							PETKİM ES	G-FOCUSED RISK ANI	D OPPORTUNITIES					
Threat/Opportunity Area	Subject of the Risk	Definition of the Threat     Climate change, the effects of which have been felt more in recent years, is expected to cause greater physical damages both in the world and in Türkiye in the coming period. Therefore, it is necessary to raise awareness and support the capacity development of real sector firms to manage this risk.	· · · · · · · · · · · · · · · · · · ·	Effects of the Threat      Medium Term      The introduction of the cost of carbon tax per ton in trade with EU countries may adversely affect the competitiveness of the institution and cause its costs to increase.      Failure to comply with the climate law and subordinate legislation may put the company at risk of violating its legal obligations and losing its		aimed at reducing greenhouse gas emissions by replacing fossil fuels with environmentally friendly and sustainable energy sources.  This strategy includes the expansion and use of renewable energy	<ul> <li>Widespread use of renewable or green energy certified energy sources</li> <li>Enhancing production efficiency through the increased use of</li> </ul>		Reducing environmental impact by focusing on renewable energy generation and expanding the energy portfolio     Timely adaptation to climate change and the attainment of cost advantages through investments in renewable energy supply and efficiency	Climate Connection of Risk/Opportunity (Physical-Transition)	The Severity of the Risk (Low-Medium-High-Critical)	We are aiming to switch to green energy for the energy needs we supply from SETAŞ for domestic consumption.     We offer IREC certification services.     We offer Roof-Top Solar Energy Projects to customers through engineering, procurement and construction (EPC) companies.	Medium Term  Long Term  Related Capital Item  • We are referring to our objective of achieving carbon neutrality by 2050 for the selection of technological devices and associated techniques while developing investment plans.  • We are evaluating the installation of solar power plants on raw water pools and dam areas, the construction of hydroelectric power plants along the dam line, and the use of wave energy to mitigate losses due to evaporation and greenhouse gas emissions through operational improvements and launch an afforestation project in the dam area.	Related Materiality Issue  - Labor Practices - Corporate Governance
GOVERNANCE		to manage this risk.  Increasing demand for low-carbon products and services also affects this risk. The fact that the Climate Law and related legislation have not yet been published and sectoral approaches have not been clarified in Türkiye also affects this risk.  According to the National Contribution Intent submitted by Türkiye to the secretariat of the United Nations Framework Convention on Climate Change, Türkiye is committed to reduce its greenhouse gas emissions by 41%. Factors affecting this risk include the fact that the base year and the amount of greenhouse gas reductions by companies to be selected in the legislation to be established in line with this target	legal sanctions.	put the company at risk of violating its legal obligations and losing its competitive power in the medium term.  Failure of the real sector to adapt to climate change could result in supply chain interruptions, leading to operational disruptions and increased costs.  There may be a loss of confidence in the market and investors.	including the suspension of operations or the cancellation of licenses.  In addition, the revocation of permits and licenses may also entail the obligation to cease or modify the company's existing operations, which can seriously jeopardize business continuity.  • Situations may arise including interruptions in import and export	sources such as solar power, wind power, hydroelectric, geothermal energy and bioenergy. Green energy sources effectively reduce greenhouse gas emissions by not releasing harmful gases into the atmosphere, in contrast to fossil fuels, thereby contributing to climate change mitigation. This approach further provides economic opportunities, as the green energy sector introduces new employment and innovation avenues, while also promoting the advancement of energy efficiency and renewable energy technologies.  It is possible to expand the scope of this opportunity to include the following energy conversion systems:  Energy Storage: Given the fluctuating characteristics of renewable	renewable energy in production processes  The development of green finance facilities in line with the increase in financing requirements for green energy investments.  Governance improvements strengthen investor confidence  We can achieve flexible transition periods or incentives through feedback provided to decision-makers in shaping climate policies and standards through collaboration with public authorities and industry	<ul> <li>Participating in sectoral initiatives facilitates the acceleration of</li> </ul>				<ul> <li>Procurement and construction (EPC) companies.</li> <li>We share Green Service Dashboards and determine targets and KPI cards for green service products.</li> <li>We keep working on solar energy business development projects within the scope of Petkim WPP, SPP, HYBRID and R&amp;P SPP Projects. To this end, the ER requests listed below have been created:</li> <li>MUH-2022-540, Hybrid Solar Power Plant Investment on the WPP site MUH-2022-534, Floating Solar Power Plant Investment on the Güzelhisar Dam</li> <li>MUH-2022-532, Renewable Solar Power Plant Investments</li> <li>MUH-2022-510, Additional Wind Turbine Investment on the WPP Site</li> </ul>	and greenhouse gas emissions through operational improvements and enhanced energy efficiency. A roadmap has been developed as part of the Energy Margin Improvement studies initiated for this purpose in 2024, with planning underway for new investment-requiring projects.  - Academic studies were conducted in collaboration with universities to measure and analyze the impact of temperature fluctuations on natural gas consumption and to develop projections accordingly, resulting in the publication of scholarly articles. This study has been introduced to the Natural Gas Distribution Industry as an innovative approach preparing the ground for further studies.	
	Real sector's need to adapt to climate change	to be selected in the legislation to be established in line with this target given by Türkiye have not yet been clarified.  The Drafted Climate Law proposes the implementation of market-based mechanisms, such as an Emissions Trading System (ETS), to meet greenhouse gas reduction targets. To this end, it is essential for the real sector to expedite its efforts to align with the climate change.				energy sources, energy storage solutions, such as battery technologies, battery systems, and pumped storage hydropower plants (PSHs), are essential for ensuring a continuous and reliable energy supply.   Hydrogen Energy: The storable and transportable characteristics of hydrogen significantly contribute to the reduction of carbon emissions by facilitating its substitution for fossil fuels, particularly within the industry, transportation, and energy sectors.   Digital Transformation: Digital solutions enable more precise energy demand forecasting, minimize system losses, and optimize the use of renewable energy sources.  Circular Economy: Energy production from waste biomass, widespread use of recycling applications in the				Transition	Medium	<ul> <li>We closely follow the processes by maintaining communication with the Ministry of Environment, Urbanization and Climate Change, EMRA and the Association of Natural Gas Distributors of Türkiye (GAZBİR).</li> <li>We are implementing cooperation projects with the Ministry of Environment, Urbanization and Climate Change under the leadership of our established working group to align emission reduction targets with sector realities.</li> <li>We are working on corporate strategies to address the additional costs associated with the Carbon Border Adjustment Mechanism.</li> <li>We aim to constitute sustainability roadmaps. We are preparing a roadmap including topics such as evaluating sustainable fuel production opportunities by processing renewable raw materials or wastes, examining</li> </ul>		
						energy sector, and carbon capture technologies are key components facilitating sustainable energy transformation.  Expanding the energy portfolio through renewable energy production entails diversifying the energy generation and consumption model. This approach increases the use of renewable and environmentally friendly energy sources, facilitating greater reliance on energy derived from solar, wind, hydroelectric, geothermal, and bioenergy sources.  Strengthening the corporate governance structure in line with climate and sustainability goals (e.g. monitoring climate risks in the board of directors' meeting, complying with the Türkiye Green Taxonomy) will facilitate the company's access to new investment and finance sources.						renewable energy sources, and plastic recycling. We are developing our carbon emission targets and annual emission reduction goals to align with the commitment to achieve zero emissions by 2050.  To achieve our short, medium, and long-term goals, we prioritize projects outlined in the Strategic Plan and implement those deemed appropriate following resource planning.  We aim to assess the effects of emission reduction targets mandated by local and international regulations and relevant legislation on our companies' products and processes, focusing on competition and profitability. We aim to develop investment, feasibility, and strategic programs to sustain our competitive advantage in light of regulated emission limits, taxes, and additional financial obligations.  A Renewable PPA (Power Purchase Agreement) has been signed for the		
												<ul> <li>WPP with an installed capacity of 25 MW.</li> <li>Bursa Metropolitan Municipality joined the EBRD's flagship 'Green Cities' programme and started to work on a Green City Action Plan in order to develop environmentally and nature-friendly projects and to provide financing thereto. In this context, we participated in the Bursa Green City Action Plan workshop.</li> <li>We aim to minimize gas emissions associated with the scheduled maintenance of the natural gas distribution network, in accordance with maintenance protocols. Various projects are implemented to reduce the number of unplanned maintenance.</li> <li>To mitigate emission-related damage resulting from natural gas distribution pipeline failures, contractor companies with a high incidence of pipeline damages are warned, and initiatives are implemented to</li> </ul>		
		demand for products and services, and a detrimental impact on competitiveness. The establishment of new business partnerships and	investors.  Dissatisfaction of customers, employees, business partners and other	downturn.  It can lead to loss of competitiveness.	to lag behind.  Permanent damage to investors' confidence could diminish opportunities for strategic partnerships.  Companies with low ESG performance may face the risk of being excluded from green bonds and sustainable financing sources.	projects or beneficial activities aimed at increasing the welfare of the society can contribute to the reliability and reputation of the company.  Business improvement and innovation opportunities enhance efficiency and offer a competitive advantage. This reflects the organization's capability to continuously renew and increase its growth potential.  Effective communication with stakeholders enhances trust, promotes collaboration, and aids the organization in reaching their objectives.	<ul> <li>the welfare of the society</li> <li>Improving efficiency, reducing costs, gaining competitive advantage, increasing employee and customer satisfaction and engagement with the opportunities for business improvement and innovation</li> <li>The company has the potential to mitigate the risk of disinformation by enhancing proactive transparency policies and stakeholder communications. For instance, stakeholder trust will be fostered</li> </ul>	<ul> <li>Increasing the ability to invest in new business sectors,</li> <li>Compliance of corporate sustainability reports with global standards (e.g. GRI, SASB, CSRD) may attract the attention of international investors.</li> <li>High ESG ratings will contribute to positive assessments by credit rating institutions, thereby will provide financial advantages.</li> </ul>	confidence, attract new investors to the company and improve financial performance, thus increasing long-term growth potential.  Sustainable corporate reputation will increase the number of business partners, strengthen the environment of trust with suppliers, increase cooperation opportunities and support the long-term success of business partners.  The company with a robust corporate reputation can enhance its brand			We generate advantages for society by investing in corporate social and environmental responsibility initiatives.  We execute our procedures within the confines of the corporate policies and procedures that we have established.  We establish a participatory, transparent, timely, and two-way communication environment for our stakeholders in order to foster trust.  We improve the satisfaction of our stakeholders by implementing ethical reporting channels, suggestion and complaint systems, and	<ul> <li>We plan to update our processes with a sustainability and ESG perspective.</li> <li>In our purchasing processes, we aim to popularize practices that will</li> </ul>	Business Ethics     Corporate Governance     Transparency and Risk Management
	Sustainable corporate reputation and stakeholder loyalty and trust	This situation may adversely impact the company's reputation and capital access as a result of regulatory pressures and investor demands.		A decrease in stakeholders trust may make it difficult to access sustainable financing.		customer satisfaction increases engagement and strengthens brand reputation.  • Employee engagement can improve business efficiency and reduce turnover rates, while customer engagement can increase loyalty and repeated business transactions. Employee and customer engagement is therefore critical to an organization's long-term success.  • Regular and transparent reporting of ESG performance, adherence to ethical principles, and implementation of open communication policies can enhance corporate reputation. A strong corporate reputation improves investors', customers' and business partners' trust, supporting the company's long-term competitive advantage. It also guarantees	<ul> <li>Establishing strong communication with various stakeholder groups facilitates early detection and management of potential reputational risks.</li> <li>Effective crisis communication and proactive stakeholder management facilitate early detection and management of reputational risks.</li> <li>Enhancements in sustainability ratings guarantee favorable feedback from investors who prioritize environmental, social, and governance</li> </ul>		<ul> <li>value by consistently being included in sustainable indexes (such as the BIST Sustainability Index).</li> <li>The company will be able to maintain its sustainability principles in the face of crisis by establishing strong relationships with stakeholders that are founded on mutual trust.</li> </ul>	Transition	Medium	<ul> <li>managing these systems in accordance with the ISO 10002 Customer Satisfaction Management System Standard.</li> <li>We maintain an ongoing dialogue with public institutions and organizations regarding the implications of climate change legislation.</li> <li>We are committed to maintaining the transparency and reliability of the information we provide to our stakeholders regarding sustainability through Sustainability Reporting.</li> <li>We conduct our business with our suppliers within the framework of the written contracts concluded, and we take the necessary measures to fulfill our responsibilities arising from these contracts.</li> <li>In our purchasing processes, we aim to popularize practices that will reduce our carbon footprint and promote sustainability.</li> <li>We aim to safeguard internal and legal standards by baying our</li> </ul>	reduce our carbon footprint and promote sustainability.	
		• Increasing geopolitical tensions and regional armed conflicts nose	<ul> <li>Fluctuations in raw material and energy prices may affect profitability</li> </ul>	Trade sanctions or embarages may disrupt supply chains	The value of assets/properties in unstable regions may decrease or be	higher ratings awarded by international sustainability assessment institutions (e.g., MSCI, S&P Global, Sustainalytics, Refinitiv).  Transforming regional conflicts into opportunities by evaluating	The introduction of alternative raw material suppliers and transportation	Investments in national stock canacity and logistics infrastructure can	<ul> <li>In the context of Türkiye's aspiration to establish itself as an energy hub,</li> </ul>			<ul> <li>We aim to safeguard internal and legal standards by having our contractors who work for long periods in the RPBU field inspected by the OHSE and Quality teams.</li> <li>While preparing Petkim N11 Integrated Annual Report, we took into consideration compliance with the Integrated Reporting Framework published by the Value Reporting Foundation, the GRI Standards 2021 and GRI 11: Standards for Oil and Gas Industry 2021 published by GRI, as well as the expectations of the Turkish Sustainability Reporting Standards (TSRS), which are based on the IFRS S1 and S2 framework.</li> </ul>	<ul> <li>Measures and actions that can be implemented to mitigate the risks</li> <li>Measures and actions that can be implemented to mitigate the risks</li> </ul>	Supply Chain Sustainability
	Geopolitical conflicts	a threat to the security of energy supply, complicate the logistics of raw materials and products, disrupt supply chains, and complicate the company's strategic planning. Financial uncertainties are also exacerbated by factors such as exchange rate volatility, trade restrictions, and sanctions, which directly influence operational decision-making processes.	Fluctuations in raw material and energy prices may affect profitability	Trade sanctions or embargoes may disrupt supply chains	lost.	alternative trade routes, new export markets, and localized production opportunities, and developing diversified resource, market, and supply strategies that take into account geopolitical risks. To make use of the geographical advantage of Türkiye, in accordance with the vision of becoming a regional energy hub, to assume a critical role in energy and trade corridors.  Proactively using financial insurance and derivative instruments against risks will improve the company's financial resilience against unexpected events.	routes may help to ensure supply continuity  Benefiting from global fluctuations in energy prices can create short-term trade opportunities  The strategic geopolitical location of Türkiye may cause an increase in short-term transit trade revenues	be put on the agenda to improve energy supply security  Product and energy trade opportunities in new markets (e.g. Africa, Central Asia) may be evaluated  The dependence on imports may be reduced through investments aimed at increasing local production	regional crises can be leveraged to enhance the country's geopolitical significance and bargaining power.  • Strategic warehousing and flexible logistics infrastructure can provide the company with a competitive advantage in similar crises in the future  • Geographic diversity and supply chain resilience can become a structural advantage that reduces ESG risks	Transition	Medium	<ul> <li>international trade sanctions applicable to SOCAR Türkiye, and share current information and developments with the company's senior management and relevant departments.</li> <li>We implement control measures and awareness initiatives in order to guarantee that the transactions are conducted in accordance with the compliance policies and procedures of SOCAR Türkiye.</li> <li>We regularly review our risks, make necessary updates and determine actions when necessary.</li> </ul>	are currently being assessed, and studies on the issue is still in progress.  are currently being assessed, and studies on the issue is still in progress.  • Financial Capital  • Manufactured Capital	<ul> <li>Corporate Governance</li> <li>Business Ethics</li> <li>Customer Solutions and Engagement</li> <li>Human Rights</li> <li>Transparency and Risk Management</li> </ul>
		The risk of loss of reputation is expressed by stakeholders in the event that strategic, financial, etc. targets prepared intensively within the organization are not achieved.	Dissatisfaction of customers, employees, business partners and other stakeholders can cause loss of trust and reputation.	<ul> <li>Loss of trust among stakeholders, public institutions and NGOs, can negatively affect the company's reputation and relationships.</li> </ul>	earnings, cash flows, and financial condition.  Financial and operational performance may be damaged and investors' confidence may be shaken.  There may be a risk of falling into a disadvantageous position in matters	Providing opportunities for learning and personal development helps employees develop their skills/talents, foster their motivation and achieve long-term career goals.  The company aims to enhance the work efficiency and effectiveness by	<ul> <li>increase the company's overall competitiveness by improving employees' skills and knowledge. More competent and qualified employees can positively affect the company's business results by working more efficiently.</li> <li>Work efficiency and competitiveness of the company may be fostered by assessing innovation opportunities and reviewing existing processes. Enhanced and creative business processes can lower expenses,</li> </ul>	competitive advantage can strengthen the company's marketing strategies and customer relations. More talented and qualified employees may provide better service to customers and increase the company's competitiveness.	term sustainability and resilience of the company. Sustainable financial practices can reduce risks, keep costs under control and increase the			<ul> <li>our performance against our objectives.</li> <li>We develop training and development programs aiming at improving the skills and competencies of our employees and include them in our strategic goals.</li> <li>We work within the framework of a comprehensive corporate risk management model in order for the company to achieve its strategic goals and to systematically manage risks and opportunities.</li> <li>We conduct target-based risk assessments, impact analyses and probability calculations to achieve strategic goals through risk management processes managed by Risk Committees.</li> <li>We review our strategic goals periodically and revise them when</li> </ul>		<ul> <li>Transparency and Risk Management</li> <li>Labor Practices</li> <li>Corporate Governance</li> </ul>
	The path to the committed targets					<ul> <li>qualifications the organization needs.</li> <li>A sustainable financial model aligns profitability, growth and value creation goals with sustainability principles. Accordingly, the organization brings together financial, environmental and social performance to increase long-term success and stakeholder value.</li> <li>Financial sustainability and growth of the organization may be facilitated by developing projects/initiatives that are eligible for receiving the incentives granted by public institutions. These incentives offer significant opportunities in strategic domains such as innovation, green energy transformation and digitalization.</li> <li>Undertaking international projects allows the organization to develop global collaborations, open up to new markets and increase its</li> </ul>				Transition	Low	necessary, increasing our chances of faster adapting to changing conditions and achieving our goals.		
		Natural disasters, climate change and other environmental factors that may adversely affect the Company's operations and business continuity.	<ul> <li>Temporary shutdowns of plants or production lines can cause operational disruptions and loss of productivity.</li> <li>Disruptions in the supply chain may cause difficulty in material supply and operational delays</li> </ul>	<ul> <li>In the event of a disaster, the damage may cause damage to the</li> </ul>	<ul> <li>Damage caused by severe disasters can lead to increased long-term reconstruction and investment costs for the company. As a result of the negative impact on business continuity, social reactions and loss of reputation may come to the fore.</li> <li>Regulatory risks and penal sanctions may be encountered.</li> </ul>		the company to handle crisis situations effectively; it highlights the		Well-structured disaster and business continuity plans developed in advance significantly enhance corporate reputation and foster stakeholder trust.			Socar Türkiye, a thorough Earthquake Program has been developed within the context of Business Continuity and Crisis Management plans. This initiative seeks to enhance the resilience of the locations in which we operate against anticipated significant and devastating seismic events. The earthquake program includes	<ul> <li>We regularly review insurance coverage and risk financing mechanisms as part of financial resilience strategies.</li> <li>We aim to sustain post-disaster social responsibility initiatives over the long term.</li> <li>Social Capital</li> <li>Manufactured Capital</li> <li>Intellectual Capital</li> </ul>	Transparency and Risk Management Labor Practices
												development project proposals were presented to achieve the targeted level from the current maturity level. Intervention plans have been prepared for locations at risk of experiencing a devastating earthquake.  Crisis Drills: Strategic and operational level drills are being conducted within the framework of natural disaster scenarios to enhance crisis response capabilities.  In 2022, a system was put into operation to facilitate joint communication across the peninsula during emergencies. This system utilizes radio towers constructed to ensure comprehensive coverage of the entire peninsula, supported by the established infrastructure, in compliance with Ex standards.  Aliağa Special Industrial Zone area of influence is equipped with a variety of systems and tools addressing effective emergency management. Active warning systems are in place across the peninsula, along with emergency management systems designed to promptly detect emergencies and ensure the safe closure of all facilities. In addition to facilities, we have systems and marine vessels to ensure coastal safety. We maintain a trained and professional team available		
	Disasters and business continuity									Physical	High	<ul> <li>24// to address potential pollution incidents on the sea surface. Additionally, we are equipped with marine pollution response materials, equipment, and marine vehicles, all prepared to serve the entire peninsula.</li> <li>We have communication systems established to facilitate rapid and direct interaction with relevant business units, emergency personnel, neighboring organizations, key local stakeholders, and public institutions responsible for emergencies, including AFAD (Disaster and Emergency Management Presidency of Ministry of Interior) and the fire department, during emergency situations.</li> <li>We periodically check the current condition of emergency equipment.</li> <li>We are working on to digitize the tracking of emergency response equipment through the WORKS application.</li> <li>We develop emergency plans within the scope of emergency preparedness and relevant legislation, and review them frequently.</li> <li>We periodically conduct earthquake, fire, search and rescue, terrestrial debris and marine pollution intervention drills.</li> <li>We provide trainings to our employees.</li> </ul>		
		· ·	'		There may be negative effects on the financial situation due to loss of reputation.	Technological solutions can improve environmental performance, while also augmenting operational efficiency.		Strengthening stakeholder relations allows the company to communicate better with its external environment. Strong relations	Natural resources can be used more sustainably through the implementation of long-term environmental adaptation strategies.			<ul> <li>We execute drills and social responsibility projects related to disasters at schools. (We conduct earthquake and fire drills at schools, we have a Bursagaz Search and Rescue Team, and we provide AFAD's Disaster Awareness Training to Emergency Teams. During the earthquake disaster that we experienced in 2023, teams designated to the region executed search and rescue operations.)</li> <li>We aim to minimize the impact of regional disasters by collaborating with a diverse supplier pool.</li> <li>Control measures addressing the events that may disrupt critical activities are implemented at regular intervals.</li> <li>We periodically monitor environmental impacts using Continuous Emission Measurement Systems and report them on a daily basis. We monitor the Continuous</li> </ul>	<ul> <li>We plan to further implement local legislation, regulations and other social and environmental issues as part of the supplier audit plan.</li> <li>We update the Information Security strategy and roadmap every year and plan the necessary projects and studies accordingly.</li> <li>Human Capital</li> <li>Social Capital</li> </ul>	Business Ethics     Transparency and Risk Management
		environmental, and ethical considerations. SOCAR Türkiye may experience legal conflicts, financial challenges and reputational losses in case of any failure to comply with the national and international legislation, regulations and standards that it is obliged to comply with in all areas of its activities. Factors including non-compliance with business ethics, environmental responsibilities, social responsibility requirements, sectoral regulations, and regulations pertaining to	<ul> <li>The company may face financial penalties, commercial losses and reputational loss.</li> <li>The likelihood of facing legal sanctions may arise.</li> <li>Business continuity may be interrupted by the suspension of licenses.</li> <li>The company may encounter situations that may negatively affect international trade.</li> <li>Relationships with financial institutions may be negatively affected, resulting in the potential recall of loans and challenges in securing new</li> </ul>	<ul> <li>There may be a decrease in the trust of existing and potential customers, stakeholders and employees.</li> <li>The Company may need to undertake new investments in the context</li> </ul>		<ul> <li>Customers and investors exhibit a more favorable disposition towards companies that demonstrate social and environmental sensitivity. Therefore, awareness of these issues confers a competitive advantage.</li> <li>Raising employee awareness regarding business ethics and environmental compliance through regular trainings, implementing long-term strategies for environmental compliance and utilizing natural resources in a sustainable manner further contribute to organizations'</li> </ul>	company's environmental impact as well as a reduction in operational costs. This can provide a competitive advantage as well as fulfilling the company's environmental responsibilities.  The positive approach of customers and investors towards companies that exhibit social and environmental sensitivity results in a competitive advantage and enhances the company's brand value.  Raising awareness of business ethics and environmental compliance through regular employee trainings helps strengthen corporate culture and motivates employees. This further increases business performance	<ul> <li>with stakeholders can strengthen a company's reputation and provide support in crisis situations.</li> <li>Adhering to regulations mitigates the organization's legal risks while ensuring transparency and reliability in compliance efforts. This protects the company's reputation and prevents potential future problems.</li> <li>Effective communication with public institutions that oversee our operations enables us to influence legislation and proposed changes</li> </ul>	implementation of long-term environmental adaptation strategies.			Emission Measurement System data through the DCS system and immediately detect any limit exceedances through alarm systems.  Through the Wastewater Monitoring Systems (SAİS), we ensure that wastewater is discharged in accordance with the legal limits.  We implement the currently applicable Code of Ethics and review it regularly.  We provide training to raise awareness and increase the knowledge level of our employees regarding business ethics, human rights, and the fight against corruption. Upon their initial employment, we require orientation training on ethics for all employees, including those in the management level.  We annually receive compliance declarations from all employees; review these declarations and provide communication as necessary.  We closely follow international and local legislation and optimize our operations in line with the updates to the legislation.  We focus on preventing forced and compulsory labor and child labor throughout the supply chain.	<ul> <li>We aim to provide a safe working environment using tools such as the</li> <li>Natural Capital</li> </ul>	<ul> <li>Iransparency and Risk Management</li> <li>Labor Practices</li> <li>Air Quality</li> <li>Water Stewardship</li> <li>Corporate Governance</li> </ul>
			financing for the company.			<ul> <li>standards of suppliers contribute to the effective implementation of a sustainability strategy by companies.</li> <li>Monitoring and reporting compliance with legislation, under the digital transformation umbrella, establish a robust and efficient mechanism for oversight.</li> </ul>						<ul> <li>We maintain an ISO/IEC 27001 Certificate and annually conduct internal and external audits, as well as risk assessments and risk reduction activities.</li> <li>We conduct activities, distribute notifications, and publish announcements to raise our employees' awareness of cyber threats. We persist in our endeavors to cultivate an information security culture.</li> <li>We implement technical controls and review control measures within the scope of compliance with the Personal Data Protection (KVKK) legislation. We keep on working to obtain the ISO 27701 Personal Data Management System Certificate.</li> <li>We focus on preventing forced and compulsory labor and child labor throughout the supply chain.</li> <li>We have put the PDP solution, including discovery and concealing, into operation for the protection of personal data in SAP HR environments.</li> <li>We conduct compliance checks on all suppliers with whom we establish commercial relations, thereby we try to prevent the risk of working with those who have not been approved by the Compliance Department.</li> <li>We implement technical and administrative controls and review control measures</li> </ul>		
	Compliance with business ethics, social, environmental and other legislation									Transition	High	within the scope of compliance with the amendments to the Personal Data Protection (KYKK) legislation.  We apply a checklist to measure whether prospective suppliers fulfill their obligations arising from the Personal Data Protection Legislation.  We closely follow any amendments to the legislation regarding information security and cyber security in our country and contribute to the legislation to be enacted with our opinions and suggestions.  We implement relevant organizational measures, processes, and technical controls within the scope of ISO27001 Information Security Management System.  Compliance with the Guideline on Information and Communication Security published by the Digital Transformation Office of the Presidency of Türkiye is undertaken, and control is provided with internal and external audits every year.  Compliance with the Energy Market Regulatory Board's (EMRA) Cyber Security Competency Model Regulation is ongoing in accordance with the legislation.  Effective and efficient monitoring and reporting of compliance activities have been		
												<ul> <li>ensured under the umbrella of digital transformation.</li> <li>We maintain an ISO/IEC 27001 Certificate and annually conduct internal and external audits, as well as risk assessments and risk reduction activities.</li> <li>We conduct activities, distribute notifications, and publish announcements to raise our employees' awareness of cyber threats. We persist in our endeavors to cultivate an information security culture.</li> <li>We conduct Supplier Risk Analyses to identify our key suppliers, analyze their security levels and monitor their Security Scores using Information Security protocols. We undertake technical and administrative measures to comply with the Personal Data Protection Legislation and ensure the security of personal data.</li> <li>We apply a checklist to measure whether prospective suppliers fulfill their obligations arising from the Personal Data Protection Legislation.</li> <li>We closely follow any amendments to the legislation regarding information security and cyber security in our country and contribute to the legislation to be enacted with our opinions and suggestions.</li> <li>We continuously monitor, audit and improve our operations and projects from an</li> </ul>		
		It refers to the risks of breaches in access to Information and Communication Technologies (ICT), integrity and confidentiality of data due to cyber-attacks.	encountered.	stakeholders and employees, thus customer dissatisfaction and loss of competitive advantage.  • Data leaks resulting due to cyber attacks may pose a risk of non-compliance with the Personal Data Protection Law (KVKK) and	situation due to reputation loss.  The company's digital transformation strategy may be disrupted by recurrent cyber attacks.  Cyber breaches may lead to the risk of annulment or non-renewal of	business processes. Increased trust of stakeholders further provides a competitive advantage by reinforcing the company's reliable image.  • Strategic investments in cybersecurity infrastructure also enhances	has the potential to enhance operational efficiency and decrease expenses. It further reduces environmental impact by enabling the adoption of more sustainable business practices.  • Monitoring systems enable the early detection of threats.	<ul> <li>and services enhances customer satisfaction and facilitates entry into new markets.</li> <li>Production continuity can be maintained through the adoption of</li> </ul>	reputation and reliability. Increased stakeholder trust expands collaboration opportunities and supports the company's long-term success.  • A reliable corporate image helps gain the preference of customers			OHS-E perspective. Within the context of the OHS-E Management System, we are currently implementing a variety of programs in the field aiming at raising awareness of our processes including Legislation Compliance Tracking Management, Process Safety Management, Emergency Management, Incident Investigation Process Management, and Contractor Management.	<ul> <li>We regularly measure our cybersecurity competencies, evaluate regulations as opportunities to improve our cybersecurity maturity, closely follow the supply and developments of new artificial intelligence-supported cybersecurity technologies and take the necessary actions.</li> <li>We update the Information Security strategy and roadmap every year and plan the necessary projects and studies in order to strengthen the reputation and reliability of the company, to provide secure digital infrastructure and cyber resilience.</li> <li>Manufactured Capital</li> <li>Social Capital</li> <li>Human Capital</li> </ul>	Digital Rights and Responsibility     Risk and Crisis Management
			<ul> <li>Attacks on industrial control systems may cause disruptions in production processes.</li> <li>Interventions in operational technology (OT) infrastructure may bring with the risk of physical damages.</li> <li>Ransomware attacks increase the risk of access problems and data encryption.</li> </ul>	consumer trust and competitiveness.  There may be significant increases in insurance premiums against		the reputation of the company and strengthens the confidence of customers and investors in addition to reducing risks. The company is positioned as a leader in sustainable digital transformation due to its proactive threat intelligence, regulatory-compliant data management applications, integrated OT/IT systems, and Al-supported security systems.		measures tailored to SCADA systems.  Companies with high cybersecurity maturity can more easily collaborate with global customers.  Cybersecurity collaborations (e.g. With academic institutions, public	Secure digital infrastructure provides competitive advantage in data-			score. The Security Information and Event Management (SIEM) system is used to actively acquire and monitor logs.  With the Cyber Attack Simulation platform, we can verify our security controls and cyber threat preparedness, implement a proactive approach, identify detection gaps, and mitigate our risks.  With the Cybet Threat Intelligence Services, we detect the threats that address, that will target or currently targeting our organization.  The Security Operations Center (SOC) of our outsourced Managed Security Service Provider (MSSP) is responsible for monitoring security incidents 24/7, identifying them, and ensuring relevant departments to take action.  The Network Detection and Response (NDR) system is used to detect suspicious or malicious activities on the network and respond to cyber threats.  The File Integrity Monitoring (FIM) tool is used to monitor changes to sensitive files on servers and warn you against unauthorized interventions.  With DB Check Software, real-time data protection is provided for databases and various compliance requirements are met.		
	Information protection and cyber security									Transition	High	<ul> <li>Various of USB devices is restricted, and security measures are implemented on the computers of end users.</li> <li>Mobile Threat Defense (MTD) is used to protect against attacks specific to mobile devices and operating systems such as Apple iOS and Google Android.</li> <li>The DDoS Protection safeguards against distributed denial of service attacks.</li> <li>Our Computer Forensic Analysis Capabilities have been improved with the Forensic Analysis system.</li> <li>CASM (Cyber Attack Surface Management) ensures that all cyber assets are consistently monitored and managed.</li> <li>Dynamic Application Security Testing (DAST) and/or Static Application Security Tests (SAST) provide a comprehensive pre-deployment vulnerability assessment for any new software. DevSecOps processes are implemented to ensure secure software development.</li> <li>Penetration tests are conducted annually by external (outsourced) organizations. In accordance with the EMRA regulation, malware analyses, security audits, and penetration tests are conducted every three years by external companies within the</li> </ul>		
												ambit of OT.  The implementation of the Deception/Trap technology allows a threat defense that enables the detection of cyber attackers.  SOAR Cyber Security Orchestration, Automation and Response Technology) implementation provided security orchestration, automation and intervention to respond quickly to threats.  SAP Cyber Security, an integrated security platform that addresses all aspects required to protect our SAP assets from internal and external threats, has been put into operation.  Proactive measures have been taken with the cloud-based vulnerability management system for cyber security of endpoints.  Platform-independent (web, smartphone, computer) sensitive information is classified and labeled with the Classification and Labeling cloud service.  The compliance obligations governed in the Guidelines on Information and Communication Security of the Presidency of Türkiye and EMRA's Cyber Security Competency Model are met, and KVKK technical measures are implemented. Additionally, ISO 27001 process is managed for our Refinery and Petrochemical		
												companies.  Data Leak Prevention (DLP) systems and Sensitive Data Discovery Software are used to protect personal data, detected deficiencies are periodically reviewed with the Compliance team and necessary actions are taken.  The Security Operations Center (SOC) is responsible for monitoring security incidents of the OT Systems 24/7, and necessary actions are taken by the responsible team.  With the OT Anomaly detection system, cyber attacks have been detected in the Refinery and Petrochemical OT network.  Thanks to the desk-based and hybrid cyber drills organized for 3 years, ransomware, MiTM in phishing and internal threat scenarios have been discussed for improving cyber incident response processes.  Al platform monitoring policies have been put into effect against data leaks from Al platforms, aiming to prevent the disclosure of corporate and personal data.  EDR - XDR transformation aims to provide more effective endpoint detection and intervention.  The Security Hardening (SecHard) system aims to make security hardening more		
		Business strategies should focus on ethical, social, environmental, cultural and economic concepts and aim to create long-term value in the company from a sustainability perspective. Risks that may occur as a result of failure to ensure sustainability effectively throughout the organization are expressed.	A decrease in business performance may cause dissatisfaction of customers, employees, business partners and other stakeholders.	The company may face negative effects on talent retention and acquisition of new talents. The loss of corporate memory can jeopardize business continuity.	There may be a loss of competitive advantage due to a decrease in investors' demand.	<ul> <li>employee engagement and satisfaction, which in turn improves the motivation and productivity of the workforce.</li> <li>The company's reputation is enhanced and stakeholders' trust is bolstered by the transparent disclosure of sustainability declarations.</li> <li>Efforts to align with rapid growth trends at national and international levels in the energy sector improve the company's competitiveness,</li> </ul>	<ul> <li>engagement and satisfaction.</li> <li>The company's reputation is enhanced and stakeholders' trust is bolstered by the transparent disclosure of sustainability declarations. A sustainability-oriented corporate image is perceived positively by customers and investors.</li> <li>Being listed in sustainability and ESG indices provides recognition of the company's sustainability efforts and sets a standard for measuring</li> </ul>	the company's competitiveness and generates new opportunities.  An innovative and harmonious strategy strengthens the company's position in the market.				Compliance with both local legislation and international sustainability	<ul> <li>We are committed to transparently sharing our sustainability disclosures in our reports, improving our performance and creating long-term value in our value chain.</li> <li>We are committed to transparently sharing our sustainability disclosures in our reports, improving our performance and creating long-term value in our value chain.</li> <li>Financial Capital</li> <li>Manufactured Capital</li> <li>Social Capital</li> <li>Human Capital</li> <li>Natural Capital</li> <li>Intellectual Capital</li> <li>Intellectual Capital</li> </ul>	Corporate Governance     Transparency and Risk Management     Business Ethics
	Organizational sustainability					<ul> <li>and communicate more effectively with stakeholders. High ESG scores facilitate access to green financing, which in turn provides an advantage in financing environmentally sustainable projects.</li> <li>Attracting and retaining youthful talent is facilitated by being a preferred employer for new hires, which also fortifies the future talent pool.</li> <li>Finally, gaining an advantage in access to financing supports the company's growth and development goals while increasing operational flexibility.</li> </ul>	Being a company preferred by new recruits and graduates may attract qualified and innovative employees and improve the company's competitive power.			Transition	High			
		the talents in the most efficient way. In this direction, the risks that may	A work environment that is less collaborative and team-oriented may	The organization's level of competence may decline in case f difficulty	, , , , , , , , , , , , , , , , , , , ,	development of corporate culture. An effectively cultivated corporate culture shapes the collaborative dynamics among employees and enhances their job performance, simultaneously fostering the growth of organizational know how. The evolution of corporate culture fosters heightened employee loyalty and motivation, while simultaneously ensuring business continuity through sustainable employee succession strategies.  • Enhancing the equilibrium between employees' professional responsibilities and personal lives fosters greater employee satisfaction and plays a significant role in reducing turnover rates. The interplay of these elements not only enhances the company's human resources	employees, elevates their motivation, and deepens their commitment to the organization's objectives. This further increases business efficiency and supports the company's success.  The enhancement of knowledge accumulation serves to bolster the competitive advantage of the company. Fostering an atmosphere of knowledge exchange among employees and cultivating a perpetual learning environment enhances the organization's capacity for innovation and addressing challenges.  Ensuring business continuity makes a company more resilient in crisis situations. Employee succession plans facilitate the seamless continuation of operations by promptly addressing vacancies in critical		Strengthening the corporate culture in the long term ensures that the company adheres more firmly to its core values and mission. This increases the long-term commitment of employees while ensuring the stable growth of the company. Long-term employee engagement preserves the company's know how and ensures business continuity.			<ul> <li>We provide consultancy and information services, including Avita complimentary Employee Support Programs available to our employees and their families.</li> <li>We are working to minimize and prevent overtime obligations.</li> <li>We develop a suitable shift schedule to facilitate efficient rest for shift workers.</li> <li>We offer a specific excused leave opportunity exclusive to our female employees.</li> <li>Through the internal recruitment process, we improve our employees' engagement to the organization and support their career advancement within the company.</li> </ul>	<ul> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Human Capital</li> </ul>	Labor Practices     Diversity, Equality and Inclusion
	Talent attraction, retention and professional					management but also establishes a robust basis for enduring success.	<ul> <li>Maintaining a work-life balance for employees enhances satisfaction and promotes organizational efficiency. A healthy and balanced work environment reduces employee stress and has a positive effect on motivation.</li> <li>Low employee turnover rate may increase the stability and continuity of a company. Long-term employee engagement preserves the company's know how and ensures business continuity.</li> </ul>					<ul> <li>We are striving to enhance the competitiveness of the wages and fringe benefits we provide.</li> <li>To enhance female representation at all levels, we conduct studies aimed at boosting the number of female employees, particularly in managerial positions, and to improve physical conditions in the field.</li> <li>We assess the retention risk, in the context of the talent process, individually for every employee and undertake appropriate measures.</li> <li>We assess key positions at both the employee and senior management levels and formulate succession strategies as part of the development plans.</li> <li>We have implemented rotation programs.</li> <li>We invest in our employees' gaining new experiences and skills with Strategic Competency Development Programs.</li> </ul>		
	development									Transition	i ligii	<ul> <li>The Technical Career Path and CAMS Projects have been put into effect to support our employees in their career paths and help them develop their competencies within the company.</li> <li>We offer Leadership and Basic Competency Development trainings addressing all our white-collar employees on the online platform with the cross-knowledge tool.</li> <li>The career development of our employees is monitored through the "Regular Feedback Module", which adopts a performance management approach focusing on regular and open feedback, coaching and development. The Continuous Professional Development Program (CPD) was put into effect as of January 2024. The From Idea to Publication (Fikirden</li> </ul>		
												<ul> <li>Yayına) Project was launched in December 2023. The employee engagement survey will be conducted in 2024. (Scheduled for Q1/2024.)</li> <li>SOCAR Türkiye Academy has been launched and started its operations.</li> <li>Employees of SOCAR Türkiye and group companies are provided with "Manager Essentials" trainings within the scope of HR process communication activities.</li> <li>The Performance Management System enables us to assess the alignment between our strategic objectives, established in accordance with our company's vision, and employees' performance.</li> <li>The Development Action Plan for Talents (Be Shadow) has been put into practice.</li> </ul>		
		Increasing women's participation in the workforce is a driving force in the economic development and progress of countries. From this point of view, we act beyond sectoral habits and stereotypes and pursue an inclusive and egalitarian workplace as one of the priorities of our sustainability strategy.	access, rights, compensation and fringe benefits may cause loss of	Legal risks may negatively affect company/brand reputation.	A low-diversity environment may adversely impact corporate performance and hinder talent acquisition.	development of innovative and varied concepts.  The company's brand image enhances due to equal opportunities and diversity, making the organization more appealing to investors.  Inclusive policies and egalitarian practices enhance employee engagement and lead to improved business performance. Therefore,	talented individuals will enable the company to create innovative solutions that can be put into action right away.  Offering equal opportunities and embracing diversity can enhance the company's brand image in the short term and garner positive responses on social media.	concepts, the company can achieve innovative enhancements in its products and services, leading to an increase in market share.  The company's brand image will be strengthened, its customer base will expand and competitive advantage will be fostered.  An inclusive and egalitarian structure increases the likelihood of the company being preferred by investors in the medium term, and	<ul> <li>Maintaining and fostering employee engagement leads to reduced costs in human resources management and boosts long-term business</li> </ul>			<ul> <li>We have a Diversity and Human Rights Working Group.</li> <li>We have been a signatory to UN Global Compact's Women's Empowerment Principles (WEPs) since 2021. Within this scope, we are taking various actions and developing procedures.</li> <li>We offer a specific one-day excused leave opportunity exclusive to our female employees.</li> <li>We have launched the Women-Friendly Field Practices.</li> <li>We support Engineer Girls of Türkiye platform.</li> <li>We raise employee awareness of diversity with our Development Journey trainings.</li> </ul>	<ul> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> </ul>	<ul> <li>Labor Practices</li> <li>Diversity, Equality and Inclusion</li> <li>Human Rights</li> <li>Business Ethics</li> </ul>
	Diversity, equal opportunity and well-being within the organization									Transition		<ul> <li>We make a positive contribution to the corporate culture by asking awareness-raising questions on award platforms.</li> <li>Male employees whose wives give birth are entitled to 10 days of paternity leave and 20 weeks of paid maternity leave is defined for female employees who give birth.</li> <li>AVITA Employee Assistance Program provides assistance to employees on many issues.</li> <li>Through our partnership with Korteks Academy, we have analyzed current situation and established procedures. We continue our needs analysis with various focus groups and surveys.</li> <li>In accordance with our principle of "Our Energy is Diversity,"we adopt practices designed to enhance the professional standing of our female employees, and we approach recruitment and promotion processes</li> </ul>		
		working conditions in line with changing working conditions, such as the	workload that is challenging to manage effectively with remote working, issues with adaptation, and a decline in the balance between		A decline in the capacity to be a favored employer within the industry could lead to a reduction in operational efficiency.	presents opportunities that indicate a decrease in operational error margin and an alleviation of overall operational burden. This situation can be expressed as an increase in the company's capacity to be a	<ul> <li>An increase in the company's capacity to be a favored employer within the industry makes it easier to attract and retain talented employees in the short term.</li> <li>Improved company reputation and heightened employee motivation</li> </ul>	development within the organization and enhance motivation.  • Capturing trends and establishing a strong brand presence enhance	long-term competitive advantage.			<ul> <li>with care and consideration.</li> <li>We implement Diversity, Equity and Inclusion (DEI) Programs.</li> <li>Within the context of "Innovation at Work", traditional, hybrid, and remote working models were defined for our colleagues based on the operational needs of the business units.</li> <li>The defined working models are reviewed and updated every year to contribute to efficiency.</li> <li>New rights/benefits have also been designed for employees within the scope of our new working model policy. The fringe benefits granted to</li> </ul>	<ul> <li>As part of the new working model we have put into effect, we offer opportunities including part-time work, job sharing, and flexible working hours or days for certain roles, alongside the new working model itself.</li> <li>We have initiated SOCAR Türkiye Values, Core Competencies and Leadership Competencies program.</li> </ul>	Labor Practices
OCIAL	Changing working conditions						lead to greater work efficiency and a better overall work environment.			Transition	Medium	our employees as of March 2024 are as follows: Support for ergonomics	<ul> <li>SOCAR Türkiye Academy is being developed.</li> <li>Employer Brand Project and Employee Value Proposition projects will</li> </ul>	
S	Changes in consumer behavior		products instead of existing products may eliminate the competitive		Investors may be reluctant to provide financing to the sector in line with the decreasing demand for fossil fuels.	for low-carbon new product development studies.  Our goal herein is to enhance stakeholder demand, encourage	change and innovation within the company. This improves business	supports the company's efforts in growth and sustainability initiatives.  Reducing consumption without affecting operational efficiency and managing sustainable products reduces the company's environmental	Gaining market share and increasing reputation strengthens the company's long-term sustainable competitive advantage. This increases the company's revenues and margins while reinforcing its leadership in sustainability.	Transition	Medium	<ul> <li>We examine the possibilities and conduct research to produce biocircular products. We are working on to develop innovative low-carbon products by assessing engineering and investment requirements.</li> <li>We are assessing recycled naphtha, bio-feedstock alternatives, and opportunities for Sustainable Aviation Fuel (SAF) production.</li> <li>We took on the role of the primary sponsor for the documentary "You Better Notice," which highlights the pollution caused by plastics and was produced and directed by Engin Altan Düzyatan. We keep adding</li> </ul>	<ul> <li>In light of the unfavorable perceptions surrounding single-use plastics, we anticipate the implementation of stringent international regulations regarding their usage in the near to medium term. Consequently, we intend to assess engineering, feasibility, investment analysis, new quality processes for investment and optimization, as well as alternative product production, and incorporate these elements into SOCAR's future projections. We are undertaking research and development studies focused on recycling plastic waste to generate petrochemical raw materials, such as naphtha.</li> <li>We aim to invest more in renewable energy sources.</li> <li>We are evaluating the installation of solar power plants on raw water pools to mitigate losses due to evaporation and generate renewable energy.</li> <li>We are evaluating the project of constructing a solar power plant in the dam area.</li> <li>We are further evaluating the use of wave energy.</li> <li>We are further evaluating the use of wave energy.</li> <li>We are considering locating a hydroelectric power plant on the dam line.</li> </ul>	Customer Solutions and Engagement     Material Use, Waste and Circularity
		(OHS) approach is to prevent health and risks or to eliminate risks in	<ul> <li>The absence of OHS-E awareness may lead to a variety of consequences, including the potential for work accidents, a decrease in the business sustainability, an increase in the burden, a decrease in work performance, and the potential for operational work accidents to negatively impact the natural ecosystem (in terms of efflux, leakage, water and air pollution etc.).</li> <li>The company may face penal sanctions due to non-compliance with the legislation.</li> </ul>		This may disrupt business continuity.	to decrease the incidence of workplace accidents, prevent fatalities,	9 1 7	and a stronger commitment to work. Consequently, the company experiences an improvement in work efficiency and quality.	The ongoing enhancement of employees' OHS-E awareness and adherence to safe work practices contribute to the establishment of a sustainable safety culture within the organization. This situation mitigates occupational accidents and fatalities over time while enhancing the company's reputation.			controls are carried out with video analysis technology.  The SAFE OHS-E Management System of the company comprises leadership, risk management, implementation, and continuous		Labor Practices
	Occupational health and safety									Transition	Medium	<ul> <li>With the Process Safety Management (PSM) Project, we aim to prevent large-scale industrial accidents or reduce their effects and develop OHS-E performance and OHS-E culture. We undertake process hazard analysis through the Process Safety Change Management (MOC) prior to field applications related to scheduled changes in existing equipment, materials, process control systems, operating systems, or application/work management in our domains.</li> <li>In cases where process protection systems or safety systems are disabled due to mandatory circumstances, such as equipment or component failure, protective or preventive maintenance activities, or modifications to activity levels, we execute the required actions in the relevant areas and adhere to the approval processes outlined in the</li> </ul>		
												<ul> <li>"Safety Systems By-pass Procedure."</li> <li>We conduct operational HAZOP (Hazard and Operability Analysis) &amp; LOPA (Layers of Protection Analysis) studies.</li> <li>To cultivate the OHS culture, we implement various reward programs, utilize the OHS-E minute application, host OHS week events, and conduct awareness-raising activities.</li> <li>We organize OHS-E trainings for our employees, contractors and visitors.</li> <li>In addition to regular trainings, we undertake OHS-E programs and good practices such as "Behavior-Oriented Occupational Safety Program, Occupational Health, Safety and Environment Awarding and Incentives Program, Road Safety Program, Digitalization studies, OHS</li> </ul>		
		Risks related to possible failures to comply with human rights within the company.  Illegal or morally unacceptable abuse of authority by the organization or individuals to gain profit may pose a serious threat to the company's reputation, financial performance and even its existence.	Non-compliance with national and international legislation (as applicable) may subject the company to financial penalties or sanctions.			violations, bribery, and corruption, aims to establish an independent and systematic governance mechanism. This approach seeks to positively	establishment of an independent governance mechanism facilitate swift ethical transformation within the organization and enhance trust levels.  The cultivation of integrity and trust among stakeholders enhances the	governance mechanism contribute to the formation of a more resilient ethical culture within the organization. This strengthens the company's risk management and business continuity in the medium term.  Facilitating opportunities for relevant stakeholders to articulate their perspectives enhances the company's transparency and participatory	strengthen the sustainability and reputation of the company in the long term. This contributes to the establishment of stronger relationships between stakeholders in the long term and to the company's strengthening of its leading position in the industry.			bribery, abuse, exploitation and human rights violations.  In accordance with the SOCAR Türkiye Human Rights Policy and	The company further intends to revise its Code of Ethics and policies in response to the evolving international context and regulatory frameworks.	Human Rights     Business Ethics
	Compliance with human rights/ anti-bribery and											Controls Policy, the Entertainment and Hospitality Procedure, and the Conflict of Interests Procedure.  The Code of Ethics Guide effectively communicates our internal and external ethical standards to all stakeholders in written form. Regular training is provided and progress is monitored across our value chain.  Employees with suspicions regarding non-compliance with the Code of Ethics may report anonymously to the SOCAR Türkiye Ethics Line.  SOCAR Türkiye and its supply chain adhere to practices that prevent forced and compulsory labor as well as child labor, in strict compliance with the International Labor Organization (ILO), Turkish Labor Law No. 4857, and all applicable legislation.  We comply with all national and international laws and norms, including		
	anti-corruption									Transition	High	<ul> <li>the United Nations Universal Declaration of Human Rights and ILO conventions.</li> <li>Adopting a zero tolerance principle regarding bribery and corruption, we implement approval mechanisms to prevent conflicts of interest in our registration processes associated with commercial parties and to ensure entertainment and hospitality along with sponsored travel practices comply with our policies and procedures as part of our anticorruption efforts.</li> <li>Documents including the Anti-Bribery and Anti-Corruption Policy, Trade Controls Policy, Entertainment and Hospitality Procedure, and Conflict of Interests Procedure, which serve as tools to combat corruption, are published on the QDMS Integrated platform, accessible to all</li> </ul>		
					Environmental expenses, tax mechanisms and reputational losses may be encountered along with negative impacts on the financial situation.			Mitigating penal sanctions enhance business continuity and reinforce operational stability over the medium term.	Minimizing adverse environmental effects aids in safeguarding natural resources and enhances the organization's environmental sustainability				<ul> <li>We are conducting research on carbon pricing within the organization and formulating plans to assess its influence on future investments.</li> <li>We are conducting technical and commercial feasibility studies, as well as planning activities, focused on new energy generation technologies</li> </ul>	Greenhouse Gas Emissions     Material Use, Waste and Circularity
			<ul> <li>emissions calculated in accordance with regulatory requirements that necessitate verification obligations.</li> <li>The company may face reputational losses due to the results of regulated carbon measurements being above the limit.</li> <li>There may be additional costs due to failure to meet the legal requirement regarding the quota to be imposed on greenhouse gas emissions.</li> <li>These costs may put pressure on borrowing capacity in the short term</li> </ul>	expenses and cause profit margin loss.     The increase in export expenses due to the Carbon Border Adjustment Mechanism may lead to adverse outcomes, including constraints	<ul> <li>Financial losses can make it difficult to invest in green technologies.</li> <li>The expectation of low carbon performance in securing sustainable financing may pose a barrier to investments.</li> <li>Carbon-intensive production may lead to a narrowing of the customer portfolio that adopts "green supplier" policies.</li> </ul>	<ul> <li>Conducting regular checks to prevent gas leakage in networks ensures occupational safety and environmental protection standards. This serves as a significant opportunity in terms of operational safety and environmental sustainability.</li> <li>Regular measurement and reporting of greenhouse gas emissions will enhance the monitoring and improvement of environmental performance, thereby assist the company in achieving its environmental sustainability objectives.</li> <li>It refers to the development and implementation of various strategies to reduce the negative impacts of company's activities on the environment.</li> </ul>	<ul> <li>Consistent measurement and reporting of greenhouse gas emissions enable the company to assess its environmental performance and implement necessary actions, thereby fulfilling environmental responsibilities and safeguarding its reputation.</li> <li>Minimizing adverse environmental effects aids in safeguarding natural resources and enhances the organization's environmental awareness in the immediate term.</li> <li>Reducing greenhouse gas emissions increases customer satisfaction, strengthens supply chain management and protects the company's</li> </ul>	<ul> <li>Regularly measuring and reporting greenhouse gas emissions will improve environmental performance, thereby assist the company in achieving its environmental sustainability objectives.</li> <li>Strengthened relationships with stakeholders will improve collaborative opportunities in the medium term and fortify the company's marketing strategies.</li> <li>It may be possible to assess medium-term investment opportunities with strategic partnerships (on green energy etc.).</li> <li>Being one of the companies implementing the Emission Trading System (ETS) may increase the company's market power and provide a competitive advantage. Effectively managing the ETS may</li> </ul>	<ul> <li>in the long run.</li> <li>Regularly measuring and reporting greenhouse gas emissions strengthens the company's environmental leadership in the long run and increases opportunities to invest in green technologies.</li> <li>Strengthening relationships with stakeholders helps the company expand collaborative opportunities and gain competitive market advantage in the long term.</li> <li>Adopting a low-emissions production model provides a more resilient business structure against future carbon regulations.</li> <li>The company's listing in sustainability indices and its rating score on reliable platforms may improve.</li> </ul>			· Greenhouse gas emissions from our activities are monitored by a	<ul> <li>We are following the amendments to the Carbon Border Adjustment Mechanism (CBAM) and ETS processes and their influence on the legislation and regulations being formulated in Türkiye.</li> <li>We are conducting technical and commercial feasibility studies, as well as planning activities, focused on new energy generation technologies including renewable energy generation, green hydrogen, bio-methane, carbon capture, and electrification.</li> </ul>	Supply Chain Sustainability     Water Management
	Greenhouse gas emissions					investments in energy efficiency and emission reduction, enhances environmental sustainability and generates financial benefits. This procedure facilitates access to green financing, mitigates costs associated with Carbon Border Adjustment Mechanism, and enhances the company's brand value through the reduction of its carbon footprint.	in the immediate term.  Improving emission monitoring and reporting mechanisms and increasing traceability facilitate reporting accuracy and regulatory compliance.  Energy studies focused on emission reduction generate opportunities for projects that offer quick returns on investment.	sustainability-focused business models.  Developing a carbon management strategy may contribute to meeting investors' ESG expectations and attracting funds and investment inflows in the medium term.  Reducing emissions and comliance with ISO 14064 and comparable		Transition	Medium	<ul> <li>and current situation analyses.</li> <li>We plan to reduce unit energy consumption and carbon emissions by switching to high-efficiency pumps and using variable speed drive motors.</li> <li>We mainly generate the electricity we need in GT facilities and then apply a more efficient process with the steam generation method in Heat Recovery Steam Generators (HRSG), and in this regard, we plan to work on reducing fossil fuel consumption. A pre-feasibility analysis has been initiated to construct a cogeneration plant, incorporating a gas turbine (GT) and heat recovery steam generator (HRSG), to generate the electricity required by the STAR Refinery. This project will facilitate transition from conventional type boilers to more efficient GTG</li> </ul>		
												<ul> <li>and HRSG systems.</li> <li>We plan to actively use and popularize APC systems. There are over 20 APC applications in STAR and Petkim. Many APC applications also take action towards energy minimization and automatically contribute to energy efficiency. Promoting this application to other facilities is still in progress.</li> <li>We keep working to clarify engineering and investment needs within the scope of low-carbon new product development. We are conducting technical, commercial feasibility and planning activities related to new generation energy production technologies (renewable energy production, bio-methane).</li> <li>We are planning to use hybrid and electric vehicles in the company</li> </ul>		
		EU Green Deal could lead to the imposition of a carbon tax on products	<ul> <li>Failure to achieve the greenhouse gas reduction target may necessitate financial assistance for the company.</li> <li>In case of exceeding carbon emission limits, the company may be exposed to financial penalties and reputational loss.</li> </ul>	The implementation of compliance efforts may incur additional costs.	permits and licenses, and potential financial losses, thereby disrupting business continuity.	complying with regulations may bring reputation gain, market share gain, financial input provision, and the opportunity to participate in carbon markets such as I-REC, Gold Standard, YEK-G etc.	with regulations may further ensure the company to comply with current legal requirements and prevent possible penal sanctions.  Reputation gains contribute to a favorable perception of the company	with regulations improves the company's environmental performance in the medium term and reinforces its sustainability leadership.  Reputation gain may bolster the corporate image of the company	in the long term and help the company to adapt to the green economy			<ul> <li>fleet.</li> <li>We have been contributing to energy efficiency and reducing our carbon footprint by using electric forklifts instead of diesel fueled ones in our Sales Warehouses in Aliağa SEZ.</li> <li>We plan to cooperate with the Ministry of Environment to align emission reduction targets with sector realities.</li> <li>We take into account the additional costs that the Carbon Border</li> </ul>	<ul> <li>We are conducting studies to assess the effects of carbon pricing on future investments within the company and are establishing procedures to incorporate it into investment processes.</li> <li>We aim to invest in renewable energy sources.</li> <li>We intend to participate in certification process to sell surplus emissions, resulting from efforts aimed at lowering our emissions, to the trading system.</li> <li>Natural Capital</li> <li>Financial Capital</li> </ul>	Greenhouse Gas Emissions     Material Use, Waste and Circularity     Supply Chain Sustainability
	Carbon pricing policies	competitiveness. The risks of non-compliance with the carbon trading mechanism, which is being discussed as an alternative/supplementary to the carbon tax at the border, are expressed.			The company may experience a decline in market share while simultaneously confronting significant financial obligations resulting from the carbon tax.		<ul> <li>enhancing customer trust.</li> <li>The increase in market share is evidenced by sales growth, indicating a short-term preference for green and sustainable products, which confers a competitive advantage.</li> <li>Achieving the greenhouse gas emission reduction target and thereby providing financial input will enhance financial performance in the short term through cost savings and incentives.</li> <li>Participation in carbon markets enables income generation through</li> </ul>	<ul> <li>relationships.</li> <li>Acquiring market share presents medium-term growth opportunities driven by rising demand from sustainability-oriented consumers, thereby enhancing the company's marketing strategies.</li> <li>Achieving greenhouse gas emission reduction targets provides financial input that enhances the company's cost structure in the medium term, facilitates competitive advantage, and promotes an increase in investments.</li> <li>The opportunity to participate in carbon markets helps the company reduce its environmental impact and achieve its sustainability goals in</li> </ul>	strategies in the long run and enhance stakeholder relations by improving its perceived social responsibility.  • An increase in the market share will, in the long run, increase market share and the company's growth potential as demand from sustainability-oriented consumers and investors increases.  • Providing financial input by achieving greenhouse gas emission reduction targets increases the sustainability of the company's cost savings in the long term and strengthens its commitment to leaving a better environment for future generations. Participation in carbon markets can enhance sustainability strategies	Transition	Medium	<ul> <li>We are making plans to develop decarbonization roadmaps by considering clean energy resources. We maintain our initiative to transfer knowledge and technology by participating in consortiums</li> </ul>	• We aim is to minimize natural resource consumption and greenhouse gas emissions through operational improvements and enhanced energy efficiency. Our primary objective is to minimize natural resource consumption and greenhouse gas emissions through operational improvements and enhanced energy efficiency. A roadmap has been developed as part of the Energy Margin Improvement studies initiated for this purpose in 2024, with planning underway for new investment-	
		Criteria renewed by legal regulations direct the market to produce more sustainable products. Technology is also evolving in this direction. Additional investment is required to transition to operational green technologies.	and negatively affect the debt restructuring process	Green technology investments falling behind the industry average may diminish investor interest and tarnish corporate reputation.	which are costs that come with high investments, the decrease in demand for fossil fuels, and therefore the loss of market share and income/margin.  • Due to the failure to contribute to the net zero carbon emission target,	emissions, determination of energy efficiency initiatives, monitoring of relevant actions and capturing of greenhouse gas reduction opportunities, development of technologies to improve supply time and	greenhouse gas emissions improve the company's financial performance by reducing its costs in the short term and reduce the environmental impact.  Determining energy efficiency initiatives and ensuring follow-up of	<ul> <li>improves operational efficiency in the medium term, reduces costs and environmental impact.</li> <li>Reducing greenhouse gas emissions helps the company achieve its sustainability goals in the medium term by reducing environmental</li> </ul>	By focusing on environmental sustainability strategies and completing the green transformation, the company improves its long-term financial performance, provides competitive advantage and strengthens its corporate reputation.			<ul> <li>To achieve our short, medium, and long-term goals, we prioritize projects outlined in the Strategic Plan and implement those deemed appropriate following resource planning.</li> <li>We train our employees on carbon-related taxation.</li> <li>We are closely following the ETS implementation plan in Türkiye.</li> <li>We are working on digital transformation projects.</li> <li>We are clarifying our engineering and investment needs within the scope of low-carbon new product development efforts.</li> <li>Upon preparing the investment budgets, we categorize the CO<sub>2</sub></li> </ul>	<ul> <li>We plan to analyze in detail the potential and regulatory framework for obtaining electrical energy from alternative renewable energy sources (WPP, SPP, geothermal, etc.) via the national grid.</li> <li>We are conducting technical and commercial feasibility studies, as well as planning activities, focused on new energy generation technologies</li> <li>We aim to invest more in renewable energy sources.</li> <li>We aim to optimize consumption by focusing on energy efficiency projects.</li> <li>We are evaluating the project of constructing a floating solar power plant in the dam area.</li> </ul>	Material Use, Waste and Circularity     Biodiversity and Ecologic Welfare     Greenhouse Gas Emissions
					Due to the failure to contribute to the net zero carbon emission target, the company may suffer local and global prestige and reputation loss	opportunities, development of technologies to improve supply time and quality, and opportunities to improve efficiency in the field of electricity trading with developments in digitalization and data analysis.	<ul> <li>Determining energy efficiency initiatives and ensuring follow-up of relevant actions improves energy and operational efficiency and reduces costs in the short term.</li> <li>Developing technologies that improve supply time and quality increase customer satisfaction and provide competitive advantage by bolstering the quality of products and services in the short term.</li> <li>Maintaining a consistent supply enhances customer satisfaction, improves customer relations, and bolsters reputation by facilitating business continuity in the short-term.</li> <li>Developments in digitalization and data analysis enhance efficiency in electricity trading, leading to cost reductions and a competitive advantage through improved operational effectiveness in the short term.</li> </ul>	sustainability goals in the medium term by reducing environmental impact and increases reputation.  Developing low-carbon products and services and using recycled products may reduce environmental impact in the medium term, reinforce the company's sustainability leadership and strengthen customer relations.				<ul> <li>Upon preparing the investment budgets, we categorize the CO<sub>2</sub> emissions of products into low and high. Subsequently, we intend to perform feasibility studies of the investment budgets by assessing the competitive environment in the market.</li> <li>Drones are used for unmanned flare inspection, air monitoring, visual inspection, and 3D mapping at the production sites of Petkim and STAR.</li> <li>SOCAR Türkiye and its affiliated companies strive to establish a digital business organization characterized by efficient and straightforward processes through Enterprise Content Management, thereby enhancing agility and flexibility in overall operations. SOCAR ECM System, with its digital archive management, assumes a key role in terms of gathering corporate memory in a single center and our digitalization process.</li> </ul>	as planning activities, focused on new energy generation technologies including renewable energy generation, green hydrogen, bio-methane, carbon capture, and electrification.  In line with the framework developed by our strategy team, we have initiated a Culture Project under the ownership of our HR, Communication and Digital Transformation teams.  We aim to enable the use of VR glasses, which is a part of the orientation process implemented in SOCAR Türkiye Group Companies, to be performed remotely.  We are conducting technical and commercial feasibility studies, as well as planning activities, focused on new energy generation technologies including renewable energy generation, green hydrogen, bio-methane, carbon capture, and electrification.	
	Green technologies						term.  • Mitigating energy loss enhances financial outcomes and diminishes environmental effects by lowering energy expenses in the short term.			Transition	Medium	<ul> <li>The SOCAR e-signature project, emphasizing the digitalization of business processes, savings, sustainability, and efficiency, facilitates the signature processes for all group companies within a digital framework. The duration of our signature process has been decreased from 21-30 days to 3 business days due to the implementation of SOCAR e-signature. Since December, approximately 1,000 documents signed via the e-signature system have reduced time, as well as paper, printer, mail and archiving expenses. Thanks to e-transformation, we aim to save 500 thousand papers and TRY 285,000 in total per year.</li> <li>The number of electric pool vehicles across all SOCAR Türkiye companies has been increased, accompanied by the establishment of charging stations.</li> </ul>		
ENVIRONMENTAL												<ul> <li>charging stations.</li> <li>All SOCAR Türkiye companies have put the digital business card application into operation.</li> <li>The implementation of the e-sim application across all SOCAR Türkiye companies has resulted in a decrease of duration for cargo, signature, document, and approval processes.</li> <li>We are conducting technical, commercial feasibility and planning activities related to new generation energy production technologies (renewable energy production, bio-methane).</li> <li>We optimize consumption by focusing on energy efficiency projects and continuously undertake improvement activities in this regard.</li> </ul>		
	Expectations for environmentally friendly and sustainable new product development	increases, intermediate and final product manufacturers will need to change their production processes and develop new products and services. Risks that may arise as a result of the company's inability	along with a heightened reliance on natural gas, may diminish interest in fossil fuels, resulting in income losses.  Emission reduction efforts may cause the burden of compliance in the face of rapidly changing environmental regulations and standards, and	company/brand reputation.  New product development efforts may incur additional expenses.  The growing interest in sustainable and environmentally friendly		with customers and stakeholders' preference for low-carbon products, thereby creating opportunities to regain competitive advantage, access financing resources for environmentally friendly and low-carbon	preference for low-carbon products enhances the company's market	products enhances the company's market share and revenue in the		Transition	Medium	have completed life cycle assessments for C <sub>4</sub> and ACN products. We	<ul> <li>We are planning to develop a new model that will include sustainability and reliability analysis in our feasibility assessment processes.</li> <li>We plan to develop low carbon emission products and services within Petkim.</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Natural Capital</li> </ul>	Supply Chain Sustainability     Material Use, Waste and Circularity
		Increased water consumption in operations, pollution of water resources	production capacity in R&P fields, the dam's water level failing to meet the average daily water requirements of the R&P field, and interruptions in emergency interventions.  • Effects such as triggering drought due to increased natural resource consumption may be observed.  • Should the treated water fail to comply with the limit values mandated by legislation, official institutions may impose administrative sanctions.  • Issues like the reduction of available natural water resources, the pollution of wastewater and its interaction with groundwater, as well	Failure to ensure water stewardship may cause potential environmental	business continuity.	sustainability prospects.	the water level in the dam above the critical threshold will contribute	more efficiently and reducing environmental impact.	With the increase in operational efficiency and the decrease in environmental impact, the company is expected to gain reputation and strengthen its leadership in the field of sustainability.			<ul> <li>We are trying to minimize water consumption in our operations and thereby exploring alternative projects.</li> <li>We are trying to reduce the rate of lost and leaked water in our operations.</li> <li>We follow the necessary processes to timely initiate the permit processes for using water resources that may be needed in investments.</li> <li>We are working to identify and mitigate leaks in the cooling water used in our operations, as well as to enhance the concentrations for the cooling water towers.</li> <li>STAR's Dirty Water Stripping Unit have been inspected and we are</li> </ul>	<ul> <li>We are planning various awareness-raising activities on social platforms or organizations.</li> <li>We aim to calculate the water footprint throughout the company.</li> <li>We are planning to work on reducing water consumption with projects</li> </ul>	Water Management
	Level of water stress and drought		pollution of wastewater and its interaction with groundwater, as well as the potential enforcement of environmental penalties in this context may also emerge as significant concerns.  Penal sanctions due to non-compliance with legislation may eventually lead to reputation loss.  The increase in the number of customers who are environmentally sensitive and therefore take water consumption data into consideration in product preferences may negatively affect market share.							Physical	Medium	striving to improve the process.  We have been conducting analyses to ensure water reliability.  We clean our exchangers periodically and strive to reduce external water consumption. We request exchanger cleaning during planned or opportune downtime periods to reduce external water consumption.  We track groundwater leaks and carry out remedial work accordingly.  We regularly check the compliance of the treated water in the wastewater treatment plant with the limit values and ensure that it complies with the limits stipulated within the legislation.  We plan to gradually initiate the project of monitoring the plants' wastewater output quality with analyzers.  In order to prevent the risk of overflow in extraordinary weather events,	such as reducing boiler blowdowns and increasing condensate returns.  • We plan to undertake projects to enable water supply in emergency situations. Protocols have been signed for the line to be used jointly with İZSU in an emergency, and line tests have been initiated. The necessary actions have been taken by İZSU and the modifications on the line have been completed. The modifications on the section within	
												<ul> <li>we are working on to install additional Water Collection Pools in the wastewater unit.</li> <li>By switching to a drip irrigation system and installing meters on water consumption lines, we try to control water consumption and prevent wild irrigation.</li> <li>In order to reduce water consumption, we organize awareness campaigns and trainings specifically for our R&amp;P (R&amp;D Center - Production) business unit. (Presentations were provided for the units regarding water usage and wastewater reduction. Our Environment Group publishes various bulletins and announcements to reduce water consumption and support water savings.)</li> <li>We engage with our stakeholders across multiple platforms to assess</li> </ul>		
		to increase with climate change; and extreme weather events such as floods, forest fires and storms are expected to adversely affect the energy, production, mining, electricity distribution and logistics sectors. The risks that the Company may be exposed to if extreme	<ul> <li>and personnel may elevate the risk of property damage and injury or loss of life.</li> <li>Excessive rainfall may hinder the discharge of water in production facilities, potentially leading to more frequent operational disruptions.</li> </ul>	may cause operational difficulties and a decrease in productivity.  The increase in wind speed and its erratic nature may elevate		environmental impacts in the course of company's operations and promote sustainability. These measures include steps such as reducing the amount of wastes produced, encouraging the use of renewable energy and reducing greenhouse gas emissions.	resilient business environment against weather events in the short term. This helps severe weather conditions to have less impact on wildlife and ecosystems.  • Enhancing energy efficiency may lead to a decrease in energy costs,	the environment may increase the company's ability to cope with risks in the medium term.  Strengthening communication with stakeholders facilitates the establishment of societal trust in the medium term and fosters a more	improve energy efficiency may integrate into the company's long- term sustainability strategies. This can enable the company to fulfill its environmental responsibilities and leave a healthier environment for future generations.			<ul> <li>their needs and expectations.</li> <li>We ensure that targets are set to reduce water consumption throughout the peninsula.</li> <li>We use the treatment plant outlet water for the production of process water or demineralized water.</li> <li>In line with our strategic emission reduction targets, we ensure total emission amount and emission intensity performance to be monitored with KPIs.</li> <li>The construction of a water collection pool at the Petkim wastewater unit, aimed at mitigating overflow risks during extreme weather events,</li> </ul>	<ul> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> </ul>	Biodiversity and Ecologic Welfare     Supply Chain Sustainability
	Extreme weather events	sectors. The risks that the Company may be exposed to if extreme weather events affect the Company's operations are described  Increased frequency of excessive rainfall and hail events, attributed to climate change, recently poses a risk of flood disasters in İzmir, where	<ul> <li>facilities, potentially leading to more frequent operational disruptions.</li> <li>Failure to drain the water accumulated in the complex in case of excessive rainfall may lead to disruption of emergency interventions and loss of work.</li> <li>Factors such as rising turbidity, an indicator of water quality, in dams constructed on water resources and insufficient water retention capacity may lead to a decline in water efficiency.</li> <li>Excessive rainfall may result in improper drainage of accumulated water in production areas, potentially leading to the transfer of wastes to the surrounding environment.</li> <li>Excessive rainfall may result in the wastewater treatment plant encountering a load that surpasses its design capacity, potentially leading to reduced treatment efficiency and violations of regulatory</li> </ul>			<ul> <li>energy and reducing greenhouse gas emissions.</li> <li>Improvements aiming at ensuring energy efficiency in operations may lead to a reduction in energy consumption and, consequently, a decrease in energy expenses.</li> <li>This article refers to the determination of potential events that may damage the environment during the company's operations and the conduct of risk assessments and taking of preventive measures to prevent these events or minimize their effects.</li> <li>This article refers to the strategies implemented by the company to maintain operational continuity in the face of risks, including</li> </ul>	<ul> <li>Enhancing energy efficiency may lead to a decrease in energy costs, thereby reducing operating expenses in the short term. Improving the efficiency of energy utilization facilitates adaptation to abrupt fluctuations in energy prices and strengthens business resilience against energy disruptions resulting from weather-related incidents.</li> <li>Precautions taken against events that may have negative effects on the environment help minimize potential damage caused by weather events in the short term.</li> <li>Strengthening communication with stakeholders helps the business to be better prepared for weather events in the short term.</li> <li>Maintaining operational continuity can help the organization be more prepared for disruptions caused by weather events in the short term. Implementing emergency plans and activating crisis management</li> </ul>	establishment of societal trust in the medium term and fosters a more robust support network during crises.		Physical	Medium	<ul> <li>unit, aimed at mitigating overflow risks during extreme weather events, is still in progress.</li> <li>We are receiving consultancy support regarding the issue of draining rainwater into the sea. We are further undertaking cooperation projects with universities to renew the sea discharge system. (We are collaborating with universities on a new drainage system designed to channel rainwater into the sea, adapting to the changes brought about by the altered downstream point following the construction of PETLİM Port.)</li> <li>We evaluate the status of open channels and vents to prepare action lists.</li> <li>The dam level is currently monitored online by both PETKİM and the General Directorate of State Hydraulic Works (DSİ). During periods of</li> </ul>		
	Increasing average air temperatures on a global	Due to the increasing average air temperatures, the risks that arise in labor productivity are expressed, especially in sectors where the labor force is intense and work is carried out in outdoor environments (agriculture, construction and mining, etc.).	leading to reduced treatment efficiency and violations of regulatory limits.  • Operational inefficiencies in human resources may lead to workforce	<ul> <li>Interruption of business continuity in a way to endanger the workforce may cause operational difficulties and a decrease in productivity.</li> <li>An increase in occupational safety risks may be observed due to high temperatures.</li> </ul>	Increased downtimes and production disruptions may jeopardize business continuity.	operational costs and managing business processes more effectively.  The implementation of various methods, including automation, digitalization, and process restructuring, facilitates effective management of business processes and reduces operational costs.	Implementing emergency plans and activating crisis management teams assist businesses in minimizing operational disruptions.  Improvements aimed to protect occupational health and safety will	management of operational processes and completion of improvement processes.  Improvements in occupational health and safety are expected to contribute more to employee satisfaction and the reduction of		Physical		General Directorate of State Hydraulic Works (DSi). During periods of excessive rainfall, dam levels are monitored frequently.  The dam gates are opened in a controlled manner by DSi to prevent potential floods. We periodically report to DSi any possible leaks from the dam gates and any maintenance required on the dam gates.  The operational effects of temperature and the effects thereof on the health of employees in the outdoor environment are assessed specifically when necessary and working hours are adjusted accordingly.  We make use of the OHS-E communication tools that will raise	<ul> <li>We intend to reassess the tasks to be performed on-site by contractor companies in accordance with Occupational Health and Safety (OHS) regulations and to adjust working hours accordingly.</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Natural Capital</li> <li>Human Capital</li> </ul>	Labor Practices     Air Quality
	Increasing average air temperatures on a global scale: labor factors		Air and water temperatures affecting electricity generation systems may cause increases in operating costs and financial losses.		Increased downtimes and production disruptions may jeopardize business continuity.	management of business processes and reduces operational costs.     This article refers to making significant improvements in occupational health and safety, identifying risks in dangerous work areas and taking precautions to prevent occupational accidents and occupational diseases.  This article refers to the opportunities of increasing the resilience of the institution owing to the roadmap prepared for reducing energy costs	of the electricity generation sector in the short term. Lower emissions and cleaner energy sources can reduce air and water pollution.  • Enhancing energy efficiency may lead to a decrease in energy costs,	to contribute more to employee satisfaction and the reduction of occupational accidents in the medium term.  Reducing the negative impact on the environment in the medium term can contribute to the more sustainable development of the electricity	Guaranteeing the institution's resilience through a strategic roadmap	Physical	Low	<ul> <li>We make use of the OHS-E communication tools that will raise employee awareness on the subject.</li> <li>Our facilities are equipped with comprehensive Health Services and emergency protocols.</li> </ul>	<ul> <li>A roadmap has been developed as part of the Energy Margin Improvement studies initiated for this purpose in 2024, with planning underway for new investment-requiring projects.</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Natural Capital</li> <li>Financial Capital</li> </ul>	Air Quality     Water Management
	Increasing average air and water temperatures on a global scale: electricity generation	The physical changes that climate change will cause in our country will	Extraordinary weather events may disrupt operational activities,  degrees appreciately officiency and compression supply acquirity.		,	·	thereby reducing the cost of generating energy in the short term.  Improving institutional resilience through a strategic roadmap will facilitate the adaptation of electricity generation facilities to weather events and climate change in the short term. Contingency plans and infrastructure investments help minimize operational interruptions in electricity generation.  Strengthening the institution's strategic position through innovative	· ·	sustainability of the sector.      The completion of the Master Earthquake Project will facilitate the	Physical	Medium	fields and implement the determined energy projects. In addition, an application has been filed to the Ministry of Energy to receive VAP incentives for the projects executed in Petkim and STAR cooling towers.)  • We are making evaluations with regard to alternative fuels. (Alternative fuel unit costs are routinely compared with DG unit costs, and alternative fuel usage is considered in profitable periods, taking into account planning/operation constraints.)	We are performing hazard analyses to assess potential extreme      we determined action plans within the framework of SOCAR Türkiye      Manufactured Capital      Floagoid Copital      Floagoid	Corporate Governance     Material Lies Wests and Circularity
	Resources for climate change adaptation	also create new infrastructure needs compatible with the new climate	decrease operational efficiency, and compromise supply security.  Extraordinary weather conditions may bring OHS accidents to the		,	of climate change transition and adaptation processes facilitate preparedness for anticipated future regulations. The company's resilience is improved through monitoring and evaluating asset security of devices, units, and buildings against extreme weather events. Furthermore the completion of the Master Earthquake Project will	developments bolsters its competitive advantage in the short term and facilitates a stronger market position.  Implementing precautions to mitigate risks and enhancing production continuity through improvements in the adaptation process can enhance business continuity and operational efficiency in the short term. This helps to increase customer satisfaction and maintain market	capacity to adhere to legal and regulatory requirements in the medium term. This further contributes to reducing legal risks and preserving reputation.  • Monitoring and evaluating asset security against extreme weather events enhances the institution's resilience, thereby mitigating	development of resilience of suppliers, thereby enhancing the long-term resilience of the institution's supply chain. This will further contribute to reducing operational risks and improving business continuity in the long	Physical	High	<ul> <li>process and planning the necessary investment actions.</li> <li>To avoid any disruptions in the supply chain to be caused by extreme weather conditions, we intend to request information and documents from supplier companies concerning their precautions including risk assessment and emergency response plans.</li> <li>We develop emergency response plans and conduct drills to ensure prompt and effective intervention in emergencies. R&amp;P Coastal Facility Risk Assessment and Emergency Response Plan has been prepared and drills are being organized in accordance with the plan.</li> <li>To address climate change adaptation processes, we are undertaking assessment and improvement projects under the framework of "Emergency Preparedness and Crisis Management" "Risk Assessment</li> </ul>	weather events and threats from sea level rise, utilizing the Process Safety Management (PSM) Project and Process Safety Management of Change (MOC) processes.  We plan to identify strategic and operational methods, as well as adaptation measures, to address the risks posed by extreme weather events and rising sea levels related to climate change, utilizing scenario analysis studies.  The scope of the Master Earthquake Plan will be expanded via pilot	Corporate Governance     Material Use, Waste and Circularity
		expectations and to integrate into the carbon emission trading system		and fluctuations in energy costs.	global expectations and may experience losses in market share.	while also reducing negative impacts on the environment. In addition,	renewable energy sources may lower the institution's operational costs	Trading System reduces the legal risks that the institution may face by	Adhering to the European Green Deal and the Turkish Emissions Trading System enhances the organization's long-term competitiveness and			<ul> <li>"Emergency Preparedness and Crisis Management" "Risk Assessment and Management," and "Environmental Assessment and Management" through the SAFE Management system.</li> <li>Within the scope of the Master Earthquake Plan, critical purchasing processes and suppliers will be determined and pilot schemes aimed at making them resilient will be conducted.</li> <li>We inform our employees about unexpected weather occurrences and meteorological events, and arrange meetings to discuss supplementary measures to be implemented in operational areas.</li> <li>We assess, document, and validate our Scope 1 and 2 greenhouse gas emissions in collaboration with third-party organizations. We calculate</li> </ul>	<ul> <li>Petkim is currently assessing SPP projects that may be constructed at Çayağzı, Güzelhisar Dam, and raw water reservoirs to improve</li> <li>Measures and actions that can be implemented to mitigate the risks are currently being assessed, and studies on the issue is still in progress.</li> <li>Natural Capital</li> <li>Financial Capital</li> </ul>	Greenhouse Gas Emissions     Corporate Governanace
	Renewable energy supply needs	expectations and to integrate into the carbon emission trading system that Türkiye will put in place. In this context, renewable energy resources need to be utilized effectively. The risks that may arise as a result of inefficient utilization of renewable energy resources are stated below.  The effects on the environment, including land use for corporate operations, habitat destruction, depletion of the water resources, and biodiversity loss, pose both ecological and financial hazards. The	<ul> <li>and negative environmental impacts.</li> <li>Failure to comply with regulations regarding carbon emissions may result in reputational and financial losses.</li> <li>Increased air, water and soil pollution may trigger a decrease in biodiversity.</li> <li>A decrease in biodiversity and fish populations in marine ecosystems</li> </ul>	<ul> <li>and fluctuations in energy costs.</li> <li>Failure to provide efficiency in electrical energy generation will increase production costs</li> <li>Ecological balance may be disrupted as a result of ecosystem destruction.</li> <li>Limitations on natural resources resulting from diminished biodiversity</li> </ul>	global expectations and may experience losses in market share.     Failure to meet carbon emission targets may lead to reputation loss.  The company may experience negative impacts on its financial situation due to reputation loss.  The demographic composition in the region may change due to	while also reducing negative impacts on the environment. In addition, compliance with the European Green Deal and the Turkish Emissions Trading System is important in terms of compliance with international standards and regulations. This compliance further means meeting the expectations of stakeholders while achieving the company's sustainability goals.  Our organization adopts various strategies to maintain ecological equilibrium and safeguard the rights of living organisms by assuring the sustainability of natural resources. In this context, we aim to	renewable energy sources may lower the institution's operational costs in the short term. This further improves profitability and provides a competitive advantage.  • Mitigating the adverse effects on the environment through the use of renewable energy sources fosters a favorable perception of environmental sustainability and societal approval in the short term. This increases the trust of customers and stakeholders.  • Maintaining ecological equilibrium and the sustainability of natural resources aids in safeguarding natural environments and averting short-term biodiversity loss. This signifies a beneficial effect regarding	Trading System reduces the legal risks that the institution may face by ensuring compliance with regulations in the medium term and secures future operational stability.  Meeting stakeholder expectations by using renewable energy sources contributes to the strengthening of the institution's understanding of social responsibility and its relations with stakeholders in the medium term.  Raising employees and stakeholders' awareness, along with securing their involvement in biodiversity conservation, will bolster the institution's comprehension of social responsibility and elevate environmental	System enhances the organization's long-term competitiveness and broadens market opportunities by facilitating the implementation of sustainability-oriented strategies.  • Disseminating the measures implemented and field studies undertaken through suitable media enhances the company's brand and credibility, while solidifying the institution's leadership role in sustainability over	Transition	Medium	<ul> <li>emissions in collaboration with third-party organizations. We calculate greenhouse gas emissions at Petkim on a monthly basis.</li> <li>Petkim will be switching to renewable energy sources for electricity generation through the Wind Power Plant.</li> <li>We are undertaking projects aimed at enhancing energy efficiency through various operating strategies.</li> <li>We avoid operating in areas with the highest biodiversity value.</li> <li>In 2021, we published the Biodiversity Policy entitled 'SOCAR Türkiye's Position on Biodiversity'.</li> </ul>	at Çayağzı, Güzelhisar Dam, and raw water reservoirs to improve alternative renewable energy sources.  • We plan to construct Rooftop Solar Power Plants in order to mitigate our negative impact on the environment and reduce energy costs.  • Our comprehensive projects, interalia, will include efforts on biodiversity  • Measures and actions that can be implemented to mitigate the risks  • Natural Capital	Corporate Governanace Transparency and Risk Management Material Use, Waste and Circularity  Biodiversity and Ecological Welfare Greenhouse Gas Emissions
	Nature-related risks	and biodiversity loss, pose both ecological and financial hazards. The	<ul> <li>A decrease in biodiversity and fish populations in marine ecosystems may prompt fishermen to seek new fishing grounds within the coastal security zone, potentially resulting in a security breach.</li> </ul>	<ul> <li>Limitations on natural resources resulting from diminished biodiversity may disrupt output due to insufficient natural resource availability (e.g., reduction in water supply).</li> <li>Deterioration of soil and water quality and inadequacy of water resources may reduce production efficiency in the short term.</li> <li>Insisting on unsustainable methods for procuring raw materials (water, bio-based resources, etc.) may increase production costs in the medium term.</li> </ul>	<ul> <li>The demographic composition in the region may change due to biodiversity loss, and a decrease in the population may result in challenges for SOCAR and contractor firms in sourcing qualified staff.</li> <li>Increased biodiversity and natural resource loss may further increase indirect emissions by decreasing carbon sink capacity.</li> <li>Regulations related to nature (mandatory TNFD disclosures, habitat protection obligations) may bring about stricter obligations in the long term.</li> <li>Negative perception towards nature may cause investors to give the company a low ESG score.</li> </ul>	the sustainability of natural resources. In this context, we aim to preserve and expand green areas through afforestation projects. Various awareness-raising activities are also included in this scope to increase the awareness of our employees and stakeholders on this issue and to ensure that they contribute to the protection of biodiversity. This serves the purpose of social and environmental sustainability in addition to fulfilling the responsibility towards the natural environment.  Organizations capable of managing nature-based risks might get a cost advantage by proactively adhering to laws. Investments in projects that preserve the ecosystem increase production capacity in harmony with nature and contribute to environmental reputation and brand value. Compliance with global standards such as TNFD facilitates	short-term biodiversity loss. This signifies a beneficial effect regarding sustainable resource availability and operational continuity for sectors reliant on natural resources.  Safeguarding and expanding green spaces by afforestation initiatives may avert habitat degradation in the short term and aid in the	comprehension of social responsibility and elevate environmental consciousness in the medium term. This may help more sustainable use of natural resources and the conservation of biodiversity over the long run. Turning to alternative energy sources and raw materials reduces the	while solidifying the institution's leadership role in sustainability over the long run. This will further improve public support and stakeholder confidence by effectively communicating environmental and	Transition	Medium	<ul> <li>Position on Biodiversity'.</li> <li>We are conducting studies on biodiversity assessment in terrestrial and marine environments within the SOCAR Türkiye Special Industrial Zone, with the involvement of experts.</li> <li>We organize sapling donation campaigns within the scope of the afforestation project.</li> <li>We stay updated on current situations concerning the company through national and international regulations and agreements. (Ramsar, MARPOL, IMO etc.)</li> <li>We have developed a "Biodiversity Assessment Report" and a "Biodiversity Action Plan" based on the research conducted by experts.</li> <li>Based on our "Biodiversity Action Plan", we conducted a marine biodiversity monitoring study with local academics in 2024.</li> </ul>		Water Management     Air Quality
								RISK ASSESSMENT CI	RITERIA					
								MON ASSESSMENT CI	MITENIA					

Maturity of Risk	Severity of Risk

1	Maturity of Risk	Severity of Risk
	Short: 0-2 years	
	Intermediate:-2-5 years	Low Medium High Critical
	Long: 5+ years	

Risk Level	Impact Definition
Low	It partially affects the achievement of strategic goals and the flow of processes.  Detail definitions: Issues that do not pose a significant risk from a strategic, operational, compliance, reputational, business and financial perspective.
Medium	It affects the achievement of strategic goals and the flow of processes. It poses a threat to the correct completion and/or completion of the process.  *Detail definitions:  * Deficiencies that do not have a significant impact on operations, workforce, or compliance at the organizational level  * Situations that may have a widespread and non-significant reputational impact  * Lack of control that may result in an insignificant amount of financial loss or insignificant financial reporting of an insignificant amount  * Non-major non-compliance with company policies/procedures  * Insignificant disruptions in achieving the purpose of the control due to the inability to perform some non-key controls effectively or the ineffectiveness of the existing control design
High	It significantly affects and prevents the achievement of strategic goals, the correct completion of the process and/or the completion of the process.  Detail definitions:  * Lack of control that could result in significant financial loss or inaccurate financial reporting  * Significant control deficiencies related to operations, OHS, or compliance at the agency level  * Risk of irregularities or misconduct  * Situations that may cause significant and widespread reputational damage  * Serious non-compliance with company policies/procedures  * Serious disruptions in achieving the purpose of the control due to the inability to perform key controls effectively or the ineffectiveness of the existing control design  * Non-compliance with ethical rules
Critical	These are events that occur outside the risk capacity of the company (the highest level of risk that the Authority can tolerate its existence).  Detail definitions:  Any event that stops operations and activities, suspends the authority to operate.