



Koç Group
Sustainability Report
2021

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About the Report

Koç Group Sustainability Report 2021 is prepared to share our main sustainability impact and opportunity areas with our stakeholders. The content is shaped in line with the key results of the materiality assessment. The report covers our “Lead. Together” strategy, Group-wide initiatives, our approach, future plans and performance in strategic priorities and best practices from Koç Group companies.

This report has been prepared in accordance with the GRI Standards: Core option. It includes our progress according to United Nations Global Compact (UNGC) and Women Empowerment Principles (WEPs). We also share our contribution to the Sustainable Development Goals (SDGs).

It also covers the **Stakeholder Capitalism Metrics** developed by the International Business Council (IBC) of the World Economic Forum. The metrics aim to create a common set of standards for sustainability reporting and better compare and evaluate the long-term value creation of the companies. As a supporter of **Task Force on Climate-**

related Disclosures (TCFD) our report in line with the TCFD recommendations can be found in the “Act for the Planet. Together” section.

The performance of Koç Group, including our subsidiaries, Arçelik, Aygaz, Entek, Ford Otosan, KoçSistem, Opet, Otokar, Otokoç Otomotiv, Tat Gıda, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi, is disclosed in the Report. The Report covers operations in Turkey, 70% of employees and 87% of the turnover.

This report contains performance data from January 1, 2021 to December 31, 2021. To demonstrate comparative results, we indicate our performance from previous years, where necessary. As Koç Group, we are committed to disclose our sustainability performance annually.

For your inquiries, opinions and suggestions regarding the report, please contact us via sustainability@koc.com.tr



We derive our strength from the collective power of our stakeholders - our colleagues, distributors, customers, suppliers, and business partners.

Chairperson's Letter

Dear Stakeholders,

The effects of the COVID-19 pandemic continued in 2021, further testing our resilience. Communities everywhere and the global economy as a whole continued to struggle with the lingering impacts of the outbreak. Early 2022 saw the emergence of new, substantial challenges, which precipitated an accompanying wave of uncertainties. We are deeply perturbed about the developments in Ukraine. The invasion by Russia represents a grave violation of international law, and the ongoing conflict poses a serious threat to the security of the world, and our region in particular. Above all, the devastating humanitarian cost of the war is a cause for great concern and its impacts on the already fragile global economy add to the risks ahead for businesses. The disruptions to critical supplies from the region has already caused a massive leap in global food prices. The rise in oil prices triggered by the war also serves to underline the need for energy security; which can be achieved by ramping up supplies from renewable sources, and accelerating the deployment of energy efficiency technologies.

Against this unprecedented backdrop filled with formidable challenges for people and the planet, our responsibility towards environmental and social issues has never been clearer. Our global scale and penetration offer sizeable opportunities to contribute to the collective efforts to overcome universal problems such as climate change and social inequalities. I am proud to say that throughout 2021, we continued to leverage our size and reach to initiate positive change both in our country, and on an international scale. All our Group companies continued to work in concert with focus and determination towards creating a more sustainable and equitable world for all.

Our sustainability strategy, "**Lead. Together**", reflects how environmental, social, and governance (ESG) matters are central to our decision making. We are always seeking new and better solutions to transform our planet and the societies we operate in; while also strengthening our business so that it is more resilient, and future-ready.

We are keenly aware of the fact that we simply cannot prosper as a business as long as our colleagues, communities, and planet do not also thrive; and it is this conviction that gives rise to the importance we attach to our stakeholders, and our 'people first' approach. We must not forget that the sustainable future we are aiming to build requires a collaborative effort that involves companies, people, and governments working together. This approach is especially important if we are to achieve the critical pace of progress needed. Hence, engaging stakeholders and establishing collaborative partnerships will remain an essential element of our ESG strategy in the future.

We derive our strength from the collective power of our stakeholders - our colleagues, distributors, customers, suppliers, and business partners - and I would like to express my sincere gratitude to all of you for the trust you have placed in us over the years.

I am immensely proud to share our ESG performance and progress with all of you by way of the report you will find in the following pages.

Ömer M. Koç
Chairperson



At Koç Group, we firmly believe that our prosperity is intimately connected to the prosperity of the planet and communities we live in; and that we can only achieve our goals if we consider society, the environment, and technology to be integral parts of our business.

CEO's Letter

Dear Stakeholders,

In the face of the continuing impacts of the Covid-19 pandemic, the vulnerability of the global economy to the intense environmental and social turbulence and the strong interdependence between economic growth and the condition of the natural and social environment has become clearer than ever. As a result of our approach that prioritizes creating profitable growth and long-term sustainable value for our stakeholders, I am proud to say that we proved decidedly resilient amidst continued uncertainty caused by the pandemic, and despite higher energy and raw material prices, and widespread supply shortages.

At Koç Group, we firmly believe that our prosperity is intimately connected to the prosperity of the planet and communities we live in; and that we can only achieve our goals if we consider society, the environment, and technology to be integral parts of our business. It is this approach that lies at the heart of our sustainability strategy, "**Lead. Together**". In this regard, we are setting bold targets on environmental, social, and governance (ESG) matters; measuring our progress, and providing increased transparency on our performance.

On the other hand, cross-sectoral collaboration is crucial in the fight against climate change and social inequalities; and only strong partnerships can unlock the potential for a more sustainable and equal future. We remain committed to driving our business in line with our stakeholders' expectations, using our scale and impact to create momentum for them, and creating strong partnerships to trigger the change needed for the transformation of existing business models.

For Koç Holding, 2021 was a monumental year. Last October, we launched the "Carbon Transition Program", which puts forth our comprehensive roadmap and detailed business strategy to reach our goal of becoming carbon neutral by 2050. As per the scope of this program, our Group companies in the energy, automotive, finance, food, and consumer durable sectors have already determined, or are in the process of setting, their individual, tangible climate targets. Strongly focusing on long-term value creation, Koç Group companies are working on their action plans to pioneer their sector in the transition to a low-carbon economy.

At Koç Holding, we are keenly aware that technology and innovation are critically important tools towards achieving a low-carbon future, and we aim to support our companies' efforts to innovate and deploy technology-driven initiatives to reach their targets.

We closely monitor all developments that contribute to the transition to a low-carbon economy; both at home, and abroad. Turkey's ratification of the Paris Agreement in 2021 was a landmark in our country's decarbonization journey; an event which, reflecting our foresighted business approach, neatly coincided with the launch of our Carbon Transition Program. And globally, the European Green Deal stands out as a commendable initiative with the potential to change the functioning of the global economy.

In last year's report, I shared that we had become a signatory to the Task Force on Climate-Related Financial Disclosures (TCFD). In 2021, we carried out intensive studies to identify our climate-related risks and opportunities using a variety of scenario analyses; and this year, we are transparently sharing the results we obtained in this report.

We believe that gender equality is also essential to ensure sustainability in business; and supporting women in the field of innovation and technology is among our priorities. In 2021, Koç Holding became one of the global leaders of the Action Coalition on Technology and Innovation of the UN Women Generation Equality Forum. In this respect, we published a manifesto, and shared our commitments to working together to narrow the gender gap in leadership, and enhance the participation of women and girls among the creators of technology and innovation.

I would like to extend my gratitude to all our stakeholders for their continued efforts that made 2021 a successful year in Koç Holding's sustainability journey.

Levent Çakıroğlu
CEO

2021 at a Glance*



4 main business areas

- Energy
- Automotive
- Consumer Durables
- Finance

- Over **>105,000** Employees
- >12.5 million** Customers
- >11,000** dealers and after-sales service points
- Exporting to more than **>150 countries**
- >7%** of Turkey's private sector R&D expenditure
- >7%** of Turkey's total exports
- Revenues equivalent to **>8% of Turkey's GDP**
- Total market capitalization equal to **>21% of Borsa Istanbul 100 Index**
- >80** production facilities and marketing/sales companies abroad

Emission Reduction Target

- Reduction in Scope 1 and 2 GHG emissions (baseline year: 2017):
 - 27% in 2030
 - 49% in 2040
 - carbon neutral in 2050

Other ESG-related Commitments

- Ending the consumption of single-use plastics by March 2023
- Commitment to keep the % of women on board at least at 30% at all times*

International Platforms

- Task Force on Climate-related Financial Disclosures (TCFD)
- WEF Stakeholder Capitalism Metrics
- WEF CEO Action Group for the European Green Deal
- WEF Center for Nature and Climate
- One of the Action Coalition Leaders on Technology and Innovation at the UN Generation Equality Forum
- HeForShe 10x10x10 Impact Champion
- UN Women's Empowerment Principles (UN WEPs)
- UN Women Unstereotype Alliance
- UN Global Compact (UNGC)

Sustainability Indices

- BIST Sustainability Index
- MSCI ESG Rating
- FTSE4Good
- Sustainalytics ESG Rating
- V.E (Moody's ESG Solutions)

* The data covers all operations and companies of Koc Group.

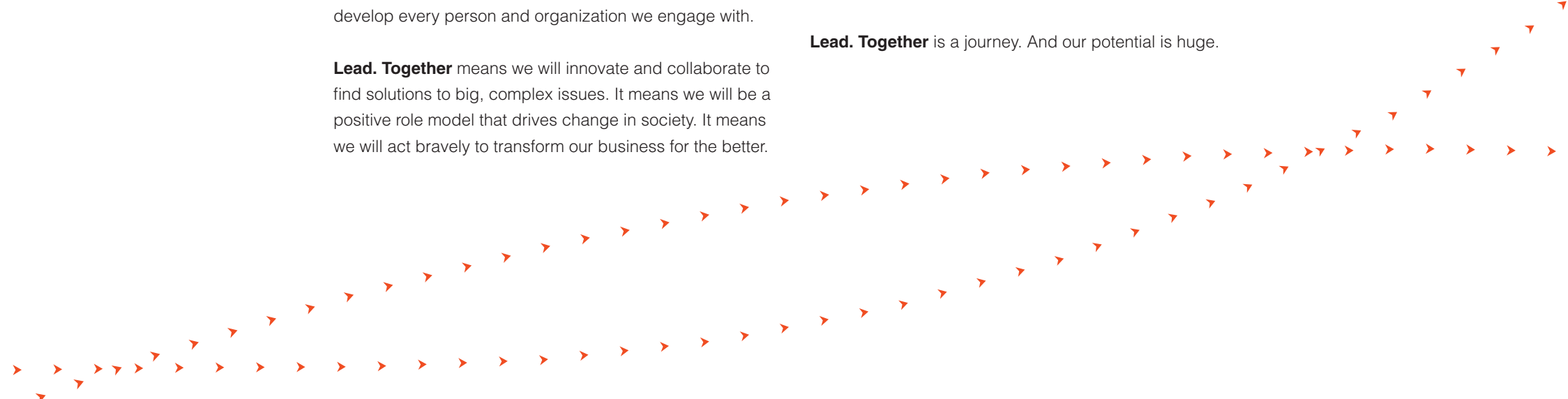
Our Manifesto

➤ ➤ ➤ **Lead. Together** is our approach for sustainable, profitable growth at Koç Group. It sets a framework for making collective progress and helps us harness the power of our network to drive positive change. We believe sustainability is directly connected to our business growth, and to our unique role in society, which drives us to inspire others and develop every person and organization we engage with.

Lead. Together means we will innovate and collaborate to find solutions to big, complex issues. It means we will be a positive role model that drives change in society. It means we will act bravely to transform our business for the better.

Lead. Together reflects the difference we can make across Koç Group and our commitment to partnership. The expectations of our stakeholders inspire us to make a difference and the diverse abilities of our people mean we can bring our promise to life. We are progressing collectively across the board.

Lead. Together is a journey. And our potential is huge.



**Lead. Together
is a journey.**
And our potential is huge.



Our heritage, our future.

➤ ➤ ➤ Our founder Vehbi Koç once said that our prosperity is connected to the prosperity of our country. Our aspiration to become a global leader means elevating Vehbi Koç's vision to a global scale. We believe our prosperity is connected to the prosperity of our country and the World we live and work in.

Grow the business. Together

Empower people. Together

Act for the planet. Together

Strengthen communities. Together

Our Sustainability Strategy

- ▶ ▶ ▶ Creating long-term, sustainable value for the world and the countries in which it operates lies at the heart of Koç Group's business model. Its heritage, influence and leadership role offer a variety of opportunities in sustainability. We manage sustainability as a part of the **Lead. Together** strategy. Enabled by talent, expansive networks, technology and innovation, the main pillars of this strategy are business, people, the planet, and communities.

We deliver **Lead. Together** across four pillars: business, people, planet and community. All four pillars are interconnected, and all four are of equal importance. So whether we're innovating to address big and complex issues, addressing climate crisis with digital tools, or adopting an inclusive leadership approach to carry our talents to the future, it's clear that the pillars are closely related. They rely on each other, and they are interlinked.

Launched in 2017, **Lead. Together** and its pillars are a result of an iterative process that included cross-functional teams from Group companies, senior management across different industries, external stakeholders and opinion leaders.

At Koç Group, we pay utmost importance to reflect sustainability trends as well as changing stakeholder expectations to our strategy. By periodically reviewing our material issues we make sure that our Lead. Together sustainability strategy is fit-for-purpose. It ensures that we are aware of emerging and shifting sustainability issues that are most relevant to our business and that we continue to meet the expectations of our stakeholders and investors. With this purpose, in late 2020, we conducted a wide-ranging materiality assessment to identify the most material

issues for Koç Holding's success in the next three to five years.

The latest materiality assessment was supported by an advisory consultancy, **DNV Business Assurance UK**, and involved four stages:

- 1. Identifying a long list of potential material issues.** This included desk research of media reports within Turkey and internationally, internal reports, engaging relevant teams, and an assessment of Koç Holding's peers. A final list of 23 issues were identified.
- 2. Stakeholder mapping and engagement.** We identified nearly 140 individual internal and external stakeholders who were engaged either via a survey or a 60-minute interview. Internal stakeholders included general managers, directors, issue experts and members of the leadership team. External stakeholders comprised of investors, academics, international and public institutions, civil society organizations and Koç Group customers and suppliers.
- 3. Analysis of results and reporting of materiality.** Using the results of the stakeholder engagement we analysed and evaluated the most material issues to Koç Holding.
- 4. Identification of key insights.** The final stage of the process was to review and map the material issues against our Lead. Together sustainability strategy and our five strategic priorities.

Our Sustainability Strategy



Sustainability Governance

- ➤ ➤ Robust corporate governance is key for term-long success. It helps Koç Group Companies improve performance and mitigate risks. Enhanced transparency on corporate governance and ESG issues is also seen as essential to Koç Holding's ongoing business success by stakeholders, especially investors. Sustainability is an integral part of our governance approach. In this respect, Koç Holding regularly reports its progress related to "Lead. Together" strategy and other material issues according to the Sustainability Principles Compliance Framework of Capital Markets Board (CMB) of Turkey to the Board of Directors through Corporate Governance Committee.

The Sustainability Unit, which is part of the Corporate Communications and External Affairs Department and reports to the CEO, is responsible for the implementation of the strategy as well as coordinating the different units across the Group. The manager reporting to the General Manager or Deputy General Manager is responsible for the relevant Koç Group companies, the responsible works in coordination with the Company's environmental, human resources, finance, law, audit, purchasing, innovation and

digital transformation teams. The relevant units in the Koç Group companies are regularly informed of Koç Holding's sustainability efforts. These departments meet twice a year to establish cross-sectoral connections, evaluate global trends and potential impacts, and share the companies' strategic priorities and best practices.

Koç Group Carbon Transition Program is managed under the leadership of Koç Holding CEO Levent Çakıroğlu, under the coordination of sustainability, finance and strategy and business development teams within Koç Holding. The Program progress with the contributions of the Carbon Transition Leaders, consisting of senior managers of the Group companies, and employees from various departments such as R&D, environment, finance, innovation, human resources, corporate communication, marketing, purchasing, strategy, production and Koç Group Environmental Council provides technical support.

For detailed information on corporate governance please see [2021 Annual Report](#).

Materiality Assessment

▶ ▶ ▶ The results of the materiality assessment showed that most of the 23 issues selected for assessment were significant to both internal and external stakeholders over a three- to five-year time horizon. This highlights the increasing importance of sustainability and ESG issues to both stakeholder groups, and importantly, the relevance of the issues across our Group companies.

To understand better how these 23 issues link to how we manage sustainability across the Group, we have mapped them across three areas:

- **Lead. Together:** the framework we use to manage sustainability and ensure Koç Holding's ongoing sustainable, profitable growth.

- **Our five Strategic Priorities:** the issues within our Lead. Together framework that will have a critical impact on Koç Holding meeting its business and sustainability goals.
- **Our Sustainability foundations:** issues which underpin all our activities, wherever we operate, and act as the foundations of our business success.

The table illustrates how our material issues fit within these three elements of our sustainability approach. Our performance regarding the material issues can be found in the different sections of this report as well as in **Koç Holding's Annual Report**.

Mapping of material issues to our sustainability approach	
<p>Our Strategic Priorities:</p> <p>Digital Transformation</p> <ul style="list-style-type: none"> • Cyber security and data privacy • Internet of Things and digitalisation of operations • Data analytics and artificial intelligence <p>Innovation</p> <ul style="list-style-type: none"> • Innovation culture and intrapreneurship • Open innovation and collaborations • Research and development capacity <p>Future Talent</p> <ul style="list-style-type: none"> • Talent attraction, development and retention <p>Diversity and Inclusion</p> <ul style="list-style-type: none"> • Workforce diversity and equal opportunities <p>Low-carbon Transition</p> <ul style="list-style-type: none"> • Low-carbon transition and climate risks • Clean tech and product stewardship • Energy use and GHG emissions 	<p>Lead. Together. Framework:</p> <p>Grow the business. Together</p> <ul style="list-style-type: none"> • Portfolio management • Sustainability stewardship for suppliers • Business resilience for customers and distributors <p>Empower people. Together</p> <ul style="list-style-type: none"> • Occupational health, safety & wellbeing <p>Act for the planet. Together</p> <ul style="list-style-type: none"> • Operational environmental impact • Geo-political shifts and trade dynamics <p>Strengthen communities. Together</p> <ul style="list-style-type: none"> • Advocacy for social and economic development • Pandemics and natural disasters
<p>Sustainability Foundations:</p> <ul style="list-style-type: none"> • Human rights and labour standards • Corporate governance • Corporate transparency • Ethics and compliance 	



Stakeholders expect Koç Holding to lead by example

➤ ➤ ➤ With almost 140 stakeholders, our materiality process delivered valuable insights into how our stakeholders perceive Koç Holding. All stakeholder groups widely stated that Koç Holding is a recognised business leader within Turkey, with high levels of trust and satisfaction. Stakeholders referenced our strong social roots and our history of social and economic development as a defining factor.

But, this leadership position comes with high expectations. Across the internal and external spectrum, stakeholders expect Koç Holding to lead the sustainability agenda, showing greater

ambition and direction. A clear message was that we have the scale and reach to influence sustainability at an international level, beyond Turkey.

Partnerships with relevant organisations and industry groups, especially at an international level, are widely seen as a way to unlock value and accelerate Koç Holding towards leadership on sustainability. A stronger voice and greater visibility at a global level will help Koç Holding stay close to emerging trends, improve transparency on material topics, and potentially open up opportunities for innovation and business development.

Making It Happen with Stakeholders

- ➤ ➤ Koç Group has operations in different sectors such as energy, automotive, consumer durables, finance, retail, food and information technologies which have widespread outreach throughout the society. Partnerships with external stakeholders is crucial for progress and our stakeholders expect us to lead by example. When we grow, others grow. When we innovate for the better, others follow. When we create more added value and respond to changes in technology, business and society, we start a ripple effect that extends out to all our industries, our business partners and the wider community.

Stakeholder outreach and integration is a key driver for group companies' success. We assess and evaluate risks and opportunities and show leadership in the sustainability transformation of industries and the society. Environmental, social and governance (ESG) factors have an increasing impact on investor decisions and stakeholder perceptions.

We created a comprehensive approach to identify expectations and opinions of our stakeholders on diverse topics, including environment, human and employee rights, transparency and ethics, innovation, diversity and

inclusion in order to bring stakeholder perspective into our sustainability strategy. We aim to meet the expectations and interests of shareholders, investors, employees, group companies, distributors, customers, civil society organizations, public institutions, industry associations and universities in a transparent and equal way.

Each Group company engages with stakeholders at different levels which provide essential input for us in creating sustainability strategies and practices. Stakeholder engagement is also tracked via management performance targets.

The way we engage with stakeholders

► ► ► We engage with stakeholders on an ongoing basis and aim to establish continued trust-based dialogue. There are three levels of stakeholder engagement regarding sustainability issues at Koç Group companies which help us to improve our business and create added value for all stakeholders. The frequency of stakeholder communication depends on the nature, expectations and needs of the target audience.

1. Supports: This level of engagement includes supporting events aiming to increase awareness or capacity building. It covers one way and short-term engagement with stakeholders such as sponsorships, scholarships, and donations.

2. Partnerships: We believe that in order to achieve the SDGs, strong partnerships are necessary at all levels and between governments, the private sector and civil society. We work together with external stakeholder partners such as private and public sector, international organizations, non-governmental

bodies, universities to manage common and material sustainability issues. We assess partnerships according to the potential to create value, enable further innovation, and foster creativity. This kind of two-way communication develops meaningful opportunities and results. Increasing partnerships with external stakeholders is an important source of innovation.

3. Multi-stakeholder Initiatives: Addressing and tackling complex environmental and social issues requires multi-stakeholder initiatives. In line of our sustainability leadership vision, our stakeholders expect us to trigger positive change by reaching out to the whole community. With this in mind, we are ever-present in local and international multi-stakeholder initiatives that gather different parties such as private and public sector, international organizations, non-governmental bodies and universities to address material topics in large scale.

Part of the Bigger Picture: The United Nations Sustainable Development Goals

- The United Nations Sustainable Development Goals (SDGs) represent a set of targets which must be reached by 2030 in order to end poverty, protect natural resources, and ensure prosperity for all. The Koç Group fully acknowledges the role of business in the realization of these essential goals, and with its **“Lead. Together”** strategy, consciously and directly contributes towards them. Through its annual sustainability reports and other publications, the Group regularly shares its performance regarding the SDGs. Additionally, the UN Global Compact, signed by Koç Holding in 2006, represents a robust framework for sustainability efforts. As a member of the board of directors of Global Compact Turkey, Koç Holding continues to support the dissemination of UN Global Compact in Turkey.

Grow the business. Together



Empower people. Together



Act for the planet. Together



Strengthen communities. Together





**Act for the planet.
Together**

Act for the planet. Together

Koç Holding believes that a healthy business is not possible without a healthy world and society, and aims to manage all environmental risks and opportunities, especially climate change, from a long-term perspective. With Act for the Planet. Together, we aim to integrate local and global environmental issues into our decision-making processes.

Climate crisis continues to be a complex global challenge.

Businesses around the world have an important role in responding to the needs of the planet. Goals set in the Paris Agreement and the United Nations Sustainable Development Goals address the need for a change, especially for the areas being affected the most. To mitigate the effects of climate change, businesses, governments, and societies need to act together. The need to limiting global warming to internationally recognized 1.5°C is more acute than ever.



Low-carbon Transition

- ➤ ➤ According to the **World Economic Forum Global Risk Report 2022** climate change continues to be perceived as the gravest threat to humanity. “Climate action failure” is rated as the risk with the potential to inflict the most damage on a global scale over the next decade.

There is increasing pressure for governments, businesses and societies to transition to a low-carbon economy and the number of countries, cities and large companies that declared a net-zero target is increasing globally. For the world to reach the net-zero target by 2050, it is important to implement the commitments made in the Paris Agreement. The progress the EU achieved in relation to the Green Deal and Turkey’s ratification of the Paris Agreement in 2021 with an aim to reach net-zero by 2053 will accelerate the momentum towards decarbonization in Turkey.

Another important development in 2021 was the signing of the Glasgow Climate Pact at COP 26, urging countries to act quickly to keep global warming at 1.5oC.

In line with the accelerating agenda and developments related to climate, we take action at the Koç Group level. We aim to manage the risks arising from climate change, seize potential opportunities and regularly disclose our performance to our stakeholders according to the framework of the Task Force on Climate-Related Financial Disclosures (TCFD) for a more sustainable future. With the Carbon Transition Program, which we launched across the Koç Group in line with our goal of being carbon neutral by 2050, we are taking concrete steps to devise the transition of our environmental, social and governance roadmap.

Green Deal as an Emerging Risk	
Potential Impact	<p>The Carbon Border Adjustment Mechanism (CBAM) framework proposed with the European Green Deal aims to regulate greenhouse gas emissions embedded in certain products exported from non-European countries to prevent carbon leakage from the European Union (EU) According to the report of TÜSIAD (the Turkish Industry and Business Association) CBAM and carbon pricing is expected to have an impact on the Turkish economy and national GDP. In 2030, the GDP loss can reach between 2.7% and 3.6%.</p> <p>At Koç Group, Europe ranks as one of our most important trading partners as more than 50% of our foreign trade is with the EU. The proposed carbon mechanism may bring new financial costs to our exports. The CBAM, which will come into effect in 2023, will be implemented gradually and will initially only apply to selected products in sectors with a high risk of carbon leakage, such as iron and steel, cement, fertilizer, aluminum and power generation. With the implementation of CBAM, suppliers may face additional carbon pricing costs. At Koç Holding, we analyze these risks under market risk to better manage the costs and risks. We follow the new regulations that may come in the sectors in which we operate. As the Mechanism still harbors uncertainty, it is critical for Koç Group to foresee the potential impact and mitigation measures in terms of CBAM’s scope and schemes that will be in place.</p>
Mitigation & Opportunities	<p>To assess the impact of the European Green Deal and CBAM on our operations, we contribute to the policymaking at the local and EU level. Our target to become carbon neutral in 2050 reflects our commitment to align with the Europe Green Deal and we develop roadmaps and strategies accordingly in collaboration with external and internal stakeholders. We also completed a comprehensive risk assessment that includes both transition risks and physical risks. Our CEO is represented in the CEO Action Group of the World Economic Forum, where we work closely with the European Commission on the Green Deal. We lead the Green Deal Task Force of TUSIAD, and we monitor the possible impacts of the Green Deal on the Turkish Economy. In addition, we established a working group within the Koc Group to follow the developments related to the Green Deal to understand the implications of action plans and planned mechanisms.</p> <p>With the new mechanism, it is expected that companies with a strong climate strategy and low-carbon intensity will gain a competitive advantage. It will also create opportunities for new, innovative business models and products to grow that support the transition to a low-carbon economy. For instance, the solar panel business of Arçelik or the electric vehicles of Ford Otosan is among the products and services we expect to gain a larger market share in the following years.</p>

Climate-Related Risk and Opportunity Disclosure

- ▶ ▶ ▶ As Koç Holding we are among the companies that support the Task Force on Climate-Related Financial Disclosures (TCFD) and aim to manage our risks and opportunities arising from climate change within the framework of TCFD and disclose them regularly to our stakeholders.

This section created in line with the TCFD recommendations reflects our approach and performance in each of TCFD's thematic areas: Governance, Risk Management, Strategy and Metrics and Targets. It also presents our strategy and business model with respect to different climate scenarios.

Governance

Climate-related risks and opportunities are monitored and managed under the Carbon Transition Program. Details of the governance structure can be found in the Sustainability Governance section.

Risk Management

Climate-related risks are overseen by the Risk Committee at the Board of Directors level. Details on risk management can be found in the Risk Management section of the Annual Report.

Strategy

Carbon Transition Program

In line with the global climate agenda and the European Green Deal, we aim to be carbon neutral by 2050. In

order to achieve this target and devise a roadmap for transitioning to a low-carbon economy we launched the Carbon Transition Program across the Group. Within the scope of the first focus area of the Carbon Transition Program, main transition risks and physical risks have been identified in line with TCFD recommendations. The main risks and financial impacts to be faced by the Koç Group and companies in the short, medium and long term have been determined under different climate scenarios. Setting targets and creating roadmaps for the companies for effective management of these risks is among the other objectives of the Program. In addition to risk management, we intend to seize opportunities in relation to emerging new product and service areas and implement resilient business models.

Risk analyses have been conducted at Arçelik, Aygaz, Entek, Ford Otosan, Opet, Otokar, Otokoç, Tat Gıda, Tofaş, Tüpraş, Türk Traktör and Yapı Kredi, which represent 91.3% of the Koç Group's combined revenues in the past five years. Risk analysis of Yapı Kredi, which operates in the finance sector, was based on its entire credit portfolio within the scope of various physical and transition risks related to the climate, including extreme weather conditions, national and international regulations, stakeholder expectations, changing market expectations and emerging technologies. The preliminary analysis was conducted independently by a third party, and these analyses are regularly updated according to evolving company strategies, employing the same methodology.

Climate-Related Risk and Opportunity Disclosure

➤ ➤ ➤ Scenario Based Climate Risk Assessment

Transition Risks

Transition risks are addressed under four different categories.

Policy Risk

Policy/regulatory risks include increases in carbon pricing, associated financial risks, and operational costs. Countries are expected to take greater action against the climate crisis as a result of rises in the carbon prices in the global emissions trading systems along with carbon and fuel taxes and other climate driven pricing measures aligned with the Paris Agreement. While making these assessments, we took into consideration the variable rate of increase in carbon pricing in different countries and regions.

The analysis is based on three different climate action scenarios; potential additional costs that might arise as a result of the following three scenarios have been calculated for 2030, 2040 and 2050. The scenarios are based on research by Organisation for Economic Co-operation and Development (OECD) and International Energy Agency (IEA). The calculation of financial risks is based on current carbon pricing, future scenarios, the Group companies'

GHG reduction targets and projected revenue. Possible costs associated with Scope 1 and Scope 2 GHG emissions were presented within this scope.

Market risk

Market risks address the market-related effects on revenues. The impact of the climate crisis on the market and the risks and opportunities in products, commodities and services with regards to supply and demand are taken into account. This analysis considers the potential risks along the supply chain, and the financial risks that may arise as a result of disruptions and fluctuations in the raw material, commodity and carbon prices of Koç Group suppliers are analyzed on a sectoral basis.

Within the scope of the analysis, the supply chain of each Group company was mapped and categorized according to sectors. While categorizing, suppliers having the highest share in the purchasing budget of each company were identified, and EBITDA at risk for suppliers were determined in relation to the carbon pricing in the scenario limiting global warming to below 2°C. The sectors where these risks will be most common are respectively, electric utilities, metals and mining, oil, gas and fuels, chemistry and packaging.

Low carbon price scenario	Moderate carbon price scenario	High carbon price scenario
Assumes that Nationally Determined Contributions (NDC) are fully implemented, but the goals of the Paris Agreement remained elusive due to inadequate climate actions.	Relies on NDCs of the Organisation for Economic Co-operation and Development (OECD), International Energy Agency (IEA) and countries and assumes that despite inadequate climate action in the short-term, temperature rise is limited to 2°C by 2100 owing to the adequacy of actions taken in the medium and long-term.	Relies on OECD and IEA (2017) research and assumes that temperature rise is limited to 2°C by 2100 owing to adequate climate policies.

Climate-Related Risk and Opportunity Disclosure

➤ ➤ ➤ Reputation Risk

Reputation risks address risks such as potential concerns and negative feedbacks from stakeholders in the event of inadequate climate action. In relation to these risks, the Group companies' sustainability strategies, their relevant sectors, their carbon intensity performance as compared to their sectors, and how the targets set overlaps with the Paris Agreement have been analyzed. The Koç Group companies were later classified under low, medium and high risk categories.

Technology Risks

For technology risks, we evaluated low-carbon products and services of Group companies, business areas that facilitate a low-carbon future based on the European Union Taxonomy, and investments made for low-carbon products, processes and services. It has been identified that Arçelik, Aygaz, Ford Otosan, Otokar and Tofaş have sustainable products, services or strategies that will enable the low-carbon transition.

In the energy sector, Tüpraş announced the Strategic Transformation Plan, its roadmap to transition to a low

carbon economy including investments in sustainable products, services and strategies. Operating in the finance sector, Yapı Kredi provides financial solutions to climate change with its sustainable products and services. These strategies aim to reduce the impact of technology risks.

Physical Risks

In physical risks, we assessed the impacts of climate-related indicators on assets depending on three different climate change scenarios. Among these indicators, we analyzed water stress, floods, cold and heat waves, hurricanes, fires and sea level rise.

We included 159 sites of 11 Group companies* in the physical risk analysis. According to the moderate climate scenario, the risks with the highest impact are water stress, followed by heat and cold air waves. Flooding, sea level rise and hurricanes are the lowest physical risks. We conducted the assessments according to three different climate scenarios adopted by the Intergovernmental Panel on Climate Change (IPCC).

Low Climate Change Scenario (<2°C)	Moderate Climate Change Scenario (>2°C)	High Climate Change Scenario (>4°C)
Aggressive mitigation actions to halve emissions by 2050. This scenario is likely to result in warming of less than 2 degree Celsius by 2100.	Strong mitigation actions to reduce emissions to half of current levels by 2080. This scenario is more likely than not to result in warming in excess of 2 degrees Celsius by 2100.	Continuation of business as usual with emissions at current rates. This scenario is expected to result in warming in excess of 4 degrees Celsius by 2100.

* Arçelik, Aygaz, Entek, Ford Otosan, Opet, Otokar, Otokoç, Tat Gıda, Tofaş, Tüpraş, TürkTraktör

Climate-Related Risk and Opportunity Disclosure

➤ ➤ ➤ Opportunities

In order to better understand the climate-related opportunities, sectoral comparisons were made, and company-specific global best practices were examined. By integrating these outputs into its business strategy, Koç Group aims to have a leading role in the low-carbon economy and create opportunities by transforming its products and services.

Clean Technologies and Sustainable Products

To transition to a low carbon economy, clean technology and innovative sustainable products with high resource efficiency and low environmental impact play an important role and also offer many opportunities.

The products and technologies we develop support circular production systems. We lead our group companies to reduce their natural resource consumption and greenhouse gas emissions along their value chains. New products and technologies which enable companies to manage their environmental impacts more effectively also help them increase their revenues by meeting consumer demand for eco-friendly products.

We established a working group under the Koç Group Environmental Council to mitigate the impacts of products and services offered in various sectors, identify the low-carbon products in line with national and international standards and identify requirements and related reporting criteria.

Metrics and Targets

Group companies carry out their climate change efforts in line with the Koç Group climate change strategy. They effectively monitor and report GHG emissions and aim to reduce them.

Scope 1 and 2 GHG emissions at the Koç Group level were audited in 2021 by an independent third-party according to the ISO 14064-1 Greenhouse Gas Accounting and Verification Management System.

We aim to reduce our Scope 1 and Scope 2 greenhouse gas emissions by 27% in 2030 and 49% in 2040, compared to 2017 and become carbon-neutral by 2050.

Emission Category *	2021 Emissions (tCO ₂ e)
Total scope 1 emissions	6,207,118
Total scope 2 emissions - market-based	138,322
Total scope 1&2 emissions of subsidiaries owned by Koç Group companies	573,257
Koç Group Total scope 1&2 emissions	6,918,696

* Arçelik, Aygaz, Entek, Ford Otosan, Opet, Otokar, Otokoç, Tat Gıda, Tofaş, Tüpraş, TürkTraktör, Yapı Kredi

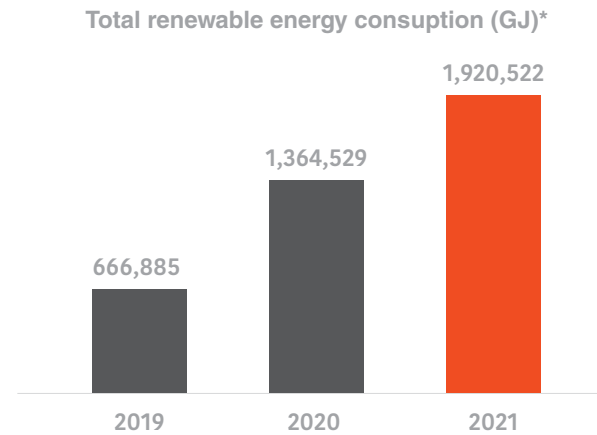
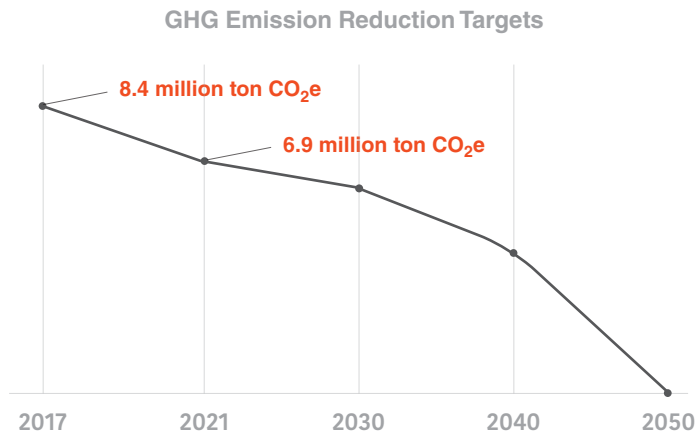
Climate-Related Risk and Opportunity Disclosure

- ➤ ➤ In line with our effort to reach our target, we achieved 2.19 million GJ energy savings and 150 million TL financial savings with energy efficiency projects in 2021.

In 2021, the Koç Group's total environmental investments and expenditures, including waste costs, chemical

expenses, consulting and training for environmental management was recorded as 197,5 million TL.

Financial savings of 52 million TL were achieved through environmental investments and expenditures.



	2019	2020	2021
Energy Savings (million GJ)	1.47	1.04	2.19
GHG Emission Reduction (thousand- ton CO ₂ e)	45	54	145

Energy Consumption (GJ)

	2019	2020	2021
Net Renewable Energy Consumption	709,094	1,374,259	1,920,530
Net Non-Renewable Energy Consumption	104,515,688	94,459,212	93,748,934
TOTAL	105,224,782	95,833,471	95,669,464

* Total renewable energy consumption: Total renewable energy purchased + Total renewable energy production – Total renewable energy sold

Low-carbon transition

Tüpraş: Strategic Transformation Plan

- ▶ ▶ ▶ Tüpraş announced its Strategic Transformation Plan to become a leading carbon neutral energy company. The plan aims to lead the transformation of the energy sector in Turkey, making refineries more competitive and profitable, and having a balanced and diversified clean energy portfolio by investing in new areas that support sustainable development.

By 2030, Tüpraş aims to reduce its Scope 1 and 2 emissions by 27% compared to 2017, by 35% in 2035, and become a carbon neutral energy company by 2050. Tüpraş aims to increase its investments in Sustainable Aviation Fuel, Zero-Carbon Electricity and Green Hydrogen projects to 70% by 2035. It is estimated that 90% of Tüpraş's operating

profit will come from Sustainable Refining by 2030, with a figure of 70% expected for the 2030-2035 period. A large proportion of the resources obtained from refining will be transferred to new areas and used to reduce its carbon footprint.

Goals for 2022–2035

- Energy efficiency and decarbonization projects that increase operational efficiency while reducing Scope 1 and Scope 2 emissions for sustainable refining;
- Green hydrogen production plants;
- Biofuel production plants, in particular for Sustainable Aviation Fuel (SAF);
- Wind, solar and other zero-carbon power plants;

Goals for 2035-2050

From 2035 to 2050, which is the second period in the Strategic Transformation Plan, it is planned to invest some 350 million USD annually and 5 billion USD in total, amounting to 10 billion USD of investment by 2050.

Low-carbon transition

Operations

Arçelik: WEF Lighthouse Eskişehir

- World Economic Forum (WEF) identifies companies who use Fourth Industrial Revolution technologies to transform factories, value chains and business models as Lighthouses and Arçelik's Eskişehir Refrigerator Factory was included in the "Global Lighthouse Network".

Eskişehir Factory, became one of the most advanced production centers in the world with its investments in digitalization, artificial intelligence, machine learning, robot and sensor technologies, and other exemplary applications.

The highlights of the Arçelik Eskişehir Refrigerator Factory are as follows:

- Artificial intelligence, machine learning and self-deciding systems

are used in the factory. With the artificial intelligence-based decision-making solutions, significant improvements were achieved in quality indicators, while customer complaints were reduced by 20%.

- By adapting self-decision systems to machines, capacity was increased by 43%, while conversion costs were reduced by 17%.
- A 14% improvement in carbon emissions has been achieved with the digital solutions implemented. Autonomous Mobile Robots started to be used instead of forklifts. In addition, the material distribution system was automated, and a 7% reduction was achieved in carbon emissions.
- Energy efficiency was increased by 19%, as self-deciding systems optimize main production processes. There are 11 robots and 3,500 sensors in the factory, where 7.5 million data are collected every day. The factory used digital production equipment of its own design.
- In addition, by ensuring effective change management, involving employees in the process and increasing their competencies, the employee engagement rate increased to 82%.

Low-carbon transition

Products

Ford Otosan: Electric Vehicles

- ▶ ▶ ▶ A rapid transformation is expected in the automotive industry, and by 2030, 30% of the world's vehicles are expected to be electric and connected vehicles. Working on the transformation of the automotive industry for a low-carbon future, Ford Otosan continues to invest in safe, smart and sustainable electrification in its production processes.

E-Transit

Ford Otosan has previously opened a new mass production line for plug-in hybrid electric vehicle (PHEV) at its Gölcük Factory and started to produce the first PHEV commercial vehicles in Turkey. In 2021, E-Transit has become the first fully electric commercial vehicle in Turkey, including battery assembly. Being manufactured at the Kocaeli Plant, E-Transit is deriving all of its electrical energy from 100% renewable sources. It

is deriving all of its electrical energy from 100% renewable sources. In line with the goal of becoming Turkey's first and only integrated electric vehicle production facility, the battery assembly line with a capacity of 130 thousand units will launch in 2022.

With its battery capacity, Ford E-Transit can cover three times more distance than the average fleet users drive daily. E-Transit, which will be available in three different body options such as van, double cabin van and pickup truck, also has a fast charging feature.

This product is expected to play a critical role in meeting electric vehicle demand in Europe as part of Ford's global electrification strategy. Euro NCAP, which is an independent vehicle safety organization that evaluates vehicles in terms of driver, passenger and pedestrian safety, awarded E-Transit a gold award.

Rakun Mobility

Ford Otosan combined its know-how in electric and commercial vehicle production with its innovation power and established its new venture, Rakun Mobility Technology and Trade Inc. You can find more information about the Rakun project [here](#).



**Grow the business.
Together**

Grow the business. Together

At Koç Holding, we strive to create shared value and a positive impact on society and our stakeholders. Beyond our value chain, our unique business model and global presence enables us to deliver sustainable and profitable growth, and to achieve prosperity in society. Our innovation capability and digital transformation journey aligned with the requirements of the new digital world drives our ambition to lead in the sectors and countries that we operate.

The long-term partnerships and relationships, we build on a global scale, enable us to drive positive change and extend our influence. To grow together, we believe in leaving no one behind, and being inclusive is key in this pathway. At the same time, we are also aware that our planet has boundaries thus, we act and grow responsibly with our stakeholders while seizing opportunities to enable a low-carbon and inclusive economy.



Digital Transformation

► ► ► The digital transformation accelerated by COVID-19 is inevitably reshaping all ways and forms of business models today. Digitalization becomes a key to creating shared long-term value along the entire value chain, from customer experience to production. It unlocks the potential for innovative, low-carbon, clean products and processes.

We embrace digital technologies, tools, and methods necessary towards a sustainable future. Setting a clear agenda for transformation enables us to be ready for the future of work and any future shocks. The pandemic had sped up the adoption process of digitalization by several years and digitalization is key for a resilient and agile business. Faster adoption of digital technologies creates opportunities for companies and companies with superior digital technology capabilities are the winners of this race. Similarly, the Koç Group Digital Transformation Program launched in 2016 has been one of the most important tools in the Group's successful business results and strengthening its competitive position.

Aiming to integrate digital technologies into Koç Group's business processes, upskill the workforce and reshape its culture in a lean and agile way, the Koç Group Digital Transformation Program includes a wide range of projects, from advanced data analytics, artificial intelligence and the Internet of Things to blockchain, enriching the customer experience and Industry 4.0 applications. There had been a total of 1,126 projects, within the Digital Transformation Program as of the end of 2021. Most of these projects have been completed.



Digital Transformation Themes

Digital Marketing and Customer Experience

Getting to know the customer better by evaluating data in both the digital and physical world, and offering products and services aligned with their needs and preferences at the right time, through the right channel and at right conditions via a completely new experience is among the primary objectives of many group companies.

Digital Supply Chain and Manufacturing

The technologies of "Industry 4.0" go beyond automation and robot use and offer the opportunity to improve all processes including products, services and design, based on customer requests, suggestions and complaints. The use of Internet of Things (IoT), advance robotics and big data analytics alongside other advance technologies offer new value propositions and opportunities in the supply chain and manufacturing. As nearly half of the Group companies have manufacturing as a core business, they strive to take advantage of these opportunities at the highest level and bring suppliers to the same level.

In addition to our Arçelik Romania Ulmi and Ford Otosan Gölcük factories, in 2021 Arçelik Eskişehir was selected for the Global Lighthouse Network by the World Economic Forum.

Digital Lean Workplace

To create lean processes in the workplace and enable employees to focus on more value-added activities, we implement digital technologies which facilitate their daily work. This contributes to the satisfaction and the engagement of employees and increase efficiency.

1126
digital
transformation
projects

Digital Transformation

▶ ▶ ▶ Group Wide Supportive Activities

Data and Analytics

Data analytics is one of the main focus areas of the digital transformation program. It enables Group companies to perform more accurately and efficiently with data-based decision making. KoçDigital supports group companies as a major driving force in Digital Transformation Program and is a solution partner both for Group companies and external clients.

Industry 4.0

12 manufacturing companies in the Group focus on implementing Industry 4.0 to increase efficiency and productivity. They continue to integrate IoT in the production facilities both in Turkey and abroad. At the end of 2021, two out of every three manufacturing facilities in the Group are managed by end-to-end IoT platforms.

Digital New Initiatives

New business models and ideas are evaluated by Group companies and by the Koç Holding's startup technology investment company Inventram, and investments are made in high-tech digital companies.

Cultural Transformation

Culture shift is a big enabler for digital transformation and agile organizations. Cultural transformation is driven with the vision of leadership and embrace all employees and the wider ecosystem.

Awareness and Communication

"KoçHub", the new generation interaction and communication platform of Koç Group is adopted by our employees, and they engage in 2,163 different groups on this platform.

Competency Development

To develop competencies and upskill the workforce, trainings on digital transformation topics (data analytics, coding, machine learning, strategy and leadership etc.) from leading organizations in the world such as Harvard Business School Online and Udacity are offered to our employees.

The "Personal Development Program" for senior executives to develop their adaptive leadership skills and vision for the digital world continued.

Digital transformation-oriented online education programs, which are offered by the Columbia Business School, the MIT Sloan, the University of Oxford, the London School of Economics, the University of Cambridge and the University of Berkeley, continued.

The Modular MBA Technology and Innovation Management Specialization Program by Koç University continued. The Program developed for employees working in engineering focuses on the subjects of the digital world.

Cybersecurity as an Emerging Risk

- ▶ ▶ ▶ The digital world brings cyber risks with itself. According to the World Economic Forum Global Risk Report 2022 cybersecurity threats are growing and it is identified as a critical short-term risk. In parallel with the increase in the hybrid working, new threats have increased and security solutions to prevent them have been adapted to our cyber security ecosystem.

Cyber risks are classified under the operational risk category within the Koç Holding Risk Management structure. The Board of Directors supervises risk management processes including cybersecurity risks of Koç Holding and group companies via the Risk Management Committee currently chaired by Mr. Peter Martyr, independent board member. The Committee is informed through detailed risk assessments at least 6 times a year. At the Holding level, Koç Holding Information Security Committee, overseen by the Executive Management, designs the relevant information security processes, approves, and publishes the procedures and instructions in accordance with the information security standards and strategy set under the Information Security Policy. CIO leads the Information Security Committee. The Committee consists of CIO, Information Security Manager, and IT Audit Manager. In case of extraordinary agenda, participation of relevant departments such as Legal and Human Resources can be provided. Cyber risks are included in the CEO's and the GMs' Objective and Key Results (OKR). Group's cyber security issues and risks are handled at monthly meetings of the Cyber Security Committee, led by Holding Information Security Manager, and consists of the cyber security experts of our group companies.

Due to working from home and the increase in the use of cloud

applications, OT/IOT and digital transformation projects, we re-evaluated our cyber risks. Impacts of these risks are the penalties for non-compliance, financial impacts due to data leakage, and loss of reputation. In order to ensure IT continuity, we focused on the regulatory issues of cloud landscape and the mitigation measures of the cloud cyber risks. We apply a realistic risk-based security management methodology to prevent cyber-attacks. Security policies, standards and SANS CIS Security Controls are implemented into this methodology. We perform annual audits for each Group company based on globally recognized frameworks (COBIT, ISO27001, CIS20) and Koç Group IT Standards Audit, and maturity assessment results presented to the CEO and relevant committees. Furthermore, cybersecurity awareness training is held for our employees, and it is part of the employee performance evaluation.

Operational technology (OT), one of the vital components of technology used by Koç Group companies in many different areas such as factories, energy production, transmission facilities, transportation networks and infrastructure services. As OT systems become more connected, they also become more exposed to vulnerabilities. Both IT and OT teams of Koç Group companies have responsibilities that include the development of management, administrative, technical, and physical standards and guidelines to improve the security of OT systems.

An OT security governance model with organizational structures, policies, and procedures is designed by IT Security Committee for Koç Group Companies. The governance model closely covers all parties in the organization from across security, OT as well as IT.

Cybersecurity as an Emerging Risk

- ▶ ▶ ▶ IoT security (internet of things security) refers to the methods of protection used to secure internet-connected or network-based devices. It Security Committee is working on risks caused by IoT devices and how to evaluate them.

It's observed with concern that the activities of targeted threat actors have increased in the region, as well as the devastating impact of the recently increased ransomware attacks globally. As part of themission to be a "hard target" against cyber attacks, cyber resilience has been increased especially against attacks targeting the endpoint. Endpoint security layers have been strengthened with the EDR layer that will detect and prevent advanced attacks, and business continuity has been strengthened with continuous backup strategy. Focusing on the human factor, which is the most important component of cyber security, a cyber security awareness program supported by training materials including emerging risks are carried out. Cyber insurance policy is in place for Koç Group companies that include precautions for cyber threats, such as malicious attacks, privacy breaches, and accidental events.

The cyber security industry is facing a talent shortage globally. The lack of qualified people will cause insufficient security controls implementation that will lead to cyber security problems. In line with our cyber security strategy, we initiated the "Talent Management

of Cyber Security Human Resources Program" three years ago with Koç Sistem and Boğaziçi University. People trained through this program started to work in the cyber security units of our companies. Within the scope of the program, studies are carried out on technical trainings, talent assessment and recruitment.

Red teaming is an assessment conducted over a period of weeks and designed to test an organization's detection and response capabilities and achieve set objectives, such as data exfiltration. Koç Holding's Red Team is designed to far exceed the remit of traditional security testing by challenging the effectiveness of technology, personnel, and processes to detect and respond to a highly targeted attack of Group companies conducted over an extended period of time.

Cloud environments are more dynamic than on-premise ones and cloud security risks change rapidly. Koç Holding centrally uses the Secure Score measurement methodology to understand Group companies' cloud security posture. Secure Score helps companies to improve their security posture by providing discoverability, visibility, guidance, and control.

Digital Transformation Operations

Tüpraş: ProCast

- ▶ ▶ ▶ The potential annual return of the ProCast is 10 million USD.

Complex production processes in the refinery depend on many critical parameters. Some of these parameters are monitored by laboratory measurements that can be recorded once in the duration of a work shift. However, deviations may occur in quality when the frequency of these measurements is insufficient due to changing crude oil types and process conditions. While insufficient quality causes tank deterioration, customer dissatisfaction and export cargo delay; the products with more than necessary quality result in obtaining less than the optimum amount of final product. In both cases, extra costs occur.

With ProCast, the temperature, pressure, flow amount and level sensor values collected from the units are processed. These data are matched with the quality values collected from the laboratories and the most relevant data are identified. Then, instant predictions are made using dynamic learning methods.

With ProCast, 120 of the 200 critical process parameters at the İzmir Refinery are estimated instantly. The potential annual return of the system is 10 million USD. In the upcoming period, the aim is to estimate all quality values, use these estimates in automation and implement the project in other Tüpraş Refineries.

Digital Transformation Operations

Tofaş: Autonomous Tow Tractor

- ▶ ▶ ▶ Tofaş aims to support the sustainability of its operations by developing and disseminating an autonomous vehicle that will enable the transportation of the load and material between all its warehouses and the production line with minimal effort.

This autonomous tow tractor is the first vehicle operating indoors and outdoors which was designed and manufactured by an OEM (Original Equipment Manufacturer) in Turkey. The fleet management software, which will enable the central management of autonomous vehicles in the operation within the factory, was also developed by Tofaş. In addition to the 2 vehicles that are currently active, 5 more vehicles will be manufactured in 2022 with the aim of reaching full expansion in plant operations by 2025.

The autonomous tow tractor includes a number of autonomous features that distinguishes it from others in the market, such as 6 tons of load capacity, 8km/h maximum speed, ability to operate in all weather conditions indoors/outdoors, connecting/disconnecting from autonomous convoy, autonomous charging/battery replacement.

This vehicle was developed under the leadership of Tofaş Supply Chain, with the participation of production, R&D, Information and Communication Technologies, General Facilities (TTHM), and with the cooperation of 2 start-up companies.

Within the scope of occupational safety, the teams played an active role in both vehicle and safety design and ensuring that the vehicle successfully completed the CE certification process. Furthermore, the direction of movement and the safety of the surroundings of the convoy was assured through the application of dozens of sensors and cameras on the vehicle.

Digital Transformation Operations

Yapı Kredi: Complaint Management

- ▶ ▶ ▶ With innovative products and services, it is critical to meet customer needs, exceed their expectations, and keep the customer in focus in all decision-making processes. While managing the customer experience, digital transformation contributes significantly to complaint management.

With the combined use of artificial intelligence (AI) and Robotic Process Automation technology, Yapı Kredi has become a pioneer in the banking sector in Complaint Management processes.

When the customer issues a request it needs to be identified and resolved quickly while the customer is informed accurately. To resolve the issues the customer faces during the first contact with the Bank, small improvement areas and issues with existing products and services

are identified and improved. These solutions, designed mostly by using artificial intelligence and robotics, improve the customer experience and increase operational efficiency.

With the use of AI in the topic selection process, notifications from customers are automatically categorized and real-time complaint management is implemented. As a result, 515 hours of savings, a 5% increase in business unit efficiency, and a 25% increase in productivity of customer representatives are achieved. With the social media monitoring tool, the average response time to customer posts about the Bank reduced from 5 hours to 17 minutes, and the quality of communication increased.

With Robotics, processes such as customer information and complaints transfers or legal deadline notifications were automated and optimum operational efficiency was achieved. With the use of AI in complaint management Yapı Kredi received three awards in the 3rd CX Customer Experience Awards in 2021.

Innovation

► ► ► Innovation is a key factor for building resilient businesses and societies.

3.3 billion TRY investment to R&D in 2021

7% of the total R&D expenditure in Turkey's private sector

4% of all employees working in R&D in Turkey's private sector

55 projects in the EU Horizon 2020 program and **20 projects** in the Eureka program

It fosters problem-solving, especially bringing huge opportunities in the face of the world's constantly changing social and environmental challenges such as climate crisis. By embracing new technology-driven improvements, innovation can help to create new jobs and raise living standards. Scaling these transformative and disruptive solutions serves for sustainable development and SDGs. New clean technology solutions such as electronic vehicles (EV), solar power will offer more advantages in the future for transition to a low-carbon economy.

Koç Group companies play a leading role in the development and rollout of the technology, innovation and R&D culture. The Koç Group accounts for approximately 7% of the total R&D expenditure in Turkey's private sector and with 33 R&D centers, one design center and seven Technopolis R&D offices, it has the highest number of R&D centers of any group in Turkey.

The Koç Group has 5,553 R&D employees, corresponding to 4% of all employees working in R&D in Turkey's private sector. 4 of the 7 Turkish companies included in the "2021 European Union (EU) R&D Scoreboard" report published by the European Commission comprising the world's top 2,500 R&D investors are from the Koç Group. Together with Koç Holding, Ford Otosan, Tofaş and Arçelik were also included in the list.

Koç Innovation Program

To thrive in the new economy and drive an innovative culture by cultivating corporate entrepreneurship across the Group, the Koç Innovation Program is being implemented since 2014. While building a culture of innovation and creating the right working environment to enhance our innovation capacity, we are extending innovative initiatives not only across product and service development, but to all business units and operations. As of the end of 2021, 10 Group companies are part of this voluntary program. Since the start of the program, more than 250 internal startups have been formed, 29 new products and services were brought to the market and four companies were established. With the program, we support corporate entrepreneurs "intrapreneurs" to bring these innovations into life through various programs, mentorships and incentives. To ensure business model innovation and increase open innovation capacity, we build a culture of innovation and cultivating intrapreneurs.

To create value with stakeholders we invest in open innovation. We collaborate with business partners, startups, relevant organizations and industry groups at the national and international levels. Furthermore, our group companies disseminate their successful collaboration practices to other industries. The companies included in the program have cooperated with over 120 startups to support the entrepreneurship ecosystem.

29 new products & services brought to the market

250 internal startups turned into projects

Innovation Products

Ford Otosan: Rakun Mobility

- › › › Ford Otosan combined its know-how in electric and commercial vehicle production with its innovation power and established its new venture, Rakun Mobility Technology and Trade Inc.

Developed by Ford Otosan engineers, Rakun Pro2 and Rakun Pro3 aim to provide services with different business models for all users looking for innovative and light mobility solutions. With the new vehicles, businesses will have the opportunity to deliver their orders in a reliable, durable and 100% electric way while reducing carbon emissions by 2,500 kg per year in high fleet usage (150 km per day). The initial aim is to rent and sell the vehicles to corporate customers and then to expand to individual consumers.

Innovation Products

TürkTraktör: Refurbished Part

- ➤ ➤ TürkTraktör focuses on evaluating its current business within the light of circular economy models and reduces its carbon footprint with the Refurbished Part Project. The project was designed based on the need for repair and/or replacement that occurs during the lifetime of a product.

The project aims to prioritise the usage of a refurbished part when the economic life of a product is complete or when there is a need for repair.

Refurbishing, which is expressed as rebuilding a product according to the characteristics of the original product by using a combination of reused and repaired parts and new parts, uses only 15% of the energy used to produce a new product, while contributing to recycling and reducing the amount of waste. Part refurbishment process includes the separation of the used machine or product purchased down to the smallest part, cleaning, repairing it and renewing it in accordance with the manufacturer's standards and assembly after quality controls.

The project, which prevents environmental pollution as a result of scrapping the parts, also ensures that the usable parts are reused, and the energy consumed to produce new parts is saved.



**Empower people.
Together**

Empower people. Together

Our aim is to create a community of empowered and engaged employees who have the knowledge and skills to reinvent the future's business models. In accordance with our vision to grow globally, we attract, retain, and develop multi-skilled talents and strengthen employee engagement in all the countries where we operate.

In our business model, we have always put people first to empower and help them to thrive in an agile business environment. The people-first approach has enabled Koç

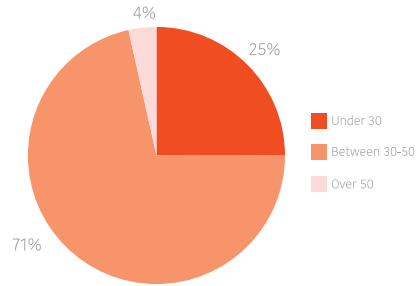
Group employees to reach their full potential and supported us in becoming a role model in our industries.

We focus on equipping people with the skills they need and building the most talented and inclusive workplace in line with Koç Group Code of Ethics, Business Conduct and the SDGs. We maximise our collective potential to develop the future: solutions that will meet some of society's most pressing challenges.

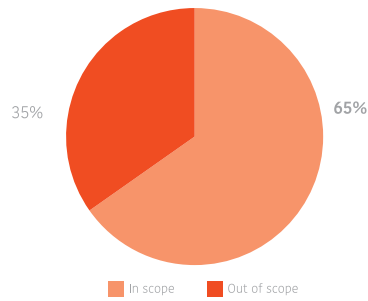


Koç Group Employees in 2021

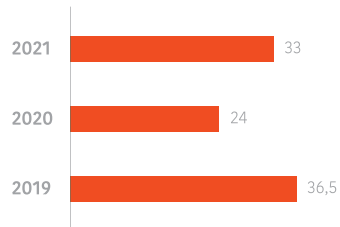
Employees by Age



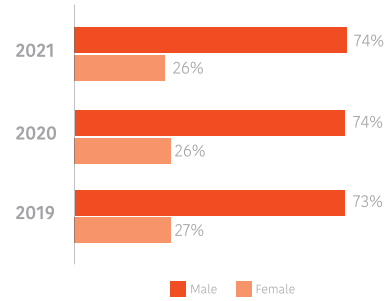
Collective Bargaining Agreement Coverage



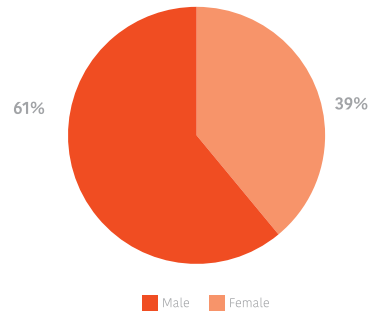
Average Annual Training Hours



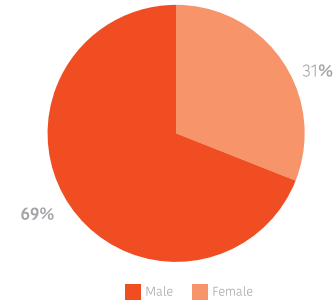
Employees by Gender



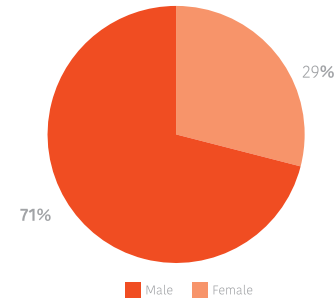
Promotions by Gender



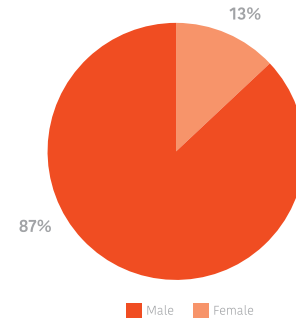
Junior Management by Gender



Mid-Level Management by Gender



Senior Management by Gender



Largest employer in Turkey with **105,908 employees*** 80% in Turkey and 20% abroad

* Total number of employees in all Koç Group. Report coverage is 70% of total workforce corresponding to 74,146 employees.

Employee Wellbeing

The pandemic caused everyone to question their work-life balance. People are redefining life and success, reassessing their values and sense of purpose. Since employee wellbeing is important to us, we aim to balance work and social life by promoting habits that prioritize health on multiple levels, including physical, social, emotional, and mental. We design our projects with a holistic approach, targeting Koç Group employees and their families by offering benefits in different areas from psychological counselling to medical support, from healthy life activities to financial support. Within our online polyclinic program, all of our employees have unlimited and free access to online doctor services, online psychological counseling and online dietician consultation, with a total of 72 doctors from 22 branches. The platform, having 10,898 active members, is launched at the beginning of the pandemic and 12,643 free online consultations have been provided to our employees until the end of 2021.

Covid-19 Response

With the outbreak of the pandemic, we started to implement extensive protective measures for the safety of our employees. The COVID-19 Working Group was established under the Health Committee. Disease management algorithms and many infection control measures were implemented throughout the year.

We implemented communication campaigns with webinars and videos to improve the vaccination rate of our employees. Our occupational physicians closely monitored this process. We launched free consultation sessions, where our employees were able to meet with doctors online

to ask any questions they might have about the vaccine. 99% of the Koç Group employees have received one or more vaccine injections until the end of 2021.

Hybrid Working Model

Working models need to be differentiated according to the role, specific conditions and needs of each employee. In this sense, we are the first and largest industrial group in Turkey to permanently adopt hybrid working principles. We have quickly accelerated our previous efforts in remote working and shared offices. For instance, we provide WIFI and lunch support for all hybrid working employees for their remote working days. In addition to these, we consider online meeting, collaboration and socialization needs when redesigning our offices.

For enhancing the office experience, we launched “Koç Office Free”, an online open workspace reservation system, which enables our colleagues to work in any Koç Group Offices. Currently, more than 35 collective open workspaces are available; our aim is to expand the project to 100 collective open workspaces in 5 different countries in which Koç Group operates.

Considering the adoption of new working models and the impact of the pandemic, we designed a brand new training program called ReMood. This program is designed exclusively for our Group with the best experts in their field from top institutions. The training program includes a variety of modules covering global trends in many areas such as well-being and work-life balance, personal effectiveness, leading teams and building trust in the new working environment. Our aim is to provide this training to all colleagues who are able to work in the hybrid model.

► ► ► **KoçAilem Peer To Peer Blood Donation Platform**
In September 2020, we launched KoçAilem Peer to Peer Blood Donation Platform which brings together our employees with other volunteers in the digital environment when blood is needed. Thanks to this blood-sharing platform, in the last one and a half year period, 9.500 Koç employees have volunteered and more than 550 blood requests have been met.

Enhanced Benefits

During the pandemic, our colleagues have not experienced any reduction in their earnings; however, some of their family members did. Koç Holding Pension and Support Foundation provided interest-free and unconditional loans to employees, which are payable for up to 24 months. Until the end of 2021, 21,592 employees applied for financial support, accounting for TRY 104 million in loans.

Online Market Privilege

We have implemented an online supermarket project on our KoçAilem Loyalty platform, in order to support the grocery shopping expenses of our employees and their families. From basic food to cleaning products, personal care products, beverages and snacks, we offer very affordable grocery shopping, 365 days a year, in hundreds of brands. We have door-to-door delivery services in 81 cities in Turkey.

Online Social Activities

All Koç Group Sports Club training and events continued online. All online classes continued to be delivered live via IGTV, YouTube, and Instagram. During the pandemic, over 3.7 million people participated in 1,250 online events in 160 different categories, which were open to both employees and the entire Turkish population.

The 32nd Koç Group Sports Festival was also conducted on online platforms in 2021 due to the pandemic. The

Festival, which included basketball, chess, football, sailing, and running, attracted 2,000 international participants from 14 different countries.

Talent Management

We invest in the competencies of the future to equip our employees with the skills and motivation they need to prosper in tomorrow's workplace. We want our workplace to become more flexible, agile, dynamic, bold, collaborative, and entrepreneurial, in order to attract the best emerging talents.

Training and development opportunities are offered to ensure employees reach and exceed their potential. In addition to training in areas such as environment, ethics and OHS, many different training programs are offered to employees for technical and leadership development in line with future business models.

Various mechanisms are implemented to provide a good employee experience to the talented individuals joining the Group and to evaluate them in the talent pool of the Group companies. Prospective employees are involved in competency-based evaluation processes designed for different organizational levels and positions. Employees who possess top executive level competencies are identified by the "Assessment Center". This enables an effective succession plan for top executive positions and proactively supports candidates for these positions via training-development programs and job rotation opportunities.

The succession planning process is executed each year by proactively building up internal, cross-company talent pools. Customized development plans are made for all successors with the aim of preparing them for future roles. Focusing on investing in people, 90% of Koç Group's top executives are promoted from inside.

- ➤ ➤ At Koç Group, employees are provided with the possibilities to rotate between more than 100 companies in more than 40 countries and throughout more than ten industries. KoçKariyerim, Koç Group's career platform is used to announce all available positions within the Group. Group employees are given priority for filling open positions. KoçKariyerim was made available for use also by non-Group candidates in 2021, giving access to career opportunities at the Group companies collectively on the platform. More than 5,000 job postings were announced on the platform in 2021, and over 2,000 employees benefited from intra-company rotation opportunities.

We support our potential leaders to become executives across Koç Group through a leadership development program called LiderSensin. The program is a dedicated talent management program designed to discover talented employees with high leadership potential that the Koç Group will need for future executive positions and prepare them for the future. The program consists of 3 modules and it runs for 2 years. This program is designed as a structure of the best institutions and institutes in both the world and Turkey. Inspired by the current strategies and human resource planning of the Koç Group, program content is redesigned for each period.

We believe that the internship process is an important step in creating and developing talent resources. This year 42% of the new graduates joining the Koç Group completed their internship at Koç Group companies. 89% of our interns stated that they were satisfied with their internship experience.

About **2.500** Koç Group interns participated in trainings. **92%** stated that they want to work at the Koç Group company where they completed their internship.

Koç Holding has ranked as **Turkey's #1 in Forbes the World's Best Employers List** for the **last 5 years**, proudly representing our country in the global arena. In 2021, Koç Holding moved up by 124 companies and ranked as the **165th company worldwide** while continuing to maintaining its number one position in Turkey.

In the "**Turkey's Best Workplaces**" research organized by Kincentric, **20 of the 24 Koç companies were awarded** among 350 companies from 40 different sectors were Koç Group Companies.



➤ ➤ ➤ **Agile Way of Working**

Agile way of working is at the core of our cultural transformation agenda. For the past few years, we have been implementing an Agile Transformation initiative across Koç Group, focusing on a change in culture, way of working and organizational design. With this initiative, we aim to address requirements in today's rapidly changing business environment, customer expectations and digitalization.

We are currently the largest agile community in Turkey with more than 7.000 colleagues and 900 teams across Koç Group working with agile methods. We have over 200 agile coaches, who have been trained in our training programs, promoting agile mindset in their respective organizations. We have established "Koç AgileAcademy" in order to enable Groupwide agile capability development, accelerate cultural transformation and create an agile ecosystem for knowledge sharing. Koç AgileAcademy is a global first in its own category with no comparable scale and scope. Through the Academy, we offer over 30 programs in partnership with more than 20 institutions with world leading expertise in Agile, including but not limited to Harvard Business School, MIT, Scrum Inc., Business Agility Institute, McKinsey and BCG. The training programs are designed with a holistic approach, encompassing different development journeys for all roles and organizational levels. We had over 5.000 colleagues who participated in training programs in the Academy's first year only.

In addition to agile capability development, we focus on continuous improvement of our way of working through monitoring agile metrics and regularly performing "agile maturity assessments".

Through these assessments performed in cooperation with the Business Agility Institute, we evaluate our "agile maturity" and identify improvement areas in our work culture.

As one of the driving forces behind cultural transformation at Koç Group, transition to an agile way of working has enabled collaboration, autonomy and initiative for all of our colleagues, while creating opportunities for continuous growth across the Group.

Koç Dialogues

Koç Dialogues training program was designed in 2020 in collaboration with Columbia Business School, Neuroleadership Institute and Emeritus to enable the transition to a new performance management system for the whole group. In addition to supporting the transition process, the program focused on creating a culture that empowers the employees in communication, effective feedback, change management and career management areas. More than 30,000 office employees participated in the program.

► ► ► KoçAcademy

KoçAcademy is the Learning Experience Platform that provides more than 12 thousand online video trainings, including health and lifestyle, digital technologies, family, hobbies, and personal development categories to Group employees and their families. The platform can be accessed from all mobile devices. During the pandemic, we opened all resources for public use.

As part of talent management, Learning and Development (L&D) programs which are designed in collaboration with prominent institutions in the world and Turkey, are offered to the Koç Group employees. Koç Group aims to support employees in a wide range of areas such as leadership, strategy, change management and digital competencies at different stages of their careers with L&D programs offered under the "LEAD" brand.

To develop and strengthen the managerial and digital transformation competencies of Koç Group employees, LEAD offers more than 350 different programs.

The system includes contents related to the Personal

Development Program (PDP) and Agile Leadership Program that are designed internally for top executives. With these development programs, we aim to deepen the global perspectives of our top executives and management teams, while strengthening their leadership behaviors. LEAD also offers programs from top global institutions such as BCG, McKinsey, Harvard Business School, MIT Sloan, Columbia Business School, University of Oxford, University of Cambridge etc.

In addition, we focus on increasing technical capabilities of our colleagues and implement several initiatives with focus on reskilling and upskilling. In this respect, We have a partnership with Udacity which is one of the world's most valuable companies in the training sector. More than 1000 Koç Group employees completed Udacity programs focusing on data analytics, business analytics, programming and self-driving cars. Also, in cooperation with Microsoft, Enterprise Skills Initiative was launched to upskill the employees in the scope of new essential technical competencies and programs. Up to present, approximately 2.000 of Koç Group employees participated in these programs.

Other Human Resources Programs and Benefits can be found at [Koç Holding 2021 Annual Report](#).

Diversity and Inclusion

- ▶ ▶ ▶ We believe that diversity and inclusion in the workplace are essential to integrating sustainability into business. Companies with a diverse and inclusive workforce perform better in their business with their increased innovation capacity while employee loyalty and satisfaction are also higher in those organizations.

We have been implementing a wide range of initiatives to offer equal opportunities to employees at all levels. Accordingly, we updated our training programs and support systems to cover all job categories to enable all employees to access the same communication platforms.

At Koç Group, we strive to create an environment that meets the needs and expectations of all employees, regardless of their gender, religion, sexual orientation, language, ethnicity, race, beliefs, faith, disability or any other personal attribute protected by law. We focus on creating an inclusive culture for a more productive and collaborative workplace across our value chain. The Koç Group Human Rights Policy adopts a comprehensive approach to eliminating all forms of discrimination and prejudice related to gender at work.

In order to promote and ensure gender equality at all levels throughout the Group:

- Together with Koç Holding, 30 Group companies became signatories of the UN Women's Empowerment Principles (WEPs).
- Koç Holding partnered with UN Women's HeForShe movement and became one of the 10 Impact Champions of the HeForShe.
- Koç Holding is a global member of UN Women Unstereotype Alliance fighting detrimental stereotypes in all kinds of media and advertising contents.
- Koç Holding has become one of Generation Equality Forum Action Coalition Leaders on Innovation and Technology.

In line with our Board Diversity Policy approved by the Board of Directors in 2021, we aim to keep the ratio of women members in the Board of Directors at least 30% at all times.

Diversity and Inclusion

- ▶ ▶ ▶ We pursue gender equality in the business environment with the aim of ensuring that all positions and roles attract more women applicants. We aim to strengthen women's representation in executive roles, our management succession plans are prepared to cover at least one woman successor for each position.

In order to ensure that every candidate is assessed under equal and fair conditions during the recruitment processes, we use genderless vacancy announcements. In addition, we implemented the "Recruitment Accreditation" program to improve the competence of recruiters.

We improved counseling services offered before and after maternity leave, childcare and nursery assistance, and workplace safety. In 2021, 95% of women employees who took maternity leave returned to work following the end of their official leave. 18% of women employees also benefitted from childcare provision.

Salaries by Level	Ratio (Average Women/Men Salary)
Executive level (base salary only)	0,82
Executive level (base salary + other incentives)	0,80
Management level (base salary only)	0,94
Management level (base salary + other incentives)	0,94
Non-Management Level	1,02

Generation Equality Forum

Action Coalition on Technology and Innovation for Gender Equality

To ensure gender equality in technology and innovation, we are one of the leaders of the Technology and Innovation Action Coalition of The Generation Equality Forum and announced three commitments that will contribute to the global efforts on the topic.

One of our commitments is to endorse Koç Group Companies to become global commitment makers for solutions and to create and scale transformative change. We have engaged Koç Group companies in energy, automotive, consumer durables and finance sectors, Aygaz, Arçelik, Ford Otosan, Koçfinans, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi, to be global commitment makers. Along with a number of commitments the companies also set targets to boost the number of women employees in the technology and innovation departments, setting minimum ratios to 30 percent.

Full set of commitments and details on this topic can be found under Strengthen Communities. Together section.

Occupational Health and Safety

► ► ► Koç Group strives to achieve excellence in occupational health and safety (OHS) standards throughout all of its operations in line with its target of zero accidents. OHS rules are an integral part of business culture. During 2021, Koç Holding Occupational Health and Safety Unit led the release of the OHS Policy, OHS Management System Procedure, and the Koç Group Standards on 7 different topics, in cooperation with the Occupational Health and Safety Board consisting of participants from the Group companies. The Management System Procedure defines the minimum requirements of OHS topics under 20 main headings at the Group companies.

Investigating incidents is one of the requirements in the OHS Management System Procedure. The procedure states that all companies in the Koç Group are required to report and investigate incidents. In addition, direct and root causes should be identified, then corrective and preventive actions should be planned and followed. Moreover, Koç Group Incident Investigation Standard has been prepared in order to determine the investigation methodology and increase the quality of the investigations. Trainings were given on determined methodology to ensure compliance. According to our management system, in procurement and execution processes, purchasing and supplier evaluations shall include OHS aspects. OHS reviews shall be applied at all project stages (Pre-start up safety review, post-project review etc.). In our H&S management system procedure, "Design, Engineering & Project Management" item mentions about procurement evaluation whereas item "Contractor Management" include project stages.

An audit program has been launched to verify compliance with the requirements defined for OHS topics, which is coordinated by Koç Holding OHS Unit and conducted by an international independent company. Audit program identified improvement areas of documentation together with field practices. Koç Holding OHS team will oversee the preventive and corrective action plan throughout the year. Beside these audits, there are 19 companies across Koç Group that have ISO 45001 Health and Safety Management System certification.

In order to implement the Operational Risk Management Standard that consolidates various risk analysis methods practiced in relation to OHS under a common method, people in charge of Operational Risk Management were identified for each company, who were then given the necessary training. The Operational Risk Management Standard requires risk prioritization according to their potential. Work is underway for consolidating each company's operational risk inventory. After consolidating all operational risk inventories and prioritizing risks, we will prepare action plans starting with the highest potential risks.

The Emergency Management Standard released according to our Management System, establishes the structures for management of emergencies and crises. According to the Standard, there are management formats at site level, company level and the Group level. The Group Support Plan, which is the management format at the Group level, describes the crisis management format and procedures that need to be handled at the Koç Holding level.

In addition to the compulsory OHS trainings, trainings on Koç Group Standards are also provided to the employees. Until now, additional trainings have been given for Control of Work, Emergency Management, Incident Investigation, Driving Safety, and Operational Risk Management Standards.

The most critical topic of 2021 with respect to OHS has been the ongoing COVID-19 pandemic. A Health Advisory Board was set up, which is formed of workplace and hospital physicians and worldwide renowned academics from relevant disciplines. Employees were encouraged to be vaccinated by way of numerous Group-wide and company-wide communication activities, webinars and information meetings.

The details of the Koç Holding OHS Management System Procedure can be accessed from [here](#).

More information on occupational health and safety can be found at [Koç Holding 2021 Annual Report](#).



**Strengthen communities.
Together**

Strengthen communities. Together

At Koç Group, we believe that strong and stable communities are vital foundations for business success. Over the years, we have been a first-mover in supporting community initiatives. We focus on driving large-scale and long-lasting programs that create social change. Through the impact we create, our business becomes stronger, our network becomes connected, future generations have more opportunities, and everyone in society feels part of something that matters.

We have the potential to create a paradigm shift in the areas in which we invest. When our employees, distributors, suppliers and their families are combined, we reach out to an audience of half a million people. Engaging this many people that can effect change can start a movement that spreads through communities and beyond, creating a positive social transformation.

Through our community investments, we aim to create sustainable, scalable and replicable models for lasting impact in the five focus areas of “**Lead. Together**”- digital transformation, innovation, future talent, diversity & inclusion and low-carbon transition. We focus on the societal effects of complex issues material to Koç Group and collaborate with stakeholders to increase the prosperity and equality in the world, where we do business. By doing so, we aim to create shared benefits for society and our business.

The effectiveness and scalability of social investments are the keys to implementing our Lead.Together strategy. In this context, the Koç Group Community Investment Policy has been prepared as a part of the Compliance Program to develop community investment projects according to common principles. The policy offers a guideline for Group companies in managing these community projects.

Priorities	Description	Programmes	Lead. Together Strategic Priorities
Empowering women in innovation and technology	Supporting women and providing opportunities in innovation and technology for gender equality	Generation Equality Forum Action Coalition on Innovation and Technology	Digital transformation Innovation Diversity & inclusion
Accelerating digital transformation of civil society organizations	Supporting the development of the ecosystem in which we invest, mobilizing the ecosystem for inclusive digital transformation	BOOST Civil Society Technology Challenge	Digital transformation Innovation



Generation Equality Forum

Action Coalition on Innovation and Technology

- ➤ ➤ Gender equality remains one of the most crucial socio-economic issues that all governments, the business world and NGOs should collectively focus on to ensure sustainable development.

The Generation Equality Forum is a global, multi-stakeholder initiative coordinated by UN Women and co-hosted by the Mexican and French governments. Through the Generation Equality Forum, UN Women aims to accelerate progress for gender equality before 2030 in line with the vision set in the Beijing Declaration and Platform for Action.

The Action Coalition of Technology and Innovation for Gender Equality, led by Koç Holding, works on transformative projects in technology and innovation to remove the barriers to equality. In addition, the roadmap and five-year goals were set for global roll out. We announced three pledges in this context:

- To adopt a gender-sensitive approach to innovation activities carried out under the Koç Innovation Program throughout the Koç Group, and to create a global blueprint. In order to succeed in this commitment, all innovation processes, criteria and standards in research,

management, evaluation, trainings, incentives and communication of the Koç Innovation Program will be reviewed. Additionally, a “Gender Equal Innovation Guide” will be created. The lessons learned and outcomes will be disseminated to the innovation ecosystem, to Koç Group companies, business partners and startups, as well as to Generation Equality Forum global network.

- To support the collaborations with women innovators to narrow the gender gap in technology and innovation. In order to succeed in this commitment, initiatives of women innovators will be supported by the regional BOOST program implemented in partnership with UNDP and Koç University Entrepreneurship Research Center (KWORKS). It is targeted to disseminate the lessons learned and scale up best practices among the regional and global innovation ecosystems.
- The BOOST: Women Innovators program has been positioned to support women-led or women founded technology start-ups in Turkey. The program aims to amplify, bridge, and connect women innovators to advance in the digital economy. The selected applicants receive leadership, business development, impact and behavioral insights training and one-to-one mentoring.

Generation Equality Forum

Action Coalition on Innovation and Technology

➤ ➤ ➤ To endorse Koç Group Companies to carry their ongoing projects and future-oriented plans towards women and girls in technology and innovation into the global network of the UN Women Generation Equality Forum, and to become global commitment makers for solutions.

- In cooperation with the UN Women's Generation Equality Forum, we have launched a gender equality movement in technology and innovation to mobilize our Group companies. 30 programs will be conducted by Group companies to reach out to a total of 500,000 women and girls and to increase the representation of women in technology and innovation by 2026. Along with those commitments the companies also set targets to boost the number of women employees in the technology and innovation departments, setting minimum ratios to 30 percent. The commitments of 8 Koç Group companies, Aygaz, Arçelik, Ford Otosan, Koçfinans, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi, which have the capacity to influence their sectors, will have a collective impact and lead the transformation in society,
- The commitments of each company can be reached [here](#).

Gender Equality in Technology and Innovation

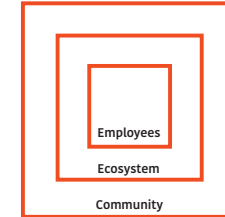
Our Commitments

4 Sector
Consumer Durables, Energy,
Automotive, Finance

8 Companies
Arçelik, Aygaz, Tüpraş, Ford Otosan, Tofaş,
Koçfinans, TürkTraktör, Yapı Kredi

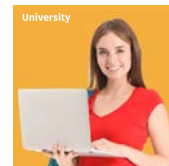
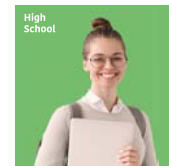
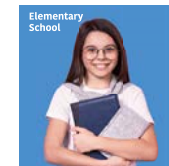
+30%
Women Employees
in Technology and Innovation

5
Years
Commitments



~30
Program
and Projects

500.000
Women and Girls
Outreach Target



BOOST Civil Society Technology Challenge

- ➤ ➤ COVID-19 has emphasized the importance of digital transformation and efficient use of technology in corporate practices, as well as the role of technology in generating solutions to environmental and social challenges. In partnership with the UNDP and KWORKS, we launched BOOST Civil Society Technology Acceleration Program to effectively utilize technology and innovation for societal development and share the Koç Group's experiences and learnings in this field with various stakeholders.

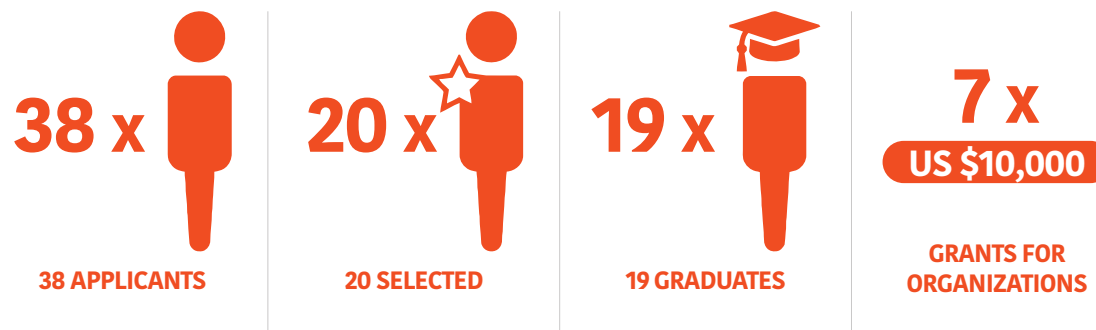
The program, designed in two stages, 19 different NGOs working in the fields of environment, education, human rights, women, young people and disadvantaged groups were provided the opportunity to design and implement digital transformation processes based on a concrete project proposal.

In the first phase of the program, NGOs collaborated with

mentors who were experts in related fields and received intensive training that covered a variety of topics in order to implement their technology-based solutions. The seven NGOs chosen for the second phase with their projects that utilized digital technologies for solutions were proposed a 24-week, one-on-one acceleration program, along with financial support.

As a part of the Program the NGOs received training on growth marketing, presentation techniques and digital technologies such as user interface, user experience by KWORKS. They received mentoring from specialists and benefitted from tools that can be used in areas such as digital marketing, cloud services to develop their projects.

The UN Economic and Social Affairs Department selected BOOST as one of the global best practices for reaching Sustainable Development Goals.



BOOST Civil Society Technology Challenge

NGOs	Selected Projects	Scope of the Project
Science Heroes Association (BKD)	Digital Volunteering Mobile Application	Developing a digital volunteering mobile application with content and applications such as volunteering application, donation management, internship and scholarship opportunities, which will expand activities and increase efficiency through creating active participation and networking with volunteers, alumni, teachers and supporters
Education Reform Initiative (ERI)	The Education Ecosystem Digital Platform	Developing innovative practices for easy access to educational content through geospatial data and region-specific framing, aiming to bring all stakeholders in the field of education together on the platform and ensure that the data is easily understood by everyone
Support to Life	E-cash Assistance App for Post-disaster Recovery	Developing an innovative e-cash mobile application for delivering humanitarian aid and bringing tradespersons and natural disaster victims in the post-disaster period, even in the places without an internet connection
Istanbul Foundation for Culture and Arts (IKSV)	Accessibility & Engagement	Facilitating the process of getting information about events for people with disabilities and making physically accessible designs for visually and hearing-impaired people
Development Workshop	Vocational Education Growth Alliance (MEGA)	Creating an online platform to bring together students from vocational and technical schools, teachers, and sector representatives for collaboration, aiming to support the access of disadvantaged groups to quality education.
Association for Solidarity with Asylum Seekers and Migrants (ASAM)	ASAM Mobile Application to Bolster Humanitarian Worker Psychological Resilience	Creating a mobile application for humanitarian workers to assess, support and develop their psychological resilience
Spastic Children's Foundation of Turkey (Cerebral Palsy Turkey)	Digitally Able Me - Disgiable	Developing an online education platform designed for students with special educational needs, their families/ caregivers and special education teachers, aiming to personalize educational content by a pre-assessment process done by experts to identify the special needs of these students

Sustainability Foundations

- ➤ ➤ Ethics, compliance and sustainability governance are key issues which underpin all our activities, wherever we operate, and act as the foundations of our business success.

Ethics and Compliance

Koç Group's portfolio and its growing geographical span require compliance with a high number of local and international rules and regulations. Considering our extensive global operations and engagement with a wide network of stakeholders it is crucial to earn our stakeholders' trust while ensuring high ethical standards.

Our Compliance Program launched in 2021 sets out the rules, policies and procedures which are the building blocks of our high standards. With the Program, we aim to respond more effectively to our stakeholder expectations at local and international levels, monitor compliance risks more systematically and carry out with the motto of "The Right Way to do It". Under the Program, numerous policies related to compliance have been developed. These policies include, among others, Code of Ethics, Sanctions and Export Controls, Anti-Bribery and Corruption, Supply Chain, Human Rights, Personal Data Protection, Donations and Sponsorships.

The obligations of Koç Group under the Compliance Program are not limited to compliance with mandatory regulations or contractual obligations, but also include compliance commitments undertaken voluntarily.

As a part of the Compliance Program, supported by the senior management of Koç Holding and Koç Group companies, the departments or experts responsible for compliance were identified in Koç Group companies. These individuals, together with their business units, are responsible for periodically conducting compliance risk assessments and analyzing the compliance risk exposure of activities, employees and/or business partners. After these assessments are completed, if necessary, additional policies and procedures are prepared and adapted by Group companies, documents and workflows are updated, and compliance trainings are provided regularly on issues with high risk.

Koç Holding Legal and Compliance Office monitors the compliance activities carried out throughout the Koç Group. In this way, we aim to identify the compliance risks that may affect the Group, take necessary measures, and implement the Compliance Program in an effective, equal and consistent manner throughout the Group.

Code of Ethics and other Compliance Policies can be accessed [here](#).



► ► ► **Non-compliance**

Any non-compliance with the Code of Ethics and Compliance Policies can be reported to Koç Holding Ethics Line (koc.com.tr/hotline). Koç Group Ethics Hotline launched in the last quarter of 2021 is available in more than 50 countries, in 35 languages online and in 15 languages via phone to all Koç Group companies, business partners and stakeholders around the world. Ethics line is managed by an independent third party that allows anonymous reporting. The Group's employees and stakeholders are protected against potential retaliation in connection with their reports.

To ensure that the Compliance Program is adopted by all stakeholders and to reinforce the compliance culture in the Group we communicated the Compliance Program to employees and organized trainings. We designed interactive online trainings for all Group employees in basic compliance risk. Technical vocational trainings are provided to employees responsible for compliance in Koç Group companies.

Human Rights

We are committed to respecting fundamental human rights in our operations and in our value chain. The Human Rights Policy prepared under the Compliance Program is a guide that reflects Koç Group's approach and standards related to human rights. As per our Code of Ethics and the Human Rights Policy, Koç Group acts in accordance with global

ethical principles on issues such as recruitment, promotion, career development, pay, benefits and diversity, and respects the rights of its employees to establish non-governmental organizations and become union members of their own choice. We have zero tolerance for forced labor, child labor or any form of discrimination or harassment.

The Koç Group Human Rights Policy is developed in line with international standards and compliance is expected by all business partners. In addition, the Supply Chain Compliance Policy draws a general framework on human rights, discrimination, harassment, freedom of association, forced labor and child labor. The departments in charge of compliance together with relevant business units conduct periodical risk assessments and analyse the specific compliance related risks that operations, employees and other business partners may be exposed to. Company policies and procedures are drafted in accordance with these assessments and analysis. The risk analysis is conducted to address and take action in all relevant compliance areas based on their likelihood and impacts. Human rights is also among the main compliance areas.

Stakeholders may report any non-compliance with the Human Rights Policy to their senior manager or to the Koç Holding Ethics Line. The Koç Holding Human Resources Directorate is responsible for the implementation of the policy.

Performance Indicators

Social Performance Indicators

	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Employees						
Number of employees	17,797	49,320	19,045	54,611	19,154	54,992
Total number of employees	67,117		73,656		74,146	

Number of employees by category	2021	
	Monthly paid	Hourly paid
Total	34,002	40,144
Full-time	33,632	39,862
Part-time	370	282
Female	14,831	4,323
Male	19,171	35,821

Employment Type	2019	2020	2021
Full-time	66,984	73,374	73,494
Part-time	586	282	652

Employees by Age	2019	2020	2021
Under 30	17,765	21,451	18,550
30-50	47,288	49,544	53,002
Over 50	2,027	2,661	2,594

Employee Turnover by Gender	2019		2020		2021	
	Female	Male	Female	Male	Female	Male
Number of employees	2,513	7,171	1,969	5,495	3,791	9,899
Total number of employees	9,684		7,464		13,690	
Employee turnover rate	14%		10%		18%	

Voluntary Termination	2021
Voluntary turnover	4,138
Voluntary employee turnover rate	6%

New Hires	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Number of new hires	1,644	3,612	1,466	4,385	3,417	9,094
Total	5,256		5,851		12,511	

Promotions	2019		2020		2021	
	Women	Men	Women	Men	Female	Male
Number of promotions	2,591	2,258	1,479	1,561	1,777	2,746
Total promotions	4,849		3,040		4,523	
Percentage of promotions	53%	47%	49%	51%	39%	61%

Employee Breakdown	2020	2021
Women employees in STEM positions	21%	20%
Women employees in revenue-generating positions	37%	28%

Disabled employees	2020	2021
	1,764	2,144

Salaries by Level	Ratio (Average Women/Men Salary)
Executive level (base salary only)	0.82
Executive level (base salary + other incentives)	0.80
Management level (base salary only)	0.94
Management level (base salary + other incentives)	0.94
Non-Management Level	1.02

Performance Indicators

Social Performance Indicators

	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Senior Management						
Number of senior management	29	186	26	173	27	182

	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Mid-Level Management						
Number of mid-level management	1,066	2,380	970	2,277	945	2,272

	2021	
	Women	Men
Junior Management		
Number of junior management	1,098	2,371

	2021
Employees Subject to Regular Performance Evaluation	
Percentage of monthly-paid employees who were subjected to regular performance evaluation	97%
Percentage of hourly-paid employees who were subjected to regular performance evaluation	80%

	2021	
	Women	Men
Parental Leave		
Employees that took parental leave	1,063	2,738
Employees that returned to work after parental leave ended	1,009	2,579

Workforce by Nationality	2021
Turkish	79.72%
Romanian	4.70%
Pakistani	3.67%
Thai	3.06%
South African	2.57%
Bengal	1.89%
Indian	1.38%
Other	3.02%

Health and Safety Performance (Employees)	2019	2020	2021
Work related fatalities	0	5	0
Injury rate (IR)*	5.91	6.18	5.91
Occupational illness frequency rate (OIFR)**	0.21	0.05	0.10
Lost-time injury frequency rate (LTIFR)***	3.51	3.15	2.89
Occupational health and safety training provided (person*hours)	545,346	626,981	732,602

Health and Safety Performance (Contractors)	2019	2020	2021
Work related fatalities	0	0	0
Injury rate (IR)*	8.29	5.67	6.20
Occupational illness frequency rate (OIFR)**	0	0	0.05
Lost-time injury frequency rate (LTIFR)***	4.94	3.83	4.46
Occupational health and safety training provided (person*hours)	130,703	88,397	95,162

- * IR = (Number of injuries in given period*1,000,000) / Total hours worked in given period
 - ** OIFR: (Number of occupational illnesses in given period*1,000,000) / Total hours worked in given period
 - *** LTIFR: (Number of lost time injuries in given period*1,000,000) / Total hours worked in given period
- The calculation excludes fatalities. LTIFR values of 2017 are based on total recordable data, while since 2018 calculations are based on only lost time injuries.

Management by Nationality	2021
Turkish	86.91%
Thai	2.27%
Pakistani	1.79%
South African	1.46%
Chinese	1.15%
Bengal	0.93%
Other	5.49%

Performance Indicators

Environmental Performance Indicators

Emission Category*	2021 Emissions (tCO ₂ e)
Total scope 1 emissions	6,207,118
Total scope 2 emissions - market-based	138,322
Total scope 1&2 emissions of subsidiaries owned by Koç Group companies	573,257
Koç Group Total scope 1&2 emissions	6,918,696

* Arçelik, Aygaz, Entek, Ford Otosan, Opet, Otokar, Otokoç, Tat Gıda, Tofaş, Tüpraş, TürkTraktör, Yapı Kredi

Water Withdrawal (thousand m ³)	2019	2020	2021
Surface water	17,227	17,843	14,923
Ground water	6,491	6,410	5,815
Municipal water	2,497	1,739	2,469
Treated urban waste water and other sources	11,609	5,824	11,401
Total	37,823	31,816	34,608
Water discharge	21,942	16,865	17,158
Water consumption	15,881	14,951	17,450

ISO 14001 Certified Facilities	2019	2020	2021
Number of certified facilities	101	99	92
Number of facilities	118	115	107
% of certified facilities	86%	86%	86%

Waste by Type (tons) *	2019	2020	2021
Recovered and recycled hazardous waste (R code)	33,493	26,192	57,753
Recovered and recycled non-hazardous waste (R code)	273,961	272,325	317,917
Hazardous waste disposed (D code)	8,265	6,244	4,362
Non-hazardous waste disposed (D code)	5,404	5,543	6,639
Hazardous waste sent to temporary storage	340	947	-
Non-hazardous waste sent to temporary storage	0	64	-
Total	321,464	311,315	386,671

* All calculations are made in line with the Waste Management Regulation.

Environmental Trainings in 2021	2019	2020	2021
Number training hours (Employees)	39,868	58,075	125,572
Number of participants (Employees)	28,750	32,481	38,825
Number of training hours (Contractors)	19,154	14,578	8,538
Number of participants (Contractors)	27,516	7,866	17,218

Our commitment to the Stakeholder Capitalism Metrics

In January 2021, Koç Holding became one of the initial endorsing companies of the Stakeholder Capitalism Metrics published by the International Business Council of the World Economic Forum.

As part of our commitment to promote transparent and comparable reporting, we are including a list of our disclosures based on the Stakeholder Capitalism Metrics "core" option.

Principles of Governance			
Theme	Core Metrics and Disclosure	Description	Reference(s)
Governing purpose	Setting purpose	The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Our Manifesto, page 7
Quality of governing body	Governance body composition	Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	Sustainability Governance, page 11 Koç Holding Annual Report, Corporate Governance Compliance Report, page 306
Stakeholder engagement	Material issues impacting stakeholders	A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Materiality Assessment, page 12-13
Ethical behaviour	Anti-corruption	1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.	Sustainability Foundations, Ethics and Compliance, page 57
	Protected ethics advice and reporting mechanisms	A description of internal and external mechanisms for: 1. Seeking advice about ethical and lawful behaviour and organizational integrity; and 2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.	Sustainability Foundations, Ethics and Compliance, page 57
Risk and opportunity oversight	Integrating risk and opportunity into business process	Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	Act for the planet. Together, Low-carbon transition, page 19 Grow the business. Together, Cybersecurity as an Emerging Risk, page 32

Our commitment to the Stakeholder Capitalism Metrics

Planet			
Theme	Core Metrics and Disclosure	Description	Reference(s)
Climate change	Greenhouse gas (GHG) emissions	For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO ₂ e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Environmental Performance Indicators, page 61
	TCFD implementation	Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	Act for the planet. Together, Climate-Related Risk and Opportunity Disclosure, page 20
Freshwater availability	Water consumption and withdrawal in water-stressed areas	Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Environmental Performance Indicators, page 61 We are working on our water risks and will report on water-stressed areas in 2022 report.

Our commitment to the Stakeholder Capitalism Metrics

People			
Theme	Core Metrics and Disclosure	Description	Reference(s)
Dignity and equality	Diversity and inclusion	Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	Empower people. Together, Diversity and Inclusion, page 48-49 Social Performance Indicators, page 59-60
	Pay equality	Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	Empower people. Together, Diversity and Inclusion, page 41
	Risk for incidents of child, forced or compulsory labour	An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Sustainability Foundations, Human Rights, page 58
Health and well-being	Health and safety	1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. 2. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	Empower people. Together, Occupational Health and Safety, page 50 Social Performance Indicators, page 60
Skills for the future	Training provided	Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	Empower people. Together, page 41

Our commitment to the Stakeholder Capitalism Metrics

Prosperity			
Theme	Core Metrics and Disclosure	Description	Reference(s)
Employment and wealth generation	Absolute number and rate of employment	Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Social Performance Indicators, page 59
	Economic contribution	1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: <ul style="list-style-type: none"> • Revenues • Operating costs • Employee wages and benefits • Payments to providers of capital • Payments to government • Community investment 2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	Koç Holding Annual Report, page 183
	Financial investment contribution	Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	Koç Holding Annual Report, page 223-224
Innovation of better products and services	Total R&D expenses	Total costs related to research and development.	Grow the business. Together, Innovation, page 37
Community and social vitality	Total tax paid	The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Koç Holding Annual Report, page 19

GRI Content Index

GRI Standard	Disclosure	References
GRI 101: FOUNDATION 2016		
GENERAL DISCLOSURES		
GRI 102: General Disclosures 2016	Organizational Profile	
	102-1	3
	102-2	Annual Report 2021 p.2-5
	102-3	https://www.koc.com.tr/en
	102-4	https://www.koc.com.tr/en-us/activity-fields/international-network-of-koc-group
	102-5	Annual Report 2021 p. 34
	102-6	Annual Report 2021
	102-7	6
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	102-9	Annual Report 2021 p. 55
	102-10	Annual Report 2021
	102-11	Annual Report 2021
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	Ethics and Integrity	
	102-16	https://www.koc.com.tr/about-us/code-of-ethics-and-compliance-policiesct.pdf
	102-17	58
	Governance	
	102-18	https://www.koc.com.tr/investor-relations/corporate-oveniew-and-governance
	Stakeholder Engagement	
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	102-42	14-15
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	Reporting Practice	
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	102-46	12
	102-47	12
	102-48	No restatements were made in the report
	102-49	No changes
	102-50	3
	102-51	3
	102-52	3
	102-53	3
	102-54	3
	102-56	Information and data presented in this report has not been assured independently.

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GRI Standard	Disclosure	References
GRI 300: ENVIRONMENTAL STANDARDS SERIES		
Energy		
GRI 103: Management Approach 2016	103-1	25-27
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GRI 302: Energy 2016	302-1	24
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Water and Effluents		
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GRI 303: Water and Effluents 2018	303-1	61,63
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GRI 305: Emissions 2016	305-1	23,61
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GRI 103: Management Approach 2016	103-1	18
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GRI 306: Waste 2020	306-2	61
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	103-3	2021 Annual Report, page 55
GRI 308: Supplier Environmental Assessment 2016	308-2	2021 Annual Report, page 55
GRI 400: SOCIAL STANDARDS SERIES		
Employment		
GRI 103: Management Approach 2016	103-1	12, 41
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GRI 401: Employment 2016	401-1	59
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GRI 403: Occupational Health and Safety 2016	403-1	50
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GRI 405: Diversity and Equal Opportunity 2016	405-1	42, 59-60
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GRI 103: Management Approach 2016	103-1	2021 Annual Report, page 55
	103-2	2021 Annual Report, page 55
	103-3	2021 Annual Report, page 55
GRI 414: Supplier Social Assessment 2016	414-1	2021 Annual Report, page 55

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