

ALARKO HOLDİNG A.Ş. 2022 SUSTAINABILITY REPORT

	<i>If the compliance status with the principles is "Yes" or "Partly", the details of the relevant report/link for the publicly disclosed information should be included.</i> <i>Explanations on compliance with the principles are included in the "Explanations" column.</i> <i>The extent to which the requested information is provided on a consolidated or solo basis should be indicated in the "Explanations" column.</i>	COMPLIANCE STATUS				EXPLANATIONS	DETAILS OF THE RELEVANT REPORT REGARDING PUBLICLY DISCLOSED INFORMATION (Page number should also be specified)/LINK
		YES	NO	PARTLY	N/A		
	A. General Principles						
	A1. Strategies, Policies, and Objectives						
A1.1	Material environmental, social, and corporate governance (ESG) issues, risks, and opportunities have been identified by the Company's board of directors.			X		Process-based risk analyses were conducted. There are regulations regarding relations with shareholders, stakeholders, and the public as part of the Code of Ethics.	Alarko Corporate Website /Investor Relations/Corporate Governance
	ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) have been developed and disclosed to the public by the board of directors.			X		People and Organizational Policy and Stakeholders Policy have been developed	Alarko Corporate Website /Investor Relations/Corporate Governance
A1.2	Short and long-term objectives set within the scope of ESG policies have been disclosed to the public.			X		The Company continues to work on this matter.	Alarko Corporate Website/Investor Relations/Annual Report
	A2. Implementation/Monitoring						
A2.1	Committees and/or units responsible for the implementation of ESG policies, as well as the employees in the Company with the top-level responsibility for ESG issues and the duties of these employees, have been identified and made public.	X				Announced on PDP	Alarko Corporate Website /Investor Relations/Material Disclosures
	The activities carried out within the scope of the policies by the responsible committee and/or unit were reported to the board of directors at least once a year.	X				Reported to the Board of Directors	Alarko Corporate Website/Investor Relations/Annual Report
A2.2	Implementation and action plans have been developed and disclosed to the public in line with ESG objectives.			X		The Company continues to work on this matter.	Alarko Corporate Website/Investor Relations/Annual Report
A2.3	ESG Key Performance Indicators (KPIs) and the level of achievement of these indicators on an annual basis have been disclosed to the public.		X			The Company continues to work on this matter.	
A2.4	Activities to improve the sustainability performance of business processes or products and services have been disclosed to the public.		X			The Company continues to work on this matter.	
	A3. Reporting						
A3.1	Information on the Company's sustainability performance, objectives, and actions was provided in the annual reports in an understandable, accurate, and sufficient manner.	X					Alarko Corporate Website/Investor Relations/Annual Report

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A3.2	The Company has publicly disclosed information on which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to.			X		The Company continues to work on this matter.	Alarko Corporate Website /Investor Relations/Corporate Governance
A3.3	Lawsuits filed against and/or finalized on ESG issues, which are important in terms of ESG policies and/or may significantly affect operations, have been disclosed to the public.				X	None	
A4. Verification							
A4.1	ESG Key Performance Measures of the Company have been verified by an independent third party and disclosed to the public.		X			The Company continues to work on this matter.	
B. Environmental Principles							
B1	The Company has publicly disclosed its environmental policies and practices, action plans, environmental management systems (ISO 14001 standard), and programs.	X				The company is equipped with ISO 14001 certificate	Alarko Corporate Website/Investor Relations/Annual Report
B2	Regarding the environmental reports in which information on environmental management is provided, the scope of the report, reporting period, reporting date as well as restrictions on reporting conditions have been disclosed to the public.		X			The Company continues to work on this matter.	
B3	Explained in A2.1.						
B4	Environmental objectives included in the rewarding criteria as part of the performance incentive systems have been disclosed to the public on the basis of stakeholders (such as board members, managers, and employees).		X			The Company continues to work on this matter.	
B5	How material environmental issues are integrated into business objectives, and strategies has been disclosed to the public.		X			The Company continues to work on this matter.	
B6	Explained in A2.4.						
B7	How environmental issues are managed and integrated into business objectives and strategies across the Company's value chain, including its suppliers and customers as well as into the operation process, have been disclosed to the public.		X			The Company continues to work on this matter.	
B8	It has been disclosed to the public whether relevant institutions and non-governmental organizations were involved in environmental policy-making and the nature of collaborations with these institutions and organizations.		X			The Company continues to work on this matter.	
B9	In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts), information on environmental impacts has been disclosed to the public, allowing periodical comparison.		X			The Company continues to work on this matter.	
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate the data have been disclosed to the public.		X			The Company continues to work on this matter.	
B11	The increase or decrease in environmental indicators for the reporting year in comparison with previous years has been disclosed to the public.		X			The Company continues to work on this matter.	

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B12	Short and long-term targets have been set to reduce environmental impacts, and these targets and progress against the targets set in previous years have been disclosed to the public.		X			The Company continues to work on this matter.	
B13	A strategy to tackle the climate crisis has been developed and planned actions have been disclosed to the public.		X			The Company continues to work on this matter.	
B14	Programs or procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been developed and disclosed to the public.		X			The Company continues to work on this matter.	
	Actions have been taken to reduce the greenhouse gas emissions of third parties (e.g. suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.		X			The Company continues to work on this matter.	
B15	Environmental benefits/gains and cost savings from initiatives and projects aiming to reduce environmental impacts have been disclosed to the public.		X			The Company continues to work on this matter.	
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data have been disclosed to the public as Scope-1 and Scope-2.		X			The Company continues to work on this matter.	
B17	The amount of electricity, heat, steam, and cooling generated in the reporting year has been disclosed to the public.		X			The Company continues to work on this matter.	
B18	Studies have been conducted to increase the use of renewable energy and transition to zero or low-carbon electricity and publicly disclosed.		X			The Company continues to work on this matter.	
B19	Renewable energy production and consumption figures have been disclosed to the public.		X			The Company continues to work on this matter.	
B20	Energy efficiency projects have been conducted and the amount of energy consumption and emission reductions achieved through energy efficiency projects have been disclosed to the public.		X			The Company continues to work on this matter.	
B21	Water consumption, the amount of water extracted from underground or surface water bodies, and if any, the amount of recycled and discharged water, relevant water sources, and procedures have been disclosed to the public.		X			The Company continues to work on this matter.	
B22	It has been disclosed to the public whether the operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade, or Carbon Tax).		X			The Company continues to work on this matter.	

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B23	Information on carbon credits accumulated or purchased during the reporting period has been disclosed to the public.		X			The Company continues to work on this matter.	
B24	If carbon pricing is applied within the Company, the details have been disclosed to the public.		X			The Company continues to work on this matter.	
B25	The platforms where the Company discloses its environmental information have been disclosed to the public.		X			The Company continues to work on this matter.	
C. Social Principles							
C1. Human Rights and Employee Rights							
C1.1	A Corporate Human Rights and Employee Rights Policy has been developed in line with the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey, and other applicable legislation, the parties responsible for the implementation of the policy have been identified and the policy and responsible parties have been disclosed to the public.			X		Included in the People and Organizational Policy and Stakeholders Policy	Alarko Corporate Website /Investor Relations/Corporate Governance
C1.2	Fair labor practices, improvement of labor standards, women's employment, and inclusion (such as non-discrimination based on gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, trade union activities, political opinion, disability, social and cultural differences, etc.) are included in the policy on employee rights, taking into account supply and value chain impacts.	X				Included in the People and Organizational Policy and Stakeholders Policy	Alarko Corporate Website /Investor Relations/Corporate Governance
C1.3	Measures taken across the value chain to protect the rights of economically, environmentally, and socially vulnerable groups (low-income segments, women, etc.) or minority rights/equal opportunities have been disclosed to the public.		X			The Company continues to work on this matter.	
C1.4	Progress in preventing and remedying discrimination, inequality, human rights violations, forced labor, and child labor has been disclosed to the public.			X		Included in the Code of Ethics and Standards of Professional Conduct	Alarko Corporate Website /Investor Relations/Corporate Governance
C1.5	Investment in employees (training, development policies), compensation, benefits, the right to unionize, solutions for maintaining work/life, and talent management are included in the policy on employee rights.			X		Included in the Code of Ethics and Standards of Professional Conduct	Alarko Corporate Website /Investor Relations/Corporate Governance
	Mechanisms for resolving employee complaints and disputes have been established and dispute resolution processes have been determined.		X			The Company continues to work on this matter.	
	Activities carried out during the reporting period to ensure employee satisfaction have been disclosed to the public.		X			The Company continues to work on this matter.	
C1.6	Occupational health and safety policies have been developed and disclosed to the public.		X			The Company continues to work on this matter.	

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	Measures taken to prevent occupational accidents and protect health, and accident statistics have been disclosed to the public.		X			The Company continues to work on this matter.	
C1.7	Personal data protection and data security policies have been established and disclosed to the public	X				A Personal Data Protection policy has been developed.	Alarko Corporate Website /About Us/Protection of Personal Data
C1.8	Ethics policy has been established and disclosed to the public	X				Included in the Code of Ethics and Standards of Professional Conduct	Alarko Corporate Website /Investor Relations/Corporate Governance
C1.9							
C1.10	Informative meetings and training programs have been organized for employees on ESG policies and practices.		X			The Company continues to work on this matter.	
C2. Stakeholders, International Standards and Initiatives							
C2.1	A customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.		X			The Company continues to work on this matter.	
C2.2	Information on communication with stakeholders (stakeholder, topic, and frequency) has been disclosed to the public.			X		Disclosed as part of the Investor Relations activities	Alarko Corporate Website/Investor Relations/Annual Report
C2.3	International reporting standards adopted in reporting have been disclosed.		X			The Company continues to work on this matter.	
C2.4	Principles adopted in relation to sustainability, international organizations, committees, and principles of which the Company is a signatory or member have been disclosed to the public.		X			The Company continues to work on this matter.	
C2.5	Developments have been made and studies have been carried out to be included in the sustainability indices of Borsa Istanbul and/or international index providers.		X			The Company continues to work on this matter.	
D. Corporate Governance Principles							
D1	Stakeholders have been consulted when identifying sustainability measures and strategies.		X			The Company continues to work on this matter.	
D2	Social responsibility projects, awareness-raising events, and training have been conducted to raise awareness of sustainability and its importance.			X			Alarko Corporate Website / Responsibility / Overview