



KAMUYU AYDINLATMA PLATFORMU

HEKTAŞ TİCARET T.A.Ş. Sustainability Compliance Report 2023 - Annual Notification

Summary

Sustainability Compliance Report

Related Companies

Related Funds

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
Sustainability Compliance Report						
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	X				Process-based risk analyzes have been carried out in our company. Within the framework of business ethics rules, there are regulations regarding relations with shareholders, stakeholders, and the public. There are Integrated Management Systems Policy and Business Ethics principles in place. A risk inventory has been created within the framework of Enterprise Risk Management.	
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	X				ESG policy is stated within the Integrated Management Systems Policy and announced on our website.	
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.		X			The company continues to work on the matter.	
A2. Implementation/Monitoring						
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.		X			In terms of Corporate Governance; Early Detection of Risk, Audit and Corporate Governance Committees have been established and disclosed to the public.	
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.		X			Corporate Governance, Early Detection of Risk and Audit Committee decisions were taken and included in the activity report.	
					The company continues to	

A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	X			work on the matter.	
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	X			ESG-related KPIs have been determined and KPIs have been assigned on a unit and employee basis.	
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	X			Topics such as Seed Breeding, Safe Food platform, Smart assistant mobile application are announced on the corporate website. Additionally, information about R&D projects is provided during sector fairs. R&D studies are also announced to stakeholders through "Akıllı Tarım" magazine.	
A3. Reporting					
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	X			All disclosures are made objectively and transparently, based on corporate governance principles.	
A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	X			Sustainable Development Goals showing our sectoral impact and contribution in the OYAK Annual Report have been listed . The company continues to work on that matter.	
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.			X	Our company is not a party to any lawsuit in this regard.	
A4. Verification					
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.		X		No information was shared in this context.	
B. ENVIRONMENTAL PRINCIPLES					
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X			We are ISO 14001-certified. Within the scope of the environmental management system, all policies, procedures, and instructions have been prepared.	
B2. The environmental reports prepared to provide information on environmental management have been	X			The legislation to be followed was determined with a list of externally sourced documents, and a system that tracks legislative changes on a	

disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.				daily basis was established. All procedures and instructions have been prepared based on the relevant legislation.
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).	X			It is partially explained in the Personnel Regulation. Work continues in this regard.
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X			Environmental priorities and sensitivities are included in business strategies. Development work continues.
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X			Supplier selection is made according to the supplier evaluation procedure and the suitability of the suppliers is checked through audits. Work continues to improve the process.
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.			X	There is no organization with which we collaborate on environmental issues.
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X			Data regarding energy, water, wastewater, and waste management are collected and reported.
B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X			It will be explained in the environmental management plan. Work continues in this regard.
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X			Work continues in this regard.
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	X			Environmental priorities and sensitivities are included in business strategies. Development work continues.
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X			A study was carried out to determine climate risks. The identified risks have been added to the Corporate Risk Inventory. Action plans regarding risks have been created.
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.			X	No statement has been made in this context.
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.			X	No statement has been made in this context.
				Investments that reduce

<p>B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.</p>	<p>X</p>			<p>environmental impact are monitored and reported. It is reported in line with the OYAK Sustainable Development Goals Compliance and Contribution Report.</p>	
<p>B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.</p>	<p>X</p>			<p>Total energy consumption data is monitored monthly and reported within the company. It is reported in line with the OYAK Sustainable Development Goals Compliance and Contribution Report.</p>	
<p>B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.</p>	<p>X</p>			<p>Electricity, Natural Gas, and water consumptions are reported monthly within the company. It is reported in line with the OYAK Sustainable Development Goals Compliance and Contribution Report.</p>	
<p>B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.</p>	<p>X</p>			<p>A project on the use of renewable energy is being developed. Feasibility studies have been carried out for the solar power plant investment and preliminary studies have started.</p>	
<p>B19. The renewable energy production and usage data has been publicly disclosed.</p>			<p>X</p>	<p>No statement has been made in this context.</p>	
<p>B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.</p>	<p>X</p>			<p>Energy efficiency is increased through follow-up and application projects of new technologies.</p>	
<p>B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.</p>	<p>X</p>			<p>It is monitored monthly but is not shared with the public.</p>	
<p>B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).</p>			<p>X</p>	<p>Due to its activities, the company is not within the scope of relevant legislation and initiatives.</p>	
<p>B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.</p>			<p>X</p>	<p>Due to its activities, the company is not within the scope of</p>	

				relevant legislation and initiatives.	
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X	Due to its activities, the company is not within the scope of relevant legislation and initiatives.	
B25. The platforms where the Company discloses its environmental information have been disclosed.			X	No statement has been made in this context.	
C. SOCIAL PRINCIPLES					
C1. Human Rights and Employee Rights					
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.		X		Business Ethics Principles have been determined. A statement regarding the matter was made on the corporate website.	
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X			It is included in Hektaş Ticaret T.A.Ş. Business Ethics Principles.	
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.			X	No statement has been made in this context.	
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X			It is included in Hektaş Ticaret T.A.Ş. Business Ethics Principles. To date, there has been no application to the ethics committee regarding this issue. If so, it will be reported.	
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.		X		It is included in the relevant procedures.	
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X			It is explained in the Personnel Regulations. All kinds of disputes are resolved in the disciplinary board.	
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X			All kinds of services provided to employees (training, organization, food, transportation, events, etc.) are measured.	
C1.6. The occupational health and safety policies have been established and disclosed.		X		It is included in the Integrated Management System Policy. It has been announced on our corporate website.	
				Accident statistics are	

C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X			kept and reported regularly. We are ISO 45001-certified.	
C1.7. The personal data protection and data security policies have been established and disclosed.	X			Forms for our internal and external customers within the scope of PDP Law has been created and announced to those concerned. It was also announced on our corporate website.	
C1.8. The ethics policy have been established and disclosed.	X			Hektaş Ticaret T.A.Ş. Business Ethics Principles are available and announced on our website.	
C1.9. The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.			X	No statement has been made in this context.	
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X			Trainings are organized for employees	
C2. Stakeholders, International Standards and Initiatives					
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X			The process is defined with the Customer Complaints Process.	
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X			Internal communication is provided with internal customers through the Hekinnova internal communication portal. All information about the company is shared with the public in a transparent manner.	
C2.3. The international reporting standards that adopted in reporting have been explained.	X			GRI standards are taken as basis in line with the OYAK Sustainable Development Goals Compliance and Contribution Report.	
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.			X	No statement has been made in this context.	
C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X			A working group on the subject has been established.	
D. CORPORATE GOVERNANCE PRINCIPLES					
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X				
				The social responsibility projects carried out are implemented on the basis of sustainability and are shared	

D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.

X

with the public through different communication channels (website, social media, press release, etc.). In the communication activities, discourses, press releases, and projects carried out, agricultural and environmental sustainability is emphasized and the importance of sustainability is explained.