NAKKAŞ HOLDİNG



2023
SUSTAINABILITY REPORT

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ABOUT THE REPORT



We, at **Nakkaş Holding**, are delighted to present our first Sustainability Report outlining our environmental, social, economic and governance performance and to share our progress with all our stakeholders. The objective of this report is to refine our sustainability-focused approach to operations and to provide a transparent overview of our sustainability strategy.

On behalf of Nakkaş Holding, we have compiled a report on the performance of the 16 companies operating under one roof. These companies exclusively operate in the trade, logistics and storage of petroleum and refined products, as well as in renewable energy, industrial investments, mining and gas station operations. Unless stated otherwise, all information presented in this report refers to consolidated data for the Holding and its subsidiaries. The reporting period for the data covered by this report is from January 1, 2023, to December 31, 2023.

We have integrated our sustainability approach into all our processes, and our Sustainability Report provides a detailed overview of our efforts. We recognize our responsibilities relating to the environment, society and governance as we conduct our operations. As part of our corporate responsibility, we consistently and transparently share our performance with our stakeholders.

Following international standards, we have structured our report to provide an overview of our corporate values, business practices, goals and performance. To this end, we adopted an approach to reporting guided by industry best practice, verifying that the data was accurate and up to date.

We highly value your invaluable and insightful opinions and suggestions. Should you have any feedback on our report, please forward it to info@nakkasholding.com.tr.



MEHMET ALİ İSLAMOĞLU
Board Member, CEO Nakkaş Holding A.Ş.

"Together, we will build the future one step at a time, with patience, care, and sensitivity-just like embroidery."

Dear Stakeholders,

On this special occasion, as Nakkaş Holding embarks on its sustainability journey, we are pleased to present our first Sustainability Report. 2023 marks a significant milestone for us as we celebrate the establishment of our Holding Company and the transformation across all our sectors, inspired by major environmental, economic and social challenges.

Built on a long-established history dating back 40 years, Nakkaş Holding has laid the foundations for a strong corporate structure and strives to transform the synergy, trust and quality generated by this combination into a valuable asset for our country. In our operations across a wide range of sectors, including petroleum and refined products, renewable energy, industry, services, and mining, we have consistently upheld the values of expertise, respect, trust, and professionalism. Guided by these values, we collaborate with our colleagues to drive our business forward.

2023 stands out as a year when sustainability was widely embraced on a global and national level. Notably, the transition to renewable energy emerged as a necessity driven by economic and social responsibility, exceeding the scope of environmental concerns.

Over the past year, we have redesigned our corporate structure, secured strategic investments in new business ventures and improved the quality and quantity of our human resources. Guided by our vision of long-term success and sustainable growth, we have spearheaded these initiatives. We are extending this vision further through sustainability reporting, and we would like to take this opportunity to announce our continued commitment to building a more transparent, accountable and responsible future.

I would like to express my sincere gratitude to all our stakeholders for their unwavering trust, steadfast support and dedication to creating shared value. Together, we will build the future one step at a time, with patience, care, and sensitivity-just like embroidery.

Sincerely,

OUR CORPORATE IDENTITY



ABOUT NAKKAŞ HOLDİNG

Our Vision

Our Mission

Our Values

OUR AREAS OF ACTIVITY

Petroleum and Refined Products

Renewable Energy

Industry

Service

Mining

OUR ECONOMIC VALUE CREATION

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ABOUT NAKKAŞ HOLDİNG

In 2023, we united our group companies, which previously operated separately, under an umbrella to create economies of scale and leverage Türkiye's economic potential on the global stage.

Our holding company merges the expertise of 16 companies, with a collective experience spanning over 40 years. Operating under one roof, we have a solid international structure and are active in five main sectors: Petroleum and Refined Products, Industry, Services, Renewable Energy and Mining. The group's companies, including Transpet, Global Gas Trans, Global Terminal Services, Saves Energy, GGG Petroleum, Türk Ytong, BeAero, Nakkaş Logistics, Nakkaş Mining, Petro Global, JTFC and GTS Investments BV, continue to grow steadily in their respective fields thanks to their expert staff and robust corporate structures.

At Nakkaş Holding, we employ over 2,000 individuals and strive to create value in our areas of activity by embracing innovation, technological advancement and sustainability principles. Our mission is to provide lasting and sustainable benefits to our business partners, employees, and society. We are committed to building a strong and lasting legacy by upholding international standards, transparency, accountability, and a culture of continuous improvement.

The know-how and collective expertise of our group companies, leaders in their respective fields, benefit our sectoral diversity and development. Supported by the extensive sector-specific knowledge and robust structures of our group companies, we are able to navigate every sector in which we operate with confidence.



OUR VISION

Our vision is to strengthen our strategic position in key sectors such as petroleum and refined products, renewable energy, services, industry and mining through sustainable business ethics and innovative values, thereby enhancing our global success. Our vision inspires our hopes and goals for the future.

OUR MISSION

Leveraging our accumulated know-how and experience, our mission is to continuously add value to our business operations and to society at large, while ensuring sustainable growth. To this end, we maintain our competitive edge by undertaking innovative projects.



OUR VALUES

At Nakkaş Holding, corporate values are integral to our business operations and define our culture

SUSTAINABILITY
We are committed to shaping a sustainable future by implementing projects with environmentally and socially responsible initiatives.

QUALITY
We deliver the highest quality standards across all areas that we operate in, with a dedicated focus on customer satisfaction.

RELIABILITY
We are deeply committed to preserving the values of trust and integrity that form the foundation of our relationships with customers, business partners and colleagues.

TEAM SPIRIT
We believe in the power of collective effort and are dedicated to fostering a culture of teamwork and collaboration across all our operations.

LEADERSHIP
We are committed to maintaining outstanding leadership across the industry by embracing innovative and strategic approaches.

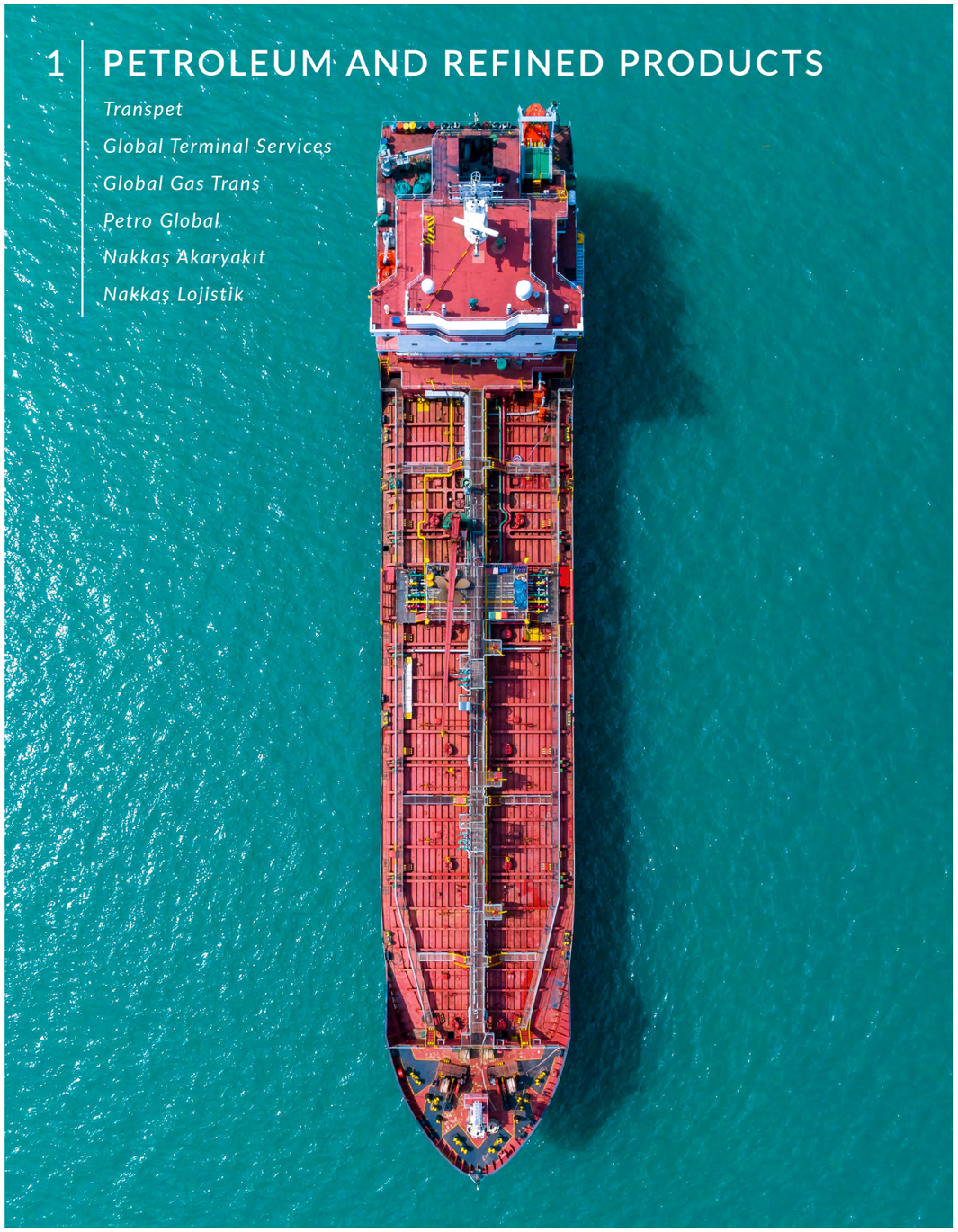
INNOVATION
We are dedicated to sustained progress through integration of innovative ideas and state-of-the-art technologies.

OUR AREAS OF ACTIVITY

Operating across five main sectors-petroleum and refined products, renewable energy, industry, services and mining-we conduct our holding activities. In the petroleum and refined products sector, we capitalize on Türkiye's strategic position in energy trade, undertaking high-volume international trade operations supported by our sophisticated logistics infrastructure and substantial storage capacity. In the renewable energy sector, we are spearheading the transformation with investments that promote environmentally friendly energy production for a sustainable future.

The scope of our industry and services caters to the demands of the sector by providing high-value products and services, and by offering competitive solutions through global collaborations. In the mining sector, we employ sustainable methods to extract our country's underground resources, contributing to the economy while taking an environmentally and socially responsible approach. Collaborating with leading international companies, we continuously advance our innovative solutions supported by our experienced team.





We uphold our standing in the sector through our leading subsidiaries in the oil and refined products industry. Equipped with Türkiye's largest storage and logistics infrastructure, we handle the highest volume of transit oil trade, providing strategic services to major players in the global trade arena.

Transpet Petrolcülük ve Enerji A.Ş.

Established in 2015, Transpet facilitates the international logistics and trade of petroleum and refined products-highly strategic and valuable commodities. Despite being a relatively new company, we maximize the efficiency with which we utilize Türkiye's existing infrastructure thanks to our experienced and expert team. We handle the logistics and trading of crude oil and petroleum products, for which highly sensitive and tailored logistics solutions are required, using safe, efficient and sustainable methods. We play a key role in supplying oil and refined products to the European market from the Eastern Mediterranean region. We hold the exclusive license to transport oil and refined products overland between Türkiye and Northern Iraq, facilitating the seamless integration of these resources into global energy markets.

At Transpet, recognized as Türkiye's leading transit petroleum trading company, we have an annual handling capacity of 2 million tons and manage a fleet of 3,500 tankers, covering 132 million kilometers each year. We develop innovative, solution-oriented trade models and adapt our operations to dynamic market conditions.





Transpet-Our Activities

Parameter	Value	Explanation
Handling Capacity	2,000,000 ton/year	The annual volume of oil and LPG processed
Fleet Size	3,500 tankers	Number of tankers used in operations
Transit Trade License	Türkiye-Northern Iraq	Exclusive transit trade authorization
Product Portfolio	Petroleum and Refined Products & LPG	Diversity of handled products
Annual Total KM	132 Million	Total annual mileage of the fleet
Distribution Network Coverage	Transport from Northern Iraq to Hatay/Dörtyol	The locations where services are provided

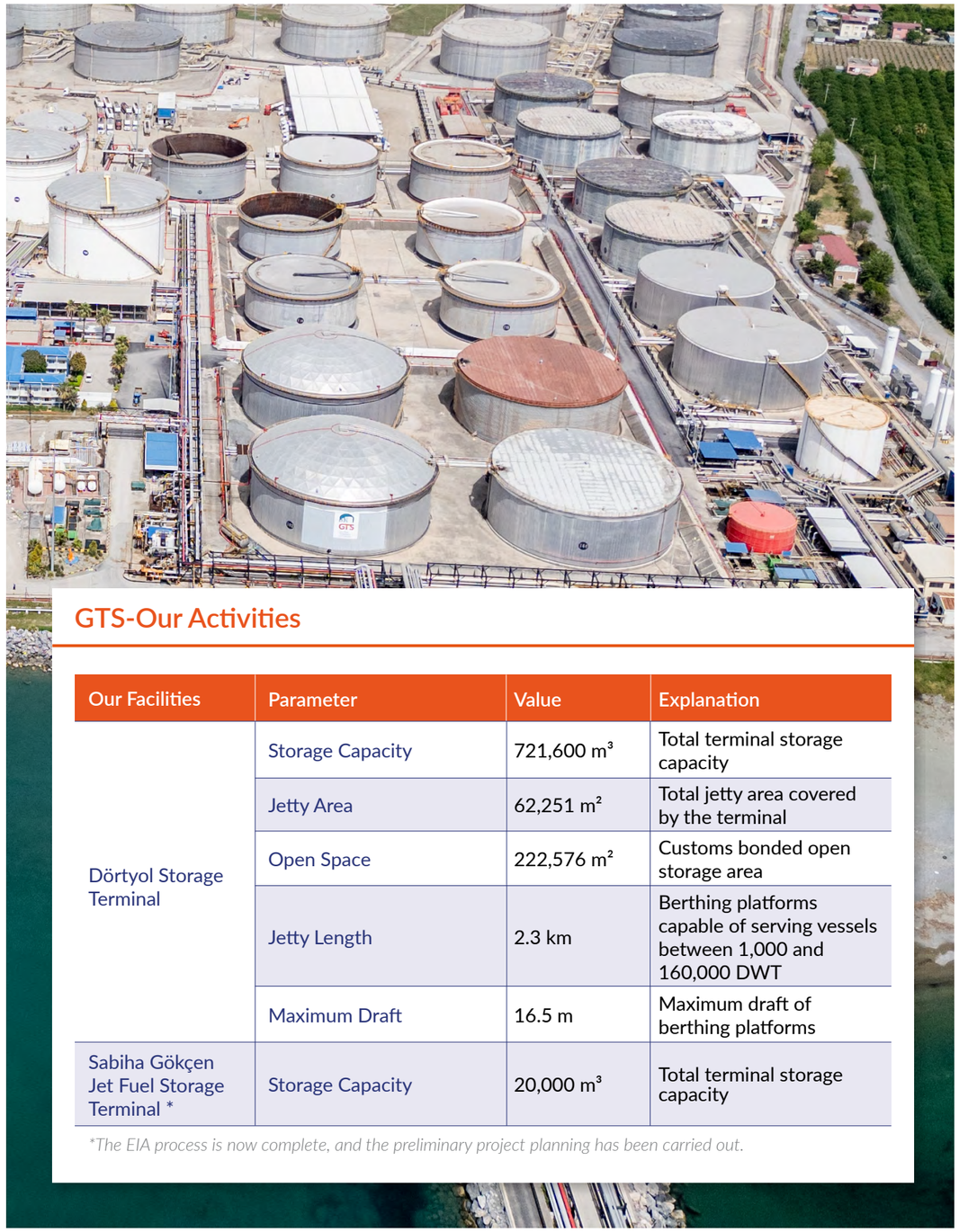
Global Terminal Hizmetleri A.Ş.

As Türkiye's largest independent liquid fuel storage and handling terminal, Global Terminal Hizmetleri *(Global Terminal Services-GTS)* holds a strong position in the industry with over 40 years of experience and a strategic location. Situated in the Gulf of İskenderun, a gateway to the Mediterranean basin, the Dörtyol Terminal offers a total storage capacity of 721,600 m³, a jetty length of 2.3 km and a maximum draft of 16.5 meters - making it a critical hub for energy trade.

Designed to meet international oil market standards, our terminal's strategic location and flexible approach to service have established us as a benchmark for the safe storage of oil and refined products. Innovative solutions and state-of-the-art infrastructure make us a sought-after and reliable partner in regional and international energy markets.

We provide high-standard, safe storage and efficient distribution services in the oil sector. We adopt an eco-friendly and society-conscious approach, aiming to maximize customer satisfaction. Our wide range of services includes transit storage, handling and bunker fuel services, and we offer innovative solutions to meet the sector's needs substantiated by our international management documents, certifications and quality standards. The escalating complexities of petroleum products and the volatility of the global oil supply accentuate the importance of flexible, high-capacity logistics services. We are investing in expanding our service scope as part of our goal to establish the Eastern Mediterranean as a major hub for international oil logistics.





GTS-Our Activities

Our Facilities	Parameter	Value	Explanation
Dörtyol Storage Terminal	Storage Capacity	721,600 m³	Total terminal storage capacity
	Jetty Area	62,251 m²	Total jetty area covered by the terminal
	Open Space	222,576 m²	Customs bonded open storage area
	Jetty Length	2.3 km	Berthing platforms capable of serving vessels between 1,000 and 160,000 DWT
	Maximum Draft	16.5 m	Maximum draft of berthing platforms
Sabiha Gökçen Jet Fuel Storage Terminal *	Storage Capacity	20,000 m³	Total terminal storage capacity

**The EIA process is now complete, and the preliminary project planning has been carried out.*

Global Gas Trans Enerji San. ve Tic. A.Ş.

At Global Gas Trans, we lead the sector by supplying 60% of the bitumen imported into Türkiye, and we engage in active trade in international markets through our transit bitumen operations. Our distinctive operational capacity is demonstrated by our annual bitumen trade volume of 700,000 tons and our extensive logistics network of 1,500 tankers, which cover approximately 75 million kilometers per year. Partnering with refineries in northern Iraq empowers us to establish stable and reliable supply networks and develop innovative logistics solutions. Furthermore, by obtaining an LNG *(liquefied natural gas)* export license, we aspire to enhance our effectiveness in the sector and consolidate our strategic role in the global energy trade.



Petro Global Liman İşletmeciliği ve Depolama Sanayi ve Ticaret A.Ş.

Specializing in the design and development of large-scale projects, we, at Petro Global, deliver projects that ensure the safe and efficient storage of LPG, liquid chemicals, petroleum, and refined products.

The company has initiated the development of an eco-conscious storage terminal equipped with cutting-edge technology on a plot of 450,000 square meters in Adana Ceyhan with a total capacity of 642,000 cubic meters. The project's goal is to create not just a storage facility, but a fully integrated logistics center that aligns with maritime transport operations. The project will reinforce the regional energy infrastructure, improve energy supply and security, and elevate industry standards. Ultimately, it will position itself as a strategic hub in global energy trade by leveraging its geopolitical location.

Designed in conformance with international standards and empowered by a team of experienced and skilled workforce, the facility is pursuing its goal of setting itself apart in the industry with determination.



NAKKAS AKARYAKIT

GGG Petrolleri A.Ş.

Operating under the brand name GGG Petrolleri, we are recognized as one of Türkiye's leading national fuel station operators. Under the Nakkaş Akaryakıt umbrella, we provide an uninterrupted daily service to 30,000 customers across 59 fuel and LPG stations in the Marmara, Aegean, Mediterranean, Black Sea, Central Anatolia and Southeastern Anatolia regions.

With an annual supply capacity of 160 million liters of fuel and 70 million liters of LPG, we boast a potent sales and distribution network within industry. We provide our customers with reliable and high-quality fuel services by setting high standards in efficient fuel sales, logistics management and fuel station operations.

We monitor the industry dynamics attentively and continue to grow by capitalizing on market opportunities. Backed by our robust management strategy and skilled team, we prioritize customer satisfaction, setting ourselves apart by providing innovative and sustainable solutions.



Nakkaş Akaryakıt-Our Activities

Parameter	Value	Explanation
Number of Stations	59	Total number of fuel and LPG stations
Areas Served	Marmara, Aegean, Mediterranean, Black Sea, Central Anatolia	Geographic regions of operation
Sales Volume	LPG: 69,074,564 liters Diesel: 139,732,905 liters Gasoline: 16,554,688 liters	Total sales data for 2023
Number of Customers	30,000	Average daily customers



NAKKAŞ LOJİSTİK

Kuzey Demiryolu İşletmeciliği A.Ş.

Nakkaş Lojistik is the partner of choice for reliable and high-performance logistics solutions in the petroleum and refined products industry. In alliance with one of group companies, Global Terminal Services, Nakkaş Lojistik initiated the investment in a 204,000 m^3 jet fuel storage facility project at Istanbul Sabiha Gökçen Airport in 2024. We plan to commission this strategic investment by the end of 2025 and aim to provide storage services at the airport, which is experiencing the fastest-growing demand in the aviation sector.

We are currently initiating work on a 45,000 m^3 capacity fuel storage facility with a dedicated railway connection to meet the annual fuel demand of 2.5 million tons in Konya and surrounding provinces. We are taking the lead in large-scale logistics projects. These include the Konya/Kayacık storage facility and the railway project in collaboration with leading and powerful companies in the sector. Our goal is to dominate the energy logistics sector by reducing carbon emissions and achieving cost advantages.





2 | RENEWABLE ENERGY

Operating in the renewable energy sector, our company is a leading provider of environmentally friendly energy solutions. We are committed to sustainable development and advocate clean energy production, contributing to our country's environmental goals.



Saves-Our Activities

Parameter	Value	Explanation
Installed Capacity	99 MWe	Total installed power capacity in Türkiye
Hydroelectric Power Plants (HPP)	88.31 MWe	The capacities of the Çamlıca I HPP (84 MWe) in Kayseri and the Göngele HPP (4.31 MWe) in Antalya
Solar Power Plants (SPP)	10.69 MWe	Diyarbakır SPP
Energy Trade Volume	100 MW	Annual Electricity Export Capacity
Digital Transformation Partnerships	Eyerod	Partnerships with companies providing digital solutions in the energy sector

Saves Enerji A.Ş.

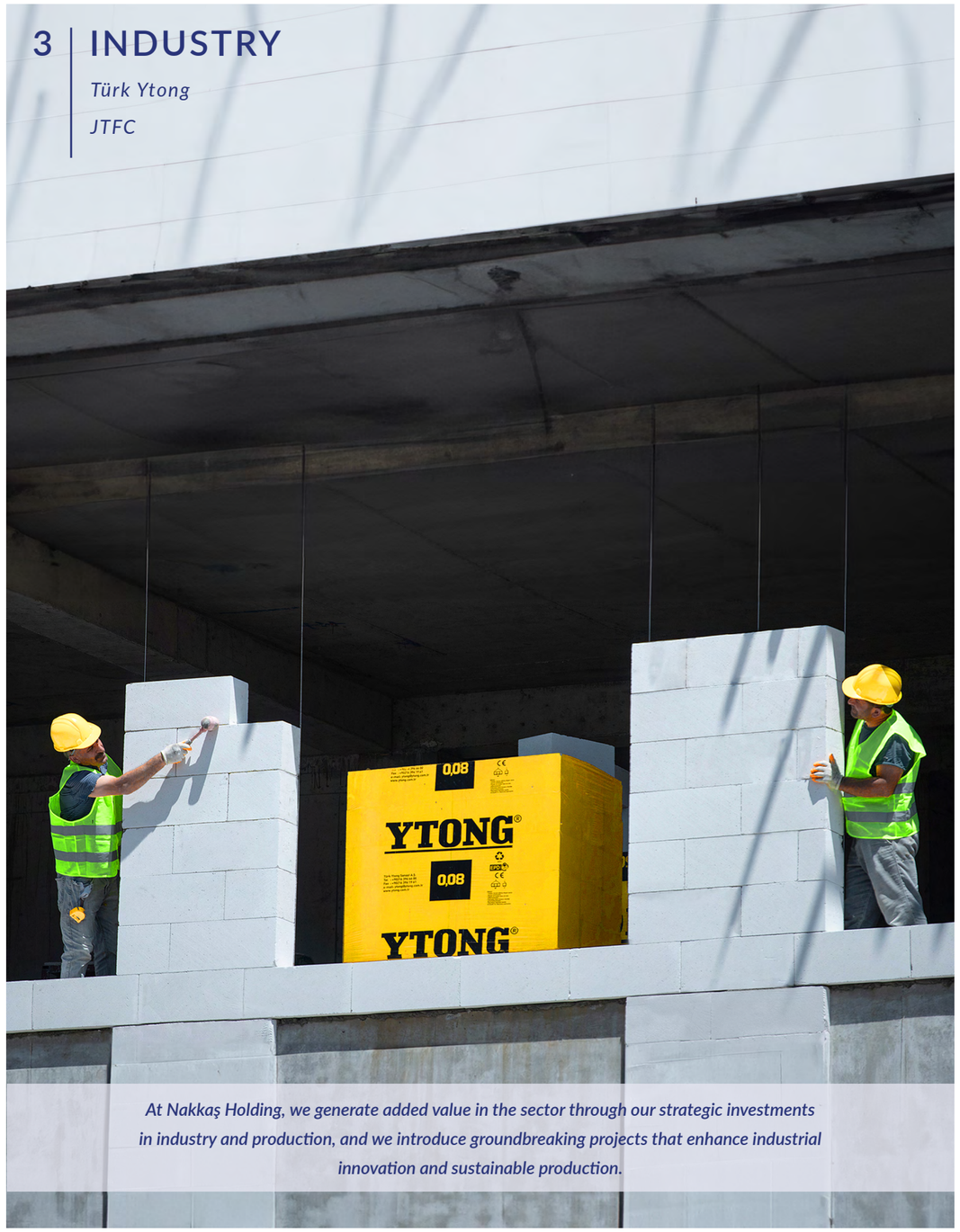
At Saves, we contribute to sustainable energy production through our renewable energy projects in Türkiye – reaching a total installed power capacity of 99 MWe and an annual electricity export capacity of 100 MW.

Leading the field in solar and hydroelectric energy, we offer environmentally friendly and innovative energy solutions with a capacity of 88.31 MWe of hydroelectric power and 10,69 MWe of solar power in Türkiye. We spearhead the green energy transition, championing sustainable development and investing in a low-carbon future.

We remain committed to meeting regional energy needs with our Çamlıca I HPP, Göngele HPP, and Diyarbakır SPP projects, and continuous growth by adding value to society and the economy through new projects. Extending our investments in renewable energy is a key component in our vision of becoming a leader in clean and reliable energy production.

In addition to our energy projects, we are committed to initiatives that contribute to social value and foster a sense of responsibility. In this regard, we have proudly sponsored the Ergani Makam Women's Volleyball Team in Ergani, Diyarbakır, for the 2022-2023 season. Our sponsorship supports the development of young athletes and the empowerment of women.





At Nakkaş Holding, we generate added value in the sector through our strategic investments in industry and production, and we introduce groundbreaking projects that enhance industrial innovation and sustainable production.

YTONG

Türk Ytong Sanayi A.Ş.

Türk Ytong was founded in 1963 under the license and partnership of Ytong International and has since achieved numerous firsts in its sector and has played a pioneering role in Türkiye's modern construction development. As the first and largest Autoclaved Aerated Concrete *(AAC)* producer in Türkiye, we are pioneers in the construction industry. We specialize in energy efficiency, innovative solutions and superior quality, and our products are sterilized under high pressure and temperature.

Türk Ytong's annual production capacity is 2 million m^3, and our company's stake in Türk Ytong is 49%. This contributes to sustainable construction by increasing the energy efficiency of buildings, with our high-quality, durable, and lightweight building materials.

Our commitment to environmental responsibility, underscored by our state-of-the-art production processes and cutting-edge technologies, has firmly established our leadership in the construction sector for over six decades. We are at the forefront of shaping the future of construction, offering reliable, durable, and eco-friendly solutions to our esteemed clients.

Türk Ytong-Our Activities

Parameter	Value	Explanation
Number of Factories	5	Dilovası, Bilecik, Tekirdağ (Saray), Antalya and Çatalca plants
Product Types	Aerated Concrete; Ytong Blocks and Panels, Lintels, Roof and Flooring Solutions, Multipor, Auxiliary Materials (Mesh Adhesives and Plasters)	Main products produced
Total Product Capacity	2 million m^3	Total annual production capacity of all factories
Residential Equivalent Production Amount	150,000 – 250,000 housing units/year	Annual number of residences constructed using Ytong material
Average Product Density	350 kg/m^3	Average gross density of aerated concrete and hollow blocks
Environmental Product Declaration (EPD)	Available	EPD certificate documenting the environmental impact of products
Number of Countries Exported	8	Number of countries to which products are exported
Awards	Awards in 2 Different Categories: Best and Creative Practice Examples in Corporate Communications	Golden Compass (Altın Pusula) Public Relations Awards



JTFC
JORDAN TURKIYE FERTILIZER COMPANY

Jordan Türkiye Fertilizer Company PSC

JTFC is currently working on the establishment of a phosphoric acid production facility planned to be built in Jordan. The company, majority-owned by Transpet-a subsidiary of Nakkaş Holding-aims to supply high-quality phosphoric acid to the agriculture and industrial sectors with an annual production capacity of 300,000 tons.

Our company is making steady progress in becoming a reliable and strong supply source in the region, with the aim of meeting the growing demand for fertilizers inside Türkiye and abroad. All the while, JTFC is continuously enhancing its products and services thanks to its commitment to R&D and market analysis to maintain and strengthen its competitive edge in the global market.





4 SERVICE

Be Aero

GTS Investments

Be Aero Havacılık A.Ş.

Our hangar area at Atatürk Airport is equipped to provide a comprehensive range of services, including maintenance, complete engineering solutions, operational management, and leasing for business jets. We further collaborate closely with prominent airlines in Europe, the Middle East, and Asia. We are distinguished in the aircraft maintenance and on-demand flight services sector by our reliable, high-standard and high-quality service approach.

Maintaining the safety, reliability, efficiency and convenience of our customer fleets is of paramount importance. We also collaborate with expert teams in business jet maintenance, charter services, and business jet technical maintenance with Airbus and Boeing.

Our customer-focused approach and commitment to excellence ensures that we add value to the private aviation sector by offering comprehensive solutions, including private jet maintenance and aircraft charter services. Our team of experienced aviation material specialists operates 24/7, 365 days a year. We source aircraft components from our global warehouses or suppliers, and have a reputation for leadership in the industry, with a focus on ensuring on time delivery of materials.



Be Aero-Our Activities

Parameter	Value	Explanation
Headquarters	İstanbul, Türkiye	The company's central location
Maintenance Facilities	Atatürk Airport	The location of the enclosed maintenance facility
Aircraft Models Serviced	Airbus A318/A319/A320/A321, Boeing 737-600/700/800/900, Falcon2000, Hawker, Bombardier, Embraer, Cessna 510 (PWC PW615)	The aircraft types for which maintenance services are provided
Partnerships	Airlines in Europe and Asia - Middle East	The regions where partner airlines are located
Offered Services Available	Aircraft Maintenance, Aircraft Modifications, Aircraft-Commercial Management, Cabin Renovation, Complete Aircraft Painting, Aircraft Leasing, Technical Training, Aircraft Parts Sales and Aircraft Fleet Management, Hangar Consulting, Camo and AOC 24/7 Maintenance Service, APU and LG Management, Complete Aircraft Engineering, Technical Training Services	The list of main services offered by the company
Specialized Service Areas	Comprehensive and modular range of services for leased aircraft Services for lessors and operators Continued airworthiness support (CAMO approval) Aircraft Maintenance Inspection Program Private jet maintenance, repair and overhaul Aircraft modification Consultancy for spare aircraft parts Aircraft painting Leasing	The specific service areas in which the company specializes.
Technical Personnel Certifications	Part-CAMO approved under SHGM-PART145, EASA PART-145, FAA PART145, EASA PART-147, SHT-147, FAA CAR GEN Subpart C (EASA.145.0572), and SHT-CAM.	The certifications held by the technical staff
New Employment Plan	+100 technical staff +20 administrative staff Internship opportunities	Additional employment opportunities planned for the new hangar

GTS INVESTMENTS

GTS Investments B.V.

We operate as a Netherlands-based investment company and manage our strategic investments in Europe. Through strategic investments in various sectors, particularly energy, logistics, and construction, we support our holding's international growth vision and create value on a global scale.

Our mission is to shape the future of energy and supply chain management, contributing to the stable growth of the sector and aiming to be a pioneer in building a resilient global economy. Our innovative and sound investment strategies are proving effective on the international stage in guiding the economic transformation of the future.

GTS Investments-Our Activities

Parameter	Value	Explanation
Managed Investment Areas	Energy, commodity trading, logistics, construction	Sectors the company focuses on
Relationship with Nakkaş Holding	Management of international investments	Nakkaş Holding's role in managing international investments
Total Value of Managed Assets	USD 163,928,783	Value of total assets managed by the company
Recent Financial Performance	USD 70,000	Performance of the company in the last fiscal year
Featured Projects or Collaborations	GTS Dörtyol Terminal	Significant projects or partnerships undertaken by the company

5 | MINING



Here at Nakkaş Madencilik, we are proud to be a key player in the mining sector. We are currently evaluating projects related to precious metals and are aiming to implement various projects in Malatya and Erzurum.

NAKKAŞ MADENCİLİK

Nakkaş Madencilik A.Ş.

At Nakkaş Madencilik, we have a proven track record of implementing precious metal mining projects within Türkiye and on an international level. Our expert team has accumulated many years of experience in the sector.

We are conducting gold mining projects at our licensed sites in Malatya, and we play a strategic role in concentrated copper and zinc production at our site in Erzurum. Our vision is to develop high-value-added, environmentally sensitive, and sustainable mining projects in precious metal mining. Our goal is to contribute to the future of the sector.



OUR ECONOMIC VALUE CREATION

Social well-being and sustainable development remain a primary focus for our holding company and affiliated group companies, complementing our commitment to financial success. Building on our vision of adding value to our customers, employees, and society, and with a focus on stable growth, we operate in five main sectors: petroleum and refined products, renewable energy, mining, industry, and manufacturing.

We firmly believe that responsible corporate taxpayers should contribute directly to economic development. In pursuit of this objective, we initiate employment opportunities at all levels of our operations, generate added value for the local economies surrounding us, and execute investments that promote long-term and steady growth.



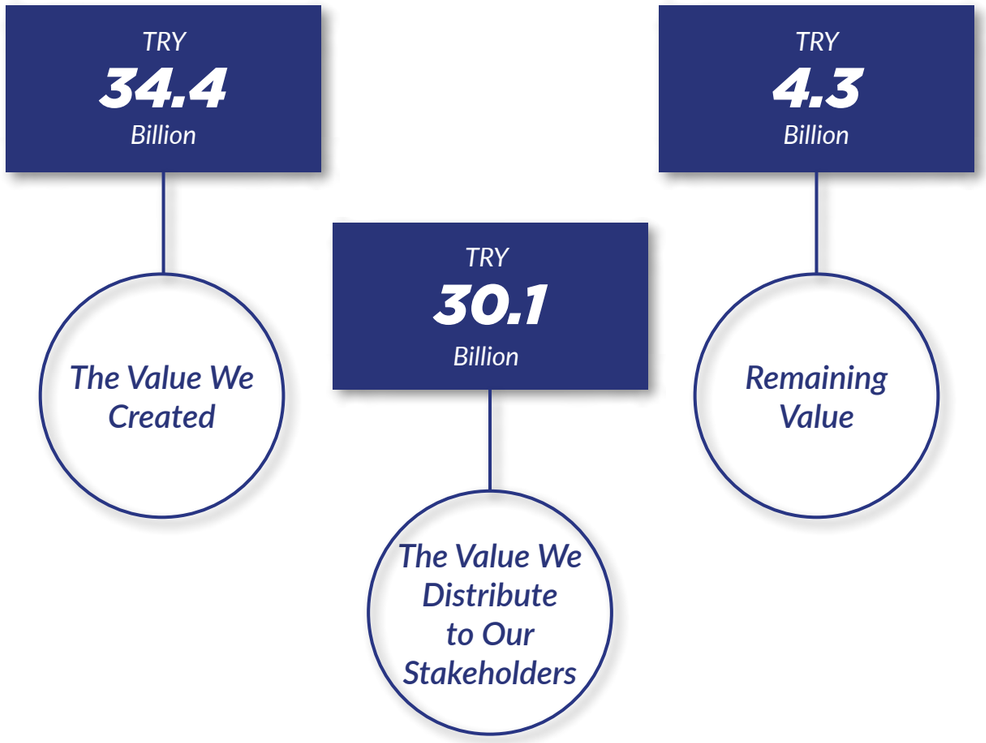
Full compliance with national and international tax legislation is not only a legal obligation for us, but also a fundamental aspect of our corporate responsibility. We, teaming up with our group companies, adhere to strict legal compliance objectives, and all our transactions are audited monthly by independent expert bodies. These audits are designed to verify our compliance with tax legislation, and we receive comprehensive approval reports at the end of the year, assuring transparency of our processes.

Strategic investments in various sectors, particularly energy, logistics, and construction, facilitate our Holding's international growth. In this context, we manage our investments in Europe through GTS Investments B.V., one of our Netherlands-based group companies. Our objective is to create sustainable value within our Group structure and contribute to our Holding's long-term vision through investments that will contribute to the global economy.

Moreover, we project the acquisition of a controlling stake in Türk Ytong by 2024, thereby becoming the majority shareholder. Türk Ytong is pleased to announce a strategic acquisition which will further enhance its existing production infrastructure, annual production capacity of 2 million cubic meters, and five modern facilities. Through this new synergy, we are setting ourselves an ambitious goal of further strengthening Türk Ytong's leadership in the sector and facilitating more innovative initiatives in the coming period.

Strategic partnerships are an integral component of our investment strategy, intended to support long-term financial sustainability. To this end, our objective is to access appropriate resources for our projects by collaborating with banks and financial institutions renowned for developing diverse financial instruments and business models. We proceed in our efforts to devise suitable financing structures for our investments that will contribute to the Turkish economy, as well as to assess new funding opportunities.

We share the financial performance indicators below for the reporting year, which include consolidated financial data for our companies Be Aero, GGG, GTS, Saves and Transpet:



OUR APPROACH TO CORPORATE GOVERNANCE



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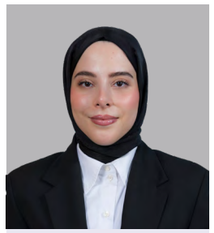
OUR ORGANIZATIONAL STRUCTURE

THE ORGANIZATIONAL STRUCTURE OF THE BOARD OF DIRECTORS OF NAKKAŞ HOLDİNG



RAMAZAN ÖZTÜRK
Chairperson of the Board



AYŞE SİNEM ÖZTÜRK
Vice Chairperson of the Board



MEHMET ALİ İSLAMOĞLU
Member and CEO



MUHARREM KÜÇÜK
Board Member

At Nakkaş Holding, we execute our operations observing a sound corporate governance approach and we formulate our decision-making processes in accordance with the principles of transparency, accountability, responsibility and equality. By consolidating the management operations of our group companies under the Holding umbrella, we adopt a holistic approach in critical and strategic areas such as risk, talent, and portfolio management. This organizational structure serves to enhance operational efficiency by facilitating comprehensive integration across the Group. It also fosters the creation of synergies that underpin strategic investment opportunities. We are committed to the continuous improvement of our management model, with the aim of achieving sustainable growth and creating long-term value for our stakeholders.

As we progress towards achieving our corporate goals, we continue to be guided by our experienced and visionary management team. Our agile and effective organizational structure, engineered to facilitate strategic decision-making processes, paves the way for swift and impactful solutions to the dynamics within our industry sectors.

The principles of transparency, accountability and continuous improvement form the foundation of our organizational structure. Following these principles, we undertake a systematic review of all business processes, identifying areas for improvement and introducing the necessary actions. We have adopted a management approach designed to encourage employee engagement. Our approach fosters enhanced internal communication by encouraging open dialogue and collaboration, leading to the effective attainment of our common goals.

At the core of our management structure is an unwavering commitment to ethical values and a sense of corporate responsibility. We uphold these values while conducting business and interacting with our stakeholders. Our approach focuses on cultivating reliable and consistent relationships with both our internal and external stakeholders. Our management team combines expertise from diverse disciplines to contribute to our Holding's stable growth targets. Every member of our management team has a proven track record in their respective fields, and their expertise and leadership skills are integral to the success of our company.

OUR VALUES

Adherence to statutory obligations and consideration of organizational responsibility towards wider society and stakeholders are at the core of ethical corporate management. This notion is applicable to all companies conducting business operations on a global scale. The principles of transparency, integrity, and accountability form the foundations for sustained growth and a solid corporate reputation. A key aspect of ethical management is to cultivate a corporate culture firmly grounded in principles of impartiality and trust, incorporating these values into every decision and practice. This approach is widely regarded as pivotal to long-term success and plays a crucial role in companies' relationships with all their stakeholders.

At Nakkaş Holding, we uphold ethical values throughout our operations, embracing integrity, fairness, and full compliance with the law as fundamental principles in our relationships with employees, business partners, and all stakeholders. Our ethical approach is subject to oversight and management by our Human Resources and Legal departments. We authorize the relevant departments to conduct assessments of any infringements and to proceed with the appropriate measures.

A designated unit within our organizational structure is responsible for the direct reporting of ethics-related concerns. Should there be any infringements or questionable circumstances that need to be addressed, we will take prompt action in collaboration with the respective departments. To minimize and to avoid any potential ethical concerns, we attentively monitor legal regulations and precedents, and update and refine our practices should the need arise.

We adhere to the principles of transparency, legal compliance, and accountability in all our business activities. We employ rigorous source verification and written approval mechanisms, particularly in financial transactions, to ensure the integrity of our business transactions. We have adopted a zero-tolerance policy against bribery and corruption. To streamline this policy, we are proceeding with customs procedures, independent audit companies, and oversight by official authorities.

Full legal compliance is observed in all operational processes across the group, particularly with Nakkaş Akaryakıt *(GGG Petrolleri)*, Transpet, and Global Terminal Services. At our GTS Dörtyol Terminal, we operate under the supervision of customs officials and independent inspection firms under the terms of the transit trade regime. At Transpet, we employ digital solutions such as the Arvento vehicle tracking system to ensure end-to-end tracking and real-time monitoring of land transportation processes.

We initiate investigative procedures promptly by reporting any instances of ethical non-compliance to the relevant authorities. Should employees prefer to keep their identity confidential, they are at liberty to submit anonymous reports via public email and telephone lines. Operational sites are subject to regular inspection, and our GTS facilities are under constant surveillance by customs officials and independent auditing organizations.

We comply with all applicable legal and operational requirements in our areas of activity, incorporating ethical management frameworks. Our goal is to attain and sustain the highest standards of ethical conduct. We reaffirm our pledge to uphold this commitment in the forthcoming periods.

OUR RISK MANAGEMENT



Considering the prevailing climate conditions, the cyber threat prompted by digitalization, the fragility of global supply chains, geopolitical volatility, and rapidly shifting societal expectations, evidence suggests that a major transformation is unfolding concerning the global order. Consequently, risk management has become a strategic obligation for organizations at all levels. In this context, we approach risk management as a security mechanism and a value-creating management function, an approach that is consistent with all organizations seeking to establish sustainable business models and long-term corporate resilience.

At Nakkaş Holding, we have adopted a holistic approach to risk management, focusing on effective and systematic management across all our sectors. We conduct our risk management processes in close coordination with the respective departments across the group. We provide comprehensive risk monitoring, covering strategic, operational, financial, environmental, legal and technological aspects, on an end-to-end basis across all departments within the organization. Our comprehensive risk evaluation process encompasses a thorough assessment of potential impacts and opportunities.

Our Holding's risk management practices follow international management systems such as ISO 9001, ISO 14001, ISO 45001, and ISO 50001. Tables outlining risk and opportunity, SWOT analyses, SEVESO safety reports for our high-risk sites, environmental impact analyses and business continuity scenarios are prepared for each business line, and the latest status of relevant data is reported to management on an annual basis.

Every risk is classified based on its probability and impact multiplier, and emergency response plans are developed for each high-risk category. Using a color-coded system, risk scores are categorized into red, yellow, and green zones to assist with prioritization. For high-risk matters, we develop joint action plans that are implemented in collaboration with relevant business units.

Probability Level \ Severity Level*	1 (Negligible)	2 (Minor)	3 (Major)	4 (Severe)	5 (Fatal)
1 (Extremely Improbable/ Very Unlikely)	1	2	3	4	5
2 (Improbable/Unlikely)	2	4	6	8	10
3 (Remote/Possible)	3	6	9	12	15
4 (Occasional/Likely)	4	8	12	16	20
5 (Frequent/Very Likely)	5	10	15	20	25

**Severity Level (Potential consequences in the event of an incident)*

When calculating the Risk Score, we estimate Probability and Severity levels based on previous experience and available statistics. The calculated risk score is a key component of our risk management strategy, guiding us in identifying, assessing and addressing risks and related control measures-as demonstrated in the matrix below.

- **Red Areas:** First priority control activities *(for intolerable risks)*
- **Yellow Areas:** Second priority control activities *(for tolerable risks)*
- **Green Areas:** Low priority control activities *(for acceptable risks)*

We deliver uninterrupted system access through Disaster Recovery Centers located in Istanbul and Dörtyol, Hatay, to safeguard information security and assure operational continuity. Backup systems are managed in third-party data centers. We are committed to maintaining the highest level of system security against cyber threats through the implementation of technologies such as firewalls, hotspots, and SOC *(Security Operations Center)* services.

We conduct routine monitoring of our legal obligations relating to our areas of activity and update our internal procedures following amendments to legislation. We circulate applicable legal regulations, notably concerning the environment, occupational health and safety, quality, and energy, throughout our organization via Health, Safety, Environment, and Security *(HSE-S)* engineering and relevant management representatives. Our objective is to secure full compliance with these processes across all our business units.

Our risk management processes are reinforced by internal and independent external audit mechanisms. Through our internal audit unit, we regularly conduct field audits, inventory checks and reconciliation procedures across all group companies. External audits are conducted by customers, independent surveys, authorized individuals, authorized officials from official authorities, insurance companies, independent audit firms, and certification bodies. We organize annual management meetings within our holding company, attended by general managers, and we address all corporate risks in a dedicated session on the agenda.

- To guarantee 100% up-to-date risk inventory across all our group companies
- To expand business continuity plans for critical processes
- To introduce and initiate preparatory training to raise cybersecurity compliance to international standards
- To standardize monthly risk monitoring meetings across all subsidiaries
- To achieve at least 90% participation rate in annual risk awareness training sessions
- To introduce and initiate infrastructure training in companies where an Integrated Management System is not currently in force

** Following the documentation and establishment of the Integrated Management System at our Saves company in 2023, all risks were documented for the first time that year.*

OUR QUALITY MANAGEMENT



Quality management sets and maintains product and service standards for corporations engaged in global trade, contributing to stable growth and a positive corporate reputation. Our commitment to quality is unwavering, and this principle permeates every facet of our operations.To maintain the highest standards of our products and services, we have implemented a management model that is fully compliant with national and international regulations and involves systematic auditing processes and continuous improvement.

We oversee Quality Management across the Holding, which is coordinated by the Sustainability and Corporate Communications department through the Quality Management and Operations units of our subsidiaries. These units are responsible for designing, monitoring and auditing all quality processes. Quality management concerns are evaluated by the Quality Management Committee, meeting once a year. These meetings address risk analyses, process performance, improvement recommendations and audit results. Quality objectives and performance metrics are discussed at company-wide management review meetings.

Management systems are systematically monitored for effectiveness, compliance with standards, and improvement requirements through external and internal quality audits conducted by different accredited firms. Quality processes are implemented following ISO 9001, ISO 14001, ISO 45001 and ISO 50001 certification standards. All company operations are audited and reported with reference to these certifications. In this context, we administer a quality control process at every stage, from procurement to final service delivery. Technical experts and field engineers inspect the products and services delivered.

Potential risks and opportunities concerning our quality processes are identified and analyzed at regular intervals. Technological improvements including tank cleaning, sulphur analysis, extended sampling periods, dome roofs and warning systems at our fuel storage facilities serve as examples of this approach. As part of our strategic priorities, we focus on diversifying our products and services, maximizing customer satisfaction, investing in new technologies and expanding our approach to sustainable excellence in quality processes. Key outcomes of these strategies include growing the number of approved suppliers and launching new warehouse projects in 2022 and 2023.

Our subsidiaries operating in the petroleum and refined products sector use MSDS *(Material Safety Data Sheet)* documents published by TÜPRAŞ and Petrol Ofisi to inform their handling of fuel products. These documents outline the measures and procedures that must be followed as part of our quality management policies for operational processes. Certificates demonstrating environmental awareness and quality assurance are compulsory in our supplier selection processes.

Our group of companies-operating in different sectors-have implemented best practices, such as the installation of bitumen tanks and HSFO *(High Sulphur Fuel Oil)* lines, bunker fuel services, naphtha investments, call center and mobile service applications in our logistics tracking processes, and the employment of Quality Control Engineers, even for non-production activities. They have also introduced reward and recommendation systems. Technologies employed to assist in the management of our operational activities and the resulting services or products, through a people-centered quality management process that ensures safety and security, include HHL-HL warning systems, dome-type structures, Arvento vehicle tracking systems, mobile response teams, and energy performance monitoring systems in our storage tanks.

As part of our scheduled infrastructure upgrades to support quality processes, we have invested in chemical tanks and bitumen projects and overhauled our logistics systems. Internal audits are conducted annually, while external audits are carried out once or twice a year by independent organizations, government agencies, and customers. EMRA *(Energy Market Regulatory Authority)*, the Ministry of Finance, and other official bodies conduct unannounced spot checks. We conduct customer satisfaction surveys and end-of-contract evaluations to review complaints and feedback, the findings of which are discussed at monthly meetings.

> **Inspired by our commitment to continuous improvement, our goals for 2024 onwards are to maintain a customer satisfaction rate above 95%, consolidate our market position in terms of product and service diversity, and achieve 100% digitalization in at least half of the companies in our supply chain by the end of 2025.**

OUR INFORMATION SECURITY MANAGEMENT

In an era of accelerating digitalization and expanding scope across every sector, data and information have emerged as strategic assets. Information security is now recognized as a fundamental pillar of corporate reputation and business continuity, rather than just a technical issue. In this context, heightened cyber threats, increasingly stringent regulations and the intricacy of multi-stakeholder systems are compelling companies to adopt more systematic and comprehensive information security approaches. At Nakkaş Holding, we have responded by integrating information security into every aspect of our operational structure.

Our IT and functional unit managers jointly coordinate the review of our information security processes. Critical decisions are made in collaboration with our senior management. Through these collaborative efforts, we aim to enhance system security and to raise user awareness. To this end, we have updated our information security policy and made it available to all users. The policy focuses on operating encryption, device security, access control, data classification, and monitoring procedures under defined rules while ensuring regulatory compliance throughout these processes.

As part of our information security management practices, we perform systematic assessments of potential data leaks, unauthorized access, hardware failures and external threats. We analyze system performance, user behavior and vulnerabilities on a regular basis. By strengthening our infrastructure, we create opportunities for business continuity. Following strategies designed to maximize information security, we have planned technical investments and actions to develop human resources. Initially, we ensured device security and expanded preventative training focused on users. We established information security procedures to which all users must adhere and circulated details on internal digital platforms. We have clarified standards in areas such as access authorizations, data sharing rules and monitoring of suspicious activity. First-level encryption has been implemented for user devices. All employees received information security awareness training and were asked to confirm in writing that they understood the new security procedures.

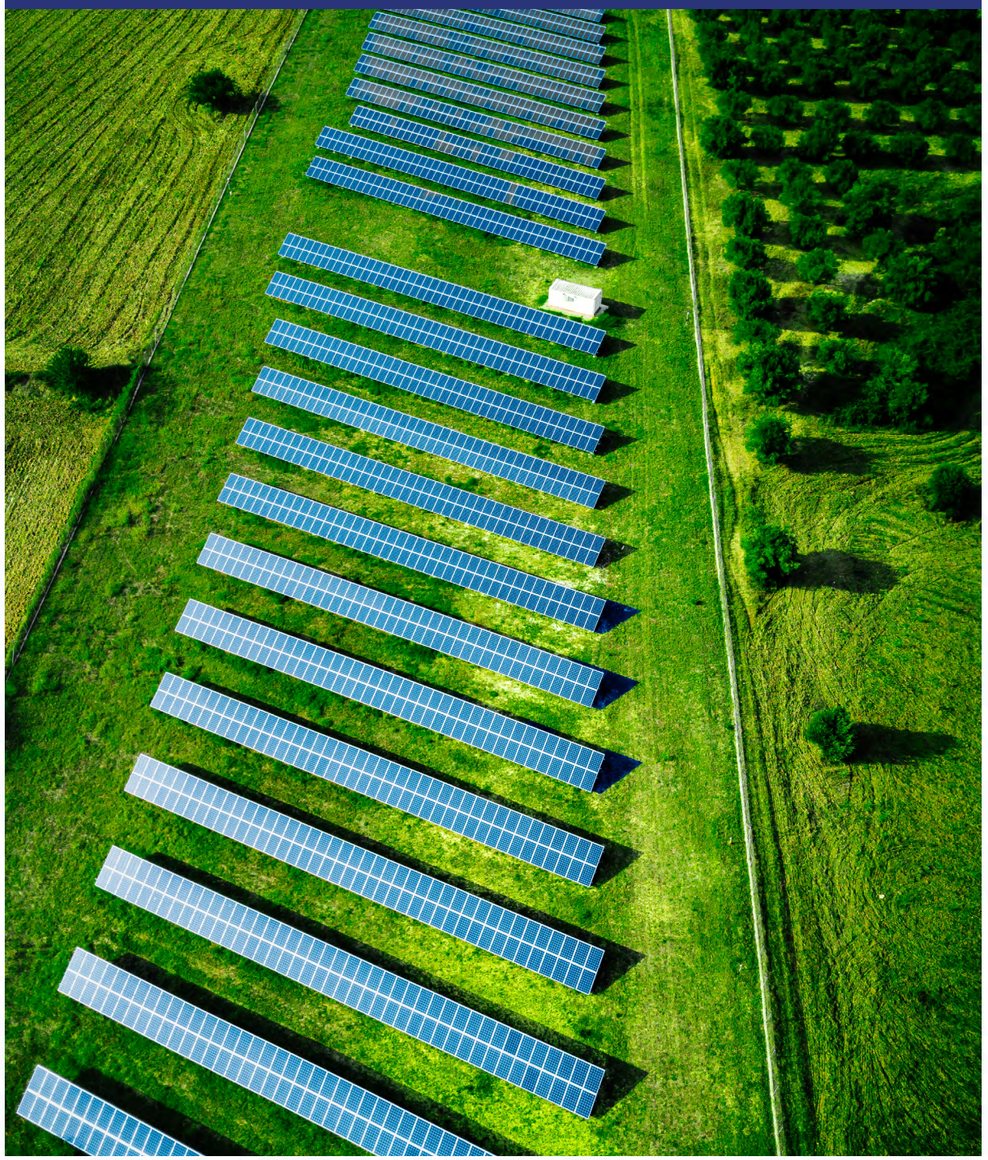
In accordance with Law No. 6563 on the Regulation of Electronic Commerce, we activated logging software and firewalls, and deployed firewall systems in workplaces. We configured digital alert systems to ensure continuous monitoring of the security infrastructure. Our investments in information security include hardware enhancements, logging systems, network security components and disaster recovery infrastructure. These investments enhance user security and maintain operational integrity. We monitor critical systems through log analysis and regularly review access records, system performance and user activity. Early warning systems accelerate response processes against potential risks. IT teams conduct audits throughout the year as part of the internal audit plan.

We conduct external audits in consultation with system installation companies, implementing any applicable updates based on the audits' findings. Our system infrastructure is undergoing restructuring to comply with established standards. Our medium-term goals are:

- Continuation of preparations for ISO 27001 certification
- Delivering information security training for all employees at least once a year
- Achieving 100% encryption in critical systems
- Activating firewall access warning systems at all our locations



OUR UNDERSTANDING OF SUSTAINABILITY



Our Approach to Sustainability

Our Sustainability Governance and Policy

Our Relations with the Stakeholders

Sustainability of the Supply Chain

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OUR APPROACH TO SUSTAINABILITY

Global challenges such as the climate crisis, resource depletion, widening social inequality, and digital transformation are prompting companies to take responsibility and drive long-term change. Sustainability is no longer just an environmental concern; it is evolving into a comprehensive management strategy that encompasses governance, ethics, human rights, and social well-being. At our holding company, we incorporate this approach into all our activities, extending our focus beyond the creation of economic value.

Under the oversight of senior management and through the contribution of respective functional units, we implement sustainability initiatives across the holding company. The Sustainability Committee coordinates our sustainability activities. The Committee raises internal awareness while implementing policies and strategies. The Committee meets at least once a year to brief the Board of Directors on policies and goals that require revision and update.

Our Board of Directors focuses on diversity, competence, and performance. Guided by ethical values, human rights, and legal compliance principles, our management system upholds international standards. We conduct regular analyses of all sustainability risks, with a particular focus on climate change, resource use, regulatory changes, and environmental impacts, exploring the opportunities these risks may present. Based on insights from these analyses, we restructure our business processes.

Our long-term sustainability strategies focus on transitioning to a low-carbon economy, improving energy and resource efficiency, incorporating circular business models, and making a social contribution. To this end, we primarily invest in renewable energy and implement practices that protect biodiversity. We share our Sustainability Policy with all our employees and publish it on our corporate website. The principles of transparency, ethical responsibility, environmental awareness, social equality, and governance underpin our policy.

- Managing renewable energy projects through Saves
- R&D-supported energy and water efficiency solutions
- Field studies to protect local ecosystems
- Sustainability training for employees
- An ethics-focused approach to stakeholder communication

We invest in technologies and digital monitoring systems that promote energy efficiency and sustainability. Drawing on the expertise of our R&D units, we develop solutions that enable greater efficiency and reduce resource usage in production processes. Our sustainability-focused investments include solar and wind power plants, efficient water systems, environmentally friendly production infrastructure, and projects that support employee development. Every investment is evaluated in line with our climate goals. We regularly monitor our policies using performance indicators to measure their effectiveness and track progress. Field audits, digital data analysis, and annual internal evaluations are among the key tools in this process. All processes undergo systematic review by our internal audit teams. Should the need arise, external audits are conducted with the support of independent experts.



Our sustainability efforts are governed by our adherence to environmental and energy management systems, including ISO 14001 and ISO 50001. Observing applicable national and international standards is a key priority for us. Operating as a holding company, our goals are:

- Controlling and reducing greenhouse gas emissions at every stage of our operations
- Delivering sustainability training to 100% of employees
- Steadily increasing energy efficiency rates each year
- Improving waste management and recycling rates
- Raising the proportion of women employees

OUR SUSTAINABILITY GOVERNANCE AND POLICY



Contemporary corporate sustainability strategies go far beyond environmental responsibility, embracing a wider range of factors that are key to creating long-term value. In today's economic landscape, organizations are committed to fulfilling obligations in various fields, such as the efficient use of resources, respect for human rights, tackling the climate crisis and upholding ethical governance. This new era redefines corporate success and reputation, evaluating performance not only by economic indicators, but also by the value companies contribute to society and the environment.

At Nakkaş Holding, we base all our activities on sustainable development principles for the fulfilment of our environmental, social and governance responsibilities, making sustainability an integral part of our business model. We address the entire scope of our sustainability processes through a centralized approach. We define our corporate policies in this respect, measure our performance through internal audits, and collaborate with our stakeholders to drive continuous improvement. Our holistic perspective on sustainability extends to topics such as renewable energy, ethical management, resource efficiency, and human rights.

Our Sustainability Management System is structured in line with the United Nations Sustainable Development Goals *(SDGs)*. The system is integrated into the processes of all our subsidiaries and is based on risk and opportunity analyses, performance evaluations, stakeholder engagement, internal control and a continuous improvement cycle. We systematically identify sustainability-related risks, particularly those relating to climate change, depletion of natural resources and social inequalities, and develop actions to mitigate these risks. We explore transformation opportunities by investing in renewable energy, R&D and social projects.

Our medium- and long-term sustainability strategy is based on five pillars: environmentally friendly production, ethical governance, employee development, social contribution, and transparent reporting. Through this strategy, we aim to create a broad impact within our own operational boundaries, as well as in collaboration with our suppliers, customers, and public authorities. Our Holding's Sustainability Committee is responsible for overseeing and coordinating sustainability practices. The Committee meets at least once a year to assess performance and update policies. The respective departments of our subsidiaries are welcomed and expected to contribute to this process.

Our Sustainability Policy is publicly available and is now in force within the Holding, having been approved by the Board of Directors. Within the scope of our policy, we embrace our obligations under the Universal Declaration of Human Rights, environmental legislative frameworks, and sectoral regulations. Environmental management standards including ISO 14001 complement this process. We employ digital monitoring systems, low-emission technologies and waste management solutions to enhance energy and resource efficiency. Projects developed at our R&D center advance our technological development, particularly our efforts to reduce energy and water consumption.

To complement our renewable energy investments, we allocate resources to nature conservation projects that promote biodiversity, social initiatives promoting women's employment, and ongoing training programs for our employees. We systematically monitor our sustainability performance using specific KPIs *(Key Performance Indicators)*. This data is reviewed every year and reported to the Board of Directors ahead of public disclosure.

We evaluate the efficiency of our sustainability practices at least once a year by conducting internal audits and undergoing independent external audits. We further collaborate with independent organizations to address concerns relating to environmental performance and human rights compliance. We raise awareness of sustainability among all our employees and encourage them to actively participate in relevant policies and practices. We implement regular training programs, particularly focusing on environmental topics, ethical values, human rights and energy efficiency.

We have invested millions of dollars in resource efficiency, R&D and digitalization, with a particular focus on renewable energy. Each modernization initiative at our facilities is designed to contribute to our sustainability goals. We incorporate sustainability into our operations by setting concrete short- and medium-term goals. **Our short-term goals are to reduce greenhouse gas emissions by 15% and increase energy efficiency by 10%. Our medium-term goal is to complete the digital infrastructure required to monitor the sustainability performance of all our subsidiaries through integrated systems.**

OUR RELATIONS WITH THE STAKEHOLDERS

Apart from its central role in communication, stakeholder management is instrumental in building respect, promoting transparency, and fostering long-term relationships. A reliable stakeholder management strategy can contribute to a company's reputation, mitigate risks, proactively recognize opportunities, and pave the way for continuous improvement. Competition at the international corporate level calls for effective dialogue with stakeholders, which is key to commercial success and achieving a social license.

At Nakkaş Holding, our approach is to engage in consistent, multi-directional communication with our stakeholders. We operate within a system that considers all stakeholders impacted by our activities and bases decision-making processes on stakeholder expectations. Stakeholder management is the shared responsibility of the corporate communications, sustainability, and human resources departments. We periodically report to senior management on the outcomes related to our respective stakeholder groups across all our companies. We compile and analyze collective demands, risks, and improvement opportunities on a centralized basis.

Our strategic approach is based on a model that focuses on transparency, feedback, and engagement with multiple stakeholders. We devise communication and engagement strategies tailored to each group of stakeholders, ranging from local communities and suppliers to public institutions and employees. We recognize that stakeholder expectations pose significant risks and opportunities for the company. We structure our processes to address local sensitivities, particularly for companies operating in regions vulnerable to high social impact. We firmly believe that direct communication with stakeholders during times of crisis is key to fostering trust.

Our Corporate Communications and Sustainability teams are responsible for overseeing our stakeholder management processes. Stakeholder management and engagement are included in the internal audit calendar as part of our Corporate Social Responsibility and Human Resources audits. Our corporate communications teams and field managers receive stakeholder management and engagement training at least once a year. In addition to internal audits, independent auditors conduct periodic inspections.

Feedback and opinions are communicated to management at least once a year. The frequency may increase during times of crisis or in response to specific needs. We are improving our stakeholder management practices to comply with international frameworks, such as the AccountAbility's AA1000 Series of Standards for Stakeholder Engagement. We adhere to the principle of transparent communication on matters such as ethics, human rights and gender equality.

We use digital survey systems, social media analytics and corporate email infrastructure to collect stakeholder feedback and gather data for central monitoring. In 2023, we invested TRY 1.2 million in technology infrastructure for stakeholder communication and social impact management. Initiatives we actively implement include supplier training programs, collective social responsibility projects with local communities, and support lines dedicated to employees and their families during times of crisis.

The goals we have set for our stakeholders to achieve by the end of 2024 include increasing our employee satisfaction score to over 90%, streamlining our supplier feedback systems and conducting social impact analyses across all our group companies.

SUSTAINABILITY OF THE SUPPLY CHAIN

Effective supply chain management is a strategic factor that contributes directly to the operational efficiency, cost-effectiveness and streamlined workflow of companies trading on global markets. A reliable, agile and systematized supply chain is invaluable for facilitating the timely delivery of goods and services, reducing environmental impact, upholding ethical responsibilities and enhancing corporate reputation. Building healthy relationships with suppliers fosters resilience in the face of crises and promotes long-term growth.



The Holding Purchasing Directorate oversees and coordinates our purchasing and supply processes, streamlining operations across the group. Any strategic supply concerns are identified and addressed at our annual planning meetings. All of our purchasing processes adhere to the principles of transparency, quality, environmental awareness, and legal compliance. Our sourcing strategy focuses on establishing long-term partnerships with ethical, local, and innovative suppliers. We particularly value collaborating with suppliers who can offer competitive prices and demonstrate their commitment to environmental and social responsibility.

To this end, we specify that our suppliers hold certifications such as ISO 14001 for Environmental Management and ISO 9001 for Quality Management. We also use digital document tracking and supplier performance measurement and reporting systems. We verify supporting documents, such as Material Safety Data Sheets *(MSDSs)*, before including fuel and LPG products in our processes. We systematically update our approved supplier directories based on these criteria.

Collaborating exclusively with new, quality-focused suppliers accounted for the 46% increase in our number of approved suppliers in 2023. Such diversity provides flexibility and minimizes our operational risks. We analyze our suppliers' feedback through periodic reports to assure quality. We duly analyze our supply chain risks to mitigate operational disruptions, quality deficiencies, regulatory non-compliance and environmental impacts. We explore opportunities relating to environmentally friendly products, promoting domestic production and collaborative projects.



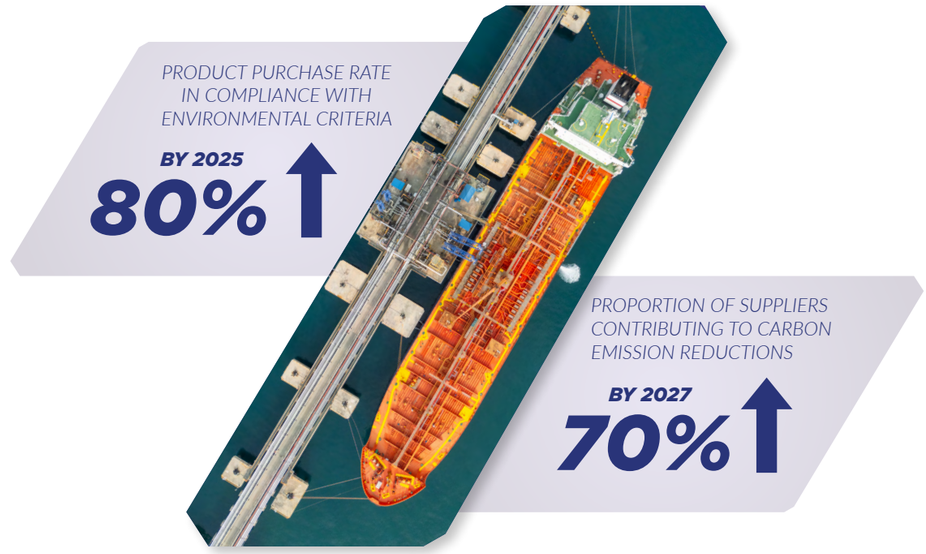
Field engineers and independent auditing agencies inspect supplier sites and products at least once a year. Official audits by institutions such as the Turkish Standards Institution *(TSE)*, the Energy Market Regulatory Authority *(EMRA)* and the Ministry of Finance are an integral part of this process. We organize ongoing training for procurement personnel on legislation, quality standards and sustainable purchasing.

To further systematize and improve the quality of our supply processes, we have invested millions of dollars in acquiring bitumen tanks, marine fuel lines and container logistics infrastructure in 2023. These investments provided valuable opportunities for our local suppliers.

↑46%
Approved Suppliers

In the short term, our goal is to verify that all our suppliers are certified to environmental and quality standards. In the medium term, we plan to integrate digital purchasing systems into our processes and increase the proportion of products that reduce our carbon footprint to over 30% of our total supply. To this end, we are taking firm action to improve the sustainability and efficiency of our supply chain.

At GTS, one of our key objectives is to increase the proportion of products we purchase that comply with environmental criteria to 80% by 2025. Similarly, we are committed to increasing the proportion of suppliers offering carbon emission reduction solutions to 70% by 2027.



OUR APPROACH TO A SUSTAINABLE ENVIRONMENT



Our Environmental Management

Our Energy and Emissions Management

Our Water Management

Our Waste Management

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OUR ENVIRONMENTAL MANAGEMENT

Environmental management is no longer assumed to be merely a responsibility for organizations in today's corporate world; it has emerged as one of the fundamental requirements for delivering competent and high-quality performance. The escalating environmental crises, the energy transition, the depletion of natural resources, and the consequences of climate change remind us of an explicit message:

> **"Any initiative that fails to be adaptive to nature is vulnerable, short-lived, and incurs additional costs."**

Distinguishing factors for corporations now include how they produce and the impact they leave behind. Following this approach, we prioritize environmental sustainability throughout our entire business chain, addressing every stage from production and logistics to procurement and energy use. Our environmental management approach is based on efficient resource use, minimizing waste generation, efficient water use, reducing emissions and ensuring traceability of our environmental impact. We execute these processes in accordance with the ISO 14001 Environmental Management System and ISO 50001 Energy Management System Standards.

The HSE *(Health, Safety and Environment)* department is responsible for overseeing the implementation of these processes across the Holding. In collaboration with environmental consultants, we prepare internal environmental audit reports at least once a year, identify and categorize risks, and coordinate the appropriate actions under the supervision of this department. Environmental officers at each facility are responsible for overseeing the implementation of the system and managing the feedback cycle.

Our policies incorporate proactive environmental responsibility within the framework of applicable legislation. We implement specific measures addressing a wide range of matters, including the prevention of marine pollution, waste management, energy consumption reduction and emission control. For instance, we employ direct-impact technical applications such as spill barriers for ships berthing at our piers, odor spray systems, PV Vent *(a safety valve that prevents excessive pressure buildup or vacuum in tanks)*, emission control solutions and sedimentation basins.

We use automated pumps to improve energy efficiency.



GGG Petroleum, Adana Ceyhan Station.

The technologies we use are designed to improve energy efficiency and reduce environmental risk. We reduce electricity consumption using smart panel systems and increase efficiency with automated pumps. Our car wash systems use sedimentation tanks on site to contain chemical waste and divert it from the sewer system. As part of our Zero Waste Project, we have set up and introduced recycling stations to improve waste management.

In 2024, we plan to initiate Ornithological Monitoring efforts centered on biodiversity. Through these efforts, we intend to monitor bird populations and migration routes and assess the impact of environmental change. In addition to declarations of intent, we measure our environmental performance through monitoring systems. Emissions, water and energy indicators are monitored at our facilities each month. This data, combined with annual performance evaluations, provides input for our sustainability strategy.

Audit processes are conducted internally and by independent audit firms. We undergo annual audits for the ISO 9001, ISO 14001, ISO 45001 and ISO 50001 quality standards, and conduct internal organization-wide audits once a year. The audit mechanisms carried out in collaboration with the Ministry of Environment, Urbanization and Climate Change, municipalities and licensed environmental consultants have been standardized.

Training propels our environmental management forward. Our employees are obliged to participate in environmental and OHS training on a regular basis. Topics covered in the training sessions include spill response, carbon footprint reduction methods, risk analysis and emergency drills. The process extends beyond our employees to engage our business partners and suppliers. Our goal is to foster a shared culture of sustainability by holding environmental awareness meetings and furnishing technical guidance.

We have been supporting operational and decision-making processes through new investments. In 2023, we allocated TRY 210,238.60 to environmental expenditure, focusing on greenhouse gas reporting, waste management, emissions monitoring and infrastructure upgrades.

Our strategy for the future is steered by our objectives. In the short term, we are planning to complete the transition to a 100% smart system across all our facilities, make sure that all employees complete their annual environmental training, and achieve zero discharge target at our coastal facilities. In the long term, our key priorities are to make further progress towards our carbon neutrality goal, increase our investment in renewable energy and transition to fully digital monitoring systems for our environmental impact data.

OUR ENERGY AND EMISSIONS MANAGEMENT

Energy can no longer be classified as merely an input in production; it is now recognized as a fundamental parameter that impacts the entire scope of business practices. Soaring demand, limited resources and climate change have shifted the focus of energy management from an operational cost to a strategic, social and national commitment.

At Nakkaş Holding, we recognize our responsibility in this regard and use energy efficiently. We take an integrated approach to energy management, considering environmental, economic and governance factors. We have implemented ISO 50001 Energy Management System processes in each of our units and extended accountability to all our employees, not just energy managers.



We identify, monitor, and transform our consumption patterns as necessary. At sites such as the Dörtyol Terminal within GTS, we have prevented energy losses by replacing underperforming transformers and generators. We have commissioned studies to assess the efficiency of motor systems. To reduce consumption, we focus on changing habits as well as improving equipment. We review our system annually through regular internal and external audits. In this context, KPI tables, energy target lists and performance reports inform our meetings and decision-making processes.

As of 2023, our total energy consumption was 690,300 GJ *(gigajoules)*, split between energy sourced from the grid and renewable energy production, the latter including both our own production and imports. Specifically, we used 581,667.01 GJ of electricity from our own renewable energy production and 392.4 GJ of renewable electricity from external sources. Our hydroelectric and solar power plants generated nearly 488,170.8 GJ of electricity, partly for direct use in our operations.

A breakdown of our companies' energy consumption for the reporting year is presented in the table below:

Energy Consumption	Unit	GGG Petrolleri	GTS	Saves	Nakkaş Holding Consolidated
Natural Gas	m^3		355,064.00	-	355,064.00
Diesel (Stationary Combustion-Generator)	lt	13.80	58,755.68	300.00	59,069.48
LPG (Cylinder)	kg	-	795.00	-	795.00
Diesel (Mobile Combustion-Vehicles)	lt	-	2,526.00	8,000.00	10,526.00
Electricity Consumed from the Grid	GJ	14,206.54	31.87	2,721.74	16,960.15
Renewable Energy Supplied / (Outsourced) Electricity	GJ	-	-	392.4	392.4
Renewable Energy Production	GJ	-	-	581,667.01	581,667.01

Saves HPP & SPP Energy Production (GJ)	2023
Total Electricity Generated	581,667.01
Electricity generated and distributed outside the organization	577,966.34
Electricity generated and used inside the organization	3,700.68

Our approach to energy management is not limited to inter-departmental coordination. We prioritize active participation from everyone involved in this process, including our suppliers, subcontractors, visitors and customers. We acknowledge that environmental impacts are not confined to a single entrance or exit, hence the importance of every link in the chain acting consciously to avoid negative consequences.

Our goal is to broaden the scope of sustainable energy management beyond inter-departmental coordination and to foster a transformative shift in consciousness across the entire value chain. Taking responsibility at every stage of the process will ensure a more resilient and environmentally responsible structure for our organization and the ecosystem in which we operate.

Our energy consumption and production data serve as the basis for our emissions management, one of our primary areas of focus. To this end, as of 2022, we have begun calculating the emissions of Nakkaş Holding's headquarters and its subsidiaries: GTS *(office and terminal)*, GGG Petrolleri *(Nakkaş Akaryakıt)*, Saves, Global Gas Trans, Transpet and MT Petrolcülük, including transit operations. The total greenhouse gas emissions of our Holding and Companies in 2022 were equivalent to 67,791.58 tCO_2e. Most of our Holding Companies' emissions *(84.88%)* stem from transit operations.

Our Holding and Companies' 2022 emissions data is shared below:

Emission Source	Total (ton CO_2e)	Rate
Nakkaş Holding – Head Office	221.72	0.33%
GTS	4,229.82	6.24%
GGG Petrolleri	5,428	8.01%
Saves (Çamlıca HPP)	368.66	0.54%
Global Gas Trans	25,885	38.18%
Transpet	31,658	46.70%
Total	**67,791.58**	

We have calculated our greenhouse gas emissions as per the ISO 14064-1 Standard, and the category-based distribution of total emissions across all companies and offices is presented below. Most of our emissions originate from Category 4 indirect greenhouse gas emissions relating to products and services used by the organization.

Scope	Nakkaş Holding - (tCO_2e)	Rate
Category 1	5,123.75	7.56%
Category 2	2,896.12	4.27%
Category 3	59,692.23	88.05%
Category 4	80.48	0.12%
Total	**67,791.58**	**100.00%**

To reduce these figures, we have identified and implemented measures to optimize transportation vehicles and stationary combustion sources. We have also made performance tracking transparent by implementing automation systems and energy monitoring solutions.

We cannot afford to wait any longer-we must act now to plan for the future. We have set out our goal of reducing carbon emissions, and we are taking action to deliver on this commitment. Our aim is to reduce our carbon emissions by 30% by 2030.

We have set ourselves the following priority goals to reduce our energy consumption by 10% per year, increase our waste recovery rate to over 80% and achieve full compliance with all environmental audits. We have completed the technical preparations required for the transition to the EEP *(Efficiency Enhancement Project)* system, scheduled to become operational in 2025. Our vision embraces the use of energy-efficient products and the responsible consumption of natural resources. This policy is clearly communicated across all platforms, from communication boards to our website.

We recognize that it is our collective responsibility to determine the environmental impact of our energy consumption. Motivated by this awareness, we are streamlining our operations and making every effort to reduce our environmental impact for future generations.

OUR WATER MANAGEMENT

Beyond any technical details of industrial activities, water constitutes the very essence of life. Although companies across all sectors consume water at different rates, the extent to which they value and protect water indicates the level of care they exercise in a world of growing populations and changing climates, where water is becoming increasingly precious, procuring and managing it has become a strategic issue.

At Nakkaş Holding, our approach to water goes beyond treating it as a *"limited resource"*; we take a broader stance, treating water as a *"collective responsibility"*. We monitor water usage at every location and undertake multidimensional efforts to protect water resources, encompassing every aspect from infrastructure to culture. Our HSE *(Health, Safety, and Environment)* department is responsible for monitoring water management processes. Working in coordination with field teams, the department oversees consumption monitoring, infrastructure control and improvement activities.

We incorporate water management review meetings into our annual planning process. Representatives from the relevant sites, accompanied by engineering and environmental consultants, attend these meetings to assess the system's effectiveness. We firmly believe that water management is an integral part of our integrated environmental management system. We systematically manage the processes involved in wastewater collection, recycling, well water use and tanker water supply. Our domestic and industrial treatment systems facilitate this process.

Through field-based analytical assessments, we identify infrastructure deficiencies, water waste and chemical risks. In 2024, we plan to invest in field septic systems, tanker water management and large-scale upgrades to our water infrastructure. We recognize the significant potential of water recovery in ship operations. Our strategy is based on efficient water use, sensitivity to local resources, and the safe disposal of wastewater. Even in remote locations without a public water supply, we minimize water waste and control consumption through technological solutions.

We observe ISO 14001 standards when executing our environmental and water management policy. We structure all our processes, from treatment facilities to waste management, in compliance with legal regulations and applicable legislation. Our focus is on effective water management in areas that are specific to our sector. At GTS, we use satellite technology to monitor flow meters connected to four separate wells at the Dörtyol Terminal. By recycling water used for cleaning ship lines, we save thousands of cubic meters of water each year. Sedimentation tanks prevent chemical migration during car washing, while photocell products improve water efficiency in hygiene areas.

To reduce water consumption, we use state-of-the-art washing systems, automated metering, sedimentation tanks, photocell equipment and automated monitoring systems. We monitor wells and treatment plants using online data tracking. By 2023, we had established a framework for our infrastructure and technology investments in water management, permitting us to oversee a total consumption of 284,803 m^3. These investments include septic tank improvements, new reinforced concrete structures, and recycling systems.

The effluent quality of the treatment plants at the Dörtyol Terminal, affiliated with our GTS company, is analyzed every four months. In addition to independent laboratory tests, the Provincial Directorate of the Ministry of Environment, Urbanization and Climate Change conducts sampling under the supervision of a committee. Additionally, we monitor all water treatment processes through regular internal audits. The ministry and municipalities are authorized to conduct scheduled and unannounced external audits. The audit outputs establish the basis for continuous system improvement.

All field personnel and head office employees receive periodic environmental and water management training. Through technical training, such as spill response training in ship operations, treatment plant usage and well control procedures, environmental awareness is raised across the organization.

Industrial Treatment Recycling System

At GTS, we have implemented an Industrial Treatment Recycling System project to recycle water used for cleaning ship lines during operations. This system has significantly improved resource efficiency, saving an average of 267 m^3 of water per ship. We have started using the recycled water in peak units for ship operations and received a marine discharge exemption for this purpose. To accommodate our facility's growing business volume, we have applied for a re-discharge permit for our industrial treatment plant and obtained the necessary legal authorization. The permit facilitates our capacity to meet our environmental obligations and strengthens our sustainable operations.

Our goals for 2024 are to achieve 100% recovery of industrial wastewater, a 10% reduction in water consumption and zero leakage in septic systems. We have developed a long-term transition plan to implement smart water management systems across all our sites. We remain committed to using water responsibly and consciously, preventing its depletion at source.

OUR WASTE MANAGEMENT

Here at Nakkaş Holding, we take a holistic approach to waste management, treating it a matter of environmental protection and an integral function of our business. The impact left behind through a facility's operations matters as much as the products that facility manufactures. For this reason, processing waste for recycling means replenishing part of the resources we consume. The less waste we produce, the better the balance.

The HSE department in Holding is responsible for all waste management processes. Working in coordination with field teams, this department oversees the separation of hazardous and non-hazardous waste, temporary storage, reporting, and disposal processes. We centralize the tracking of ship-sourced waste using the GATS *(Ship Waste Tracking System)*.

We discuss waste management practices at least once a year at our sustainability committee meetings. During these meetings, we evaluate audit data, annual targets and system developments. All our processes are integrated with ISO 9001, ISO 14001, ISO 45001 and ISO 50001 management systems. We conduct an internal audit every year and are also subject to regular municipal and ministry audits. All notifications and reports are processed through the Integrated Environmental Information System *(IEIS)*.



We have identified several risks that require our attention, including hazardous waste leaks, increasing volumes of non-recyclable waste, and ship-related marine pollution. Digitalization, zero-waste practices and collaboration with licensed recycling companies offer opportunities for improvement. Our waste management strategy encompasses source reduction, separation, recycling and disposal, and operates on the principles of lowering emissions and reducing our carbon footprint. We embrace a circular economic approach centered on prevention and reuse.

Having reviewed applicable national regulations and ISO quality standards, we have structured and streamlined our waste management processes. Our waste management policy is being updated according to our Zero Waste Certification goals.

At Saves, we have launched a project designed to migrate to a digital environment and reduce paper-based processes by 2023. To this end, we have integrated Salesforce software into our system for digital data collection and storage, thereby upgrading our infrastructure.

We encourage the digital sharing of documents and extensively use the OneDrive platform across our organization. To cut down on paper usage, we have adjusted our printer settings allowing double-sided printing, and we are focusing on reducing paper usage in all our in-office processes. We actively utilize MOTAT *(Mobile Waste Tracking System)*, waste transfer forms and online reporting systems. We have refurbished our sealed temporary storage areas and waste reception facilities to support process safety. As part of our investment in waste infrastructure, we have developed treatment facilities, temporary storage areas and waste collection buoy systems. **Our waste reception facility will be renovated in line with our 2025 targets.**

We monitor the entire waste process using the MOTAT system, tracking it through exit slips, transfer forms, annual declarations and HSE unit records. We assess our environmental impact by conducting seawater sample analyses. Internal audits are conducted annually, whereas external audits are conducted either once a year or more frequently depending on the audit schedule set by the Ministry of Environment, Urbanization and Climate Change, provincial directorates and municipalities. Ship waste management is reported every three years in accordance with the plan.

We constantly update all our employees on waste separation and disposal awareness and provide environmental training. We organize specialized training for field personnel and provide technical information on ship waste collection processes in marine operations.

Our goals for 2024 include improving the terminal's zero-waste certification level, reducing the temporary storage period for hazardous waste by 20%, and decreasing office-related waste by 30%. Looking ahead to 2025, we plan to renovate our waste reception facility based on structural and technological criteria. We are committed to minimizing the negative impact of our operations at every stage and will continue to uphold our waste management principles.



OUR HUMAN-ORIENTED APPROACH



Our Human Resources Management

Our Employee Engagement Practices

Occupational Health and Safety

Our Customer Satisfaction and Feedback Mechanism

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OUR HUMAN RESOURCES MANAGEMENT

The genuine power and success of a company relies on the competence of its employees, coupled with its technological capacity and financial resources. Today, sustainability is closely associated with environmental and financial stability, and entails building an organization that values its employees, treats them fairly, understands their needs, and offers them opportunities for development. From this perspective, we appreciate our employees as the fundamental strength and strategic priority for achieving sustainable success.

Our Human Resources department supervises our entire employee process. Our processes, which include training, development, recruitment, benefits, performance management, career development and talent management, focus on contributing to long-term corporate sustainability and developing potential.



Our Human Resources Policy emphasizes the recruitment and sustainable development of qualified candidates who support the strategies of all our companies. Thus, corporate memory is nurtured through the experience of long-term employees. Nakkaş Holding's Human Resources Policy places priority on effectively evaluating and developing career plans for employees at all levels who demonstrate qualified effort in achieving their goals, developing their competencies and preparing themselves for responsibilities beyond their current position. In this context, we contribute to economic sustainability and aim to add value to society by supporting local employment.

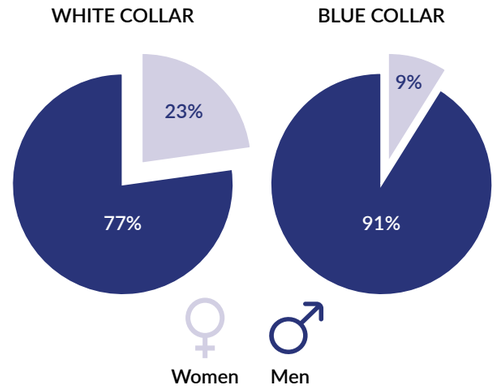
We recognize that our employees are the most important factor in creating long-term value. The expertise, motivation, innovative approach and development-oriented mindset of our employees are fundamental to strengthening companies. At our holding company, we strive to create an environment that fosters collaboration and teamwork, supports learning opportunities, and inspires pride in employees' achievements and contributions to the company's business results. We adopt a management approach that values diversity as an asset. As the Human Resources department, we take an inclusive, fair approach that respects human rights and addresses equal opportunities, combatting discrimination in the process.

Each company within our group stands out for its extensive experience and knowledge in its respective sectors. Each long-term, committed employee retains corporate memory and continually expands their knowledge base. Through internal empowerment strategies and mentoring, we facilitate the transfer of knowledge and experience from one generation to the next to uphold the legacy.

The table below provides an overview of our consolidated permanent employee data for our group companies (*):

Distribution by Employee Qualification and Gender	Women	Men
White Collar	55	184
Blue Collar	74	733
Total Number of Permanent Employees	1,046	

**Employees of the following companies are included: GGG Petrolleri, Be Aero, GGT, GTS, Saves, Transpet, Nakkaş Logistics, Petro Global and Nakkaş Mining. Subcontracted employees are excluded.*



OUR EMPLOYEE ENGAGEMENT PRACTICES

We evaluate Human Resources practices and the processes associated with employee experience in liaison with senior management at least once a year during our Management Review meetings.

We keep systematic records of all processes, from recruitment to termination, and conduct periodical analyses of metrics such as employee turnover, satisfaction scores, access to training and branch-based wage differentials. We develop applications that integrate with management systems for Occupational Health and Safety *(ISO 45001)*, Quality *(ISO 9001)* and Customer Satisfaction *(ISO 10002)*.

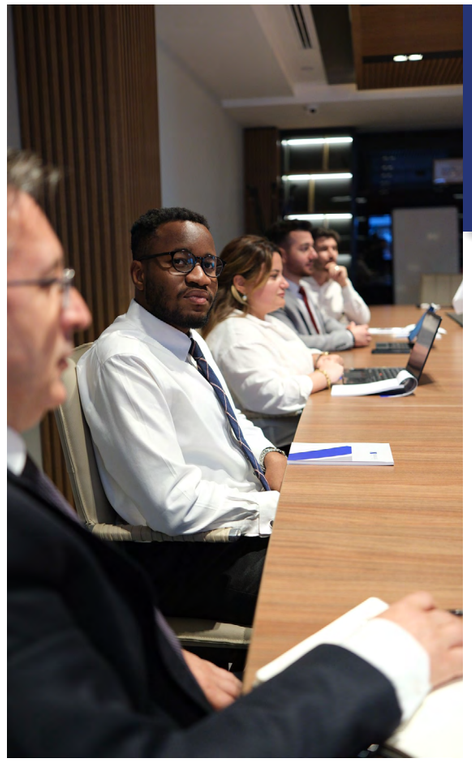
Performance interviews are conducted throughout the year, and our HR processes are maintained through digital platforms. Digital solutions such as a leave tracking system, training tracking systems, performance measurement tools and a suggestion system contribute to improved process efficiency.

Our key goals set for 2024 are to increase employee satisfaction to 95%, expand our management pool through the GGG Academy, achieve a 30% increase in participation in the suggestion system and provide personal accident insurance to all our employees.



The table below provides an overview of the fringe benefits that we provided to our employees in our group companies during the reporting year:

NAKKAŞ HOLDING CONSOLIDATED IN 2023	
Benefits For Full Time Employees	Number Of Employess Entitled to Fringe Benefits
Private Health Insurance	316
Personal Accident Insurance	22
Individual Retirement Contributions	46



We remain committed to our best practices, guided by the mindset that "Strategic investment in people paves the way for long-term value for the future."

Employee Feedback

Based on the periodic feedback collected from employees, we recorded a participation rate of 63% in the 2023 survey and a satisfaction score of 94.6%. Employee needs are analyzed through annual satisfaction and feedback surveys, and organizational systems are refined in response.

To improve the functionality of our feedback system, we gather information on multiple channels, including email, landline and social media. We encourage our field staff to contribute directly through a suggestion box or the monthly evaluation system.

Our HR systems undergo an annual internal audit, and employee processes are thoroughly evaluated during quality audits. We evaluate personnel practices during operational audits conducted at our branches.

Training and Competency Development

As part of our core strategies, we focus on boosting employee engagement, retaining talent and preparing high-potential individuals for management roles. To this end, we systematically train managers with internal resources through the **GGG Academy** program designed by our company.

We supplement our training content with external consulting services. Our training budget is reviewed and increased every year. We systematically monitor and report on training participation, performance target achievement and suggestion system outputs.

Our company provides relocation and rental assistance for management trainees. We evaluate training and development practices within the scope of our quality certification processes.

The table below indicates the number of employees who have benefited from our training opportunities during the reporting year, broken down by company.

Training Data For 2023	GGG Petrolleri	Be Aero	GTS	Saves
Number of Employees Participating in Training	363	286	109	44
Total Number of Employees Participating in Training	**802**			
Training Hours (Employees*Hours)	2,178	15,772	1,472	70
Total Training Hours	**19,492**			

Our Understanding of Diversity and Inclusion

We uphold a commitment to providing a fair, inclusive and equal opportunity-based work environment for all our employees. As part of our gender equality policy, we conduct non-discriminatory assessments in the recruitment, compensation, benefits and promotion processes. We embrace the principle of *"equal pay for equal work"* and determine wages based on position, seniority, performance, and market conditions.

Increasing the percentage of women employees is one of our key goals. Through the GGG Academy, we support the professional development of women aspiring to managerial roles and offer leadership positions, such as station manager, to blue-collar women employees.

We have ongoing efforts to increase employment of women by 2024, and we consider diversity and inclusion to be integral to our corporate culture.

> **We embrace the principle of *"equal pay for equal work"*, regardless of gender.**

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety *(OHS)* relates to one of the most fundamental human needs, according to Maslow's hierarchy of needs: life safety. Therefore, OHS is an essential requirement for organizations to guarantee a safe and stable workflow, and one of the building blocks of corporate responsibility. Not only do OHS practices protect employee health, but they also increase operational efficiency, ensure business continuity and cultivate a sense of trust within the corporate culture. A well-managed OHS system reduces risks, prevents unexpected situations and contributes to companies' long-term success. In today's competitive global landscape, OHS is not just an obligation, but also a strategic advantage in terms of reputation, productivity and employee engagement for corporations.

Occupational Health and Safety *(OHS)* measures account for an essential part of our Holding's primary areas of responsibility. Ensuring the health and safety of our employees is integral to our business, across all sectors. We consider OHS processes central to our corporate governance approach at all our subsidiaries, particularly the ones operating in hazardous business groups. The Human Resources and Operations Directorate coordinates and implements OHS processes across the Holding. OHS officers and field inspection teams oversee the company-wide operation. Led by Holding's OHS committee, we meet four times a year to assess current and potential risks, incidents, improvement proposals and audit findings.

Our OHS management system operates in full compliance with sectoral regulations and the legislation of the Ministry of Labor and Social Security, serving as a testament to our commitment to safety. We adhere to the ISO 45001 Occupational Health and Safety Management System Standard to this end. We regularly update risk analyses at our subsidiaries in hazardous occupations and implement measures to minimize the risk of accidents. In 2023, we allocated TRY 2.5 million for equipment upgrades, protective equipment investments, and new training modules. For instance, we use special gun holsters to prevent burn injuries to our employees at LPG stations.

Our goal is to continuously minimize our accident rates and keep them below the industry average. To this end, we carry out periodic training, field and equipment inspections, and emergency drills. Our OHS policy is based on preventing loss of life and minimizing injuries, while raising continuous awareness. In addition to complying with applicable legal obligations, we focus on fostering an OHS culture that influences employee behavior.

We provide regular first aid, fire safety and occupational health training to all employees. Any deficiencies identified during inspections conducted by field engineers and inspection teams at our stations are swiftly addressed. We integrate vehicle tracking, field cameras, digital inspection forms and mobile notification applications into our OHS processes. To complement annual inspections, independent Occupational Health and Safety *(OHS)* audit firms conduct site visits. We record every identified risk and incident, processing it into a central database using instant

reporting systems. TSE *(Turkish Standards Institution)* and other independent organizations conduct audits twice a year. We also conduct spot audits on behalf of official bodies such as the Ministry of Labor and Social Security, EMRA *(the Energy Market Regulatory Authority)* and municipalities.

At our ISO 45001-certified subsidiaries, we operate in full compliance with the applicable standards. We complete calibration and equipment inspections at least annually. By the end of 2023, we aim to reduce the number of minor workplace accidents that do not result in serious injury by 20%. We are working tirelessly to reduce the number of minor accidents that occurred last year from 16 to almost zero by next year. Our goal is to ensure that our zero-accident culture is firmly embedded in the way we operate across the organization, and is ultimately incorporated into our company ethos.

The OHS performance indicators for the reporting year is presented in the table below:

2023 OHS Performance Indicators	Company Name											
	GGG Petrolleri			Be Aero			GTS			Saves		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of Accidents	0	11	11	1	4	5	0	22	22	0	0	0
Number of Work-Related Fatalities	0	0	0	0	0	0	0	0	0	0	0	0
Number of Occupational Diseases	0	0	0	0	0	0	0	0	0	0	0	0
Lost Days Due to Accidents	0	0	0	0	42	42	0	0	0	0	0	0
Accident Frequency Rate	0	8.36	7.36	14.88	9.72	10.44	0	50.23	50.23	0	0	0

**36 Unsafe Conditions and 10 Near-Miss Incidents were reported at GTS.*

OUR CUSTOMER SATISFACTION AND FEEDBACK MECHANISM

Our customers are a reflection of our organizational development and valuable strategic partners. Any feedback informed by their input improves the quality of our service and fosters the reliability, reputation and sustainability of our brand. Feedback mechanisms thereby constitute the most important component of our corporate strategies.

We coordinate our customer relations processes with the Sales and Marketing Directorate and the Corporate Communications Department. All complaints and requests are recorded in a shared system and evaluation processes are initiated. We review customer satisfaction reports annually during Management Review meetings. To prevent recurring complaints, we hold weekly evaluation meetings with the sales and marketing teams and monthly analysis meetings.

We have structured our entire complaints process around an Integrated Management System. We have upgraded our CRM *(Customer Relationship Management)* infrastructure and established an integrated system with this software for the digital tracking of complaints, thereby revamping our complaint management platform. Compliance with the provisions of the KVKK *(Personal Data Protection Law)* is a key priority for us, and we approach our customers with sensitivity to their needs. As stipulated in Law No. 6698 on the Protection of Personal Data, we do not share customer data with third parties.

Our strategic goals are to boost customer satisfaction year on year, increase the percentage of loyal customers, and digitize the complaints process completely. To this end, we not only anticipate customer needs, but also proactively respond with pioneering services to needs that have yet to emerge. We inform all our employees about our privacy and data security policies. We treat customer feedback and requests for new products, services or market diversification as opportunities. To this end, we have tailored our bitumen, jet fuel and HSFO projects to meet customer demand. As part of our mystery shopping program, we inspect stations monthly, score all service steps, and circulate reports to our teams.

We process feedback received from digital platforms, including comments on social media, and record the data collected in our system. We also document the customer experience using photo-supported audit reports. To further enhance customer experience, we have invested in new service equipment and software. We have also introduced physical infrastructure improvements in response to customer demand.

Our complaint management processes undergo an annual internal audit and an external audit every three years. We collaborate with independent auditing firms that are certified to ISO 10002. The audit scope includes confidentiality, data security and customer relations. We document customer feedback processes using the ISO 9001 Quality Management System. We also integrate compliance with the Personal Data Protection Law into internal audit reports.

The customer satisfaction rate in 2023 was 88%. **Our goal for 2024 is to improve this further to 92%. To this end, we have set ourselves the following targets: reducing the average response time for complaints from 48 hours to 24 hours and securing a 15% increase in new customer acquisition.**

We uphold our commitment to delivering trustworthy service by continuously improving every point of contact with our customers. We will resolutely maintain this approach by establishing a structure that listens to and learns from feedback.

VALUE CREATION FOR SOCIETY



Our Corporate Social Responsibility Projects

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OUR CORPORATE SOCIAL RESPONSIBILITY PROJECTS

Social responsibility reflects a fundamental corporate stance, demonstrating that companies today are not solely focused on economic goals, but also embrace their social, environmental and humanitarian responsibilities toward society. For corporations operating on a global scale, social responsibility has become an invaluable instrument for managing their reputation, engaging with stakeholders, and creating long-term value. Strategic pillars such as environmental awareness, disaster preparedness, collaboration with local communities, and support for education serve to strengthen companies' bonds at the societal level.

Recognizing our accountability to society, we engage in various social responsibility initiatives. We invest in education, healthcare, culture and the arts to contribute to social development. Through continued investment in our social responsibility projects, we aspire to enhance the quality of life for our local community and employees. These projects and collaborations significantly contribute to achieving our sustainable development goals, as we strive to create environmental and social value.



In 2021, as part of our commitment to environmental responsibility, we organized a tree-planting event in collaboration with ÇEVKO *(the Environmental Protection and Packaging Waste Recycling Foundation)*. We also coordinated blood donation campaigns with the Red Crescent at our Ankara Pursaklar station, Istanbul headquarters and Hatay/ Dörtyol Terminal that same year. All of our employees voluntarily participated in these campaigns. We have held regular blood donation campaigns at our GTS Dörtyol Terminal for many years. In recognition of their commitment, many of our employees have earned gold medals for donating 35 or more times. In the aftermath of the devastating earthquake on February 6, 2023, we devoted considerable attention to our social assistance activities. Despite equipment damage at our Nakkaş Akaryakıt Elbistan station, we continued to provide an uninterrupted service. We distributed fuel to the local community free of charge, standing by them in solidarity during this arduous period. Many of our employees volunteered in the field throughout this period.

We coordinated aid campaigns by setting up support teams that included head office employees. We shipped three truckloads of essential supplies to the earthquake zone, provided fuel and cash assistance, and offered psychological support to our employees and their families affected by the earthquake. We consulted with professional psychologists to provide psychological support and prepared disaster relief packages for schools and children.

Our approach to social responsibility extends beyond merely responding to times of crisis. Our goal is to establish a sustainable system of social responsibility that consistently and systematically generates social benefit and establishes value-driven connections with local communities by incorporating insight into communities' needs and expectations across all our company units.

> **In 2023, we contributed TRY 20 million to society through donations and grants.**

OUR INNOVATIVE PROJECTS



Our R&D and Innovation Works

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OUR R&D AND INNOVATION WORKS

Research and development *(R&D)* and innovation are invaluable to companies striving to remain competitive in today's ever-changing economic and technological landscape, while also achieving long-term success and generating profit. We place great importance on R&D and innovation, acknowledging their critical role in enabling companies to drive continuous innovation, build resilience to risks, and secure their strategic position for the future.

We are proud to say that, along with our more than 2,000 employees, we are committed to developing innovative solutions that are in line with our goal of stable growth. In our operations, which we conduct in compliance with international standards, we prioritize quality, design and technology investments. We allocate set budgets on an annual basis for R&D, and within this framework, we offer technology-focused solutions to our companies through collaborations focused on research, development, and digital transformation.

In collaboration with our partners in the renewable energy sector, we are developing more efficient and environmentally friendly systems that are also traceable by establishing strategic partnerships with technology companies. These efforts collectively contribute to the ongoing digital transformation within the energy sector. We are committed to driving innovation by developing smart meter systems at our gas stations.

At JTFC, one of our group companies, we continue to work on a phosphoric acid production facility planned for Jordan. As a subsidiary of Nakkaş Holding, Transpet is well-positioned to provide high-quality phosphoric acid to the agricultural and industrial sectors with annual production capacity of 300,000 tons. Our objective is to enhance our competitiveness in the market by ensuring the quality of our products and services through meticulous research and development and extensive market research.



In the following section, we present the range of R&D activities we undertake to ensure that the quality level of Nakkaş Akaryakıt meets the highest standards.

1

To prevent the risk of financial loss and leakage due to external interference in the washing units at our gas stations, we have upgraded our payment system to a QR code system instead of tokens. An additional upgrade to the system is the creation of a website that allows us to track real-time sales.

2

Our gas stations are open 24/7 and therefore need a certain amount of electricity. To address this need in an environmentally responsible manner, we have planned to install solar panels at each station with the capacity to adequately meet its energy needs. We currently are in the process of completing the required procedures to implement this plan.

3

We have developed a panel for remotely controlling the electrical panels at our gas stations. Initial testing of the panel was conducted at our Mavikent gas station in Gaziantep as a pilot study, resulting in the observation of its seamless operational performance.

We embrace R&D and innovation not only as a tool for technical development but also as a value-creation approach integrated with our environmental and social responsibilities. Conducting groundbreaking activities across all areas of operation is a key objective for us, and we are committed to generating long-term benefits for our stakeholders.

ANNEXES



Index of Abbreviations and Glossary

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INDEX OF ABBREVIATIONS AND GLOSSARY

This section lists and defines technical and sector-specific terms that are often used in sustainability reports.

Term	Explanation of the Abbreviation	Definition
LPG	Liquefied Petroleum Gas	A source of energy used for heating, cooking, fueling motors and industrial processes, consisting of a mixture of propane and butane gases
Bitumen	Asphalt	A black or dark brown, viscous, semi-solid substance derived from the refining of crude oil
LNG	Liquefied Natural Gas	Natural gas in liquid form cooled to approximately -162°C
Bunker Fuel	Fuel, oil and other consumables	The general term for the fuel and oil used in ships, aero planes, trains and equivalent vehicles
Autoclave	Sterilized under high-pressure and high-temperature conditions	A closed system pressure vessel used for sterilization or processing under high pressure and temperature
Firewall	Firewall	A security system, either software-or hardware-based, that controls the incoming and outgoing data traffic on a computer network and prevents unauthorized access
Hotspot	Wireless Hotspot	A wireless hotspot is a device used to provide internet access in public or private settings
SOC	Security Operations Center	A unit dedicated to monitoring, analyzing and responding to cyber threats against an organization's IT infrastructure on a 24/7 basis
SEÇ-G HSE-S	Health, Safety, and Environment–Security	A corporate management approach that integrates Occupational Health and Safety with environmental protection and safety management
Dome Roof	Dome Roof	A hemispherical roof structure, generally placed on top of cylindrical tanks
MSDS	Material Safety Data Sheet	A technical document containing information on the physical, chemical and toxicological properties of chemical substances, providing guidance on their safe use, storage, transportation and emergency measures
HSFO	High Sulfur Fuel Oil	A type of heavy fuel oil with a high sulfur content *(typically up to 3.5%)*, used in ship engines and certain industrial boilers
HHL-HL warning systems	Security System	Security systems that monitor critical alarm thresholds such as high temperature and high level *(High High Level-HHL / High Level-HL)*, generally used in energy transmission lines and transformers
Log Analysis	Analysis based on recordings	The process of identifying events, errors and security threats by examining log files provided by systems
KPI	Key Performance Indicators	A performance indicator that numerically measures the extent to which an institution, department, or employee has achieved set goals
AA1000 Stakeholder Engagement Standard	AccountAbility 1000 Stakeholder Engagement Standard	Principles, processes and practices that organizations should follow to engage their stakeholders in a systematic, transparent and responsible fashion
PV Vent	Emission control solutions	Filtering, condensation, incineration or recovery systems applied to prevent or reduce the release of harmful emissions from gas discharge points *(vents)* to the environment
Sedimentation Pool	Purification Structure	Pools used in wastewater treatment plants or industrial water treatment systems, which allow suspended solids in water *(mud, sand, sediment, biological waste)* to settle to the bottom by the force of gravity
GJ	Gigajoule	A large unit of energy, expressing the quantity of energy, work or heat, according to the International System of Units *(SI)*
tCO_2e	Tons of Carbon Dioxide Equivalent	tCO_2e *(tons of CO_2 equivalent)* is the total amount of emissions expressed in terms of carbon dioxide, based on the greenhouse gases' global warming potential *(GWP)*
VAP EEP	Efficiency Enhancement Project	The projects implemented by industrial organizations to save energy, with a payback period of less than five years and are technically proven and applicable
Peak Units	Power plants with fast start-up capabilities	A fast start-up energy generation facility that regulates the supply and demand of electricity at peak times
GATS	Ship Waste Tracking System	An electronic data recording and monitoring system designed to ensure the transparent, traceable and auditable reception, disposal and recycling of ship-derived waste (including petroleum-based waste, bilge water, sludge, sewage and garbage) at coastal facilities
EÇBS	Integrated Environmental Information System	A comprehensive digital management platform that facilitates the digital management of environmental permits, licenses, declarations, monitoring and audits from a designated central location
MoTAT	Mobile Waste Tracking System	An online tracking system enabling the traceability of hazardous waste transportation from generator to disposal/recycling facility via mobile devices and QR codes
CRM	Customer Relationship Management	An approach to management developed to boost customer satisfaction, ramp up sales and foster customer loyalty
KVKK PDPL	Personal Data Protection Law	The law entered into force on April 7, 2016, introducing measures to protect the privacy and security of individuals' personal data in Türkiye
ÇEVKO	The Environmental Protection and Packaging Waste Recycling Foundation	A non-profit foundation established to promote the culture of recycling in Türkiye, to encourage separate collection of packaging waste at source, and to raise environmental awareness

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