

SİNPAŞ GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

ENVIRONMENTAL AND SOCIAL IMPACTS POLICY

1. PURPOSE

Sinpaş Gayrimenkul Yatırım Ortaklığı A.Ş. (“Sinpaş GYO” or the “Company”) is aware that real estate development activities may have direct or indirect impacts on the environment, natural resources, employees, customers, business partners, local communities and other stakeholders.

The purpose of this Environmental and Social Impacts Policy (the “Policy”) is to establish the fundamental principles for addressing, in a systematic, balanced and prudent manner, material environmental and social impacts, dependencies, risks and opportunities that may arise from the Company’s activities or may affect the Company’s activities.

Sinpaş GYO considers environmental and social matters not only within the framework of regulatory compliance, but also from the perspective of long-term value creation, corporate resilience, efficient use of resources, consideration of stakeholder expectations and conducting its activities with a sustainable approach.

This Policy is implemented taking into account the nature of the Company’s activities, project characteristics, the conditions of the locations in which it operates, applicable legislation, data availability, technical and economic feasibility, and the Company’s level of control and influence over the relevant matter.

2. SCOPE

This Policy, to the extent applicable, covers Sinpaş GYO’s;

- ✓ investment and project development,
- ✓ land and project assessment,
- ✓ design and planning,
- ✓ construction and development,
- ✓ sales and delivery,
- ✓ activities related to operation and use processes,
- ✓ relations with its employees,
- ✓ relations with suppliers, contractors, subcontractors and other business partners,
- ✓ relevant value chain elements where the environmental and social impacts of its activities may arise

activities and relationships described above.

In areas outside the Company’s direct control, Sinpaş GYO seeks to adopt an approach proportionate to its legal, commercial and actual capacity to influence and to support the fundamental principles of this Policy among relevant stakeholders and business partners.

3. FUNDAMENTAL APPROACH AND PRINCIPLES

Sinpaş GYO adopts the following fundamental principles in environmental and social impact management:

3.1. Compliance with Legislation

The Company bases its approach on compliance with applicable legislation concerning the environment, climate, energy, water, waste, occupational health and safety, working life, zoning, construction, human rights and other relevant matters.

For matters that are not expressly regulated by legislation but are considered capable of giving rise to material environmental or social impacts, the evaluation of reasonable and prudent measures is sought, taking into account the nature and scope of the risk, the likelihood of occurrence and the Company's sphere of influence.

3.2. Materiality and Prioritisation

When assessing environmental and social matters, the Company aims to consider together;

- ✓ the actual or potential positive and negative impacts of its activities on the environment and people,
- ✓ the actual or potential effects of environmental and social developments on the Company's activities, business model, strategy and long-term value creation capacity

together.

Environmental and social impacts, risks and opportunities may be prioritised in line with their nature, potential impact, likelihood of occurrence, time horizon and level of materiality for the Company.

3.3. Preventive and Prudent Approach

In addition to managing material environmental and social impacts after they arise, Sinpaş GYO supports approaches aimed at identifying such impacts in advance and preventing or mitigating them, to the extent possible and practicable.

3.4. Continuous Improvement

The Company treats environmental and social performance as a dynamic area of management.

The development of policies, practices and processes is sought in line with changes in legislation, scientific and technological developments, sector practices, data quality, corporate experience and stakeholder expectations.

4. MANAGEMENT OF ENVIRONMENTAL IMPACTS

Sinpaş GYO recognises that the environmental impacts of real estate development activities may vary according to project and activity characteristics and supports the systematic assessment of material environmental matters.

4.1. Climate Change and Climate-related Risks and Opportunities

Sinpaş GYO acknowledges that climate change may create physical and transition-related risks as well as various opportunities for the real estate sector.

Within this scope, and within the framework of materiality and applicability;

- ✓ physical risks that may arise from extreme weather events and changing climate conditions,
- ✓ changes in energy and carbon regulations,
- ✓ technological transformation,
- ✓ developments in financing and insurance markets,
- ✓ changes in customer and investor expectations,
- ✓ developments in resource costs and supply conditions

are considered in terms of their potential effects on the Company's activities, projects and long-term value creation capacity.

The Company aims, to the extent appropriate, to link climate-related risks and opportunities considered material with corporate risk management and strategic decision-making processes.

4.2. Energy Management and Greenhouse Gas Emissions

Sinpaş GYO takes into account that energy use and associated greenhouse gas emissions are among the important elements of environmental performance.

Accordingly, to the extent technically and economically feasible;

- ✓ designs and practices supporting energy efficiency,
- ✓ systems for monitoring and managing energy consumption,
- ✓ renewable or lower-environmental-impact energy solutions in appropriate projects,
- ✓ practices for measuring, monitoring and managing greenhouse gas emissions

are supported for evaluation and development.

4.3. Water Management

Sinpaş GYO is aware that the availability, quality and conditions of use of water resources may vary according to the regions in which it operates.

Within this scope;

- ✓ efficient and fit-for-purpose use of water,
- ✓ development of practices for monitoring water consumption,
- ✓ evaluation of designs and technologies that may reduce water consumption in appropriate projects,
- ✓ evaluation of opportunities to utilise rainwater, greywater and alternative water sources where technically and economically feasible,
- ✓ consideration of these matters on a project basis in regions exposed to water stress or water access risks,
- ✓ management of potential water quality impacts arising from activities within the framework of relevant legislation and project conditions

are intended to be supported.

4.4. Natural Resources and Resource Efficiency

Sinpaş GYO recognises that real estate development activities require the use of natural resources and materials.

The Company supports the efficient and fit-for-purpose use of materials, energy, water and other resources, the assessment of environmental impacts that may arise from resource use, and the consideration of practicable alternatives.

In material selection, technical requirements, quality, durability, safety, cost, supply opportunities and environmental characteristics may be considered together.

4.5. Waste Management and Circularity

Sinpaş GYO bases its approach on managing waste arising from its activities in accordance with applicable legislation.

In waste management;

- preventing or reducing waste generation to the extent possible,
- proper segregation of waste at source,
- evaluation of reuse and recovery opportunities,
- supporting recycling practices,
- management of hazardous and other waste in accordance with legislation,
- evaluation of practices aimed at using resources more efficiently through a life-cycle approach

are taken into consideration.

4.6. Pollution Prevention and Control

Depending on the nature of projects and activities, air, water and soil quality; noise, dust, waste, chemical use and other potential environmental impacts are taken into account.

Where material environmental impacts are identified, the evaluation of measures to prevent, reduce, control or appropriately manage such impacts is sought within technical, legal and operational conditions.

4.7. Biodiversity, Ecosystems and Land Use

Sinpaş GYO is aware that real estate development activities may interact with land use, natural habitats, biodiversity and ecosystem services.

Taking into account project characteristics and the environmental sensitivities of the location;

- ✓ assessment of relevant natural and ecological characteristics,
- ✓ consideration of legislative provisions concerning important natural areas and biodiversity elements,
- ✓ prevention or mitigation of material adverse impacts to the extent possible,
- ✓ completion of required permits, assessments and other legal processes,
- ✓ evaluation, in appropriate projects, of green areas, landscaping and practices compatible with the natural environment

are supported.

5. MANAGEMENT OF SOCIAL IMPACTS

5.1. Human Rights and Labour Principles

Sinpaş GYO acknowledges that fair and safe working conditions that respect human dignity are among the fundamental elements of sustainable corporate development.

The Company seeks to uphold;

- ✓ respect for fundamental human rights,
- ✓ the rights of employees arising from applicable legislation,
- ✓ the implementation of relevant legislation and corporate principles against forced labour and child labour,
- ✓ support for fair and respectful employment relations free from discrimination,
- ✓ the ability of employees to communicate their views, suggestions and feedback through appropriate corporate channels

Human rights and employee-related matters are addressed together with the Company's other relevant policies, procedures and practices.

5.2. Diversity, Equity and Inclusion

Sinpaş GYO acknowledges that different knowledge, experience, competencies and perspectives may contribute to corporate decision-making processes and organisational development.

The Company aims to uphold the principles of merit, competence, fairness and equal opportunity in recruitment, development, performance and career processes, and to support corporate mechanisms aimed at preventing discrimination, bullying, harassment and similar inappropriate conduct.

5.3. Occupational Health and Safety

Sinpaş GYO acknowledges that occupational health and safety is one of the priority matters in real estate development and construction activities.

Within this scope;

- ✓ supporting safe and healthy working conditions,
- ✓ identifying, assessing and appropriately managing occupational health and safety risks,
- ✓ compliance with applicable legislation and relevant corporate procedures,
- ✓ developing occupational health and safety awareness among employees, contractors and relevant parties,
- ✓ developing practices aimed at preventing accidents and occupational risks

are taken into consideration.

5.4. Employee Development and Engagement

Sinpaş GYO acknowledges that developing employees' knowledge, skills and competencies is important for corporate capacity and long-term value creation.

Accordingly, support is sought for development and learning opportunities in line with the Company's needs and employees' roles and competencies, and employee views are sought through appropriate communication and feedback mechanisms.

5.5. Customers and Project Users

Sinpaş GYO considers the expectations and needs of customers and users to be an important element of social impact management, taking into account the long-term use characteristics of the projects it develops.

Within this scope, and within the framework of applicable legislation, project characteristics and technical possibilities;

- ✓ safety,
- ✓ accessibility,
- ✓ quality of life,
- ✓ resource efficiency,
- ✓ user experience

are considered in evaluating practices that may support such matters.

5.6. Local Community and Social Impact

Sinpaş GYO takes into account that its projects may generate economic and social impacts in the regions where it operates.

Accordingly;

- ✓ assessment of material social impacts in light of project characteristics,
- ✓ consideration of the views and expectations of relevant local stakeholders through appropriate communication channels,
- ✓ evaluation of measures aimed at preventing or mitigating material adverse social impacts,
- ✓ supporting practices that may contribute to local economic and social development within available means and priorities,
- ✓ evaluation of corporate social responsibility and volunteering activities that may generate social benefit

are intended.

6. VALUE CHAIN, SUPPLIERS AND BUSINESS PARTNERS

Sinpaş GYO is aware that environmental and social impacts may arise not only from the Company's direct activities, but also from different stages of the value chain within the scope of procurement, construction, service procurement and other business relationships.

The Company, in line with the nature of the relevant relationship, level of materiality, risk profile and its capacity to influence, seeks to;

- ✓ take environmental and social considerations into account in procurement and business partnership processes,
- ✓ communicate to business partners the expectation of compliance with applicable legislation, business ethics principles and fundamental labour standards,
- ✓ develop appropriate assessment and control mechanisms in areas where material environmental, social and occupational health and safety risks exist,
- ✓ support awareness of suppliers, contractors and other business partners regarding relevant matters

within its sphere of influence.

This approach shall not be interpreted as meaning that the Company has absolute control over the activities of suppliers, contractors or other business partners, or that it guarantees that such parties will achieve a particular environmental or social performance.

7. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND OPPORTUNITIES

Sinpaş GYO acknowledges that environmental and social developments may create operational, financial, technological or strategic opportunities for the Company as well as risks.

Environmental and social risks and opportunities considered material may, to the extent appropriate, be linked with;

- ✓ corporate risk management,
- ✓ strategic planning,
- ✓ investment and project assessment,
- ✓ budgeting and resource allocation,
- ✓ financing assessments,
- ✓ operational decision-making

processes.

Within this scope, the potential effects of material risks and opportunities in the short, medium and long term on the Company's business model, value chain, activities, reputation, assets, financial performance, cash flows, access to finance and long-term value creation capacity may be assessed.

The Company may develop relevant analysis and assessment methods in line with data availability, the nature of its activities, methodological developments and progress in corporate risk management practices.

8. STAKEHOLDER ENGAGEMENT AND COMMUNICATION

Sinpaş GYO acknowledges that open, balanced and constructive communication with employees, investors, customers, business partners, suppliers, public authorities, local communities and other relevant stakeholders may contribute to the effective management of environmental and social impacts.

The Company aims to;

- ✓ monitor the views and expectations of relevant stakeholders through appropriate methods and channels,
- ✓ benefit from relevant stakeholder feedback in the assessment of material environmental and social matters,
- ✓ support the effectiveness of existing corporate mechanisms through which views, suggestions, requests or complaints may be submitted,
- ✓ take received feedback into account, to the extent appropriate, in the development of relevant processes

within its management approach.

The scope and method of stakeholder engagement may be determined according to the nature and significance of the relevant matter, affected parties and its relationship with the Company's activities.

9. GOVERNANCE, DUTIES AND RESPONSIBILITIES

The management and oversight of environmental and social matters are carried out within the framework of the Company's corporate governance structure, internal regulations, and allocation of duties and authorities.

The Board of Directors, relevant Board committees and senior management, within their respective duties and authorities, oversee the assessment of material environmental and social matters, risks and opportunities and their monitoring through appropriate management mechanisms.

Relevant units, within their respective areas of responsibility, assume responsibility for;

- ✓ supporting implementation of the Policy,
- ✓ providing the necessary data and information,
- ✓ monitoring relevant performance indicators,
- ✓ contributing to the assessment of risks and opportunities,
- ✓ carrying out the necessary internal coordination

within their respective remit.

The scope of integrating environmental and social matters into decision-making processes is determined by taking into account materiality, level of risk, data adequacy and potential impacts on the Company's activities.

10. MONITORING, MEASUREMENT AND PERFORMANCE ASSESSMENT

Sinpaş GYO aims to develop its institutional capacity to monitor performance relating to material environmental and social matters based on reliable, consistent, traceable and, to the extent possible, comparable information.

Within this scope, the Company may;

- ✓ determine performance indicators appropriate to the nature of its activities,
- ✓ develop data collection, control and verification processes,
- ✓ monitor performance trends,
- ✓ assess the status of material risks and opportunities,
- ✓ establish improvement or action plans in areas deemed necessary,
- ✓ review the methods and assumptions used in line with data quality and developments in practice.

In assessing performance, the development stages of different projects, operational conditions, activity volume and other relevant variables may be taken into account.

11. REPORTING AND TRANSPARENCY

Sinpaş GYO takes into account applicable legislation and the sustainability reporting regulations to which it is subject in its public disclosure and reporting activities concerning environmental and social matters.

In its reporting and public disclosures, the Company seeks, to the extent appropriate, to observe the principles of;

- ✓ accuracy,
- ✓ consistency,
- ✓ balance,
- ✓ clarity,
- ✓ comparability,
- ✓ traceability,
- ✓ timely disclosure

in its reporting and public disclosures.

Environmental and social information is intended, to the extent possible, to be supported by sufficient data and documentation, and the scope, methods, estimates and significant assumptions used to be capable of disclosure where necessary.

The Company bases its approach on avoiding misleading, incomplete or unsupported statements that could cause its environmental or social performance to be perceived differently from its actual position.

The scope of sustainability disclosures is determined by taking into account the legislation and reporting requirements in force for the relevant reporting period, materiality assessments and the level of development of the Company's information systems.

12. OBJECTIVES AND CONTINUOUS IMPROVEMENT

Sinpaş GYO aims to assess its priorities relating to environmental and social performance in line with material impacts, risks and opportunities, legislation, stakeholder expectations, data adequacy, technical and economic feasibility and the Company's strategy. Where deemed necessary, qualitative or measurable objectives, performance indicators, implementation principles and action plans may be established separately to support performance monitoring and assessment of progress. Such objectives, indicators and practices may be reviewed periodically depending on changes in operating conditions, legislation, technology, data quality, scientific developments and the Company's priorities.

The approaches and principles set out in this Policy reflect the Company's corporate approach to managing environmental and social matters and shall not be construed as an absolute guarantee that a particular environmental or social outcome will be achieved under all circumstances.

13. RELATIONSHIP OF THE POLICY WITH OTHER CORPORATE REGULATIONS

This Policy is considered together with the Company's sustainability, human rights and human resources, diversity, equity and inclusion, occupational health and safety, ethics, corporate governance and other relevant policies, procedures and internal regulations.

More detailed principles regarding implementation of the principles set out in the Policy may, where deemed necessary, be supported by relevant procedures, working principles, implementation guidelines and action plans.

14. REVIEW AND UPDATE

This Policy is reviewed when necessary in line with changes in relevant legislation, the Company's activities and risk profile, developments in sustainability, corporate needs, stakeholder expectations and experience gained from implementation.

Where deemed necessary, updates to the Policy are carried out within the framework of relevant corporate approval processes.

15. EFFECTIVE DATE

This Environmental and Social Impacts Policy enters into force on the date it is approved by the Board of Directors of Sinpaş Gayrimenkul Yatırım Ortaklığı A.Ş. Material amendments to the Policy shall be approved by the Board of Directors.

The public disclosure of the Policy and maintaining access to its current version are carried out within the framework of the Company's corporate governance and public disclosure practices.

Prepared by: Sustainability Committee / Climate and Risk Committee

Approved by: Board of Directors