

# SUSTAINABILITY POLICY

## 1. PURPOSE:

The purpose of the Brisa Sustainability Policy ('Policy') is to explain Brisa's sustainability philosophy clearly, concisely and holistically, to provide guidance on how we integrate sustainability into our business model, to define the governance and monitoring framework that will assure the effectiveness of the Policy and the company's commitments, and its alignment with our other corporate principles and policies.

## 2. SCOPE:

The scope of the policy covers our employees working in İzmit, Aksaray and Altunizade locations and all our regional offices.

## 3. STRATEGY:

Sustainability is one of the important foundations of Brisa's way of doing business. We are courageously moving forward with pioneering practices we implement in our industry in all the geographies where we operate under the light shed by the corporate values and governance experience of our founding partners Bridgestone Corporation and Sabancı Holding.

We state our approach saying, "One For All Brisa" ("Brimiz Hepimiz İçin") by adopting sustainable growth strategies to leave a better world to future generations. We see social, environmental and economic issues as intertwined and interconnected, and in everything we do we start thinking foremost with sustainability.

Innovation, technology and R&D are at the heart of our business model as facilitators of sustainability.

As a prerequisite for achieving sustainability across our entire value chain, we attach importance to ensuring the participation of our key stakeholders consisting of our employees, customers, suppliers and investors and understanding their priorities while determining the path we will take.

We establish our sustainability strategy on the following main focus areas:

- Transitioning to a Low Carbon Economy
- Transitioning to a Low Contact Economy
- Cultural and Social Transformation

We have identified both qualitative and quantitative short, medium and long-term targets for our focus areas in line with the social and environmental requirements of all the countries in which we operate.

We have established 18 task forces for the realization of these goals. You can review the duties and responsibilities related to the objectives in "Table-1 Function and Responsibility Table".

We undertake and report our practices and the performance results we have achieved in the light of the initiatives we are a party to through our national and international participation within the scope of the principles of transparency, fairness, responsibility and accountability, and we strive to further our performance to superior levels with the relevant quality system implementations. We are take

advantage of nationally and internationally accepted standards and methods to ensure the continuous improvement of our social, environmental and extensive economic performance; we are carrying out periodic benchmarking studies.

#### **4. SUSTAINABILITY MANAGEMENT STRUCTURE AND RESPONSIBILITIES:**

We act within an effective sustainability management structure that extends from senior management to all levels of our organization; we ensure the effectiveness of our company's sustainability management structure with transparent and bilateral communication mechanisms and comprehensive audit processes.

We have defined the Management Foundations in the first and foundation step of our Sustainability Management and our Sustainable Business Model in the second step. The third and final step of the model is the responsibilities of the Sustainability Committee. The duties and responsibilities related to the governance model are defined in the "Table-1 Function and Responsibility Table".

#### **5. RISK AND OPPORTUNITY MANAGEMENT:**

We foresee the risks we may face in each of the main focus areas, and we support them with our strong risk management. We approach risk management with a life-long perspective that includes economic, environmental and social issues. We also closely monitor emerging regulations, technologies and financial opportunities for access to sustainable finance. We link our actions together with the Sustainable Development Goals (SDGs), with which the United Nations is looking for resolutions, and we attach importance to being a stakeholder of a solution-seeking movement launched on a global scale. Our actions with regards to the SDGs are publicly accessible in our Sustainability Report.

For detailed information on risk management, you can review "RM-010 Brisa Risk Management and Risk Assessment Standard".

#### **6. 3 DIMENSIONS OF SUSTAINABILITY: SOCIAL, ENVIRONMENTAL, ECONOMIC**

Brisa references to the dimensions of sustainability and studies on these dimensions are given in Table-2. Detailed information on the sub-dimensions can be found in the "Annex-1 Sub-Dimensions and Explanations of Sustainability".

#### **7. DECARBONIZATION MANAGEMENT**

Brisa's decarbonization roadmap studies have started in line with its net zero emissions target in 2022. Our goal is to ensure that projects take place at the right time with the right resources in order to achieve company's 2030 and 2050 carbon emissions targets.

The decarbonization roadmap can be followed through the decarbonization project portfolio.

The portfolio consists of 6 different focus areas for Scope 1, Scope 2 and Scope 3 emissions, under the leadership of the Sustainability Business Development Directorate: "raw materials", "green procurement", "circular economy", "new business development", "water and energy management" and "new technologies and issues in products and production".

The portfolio includes projects with regards to our Izmit and Aksaray Manufacturing Plants, Altunizade office, dealers, and Bandag and Pratik family.

The project portfolio is prepared and managed by project groups consisting of the relevant department managers and Task Force Leaders defined in the "Table-1 Function and Responsibility Table". The Project Group presents the projects to the Extended Committee Member as a result of its initial prioritization analysis, and the Committee Member takes decisions for further prioritization.

The Project Group assesses the prioritized projects and the portfolio in general at certain periods. (Periods shall be decided by the Project Group not to be longer than three months apart.) This assessment is made on the status of the projects, the existing obstacles and risks with regards to the progress of the projects.

The decarbonization portfolio is presented to the Extended Committee Member for her/his assessment every year during the original budget preparation period in order for strategic decisions such as the determination of the projects to be prioritized and for necessary resources to be created.

The prioritized projects are then saved under the sustainability focus folder of the Brisa Innovation and Project Portal (BIPP) by the relevant project owner. As a result, prioritized projects can be followed as digitally recorded.

## **8. GOVERNANCE AND SUPERVISION STURCTURE**

### **8.1. Approval and Responsibility**

Approval of the Policy, ensuring that the policy is acknowledged by all affiliates within Brisa following its communication through sharing and providing the necessary tools, systems and organization for compliance with the Policy are the responsibilities within the scope the Policy.

The policy is reviewed on an annual basis, taking into account the changes in global and legal legislation, national and international frameworks through which we receive guidance and stakeholder expectations, and necessary updates are made when necessary.

### **8.2. Communication of the Policy**

Our sustainability and CDP Climate Change and Water Program reports in line with the GRI (Global Reporting Initiative) Standards, which we publish annually, are concrete evidence that the Brisa Sustainability Policy has been implemented. We present these reports and the Policy on our website to the information of all our stakeholders.

**Table-1 Function and Responsibility Table**

<b>Function</b>	<b>Responsibility</b>
CEO	-Leads the Sustainability Committee.
Sustainability Business Development Director	-Presents Task Force projects to the "Sustainability Committee". -Monitors the implementation of the Sustainability Policy and reports it to the Sustainability Committee.
Executive Board Corporate Governance Committee	-Evaluates and reviews the actions taken in the Sustainability Committee and the decisions for the future and guides them strategically or operationally. -Submits the evaluation to the Board of Directors. (Review period: quarterly)
Sustainability Committee	-Periodically reviews the sustainability roadmap, goals and realizations. -Makes decisions and allocates resources for strategic or operational improvement activities and investments. (Review period: quarterly)
Extended Committee	-It determines the priorities in our 3 main focus areas based on our strategy and conducts working groups. -Gives directions with regards to the projects of the task force. -It enables the main focus areas of the medium and long-term sustainability vision to be owned, prioritized, sustainability targets to be determined and their performance to be followed.
Sustainability Task Force Leader	-Provides management of task force projects. -Reports the projects on a quarterly basis to the Extended Committee and Sustainability Business Development Directorate. -Responsible for the realization of the company's sustainability goals in coordination with the Sustainability Business Development Directorate. -When planning for the realization of the goals, she/he ensures that the relevant risks and opportunities are identified, projects are developed, financing and incentive opportunities are prepared, submitted for approval and implemented.
Sustainability Task Force Team Member	-It consists of subject matter experts assigned to the task forces under each focus area. -In addition to their daily work, team members carry out duties related to the activities defined for them in the task force.
Sustainability Programs Owner	-Coordinates meetings and sets its agenda. -Informs the Sustainability Task Force teams about regulations, incentives, financing opportunities, developments from around the world, sustainability global risks and opportunities. -Establishes a communication bridge between the teams. -Ensures that their demands and needs are determined. -Represents the company at the sustainability organizations of Non-Governmental Organizations, Sabancı Holding and Bridgestone Corporation and participates to the events.
Sustainability Business Development	-Determines the details of the sustainability policy and revises it when necessary. -Establishes sustainability strategies and coordinates their implementation. -Coordinates the creation of the company's targets on sustainability management and follows its performance in this regard. -Provides the necessary data governance for monitoring. -Coordinates Sustainability Task Force teams. -Prepares external reports of the company. -Defines, follows and systematizes the company's decarbonization roadmap and portfolio. -Establishes training processes for the formation of a sustainability culture, designs transformation programs for the benefit of the stakeholders and leads their execution process.

**Table-2 Dimensions of Sustainability and Brisa References**

<b>Dimension</b>	<b>Sub-Dimension</b>	<b>Brisa Reference</b>
<b>Social</b>	Human Rights	-Brisa Sustainability Report -Brisa Management Principles Report -Ecovadis rating -Refinitiv rating
	Occupational Health and Safety	
	Customer Health and Safety Throughout the Product and Service Lifecycle	
	Anti-Corruption and Anti-Bribery	
	Business Ethics	
	Conducting Business Beyond Legal Regulations	
	Information Security	
	Employee Rights	
	Development Journey	
	Relations with Stakeholders and Society	
<b>Environmental</b>	<u>Effective Use of Natural Resources and Less Waste</u>	-Brisa Sustainability Report
	<u>Energy and Carbon Management</u>	-Brisa Management Principles Report
	<u>Environmentally-Friendly Products and Services</u>	-Ecovadis rating
	<u>Respect for Biodiversity</u>	-Refinitiv rating
	<u>Carbon Emission Reduction Management</u>	-CDP
<b>Economic</b>	<u>Responsible Value Chain Practices</u>	-Brisa Sustainability Report
	<u>Innovation and Corporate Entrepreneurship</u>	-Brisa Management Principles Report

## Annex-1 Sub-Dimensions and Explanations of Sustainability

### 1. SOCIAL

#### a. Human Rights

- Respect and support International Human Rights and take responsibility to prevent violations
- Increase awareness against all kind of violations including family violence

#### b. Occupational Health and Safety

- Recognize Health and Safety primarily
- Customer Health and Safety through Products and Service lifecycle
- Give priority to customer health and safety through product and service lifecycle
- Share information about health, safety and environmental impact of our products and services with our customers systematically and transparently
- Anti-Corruption and Anti-Bribery
- Recognize anti-corruption and anti-bribery as our principal responsibility
- Review our processes by considering anti-corruption and anti-bribery
- Business Beyond Legal Arrangements
- Maintain method of doing business beyond full compliance of legal requirement
- Confirm transparency, fairness, responsibility and accountability principles in corporate governance

#### c. Information Security

- Protect information confidentiality, integrity and accessibility and increase our stakeholders' awareness about information security

#### d. Employee Rights

- Maintain the business ethics guidelines (SA-ETIK)
- Recognize equal opportunity is one of the fundamental part of social sustainability
- Ensure women participation in business life equally and actively, and increase women employment
- Support the elimination of all forms of forced and compulsory labor and the effective abolition of child labor
- Respect and recognize our employees' rights of organization, unionization and collective bargaining, which are most fundamental rights emanating from the constitution and international agreements
- Avoid discrimination in recruitment
- Take responsible attitude in balancing work and private life for our employees

#### e. Development Journey

- Become employer of choice
- Carry out corporate and individual performance evaluation process by deploying strategies and targets to organization and employees
- Create a participative working environment by being best practices with our corporate development approaches

#### f. Stakeholder and Society Relations

- Communicate transparently, participatively and based on mutual trust with our stakeholders in all our Operations
- Manage our social, environmental and economic impacts with stakeholders proactively
- Embrace the understanding of social responsibility management based on stakeholder expectations which are reflected on our business manner, culture and values
- Shape and diversify our contribution to society based on our social responsibility strategies
- Promote and spread sustainability approach

## ENVIRONMENTAL

#### a. Efficient Use of Natural Resources and Less Waste

- Develop our way of doing business for efficient use of natural resources, Reduce water consumption
- Carry on operations in accordance with waste reduction at source principle
- Manage waste in accordance with zero landfill principle and generate economic value with reuse and recycle
- Carry on operations with not pollute instead of cleaning principle

#### b. Energy and Carbon Management

- Combat against global climate change
- Reduce all greenhouse gas emissions particularly carbon dioxide as a result of Operations
- Use renewable and efficient energy
- Reduce our environmental impacts by controlling their affects with our Environmental Management System

#### c. Environmentally Friendly Products and Services

- Care about environmental friendly, safe, stable and high quality understanding while developing our products and services
- Consider impacts of our products and services through their lifecycle

#### d. Respect for Biodiversity

- Consider biodiversity and ecosystem while developing environment strategies and designing operations

## ECONOMIC

#### a. Responsible Value Chain Practices

- Generate and distribute higher economic value
- Gain competitive advantage and ensure sustainable profit in our value chain with continuous improvement and development
- Support sustainable development with early identification of corporate risks and taking precautions and deploying risk management culture
- Ensure continuity of critical products and services with our business continuity principles
- Ensure compliance of our suppliers to universal human rights, equal opportunities and our business ethics principles
- Work with suppliers complying with all regulations including safe working environment, working hours and compensation

#### b. Innovation and Entrepreneurship

- Place innovation and entrepreneurship at the focus of corporate culture and ensure deploying its applications with stakeholder participation