

Cengiz Holding A.Ş.

Environmental Policy

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Objective and Scope

The objective of the Environmental Policy ("**Policy**") is to protect nature and standardize a sustainable environmental management system in all our Group companies in line with our "Leader and Pioneer" vision while carrying out the activities of Cengiz Holding A.Ş. and our Group Companies ("**Cengiz Holding**", " **Holding**" or "**Group**").

At Cengiz Holding, all our employees and managers shall be obliged to comply with this Policy. We expect all our stakeholders to comply with the provisions of this policy and undertake to take the necessary measures to ensure this.

As Cengiz Holding, we are obliged to serve as an example and a pioneer in all sectors where we operate, to realize our work in the best manner and in accordance with international standards and the legislation specified in Türkiye. We initiate our work with this basic approach and complete our projects without compromising this approach.

We support our values, which we set out with trust, quality, and service, with this Policy.

Definitions

If the terms, words and expressions used in the policy have not been defined under this title, their meanings shall be taken from the legislation in force and sectoral meanings.

Aichi Biodiversity Targets⁸: This is a consensus consisting of a total of 20 goals under 5 primary goals for the conservation of biodiversity.

European Green Deal⁹: It is a set of policy initiatives carried out by the European Commission aimed at neutralizing Europe's climate in 2050.

UN: It is the abbreviation of United Nations international organization.

UN Global Compact¹⁰: It is a UN convention consisting of ten basic principles setting out the objectives on improving human rights, labor standards, fight against corruption, environmental rights, and workers' rights.

UN Sustainable Development Goals¹¹: It is the call for action of the member states of the United Nations (UN) to combat climate change, starvation, and poverty all over the world.

Environment: It is the whole ecosystem that covers all living and non-living beings on earth and includes areas such as air, water, soil, and vegetation.

Carbon Footprint: It is the extent of the damage caused to the environment by human activities in terms of the amount of greenhouse gas produced and measured in terms of unit carbon dioxide. The carbon footprint consists of two main parts: direct/primary footprint and indirect/secondary footprint.

⁸ <https://www.cbd.int/sp/targets/>

⁹ https://ec.europa.eu/info/sites/default/files/european-green-deal-communication_en.pdf

¹⁰ <https://www.unglobalcompact.org/what-is-gc/mission/principles>

¹¹ <https://sdgs.un.org/goals>

The primary footprint is a measure of direct CO₂ emissions released from combustion of fossil fuels, including domestic energy consumption and transport.

Secondary footprint is the measure of indirect CO₂ emissions related to the manufacturing and ultimate deterioration of these products from the entire life cycle of the products we use.

Our Stakeholders: Shall refer to the supplier, distributor, authorized service companies, all kinds of representatives, subcontractors and consultants acting on behalf of the company.

Water Footprint: This is an indicator of freshwater use. It is not only indicating the water we use as a producer or consumer, but also the sum of the water use we consume indirectly. The water footprint has 3 components, that is, green, blue, and gray. Green and blue colors describe water consumption and gray describes pollution of water.

Law on the Care Obligation of Companies in Supply Chains: It is a German law that entered into force on date 22.07.2021 to follow up the supply chains in a sustainable manner and to support the protection of nature. As per this law, companies undertake the obligation to protect human rights and environmental standards during their activities.

General Principles

As Cengiz Holding, we apply the standards in all our production, supply and delivery processes by evaluating our relationship with the environment throughout our activities in the construction, energy, mining, service, tourism, aviation and insurance sectors and by minimizing the negative impacts we can impose on nature.

It is our primary principal to act in accordance with local/international standards including but not limited to Aichi Biodiversity Goals, the European Green Deal, UN Sustainable Development Goals, the ten principles of the UN Global Compact, Law on the Care Obligation of Companies in Supply Chains.

Application Principles

Identification of risks

As Cengiz Holding, we plan and implement our activities in accordance with the relevant legislation, laws, and regulations. In this context, we carry out risk studies to determine all the elements that may cause a damage to the environment which our Group may encounter at work premises. Within the scope of our activities, we continue our work to contribute to the protection of biodiversity by creating a waste management action plan by means of keeping our carbon footprint and water footprint at the minimum level possible. We carry out these works in all our locations, including our work premises and offices.

Our relevant teams convene at least once a year to evaluate the current environmental impacts in the workplaces and determine and evaluate the risky processes that may occur on environmental factors as a result of Group activities. The identified risks will be documented to be monitored.

The identified risks will be updated in case of encountering the following situations or other requirements:

- Changes in legal regulations,
- Experiencing an emergency event causing a negative environmental impact,
- Changes in technology, materials and equipment used at workplaces.
- Changes in production, manufacturing, supply and waste disposal processes,
- Encountering force majeure events arising from reasons beyond the workplace such as natural disasters,
- Failure to achieve our sustainability goals,
- Increase in air and water pollution rates measured around our business premises,
- Increasing the potential impact of our activities on energy, water, soil, air, biodiversity, noise, vibration, and natural resources.

Creating Action Plans

The risks determined shall be communicated to the process owners to minimize the impact and probability of the risks that one may be exposed to. As the result of the evaluation of the process owners, an action plan will be created for each of them by prioritization according to the impact level of the risks.

While creating action plans, the following issues shall be taken into consideration:

- To ensure the recovery of the waste, generated as a result of the activities at the source, and in cases where recycling is not possible, to dispose of them in a manner that will cause the least harm to the environment,
- To ensure the use of environmentally friendly and sustainable products and services,
- To ensure the productive and efficient use of energy resources used for the realization of activities,
- To produce environmentally friendly solutions that will reduce our carbon and water footprint in the supply chain,
- Conducting a survey to receive the valuable opinions of all our employees and stakeholders to reduce our harmful impact on the environment.

Our Commitments

As Cengiz Holding, we shape our goals in the field of occupational health, safety and environmental policy within the framework of "providing continuous improvement in the environment and health/safety system by taking the necessary measures in the name of environment and human health". In order to achieve these goals, Cengiz Holding undertakes to fulfill the following requirements:

- To identify the elements that may pose a threat to the environment and human health in advance at all times and to take the necessary measures,
- Making use of natural resources and energy resources efficiently,
- Minimizing the negative effects of our activities on people and the environment,
- To raise awareness in all our stakeholders, including our personnel, customers and suppliers, on health and environmental protection issues and to provide training, when necessary,

- To comply with local and international legislation, standards, and the requirements of the organizations we are a member of,
- To make continuous improvements to prevent the recurrence of accidents and incidents,
- To develop social responsibility projects regularly every year to protect nature and support the European Green Deal,
- To continuously keep our policy up-to-date and keep it easily accessible to interested parties.

Training and Development

We periodically provide trainings to raise awareness and consciousness of our employees about what their destructive effects may be as a result of not taking environmental protection measures. Trainings will be planned to take place at least once a year. It is the responsibility of the Human Resources to provide and follow up the trainings after the determination of the training requirement by the relevant Technical Team.

In particular, the rules and procedures that our employees working in the fields should pay attention to will be posted on the work premises as posters and our work environments will be arranged in accordance with the principles of sustainability.

Authorities and Responsibilities

All Cengiz Holding employees shall be obliged to comply with this Policy and if they witness a situation contradicting the rules mentioned in the Policy, the situation must be forthwith reported to the

- Legal or
- Environmental

departments.

The Legal and Environmental Departments shall be responsible for communicating the requirements of this Policy to the employees and creating an internal control environment where the employees act in accordance with the Policy.

If the legal regulations under this Policy in the countries where Cengiz Holding operates are more restricting than those of the Policy, the relevant legal regulations should be considered.

If the policy is not abided by, employees may face various disciplinary penalties, which may include termination of employment.

Revision History

This Policy has been approved and entered into force with the relevant Board of Directors Decision of the Company and it will be the joint responsibility of the Environmental and Legal Departments to periodically update the Policy in line with the changing legislation and Group processes.

Revision	Date	Description
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