SUSTAINABILITY REPORT **2022**

CCN GROUP

CCN GROUP

SUSTAINABILITY
REPORT **2022**

Corporate
Governance

Our
Value Chain

Environmental
Management

Digitalization and
Information Security

Work Life at
CCN Group

Occupational Health
and Safety

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ABOUT THE REPORT

We would like to present to you, our distinguished stakeholders, our second sustainability report introducing our social, economic and environmental impact management strategy, our sustainability priorities and the performance results we have achieved in line with these priorities, our prominent projects and targets.

This report has been prepared in accordance with GRI standards. The priority issues that form the basis of the report content have been obtained as a result of the processes carried out in accordance with the reporting principles. The scope of the report consists of the activities carried out within CCN Group between January 1, 2022, and December 31, 2022. Environmental data within the scope of the report includes Ankara and Mersin City Hospitals, İzmir Ted College and Kocaeli Ted College, which we manage together with our partner; while social data covers all CCN Group companies.

You can access our report from our website under the sustainability tab. Please contact us at surdurulebilirlik@ccngroup.com.tr for any comments and suggestions regarding our sustainability activities and reporting.

MESSAGE FROM THE CHAIRPERSON OF THE BOARD

> Led by our "Environment and People First" principle and guided by the UN SDGs, we are working hard to achieve the United Nations Sustainable Development Goals."

Distinguished Stakeholders,

As we present our 2022 sustainability data and the progress in our sustainability journey, we would like to express our tremendous sympathy and sadness for the tragic earthquake that occurred on February 6, 2023, and affected millions of people in 11 provinces across Türkiye. We wish our condolences to the relatives of the people we lost during the earthquake and to our dear country.

As CCN Group, in cooperation with IC İbrahim Çeçen Foundation and in coordination with all public institutions and organizations, we have rapidly implemented many projects and activities to heal the wounds of our citizens affected by the earthquake and to reduce the devastating effects of the disaster. In this context, we primarily supported the search and rescue efforts in the region to meet the needs of our citizens affected by the earthquake. All of our employees, including 6,844 experts, participated in the search and rescue efforts in the region alongside our Group's contractor companies and IC Holding, and saved hundreds of lives. We provided food and essential support to the disaster victims and their relatives who are being treated at our Mersin City Hospital. We would like to thank all our colleagues who participated in the search, rescue and relief efforts and worked wholeheartedly. In these days, in which we once again remembered that we are a strong family, we will pursue to heal our wounds together by continuing our aid to the region.

We are aware of the urgent need for joint efforts to achieve a more sustainable future. In this context, we are working hard to achieve the United Nations Sustainable Development Goals, led by our "Environment and People First" principle and guided by the UN SDGs. As in previous years, 2022 was a year in which we continued our sustainability focused activities without slowing down. We carried out activities that added value to our stakeholders, especially in the areas of energy efficiency, digital transformation, and gender equality.

In line with the Paris Climate Agreement targets, in 2022 we achieved 9.7% more energy savings than the in previous year as a result of the projects we carried out to reduce our environmental footprint. We reduced respectively our Scope 1 and Scope 2 emissions by 5% and 6% at our Ankara and Mersin City Hospitals. In the upcoming period, we aim to address green building practices in depth and to make concrete progress in this regard in addition to our energy efficiency focus.

We ensured more efficient use of resources, energy, processes and employee allocation with our "Digital Workforce Management and Facility Management" applications developed as part of our digital transformation, which is one of the most important determinants of the way we do business. In 2023, we aim for an end-to-end digitalization of our service, construction and education sectors.

In order to ensure gender equality within our Group, we continued to implement practices that support women's employment and increased the number of female employees in managerial positions. During the reporting period, the female employee ratio was 46% and the Board of Directors female members ratio was 50%. 31% of our managerial roles are led by female employees. We will continue to set an example for all sectors and the business world in which we operate in by expanding practices aimed at increasing women's employment.

With the aim of increasing the competencies of our human resources and contributing to "Decent Work and Economic Growth", we organized trainings that support the professional and personal development of our workforce which is our most important asset . In 2022, we provided a total of 42,930 person*hours of training.

We will continue to follow the global agenda on sustainable development, contribute to the United Nations Sustainable Development Goals and further improve our performance with the support of our valued stakeholders and employees. We are very pleased to present to you our second sustainability report, in which we summarize our achievements and thank you for being with us on this journey.

Murat ÇEÇEN
Chairperson of the Board of Directors

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ABOUT CCN GROUP

CCN Group has played since its establishment a vital role in bringing Türkiye to a competitive global position with its innovative and inspiring projects. Today, CCN Group operates in the fields of construction, healthcare, service delivery, education and technology with a commitment to ethical values, awareness of social responsibility, reliability and with the aim to provide quality services in all fields of activity.

CCN Group adopted the "Environment and People First" principle and aspires to become a pioneering company at world class standards creating and maintaining healthcare, education and service delivery outcomes and breaking new grounds with a sense of social responsibility.

OUR STRATEGIC GOAL

To become one of the leading groups domestically and globally in the fields of healthcare, investment management, construction, digital solutions and facility management.

Since its establishment in 2007, CCN has become a multidimensional organization operating globally with the mission of being a pioneer and leader in the fields of construction, healthcare, service delivery and education and with focus on innovation and technology management.

OUR VALUES

For our customers;
- To support and manage change, and to follow environmentally friendly technology.
- To deliver work on time at the promised standards and conditions.
- To provide an environment of trust for our customers by creating sustainable brand value in all areas in which we operate with CCN Group and our affiliated companies.

For our employees;
- To enhance work experience through the continuous provision of the necessary technological resources, work environment and freedom of expression, as well as applying quality management, production and service delivery approaches.
- To ensure that employees are open to development, innovation and apply the principle of fairness in the workspace.
- To increase corporate loyalty by adopting a human rights approach for our employees.
- To adopt a business-oriented approach based on the merits principle in the recruitment and on-boarding processes.
- To ensure that the accumulated work knowledge and experience develop into a corporate culture.
- To ensure that the corporate culture is accessible and influenceable by all employees and stakeholders.
- To provide equal development and advancement opportunities for all stakeholders and to increase motivation by prioritizing the personal development, competition and happiness of our employees.

For our business partners;
- To create long-term partnerships based on honesty and trust.
- To be a leader by example in all fields of activity in terms of efficiency, quality and occupational safety.
- To be a leader in all fields of activity with our experienced and trained employees.

MILESTONES

2007
- We launched the Baku State Beach Houses project and the Baku Heydar Aliyev Center project designed by the world-renowned architect Zaha Hadid.

2008
- We launched our Baku Flame Towers project, designed by the world renowned prestigious architectural firm HOK.

2011
- We received the Design Award by Wallpaper magazine with our Baku Heydar Aliyev Center project.

2012
- We were included in the ENR Magazine's International Contractors List not long after our establishment.

2013
- We officially opened our Baku Heydar Aliyev Center, the cultural center of Azerbaijan.
- Our Baku Flame Towers Project won the "Best Hotel and Tourism Complex" award by MIPIM.

2014
- Our Baku Flame Tower project, symbol of Baku, was completed.
- Our Mersin Integrated Health Campus Project won the Best PPP Contract (CEE) award in the Project Finance category by EMEA Finance.
- In the 2014-2015 academic year, TED Izmir College started its education under the auspices of the Turkish Education Association.

2015
- The largest financial close for a healthcare campus projects took place with the participation of seven banks as part of the Public-Private Partnership model in Türkiye.
- Our Bilkent Integrated Health Campus Project was awarded the Contract of the Year-Türkiye by PFI, and the Best Social Development Contract (CEE) and Best Healthcare Service Contract (EMEA) by EMEA Finance in the Project Finance category.
- We received the Infrastructure Finance Contract of the Year award by Bonds, Loans & Sukuk.
- We have become one of Türkiye's leading yacht construction and management companies.
- In the 2015-2016 academic year, TED Kocaeli College started its education under the auspices of the Turkish Education Association.

MILESTONES

2016
- With our Bilkent Integrated Health Campus project, we won the "Silver Award" in the "Best Healthcare Project" category at the Partnerships Awards and the "Healthcare Service Contract of the Year" award in the "Project Finance Contracts of the Year" category at the World Finance Awards.

2017
- Mersin City Hospital, which was built with Türkiye's first Public Private Partnership Model, was completed and started to be operational.
- Our project received an award in the category of "The best RFID application in health services in 2017" with the "RFID based inventory management and location tracking system" application we carried out in Mersin City Hospital.

2018
- Preparations for the opening and operation phase of the Ankara City Hospital was launched.

2019
- Ankara Bilkent City Hospital started partial operations.

2020
- Ankara Bilkent City Hospital started fully operational period.

2021
- We opened the Azerbaijan office.

2022
- We opened the Romania office.

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GRI 2-1

OUR COMPANIES

CCN Construction

CCN Construction specializes in the design and construction of complex health campuses, performing project management activities consisting of design, procurement and construction in prestigious and large-scale superstructure projects, especially projects in which CCN Group is an investor. Starting in 2006 with the construction of world-class buildings in Baku, the capital of Azerbaijan, CCN Construction has utilized its international experience for the construction of Türkiye's largest health campuses, hotels and schools.

CCN Health

As the leading service provider of integrated health campuses established with the Public-Private Partnership model, CCN Health continues its activities as a solution provider serving the government administration and various financiers. Having played an active role in the realization of Mersin and Ankara City Hospitals, the first Public-Private Partnership projects in Türkiye, CCN Health has a track record of managing health campuses with 5,098 bed capacity on an area of 1,674,813 m^2 and serves annually 10 million patients with 6,800 personnel.

CCN Security

CCN Security provides effective and high-quality security services in line with the integrated security concept by using security technologies and systems specific to the risks and needs of institutions, organizations and businesses of which it is a solution partner and ensures the professional development of security employees through general and project-specific trainings.

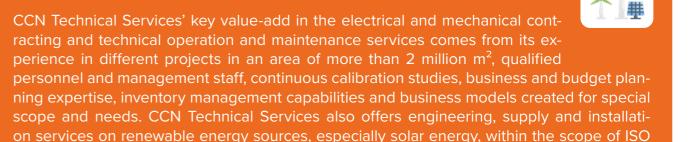Total number of employees:
1.200

CCN Service

CCN Service provides the following services with its experienced expert staff of 4,200 people:

- Catering Services: There is a daily production capacity of 40,000 meals, and meals are served untouched with specially designed electric trolleys with heating and cooling technology.

- Cleaning and Disinfection Services: Approximately 1,700,000 m^2 of closed area cleaning and disinfection services

- Laundry Services: Average of 20 tons of laundry services per day

- Waste Management Services: Management of 35 tons of waste per day on average

- Parking Services: 11,000 vehicle capacity parking lot service

- Guidance, Reception and Transportation Services

CCN Technical Services

CCN Technical Services' key value-add in the electrical and mechanical contracting and technical operation and maintenance services comes from its experience in different projects in an area of more than 2 million m^2, qualified personnel and management staff, continuous calibration studies, business and budget planning expertise, inventory management capabilities and business models created for special scope and needs. CCN Technical Services also offers engineering, supply and installation services on renewable energy sources, especially solar energy, within the scope of ISO 50001 certification.

Total number of employees:
600

- Building and Land Services
- Exceptional Maintenance and Repair Services
- Common Services
- Ground and Garden Maintenance Services

- Biomedical Services
- Furnishing Services
- Engineering, Supply and Installation Services (Energy)

GRI 2-1

OUR COMPANIES

CCN Clinic

CCN Clinic offers laboratory, imaging, sterilization and disinfection services with 1,400 employees. Within the scope of Laboratory Services, 180,000 tests are performed daily, 15,000 images are taken daily within the scope of Imaging Services, and 1,500 sterilizations/disinfections are performed daily within the scope of Sterilization and Disinfection Services.

Infera Technology

Infera Technology provides software and system integration solutions in the fields of healthcare, energy, tourism and services within the framework of ISO 27001 Information Security Management System, ISO 15504 SPICE Level 2 and ISO 14001 Environmental Management System standards and provides 24/7 uninterrupted service to 50,000 technological active devices and software within the scope of Hospital Information Management System Services.

CCN Education

CCN Education has started to operate in the education sector since 2013 as part of CCN Group. As a result of its cooperation with the Turkish Education Association, one of the most distinguished organizations in Türkiye, CCN Education has been successfully operating Ted Izmir College starting from the 2014-2015 academic year and Ted Kocaeli College starting from the 2015-2016 academic year under the umbrella of the Turkish Education Association.

OUR SOLUTIONS

INTEGRATED AND DIGITAL FACILITY MANAGEMENT

Sub-units of companies or institutions are gathered under a single roof and business processes are managed by establishing a communication network between all units with Integrated Facility Management covering information/reception, travel planning, cleaning, security, parking, disinfection, catering, waste management services, as well as technical maintenance and repair. As an Integrated Facility Service Provider, CCN Group is responsible for all supporting service functions. With the understanding of Digital Facility Management, we aim to digitalize end-to-end our business by focusing on the digitalization of our Group companies.

Advantages We Provide

- With the communication and coordination to be established between each unit, information exchange and service follow-ups are realized at the highest level.

- Needs for integrated facility services are met on time and with quality service understanding.

- With expert and experienced management staff, the support needed is provided on time, completely and with appropriate equipment.

- Innovative solutions and international standards for services are followed and services are provided accordingly.

- Resource optimization is created through continuous system improvements.

- Time, personnel and facility efficiency is ensured.

- A continuous relationship is established with the customers from the contract stage until the end of the service period.

- The demands of the customers are understood in the best way and the most suitable solution is offered.

- With the advantage of one-stop Digital Facility Management, a comfortable management system is established and uninterrupted service is provided to our customers.

CORPORATE GOVERNANCE

Ethics Management
Risk Management
Internal Control and Audit
Sustainability Management
Stakeholder Engagement

CCN GROUP
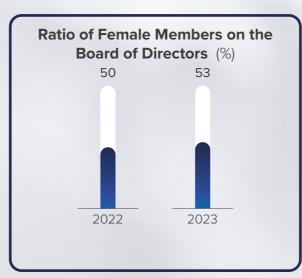
We ensure the sustainability of our operations through our strong corporate governance practices. While managing our operations within the framework of the legal requirements under the guidance of our corporate values and ethical principles, we strive to continuously increase the value we create for our stakeholders. We make efforts to realize our service quality at the highest level by integrating recognized national and international standards into our operations.

The highest governance body of our corporate governance practices is the Board of Directors, and the duties of Chairperson of the Board of Directors and General Manager are carried out by different individuals. The Board is composed of executive and non-executive members, with executive members selected from executives who have worked for CCN Group for many years. Elections are carried out in accordance with the decision of the General Assembly and the relevant legal provisions.

At CCN Group, we are working to increase the number of women employees at the executive level. Information on the number of female members in our Board of Directors is given below:

Number of Female Members on the Board of Directors

	2022		2023	
	6	6	8	7

● Female ● Male

Ratio of Female Members on the Board of Directors (%)

2022	2023
50	53

Note: Based on the number and ratio of female members on the Boards of Directors of all Group Companies.

The Board of Directors is also the highest governance body in the management of sustainability issues. In this context, the Board

◆ Determines the sustainability policy and strategy.

◆ Establishes the sustainability communication strategy and shares completed and ongoing projects and sustainable products with internal and external communication units under this governance body.

◆ Plans and manages corporate social responsibility projects in priority areas.

CCN GROUP ORGANIZATION CHART

CCNGROUP

BOARD OF DIRECTORS

Audit Unit — Board Secretary

CCN Group Central Units*

| COO | Finance and Financial Affairs Unit | Legal Management Unit | Business Development and Business Excellence Directorship | Human Resources Directorship |

| Performance Monitoring and Process Management Unit | Purchasing Unit | Contracting Unit |

* These units serve all Group companies.

CCN HEALTH
BOARD OF DIRECTORS

General Management

ANKARA HEALTH / MERSİN HEALTH

CCN CLINIC
BOARD OF DIRECTORS

Clinic Unit

CCN SERVICE
BOARD OF DIRECTORS

General Management

CCN SECURITY
BOARD OF DIRECTORS

General Management

CCN TECHNICAL
BOARD OF DIRECTORS

General Management

CONSTRUCTION GROUP
BOARD OF DIRECTORS	BOARD OF DIRECTORS
General Management	General Management
CCN CONSTRUCTION	ICEYACHT

TECHNOLOGY GROUP
BOARD OF DIRECTORS	BOARD OF DIRECTORS
General Management	General Management
INFERA TECHNOLOGY	DIAS GROUP

CCN EDUCATION
BOARD OF DIRECTORS	BOARD OF DIRECTORS
General Management	General Management
TED COLLEGE İZMİR	TED COLLEGE KOCAELİ

ETHICS MANAGEMENT

As CCN Group, we conduct our operations within the framework of our Ethical Principles and Policies and in compliance with the laws and regulations we are subject to. We expect our business partners, including our customers, suppliers and other key stakeholders, to comply with our Ethical Principles and Policies, which are binding for all our employees. Code of Ethics Training is provided to all Group companies by the Human Resources Department to ensure awareness of the ethical policy. In addition, information on ethical principles and policies is provided in the orientation training given to each new employee.

Under the CCN Group Ethical Principles and Policies Guide;

- ◆ We prohibit corruption and bribery and maintain a zero-tolerance policy for illegal and unethical behavior.
- ◆ We do not accept or offer extra payments in relation to the service provided. Illegal payments to expedite a standard government process are prohibited.
- ◆ We do not give or accept preferential treatment to or from anyone, especially in situations where there is a risk of compromising the integrity of our Group.
- ◆ We will not tolerate any deceptive acts by an employee (Deceptive acts may include, but are not limited to, embezzlement, misappropriation of our Group's assets and false financial reporting).
- ◆ We will not hold an employee responsible for refusing to engage in any improper activity or refusing to give or receive a bribe that results in lost business.
- ◆ We maintain effective accounting practices and internal controls to detect and report violations related to improper payments listed in the Anti-Bribery and Anti-Corruption Procedure. We fully and accurately record all interactions with government officials or employees or agents of state-owned entities.
- ◆ Before offering any gifts, hospitality or charitable donations to a government official, we seek the prior consultation of our Board and Legal Department.

Click for CCN Group Ethical Principles and Policies Guide.

The Ethics Committee, which reports to the Board of Directors, is the most authorized body in our Group to ensure full compliance with ethical principles. The Ethics Committee, consisting of Legal, Human Resources and Internal Audit managers, is responsible for evaluating ethical violations and taking necessary actions.

In the event or suspicion of an ethical violation, all our stakeholders and employees can report to the Ethics Committee via etik@ccngroup.com.tr and can access the ethics hotline anonymously or personally.

RISK MANAGEMENT

Under the responsibility of our Risk Committee, we make projections for risks and opportunities through our effective internal control system and internal audit practices, prevent related risks before they are exposed, and take measures to resolve identified risks. In this context, in addition to financial, operational and strategic risks, we also evaluate risks related to sustainability and climate change.

Risks and opportunities related to the material issues we have identified as part of our sustainability management efforts are periodically reviewed by our working group and findings are reported directly to the Board of Directors.

> "We closely follow the developments in the EU Border Carbon Regulation and the climate change law draft in Türkiye, assess the risks related to climate change and prepare action plans."
>
> **Azer Havlioğlu - Board Member**

INTERNAL CONTROL AND AUDIT

Internal control is the control activities we carry out to ensure the operational effectiveness of processes, support efficiency, protect corporate assets and increase compliance with internal and external regulations. Internal control at CCN Group includes operational process design and testing, revision if necessary, performance monitoring-measurement-evaluation and reporting, process audits and operational process definitions, nonconformity and corrective action follow-up, risk and opportunity identification activities, quality management systems compliance audit, evaluation and reporting processes.

At CCN Group, the Internal Audit department provides assurance and consultancy activities with a risk-focused, proactive, independent and objective perspective by measuring the effectiveness of risk management, control and governance processes in order to improve the organization's activities, add value and ensure the accuracy of financial data. The Internal Audit team conducts its work in accordance with the International Standards for the Professional Practice of Internal Auditing. Auditors hold national and internationally recognized professional certifications such as CIA (Certified Internal Auditor), CISA (Certified Information Systems Auditor), CFE (Certified Fraud Examiner) and SMMM (Certified Public Accountant).

SUSTAINABILITY MANAGEMENT

The CCN Group Sustainability Committee was established to report to the Board of Directors in order to fulfill its duties of determining the sustainability strategy in economic, social and governance areas, implementing, monitoring, auditing, reviewing, improving and developing policies, targets and practices in the field of sustainability. The Committee consists of four main working groups: the Environment and Energy Working Group, the Governance Working Group, the Social Working Group and the Sustainability Reporting Group. The Committee includes a professional team of internal audit, legal, performance monitoring and process management, human resources, business development and environmental engineers.

In addition to the Sustainability Committee, the Internal Audit Coordination Department includes sustainability activities in all audit reports and reports to senior management.

Click for CCN Group Sustainability Policy.

Sustainability KPI realizations are shared with the Board of Directors on a semi-annual basis by the Performance Monitoring Coordination Department.

CCN Group's Sustainability Leader is Berfin Çeçen, who is also a member of the Board of Directors. The fact that the representation of CCN Group in the Board of Directors, the highest governance body of CCN Group, is ensured by our Sustainability Leader makes it possible for the relevant agenda to be constantly monitored by the Board of Directors.

> "We observe sustainability principles in investment planning, prioritization, analysis, and decision-making processes. We determine our strategy with the oversight of the Board of Directors to reduce the emission impacts of the investments in our portfolio."
>
> **Mina Melik Şentürk - Board Member**

During the reporting period, a Sustainability Workshop was organized with the participation of all CCN Group senior executives, where sustainability activities carried out during the year and next year's targets were presented.

Within the scope of the 2021 report, sectoral and general sustainability issues were identified in the priority issue identification study led by the Sustainability Committee, and CCN Group Sustainability Priorities were established by evaluating these material issues with a broad group of internal and external stakeholders. During the reporting period, a revision study was carried out taking into account stakeholder feedback. The priority issues we have achieved in this context are as follows:

Stakeholder Expectation Level

3
• Equality and Diversity at Work
• Responsible Supply Chain

1
• Data Security and Digitalization
• Waste Management
• Customer Satisfaction
• Employee Satisfaction and Development
• Occupational Health and Safety
• Emergency Preparedness / Business Continuity
• Corporate Governance
• Contribution to Social Development

2
• Water Management
• Energy and Emission Management
• Green Building Practices
• Combating Climate Change

Impact Level on CCN Operations

SUSTAINABILITY MANAGEMENT

As CCN Group, we aim to contribute to the Sustainable Development Goals with the priority issues and targets we have identified. In this context, the SDGs we contribute to in terms of our priority issues are as follows:

Data Security and Digitalization — 8 DECENT WORK AND ECONOMIC GROWTH

Waste Management — 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Customer Satisfaction — 11 SUSTAINABLE CITIES AND COMMUNITIES

Occupational Health and Safety — 8 DECENT WORK AND ECONOMIC GROWTH

Emergency Preparedness / Business Continuity — 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Corporate Governance — 12 RESPONSIBLE CONSUMPTION AND PRODUCTION / 17 PARTNERSHIPS FOR THE GOALS

Water Management — 6 CLEAN WATER AND SANITATION

Employee Satisfaction and Development — 4 QUALITY EDUCATION

Energy and Emission Management — 7 AFFORDABLE AND CLEAN ENERGY / 13 CLIMATE ACTION

Green Building Practices — 7 AFFORDABLE AND CLEAN ENERGY / 13 CLIMATE ACTION

Combating Climate Change — 13 CLIMATE ACTION

Contribution to Social Development — 4 QUALITY EDUCATION

Equality and Diversity at Work — 5 GENDER EQUALITY

Responsible Supply Chain — 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Within the scope of the 2021 reporting study and as a start, the developments regarding our sustainability targets, including the targets for 2022, are as follows:

Our Sustainability Goals	Short Term (2022) (1 Year)	2022 Realizations	Mid-Term (1-5 Year)	Long Term (5-10 Year)
Increasing the number of female employees and reaching the ratios set for the short-medium-long term	47%	46%	50%	50%
Developing a social responsibility project on Gender Equality with IC Foundation		Realized. (Mentorship Project developed in 2022 will be implemented in 2023)	✓	
Reducing overall energy consumption for Ankara and Mersin City Hospitals	10%	9,7%	15%	20%
Collecting the data of our existing projects, researching the advantages of Solar Energy Systems and increasing capacity				✓
Establishing an energy management system for Ankara City Hospital			✓	
Ensuring energy savings by replacing existing lighting groups with LED luminaires in Ankara and Mersin City Hospitals		Realized.		✓
Reducing energy consumption through activities aimed at raising employee awareness	✓	Realized.		
Investigating Eco School and renewable energy projects applicable to Ted College	✓	Realized.		
Carrying out afforestation works within the scope of carbon offset works (pcs/year)	15,000	20,375	20,000	15,000
Developing projects to reduce carbon emissions and greenhouse gas emissions (project/year)	3	4	5	10
Developing projects to reduce water consumption (project/year)	2	Research has been conducted for projects related to water treatment systems and rainwater storage. The process is ongoing.	4	6
Investigating storage and day heat systems for water use and increasing the capacity of existing systems			✓	
Investigating the treatment system for water use and determining the methodology for capacity increase of existing systems.	✓	The process is ongoing.		
Implementing rainwater harvesting project				✓

SUSTAINABILITY MANAGEMENT

Our Sustainability Goals	Short Term (2022) (1 Year)	2022 Realizations	Mid-Term (1-5 Year)	Long Term (5-10 Year)
Increasing the satisfaction rates of hospital visitors in services such as parking, food, cleaning, etc. within the scope of the vision of Health Institutions of the Future	92%	93%	94%	95%
Reducing the accident severity rate calculated for loss of workforce	0.75	0.95	0.7	0.65
Implementing projects within the scope of compliance with CMB Corporate Governance Principles	3	Since the Company ceased to be subject to the CMB with the exit from the REIT structure, the relevant committees were not established.	5	7
Establishing committees in accordance with Corporate Governance legislation			✔	
Establishing Ethics and Compliance department			✔	
Providing employees with the necessary information to ensure compliance with the Code of Ethics	✔	Realized.		
Establishing the Sustainability Department			✔	
Providing basic sustainability training to all our employees.			✔	
Identify the sustainability certificates to be obtained.			✔	
Establishing CCN Academy	✔	Realized.		
Implementing responsible procurement practices			✔	
Number of supplier visits (visits/year)	25	25	150	175
Including clauses regarding our Ethical Principles in procurement contracts	50%	100 %	75%	100%

STAKEHOLDER ENGAGEMENT

The valuable feedback provided by our stakeholders plays an important role in the success of our sustainability journey and the sustainability of our operations. In this regard, we consider stakeholder feedback as an important development opportunity and actively use the feedback we receive from our stakeholders to improve our performance in relevant areas. We strive to improve the quality of the feedback we receive by differentiating the channels we communicate with our stakeholders according to their needs and importance.

Our main stakeholders that have an impact on our operations and have the potential to be directly affected by our operations are the Ministry of Health, Public Institutions, Customers, Employees, Suppliers, Collaborations and Society. Feedback on our performance through communication channels, the frequency and method of which we determine according to the needs of stakeholder groups, is collected by the relevant responsible departments throughout the year and the findings obtained are evaluated and reformative measures are taken.

STAKEHOLDER ENGAGEMENT

OUR STAKEHOLDERS	ENGAGEMENT METHOD	ENGAGEMENT FREQUENCY	COMMUNICATION TARGET
Settlements and Institutions in the Activity Area	◆ Project Visits ◆ Meetings	◆ When needed	◆ Determination of impact on residential areas, determination of actions to be taken
Local and National Government Agencies	◆ Visits of institutions to the operation area ◆ Meetings ◆ Official Correspondence	◆ Once a month or when needed	◆ Determining the actions to be taken by interacting with government agencies
Ministry of Health	◆ Meetings ◆ Official Correspondence	◆ Once a month or when needed	◆ Determining the actions to be taken through interaction
Customers	◆ Project website ◆ Social media accounts ◆ Satisfaction surveys	◆ At regular intervals in line with communication needs	◆ Regular information sharing on the current situation and developments
Civil Society Organizations (NGOs) and relevant International Institutions	◆ Visits by NGOs ◆ Meetings ◆ Website, social media accounts	◆ At regular intervals in line with communication needs	◆ Regular information sharing on the latest situation, developments and possible joint projects
Investors and Credit Providers	◆ Institutions' visits to the project area ◆ Meetings with the participation of project managers ◆ Various written/printed reports about the studies ◆ Project website, social media accounts	◆ At regular intervals in line with communication needs	◆ Regular information sharing on the current situation and developments ◆ Monitoring of operation processes ◆ Informing about environmental/social impacts and actions taken

OUR STAKEHOLDERS	ENGAGEMENT METHOD	ENGAGEMENT FREQUENCY	COMMUNICATION TARGET
Employees	◆ Meetings ◆ Social media accounts ◆ Suggestion system ◆ Employee survey	◆ At regular intervals in line with communication needs ◆ Suggestion system once a month ◆ Employee survey annually	◆ Regular information sharing on the current situation and developments
Subcontractors	◆ Meetings ◆ Official Correspondence ◆ Service Satisfaction Survey ◆ Trainings	◆ Once a month (or as needed) ◆ Surveys according to the times specified in the relevant contract	◆ Determining the actions to be taken through interaction
Suppliers	◆ Meetings ◆ Official Correspondence	◆ When needed	◆ Determining the actions to be taken through interaction
Collaborations - Business Council for Sustainable Development (BCSD Türkiye)	◆ Meetings	◆ At regular intervals in line with communication needs	◆ Regular information sharing on the latest situation, developments and possible joint projects

With the practices carried out within the scope of the "Stakeholder Engagement Plans" initiated during the construction phase of Ankara and Mersin City Hospitals, the main stakeholders of our projects were identified, meetings and interviews were held to determine the impacts of the projects on these stakeholder groups, projections were determined to mitigate these impacts, and feedback mechanisms were established to collect opinions, complaints and suggestions from the relevant stakeholders upon the implementation of the projects.

During the reporting period, a recording system was created for the help desk team to record the notifications received via e-mail, forward them to the relevant departments and monitor them. The feedbacks are sent in writing or via e-mail by the relevant departments and the assignments are closed.

OUR VALUE CHAIN

Our Supply Chain

Customer Satisfaction

CCN GROUP

OUR SUPPLY CHAIN

We prioritize extending our sustainability approach throughout our value chain. In this context, we aim to carry out our activities with a responsible supply chain approach and to translate the value we create to higher levels.

We conduct procurement processes within the framework of the "CCN Group Responsible Purchasing Policy" and "Purchasing Procedure". Accordingly, we expect our suppliers to adopt the same working principles of our Group and work in accordance with human rights. We show zero tolerance for discrimination, child labor and forced labor in supplier operations. With the CCN Group Code of Ethics article that we added to our Purchasing Contracts during the reporting period, we receive a commitment from our suppliers to act in accordance with these principles. In addition, we plan to add ESG criteria to tender specifications in the upcoming period.

Within the framework of our procurement policies, we aim to contribute to the development of the local economy by giving opportunities to local suppliers. We procure the repair, maintenance, renovation and spare parts of materials from local companies. In 2022, 66% of our total procurement was made from local suppliers.

While increasing our local procurement, we evaluate the social and environmental performance of our suppliers within the scope of our Supplier Evaluation Processes. We organize on-site visits to our suppliers, conduct compliance audits with our Responsible Purchasing Policy, and prioritize working with high-performing suppliers.

We evaluate environmental performance within the scope of the supplier evaluation survey. In 2022, 25 supplier companies were evaluated in terms of social impact on the business side. In addition, it was determined that 56% of the companies visited had established Environmental Management Systems.

Click for CCN Group Responsible Purchasing Policy.

CUSTOMER SATISFACTION

Customer satisfaction is the most important determinant in increasing the quality of the services we offer, and we improve our services by taking into account the opinions, suggestions and complaints communicated by our customers through different channels. We measure customer satisfaction through surveys and conduct planned and unplanned trainings to increase satisfaction. In 2022, we organized additional unplanned trainings that accounted for an amount as high as 40% of planned trainings in order to improve service quality, based on customer feedback.

At Ankara and Mersin City Hospitals, we make all necessary medical and technological investments in health-related issues and offer differentiated services by taking into account the individual and psychological needs of our children and their families. Within the scope of our work in this area;

- Nine classrooms, a library and children's playgrounds on each floor were set up inside Ankara City Hospital so that children can continue their daily lives during their recovery. In the rooms specially decorated for children, from linens to walls, an IP TV system was installed where children can watch their favorite cartoons on their televisions.

- "Mother Baby Adjustment Rooms" were designed to ensure that new mothers are not disturbed and can communicate with their babies in a healthier way.

- A "Family Hotel" application was implemented within the hospital for newborn and incubator babies and their families.

- In order to reduce the emotional impact, the Gynecology Department and the IVF Center are located in separate departments.

%93

In 2022, our satisfaction rate was 93% based on the result of the survey we conducted on service quality in our hospitals.

During the reporting period, a team of experts assigned to TED İzmir College carried out improvement activities for two weeks in response to feedback on areas for improvement in cleaning services. In our hospitals, in line with feedback on the number of employees, employee communication and food quality, the frequency of trainings and audits was increased, employee duties were updated and the number of employees was increased.

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ENVIROMENTAL MANAGEMENT

Combating Climate Change

Energy and Emission Management

Waste Management

Water Management

CCN GROUP

Considering the pressure on our world caused by climate change, urbanization and population growth, it is necessary for all businesses, regardless of sector, to pay special attention to natural resource efficiency and circular economy concepts, especially the fight against climate change. With the awareness of this current situation and a sense of responsibility, we, as CCN Group, act to protect and ensure the continuity of the environment and natural resources in all our activities.

We carry out our operations in compliance with nationally and internationally recognized standards in environmental management. All CCN Group companies hold ISO 14001:2015 Environmental Management System Certification.

In this context, we evaluate and monitor the environmental impact of our activities and regulatory requirements at the facilities we serve. In 2022, no environmental fines were received at our facilities.

In this context;

◆ If there is an EIA Regulation provision in the project contracts, we complete the "EIA Positive Certificate" or "EIA Not Required Certificate" processes.

◆ We provide temporary sewerage, domestic water and electricity subscriptions/licenses.

◆ We obtain work permits from the local administration for projects with night work.

◆ We make periodic measurements for projects with dust and noise sensitivity/commitment.

◆ We obtain the necessary permits from the local administration for excavation and rubble wastes.

◆ If there is fertile soil during excavation works, we remove the soil by stripping and use it in landscaping works.

◆ If there are trees, etc. on the construction site, we ensure that their vitality continues by moving them.

◆ By implementing an effective waste management, we ensure the disposal/recycling of wastes through licensed or authorized companies by providing a temporary storage area and waste source separation equipment on site.

◆ We take out Compulsory Financial Liability insurances.

◆ We organize trainings and drills to increase the environmental awareness of our employees.

Environmental Impact Assessment Activities

Environmental Impact Assessment activities have been carried out starting from the project phase of Ankara and Mersin City Hospitals, and necessary projections were made and measures were taken to minimize the impacts in this context. Environmental and Social Performance Requirements of the European Bank for Reconstruction and Development (EBRD) and Performance Standards of the International Finance Corporation (IFC) were applied. Accordingly, impacts on the physical environment were assessed under the headings of air quality, noise, wastewater, soil, geohazards and waste, and mitigation practices for construction and operation periods were implemented.

In order to expand our understanding of the protection of the environment and natural resources in our value chain and to increase the added value we create in this field; we provide trainings to ensure compliance with the legislation and to protect the environment in the management of waste generated during our activities or of our business partners we serve. In 2022, we provided a total of 5,661 person*hours of environmental training to employees of Ankara and Mersin City Hospitals and TED College.

TED Izmir College Eco-School Practices

As a result of its successful efforts to become a "self-sufficient" school and create a sustainable eco-system on campus, TED Izmir College has been awarded the internationally recognized and respected "Green Flag" award by the Eco-Schools Program, as well as the "My School is Clean" certificate. In the coming period, the goal is to be included in the "Global Schools" Program, an initiative of the United Nations Sustainable Development Solutions Network, which supports UNESCO's Global Action Program on education for sustainable development (ESD).

Eco-House:
Permaculture and composting activities are performed with our preschool, primary and secondary school students under the roof of Eco House.

Waste Reduction Efforts:
During the reporting period, 3,545 kg of packaging, 100 kg of technological and 70 kg of fluorescent waste were recycled.

Kindi Farm:
With Kindi Farm, our students have the opportunity to observe the lives of our animal friends and witness their growth adventure, while learning values such as taking responsibility and respecting the right to life of living creatures.

Forest School:
From kindergarten to 12th grade, a forest-based education curriculum is implemented that aims to develop students' desire to explore and self-confidence as well as the ability to live in nature. TED Izmir College is the first school in Türkiye to implement this curriculum.

Solar Power Plant:
With the 545 kWh Solar Power Plant consisting of 1,056 solar panels, 95% of the school's energy needs are met from renewable energy, preventing the annual emission of 333,592 kg CO_2e greenhouse gas emissions that could be captured by 14,826 trees.

COMBATING CLIMATE CHANGE

We all have important responsibilities in the fight against climate change, which is one of the most important factors that threaten our world not only environmentally but also socially and economically considering its probability of realization and the degree of impact.

As CCN Group, we monitor and analyze the amount of fossil fuels consumed in Ankara and Mersin City Hospitals and strive to reduce their use through our efforts to use energy efficiently. We report our work on greenhouse gas monitoring to the Ministry of Environment, Urbanization and Climate Change after verification by an independent organization on an annual basis.

ENERGY AND EMISSION MANAGEMENT

Efficient use of energy plays a critical role in the fight against climate change. As CCN Group, we continue our operations by implementing efficiency and impact reduction efforts to minimize the environmental impact we create in this direction.

Natural gas is used as fuel in our heat centers and trigeneration facilities within Ankara and Mersin City Hospitals, and periodic maintenance and controls are carried out by Technical Services. Both facilities are within the scope of Annex-2 of the Environmental Permit and License Regulation, and Environmental Permits have been obtained for these facilities.
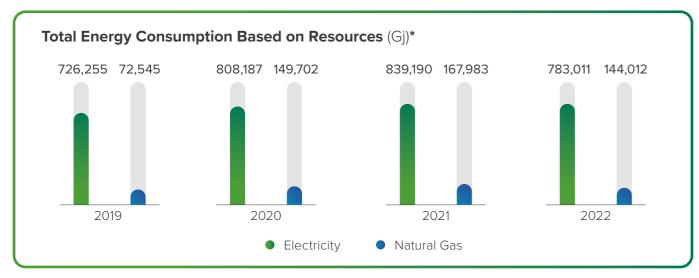
The activities we implement for energy saving in Ankara and Mersin City Hospitals during the reporting period consist of;

◆ By mapping the energy consumption of the buildings through the PME (Power Monitoring Expert) program, areas with high consumption were identified by CCN Technical and savings were achieved by intervening in HVAC and lighting automation.

◆ Existing luminaires in prioritized areas in hospitals were replaced with LED luminaires for high energy efficiency.

◆ A sample application was made so that when the windows of the patient rooms are opened, the FCU system is turned off. We aim to achieve our medium and long-term targets with the savings to be made in this context by expanding the application in all patient rooms in the coming periods.

◆ Cost-based electricity unit price was determined according to EPİAŞ daily/hourly MCP (Market Clearing Price) data, and savings were achieved by temporarily shutting down (since the unit price of electricity from trigeneration units is higher than the grid).

ENERGY AND EMISSION MANAGEMENT

In 2022, 243,954 GJ of savings were achieved as a result of energy efficiency efforts, and the 10% savings target set for 2022 was realized at 9.7%. In 2023, a saving of 3% is planned.

We measure our CO, NO_2, NO and SO_2 values within the scope of our operations. We continue our preparations for reporting and monitoring Scope 3 emissions. During the reporting period, TED College Scope 1 and 2 emissions were 43.23 tons and 237.71 tons, respectively. Scope 1 and Scope 2 Emissions of our hospitals are as follows:

Scope 1 and Scope 2 Emissions	Ankara City Hospital	Mersin City Hospital	Ankara City Hospital	Mersin City Hospital
	2021		2022	
Scope 1 (tCO$_2$)	81,258.23	17,980.35	69,601.37	15,195.12
Scope 2 (tCO$_2$)	12,783.65	10,346.98	19,309.84	11,464.04
Total (tCO$_2$)	**94,041.88**	**28,327.33**	**88,911.21**	**26,659.16**
Greenhouse gas emission intensity (m²/total emissions)	0.06953	0.07562	0.07	0.07

Total Energy Consumption Based on Resources (Gj)*

	2019	2020	2021	2022
Electricity	726,255	808,187	839,190	783,011
Natural Gas	72,545	149,702	167,983	144,012

● Electricity ● Natural Gas

*Data covers Ankara and Mersin City Hospitals operations.

Note: The increase in 2021 is due to the increase in square meters.

"At CCN Group, we focus in alignment with the Paris Climate Agreement targets on quality, resilience and safety in construction, as well as energy efficiency and supply chain management to reduce carbon emissions that affect climate change. Energy efficiency and green buildings will continue to be one of the most important focal points of our Group in the coming period. Strengthening women's employment and maintaining equal opportunities in these projects will be amongst our important goals."

Gökçe Akyürek Tandağ- Board Member

WASTE MANAGEMENT

Within the scope of waste management, we aim to use resources in the most efficient way, to prevent or reduce waste generation, and to separate, collect and recycle waste at its source.

We have established the necessary infrastructure at Ankara and Mersin City Hospitals and received our Zero Waste Certificates under the Zero Waste Project. Within the scope of this certificate, we implement an effective waste management in accordance with environmental legislation and environmental sustainability principles and carry out training activities. We collect the wastes accumulated in appropriate equipment in their areas in accordance with environmental legislation, store them in temporary storage areas, and ensure their disposal and recycling through companies licensed or authorized by the Ministry of Environment, Urbanization and Climate.

During the reporting period, we provided waste management training to all service employees, CCN Group white-collar employees and TED College trainers at Ankara and Mersin City Hospitals.

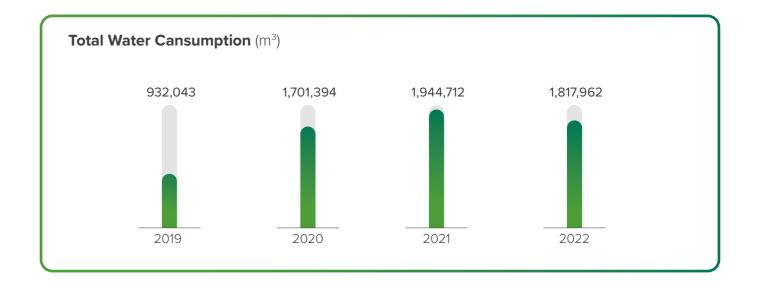| WASTE (KG)	2021			2022		
	Ankara City Hospital	Mersin City Hospital	TED College	Ankara City Hospital	Mersin City Hospital	TED College
Domestic Waste	5,473,921	1,108,480	-	5,978,940	1,304,140	-
Recycled Waste	548,400	246,760	1,350	595,840	296,940	1,900
Medical Waste	3,357,520	1,019,720	-	2,907,460	874.,460	-
Hazardous Waste	289,220	50,080	-	306,043	58,010	1,870

WATER MANAGEMENT

Population growth, unconscious consumption of water and the negative effects of climate change pressure the water resources critically and increase the importance of efficient use of water day by day. With this understanding, as CCN Group, we attach importance to practices within the scope of efficient use, recycling and reuse of water.

Mains water is used in our operational processes and most of the water use is realized by our customers and visitors who benefit from our services. Accordingly, we focus on the use of structural tools that ensure efficient use of water and we implement awareness-raising activities. In 2023, we plan to organize trainings on this topic.

There are no water resources and wetlands affected by our projects in our project areas. Wastewater in our projects is discharged into the city network. Wastewater at the City Hospitals is monitored by the relevant local wastewater administrations through periodic analyzes. During the monitoring process within this scope, no negative findings were encountered for the reporting period.

Total Water Cansumption (m^3)

2019	2020	2021	2022
932,043	1,701,394	1,944,712	1,817,962

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DIGITALIZATION AND DATA SECURITY

CCN GROUP

Within the scope of digitalization, which is one of the most important transformation areas of institutions all over the world, we focus on new generation technologies such as big data analytics, cyber security, IoT technologies, artificial intelligence and blockchain in order to facilitate our business processes and produce solutions to provide the data our customers need through digital channels.

With digital transformation, we aim to technologically store and protect all know-how at CCN Group and make it compatible with the corporate culture, as well as improving our quality and service processes, increasing efficiency and customer satisfaction, reducing our environmental impact and developing technological solutions that will create value for our stakeholders.

Within the scope of our 2022 digitalization practices;

- With facility management software projects, the Group continued to work on personnel efficiency, device maintenance and repair tracking and improvement of processes.

- RPA (Robotic Process Automation) applications were commissioned to automate repetitive business processes.

- The transition to the next version of the IFS application, which is used to improve our business and quality processes, was initiated.

- Digitalization of maintenance and repair processes was initiated at Mersin City Hospital.

- At İzmir TED College, ERP transition efforts were initiated and the IT infrastructure was moved to the cloud.

- At Ankara City Hospital, we initiated the work on IoT projects (meter monitoring, landscape irrigation monitoring and digital WC systems) that will ensure energy and water efficiency, and HIMSS Stage 6 studies carried out within the scope of digital health continued.

- At Ankara and Mersin City Hospitals, a QR code system was introduced in the cafeteria and dressing rooms to listen to employee suggestions, requests and complaints and respond quickly.

- In the field of R&D activities, the Company continued to develop a deep learning supported facility management platform and Chatbot application for healthcare facilities.

In 2022, the prominent topics in the field of savings (energy, process efficiency, use of consumables) achieved through our digitalization practices are as follows:

◆ Energy, employee and process efficiency were increased through facility management applications.

◆ Energy and water efficiency was increased through IoT projects.

◆ Energy efficiency was increased with the transition to cloud-based technologies that allow systems to be managed with a more centralized structure.

◆ Video conferencing systems reduced the need to travel for meetings and improved our carbon footprint.

◆ Energy efficiency was achieved by ensuring that door monitors and information screens at Ankara and Mersin City Hospitals are automatically turned off when not in use.

◆ Paper consumption was reduced throughout the Group through printing control systems and e-signature application.

◆ As a result of the practices established at Ankara and Mersin City Hospitals to ensure timely and accurate maintenance of equipment, consumables and spare parts performances were made measurable and failure rates were reduced.
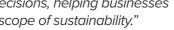

Digital Transformation Activities for the Future at CCN Group: Digital Facility Management

In our digital transformation journey, we focus on the digitalization of our Group companies and aim for end-to-end digitalization of the service, construction and education sectors in line with our sustainability policies by 2023. Within the scope of our digitalization efforts, we aim to contribute to increasing efficiency and reducing our carbon footprint through more efficient use of workforce, assets and other resources.

"*As part of our sustainability policy, our 2023 target is to digitalize CCN across the services, construction and education sectors. The workforce management and facility management software we have developed within CCN generates valuable data for informed decisions, helping businesses to operate more efficiently and reduce environmental impact within the scope of sustainability.*"

Berfin Çeçen - Board Member

Information Security

At CCN Group, we carry out information security activities through the Personal Data Protection Law (KVKK) Committee Board, and we aim to increase cyber security practices and effectiveness through oversight and prevention activities. During the reporting period, ISO 27001 Information Security Management System Certification and ISO/IEC 15504 Software Process Evaluation Management System Certification were obtained.

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WORK LIFE AT CCN GROUP

EMPLOYEE RIGHTS, DIVERSITY AND INCLUSION

TALENT MANAGEMENT AND EMPLOYEE DEVELOPMENT

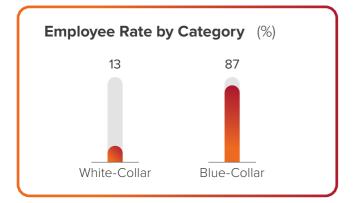**EMPLOYEE ENGAGEMENT**

CCN GROUP

At CCN Group, we believe that our most valuable asset, our employees, are the foundation of our success. In this direction, we aim to create a safe work environment that prioritizes human rights and supports diversity, and we strive to be a preferred employer that develops the knowledge, skills and competencies of our employees on the basis of equal opportunities.

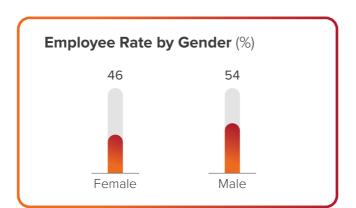**Click for CCN Group Human Resources Policies and Principles.**

EMPLOYEE RIGHTS, DIVERSITY AND INCLUSION

In all our human resources processes, we stand against any kind of discrimination based on religion, language, ethnic origin, gender, age, disability, political opinion, physical disability or similar reasons. We adopt the "equal pay for equal work" approach in the remuneration of our employees, and we determine employee remuneration based on the criteria of years of experience, education and level of competence. We do not allow child labor and forced labor under any circumstances.
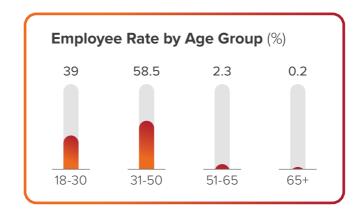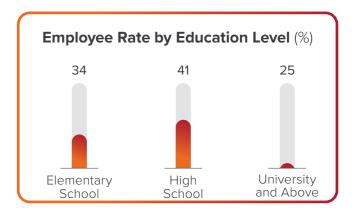
Board of Directors Female Member Ratio (%)

50	50
Female	Male

Employee Rate by Category (%)

13	87
White-Collar	Blue-Collar

Employee Rate by Gender (%)

46	54
Female	Male

Employee Rate by Age Group (%)

39	58.5	2.3	0.2
18-30	31-50	51-65	65+

Employee Rate by Education Level (%)

34	41	25
Elementary School	High School	University and Above

"At CCN Group, we pioneer women led initiatives bringing forward inclusion and equal opportunities. We are happy that CCN has broken the glass ceiling by reaching a milestone of more than 50% female representation at the Board level."

Nilgün Kitapçı - Board Member

At CCN Group, we act with the approach of eliminating gender inequality. We support women's employment and work to support existing female employees.
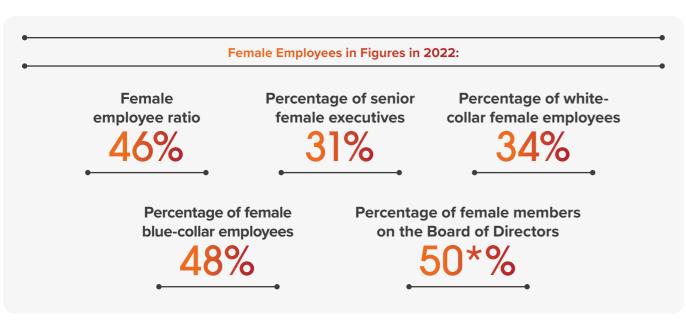
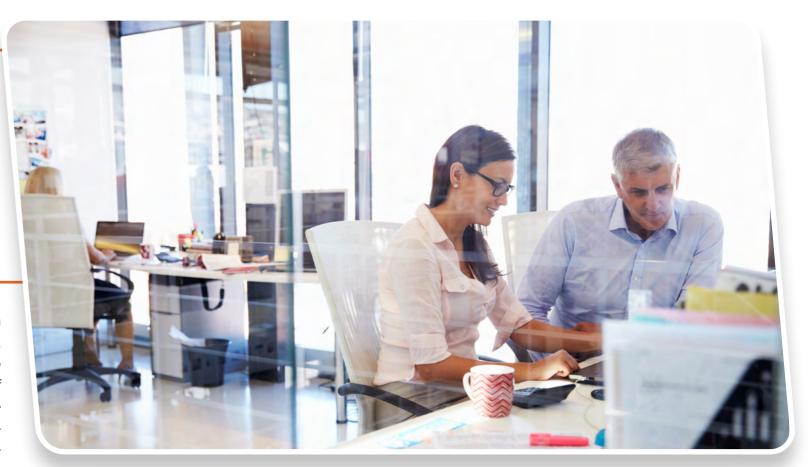## EMPLOYEE RIGHTS, DIVERSITY AND INCLUSION

CCN Group Mentoring Project

In 2022, we completed the development of the Mentoring project, in which senior female executives (mentors) working within CCN Group will transfer their knowledge and experience to IC Foundation scholars (mentees) for a year. We aim to have 16 executives and 16 scholars participate in the program, which we will implement in 2023.

In terms of our activities with our disabled employees, we organize the onboarding and orientation processes more flexibly in order to ensure a balance between work and private life. In addition, we make the necessary arrangements for our disabled employees to work in a relatively more comfortable environment suitable for their skills and competencies.

We expect our human-centered approach in working life to be applied in the value chain. With this understanding, we do not tolerate human rights violations in the operations of the contractor/ subcontractor companies we work with, and we take all necessary measures against child labor and forced or compulsory labor.

Female Employees in Figures in 2022:

Female employee ratio	Percentage of senior female executives	Percentage of white-collar female employees
46%	31%	34%

Percentage of female blue-collar employees	Percentage of female members on the Board of Directors
48%	50*%

*Calculated on a consolidated basis, based on all Group Companies.

Female Employees in Figures in 2023:

Female employee ratio	Percentage of senior female executives	Percentage of white-collar female employees
46%	32%	25*%

Percentage of female blue-collar employees	Percentage of female members on the Board of Directors
45%	53**%

*In 2023, although the ratio of female Board of Directors and senior executives increased, the number of white-collar female employees decreased due to the company's rapid growth trend. In 2023, we aim to increase this ratio.

**Calculated on a consolidated basis, based on all Group Companies.

TALENT MANAGEMENT AND EMPLOYEE DEVELOPMENT

We closely monitor the career and performance development of our employees; we identify candidates with high performance and potential through the 180° Performance Evaluation process, which is carried out regularly every year based on concrete and objective criteria and follow them up within the talent pool. We organize trainings, management and leadership seminars for our employees in the talent pool. After the evaluations, we discuss the results in detail through effective feedback methods in interviews with employees. During the reporting period, performance feedback was provided to all employees.

We prioritize our Group employees for open positions within the Group. Thus, by supporting career paths within the Group, we ensure that employee engagement is increased in the long term.

We provide trainings that improve the knowledge, skills and competencies of our employees in line with our strategic goals. With our vision of "People First - People Leading", we aim for all our employees, not just managers, to be the leaders of their own business. In the reporting period, we provided 41,450 person*hours of training to our blue-collar employees and 1,480 to our white-collar employees, totaling 42,930 person*hours.

CCN Academy

The CCN Academy online training platform, which we launched in order to carry out training activities in an effective, standardized and continuous manner, facilitates accessibility to training content, as well as providing statistical information about trainings and measuring productivity through post-training employee evaluations.

Within CCN Academy, we continue our training activities on Talent Management and Employee Development. With the "Executive Development Program" that we have launched since the beginning of the year, we organize trainings covering issues such as management and leadership with trainers consisting of academicians who are experts in their fields for more than 100 manager candidates and mid-level managers.

A one-year strategic plan was designed within the scope of the "Cultural Transformation Training Program" we initiated for our employees of CCN Security, one of our group companies. The program continues with 25 internal trainers.

EMPLOYEE ENGAGEMENT

At CCN Group, we act with the awareness that employee satisfaction plays an important role in the formation and strengthening of employee engagement. Accordingly, in order to increase the motivation and satisfaction of our employees, we implement practices for employee welfare and take into account the balance between work and private life. We strive to create a participatory and communicative corporate culture that allows our employees to express and realize their ideas and suggestions in the best way possible.

In order to measure the engagement, motivation and satisfaction of our employees, we organize an Employee Satisfaction Survey twice a year in all Group companies. As a result of the survey, which was realized with a participation rate of 88% during the period, employee satisfaction exceeded the target score of 70 and was reported as 74 points.

As part of our efforts to ensure employee welfare and work-life balance, we implement the shift working system in our operations every two weeks, make the necessary plans to complete the work during working hours, and encourage our employees to use their annual leave. We plan to implement the working from home model, which entered our lives with the pandemic process, throughout the company.

We aim to ensure employee motivation and create a common culture with HR Thematic Days (Smiling Day, Sharing Day, Appreciation Day, etc.) organized for all our employees on the last two working days of each month.

We provide shuttle and catering services for all our employees in accordance with the shift hours in our group companies. In addition, depending on the position, we provide additional benefits such as vehicle, fuel assistance, private health insurance, cell phone and telephone line.

We believe that participation in decision-making processes is as effective on employee engagement as employee satisfaction. We strive to create a participatory and communicative corporate culture that allows our employees to express their ideas and suggestions in the best way possible. We monitor and evaluate all requests, suggestions and complaints received through feedback boxes placed in certain locations within the scope of the "We Listen to You" application and continuously improve them by providing input to our action plans. We share the complaints received with the members of the Board of Directors twice a year and with the General Manager and senior executives on a monthly basis on a Group company basis. In 2022, the number of complaints submitted was 344 and the response rate was realized as 99.7%. In addition, 5 suggestions were submitted during the year, and the suggestion for digitalization processes will be implemented in the coming period.

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EMERGENCY PREPAREDNESS

At CCN Group, providing a safe and healthy working environment is our fundamental responsibility and we consider it among our priority focus areas. In line with our targets of zero occupational accidents with zero loss of limbs, zero fatalities and zero occupational diseases, we guarantee all our obligations to ensure the safest working environment, both through international commitments and labor contracts, beyond legal legislation and regulations.

In order to manage a wide network of operations with the same principles and a successful OHS performance, we manage occupational health and safety issues within the framework of the Occupational Health and Safety Management System, which covers all businesses on the basis of ISO 45001 Occupational Health and Safety standards and includes common indicators and concrete targets. We also act in integration with quality and environmental management systems.

We conduct risk analyses for occupational health and safety and ensure that the rules are put into practice through audits. We enable our employees to contribute to CCN Group's health and safety culture through Occupational Health and Safety Committees and Suggestion/Complaint platforms we have established in our workplaces.

There are 14 OHS Committees operating within the CCN Group. The total number of members in the established OHS Committees is 70, of which 17 are employee representatives. Complaints and suggestions received through employee representatives are forwarded to the senior management through these committees. The frequency of the committees' meetings varies according to the hazard class of the facilities.

We attach importance to OHS trainings and prioritize awareness-raising activities in order to raise awareness about unsafe behaviors in workplaces and support a common safety culture. In 2022, we provided a total of 72,768 person*hours of training to 4,548 people. In the coming period, we will analyze the points where occupational accidents occur intensively, organize specific trainings to increase the level of awareness and carry out a poster study.

In 2022, the accident frequency rate, which shows the frequency of occupational accidents per 1 million actual working hours, was 64.07, and the accident severity rate, which shows the number of working days lost as a result of occupational accidents per 1 million actual working hours, was 0.95.

As CCN Group, within the scope of emergency preparedness; Emergency Procedure has been established and Emergency Response Plans specific to the campuses have been prepared in accordance with the procedure. Emergency Response Teams were identified during the preparation phase of the plans and special trainings were organized for team members. Emergency Evacuation Plans were placed in the relevant areas in order to determine the location and escape routes in case of emergencies.

During the reporting period, a total of 14 drills, including 10 Fire Extinguishing, 1 Earthquake and 3 Chemical Spillage drills, were carried out with the participation of 1,043 people, while our Group companies participated in the Hospital Emergency and Disaster Management Drills prepared under the leadership of the Hospital Management in Ankara and Mersin City Hospitals as extinguishing, protection and rescue teams. In addition, Emergency and Disaster Management training was provided to all employees and Emergency Response teams were updated.

Click for CCN Group Quality, Health, Safety and Environment Policy.

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GRI Content Index

CONTRIBUTION TO SOCIAL DEVELOPMENT

IC Foundation

Ağrı İbrahim Çeçen University

TED Izmir College Social Responsibility Projects

Volunteering Works

CCN GROUP

As CCN Group, we aim to put the added value we generate into the service of the society through long-term and lasting corporate social responsibility projects and volunteering activities that respond to the needs of the society. In line with this purpose, we carry out activities that create value for society through IC Foundation, Ağrı İbrahim Çeçen University, TED İzmir College and our volunteer employees.

IC FOUNDATION

Founded in 2004, İbrahim Çeçen Foundation (IC) carries out projects that contribute to Türkiye's development and social level by cooperating with different institutions and organizations in many fields such as education, health, sports, culture and arts. To date, more than 15 thousand students have benefited from the education scholarships provided by the Foundation to needy and successful university students across Türkiye, and 474 students have benefited in the 2021-2022 academic year.

Click for detailed information on the Foundation's activities in Turkish version.

AĞRI İBRAHİM ÇEÇEN UNIVERSITY

Founded with the aim of contributing to education and science in Ağrı as well as developing the region in social, cultural and economic terms, Ağrı İbrahim Çeçen University was opened in 2007-2008 and has 7 faculties, 6 colleges, 6 vocational schools and 3 institutes under its roof. IC Foundation organizes the activities that support the university, all of which are donations to the state, in social and cultural terms. Sister universities abroad project, faculty and student exchange programs, and support provided to EU and other funded projects are among the activities carried out in this direction.

In 2022, **7 thousand trees** were planted in an area of 60 decares at the opening of the "İbrahim Çeçen Foundation Memorial Forest" created in cooperation with the Governorship and Forestry Directorate in Ağrı province.

TED İZMİR COLLEGE SOCIAL RESPONSIBILITY PROJECTS

"Sea and Coastal Wastes Turn into Art in the Hands of Children" Project

Since 2018, within the scope of the Big Fish Tournament, the works designed by our students from the wastes collected from Urla beaches are exhibited in different locations in Istanbul, Ankara and Izmir under the project "Sea and Coastal Wastes Turn into Art in the Hands of Our Children", in order to draw attention to sea and environmental pollution.

"Life Together Play Together" Project

Within the scope of the cooperation with the Special Olympics Committee of Türkiye in 2016, our students regularly come together with their friends with Down Syndrome and autism to carry out sports, artistic and academic studies in order to bring individuals with special needs into society and raise awareness on this issue. In 2018, one of our students represented our school and Türkiye as an ambassador athlete at the "World Special Olympics Youth Summit" held in Azerbaijan.

Urla Animal Shelter Support Project

The projects, developed in partnership with the Urla Shelter, aim to support stray animals and shelters, while raising students' awareness on the issue.

Afforestation Works

Within the scope of afforestation activities carried out during the reporting period;

◆ Based on the protocol signed with the Provincial Directorate of Forestry, TED Izmir College Memorial Forest of 10,000 saplings was created,

◆ 2,000 saplings were donated to the EGE Forest Foundation,

◆ On November 11th, National Reforestation Day, 800 saplings were planted in Urla Şirinkent Neighborhood with the contributions of the parent-teacher association,

◆ With the aim of knowing the value of mastic trees and passing them on to future generations, we contributed to the mastic tree planting project initiated by Çeşme Municipality with 100 mastic saplings,

◆ A total of 475 plants and saplings were planted throughout the school.

VOLUNTEERING WORKS

Within the scope of "Operation Happiness" created by the employees of IC Group Companies, basic school supplies for children in need studying in Ağrı village schools and the toys they wished as New Year's gifts were provided by the employees and delivered to the relevant schools.

CCN Health employees took part in the March 14th Medical Day Run organized by the Turkish Emergency Medicine Association (TATD) for healthcare professionals who lost their lives due to Covid-19.

GRI CONTENT INDEX

Statement of Use : CCN Group has reported in accordance with the GRI Standards for the period 01 January 2022-31 December 2022

GRI 1 used : GRI 1: Foundation 2021

GRI | CONTENT INDEX ESSENTIALS SERVICE | 2023

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION Requirement(S) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	About the CCN Group, p: 4-12			
	2-2 Entities included in the organization's sustainability reporting	About the Report, p:1			
	2-3 Reporting period, frequency and contact point	About the Report, p:1; Contact, p;74			
	2-4 Restatements of information	About the Report, p: 1			
	2-5 External assurance	GRI Content Index: None			
	2-6 Activities, value chain and other business relationships	About the CCN Group, p:10-12 ; Stakeholder Engagement, p. 27-29; Our Supply Chain, p:32			
	2-7 Employees	Employee Rights, Diversity and Inclusion p:54-57			
	2-8 Workers who are not employees	GRI Content Index: Data on the number of subcontracted workers is not recorded.			
	2-9 Governance structure and composition	Corporate Governance, p:18-19			
	2-10 Nomination and selection of the highest governance body	Corporate Governance, p:16			
	2-11 Chair of the highest governance body	Corporate Governance, p: ; https://www.ccngroup.com.tr/en/board-of-directors/			
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, p:16			
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, p:16; Sustainability Management, p:22			
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, p:22			
	2-15 Conflicts of interest	Ethics Management, p:20			
	2-16 Communication of critical concerns	Ethics Management, p:20 ; Stakeholder Engagement, p:27			
	2-17 Collective knowledge of the highest governance body	https://www.ccngroup.com.tr/en/board-of-directors/			
	2-18 Evaluation of the performance of the highest governance body	GRI Content Index: The Board of Directors does not charge performance fees. The performance evaluation of the top management is based on environmental, social and economic criteria.			
	2-19 Remuneration policies	GRI Content Index: "Equal pay for equal work" principle is applied.			
	2-20 Process to determine remuneration	GRI Content Index: In the wage determination processes, inflation, minimum wage and market competition conditions are taken into account.			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION Requirement(S) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio+B20:F29	GRI Content Index: This information is not shared for privacy reasons.	2-21 a; 2-21 b; 2-21 c	Confidentiality constraints	CCN Group does not disclose this information as there is no law regarding the disclosure of wages in Turkey.
	2-22 Statement on sustainable development strategy	Sustainability Management, p:22-24			
	2-23 Policy commitments	Sustainability Management, p:22			
	2-24 Embedding policy commitments	Sustainability Management, p:23			
	2-25 Processes to remediate negative impacts	Risk Management, p:21 ; Stakeholder Engagement, p:28-29			
	2-26 Mechanisms for seeking advice and raising concerns	Ethics Management , p:21 ; Stakeholder Engagement, p:28-29			
	2-27 Compliance with laws and regulations	GRI Content Index: No penalties for non-compliance with laws and regulations were received during the reporting period.			
	2-28 Membership associations	Stakeholder Engagement, p:29			
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, p:27			
	2-30 Collective bargaining agreements	GRI Content Index: There is no Collective Bargaining Agreement.			
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Corporate Governance, p:22-23 ; Sustainability Management, p:23			
	3-2 List of material topics	Sustainability Management, p:23			
Corporate Governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance, p:16 Sustainability Management, p:23			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethics Management , p:20			
	205-2 Communication and training about anti-corruption policies and procedures	Ethics Management , p:20			
Responsible Supply Chain					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Our Supply Chain, p:32			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Our Supply Chain, p:32			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Our Supply Chain, p:32			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Our Supply Chain, p:32			

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION Requirement(S) Omitted	Reason	Explanation
Customer Satisfaction					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23 ; Customer Satisfaction, p:33			
Combating Climate Change					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23 ; Combating Climate Change, p:40			
Energy and Emissions Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Energy and Emissions Management, p:40-43			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and Emissions Management, p:42			
	302-4 Reduction of energy consumption	Energy and Emissions Management, p:40-41			
	302-5 Reductions in energy requirements of products and services	Energy and Emissions Management, p:41			
GRI 305: Emissions 2016	305-4 GHG emissions intensity	Energy and Emissions Management, p:43			
	305-5 Reduction of GHG emissions	Energy and Emissions Management, p:43			
Waste Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23 ; Waste Management, p:44			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, p:44			
	306-2 Management of significant waste-related impacts	Waste Management, p:44			
	306-3 Waste generated	Waste Management, p:44			
	306-4 Waste diverted from disposal	Waste Management, p:44			
Water Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23 ; Water Management, p:45			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, p:45			
	303-2 Management of water discharge-related impacts	Water Management, p:45			
	303-5 Water consumption	Water Management, p:45			
Green Building Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23 ; Energy and Emissions Management, p:41			
Data Security / Digitalization					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23 ; Data Security and Digitalization, p:48-51			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION Requirement(S) Omitted	Reason	Explanation
Equality and Diversity at Work					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Employee Rights, Diversity and Inclusion, p:54-57			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee Rights, Diversity and Inclusion, p:54-57			
	405-2 Ratio of basic salary and remuneration of women to men	Employee Rights, Diversity and Inclusion, p:54			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	GRI Content Index: There were no cases of discrimination during the reporting period.			
Employee Satisfaction and Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Talent Management and Employee Development, p:58; Employee Engagement, p:59			
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development and Talent Management, p:58			
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Development and Talent Management, p:58			
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Occupational Health and Safety, p:62			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p:62			
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p:62			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p:62			
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p:62			
	403-6 Promotion of worker health	Occupational Health and Safety, p:62			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p:62			
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p:62			
	403-9 Work-related injuries	Occupational Health and Safety, p:62			
Emergency Preparedness / Business Continuity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Emergency Preparedness, p:63			
Contribution to Social Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p:23; Contribution to Social Development, p:66-69			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Contribution to Social Development, p:66-69			

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