

Statement of Continued Support Message from İlhan Doğan, Chairman of the Board

16 Aug 2022

As Biotrend Energy, we have achieved significant success in 2021. By the help of our public offering process, we channeled financial capital to new investments. In addition to the projects, we started and laid the foundations for in 2021, our partnership with the European Bank for Reconstruction and Development (EBRD) after the public offering was a very crucial step for us. We believe that this agreement will advance our corporate governance and climate risk management efforts, and support gender equality in the workplace by adopting higher environmental standards and purchasing practices. We had a year 2021 filled with awards where our work within the scope of sustainability was crowned with the "EBRD Sustainable Energy Award", "Biomass Energy Company Award", "Our Energy is Our Future Award", "Low Carbon Hero Award" and "Renewable Energy Brand of the Year Award".

With the UN Global Compact we committed in October; We promised to abide by 10 principles in the fields of human rights, labor standards, environment and anti-corruption. As Biotrend Energy, it is our primary duty to ensure sustainable and balanced development of the global economy. In addition, we hope to make a difference with the principles of women's empowerment, which is one of the most important activities within the UN Global Compact. We will continue to work with all our strength to achieve UN's "Sustainable Development Goals".

Biotrend Energy has an annual CO2 emission prevention rate of 3.15 million tons. We also certify the greenhouse gas barriers we have created in accordance with international standards. These certificates, which are subject to exchange, are also used as commodities in international markets. We develop our projects through VERRA/Verified Carbon Standard (VCS), Global Carbon Council (GCC) and International Carbon Registry (ICR) credible certification providers in voluntary carbon markets.

As Biotrend Energy, we have investment strategies not only in Turkey but also abroad. The business development steps we have taken or will do in order to carry our knowledge and experience abroad will come to life thanks to our diverse talent base & human capital.

It is very valuable for us to grow by implementing projects with high added value for our country, environment, nature, economy, and the world. This is our vision.

We will continue to work to keep our sustainability awareness at the forefront of our activities, as well as in our projects, facilities and while setting our future goals.

Sincerely yours,
İlhan Doğan

The following table provides an overview of how Biotrend Energy has implemented the Ten Principles across our business and service lines.

HUMAN RIGHTS

UN Global Compact Principle	Disclosure and Highlights	Reference
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	<p>As Biotrend Enerji, we recognize that human rights are an integral part of corporate citizenship and we respect & support the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. We have formally outlined the human rights principles we believe in and the commitments we have made via our affiliated policies (e.g., Biotrend Human Rights Policy, Doğanlar Holding (parent company) Human Resources Policy, Biotrend Diversity and Equal Opportunity Policy, Biotrend Code of Ethics Policy, Biotrend Occupational Health and Safety Policy) publicly disclosed on our corporate website(s).</p> <p>These statements serve to align decision-making and activities in Biotrend and address issues related to non-discrimination and diversity in personnel practices, health and safety, anti-harassment, and freedom of association.</p> <ul style="list-style-type: none"> • We make sure we treat our employees equally, presenting them equal opportunities without discrimination based on religion, language, race, age, skin color, nationality, or social origin, and gender. In our Group, hiring, placement, training, and remuneration processes are carried out taking as the basis qualifications, performance, skills, and experience. • As Biotrend Enerji, in line with our principle of “equal pay for equal jobs”, we are very sensitive about presenting equal salary opportunities for our employees, and competitive advantages within the scope of the market conditions. • We are committed to present a safe working environment for our employees, away from all harassment, abuse, exploitation, and violence. • We continue our activities to raise violence, manipulation, and legal rights awareness within our company. To this end, we provide free-of-charge family counseling for our employees, hold morale nights, ecotherapy and frequent therapy sessions. • We place importance in enhancing health & safety in the workplaces we operate. • We support freedom of collective agreement, within the framework of the right of association, the right of organization, and trade unions that are recognized by law. • We do not tolerate mandatory or forced employment. • We absolutely do not employ child labor within Biotrend Enerji, • We do not discriminate in a way that is against the law at the workplace. • We make sure that human rights practices are included in the internal communication channels and training programs within Biotrend Enerji. • We develop practices in compliance with the Occupational Health and Safety Legislation, and we make sure that our employees’ awareness is increased concerning these issues. <p>In addition to this, Biotrend Code of Ethics Policy, publicly disclosed on our corporate website, consisting of the principles that the employees of our company must comply with when fulfilling their duties, as well as the working order related principles. The objective of those principles is to establish a general framework of the basic rules that need to be complied with, and to prevent any disagreements and conflicts of interest which may arise between employees, business partners, customers, and our company. The Code of Ethics addresses conflicts of Interest, relations with stakeholders and flow of information.</p> <p>We have not identified any instances of Biotrend Enerji causing or contributing to any adverse human rights incidents.</p>	<p>https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_%C4%B0K.PO.003%20%C3%87e sitlilik%20ve%20F%C4%B1rsat%20Esitli%C4%9Fi%20Politikası%C4%B1-d%C3%B6n%C3%BC%C5%9Ft%C3%BCr%C3%BCld%C3%BC%20-%20redline_web%20format_EN.pdf</p> <p>https://www.doganlarholding.com.tr/human-resources</p> <p>https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_UY.YT.008%20%C4%B0%C5%9F%20Et%C4%9Fi%20Kurallar%C4%B1%20Y%C3%B6netmeli%C4%9Fi%20-%20redline_web%20format_EN.pdf</p> <p>https://www.biotrendenerji.com.tr/Files/Raporlar/%C4%B0SG.PO.001%20%C4%B0%C5%9F%20Sa%C4%9Fli%C4%B1%C4%9F%C4%B1%20ve%20G%C3%BCvenli%C4%9Fi%20Politikası%C4%B1_ENG.pdf</p> <p>https://www.biotrendenerji.com.tr/Files/uyp010-insan-haklari-politikasi02082022web.pdf</p>

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LABOR STANDARDS

UN Global Compact Principle	Disclosure and Highlights	Reference
<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: the effective abolition of child labour; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation</p>	<p>As mentioned in Biotrend Human Rights Policy, we support the freedom of collective agreement, within the framework of the right of association, the right of organization, and trade unions that are recognized by law; we do not tolerate mandatory or forced employment; we absolutely do not employ child labor within our organization.</p> <p>We protect the fundamental labor rights of our employees in all our operations and act in accordance with the International Labor Organization (ILO) and the Turkish Labor Law No. 4857, which include preventing discrimination, child labor, forced labor, and providing freedom of association and collective bargaining</p> <p>As a signatory of the United Nations Global Compact (UNGC), Biotrend takes into account the requirements of international institutions as well as national legislation, while protecting human rights along our value chain with employees, suppliers and subcontractors by integrating the necessary clauses in our contracts.</p> <p>As mentioned in our parent company Doğanlar Holding's Human Resources Policy, publicly disclosed on the corporate website, we focus on developing and implementing transparent, sensible, innovative, and fair human resources strategies. In this context, our Human Resources Department engages with other departments as their strategic partner and has a management approach based on continuously analyzing the needs of the company and employees, creating value, and rapidly adapting to changing conditions. We are aware that sustainable growth is only possible with the employee engagement and for this reason we aim to grow our organization with colleagues who are competent and results oriented. Our group's (Doğanlar Holding) Human Resources aim for offering a competent and high standard service to all his shareholders by supporting them in a quick, efficient and fair manner and being an integrative and strategic business partner. For that purpose, Doğanlar Group's human resources policy consists of the following elements:</p> <ul style="list-style-type: none"> • To ensure the recruitment of competent and results-oriented human resources in line with our company goals and strategies, • No discrimination based on religion, language, race or gender in the recruitment and promotion processes, • To work with individuals with a strong sense of responsibility towards individual, social and environmental issues, • To improve the organization's overall performance by rewarding high performance, • To support employees' personal growth through continuous trainings thus increasing the value added for the organization, • To develop approaches that improve employee satisfaction and loyalty by maintaining a pleasant and peaceful business environment. 	<p>Biotrend Human Rights Policy</p> <p>https://www.doganlarholding.com.tr/human-resources https://www.biotrendenerji.com.tr/Files/uypo010-insan-haklari-politikasi02082022web.pdf</p>

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ENVIRONMENT

UN Global Compact Principle	Disclosure and Highlights	Reference
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and,</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Biotrend is constantly working to leave a clean and sustainable world to future generations and remains to be one of the pioneers of the industry by growing its portfolio day by day. We continue our operations by investing in Biomass, Domestic Solid Waste Separation, and RDF Production, Biomethanation, Waste Site Operation, Biomass Incineration Plant and across Turkey and offer engineering, contracting, and consulting services in these fields.</p> <p>The main purpose of the company's fields of activity are:</p> <ul style="list-style-type: none"> • To benefit the environment and human health. • To comply with the Environmental Law and related regulations. • To play a role in preventing environmental pollution. • To generate sustainable and clean energy. • To create economic value out of recycled materials. • To contribute to regional development. <p>As of the end of March 2022, Biotrend Energy has a total of 18 operational plants -including both pre-licensed ones and the ones in investment phase- namely, 15 biogas, 2 biomass and 1 waste fuel preparation and supply plants. 18 operational plants in 11 provinces in 6 regions meet the energy needs of hundreds of households through solid-to-energy process. As of the end of March 2022, the total power held under both preliminary and actual licenses owned by Biotrend Energy stood at 181.3 MWe. Out of this power capacity, 137.7 MW consists of biogas and 43.6 MW of biomass plants. Total installed power stood at 87.6 MWe including the unlicensed electricity production plant with an installed power of 2.4 MWe. Total installed capacity increased to 92.2 MWe in April 2022. These figures show that Biotrend Energy is one of the leading actors in Turkey's biomass market with both its preliminary and actual licenses, and installed power capacity. We have an annual CO2 emission prevention rate of 3.15 million tons. We certify the greenhouse gas (GHG) barriers we have created in accordance with international standards. These certificates, which are subject to exchange, are also used as commodities in international markets. We develop our projects through VERRA/Verified Carbon Standard (VCS), Global Carbon Council and International Carbon Registry credible certification providers in voluntary carbon markets.</p> <p>We carry out our activities in an environmentally sensitive manner taking into consideration "Efficient Use of Resources" and the key principles of United Nations Global Compact. As highlighted in our Environmental Policy, our objectives are:</p> <ul style="list-style-type: none"> • To determine measurable objectives in ISO 14001 Environmental Management System, periodically assess our performance according to such objectives and constantly improve our environmental management system, • To take necessary measures for the prevention of environmental pollution, • To protect the environment and human health by complying with the requirements of legal legislation, • To reduce energy consumption, increase energy efficiency and reduce our greenhouse gas emissions by contributing to the fight against climate change, • To track and minimize our air and wastewater emissions related to our activities, • To ensure the direct or indirect protection of biodiversity in all our areas of activity, • To contribute to increasing environmental awareness, and to improve and maintain such awareness, • To introduce a new perspective on waste management by means of developing innovative technologies. <p>Biotrend's Sustainability Committee is charged with implementing the Environmental Policy. The Sustainability Committee is responsible for setting environmental objectives, establishing the environmental management system, determining performance criteria, and creating action plans. The efficiency of the environmental management system is audited by the audit departments of Doğanlar Holding and the results are submitted for the assessment of the Audit Committee and the Board of Directors.</p> <p>In addition to these, we closely follow current technological developments and regulations in order to ensure environmentally sustainable conditions in our administrative buildings and quickly implement the necessary projects.</p>	<p>https://www.biotrendenerji.com.tr/Files/Raporlar/%C3%87YS.PO.001%20%C3%87evre%20Politikası%20B1_ENG.pdf</p>

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ENVIRONMENT

UN Global Compact Principle	Disclosure and Highlights	Reference
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<p>With our Anti-Bribery and Anti-Corruption Policy, publicly disclosed on our corporate website, we aim to adhere to anti-corruption and anti-bribery laws and regulations as well as to the legal regulations and ethical principles in those countries where the company operates. The policy binds all employees, The Top and Mid management, The Board of Directors, and all related parties (suppliers and business partners, dealers, authorized dealers and authorized services, etc.).</p> <p>We carry out our activities in a fair, transparent, and honest manner, in compliance with legal rules and code of conducts. Besides being extremely sensitive about fighting with bribery and corruption, we are against bribery and corruption and never tolerate activities involving bribery and corruption. In this respect, offering, implying, receiving, or accepting bribe is unacceptable. As an adopted principle, we discontinue our business relationship with 3rd parties who demand to work with the Biotrend Enerji through bribery. Trainings are organized in order to raise the awareness of our employees with regard to being against bribery and corruption.</p> <p>In 2021, no cases of bribery or corruption have been reported in Biotrend Enerji.</p>	<p>https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_UY.PO.003%20R%C3%BC%C5%9Fvet%20Yolsuzlukla%20M%C3%BCcadele%20Politikasi%20-%20redline_web%20format_EN.pdf</p> <p>https://www.biotrendenerji.com.tr/Files/Raporlar/Job%2020015_UY.YT.008%20C4%B0%C5%9F%20Et%C4%9Fi%20Kurallar%C4%B1%20Y%C3%B6netmeli%C4%9Fi%20-%20redline_web%20format_EN.pdf</p>

The following table provides an overview of how Biotrend Energy working towards SDGs

SUSTAINABLE DEVELOPMENT GOALS

UN Global Compact Principle	Disclosure and Highlights	Reference
•3. Good Health and Well-being	3.9. By 2030, substantially reduce the number of diseases and deaths from harmful chemicals and air, water and soil pollution We eliminate the negative effects of pollution and human health through sustainable waste management of the wastes generated in the provinces within the scope of our facilities.	https://www.undp.org/sustainable-development-goals#:~:text=The%20Sustainable%20Development%20Goals%20(SDGs)%2C%20also%20known%20as%20the,people%20enjoy%20peace%20and%20prosperity.
•6. Clean Water and Sanitation	6.3. By 2030, improve water quality by reducing pollution, eliminating dumping, minimizing the release of harmful chemicals and substances, halving untreated wastewater, and dramatically increasing recycling and safe reuse globally. We increase the water quality of the surrounding regions by minimizing pollution with our waste water treatment units we set up in our facilities and our waste water management business models that we carry out jointly with municipalities.	
•7. Accessible and Clean Energy	7.2. Significantly increase the share of renewable energy in global energy resources by 2030 As Biotrend, we allocated a budget of \$ 30 million to our investments this year. We will increase our installed capacity in our renewable energy activities by approximately 32 MW this year, reaching 120 MW.	
•8 Decent Work and Economical Growth	8.5. By 2030, ensure that all women and men, including young people and persons with disabilities, have access to full and productive employment and decent work, and fully embrace the principle of equal pay for equal work. In the light of our equal pay for equal work philosophy, which we guarantee with our human rights policy, we provide employment to 500 employees. 8.8. Protecting workers' rights and promoting safe working environments for all workers, including migrant workers and people in precarious jobs, especially women migrants We provide OHS training to all our employees at regular intervals.	
•9. Industry, Innovation and Infrastructure:	9.4. By 2030, develop infrastructure and retrofit industries to become sustainable, with each country taking action according to its own capacity, increasing more efficient use of resources and greater adoption of cleaner and more environmentally sound technologies and industrial processes As Biotrend, we invested in 5 state-of-the-art biomethanization tanks in order to prevent the disposal of organic wastes landfilled, and we prevented 55 thousand tons of organic waste landfilled annually. We have completed the project development for our waste-derived fuel facilities. To this end, we collaborated with an Austrian company, which is the industry leader in technology supply, in order to produce RDF with the lowest carbon footprint in our country. With these facilities, we will prevent 370 thousand tons of waste from being landfilled annually.	
•12. Responsible Production and Consumption:	12.2. Ensuring the sustainable management and effective use of natural resources by 2030 In our Uşak project, we ensured that 60 tons of animal waste per day is used in our green electricity production processes with biomethanization, with our new technology we developed in the evaluation of leather pruning wastes generated by the Organized Leather Industry.	
•13. Climate Action:	12.5. By 2030, significantly reduce solid waste generation through prevention, reduction, recycling and reuse With our mechanical separation facilities that we have established at 5 points in our country, we recycle 11 thousand tons of waste annually to the economy. 13.0 Take urgent action to combat climate change and its effects As Biotrend, we reduce the equivalent of 3.5 million tons of CO2 emissions by converting 3.5 million tons of waste into energy and saving them for the economy. With the green electricity we produce in our facilities, we provide electricity to 300 thousand households in line with the climate target.	
•17. Partnerships for Purposes:	17.15. Respect for the political space and leadership of each country to create and implement policies for poverty eradication and sustainable development As Biotrend, we support the participation of our industry and households in green transformation with green energy production in our facilities by applying the YEKDEM incentive model developed by our country to support sustainable development.	
	17.16. Proliferation of Global Partnerships for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources to support the achievement of the Sustainable Development Goals in all countries, particularly developing countries. In the light of our partnership with the European Bank for Reconstruction and Development, the EBRD, we carry out joint projects with the EBRD and international consulting firms in order to align our facilities and operations with international standards, environmental and social legislation, and to increase the impact on the Sustainable Development Goals. We have included all our projects in the international certification process, where they certify their contribution to climate action. We are working with Verra, the Global Carbon Council and the International Carbon Registry in this direction.	