

Hacı Ömer Sabancı Holding A.Ş.

2021 Sustainability Principles Compliance Report

No	Type of Principle	Principle Code	Definition	Compliance	Definition	Related Source(s)
1	A. General	A1. Strategy, Policy and Targets	The Board of Directors determines material ESG issues, risks and opportunities and creates ESG policies accordingly. In terms of the effective implementation of these policies; internal directives, business procedures of Companies etc. can be prepared. The Board of Directors takes decisions for these policies and they are publicly disclosed.	Yes	-	https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciliskileri.sabanci.com/en/images/pdf/sabanci-holding-strategy-presentation-q321-jan.pdf https://yatirimciliskileri.sabanci.com/en/sustainability/default/Corporate-Governance-and-Sustainability/124/481/0 https://yatirimciliskileri.sabanci.com/tr/images/pdf/2021-esg-day-presentation.pdf
2		A1. Strategy, Policy and Targets	It determines the Company Strategy in line with the ESG policies, risks and opportunities. It determines the short and long term goals in line with the Company strategy and ESG policies and makes them public.	Yes	-	https://yatirimciliskileri.sabanci.com/en/images/pdf/capital-markets-day-presentation.pdf https://yatirimciliskileri.sabanci.com/en/images/pdf/sabanci-holding-strategy-presentation-q321-jan.pdf https://yatirimciliskileri.sabanci.com/en/images/pdf/2021-q3-investor-presentation-january.pdf
3		A2. Implementation/ Monitoring	It determines the committees / units responsible for the execution of ESG policies and makes them public. The responsible committee / unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year and in any case within the maximum periods determined for the public	Yes	-	https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciliskileri.sabanci.com/tr/images/pdf/2021-esg-day-presentation.pdf 2021 Annual Report

			disclosure of the annual activity reports in the relevant regulations of the Board.			
4		A2. Implementation/ Monitoring	It creates and publicly discloses implementation and action plans in line with the short and long term goals determined.	Yes	-	2021 Annual Report https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/tr/images/pdf/2021-esg-day-presentation.pdf
5		A2. Implementation/ Monitoring	Determines Key ESG Performance Indicators (KPIs) and explains them on a yearly basis. In the presence of verifiable data, it presents KPIs with local and international sector comparisons.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
6		A2. Implementation/ Monitoring	Explains the innovation activities that improve the sustainability performance for business processes or products and services.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
7		A3. Reporting	It reports its sustainability performance, goals and actions at least once a year and makes it public. Explains the information on sustainability activities within the scope of the annual report.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/2020-annual-report.pdf
8		A3. Reporting	It is essential to share information, which is important for stakeholders in understanding the position, performance and development of the Company, in a direct and concise manner. It can also explain detailed information and data on the corporate website, and prepare separate reports that directly meet the needs of different stakeholders.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/sabanci-holding-strategy-presentation-q321-jan.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/2021-q3-investor-presentation-january.pdf https://yatirimciiliskileri.sabanci.com/tr/images/pdf/2021-esg-day-presentation.pdf
9		A3. Reporting	It takes maximum care in terms of transparency and reliability. It objectively explains all kinds of developments about material issues in disclosures and reporting within the scope of the balanced approach.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf

10		A3. Reporting	It gives information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities are related to.	Yes	-	https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciliskileri.sabanci.com/en/images/pdf/2020-annual-report.pdf
11		A3. Reporting	Makes an explanation regarding the lawsuits filed and / or concluded against environmental, social and corporate governance issues.	Partial	Environmental or social issues are not directly relevant for the Holding's own activities, and there is no lawsuit filed in 2021 on this matter. However, no regular sharing is made for the lawsuits filed or concluded against Sabancı Holding.	https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
12		A4. Verification	If verified by independent third parties (independent sustainability assurance providers), it discloses its sustainability performance measurements to the public and endeavors to increase such verification processes.	Yes	The selected sustainability performance metrics on Sabancı Holding 2020 Sustainability Report have been verified by independent third party in accordance with international standards.	https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
13	B. Environment	Environmental Principles	Explains policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	Partial	Some of the Group companies are in compliance. Studies are carried out to ensure full harmonization throughout the Group.	-
14		Environmental Principles	Complies with environmental laws and other relevant regulations and explains them.	Yes	-	https://yatirimciliskileri.sabanci.com/en/sustainability/detail/Environmental-Policy/164/460/0 https://yatirimciliskileri.sabanci.com/en/sustainability/detail/Social-Responsibility-Policy-and-Principles/166/462/0 https://yatirimciliskileri.sabanci.com/en/images/pdf/2020-annual-report.pdf https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
15		Environmental Principles	It explains the limitations of the environmental report to be included in the report to be prepared within the scope of the Sustainability Principles, reporting period, reporting date, data collection process and reporting conditions.	Yes	-	https://yatirimciliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf

16	Environmental Principles	Describes the highest responsible person, relevant committees and responsibilities in the Company on the issues of environment and climate change.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/detail/Sustainability-Vision/169/465/0 https://yatirimciiliskileri.sabanci.com/tr/images/pdf/2021-esg-day-presentation.pdf
17	Environmental Principles	Describes the incentives it offers for the management of environmental issues, including the achievement of objectives.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/2020-annual-report.pdf
18	Environmental Principles	Explain how environmental problems are integrated into business goals and strategies.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/2020-annual-report.pdf
19	Environmental Principles	It explains the sustainability performance of business processes or products and services and the activities to improve this performance.	Evet	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
20	Environmental Principles	It explains how it manages environmental issues along the Company's value chain and integrates suppliers and customers into its strategies, not just in terms of direct operations.	Partial	Some of the Group companies are in compliance. Studies are carried out to ensure full harmonization throughout the Group.	-
21	Environmental Principles	Whether it is involved in policy-making processes on environmental issues (sectoral, regional, national and international); It explains the cooperation it has made with the associations, related organizations and non-governmental organizations it is a member of on the subject of environment, and the duties it has taken, if any, and the activities it supports.	Yes	-	2021 Annual Report

22	Environmental Principles	Reports information on its impacts in a periodically comparable manner within the scope of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect)), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)	Yes	Some of the indicators (e.g. NOx) are irrelevant for some Holding and Group companies. Disclosures are made on other relevant matters.	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
23	Environmental Principles	It describes the standard, protocol, methodology and base year details used to collect and calculate its data.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
24	Environmental Principles	Describes the status of environmental indicators for the reporting year (increase or decrease) in comparison with previous years.	Evet	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
25	Environmental Principles	Sets short and long-term goals to reduce their environmental impact and explains these goals. It is recommended that these goals be determined based on Science as suggested by the United Nations Conference of the Parties on Climate Change. If there is progress in the reporting year according to the targets set before, it provides information on the subject.	Evet	Sabancı Holding explains on its goals in environmental issues but has not yet used Science Based Targets as a common method across the Group.	https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
26	Environmental Principles	Explain the strategy and actions to combat the climate crisis.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
27	Environmental Principles	Describes the program or procedures to prevent or minimize the potential negative impact of the products and / or services it offers; explains the actions of third parties to reduce greenhouse gas emissions.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0

28	Environmental Principles	It explains the actions taken to reduce its environmental impacts, the total number of projects and initiatives carried out, and the environmental benefits / revenues and cost savings they provide.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
29	Environmental Principles	It reports the total energy consumption data (excluding raw materials) and explains the energy consumption as Scope-1 and Scope-2.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
30	Environmental Principles	Provides information on electricity, heat, steam and cooling generated and consumed in the reporting year.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
31	Environmental Principles	It conducts studies on increasing the use of renewable energy, transition to zero or low carbon electricity and explains these studies.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
32	Environmental Principles	Explain the renewable energy production and usage data.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
33	Environmental Principles	It makes energy efficiency projects and explains the amount of energy consumption and emission reduction thanks to these studies.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
34	Environmental Principles	It reports the amount of water withdrawn, used, recycled and discharged from underground or above ground, its sources and procedures (Total water withdrawal by source, water resources affected by water withdrawal; percentage and total volume of recycled and reused water, etc.).	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf

35		Environmental Principles	It explains whether operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).	Yes	-	https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
36		Environmental Principles	Describes the carbon credit information accumulated or purchased during the reporting period.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
37		Environmental Principles	Explains the details if carbon pricing is applied within the Company.	Yes	-	-
38		Environmental Principles	It explains all mandatory and voluntary platforms where it discloses environmental information.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0
39	C. Social	C1. Human Rights and Employee Rights	Forms a Human Rights and Employee Rights Policy with a commitment to fully comply with the Universal Declaration of Human Rights, ILO Conventions which Turkey has confirmed and the legal framework and regulations governing the operation of corporate life in Turkey. Discloses the policy in question and the roles and responsibilities associated with its implementation.	Yes	-	https://www.sabanci.com/en/management-approach/sabanci-group-code-of-business-ethics https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/detail/Corporate-Social-Responsibility-Policy-and-Principles/166/462/0
40		C1. Human Rights and Employee Rights	Provides equal opportunity in recruitment processes. Considering the supply and value chain effects, it includes fair labor, improvement of labor standards, women's employment and inclusion issues (such as women, men, religious belief, language, race, ethnic origin, age, disability, refugee, etc.) in its policies.	Yes	-	https://www.sabanci.com/en/management-approach/sabanci-group-code-of-business-ethics https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://kariyer.sabanci.com/en/hr-policies

41	C1. Human Rights and Employee Rights	Describes the measures taken along the value chain for the protection of groups sensitive to certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights / equality of opportunity.	Yes	-	https://www.sabanci.com/en/social-responsibility/our-commitments/womens-empowerment-principles
42	C1. Human Rights and Employee Rights	It reports developments regarding discrimination, inequality, human rights violations, forced labor, and corrective practices. Explains the regulations against child labor.	Yes	-	https://www.sabanci.com/en/management-approach/sabanci-group-code-of-business-ethics https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/detail/Corporate-Social-Responsibility-Policy-and-Principles/166/462/0 https://kariyer.sabanci.com/en/hr-policies
43	C1. Human Rights and Employee Rights	Explains policies regarding investment in employees (training, development policies), compensation, vested benefits, right to unionize, work / life balance solutions and talent management. Determines dispute resolution processes by creating mechanisms for employee complaints and dispute resolution. It regularly explains the activities carried out to ensure employee satisfaction.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
44	C1. Human Rights and Employee Rights	It creates occupational health and safety policies and makes them public. Explains the precautions and accident statistics taken to prevent work accidents and health.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
45	C1. Human Rights and Employee Rights	It creates and publicly discloses personal data protection and data security policies.	Yes	-	https://www.sabanci.com/en/data-protection-law
46	C1. Human Rights and Employee Rights	It creates an ethical policy (including work, work ethics, compliance processes, advertising and marketing ethics,	Yes	-	https://www.sabanci.com/en/management-approach/sabanci-group-code-of-business-ethics

			open information, etc.) and discloses it to the public.			
47		C1. Human Rights and Employee Rights	Explains the work within the scope of social investment, social responsibility, financial inclusion and access to finance.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/detail/Corporate-Social-Responsibility-Policy-and-Principles/166/462/0
48		C1. Human Rights and Employee Rights	Organizes information meetings and training programs for employees on ESG policies and practices.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/sabanci-holding-strategy-presentation-q321-jan.pdf https://yatirimciiliskileri.sabanci.com/en/images/pdf/2021-q3-investor-presentation-january.pdf https://yatirimciiliskileri.sabanci.com/tr/images/pdf/2021-esg-day-presentation.pdf
49		C2. Stakeholders, International Standards and Initiatives	It carries out its activities in the field of sustainability by taking into account the needs and priorities of all stakeholders (employees, customers, suppliers and service providers, public institutions, shareholders, society and non-governmental organizations, etc.).	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
50		C2. Stakeholders, International Standards and Initiatives	It regulates and publicly discloses a customer satisfaction policy regarding the management and resolution of customer complaints.	Yes	It is not relevant for the Holding. It is published for the relevant companies within the Group.	
51		C2. Stakeholders, International Standards and Initiatives	Conducts stakeholder communication continuously and transparently; It explains which stakeholders, for what purpose, on what issue and how often it communicated, and the developments in sustainability activities.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf

52		C2. Stakeholders, International Standards and Initiatives	It publicly discloses the international reporting standards it has adopted (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), Climate-Related Financial Disclosures Task Force (TCFD), etc.).	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://yatirimciiliskileri.sabanci.com/en/sustainability/sustainability-report-list/CDP-Reports/439/0/0 https://yatirimciiliskileri.sabanci.com/en/images/pdf/2020-annual-report.pdf
53		C2. Stakeholders, International Standards and Initiatives	Discloses the international organizations or principles (Equator Principles, United Nations Environment Program Finance Initiative (UNEP-FI), United Nations Global Principles (UNGC), United Nations Principles for Responsible Investment (UNPRI) etc.) which it is a signatory or member of, and international principles adopted (International Capital Market Association (ICMA) Green / Sustainable Bond Principles).	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf https://www.unglobalcompact.org/what-is-gc/participants/4724-H-O-Sabanci-Holding-A-S https://www.sabanci.com/en/social-responsibility/our-commitments/womens-empowerment-principles
54		C2. Stakeholders, International Standards and Initiatives	It makes concrete efforts to be included in Borsa Istanbul Sustainability Index and international sustainability indices (Dow Jones Sustainability Index, FTSE4Good, MSCI ESG Indices, etc.).	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf 2021 Annual Report and / or the Investor Relations website.
55	D. Corporate Governance	Corporate Governance Principles	It makes maximum effort to comply with all Corporate Governance principles as well as the mandatory Corporate Governance principles within the scope of the Capital Markets Board Corporate Governance Communiqué numbered II-17.1.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf
56		Corporate Governance Principles	It takes into account the sustainability issue, the environmental impacts of its activities and the principles in this regard while determining its corporate management strategy.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf 2021 Annual Report and / or the Investor Relations website.

57	Corporate Governance Principles	As stated in the Corporate Governance Principles, it takes the necessary measures to comply with the principles regarding the stakeholders and to strengthen the communication with the stakeholders. It applies to the opinions of stakeholders in determining the measures and strategies in the field of sustainability.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf 2021 Annual Report and / or the Investor Relations website.
58	Corporate Governance Principles	It works on raising awareness on the issue of sustainability and its importance through social responsibility projects, awareness activities and trainings.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/sustainability/detail/Sabanci-Volunteers/168/464/0
59	Corporate Governance Principles	It strives to become a member of international standards and initiatives on sustainability and to contribute to studies.	Yes	-	https://yatirimciiliskileri.sabanci.com/en/images/pdf/sustainability-report/sustainabilityreport2020.pdf 2021 Annual Report and / or the Investor Relations website.
60	Corporate Governance Principles	Explains policies and programs for the fight against bribery and corruption and the principle of tax integrity.	Yes	-	https://www.sabanci.com/en/management-approach/anti-bribery-and-anti-corruption-policy https://yatirimciiliskileri.sabanci.com/en/sustainability/detail/Tax-Policy/455/1582/0