



AKKÖK HOLDING
SUSTAINABILITY
PROGRESS REPORT
2022



AKKÖK
HOLDING

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ABOUT THE REPORT

Akkök Holding Sustainability Progress Report 2022 has been prepared in line with the requirements of the United Nations Global Compact, to which Akkök Holding (Holding) is a party.

The policy, implementation and performance results of the Holding and its subsidiaries between 01.01.2022 - 31.12.2022 regarding the 10 basic principles set forth by the convention under the headings of "Human Rights", "Labor Standards", "Environment" and "Anti-Corruption" have been presented to stakeholders as a requirement of transparency and accountability principles. While social and financial performance indicators include consolidated data of Akkök Holding and all its subsidiaries, environmental indicators include data of Aksa Akrilik, Akkim and Akenerji, subsidiaries that report on sustainability. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines constitute another reference point for the disclosed performance results. The contact address for feedback, suggestions, questions and criticisms regarding the report is: surdurulebilirlik@akkok.com.tr.

MESSAGE FROM THE CHAIRMAN OF THE EXECUTIVE BOARD

Dear Stakeholders

2022 was a year in which the effects of the Russia-Ukraine war were felt and at the same time economic difficulties prevailed. While leaving this challenging year behind with planning, competitive approach and decisive financial management, we continued to observe that sustainability, which we consider as one of the focal points of our operations, and the practices we have implemented in this direction have brought us to a more competitive position as in previous years.

As Akkök Holding, we increased our combined turnover to TL 78.5 billion in 2022 despite macro challenges and uncertainties. In addition, we maintained the share of our exports in total turnover and reached an export figure of TL 13 billion. All these results brought us one step closer to our goal of catching up with global competition conditions and reaching world standards with all our companies.

With this report you are reading, we are pleased to share with you a summary of our performance in the field of sustainability in 2022. This report is prepared in line with our commitment to the United Nations Global Compact, of which we are also a signatory. We will continue to present these performance results to you, our stakeholders, in the upcoming



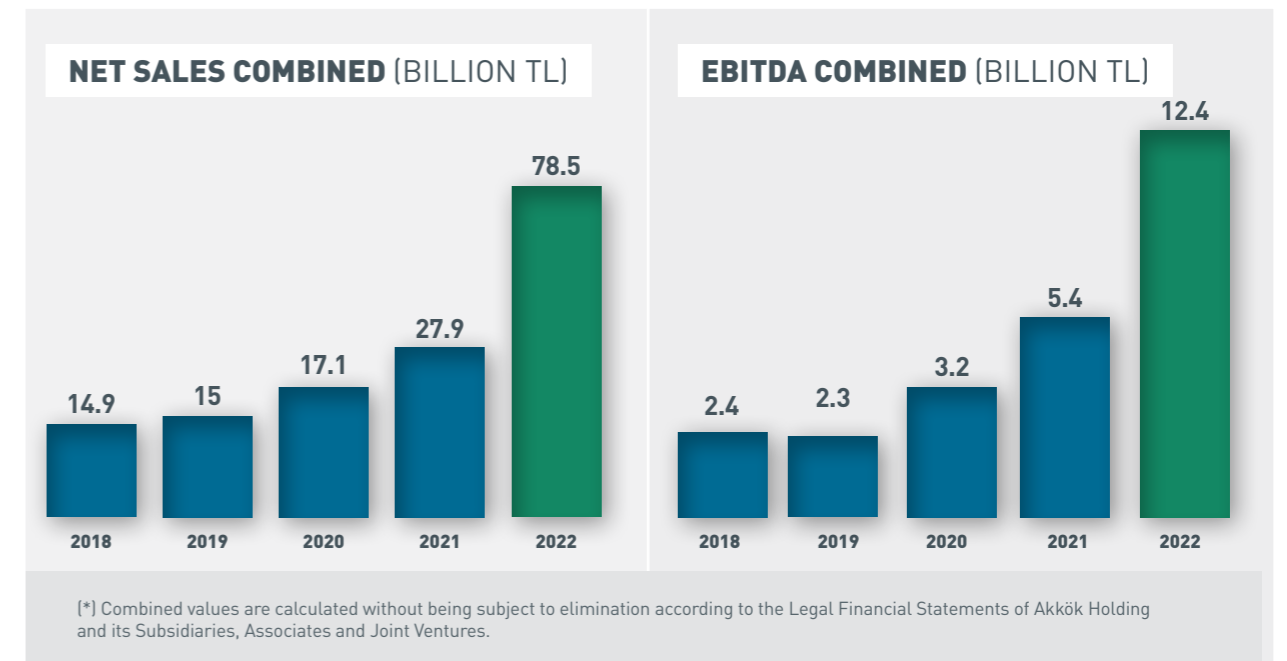
Ahmet Cemal Dördüncü
Chief Executive Officer and Board Member

activity periods. Our aim is to spread an integrated sustainability approach that carries the results we have achieved further throughout our entire value chain.

I would like to extend my gratitude to all our stakeholders, especially our employees, who have contributed to achieving this performance.

CORPORATE PROFILE

The foundations of Akkök Holding, one of Turkey's most well-established organizations, were laid in 1952 by the late Raif Zinckök. With 70 years of experience, the Holding focuses on the chemicals, energy and real estate sectors and has 23 operational companies and 24 production facilities, 4 of which are located abroad. Akkök Holding, which closely monitors foreign markets in the sectors in which it operates, aims to catch up with global competition conditions and reach world standards with all its companies.



CORPORATE MEMBERSHIPS

Global Compact Turkey	Turkish Industry and Business Association (TUSIAD)
Internal Audit Institute of Turkey (TIDE)	Women in Technology Association
Ethics and Reputation Society of Turkey (TEID)	Business Plastics Initiative (BPG)
Corporate Governance Association of Turkey (TKYD)	Acrylic Based Composites, Advanced Materials and Technology Manufacturers Association
Istanbul Chamber of Commerce (ITO)	Yuvam Earth Climate Action Association
We Are With You Association	Global Compact Signatories Association
Foreign Economic Relations Board (DEIK)	Women on the Board of Directors
Business Council for Sustainable Development (BCSD Turkey)	

CHEMISTRY	CHEMISTRY
AKSA ACRYLIC	EPSILON
Founded within Akkök Holding in 1968	Leadership in the manufacturing and assembly processes of aerospace, aerospace and defense industry composite and metal bond parts in the private sector.
330 thousand tons/year production capacity with 100% Turkish capital	Joined Akkök Holding in 2021.
600 thousand square meters of installed area	
Turkey's only and the world's leading acrylic fiber producer with 25% market share	
	ENERGY
AKKİM	AKENERJİ
Production of more than 1,500 products with a total production capacity of 800,000 tons	Joining forces between Akkök Holding and Czech energy company CEZ Group
Exports to 70 countries on six continents	Representative of foresight and stability in the energy sector
Over 1,000 employees	1,224 MW of installed power
	5.4 TWh trade volume
AKCOAT	SEDAŞ
Founded in 1979	24 hours uninterrupted energy distribution service to a population of 3.8 million in 21 operation centers on an area of 20 thousand square kilometers covering the provinces of Sakarya, Kocaeli, Bolu and Düzce.
155,000 tons of production capacity per year with a facility area of 100,000 square meters, including 40,000 square meters of indoor space	Forward-looking plans and projects by following the technology for quality and reliable electrical energy
Nearly 500 employees, indirect employment for 1,000 people	Modern business at the speed required by the age
	SEPAŞ ENERJİ
DOWAKSA	
Joint venture between Dow Chemical Company and Aksa Akrilik SanayiiA.Ş.	Electricity retail company that is the last source supplier of Bolu, Düzce, Sakarya and Kocaeli
One of the strongest companies in the production of carbon fiber and carbon fiber intermediates	Electricity supply service to 4 million people all over Turkey
Integrated carbon fiber composite solutions for industrial sectors, especially energy, transportation, defense and infrastructure sectors	Efforts to take the digitization and customer experience to the next level
The first and only Turkish company operating in the carbon fiber sector	Efforts to transform into a nationally known company with innovative approaches by maintaining its dominance as the market leader in its region

SERVICES	REAL ESTATE
AKMERKEZ LOKANTACILIK	AKİŞ GYO
Atmosphere that combines elegance and comfort at Paper Moon	Representative of Akkök Holding's experience and expertise in shopping center investment and management
A city classic among the distinguished brands of the Istanbul food and beverage industry	World class investments. Differentiating projects
World standards in food and service quality	Pioneer of quality and reliability in the real estate industry
Interior design that reflects luxury and simplicity	Wide portfolio of commercial real estate focused on shopping malls and street retailing
AKASYA KIDS WORLD	AKMERKEZ GYO
Owner of the license rights of KidZania in Turkey, which operates in 20 countries and 27 cities	Innovative perspective, aesthetic and comfortable space
Opportunity for children to take on nearly 120 roles in 67 activity areas according to their skills and interests.	A living center beyond a shopping center
8.000 square meters area location	Vitality in city life with original design and social and cultural activities
AK-PA	DİNKAL
Export to more than 90 countries in 6 continents (acrylic fiber, carbon fiber, inorganic and organic chemicals, and frit)	Among the preferred companies in the insurance industry
Brand strength in the market with fiber and yarn group products (polyester, polyamide, viscose, cotton)	Potential to serve in all insurance branches
Among the leading exporting companies in the field of textiles in Turkey	Creative solutions for each customer, specific to their industry
AKTEK	High quality service standard
Applications to keep the technological infrastructure of group companies up to date	
Applications to keep the technological infrastructure of group companies up to date	
One of the leading brands in the IT industry	
High service standards and customer satisfaction	



Akkök Holding's corporate governance understanding and structure shaped by the principles of transparency and accountability are at the heart of its success. This understanding and structure, which focuses on sustainable growth and aims to create value for all stakeholders, has been maintained for more than 70 years.

Akkök Holding's corporate governance structure includes the Board of Directors and the Executive Board. The Board of Directors consists of 8 members, and the Executive Committee, which is advised by the Chairman of the Board of Directors, has a total of 8 members, 3 of whom are representatives of the companies they are responsible for. The Chairman of the Executive Committee is also the CEO of the company. The CEO is responsible for and reports to the Board of Directors for all activities of Akkök Holding. Women constitute 50% of Akkök Holding Board of Directors members and 25% of Executive Committee members.

Akkök Group companies comply with laws and regulations in all geographies where they operate. Accordingly, compliance is ensured through internal audit and internal control mechanisms, while risks that may jeopardize the existence and future of the Holding are identified through the corporate

risk management program, relevant actions are taken and business strategies are structured. All subsidiaries of Akkök Holding adopt a corporate governance approach. Akkök Holding subsidiaries included in the Corporate Governance Index are subjected to evaluations every year under the main headings of shareholders, public disclosure and transparency, stakeholders and board of directors within the framework of the Capital Markets Board (CMB) Corporate Governance Principles.

2021 In 2022, Aksa Akriklik Kimya Sanayii A.Ş. increased its Corporate Governance Rating Score from 9.72 to 9.75 and won the second prize. Maintaining its 9.75 rating in 2022, Aksa has been included in the "Winners" list for the last seven consecutive years at the Corporate Governance Awards organized by the Corporate Governance Association of Turkey.

Akiş REIT raised its Corporate Governance Rating from 9.54 in 2018 to 9.62 as of the end of 2019, and managed to raise its rating from 9.63 in 2020 and 2021 to 9.64 in the reporting period. With this rating, it managed to maintain its position as the company with the highest Corporate Governance Rating among real estate investment trusts and construction companies. You can find detailed information about Akkök Holding Board of Directors and Executive Committee at [2022 Annual Report pages 20 -27](#).

SUSTAINABILITY MANAGEMENT

Creating long-term value for all stakeholders and minimizing the negative impacts resulting from business processes is the basis of Akkök Holding's corporate sustainability approach. Corporate governance, sustainable growth in harmony with the environment and social responsibility are indispensable concepts that Akkök Holding prioritizes in all its activities with the awareness of corporate citizenship and have a decisive importance in the preparation of the corporate roadmap. All subsidiaries are informed about the sustainability approach and projects that create added value in social, environmental and economic areas are realized in the light of corporate policies and targets.

Within the scope of sustainability management, Akkök Holding presents its activities in line with the titles and principles compliant with the United Nations Global Compact (UNGlobal Compact), which it signed in 2007, to the views of its stakeholders through the reports it prepares on an annual cycle.

During the reporting period, within the scope of the new period "purpose, mission, vision and values" review planning within the Holding, work was initiated with the main motivation to invest in innovation and technology in order to carry deep-rooted and sustainable ecosystems into the future, to produce new generation solutions, to adopt a philosophy that will enable all business models to be sustainable with environmentally friendly and resource-saving behaviors, and to reduce costs through high efficiency and more flexible production opportunities.

Within the scope of the priority of "realizing pioneering work on sustainability in all sectors in which we operate", the Green Strategy Group was established in 2022 to strengthen cooperation with group companies in sustainable and environmentally friendly growth. In this context, work has started in areas such as renewable energy, resource utilization and biodiversity, which are among the current requirements of sustainable growth.

[Click here to access the Akkök Holding Sustainability Policy.](#)

Akkök Group companies regularly share their corporate and sustainability governance developments with their stakeholders in line with the principles of transparency and accountability. While Aksa Akriklik, Akenerji and Akiş REIT publish annual activity reports, Aksa Akriklik, Akenerji and Akiş REIT publish a Progress Report and a sustainability report within the scope of the "United Nations Global Compact". Akenerji started to publish its sustainability reports as an integrated annual report as of the 2021 fiscal year. Akkim publishes a progress report once a year and sustainability reports every two years. Akiş REIT joined the BIST Sustainability Index in 2019. Akenerji has been included in the BIST Sustainability Index since 2016. Aksa Akriklik was included in the BIST Sustainability Index for the second time in 2019. In 2022, Aksa Akriklik's third Integrated Report was shared with the public. DowAksa and Akcoat published their first sustainability reports. All reports are available on the corporate websites of the subsidiaries.



Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

As a strong supporter of sound ethical principles, Akkök Holding promotes a corporate environment characterized by responsibility, openness and equality in its management strategy. It aims to ensure full compliance with legal requirements and standards by shaping its business operations around a model compatible with the basic principles of universal human rights. Within the Holding, the welfare of employees and business partners is protected in line with the principles of the Universal Declaration of Human Rights and the UN Global Compact.

Akkök Holding adopts an inclusive approach in its interactions with all stakeholders, regardless of factors such as religion, language, race, political beliefs or gender. Akkök Holding's human rights approach is based on effective communication with stakeholders, understanding their expectations, defending their rights and organizing activities accordingly. In this context, comprehensive assessments of compliance with human rights principles among suppliers and subcontractors are carried out for Akkök Holding and its affiliated group companies. Various training programs have been initiated to increase suppliers' understanding of human rights.

All subsidiary companies operating within Akkök Holding are committed to preventing child labor and informal employment practices of their suppliers and subcontractors. In the supply chain, in case of non-compliance with the provision in the supply contracts that prohibits child labor and informal employment practices, suppliers are warned and the supply is stopped until the non-compliance is eliminated.

Akkök Corporate Group Code of Business Ethics serves as a guiding tool for ethical behavior and provides a framework for group policies associated with ethical rules. This resource provides guidance on ethical behavior, especially for employees.

Akkök Group of Companies Code of Business Ethics <https://www.akkok.com.tr/Files/akkokis-ethics.pdf> for more information.

Throughout the Group, trainings are organized and communication activities are carried out to raise employee awareness on human rights. In the reporting period, Akkim employees received 56 person*hour, Aksa employees received 930 person*hour, DowAksa employees received 832 person*hour, and SEDAŞ employees received 2,592 person*hour of business ethics training, including human rights topics.

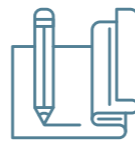
Akkök Holding attaches importance to the protection of personal data within the scope of its human rights approach. Akkök Holding Personal Data Protection and Processing Policy is the rule-making document of the Holding and its subsidiaries in this field. This Policy sets forth the principles regarding the personal data processing activities carried out by Akkök Holding A.Ş. in accordance with the law and the protection of personal data. Thus, the personal data of customers, company

partners, officials, visitors, employees and officials of cooperating institutions and third parties are protected by the Holding.

Information security practices are continuously improved at the Holding and its subsidiaries to ensure data security.

You can access Akkök Holding Protection of Personal Data and Processing Policy at <http://www.akkok.com.tr/Files/KVKK.pdf>





Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Akkök Holding regards its employees as its key stakeholders and its most valuable resources. Therefore, creating a democratic, participatory, respectful of human rights and people-oriented working environment constitutes an important focal point within the company's objectives.

Akkök Holding adopts the principle of equal opportunities for all in all business operations within the framework of its Human Resources Policy. This principle also reflects the company's proactive attitude against discrimination. Different communication methods are actively encouraged to increase employee participation in decision-making processes and to create a more democratic working environment.

Akkök Holding complies with the principle of equal pay for equal work within the framework of its remuneration policy in all its businesses. This means that basic salaries remain consistent regardless of gender, while compensation and promotion procedures take into account only individual performance and abilities. Promoting the representation of women in management positions is actively supported. During the reporting period, no incidents of discrimination were recorded within the operations of Akkök Holding and its affiliated group companies.

The right to organize and collective bargaining rights of employees of Akkök Holding and its group companies are respected.

These practices aim to continuously improve working conditions and ensure employee welfare.

Akkök Holding and its group companies' approach to human and employee rights maintains its impact in the supply chain. During the reporting period, there were no cases of child labor or forced/brutal labor within the scope of the operations of Akkök Holding and group companies, and no activities in the supply chain that carry a risk regarding these issues.

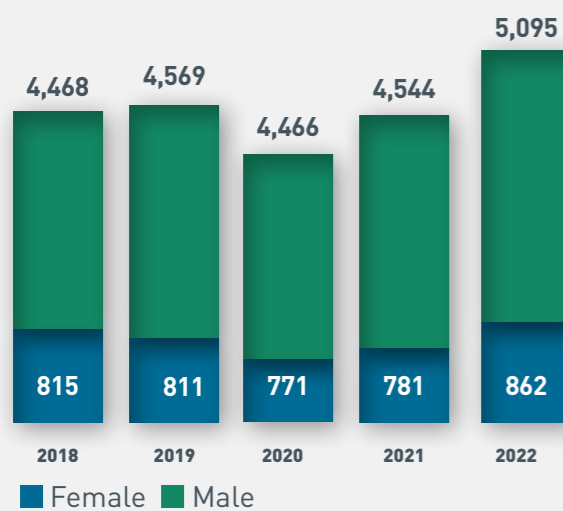
Akkök Holding and its group companies have suggestion gathering and evaluation practices where active feedback and ideas of employees are collected. Employees' feedback is actively evaluated and the suggestions obtained are put into practice. Thus, active participation of employees in decision-making mechanisms is supported and a participatory working environment is created. During the reporting period, 433 of the 1,288 suggestions submitted by employees of group companies Aksa Akrilik, Akkim, Akenerji and Akcoat, Sepaş and SEDAŞ were implemented.

Akkök Holding and group companies offer training opportunities for employees to increase their competencies and improve themselves. Accordingly, in the reporting period, Aksa Akrilik employees received 48,746 person*hour, Akenerji employees received 13,045 person*hour and Akkim employees received 33,693.35 person*hour of training.

AkkimCe

Within the scope of the AkkimCe project, female employees with children are given leave on the opening and closing days of schools. Within the scope of the project, it is planned to carry out practices such as mentoring female students in Yalova and Nazilli, reorganizing milk rooms in Akkim locations, 3 days of paternity leave in addition to the legislation, and training programs for families on home economics and child development. The project also aims to gradually increase women's employment at operational and professional levels over the next three years.

NUMBER OF TOTAL EMPLOYEES BY GENDER



EXECUTIVE LEVEL EMPLOYEES (CEO, UPPER AND MIDDLE LEVEL EXECUTIVES)



Aksa Academy

Aksa Academy, the Corporate Training Academy Project, was put into practice during the reporting period. In this context, 72 employees participated in the Expert Development Program and 72 managers, 21 of whom were mid-level and 51 of whom were first-level, participated in the Leader Development Program.

Akcoat Leadership Program

All professional level employees were included in the program. The Director category received 4 days of training, the Executive level employees received 7.5 days of training, and the Specialist and Assistant Specialist level employees received 3.5 days of training. This program aimed to provide leadership development for all professional level employees.

Yıldız Akköklüler

The purpose of the Yıldız Akkök Group Reward System is to recognize and appreciate successful projects in our group companies and the employees who implement them, to increase solidarity within the group, to contribute to a learning organization culture, and to encourage and ensure the continuity of successful works in line with our group's strategies. Award evaluations are carried out once a year. The system is based on nomination for award categories. The Yıldız Akköklüler award system consists of Sustainability, Collaboration Development, Operational Excellence, Entrepreneurship and Innovation categories.

GREAT PLACE TO WORK

At Aksa Akrilik, Akkim, Akenerji and Sepaş, within the scope of the "Great Place To Work"-Trust Index, employees' feedback on the working environment is received and important inputs are obtained for their performance in this area. Through surveys conducted every three years under the headings of "Trust", "Respect", "Justice", "Pride" and "Team Spirit", the companies receive employees' evaluations on this issue, identify areas for improvement and development, and implement relevant practices.

Akenerji "Lead the Future 1 and 2" Program

The "Lead the Future 1" leadership program received a bronze award in the "Best Use of Blended Learning Category" at the Stevie Awards. In the "Lead the Future 2" program, one of the leadership development trainings held regularly every year, a total of 118 people, consisting of managers and employees in the expert group, completed their training under the leadership of trainers.

Akiş REIT Medallion Reverse Mentoring Program

With the aim of empowering young employees who are the leaders of the future, the Company launched the Medallion Reverse Mentoring Program. Nine Mentors and nine Senior Executive Mentees participated in the program where young employee Mentors transfer their knowledge and experience to more experienced managers under the titles of "Leadership Style", "Business Management" and "New Generation Practices".



ENVIRONMENT



Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Global challenges such as global climate change and the rapid depletion of natural resources are significant. Combating these environmental risks requires significant support from the business world to ensure sustainability. In this context, Akkök Holding and its group companies pay attention to reducing their environmental impact, ensuring efficient use of natural resources and implementing effective waste, energy and emission management in all their activities. All activities of Akkök Holding and group companies are carried out in accordance with national and international quality standards. While prioritizing the use of environmentally friendly materials and technologies, it is aimed to continuously monitor environmental performance and improve it through improvement efforts.

Akkök Environment Committee has the highest authority to oversee environmental sustainability across the Holding. Beyond strategies, the committee is responsible for ensuring the dissemination and integration of key performance indicators across the group. In each group company, the Environmental Committee ensures rigorous oversight of the environmental targets set in line with the strategy and aims to seamlessly integrate this approach across the entire value chain.

In addition, regular environmental trainings are provided to the employees of group companies in order to increase awareness of environmental sustainability among employees and to improve environmental protection awareness. In the reporting period, 674 person*hour of environmental training was provided to Akrilik employees, 161 person*hour

During the reporting period, Akxa Akrilik spent **USD 5.2 million**, Akkim **USD 45,000**, Akenerji **USD 647,000**, SEDAŞ **TL 237,403**, and DowAkxa **TL 31,034,049** on environmental protection, water, energy efficiency and investments.



to Akenerji employees, 189.45 person*hour to DowAkxa employees, 350 person*hour to Akcoat employees and 236.5 person*hour to Sepaş employees.

Combating climate change is among the leading sustainability priorities of group companies. In this context, Group companies take action in line with Akkök Holding's management approach, focus on efficient energy and emission management practices and continuously improve their performance in this area. Practices in these areas are managed by the Energy Management Units and Boards of the companies. Akkim, Akxa Akrilik, Akenerji, Akcoat, DowAkxa fulfill the requirements of ISO 14001, ISO 50001 and 14064-1 standards. In addition, Akxa Akrilik holds the ISO 14046 Water Footprint Standards Certificate and water footprint studies are carried out at Akkim based on ISO 14046 standards.

Akkim signed the Responsible Care Commitment and became one of the first companies in Turkey to implement the program. Akxa Akrilik's CDP (Carbon Disclosure Project)

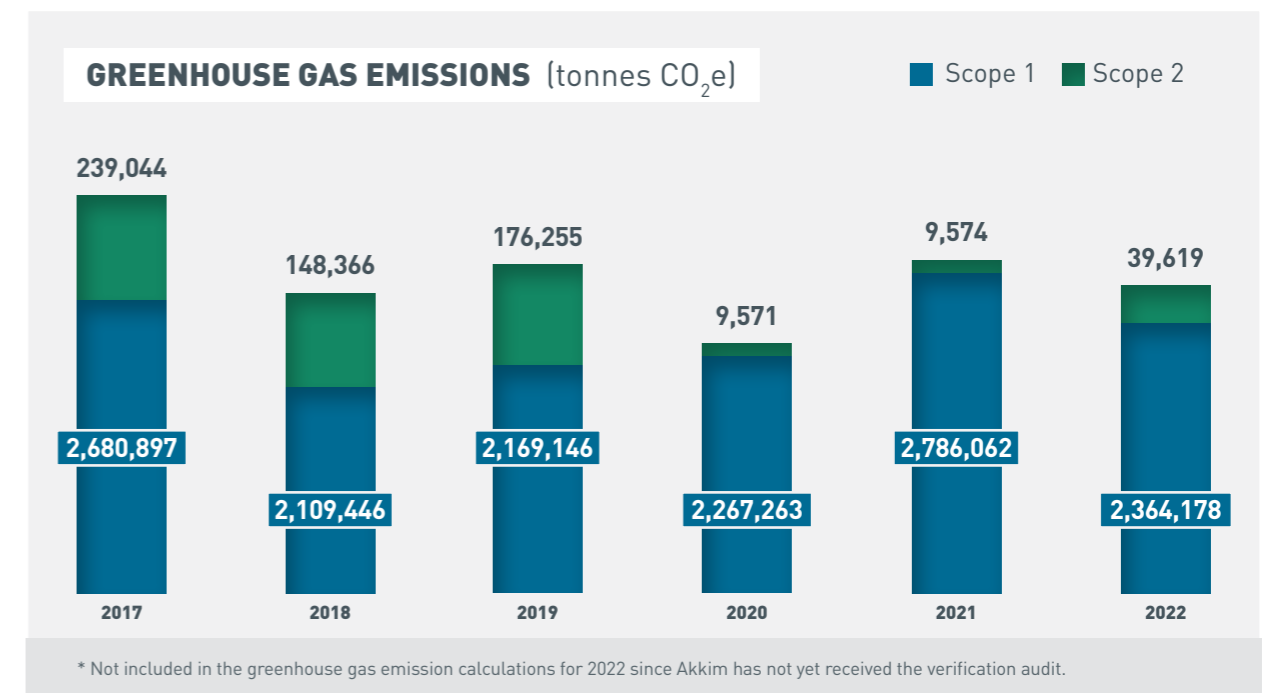
Climate Change score was announced as B+, while its water security score was B+.

Akenerji was rated at B "Management" level in the 2022 CDP Climate Change report and B "Management" level in the 2022 CDP Water report.

Akiş REIT was rated B- "Management" in the CDP Climate Change report for 2022, making it the only publicly traded REIT in its sector.

The greenhouse gas emissions of all group companies are audited annually by an independent organization and the amount of emissions is documented with comprehensive assurance. The calculation of energy consumption and greenhouse gas emissions of Group companies is based on international standards such as ISO 50001 Energy Management System and ISO 14064-1 Greenhouse Gas Calculation and Reporting Standard.

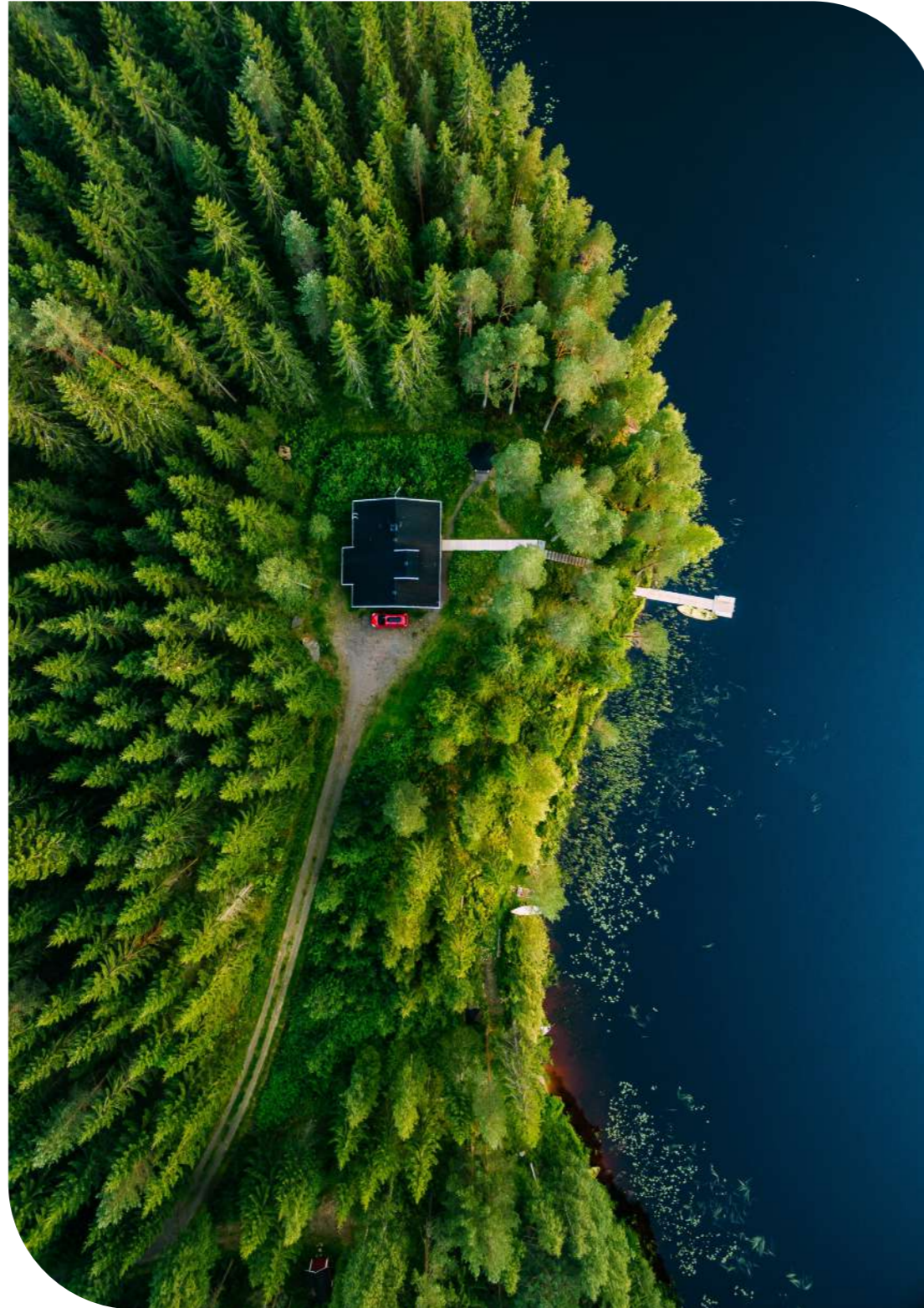
The realizations in Scope 1 and Scope 2 emissions resulting from Akxa Akrilik, Akkim and Akenerji activities during the reporting period are presented below.



Green Strategy Group

The Green Strategy Group aims to strengthen the cooperation between Akkök Holding chemical companies under the leadership of Akkim and to create common benefits on issues such as sustainability, circular economy, clean energy and climate change adaptation. In this direction, it is aimed to determine the environmental sustainability strategy and roadmap of Akkök Holding and group companies according to EU harmonization framework policies and to review their management strategies.

As of March 2022, the Task Force was established as a first in the Holding structures, including 7 companies (Akkök, Akkim, Akcoat, Aksa, Dowaksa, AkişGYO, Akgirişim) and YALKİM, including the management group sponsors. Corporate risks, ETS (Emissions Trading System), carbon reduction target, greenhouse gas calculation within the scope of SBTi (Science Based Targets Initiative), conversion of existing energy resources to renewable resources / substitution, use of carbon certificates, circular economy, product initiatives, taxonomies constitute the working subjects within the scope of decarbonization strategy, renewable energy substitution, increasing water reuse, protection of biodiversity priority issues.



Group companies carry out projects to reduce energy consumption and increase efficiency in line with Akkök Holding's sustainability approach. During the reporting period, Aksa Akriklik achieved approximately 47,249 MWh/year of energy savings through energy saving projects and recovered 37,016 MWh/year of waste heat energy and reused it in its processes.

In 2022, Akkim achieved 6,745,000 kWh/year of energy savings with the Membrane Replacement in Chlorine Alkali Plant Electrolyzers project, 893,621 kWh/year of energy savings with the project of Using Condensate Water in the Caustic Evaporation System as Boiler Water, and 400,000 kWh/year of energy savings with the Condensate Recovery (SPS) project.

In 2022, Scope 1 emission values at Akenerji decreased by 36% compared to the previous year. The reason for the 32% increase in Scope 2 emissions is the increase in the amount of electricity purchased in 2022 due to less production at Erzin natural gas power plant compared to the previous year. Total energy consumption decreased by 5.8% compared to the previous reporting period.

Within the scope of Akcoat operations, 4 air fuel systems were replaced in 2022 and transition to an oxygenated combustion system was achieved. In the Enamel Melting department, machinery/equipment was improved to increase capacity. This resulted in a reduction in energy consumption per ton. Energy savings were achieved by increasing the use of oxygen furnace instead of air-fired furnace in production. Compared to 2021, 12.9% improvement was achieved in set value.

Within the scope of saving efforts to use lighting, heating, cooling and ventilation systems more efficiently in Akbatı and Akasya within the scope of Akiş REIT operations; CO2 temperature reading system integration was commissioned and existing lighting fixtures were replaced with LED fixtures. In addition, the pumps in the cooling system were made flow-controlled with a driver. These efforts resulted in annual energy savings of 571,283 kWh at Akasya and annual energy savings of 345,638 kWh at Akbatı.

In SEDAŞ operations for Geyve and Taraklı Locations, 8263 kWh of electrical energy was saved annually with the completion of natural gas conversion in order to reduce electricity consumption due to heating and hot water in regions where natural gas infrastructure was provided, and consumption due to heating and hot water was provided as clean energy through natural gas.

Within the scope of the protection and conscious use of natural resources, which are among the sustainability priorities of Akkök Holding and group companies, many practices, especially water saving, recycling and reducing waste at source, are implemented and better performance is targeted in this context.

Akenerji has been participating in the CDP Water Program since 2015, when the program was first implemented in Turkey.

Aksa Akrilik became the first company in the chemicals and textile industry in Turkey to obtain the ISO 14046 Water Footprint Standard Certificate for its efforts in sustainable water management. Akkim started drawing water flows within the scope of the ISO 14046 standard in 2019, and published the "Akkim Water Footprint Inventory Report" in 2020 in accordance with the Water Footprint Standards.

The wastewater generated within the scope of the Group companies' operations is

discharged in accordance with the criteria and methods specified in the regulations. Commissioned in 2015, a joint treatment plant located in the YALKİM Organized Industrial Zone treats all domestic and industrial wastewater arising from the operations of the Group companies together. The water recovered at the facility is raw water of dam water quality, and the negative impacts on the ecological balance are significantly reduced with the alternative raw water source created.

Waste management practices at Akkök Holding group companies are carried out by reducing waste at its source and ensuring its disposal/recycling in accordance with the legislation.

At Akkök Holding, when group companies want to increase capacity at new investment sites or existing facilities, Environmental Impact Assessment stages are fulfilled in full, thus proactively taking precautions for the possible negative impacts of new projects on biodiversity.

Business Plastic Initiative

Akkök Holding has become a signatory of the Business World Plastics Initiative (BPG) in line with the aim of being a part of the solution in the fight against plastic waste pollution. In this context, Akkök Holding, Aksa Akrilik, Akkim, Akcoat, Akiş REIT, SEDAŞ, Akenerji and Sepaş Energy committed to save 8.01 tons in their administrative buildings and non-production areas.

Akcoat Boiling Water-Water Vapor Abrasion Test Equipment Water Recovery Project

Most of the devices in the R&D center are planned taking into account the recycling of resources with the principle of sustainability. Among these, the boiling water abrasion resistance test device operates 24/7 and is planned to save water with its recyclable resource infrastructure. Within the scope of the project, a total of 10,512 tons of water is saved annually.

South Akkim Water Projects

Process, pure water and steam savings were achieved through 6 different projects realized at the South Akkim location. In this context, 196,705 m3/year process water, 75,219 m3/year pure water, 3,059 tons/year steam, 789 tons/year CO2 emission reduction were achieved.

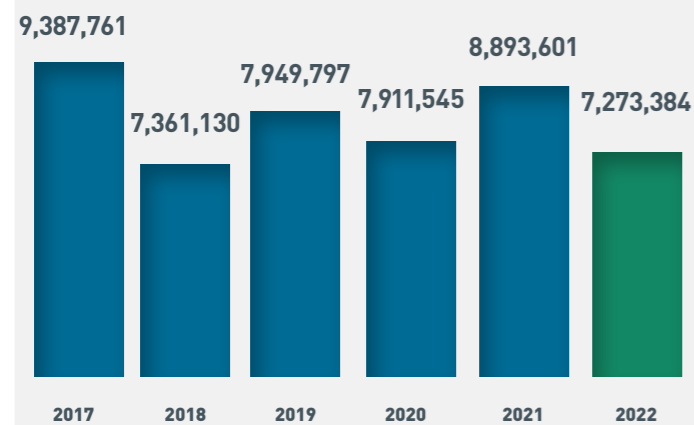
SEDAŞ Zero Waste Project

Resources (responsible person, waste bins, weighing equipment, monitoring tables and notification systems, etc.) have been provided for the collection and sorting of waste generated within the scope of zero waste. An inventory has been created to determine whether there are sufficient packaging waste collection bins for zero waste generated in all workplaces (excluding waste from field operations).

Design Study on DowAksa I-Box Units

A study was carried out within the framework of the BlackBelt methodology for optimization of process speed and efficiency of resource utilization. Detailed design revisions were carried out on the I-box units and the existing design was improved to significantly reduce resin waste.

TOTAL WATER CONSUMPTION (M³)



AMOUNT OF WASTE BY TYPE (TON)





Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Akkök Holding and its affiliated group companies adopt responsibility, openness and ethical business standards at all stages of their operations. In this context, measures to prevent bribery and corruption are deeply embedded in the company's core strategies. Akkök Holding and its group companies diligently fulfill their obligations in the fight against bribery and corruption through effective communication, training and auditing methods. As a result, their aim is to set an example in the sectors in which they operate and for their stakeholders.

The rules that Group companies should take as a basis in their relations with all stakeholders are included in the "Akkök Group of Companies Business Ethics Principles" document. The document defines the framework for the Holding's and group companies' relations with their employees, partners, suppliers, customers, dealers, other stakeholders and the public and is based on the principles of responsibility, honesty, trust and equality, confidentiality and compliance with the law. The principles determine the Group's approach to the risks of legal and ethical non-compliance, including bribery and corruption.

Akkök Group of Companies Ethics Committee is the organizational structure required for the effective implementation of the Code of Business Ethics at the Holding. The Board, consisting of ethics representatives selected from all companies, operates in accordance with the Akkök Group of Companies Ethics Committee Working Regulation.

Akkök Group of Companies Code of Business Ethics <https://www.akkok.com.tr/Files/akkokis-ethics.pdf>

In order to combat ethical violations, an Ethics Line has been established for all stakeholders, especially employees, where they can report violations of principles. The Ethics Line is managed by an expert and independent organization.

The line operates on a confidential basis and every day of the week, and the identity information of the notifiers is kept confidential and can be shared with the Ethics Committee with the permission of the relevant persons. Akkök Holding has committed that no adverse action will be taken against those who report violations to the Ethics Line.

Akkök Holding group companies attach importance to communication and training practices in order to ensure that the principles are adopted at all levels of the companies, accepted and implemented as fundamental and indispensable corporate values.

Akkök Holding Internal Audit Group conducts audits through Internal Audit Teams and independent auditors, and performs controls in various areas, particularly in increasing the efficiency of operations, ensuring financial reliability and compliance with laws and regulations. Within the framework of the annual internal audit plan established by the Group, regular controls are carried out regarding bribery and corruption risks. During the reporting period, there were no cases of corruption or bribery detected within the scope of audits.



For Akkök Holding and its group companies, increasing the welfare and progress of the regions in which they operate is considered a fundamental responsibility. Within this framework, the aim of creating social benefit goes beyond a simple social responsibility approach and is seamlessly integrated into every aspect of business operations. As a result, the direct and indirect economic value created for stakeholders is further strengthened through participation in social responsibility projects, infrastructure investments, support for sports, health, culture, arts and education. In all community-oriented projects, the active participation of volunteer stakeholders is encouraged.

Recognizing that social sustainability can only be achieved with an educated generation, Akkök Holding demonstrates this awareness through the schools it builds and the educational projects it contributes to.

Akkök Holding aims to pioneer the development of social and cultural life in the regions where it operates. To this end, it supports corporate social responsibility projects in the fields of culture and arts.

Akkök Holding is an organization that is aware that it has achieved its current success with the support it receives from the society. Therefore, Akkök Holding not only works to improve social and cultural life in the regions where it operates, but also considers its support for sports as an important contribution to the development of young generations.

Women's Energy Project

Jointly carried out by Akkök Holding energy group companies Akenerji, SEDAŞ and Sepaş Enerji "Women's Energy Project" reached 1,500 people in its first year. Within the scope of the "Women's Energy" project, which includes various trainings, talks and workshops, mentoring, internship and scholarship opportunities, Akenerji organizes the "Women's Energy - On Campus", SEDAŞ "Women's Energy - Next" and SEPAŞ "Women's Energy - Something Must Be" programs.

The target audience of the project, which aims to increase women's employment in the energy sector and support female employees in their career journeys; middle school, high school and university students, as well as women working in the energy sector.

Within the scope of the projects, many different studies have been implemented to support the career journeys of university students, employees' girls studying in secondary school, high school and university, and women in group companies.

Human-space interaction with the theme "Dialogue"

The face of the hiking trail known as the German Stream in Beşiktaş is changing. Cooperation initiated by Akkök Holding with Beşiktaş Municipality and the Repairers Club with the aim of giving the park an identity around the theme of "dialogue", urban furniture designs and basketball court floor applications were realized.

In addition, Aksa Acrylic Kindness Team volunteers and Repairers Club made repairs and design interventions for Aksa Vocational and Technical Anatolian High School students to have a more enjoyable time at their school. Within the scope of the project, the interior and exterior of the school were colored with determined designs, and the school's need for a library and outdoor socialization area was met with furniture units designed together with the participants.

Other Awards Won

- Akcoat "Future Project" ranked 2nd in the Manufacturing (Engineering) category among Turkey's best talent programs at Toptalent.co
- With its innovative and sustainable packaging solution, the "Lessbox" project was deemed worthy of the first prize in the "Innovation" category at Alfa de Oro, one of the most prestigious awards of the ceramics industry, and the best logistics and distribution packaging award at the internationally prestigious Liderpack Awards.
- Akenerji received a Bronze Award in the "Best Use of Blended Learning" category from the Stevie Awards with its "Lead the Future" Program.
- Akkim was ranked 42nd in the LACP Worldwide Top 100 Reports (Top 100 Worldwide) list with its sustainability report within the scope of 2021/22 Vision Awards organized by LACP (League of American Communications Professionals) and also received the "Platinum Award" and "Technical Achievement Award".
- DowAksa was deemed worthy of an award in the 'Investment' category at the 'IAmChamPion Awards2022' organized by the American Companies Association (AmCham Turkey) with its new investment, the foundations of which were laid in April 2022.
- SEDAŞ was deemed worthy of the "Most Commendable" company award in 2022.