



DUYGU CONTRACTING AND CONSTRUCTION INC.

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Environmental Policy

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1. Purpose and Scope

Duygu Contracting and Construction Inc. and all group companies affiliated with and/or related to the controlling shareholders of this company have prepared this Environmental Policy (the “Policy”) in line with the vision of being “Both a Leader and a Pioneer”, in order to protect nature and make a sustainable environmental management system standard across all of our companies.

This Environmental Policy has been prepared in accordance with applicable national legislation and international best practices, particularly the IFC Performance Standards (PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS3: Resource Efficiency and Pollution Prevention).

This Policy applies to all Company activities and subsidiaries and is binding on employees, contractors, suppliers and all business partners. Duygu Construction expects all stakeholders to comply with the requirements of this Policy and undertakes to take the measures necessary to ensure such compliance.

2. Definitions

Terms, words and expressions used in the Policy that are not otherwise defined under this heading shall have the meanings assigned to them under applicable legislation and industry practice.

Duygu Construction: Refers collectively to Duygu Contracting and Construction Inc. and all group companies affiliated with and/or related to the controlling shareholders of this company. All such companies are collectively referred to as “Duygu Construction” under this Policy.

Aichi Biodiversity Targets: An agreement comprising twenty targets under five strategic goals for the protection of biodiversity.

European Green Deal: A set of policy initiatives led by the European Commission with the objective of making Europe climate-neutral by 2050.

UN: The abbreviation for the United Nations.

UN Global Compact: The United Nations initiative comprising ten fundamental principles setting improvement objectives in the areas of human rights, labour standards, anti-corruption, the environment and workers’ rights.

UN Sustainable Development Goals: The call to action adopted by United Nations Member States to address issues such as climate change, hunger and poverty worldwide.

Environment: The entire ecosystem comprising all living and non-living elements on Earth, including air, water, soil and vegetation.

Carbon Footprint: A measure, expressed in carbon dioxide units, of the environmental harm caused by human activities in terms of the quantity of greenhouse gases produced. The carbon footprint has two principal components: direct/primary and indirect/secondary footprints.

The primary footprint is the measure of direct CO₂ emissions from the combustion of fossil fuels, including household energy consumption and transportation.

The secondary footprint is the measure of indirect CO2 emissions associated with the entire life cycle of the products we use, including their manufacture and eventual disposal.

Our Stakeholders: Suppliers, distributors, authorised service companies and all representatives, subcontractors and consultants acting in the name and on behalf of the Company.

Water Footprint: An indicator of freshwater use. It represents not only the water used directly as a producer or consumer, but also the total water consumed indirectly. The water footprint has three components: green, blue and grey. Green and blue refer to water consumption, while grey refers to pollution affecting water.

Act on Corporate Due Diligence Obligations in Supply Chains: A German law that entered into force on 22 July 2021 to promote sustainable monitoring of supply chains and the protection of nature. Under the Act, companies are required to safeguard human rights and environmental standards in the course of their activities.

3. General Principles

Throughout all production, procurement and delivery processes, and across our activities in construction, energy, mining, services, tourism, aviation and insurance, Duygu Construction evaluates its relationship with the environment and applies standards designed to minimise potential adverse impacts on nature.

Our primary principle is to act in accordance with the Aichi Biodiversity Targets, European Green Deal, UN Sustainable Development Goals, the ten principles of the UN Global Compact, the Act on Corporate Due Diligence Obligations in Supply Chains, and similar local and international standards.

4. Implementation Principles

Identification of Risks

Duygu Construction plans and performs its activities in accordance with relevant legislation, laws and regulations. We conduct risk assessments to identify all factors that may arise at Company work sites and cause environmental harm. We seek to keep our carbon and water footprints as low as reasonably possible, prepare waste-management action plans and continue activities that contribute to the protection of biodiversity. These efforts are implemented at all locations, including work sites and offices.

Relevant teams meet at least once a year to assess current environmental impacts at workplaces and identify and evaluate processes that may create risks to environmental factors as a result of Company activities. Identified risks are documented for monitoring.

Identified risks are updated when circumstances such as the following occur or other needs arise:

- Changes in legal requirements,
- An emergency event causing an adverse environmental impact,
- Changes in technology, substances or equipment used at the workplace,
- Changes in production, manufacturing, procurement or waste-disposal processes,
- Force majeure originating outside the workplace, such as a natural disaster,

- Failure to meet sustainability targets,
- An increase in measured air or water pollution around our operations,
- An increase in the potential impact of our activities on energy, water, soil, air, biodiversity, noise, vibration or natural resources,
- Results of assessments conducted under periodic review schedules.

Development of Action Plans

To minimise the impact and likelihood of risks to which the Company may be exposed, identified risks are communicated to process owners. Following their assessment, risks are prioritised according to impact and an action plan is prepared for each risk.

The following matters are considered when action plans are prepared:

- Recovering waste at source and, where recycling is not possible, disposing of it in the manner least harmful to the environment,
- Ensuring the use of environmentally friendly products and services consistent with sustainability principles,
- Ensuring efficient and effective use of energy resources in operations,
- Developing environmentally friendly solutions that reduce carbon and water footprints in the supply chain,
- Conducting surveys to obtain the valuable views of employees and stakeholders on reducing our environmental impact and integrating that feedback into improvement processes.

5. Our Commitments

Duygu Construction defines its occupational health, safety and environmental objectives within the framework of “taking the necessary measures for the environment and human health and ensuring continuous improvement of environmental and health/safety systems”. To achieve these objectives, Duygu Construction undertakes to:

- identify in advance any factor that may threaten the environment or human health and take the necessary precautions;
- use natural and energy resources effectively and efficiently;
- minimise the adverse impacts of our activities on people and the environment;
- raise awareness among all stakeholders, including employees, customers and suppliers, regarding health and environmental protection and provide training where necessary;
- comply with local and international environmental and occupational safety legislation, relevant international best practices and standards, and the requirements of organisations of which we are a member;
- pursue continuous improvement to prevent recurrence of accidents and incidents;
- develop regular social responsibility projects each year to protect nature and support the European Green Deal; and
- keep this Policy continuously up to date and publish it on public platforms and internal communication channels.

6. Training and Development

We provide regular training to increase employees' awareness and knowledge of the adverse effects that may arise if environmental protection measures are not taken. Training is planned at least annually. Training needs are identified by the relevant technical team, while Human Resources is responsible for planning, delivering and monitoring the training.

Environmental rules and procedures that must be followed particularly by employees working in the field are displayed visibly in work areas. Work environments are arranged in accordance with sustainability principles and environmentally friendly practices.

7. Authority and Responsibilities

All Duygu Construction employees must comply with the rules set out in this Policy. Employees who identify a situation conflicting with the Policy or that may harm the environment must report it without delay to:

- the Ethics and Compliance Committee.

The Ethics and Compliance Committee is responsible for communicating the requirements of this Policy to employees, ensuring employee compliance and establishing an effective internal control environment accordingly.

Where applicable legal requirements in countries in which Duygu Construction operates are more restrictive than this Policy, those legal requirements shall take priority.

Non-compliance with the Policy may result in various disciplinary sanctions, including termination of employment.

8. Revision History

This Policy has entered into force following approval by the Ethics and Compliance Committee pursuant to the relevant resolution of the Company's Board of Directors. The Ethics and Compliance Committee is responsible for reviewing the Policy at least annually in parallel with changes in legislation and international standards and updating it where necessary.