mountain Resort
- Kaya Palazzo Hotel & Residences / Ankara (2027)
- Kaya Artemis Resort & Casino
- Kaya Belek
- Kaya Side
- Kaya İzmir Thermal & Convention
- Kaya İstanbul Fair & Convention
- DorukKaya Ski & Mountain Resort
- Kaya Uludağ
- Kaya Greenpark

3. ABOUT KAYA PALAZZO RESORT & RESIDENCES LE CHIC BODRUM

Kaya Palazzo Resort & Residences Le Chic Bodrum has been in operation since 2020 and is located in the Asarlık area of Bodrum, one of the most distinguished and touristic regions of Muğla Province. Situated right on the seafront, the property offers guests a stylish and comfortable vacation experience in harmony with nature. Just 4 km from Bodrum city center, the hotel provides a peaceful retreat while also offering vibrant social spaces.

Its rooms, designed with a modern aesthetic, offer guests the comfort of home. The hotel's 200-meter-long private beach, with sunbathing and swimming areas, adds value to summer holidays, while the massages and wellness treatments offered at the SPA center provide opportunities for renewal and relaxation. Moreover, specially designed play areas and a mini club for children prioritize the comfort of families.

The hotel offers accommodation in both Full Board Plus and Bed & Breakfast concepts, serving carefully curated delicacies three times a day in its main restaurant. Additionally, à la carte dining options include Develi, Yada Sushi, and Steakhouse restaurants.

In line with its guest satisfaction-oriented service approach, the hotel also provides services such as car rental, airport transfer, water sports, laundry, and dry cleaning—ensuring a comfortable and complete holiday experience.



4. KAYA PALAZZO RESORT & RESIDENCES LE CHIC BODRUM MANAGEMENT POLICIES

The “Sustainability Policies” of Kaya Palazzo Resort & Residences Le Chic Bodrum represent our company’s commitment in this regard. Accordingly, all our initiatives will be shaped with this intention and direction. Our goal is to transform the principle of sustainability into a way of doing business in the key areas we will outline in this report, and to embed it into our corporate memory.

The success and continuity of our efforts can only be achieved by acting together with our employees, guests, business partners, suppliers, solution partners, and all stakeholders in our immediate environment, turning this into a growing and strengthening partnership each day.

At Kaya Palazzo Resort & Residences Le Chic Bodrum, it is highly valuable to raise employee awareness as an inseparable part of the sustainability approach, to provide opportunities for their involvement in the process, and to enable them to contribute to development opportunities. In this context, our annual training plans and orientations include topics such as social rights, support for local employment, protection of natural life, support for wildlife, historical and touristic landmarks of the surrounding area, cultural richness, ecological diversity, energy and water conservation, environmental activities and our recycling system, preference for local resources. These efforts aim to disseminate sustainability philosophy throughout the organization.

Our main objective is to provide strategic support across all company units and departments through a human resources management system aligned with the group’s business strategies. We aim to contribute to value creation for all stakeholders by promoting and fostering a culture of high performance. Furthermore, we aim to raise awareness at all levels through professional-level training identified during orientation or annual training needs assessments.

4.1 OUR QUALITY POLICY

As we institutionalize, we establish and implement our operational and management systems in compliance with international standards. Believing that there is always room for improvement, we continuously

measure and enhance guest satisfaction and service quality. We place the foremost importance on continuous training to raise staff awareness and ensure the sustainability of our systems.

We invest in new projects in alignment with national and regional policies. In our investments, we take guest expectations into account, closely follow technological developments, and continuously improve ourselves, always using our experience, knowledge, and skills constructively.

We act in accordance with the principle: “Investment in people is the greatest investment.” Through our transparent management approach, we ensure that all employees contribute to our system. We instill a corporate identity in all our employees to cultivate teamwork-oriented individuals and ensure long-term retention within the group. We continually increase our bed capacity. Through pioneering initiatives, we lead and set an example in the industry.

At Kaya Palazzo Resort & Residences Le Chic Bodrum, the importance we place on our guests, and the respect, love, and trust we have for each other and the services we produce, enable both our guests and employees to feel truly privileged.

4.2 OUR PROCUREMENT POLICY

In line with our sustainable procurement approach, we give importance to the following qualifications of our suppliers and solution partners:

- Possession of Quality Assurance Management Systems, Environmental and Occupational Health and Safety Management Systems, as well as internationally recognized environmental and sustainability labels/certifications,
- No harmful environmental impact in production and supply processes, and compliance with environmental legislation,
- Use of resources in a manner that does not harm natural life and the ecosystem, adherence to proper consumption methods and compliance with hunting bans,
- Efforts to minimize waste and manage it properly, provision of reduced packaging or bulk packaging alternatives,
- Offering environmentally friendly, resource-efficient, local, ethically conscious products and services made from recyclable or recycled materials, as well as organic, bio, vegan, cruelty-free products, and products free from harmful chemical components,

- Being a domestic and local producer/service provider,
- Offering products and services that reflect/promote the cuisine, traditions, and culture of our country/region.

We share this perspective with our supplier stakeholders and strive to create efficient procurement opportunities with them. Our goal is to minimize the environmental impacts arising from procurement processes.

4.3 OUR ENVIRONMENTAL POLICY

We comply with all applicable laws, regulations, legislations, and directives, and fulfill all associated requirements. We continuously review our environmental activities and set targets to ensure ongoing improvement.

Driven by the social responsibility principles of our brand, we consider it our duty to raise awareness and promote environmental consciousness—primarily among our internal customers (employees), but also among our guests, suppliers, and the local community.

We measure our performance in environmental management, monitor data against our targets, and work to improve our performance.

Without compromising on quality, we prefer products labeled as “recyclable” or “environmentally friendly” in our procurement to contribute to nature conservation. We endeavor to create opportunities for reuse.

We strive to use water, energy, and all natural resources efficiently. We share this sensitivity with our employees, guests, and suppliers.

Believing in the continuity of education, we ensure that environmental awareness is embraced not only by our employees but also by our guests. We also cooperate with local authorities in environmental protection projects.

Preventing environmental pollution and ensuring that a significant portion of recyclable waste is effectively recycled are among our key objectives.

We take care to separate our waste according to its source, category, and hazard class.

We store waste in appropriate areas based on its characteristics, deliver it to licensed/authorized companies within legal storage time limits, and maintain proper documentation.

We recognize that using hazardous substances and chemicals only when necessary and in appropriate quantities will reduce both negative environmental impacts and the amount of waste generated.

As Kaya Palazzo Resort & Residences Le Chic Hotel, we are committed to setting an example and taking a leadership role in protecting and sustaining the environment we live in.

4.4 OUR FOOD SAFETY POLICY

At Kaya Palazzo Resort & Residences Le Chic Bodrum, our goal is:

To safeguard human health by ensuring the highest hygiene standards before and after food service, offering unique flavors from world cuisines with our exceptional presentations, and with employees who embrace our commitment to superior quality.

We adopt the principle of “from farm to fork” and aim to effectively manage every step of the process—from supplier inspections to receiving, production, and food presentation.

We aim to raise awareness among all personnel who encounter food through the training programs we organize.

With the support of the laboratory services we receive, we conduct research and development activities, analyze our food safety standards, and strive to achieve near 100% compliance with the results.

Guest satisfaction—both domestic and international—is our top priority. We also contribute to increased employee motivation by ensuring they work in a healthy and clean environment.

4.5 OUR OCCUPATIONAL HEALTH AND SAFETY POLICY

Kaya Palazzo Resort & Residences Le Chic Bodrum considers it a duty to enhance occupational health and safety (OHS) awareness among all individuals, institutions, and organizations with which it interacts directly or indirectly. The company is committed to fulfilling its OHS

responsibilities toward its employees, public institutions, and the local and regional communities. We establish and maintain systems that prioritize Occupational Health and Safety.

To prevent work-related injuries and health issues among our employees, we commit to:

- Providing safe and healthy working conditions,
- Complying with applicable legal and other requirements to which we are subject,
- Taking measures to ensure employee consultation and participation,
- Setting OHS targets specific to Kaya Palazzo Resort & Residences Le Chic Bodrum, regularly reviewing these targets, and promoting this policy among all employees and subcontractors,
- Complying with applicable customer requirements, legal regulations, and legislation related to our OHS aspects,
- Working actively toward continuous improvement and accident prevention.

4.6 OUR CHILD RIGHTS POLICY

Children are entrusted to us as the future. Recognizing them as individuals, respecting their rights, and protecting them from all forms of exploitation—whether psychological, physical, or commercial—is our foremost responsibility.

To ensure this:

- We do not allow child labor within our own institutions and expect the same level of sensitivity from all our business partners.
- We provide environments and opportunities within our facility that contribute to children's development, allow them to freely express their thoughts, wishes, and emotions, and where they feel safe and comfortable.
- We provide training for our employees in preventing and recognizing child abuse.
- We ensure that children participating in activities are always supervised by responsible adults. We organize training

- programs and support relevant projects to raise awareness about the protection of children's rights.
- If we witness any suspicious actions involving children, we first report them to hotel management and, if necessary, seek assistance from official authorities.
 - Within the facility, our partnered Kids' Club offers a safe environment where children spend time under the supervision of trained staff.

4.7 OUR WOMEN'S RIGHTS AND GENDER EQUALITY POLICY

At Kaya Palazzo Resort & Residences Le Chic Hotel, we value gender equality. We ensure the health, safety, and well-being of all our employees, regardless of gender. We support women's participation in the workforce across all departments and provide equal opportunities. We operate based on a "Equal Pay for Equal Work" policy without gender discrimination. We assign duties regarding the principle of equality. We create an environment where all employees can benefit equally from career opportunities. We develop training policies that support women's participation and increase awareness. We establish working conditions and practices that maintain a healthy work-life balance. We support the presence of women in company management and provide equal opportunities for advancement. We do not tolerate any form of exploitation, harassment, discrimination, oppression, coercion, or slander against women. We acknowledge the value women add to our world and our institution, and we consistently support their presence.

4.8 OUR ENERGY EFFICIENCY POLICY

To protect our planet from potential dangers, we use energy efficiently and set goals to reduce our energy consumption.

To fulfill both our responsibilities toward nature and our legal obligations, we voluntarily follow national and international standards, laws, and regulations. We undertake actions to reduce our energy usage and continuously improve our energy consumption performance, and we track the outcomes of these efforts.

We set targets and include energy efficiency in our training programs to ensure employee participation.

We prioritize collaboration with all stakeholders to create common goals and results in energy management. We strive to maintain ongoing interaction with our guests, employees, visitors, and business partners to foster widespread awareness and consciousness regarding this matter.

We aim to research, procure, and use energy-efficient products, equipment, tools, and technology alternatives.

We aim to document our energy management system, disseminate it across all departments, update and review it when necessary, and ensure its continuous improvement.

We assess potential emergencies such as energy risks or energy constraints and plan appropriate preventive measures.

4.9 OUR DIGITALIZATION POLICY

As Kaya Palazzo Resort & Residences Le Chic Bodrum, our goal during the institutionalization process is to embrace digitalization at a level that does not compromise our ability for social interaction.

We believe that digital transformation is a tool that enhances speed, efficiency, security, and data analysis capabilities in our infrastructure, contributing to our corporate development and work culture, supporting business continuity, enabling us to stay up to date, and helping improve the quality of our services.

We aim to strengthen our marketing strategies through digital tools to increase brand awareness, boost sales, and achieve sustainable growth.

By improving our existing data communication infrastructure and technological capacity, we follow the latest trends and technologies.

To reduce errors and improve efficiency in our business processes, we focus on expanding our use of automation, smart systems, control systems, data analysis, and reporting tools.

We work to create the necessary conditions for an open and innovative corporate culture and to enhance our employees' digital competencies.

By transitioning our business models and practices in various operational processes to efficient digital platforms, we aim to provide added value to our organization, our guests, and our business partners.

5. OUR APPROACH TO SUSTAINABILITY IN MANAGEMENT

Kaya Palazzo Resort & Residences Le Chic Bodrum is committed to:

- Encouraging respect for and sensitivity toward the natural environment among everyone within our hotel,
- Enhancing the capacity of our employees and their families to understand and respect the natural environment, and fostering awareness of the interdependence between people, plants, animals, and the earth,
- Supporting the development of positive attitudes and values in line with sustainable practices,
- Ensuring that our managers and staff adopt and implement sustainable practices in their day-to-day activities.

These policies apply to all hotel managers and employees.

Our hotel managers are fully aware of the importance of protecting nature and other living beings, ensuring clean air and seas, and using resources wisely to ensure the continuous and sustainable development of regional and national tourism. Our employees, guests, and suppliers are engaged in ongoing communication and awareness efforts around these issues.

5.1 OUR SUSTAINABILITY TEAM



6. ENVIRONMENTAL IMPACT

As Kaya Palazzo Resort & Residences Le Chic Bodrum, we conduct all processes in cooperation with our contracted environmental consultancy firm in full compliance with applicable requirements and standards.

At our facility, which operates in compliance with environmental standards, waste controls and other related practices are carried out, reported, and documented through our contracted consultancy firm.

HAZARDOUS WASTE

ELECTRONIC SCRAP EQUIPMENT WASTE, CARTRIDGES, BATTERIES, AND ACCUMULATORS

In our facility's administrative building and office areas, toner boxes and cartridge waste are generated as a result of using photocopiers, fax machines, and printers. Electronic waste generated in the facility includes devices and equipment that have reached the end of their economic life after use. Battery waste from battery-powered devices is collected in special containers located within the office area. Collected electronic devices, cartridges, batteries, and accumulators are

transported to the temporary storage area, where they are stored separately. Waste batteries may be stored in the temporary storage area for a maximum of 90 days and stacked no more than five units high.

WASTE OILS

During oil changes of machines at Kaya Palazzo Resort & Residences Le Chic Bodrum, synthetic motor oils, transmission oils, and lubricating oils are generated as waste.

VEGETABLE WASTE OILS

Expired frying oils from our kitchen, staff kitchen, and restaurants are collected in designated areas within special Vegetable Waste Oil Collection Barrels. These are then collected by a licensed company and sent to a recycling facility for biodiesel production.

The oils are delivered to our contracted recycling company via our environmental consultancy firm using the MOTAT code.

MEDICAL WASTE

At Kaya Palazzo Resort & Residences Le Chic Bodrum, we provide a 24-hour infirmary service for both our guests and employees. Being a winter resort, the rate of illness at our facility is relatively higher. As the Kaya family, we place significant importance on health.

We ensure that waste is properly transported and segregated.

Medical waste is generated as a result of healthcare services offered at our facility. The proper collection, transportation, and storage of this waste at the source, without causing harm to environmental health, is crucial for protecting public health. Below are images of our collection structures. Once a sufficient amount of waste is collected separately at the source within these structures, it is delivered to a certified healthcare facility.

AGRICULTURAL WASTE

Throughout our facility, including green areas, parks, and gardens, agricultural pesticides are used to eliminate pests and harmful insects that may damage plant species. Empty containers of these pesticides are stored in sealed containers in the agricultural waste section of the hazardous waste storage area.

NON-HAZARDOUS WASTE

Throughout our facility, from goods receiving to administrative offices, guest rooms, bars, kitchens, restaurants, and similar units, as well as from personnel use, packaging waste is generated. These wastes are stored in designated temporary storage areas specifically allocated for packaging waste within the facility. The disposal of packaging waste is conducted by TEM-ÇEV Temizlik Çevre Geri Dönüşüm Tur. Nakl. İmzal. İth. İhr. San. ve Tic. Ltd. Şti., a company licensed in the collection and separation of packaging waste. The packaging waste, classified as paper-cardboard, composite packaging, plastic, and metal containers—collected regularly by the company—is transported in mixed form, whereas glass waste is separated and transported from designated bins to a sorting facility where it is included in the recycling process and reintegrated into the economy.

We use these waste bins throughout our parking areas and various other points of the facility.

PACKAGING WASTE CONTAMINATED WITH HAZARDOUS MATERIALS

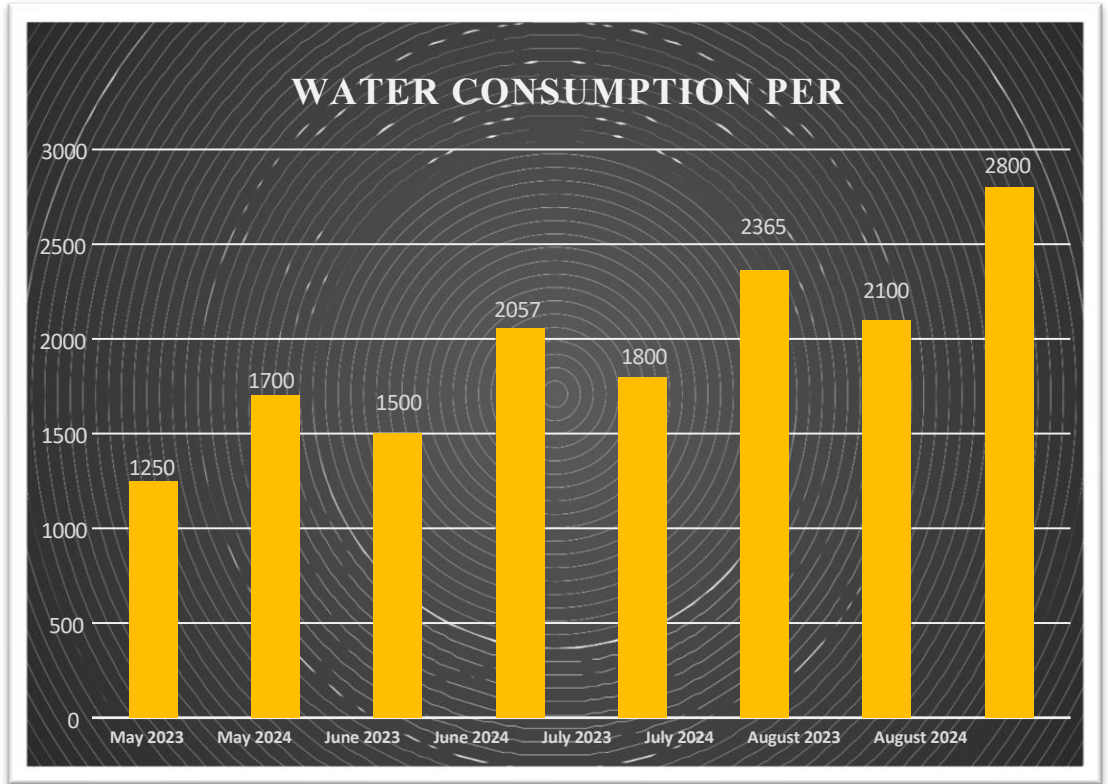
Packaging waste contaminated with hazardous substances is generated as a result of various activities within the facility, such as:

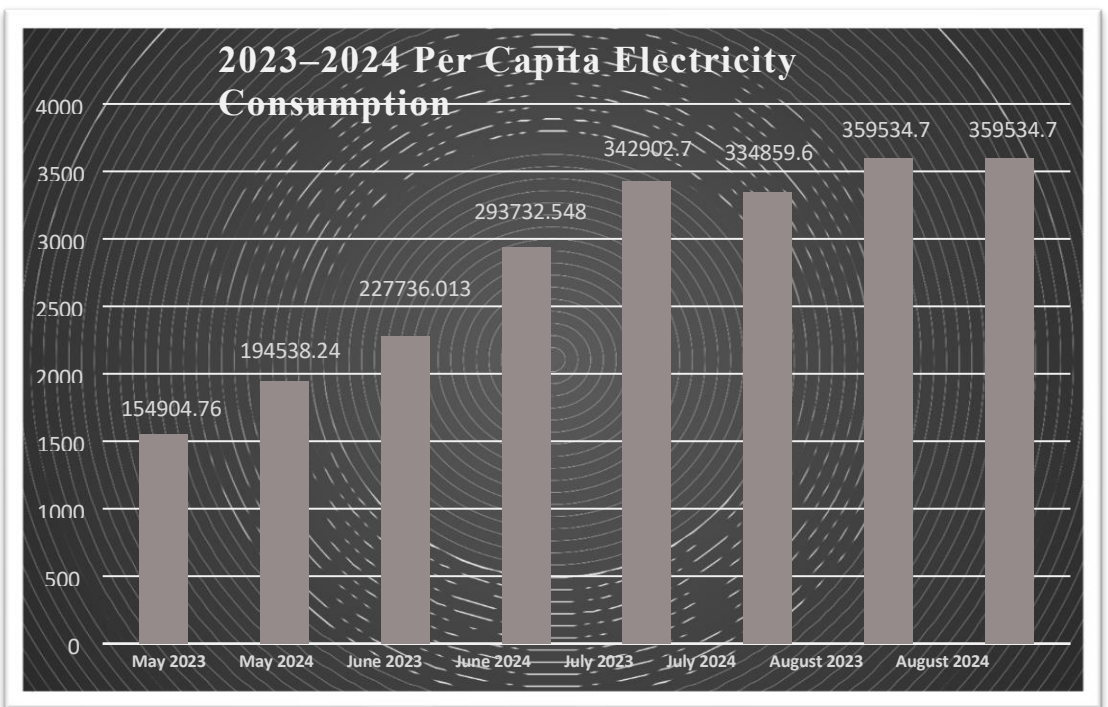
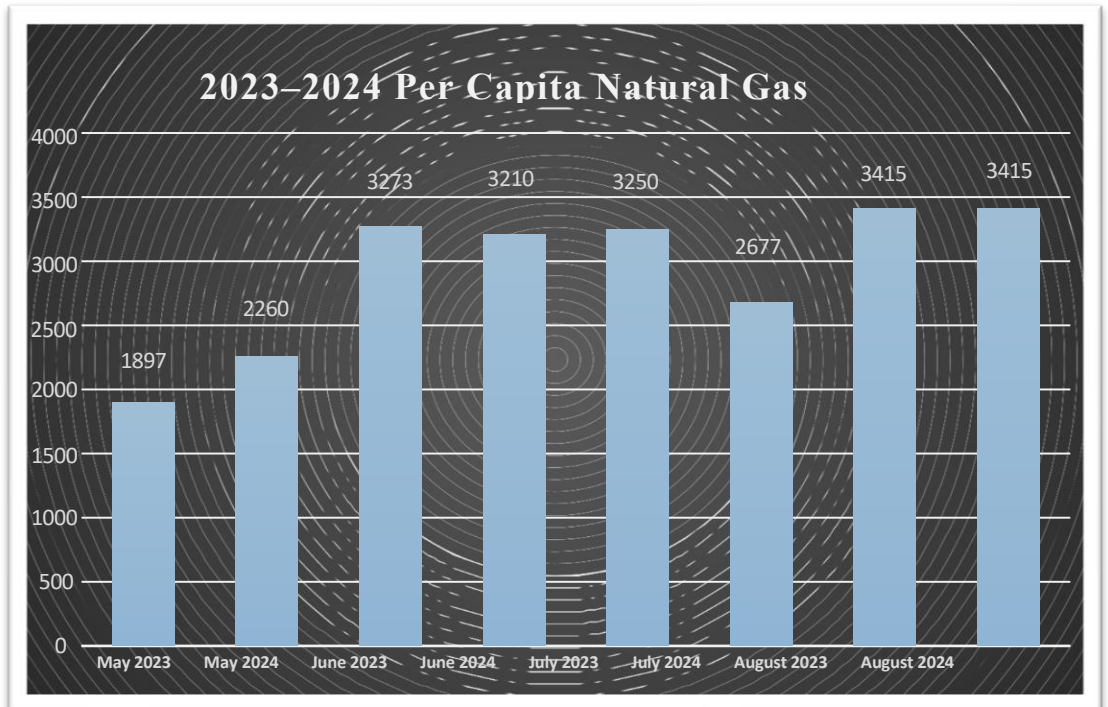
Paint containers contaminated with indoor and outdoor paint and maintenance materials used during periodic renovations of the facility,

Packaging waste contaminated with chlorine, algacides, and similar chemicals used in pool maintenance and cleaning,

Packaging waste contaminated with detergents and other cleaning chemicals used in the kitchen and laundry areas of the facility,

Packaging waste contaminated with gardening protection chemicals used in landscaping and motor oil generated during generator maintenance activities. Our facility has a specially designated and designed section for the storage of hazardous waste.





CARBON FOOTPRINT

We prioritize selecting product and service suppliers that are locally based and operate within short transportation distances in the region.

Reducing our carbon footprint is one of our core sustainability goals, and all departments work in line with this objective.

7. PROCUREMENT AND SUPPORT FOR LOCAL SUPPLIERS

At Kaya Palazzo Resort & Residences Le Chic Bodrum, all materials delivered to the facility are overseen by our procurement department. We place significant importance on procuring all products at the highest quality level, in line with the standards and services of the hotel. We collaborate with regional suppliers known for their high quality and reliable service.

We are fully committed to supporting local suppliers within the scope of our sustainability principles.

We conduct monthly audits with our contracted suppliers. These audits are conducted with the aim of mutual improvement, ensuring our continuous support for sustainability and maintaining consistent quality in the products supplied to the hotel.

For products delivered to various areas of the facility, we give attention to sourcing from companies that support recyclable packaging practices.

Our priority is to collaborate with suppliers who provide environmentally friendly, resource-efficient, locally sourced products that uphold ethical values and do not contain harmful chemical components.

It is also a key consideration in our supplier selection that production and delivery processes do not have harmful environmental impacts and that the suppliers comply with environmental regulations.

8. OUR APPROACH TO BIODIVERSITY

At Kaya Palazzo Resort & Residences Le Chic Bodrum, our landscaping design includes a wide variety of both endemic and non-endemic species in terms of biodiversity. Among the leading endemic

species, we prioritize and protect olive trees—commonly found in the Bodrum region—by including them within our premises and ensuring their proper care and maintenance.

In addition, oleaster and oleander trees can also be seen in many areas throughout the facility.

9. OUR APPROACH TO WILDLIFE

We also place immense importance on natural life within the facility. There are swallows that have made nests in certain areas of the hotel, and no action has been taken that would disturb their natural habitat.

To further demonstrate our support, birdhouses have been installed to provide birds with a more comfortable living space.

In addition, wild boars are commonly found in the Bodrum region.

10. PERSONNEL AND WORKING LIFE

At Kaya Palazzo Resort & Residences Le Chic Bodrum, we uphold all the rights of our employees. Employees are the most valuable resource in the tourism sector. Accordingly, all social rights, training, and occupational safety measures are provided and supported by hotel management. Our facility legally protects the rights of all personnel. No employee is paid below the minimum wage. They also receive their entitled benefits on special occasions. Personnel are evaluated based on their performance and competencies and are placed in appropriate positions accordingly.

As a hotel, one of our key goals is to raise awareness among our staff about sustainability and to ensure their contribution to this management system through collective effort.

No employee is discriminated against based on religion, language, or ethnicity; all staff members are treated equally within our hotel. The Kaya Group, which highly values human rights, is particularly attentive to this matter.

11. TURKISH CUISINE

With its wide variety of flavors, Turkish cuisine is recognized as one of the finest in the world. Each region of our country offers its own unique tastes.

At Kaya Palazzo Resort & Residences Le Chic Bodrum, our restaurants and buffets offer a wide array of flavors to both local and international guests. By incorporating regional specialties into our menu, we contribute to the promotion of Turkish gastronomy, especially in our hotel, which serves a distinguished guest profile.

As part of sustainable tourism, we consider it our responsibility to present our culture and cuisine to our guests in the most feasible way. In this context, we also use products specific to the Bodrum region, thereby supporting local suppliers in the area.

In our hotel kitchens, we place immense importance on food safety and hygiene. To this end, product analyses are carried out in laboratory settings. To prevent foodborne illnesses, we take daily witness samples and perform regular checks. Our hotel conducts all operations in line with its quality standards while taking all necessary measures to protect human health.

12. CULTURAL INTERACTIONS

We are fully aware of our responsibility in preserving local culture and values. In this context, we show the utmost sensitivity toward:

- Cultural promotion,
- Contributing to the commercial volume of the region,
- Promoting the area's natural and historical richness,
- Actively engaging in efforts to create employment opportunities for the local community and participating in related activities.
- As Kaya Palazzo Resort & Residences Le Chic Bodrum, in order to help our guests better understand the region and our culture, we provide “Bodrum Promotional Brochures” in both English and Turkish during the check-in process.

OUR CERTIFICATES



Green Key



Kaya Palazzo Resort & Residences Le Chic Bodrum is one of the leading resorts in Bodrum, thanks to its unique location and stunningly beautiful sea.

We have been honored with the Blue Flag and Green Key awards as a result of our sensitivity to environmental protection and marine preservation.

The attention and care we show toward sea cleanliness and compliance with legal criteria is a testament to the importance we attach to sustainable tourism. Our goal is to maintain the cleanliness of our seas and ensure that our facility continues to be a sustainable establishment through regular inspections, thereby achieving consistency in this area as well.

Respectfully,

Kaya Palazzo Hotels & Resorts