



SUSTAINABILITY REPORT
2023



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GRI 2-1, GRI 2-3

About the Report

We are a global technology company that develops high-tech, high value-added products in the green energy sector for a more livable world.

As Smart Solar Technologies, we have been creating value for all our stakeholders with our responsible management approach by adhering to accountability principles and ethical values since we started our activities in 2014. We aim to bring a new LOW CARBON vision to the sector by offering innovative solutions in the renewable energy sector and we create our sustainability strategies with this perspective. While achieving global success as a leading Turkish brand in the field of renewable-green energy technologies, we are proud to present our experiences and knowledge we have gained in this process to our valuable stakeholders. In our sustainability report, which we published for the second time this year, you can find our performance data obtained from our sustainability policies and activities for the management of our ESG impacts.

This Report has been prepared by Smart Solar Technologies in accordance with GRI Standards for the period between 1 January 2023 - 31 December 2023.

Feedback from our stakeholders is an important guide in improving both our sustainability activities and reporting processes. You can send your opinions and suggestions about our sustainability activities and reporting studies to

✉ sustainability@smartsolar.com.tr.



Chairperson Message



HALİL DEMİRDAĞ

CHAIRPERSON OF THE BOARD OF
DIRECTORS

As Smart, we will continue our efforts for a more developed and greener future in the new century of our Republic by playing a pioneering role in the green energy transformation and supporting it with innovative and high-tech business models.

Dear Stakeholders,

The year 2023 was characterised by a series of unforgettable events that had a significant impact on our nation. On 6 February 2023, the significant seismic event resulted in the loss of numerous lives and caused considerable damage to our country. In light of the immense suffering caused by this tragedy, we extend our deepest sympathies to the families of the victims and express our compassion for all those affected. From the outset of the earthquake, we have demonstrated unwavering solidarity with all our employees, dealers and stakeholders. We have endeavoured to facilitate the swift recuperation of the affected areas through the provision of donations and other forms of assistance. We are committed to working continuously and in collaboration with all relevant parties to facilitate the reconstruction and development of the regions affected by the earthquake.

As we celebrate the 100th anniversary of the Republic of Türkiye, the year 2023 has a special place in our history. In this special year, we are once again highlighting the achievements of our Republic and our goal to bequeath to future generations a greener Türkiye that has completed its sustainable development and leads in science and technology. As Smart, we will continue our efforts for a more developed and greener future in the new century of our Republic by playing a pioneering role in the green energy transformation and supporting it with innovative and high-tech business models. We now live in a new geopolitical world where national borders are replaced by trade, climate and digital borders.

As we enter a period of intense investment, we are proud to be launching solar cell production in addition to the solar panels we already manufacture. In addition, we aim to become a fully integrated facility by making significant investments in ingot and wafer production and expanding our capacity in this area. As we continue our efforts towards a greener future, we published our first sustainability report and strategy document in 2023. Our efforts to calculate our greenhouse gas emissions have continued since 2021, and our 2040 net zero target is included in both our Strategy Document and Sustainability Report. In this context, we also accelerated our efforts to transfer sustainability processes to the SAP platform while implementing our Sustainable Supply Chain Management project. As a signatory to the United Nations Global Compact (UN Global Compact), we are continuing our sustainability journey by adopting the Compact's 10 principles and working to align all our strategies and operations with these principles.

The importance of global climate change action plans to control the environmental impact and carbon emissions of fossil fuels has increased. This situation has accelerated the search for sustainable, low-carbon solutions in the energy conversion sector. With its high solar energy potential and strong infrastructure, Turkey has the potential to become a major player in hydrogen energy. We aim to create value through the use of green hydrogen technologies in this area. To this end, we have established Smart Green Hydrogen Technologies Inc. in partnership with Smart Holding and have been conducting R&D studies in this field at our Gebze facility for a long time. We are pleased to announce that our initial tests have been successful.

We are rapidly advancing our charging network projects to provide clean energy for electric vehicles. In this direction, our application for the "Fast Charging Stations for Electric Vehicles Grant Programme", which we developed under our wholly-owned subsidiary "Smart Solargize Yeşil Mobilite Enerji A.Ş.", was supported and we received our licence to operate charging networks under the Solargize brand. We plan to continue our investments in this field without interruption and offset the carbon emissions of the electricity to be supplied to the charging networks with renewable energy certificates from solar power plants within our Group companies.

In 2023, we launched our Sustainable Supply Chain Strategy and published our Supplier Code of Conduct. We expect our suppliers to comply with our Supplier Code of Conduct on issues such as the environment, occupational safety, child labour, forced labour, working hours and payment, and we monitor compliance through audits. In the new period, we aim to lead our industry forward by undertaking improvement and training activities to improve our suppliers in these areas.

The 128 MWp - 100 MWe YEKA-4 project under construction in the BOR-1 Niğde region is expected to be completed in 2024. We will use the renewable energy generated here to offset the carbon emissions caused by the electricity consumption of our ongoing integrated cell and panel production facility in Aliğa. We are using green financing sources for both investments. We are working with the Asian Infrastructure Development Bank (AIB) for the Aliğa cell investment and with the United Kingdom Export Credit Finance Corporation (UKEF) for the YEKA-4 project, and are preparing international environmental and social impact assessment reports. In the first phase of the investment in the Aliğa integrated production facility, 600 MW of panel production capacity was commissioned in March 2023, and we plan to commission 800 MW of cell production in the second quarter of 2024 and an additional 1200 MW of cell and 600 MW of panel production facilities from the second half of 2024.

Developments such as the Russia-Ukraine war, the Green Deal Industrial Plan announced by the European Union to ensure energy security, and the US Senate's Inflation Reduction Act (IRA), which aims to increase the country's renewable energy production potential as part of the fight against inflation, are among the important issues we take into account when developing our sustainable growth and investment strategies. As stated in our corporate strategy document, we aim to start investment activities in 2024 for US panel and cell production facilities with a total capacity of 3 GW in at least two states, the feasibility of which has been completed in 2023.

Supporting sports and athletes is of great importance in building a sustainable social structure. For this reason, Smart Holding A.Ş. contributes to social development with our sponsorship support for Çayelispor. We are proud of Çayelispor's league championships in football and volleyball and 2 world championships in kickboxing. In addition, we help nearly 340 children to stay away from bad habits by giving them the opportunity to do sports regularly and giving them a purpose. It gives us great pleasure to see children with addiction problems being given a new start and a chance to change their lives for the better through sport. We congratulate all our athletes and we are happy to be together and share the team spirit. By supporting sports and athletes, we want to contribute to building a healthy and dynamic society.

As Smart Solar Technologies, we will continue on our path with our global vision and determination to ensure the green transformation of energy. We are leading the green transformation of the energy sector by adapting to changing energy and technology policies due to climate change, pandemics and wars. In 2023, we will renew our strategies and contribute to a sustainable future in line with major developments in sustainability around the world.

With the progress we have made since our first sustainability report, we are pleased to share our second report with you, our valued stakeholders. At Smart, we will continue to lead the green energy transformation and create value based on technology. In the new century of our Republic, we will continue to work towards the goal of a more prosperous and greener Turkey. In order to achieve this goal, we will work harder, make different investments and pay special attention to the development of our workforce. On behalf of our company, I would like to thank our colleagues, business partners, investors and all other stakeholders, especially our colleagues, who have helped us reach today, and I wish you an enjoyable reading of our second Sustainability Report.

Sustainability Committee Chairperson Message



HÜLYA KURT
CHAIRPERSON OF THE
SUSTAINABILITY COMMITTEE

In 2023, we aim to achieve zero carbon emissions from all of our manufacturing facilities with the commissioning of the ongoing 150 MW solar power plant investment.

With our sustainability projects, we are preparing Smart Solar Technologies in a more competitive structure for the coming years. As we continue our activities with our technological and innovative products at the heart of the energy transition, we continue our unwavering support for the green energy transition of our country.

We have left behind another year of economic, environmental, social and governance (ESG) issues. In 2023, while the economy was at the top of the agenda, the importance of energy security was once again experienced in the corridor of uncertainties caused by geopolitical developments. From 2026, our country's iron and steel, electricity, fertiliser, aluminium and cement sectors will be directly affected by the Carbon Border Adjustment Mechanism (CBAM) introduced by Europe to prevent carbon leakage and protect the competitiveness of manufacturing sectors. This situation is a clear harbinger that climate change management and energy transition issues will reach different management priorities in our country in the coming years. By 2023, our total exports of CBAM products to the EU will amount to about \$10 billion, and the share of these products in our total exports will be about 40%. This is an important demonstration of the direct link between climate change and the economy of our country.

As stated in the Intergovernmental Panel on Climate Change (IPCC) Synthesis Report 2023, we recognise that we have reached a critical point in climate change and that we need to be agile. With this in mind, we are focusing on climate change in our production technology, products, business processes, financing options, supply chain, human resource capacity, digitalisation and evaluation of new business opportunities. In addition, at the COP 28 meeting in 2023, 123 UN member states signed the declaration that renewable energy capacity should be tripled globally in order to meet climate targets. All of this tells us that the issue of climate change in the energy sector is about to undergo a radical, once-in-a-century transformation. At Smart, we are aware of our responsibility.

Our priority sustainability parameters are risk management, energy and resource management, climate change management, occupational health and safety, employee rights and satisfaction, and ethical compliance in line with all accepted

corporate governance principles. In 2022, we established and implemented our sustainability management structure covering the Headquarters and all Smart production facilities with our Smart Integrated Sustainability Management System project. In 2023, we prepared our strategy document for the 2023-2027 period and presented it to our stakeholders. Once again, we demonstrated our determination to take a broader view of our sustainability approach and, under the motto "Faces to the Sun", to take account not only of the present but also of the future. Being at the heart of the green energy transformation, leading the industry transformation with our technology and innovative products, shaping the future, zeroing out our environmental impact, expanding our sphere of influence, creating value through our strong growth plans and strategic investments, and embracing a people-focused transformation were our priorities, and we took important steps to achieve these goals in 2023.

We announced our Net Zero target for 2040. By 2040, we aim to achieve 90% net zero in Scope 1, 100% in Scope 2 and 30% in Scope 3 of our operations. In 2023, we aim to achieve zero carbon emissions from all of our manufacturing facilities with the commissioning of the ongoing 150 MW solar power plant investment.

In 2023, we have review our current position on environmental, social and governance issues and focused on strengthening our infrastructure in these areas as we plan to join the Borsa Istanbul Sustainability Index and the Carbon Disclosure Project in 2024. We also plan to obtain our first EMS rating from an international rating agency in 2024. Our LEED certification project for our Aliğa production facility is also underway. Recognising that the issue of climate change needs to be addressed in a different and multifaceted way at Smart, we have established a Climate Working Group to identify the extent of our climate risks and have started work on our first Climate Risk Report. We plan to publish this report in 2024. In 2023, we became a member of the Business Council for Sustainable Development.

One of our key value creation breakthroughs in 2023 is our Sustainable Supply Chain Management project. As part of this, we have established our Supply Chain Policy and Supplier Code of Conduct, which will be integrated into all our corporate sustainability policies. We expect all our suppliers to adhere to these rules. We know that traceability of the supply chain and all purchases has become critical in recent years. The structure we have put in place ensures that the operations in our supply chain respect

human rights, the environment and comply with ILO and United Nations principles. In addition, we are designing our supply chain structure to include polysilicon traceability requirements from 2024. In this context, we are also supporting our suppliers with specific training programmes to increase their awareness and implementation capabilities in this area.

In 2023, one of the key steps we took in our sustainability governance was to strengthen our sustainability team. We have increased our internal sustainability capacity with new colleagues from different and complementary disciplines. As an organisation that places sustainability at the heart of its business model, this will remain a priority for us in the coming years. In addition, recognising the importance of the link between the Board and the Executive Committee on sustainability, we have established the Sustainability Executive Committee, which reports to the Sustainability Committee.

We aim to create value for all our stakeholders through a proactive and collaborative approach to corporate social responsibility. We are committed to working with universities and technical colleges to foster creative ideas. With the Smart Solar Academy in Aliğa, our most valued social responsibility approach is to raise awareness of solar energy among our stakeholders and contribute to the experience of young people who want to enter this sector in the fields of science, technology and engineering through theoretical and practical training.

In 2024, as we leave behind the 100th anniversary of our Republic, we as Smart will continue to do what we do more technologically, more systematically and with more added value for a bright, strong, developed Turkey that has caught up with the dynamics of the century we are in, with the strength we draw from our past in the light of our country's founding values. As Smart Solar Technologies, I would like to thank the Sustainability Committee with whom we plan and implement all sustainability activities, the Chairman and members of the Board of Directors of Smart Solar Technologies for their support, the Sustainability Management Committee and all our teammates with whom we work together in this field. In the years to come, we will continue to create value for all our stakeholders, especially our country and our employees. In 2024, we aim to greet you, our valued stakeholders, with our first integrated report. I hope you enjoy reading our second Sustainability Report, which we have prepared and submitted for your information.

Sincerely

About Smart Solar Technologies

Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim Sanayi ve Tic. A.Ş. (Smart Solar Technologies) was established as a global technology company operating in the field of renewable energy in Istanbul in 2014.

Board of Directors



Halil Demirdağ
Chairperson of the Board of Directors

Halil Demirdağ, who graduated from Boğaziçi University, Department of Industrial Engineering in 1996, started his professional career as an entrepreneur by conducting international trade studies on consumer goods during his university education. After his undergraduate education, he continued his professional career (1996 - 2006) as the founder and CEO of Everest Group Company, a family company.

In April 2009, Halil Demirdağ established Smart Solar Technologies Energy Investment Company in Sofia to invest in solar energy projects and solar energy technologies. He has pioneered the realisation of many international solar energy investment projects and the establishment of international partnerships. With the investor identity of Smart Solar Technologies and the turnkey installation services provided to SPP projects, he added domestic photovoltaic solar panel production to his activities in the solar energy sector in a short time with Smart Solar Technologies. With this step, its innovative investments in the international arena started to attract attention and thanks to the strategic partnerships established, group offices were established in Bulgaria, Romania, Greece, Germany, Switzerland, Ukraine, and especially in Türkiye. Halil Demirdağ, who continues to serve as Chairperson of the Board of Directors, speaks fluent English and Bulgarian.



Hakan Akkoç
Vice-chairperson of the Board of Directors

He graduated from Istanbul High School for Boys in 1990. He received his bachelor's degree in Industrial Engineering from Istanbul Boğaziçi University in 1996. With the encouragement of his entrepreneurial side and his interest in global trade, Hakan Akkoç travelled to Taiwan several times between 1992 and 1994 and established long-term commercial relations with Taiwan for the family business on automotive spare parts import. He started his career in 1996 as founder and CEO of Autodinamik Ltd (Sofia-Bulgaria), a company for the import and distribution of automotive spare parts, which started its activities in a 30 m² retail store in Sofia and soon grew to a regular customer list of 3.000 buyers with 120.000 different products and a new warehouse of 6.900 m². With its online trade infrastructure, it has increased its cumulative turnover to over USD 50 million with its commercial activities extending to Germany, Italy, Spain, Brazil and China. In addition to the investment projects in Bulgaria he started in May 2007, he's been an investor in different SPP projects alongside Smart Solar Technologies Group (Sofia-Bulgaria) since April 2009. In 2016, Mr Akkoç joined Smart Solar Technologies Group and serves as Vice Chairperson of the Board of Directors. He is fluent in English, German and Bulgarian.



Havva Köroğlu
Vice-chairperson of the Board of Directors

In 2001, she graduated from Istanbul Technical University, Department of Geological Engineering. She received awards both in the company she worked for and at ITU for the studies she carried out within the scope of the 'Underground Mining Facility Geological Floor Plan Creation Project' she took part in during her university education. Köroğlu started her professional career immediately after her graduation and carried out sales and foreign trade operations in different sectors. Havva Köroğlu, who successfully worked as the Türkiye Country Manager of the Spanish textile company Scor Equip S.L. at the age of 26 with the knowledge and experience she gained especially in the textile sector, worked as a manager in many companies operating in the Construction, Lighting, Paper and Energy sectors and decided to continue her professional life in the energy sector in 2015. With the company Seg Elektrik, which she founded, she has been a solution partner in many areas such as project design, mobilisation, CCTV, weak current and construction works for EPC companies in the Solar Energy Sector. In 2018, Havva Köroğlu joined Smart Holding and serves as Vice Chairperson of the Board of Directors at Smart Solar Technologies. Köroğlu, who makes great efforts to increase the rate of female employment in all companies within the Holding, is also a member of various professional, social, foundations and associations. Köroğlu is fluent in English and is married with two children.



Borge Karagülle
Vice-chairperson of the Board of Directors

He received his bachelor's degree in International Business Administration from L'université Américaine de Paris in 2000. He started his career at Multimed Group Corporation, a petroleum company, as Assistant Production Manager. Between 2000 and 2004, he worked as International Trade Manager in the same group company. Mr Karagülle then worked as "Business Development Manager" at Renovatio Group and was transferred to ET Solutions AG/ Mel Solar Energy, a company operating in the field of renewable energy, in 2010. In 2015, he worked as Business Development Manager at Rene Sola, one of the world's largest solar energy companies listed on the New York Stock Exchange. In 2018, Karagülle joined the Smart Solar Technologies group and serves as Vice Chairperson of the Board of Directors and Board Member and General Manager of Smart Solar Technology GmbH in Germany. He speaks fluent English and French.

Board of Directors



İhsan Şafak Balta
Board Member

He graduated from Istanbul University Faculty of Law in 1989. He completed his legal internship at the Istanbul Bar Association and is a self-employed lawyer registered with the Istanbul Bar Association. Between 2002 and 2017, he worked as the manager of legal departments in the banking and finance sector. He served as a member of the Board of Directors in financial and real sector companies operating in Türkiye and abroad. Mr Balta is a member of various professional, social, foundations and associations.



Filiz Avşar Aktaş
Board Member

Filiz Avşar Aktaş received her bachelor's degree in Business Administration from Marmara University, Faculty of Economics and Administrative Sciences. She continued her education career with a master's degree in Energy Technologies and Management at Sabancı University.

Between 2006-2011, she worked as an Operations Manager in foreign trade and international logistics sectors. Afterwards, she worked as a Project Coordinator in clustering projects carried out by the Ministry of Economy between 2012-2015.

In 2019, she started working at Smart Solar Technologies by giving a new direction to her career in the energy sector. She served as the General Secretary of the company between 2020-2022. Since 2021, she has been serving as a Member of the Board of Directors and President's Office and Sustainability Coordinator. In her current role, she plays an important role in identifying and developing strategic projects for the Company's new sustainability-focused business areas and represents the Company on international platforms. Aktaş is married with one child and speaks fluent English.



Cem Nuri Tezel
Board Member

Nuri Tezel completed his undergraduate degree in Finance at Marmara University and continued his postgraduate education with an MBA at Leeds University. Mr Tezel started his professional career at Arthur Andersen Istanbul Audit Department in 1996 and continued his career as Senior Manager at Ernst & Young and Internal Audit Manager at Sabancı Holding. He continued his career as Finance Director at Enka Pazarlama between 2005-2007 and served as CFO at Sabiha Gökçen Airport, Soyak Holding, Assan Aluminium and Aksa Energy, which is traded on Borsa İstanbul, between 2008-2021. He is a member of ISMMMO, a founding member of Corporate Risk Management Association (KRYD) and served as a member of DEİK Bahrain Business Council in 2017-2018. In 2016, 2018 and 2020, when he served as CFO, he was ranked among the "50 Most Effective CFOs" by Fortune Türkiye and participated in many international seminars in the field of finance as a speaker. Cem Nuri Tezel has been serving as Vice Chairperson of the Board of Directors and Board Member Responsible for Financial Affairs at the Company as of 2022. Mr Tezel is fluent in English and German.



Prof. Dr. Mustafa Kemal Yılmaz
Independent Board Member

In 1985, he graduated from Galatasaray High School. In 1990, he graduated from Marmara University, Faculty of Economics and Administrative Sciences, Department of Business Administration in English. In 1993, he completed his Master's Degree in Finance and Accounting in English at Marmara University. Between 1991 and 1994, he worked as a specialist at the Republic of Turkey Prime Ministry Undersecretariat of Treasury, General Directorate of Banking and Foreign Exchange. In 1994, he started to work at the Istanbul Stock Exchange. In 1998, he received his PhD degree from Marmara University, Institute of Banking and Insurance, Department of Banking, and in 2004, he received his Associate Professor degree from the Department of Finance-Accounting. He worked as a specialist at the Istanbul Stock Exchange Futures Market between 1994-2005, at the Risk Management Department between 2006-2007 and as Chief of Staff between 2007-2011. Between November-December 2006, he worked as a representative of the Islamic Development Bank at the Tehran Metal Exchange and Iran Agricultural Commodity Exchange, and between 2007-2013, he worked as a consultant at the Capital Markets Sector Council of the Union of Chambers and Commodity Exchanges of Türkiye. Mr Yılmaz served as Deputy General Manager of Borsa İstanbul between 2012 and 2016, as a Member of the Board of Directors of Takasbank between 2012 and 2013, as Deputy Chairman of the Board of Directors of Enerji Piyasaları İşletme A.Ş. between 2015 and 2016, and as a Member of the Board of Directors of MKK between 2013 and 2016. Since 2017, Yılmaz has been working as a faculty member and Dean of the Faculty of Management Sciences at Ibn-i Haldun University with the title of Professor, and is married with 2 children.

Board of Directors



Hülya Kurt
Independent Board Member

In 1988, she graduated from Hacettepe University, Department of Chemical Engineering. In 1997, she completed the Business Administration Certificate Programme at Marmara University and in 2000, she received an Executive MBA from Koç University. She started her professional career as an R&D and Project Engineer at Eczacıbaşı Vitra Ceramic Company. In 1995, she joined the Engineering Department of the Industrial Development Bank of Turkey (Türkiye Sınai Kalkınma Bankası) as a Project Engineer Specialist, and after working in various positions, she has been the Department Supervisor Manager since 2008. Between 2006 and 2016, she also served as the Bank's Environment and Sustainability Coordinator. In 2011, she led the establishment of Escarus - TSKB Sürdürülebilirlik Danışmanlığı A.Ş., a sustainability consultancy within TSKB. Between 2011 and 2015, she served as TSKB Engineering Manager and TSKB Sustainability Coordinator, as well as Executive Vice President of Escarus, and was appointed General Manager of Escarus in 2016. Between 2009 and 2016, she chaired the Turkish Banking Association's Working Group on the Role of the Financial Sector in Sustainable Development and led the preparation of the Sustainability Guidelines for the Banking Sector project. In addition to being a member of the TÜSİAD Finance Working Group and the BIST Sustainability Platform, she was also the sustainability consultant for the TSKB Green Bond project. She also coordinated the Sustainable Development Goals Project of the Republic of Turkey on behalf of the Ministry of Development. She has experience in climate change, sustainable development governance, climate change finance, green economy, energy and energy transition.



Meliha Seyhan
Independent Board Member

She holds a bachelor's degree in accounting from Yıldız Technical University, a bachelor's degree in business administration from Anadolu University, and a master's degree from Sabancı University's Executive MBA programme. She attended the Leadership and Innovation certificate programme at MIT in the USA. Meliha Seyhan started her career at Gillette A.Ş. in 1991 in the Cost Accounting Department and worked until 2005 as Plant Controller, Financial Analyst, Reporting and Cost Accounting Manager in Turkey, Balkans and Medex Hub region as well as Project Leader of the Renaissance Project, the largest financial reporting system project in Gillette's history, in Turkey, Balkans and Medex Hub countries in Boston, USA. In 2005, after The Gillette A.Ş. was acquired by Procter & Gamble, she joined P&G and worked as System Simplification Manager, Customer Business Development Financial Team Manager, Corporate Accounting Group Manager, Internal Control and Purchasing to Payment Group Manager. In 2010, she was appointed to the first CFO position in the Lila Group, accelerating its institutionalisation efforts. During this period, she led the systemic, structural and organisational change and transformation of the company's finance department, and in 2017 she added the Information Technologies department to her responsibilities, leading the organisational renewal efforts for digital transformation. With 18 years of experience in global companies, she left the Lila Group after 11 years of rapid growth in Turkey and her role in its institutionalisation at the end of June 2021, and has started to provide management and financial consultancy services to companies by establishing ANKA Holistic Management Consultancy Limited Company. Meliha Seyhan, who is an active member of NGOs such as TKYD and LEAD Network Türkiye, Türkonfed, Futurists Association, mentors women managers in the retail sector and teaches financial ethics courses at many universities as part of the "Ethical Leaders Academy".



Bilgün Gürkan
Independent Board Member

Bilgün Gürkan graduated from Izmir American High School for Girls and then from Boğaziçi University, Department of Business Administration, and completed her Executive MBA at INSEAD in 1998. After starting her professional career at the American Bank of Saudi Arabia (Samba Bank) in 1991, she joined ABN AMRO Bank in 1994, where she served as Country Head of Corporate Banking and Investment Banking until 2011. Between 2011 and 2015, she continued her career as the Head of Corporate Marketing Department at Standard Bank and Country Manager at Renoir Management Consultancy Company. Since 2016, Ms Gürkan has established and managed the Bank of Bahrain and Kuwait (BBK) Representative Office in Türkiye and plays an active role in providing financing to Türkiye's leading companies and banks from the Gulf countries. Bilgün Gürkan, who pioneered the establishment of TÜSİAD Gulf Countries Network in 2017, is currently the President of TÜSİAD Gulf Network. Since 2020, Bilgün Gürkan has been serving as the President of DEIK Turkey Bahrain Business Council and continues to serve as a Board Member of 30 Percent and International Women's Forum and TEMA Board of Trustees. Bilgün Gürkan, who is married and mother of 2 children, is fluent in English.

Senior Management



Murat Mert
Head of EPC

He completed his high school education at Vehbi Koç High School in 1999, graduated from 9 Eylül University, Department of Mechanical-Painting-Construction in 2002 and Eastern Mediterranean University, Department of Mechanical Engineering in 2006. Between 2008 and 2010, he worked as a Field Engineer at a 2,000 MW Combined Cycle Power Plant in the United Arab Emirates, and between 2010 and 2016, he worked for Alstom Power Company as a Supervisor and Site Manager at various hydroelectric power plants, respectively, before assuming the position of Service Project Manager responsible for the MENAT region. In 2016, he joined EUM, a Danish company, as Project Manager responsible for the installation of wind power plants. Between 2016 and 2020, he worked as Country Manager and Projects Director at Semi Energy FZCO, developing, managing and operating a group of projects totalling around 700 million Euros in Africa and the Middle East. He also set up the entire organisation of the Company's energy division. Since 2021, he has been serving as Vice President of EPC in the Company, reporting directly to the Chairman of the Board of Directors.



Dr. Papatya Ceylan Sözbir
Head of Technology Development

She graduated in 2002 from Pertevniyal Anatolian High School and in 2007 from Yeditepe University, Faculty of Arts and Sciences, Department of Physics. During her time at the university, she worked in the field of spectroscopy and published three articles until her graduation. In 2013, she completed her PhD at Bowling Green State University, Centre for Photochemical Science. During her PhD, she analysed the electron transfer dynamics affecting the efficiency of solar cells and published 6 papers. Between 2013-2014, she worked as Project Manager at 3B Telecom Services Ltd. Between 2014-2015, she worked as a consultant at Enerlab Enerji ve İletişim Hizmetleri A.Ş. In 2015, she started as R&D Specialist at Smart Solar Research and Development Industry and Trade Ltd. and in 2018, she worked as R&D Manager under the roof of the Company, which is a group company.



Nihat Özdemir
Head of Human Resources

After completing his undergraduate degree in Systems Engineering at the Military Academy, Nihat Özdemir served in the army for 3 years and then continued his professional career in the private sector. Özdemir has 24 years of experience in the private sector, working in senior roles in the field of human resources, starting from expertise in the field of human resources in global and local companies such as Shell Türkiye, UPS, ThyssenKrupp, Yıldız Holding, Şölen Çikolata and Döktaş. Özdemir completed his master's degree in Human Resources at Marmara University and continues his education and training as a PhD student in Strategic Management at Yeditepe University, Department of Business Administration in English. In 2023, Özdemir joined the Smart family and is currently serving as Vice Chairman of the Board of Directors responsible for Human Resources.



Aykut Koray Özçelik
Head of Production Operations and Investments

Aykut Koray Özçelik started his education at Gazi Anatolian High School in 1996 and successfully graduated from Istanbul Technical University, Department of Mechanical Engineering in 2000. He continued his education and received his master's degree from UCLA in 2001 and from Istanbul Technical University, Executive MBA Department in 2003. He started his professional career as a field engineer at Yüksel İnşaat between 2001 and 2002. Afterwards, he worked as an investment and business development manager at Assan Aluminium between 2002 and 2008. During this period, he played an important role in determining and implementing the company's growth strategies. Between 2008 and 2014, he worked at Akbank TAŞ in the Project Finance Loans department. Here, he gained experience in the financial field and developed his skills in managing the financing of projects. Between 2014-2017, he worked as Strategy and Business Development Manager at Kibar Holding. During this period, he guided the expansion and diversification strategies of the Holding and took initiatives in new business areas. Between 2017 and 2023, he returned to Assan Alüminyum, first as investment director, then as investment and operational excellence director and finally as Assistant General Manager responsible for investment, operational excellence and technical services. During this period, he provided leadership in determining the company's capacity expansion strategies and implementing investment decisions. During this time, he managed intensive investment programmes, particularly for the expansion of foil production capacity. He also played an important role in the execution of the company's digital transformation, manufacturing excellence and culture transformation projects. Since October 2023, he has been serving as Executive Vice President responsible for Operations, Supply Chain, Investment and Information Technologies at Smart Solar Technologies. In this role, he reports directly to the Chairman of the Board of Directors and contributes to the strategic direction of the company.

Senior Management



Mustafa Emre Kaya
Finance Director

Born in 1978 in Istanbul, Mustafa Emre Kaya graduated from Istanbul University, Faculty of Business Administration in 2000 after completing his secondary and high school education at Private Tercüman High School. He completed his master's degree (MBA) at Yeditepe University in 2006 with courses focusing on marketing and finance, and started his professional career at HSBC in 1999 in the Treasury Operations Department. He worked as a Dealer in the Treasury Sales unit of the same company for nearly 3 years and left for military service in 2006. During his banking career, he was entitled to obtain Capital Markets Board Derivative Instruments and Advanced Level Licences. Afterwards, he entered the real sector and held managerial positions at Sandoz Pharmaceuticals, ISG Airport, Şişecam and Fuzul Holding, and also has experience in financial affairs in retail and tourism. Since September 2023, he has been serving as Finance Director for the Holding and all its subsidiaries, reporting to the Vice President of Financial Affairs.



Osman Şahin
Sales and Channel Management Director

In 1990, he graduated from Yıldız Technical University, Faculty of Engineering, Department of Electrical Engineering. In 1992, he completed the International Management Programme in English at Istanbul University. Between 1992 and 1994, he worked as a sales engineer at Telemecanique. He completed his military service as a reserve officer between 1994-1995. Between 1995 and 2010, he worked at Schneider Electric in different positions including mid-level management in Sales, Marketing, Services and International Projects departments. Between 2010-2021, he worked as Country Assistant General Manager and Central Asia Sales Director in the Central Asia organisation of Schneider Electric based in Baku, Azerbaijan. He has participated in many training programmes in Turkey and abroad. Most recently, he completed the Inspiring Leaders for Development Programme at Singapore Management University in 2015. Şahin is currently the Sales and Channel Director of the Company and is married with 1 child.



Tolga Üçel
Business Development Director

Tolga Üçel graduated from Istanbul Technical University, Faculty of Electrical and Electronics, Department of Electrical Engineering. He started his career as an Electrical Project Engineer during his university education and continued his professional life in the renewable energy sector after graduation. Between 2015-2017, he worked as a Project Development Engineer in a company investing in SPP projects within the scope of unlicensed electricity generation, and between 2017-2020, he worked on the investor side as Project Manager in Baltech Group, which has one of Turkey's first licensed SPP projects. After completing his military service, he worked in the Electricity Department at Tekfen Engineering for about 2 years, focusing on the development and feasibility processes of Tekfen Group renewable energy projects. Having joined the Smart Solar Technologies family in 2021, Mr Üçel is responsible for the business development activities of the company's engineering and contracting services with the title of EPC-Business Development Director.



Mustafa Yıldız
Project Development Director

Mustafa Yıldız graduated from Sarıyer Hüseyin Kalkavan High School in 2004. In 2009, he graduated from Istanbul Kültür University Electronics Engineering with 100% scholarship. Between 2014-2018, he worked as Project Specialist, Project Manager and Commercial Project Manager and Strategy Development Manager respectively in the development of geothermal power plants projects for GCL-Poly company and developed and invested in projects in Türkiye worth 45.000.000 USD. In 2019, he was respectively promoted to the positions of Contract Manager, Project and Business Development Manager, Project Manager and Domestic Project Development Director at Smart Güneş Teknolojileri Araştırma Geliştirme Üretim A.Ş. and has started to report to the Chairperson of the Board of Directors. Between 2019 and 2022, he completed the installation of 79 MWp Solar Power Plant as Project Manager. He is currently managing the company's largest and Turkey's 2nd largest Solar Power Plant Investment, Niğde BOR GES 129 MWp project and conducting the development processes of the 721 MWp Solar Power Plant Project.

Senior Management



Alper Uysaler
Product Development and Marketing Director

Alper Uysaler graduated from Robert College in 1992 and from Boğaziçi University, Department of Industrial Engineering in 1996. He holds a master's degree in Business Administration from Gebze Institute of Technology. Between 1996 and 2013, he worked as the founder of his own companies operating in Panasonic Photocopiers sales and service, Copy Centre services and IT hardware sales and service. As of 2013, Alper Uysaler entered the payment systems sector and worked in Profilo Payment Systems, Aktifbank and Mepsan Petrol companies to establish and manage functional teams in the production, development and sales of new generation cash registers and payment systems. Between 2017 and 2023, he worked as product development and strategic business unit group director for fuel retail automation systems at Mepsan Petrol. For the last year, he has been working as the director of Solargize Electric Vehicle Charging stations project and new product development department at Smart and is married and a father of two children.



Atakan Özbek
Investment Director

Atakan Özbek is the investment director responsible for Smart Solar Technologies' operations in the US. Mr Özbek has over two decades of clean energy industry experience building and leading international teams. Prior to joining Smart Solar, he was the Managing Director of an international co-investment venture group and led the development of a 2 billion USD investment project in Turkey. As the Executive Director of the Energy Group, responsible for the EMEA and Asia business development divisions of the Europe-based company, Özbek led the development of an international renewable energy development project portfolio totalling 2,000 MW with 335 MW commissioned and an asset value of 550 million USD. Between 2008 and 2010, as Sanko Holding Turkey Business Development Coordinator, Mr. Özbek assumed responsibility for determining and developing the Holding's business development activities in the fields of mining/natural resources and energy. Between 2005 and 2008, he provided strategic guidance to global companies on emerging technologies with his research and consultancy project studies in the fields of Smart Grids/Smart Cities, Hybrid and Electric Vehicles, Distributed Energy Grids, Fuel Cells, Hydrogen technologies, Carbon Capture, Storage and Emissions with the New York-based Global Energy Strategies and Research. In 2002-2005, he served as the Head of Energy Department at ABI Research, a US-based research organisation, where he led the company's energy policies. He started his career in the emerging clean energy sector as a Senior Energy Analyst at the same company in 2000-2002. Mr Özbek graduated from Middle East Technical University in Ankara with a BSc degree in Environmental Engineering and holds an MBA degree in Banking and Finance from Hofstra University in New York.



M. Mustafa Bakkaloğlu
Construction Works Coordinator

Mr. M. Mustafa Bakkaloğlu completed his high school education at Sakarya Atatürk High School in 2000 and graduated from Kocaeli University, Department of Civil Engineering in 2005.

Between 2005 and 2013, he served as a senior manager in domestic and international projects in industrial steel construction manufacturing, and in 2014, he established his own company and started to provide static consultancy in SPP applications and took an active role in the application and design of +1 GW SPP Fixed and Tracker system Domestic / International projects.

The bond established as a consultancy with Smart Solar Technologies in 2014 continues with the role of EPC department Construction Works Coordinator since 2020. He is married and has a daughter.



Serdar Sofuoğlu
Electrical Works Coordinator

Mr. Serdar Sofuoğlu completed his high school education in 2000 at Yunus Emre High School with a foreign language emphasis in Eskişehir and graduated from Eskişehir Osmangazi University, Department of Electrical and Electronics Engineering in 2005 with a bachelor's degree in 3rd place.

Between 2005-2009, he worked with Siemens Turkey in many different industrial automation projects. As of 2010, he shifted his career to hydroelectric power plants and worked in the fields of field installation and commissioning, engineering, project management and engineering management in global companies such as Andritz Hydro, Alstom Power and GE Hydro between 2010-2019. In 2019, he wanted to take part in the project by directing his career on the wind energy side with Siemens Gamesa, Turkey's first wind YEKA project supplier. Between 2019 and 2023, he managed the relevant engineering and service teams in Siemens Gamesa Service Technology team in the Electricity and Grid Control systems unit, providing technical support to wind power plants installed in Europe and Turkey.

Since 2023, he has been working as Electrical Works Coordinator in Smart Solar Technologies EPC department.

About Smart Solar Technologies

Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim San. ve Tic. A.Ş. (Smart Solar Technologies), a technology company operating on a global scale in the field of renewable energy technologies, was established in Istanbul in 2014. Since its establishment, Smart Solar Technologies has been carrying out activities that support the transition to a low carbon economy by developing innovative solutions for renewable energy generation.

Smart Solar Technologies operates in two main business lines: photovoltaic (PV) module production and turnkey installation services for roof and land projects for electricity generation from solar energy. The Company invests in Solar Power Plants (SPP) in order to reduce carbon emissions and continues its investments to increase its vertical integration without slowing down. In addition, it contributes to the low-carbon energy transformation of our country by developing energy transformation solutions integrated with solar energy for its stakeholders in areas such as green hydrogen, storage systems and electric vehicle charging stations.

With these competences, Smart Solar Technologies has become one of the global companies operating in the field of solar energy shortly after its establishment. The company carries out its activities with production facilities established on an area of 23,500 m² in Gebze with an annual production capacity of 1,200 MW and 10,000 m² in Dilovası with a production capacity of 500 MW, and with offices in Germany, Ukraine, Spain and the Netherlands. In 2019, Smart Solar Ukr LLC in Ukraine, Smart Solar Technology GmbH and Icarus Solar GmbH subsidiaries in Germany were established in line with the strategy of developing its sphere of influence in foreign markets. In the reporting period, Smart Gunes Tecnologias Renovables Sociedad Limitada in Spain and Smart Global Enterprises & Trading BV in the Netherlands were established with 100% of their capital owned by the Company.

In March 2023, Aliğa Solar Cell & Solar Panel Integrated Production Facility started PV panel production in a closed area of 38,000 m² within a land area of 50,000 m² in total. Within the scope of Aliğa II - PV cell and panel investment, the project design works of the investments are ongoing in a new project area of 58.309 m².

Compared to the end of 2022

1,323^{MW}

capacity increase, share of SPPs in Türkiye's total installed capacity increases year on year

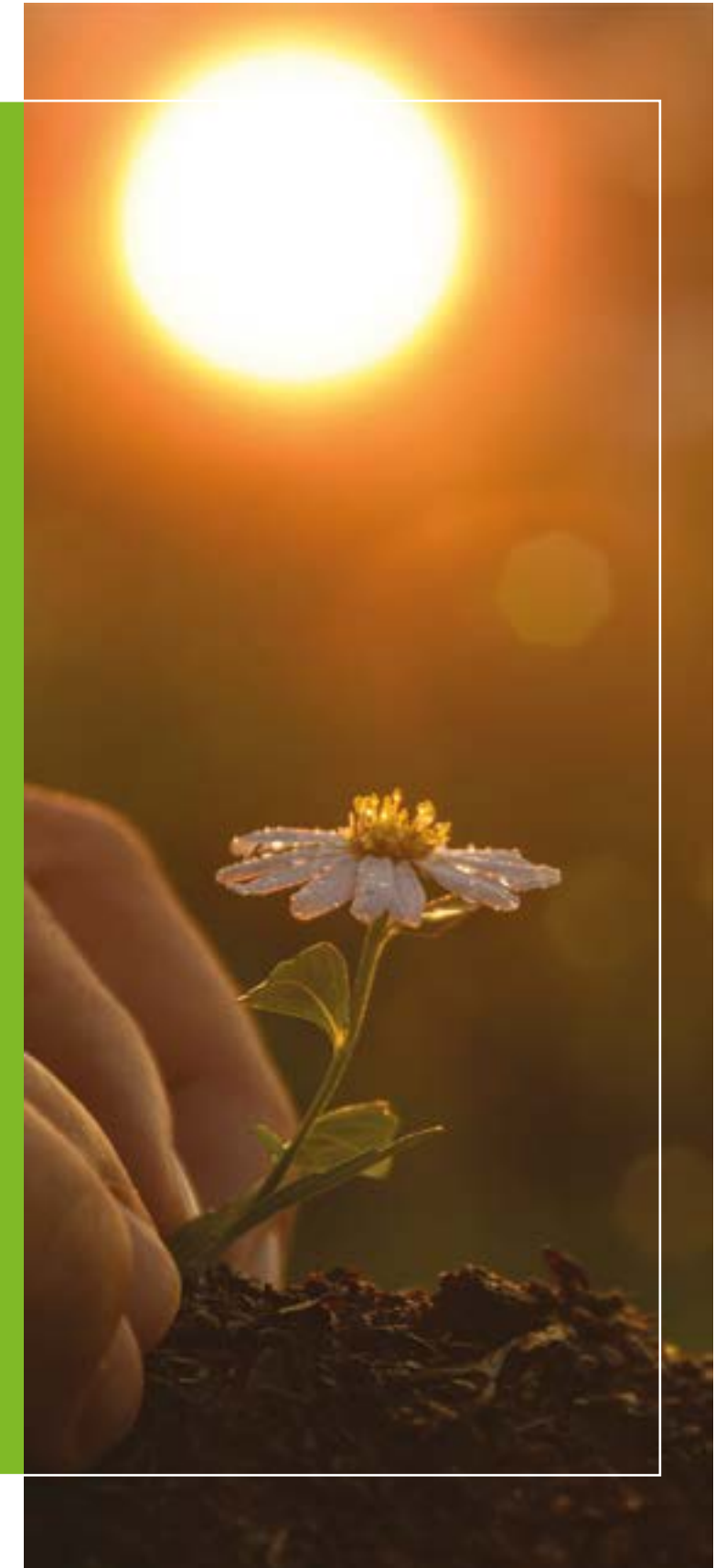


With the cell investment aimed at increasing vertical integration, our company aims to strengthen its position in the Turkish market thanks to domestic cell production, while increasing its export potential and reaching many countries in the global market. With the investments to be made, it is planned to have 800 MW Mono Perc Cell and 1,200 MW Solar Panel production capacity in the first phase. These investments of our company to create an integrated production capacity, together with the ingot and wafer investments planned to be made in the following periods, were included in the scope of Project Based Incentive with the Presidential Decree dated 14.10.2022 and numbered 6211.

Smart Solar Technologies started to be traded in the BIST100 Index as of 1 October 2022 and in the BIST50 Index as of 2023.

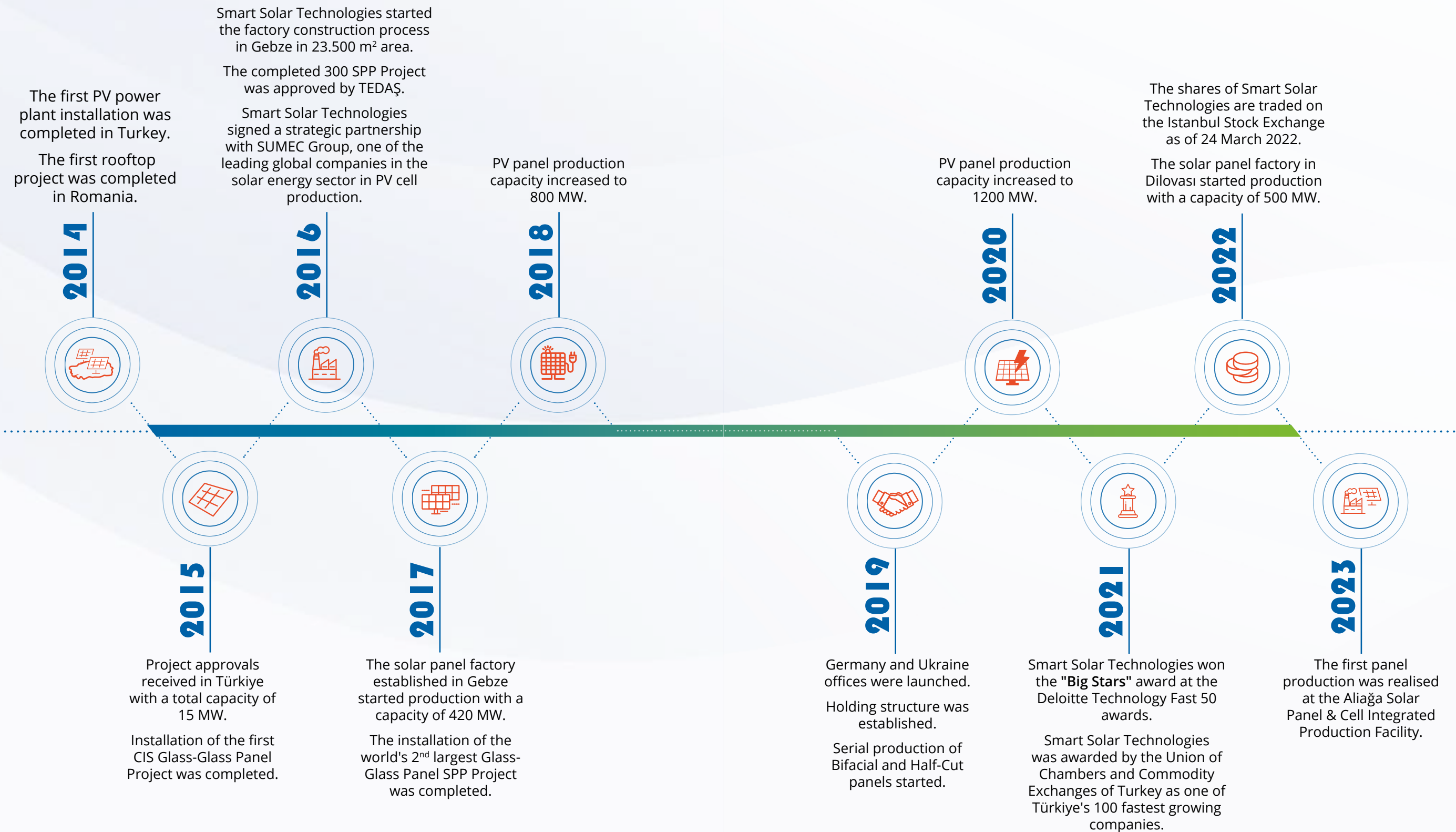
The total installed capacity of SPPs in Turkey has been increasing continuously over the years. With a capacity increase of 1,323 MW compared to the end of 2022, the share of SPPs in Turkey's total installed capacity follows an increasing trend year by year. In the last 6-month period, solar power plants accounted for approximately 70% of Turkey's installed capacity increase. It is predicted that solar energy will make the largest contribution to the increase in the installed capacity of renewable energy expected to occur between 2020-2026 in our country.¹

We are working tirelessly to develop innovation in our industry, create added value for our country and build a sustainable future for our world.



¹ PwC Sector Report

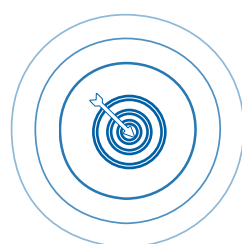
Milestones



Vision, Mission, Values

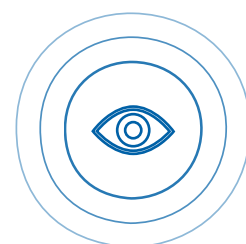
OUR MISSION

To invest in renewable energy by producing "value" based on advanced technology with the goal of a green future and high quality understanding, and to create impact and difference in sustainable development by considering the values of our stakeholders.



OUR VISION

To be the company of the future by creating value with the innovative renewable energy and technology solutions we offer.



OUR VALUES

Innovation
Continuous Improvement
Solution Orientation
Passion
Collective Wisdom
Social Responsibility
Quality Understanding
Agility
Sustainability



Guided by our values, we are working without slowing down to provide the best service to our internal and external stakeholders and to create added value for our country.



OUR KEYS TO SUCCESS:

Quality Understanding and Value Engineering

Our primary objective is to ensure customer satisfaction and trust by consistently delivering the highest quality products and services, thereby establishing ourselves as a market leader in our sector. In line with this objective, we design and implement all our processes with a focus on customer satisfaction. We ensure the highest efficiency and effectiveness by working with a value engineering approach at every stage from production to installation. With our vision and working principles that add value to the sector, we aim to produce sustainable "value" for our country and future generations.

SMART SOLAR TECHNOLOGIES IN FIGURES

We are proud to be a global technology company that supports energy innovation for a sustainable future, and we are constantly improving ourselves by adhering to our values.

2.9 GW

Solar Panel
Production Capacity



2 GW+

Solar Cell Capacity with
Ongoing Investment Process



100+

Dealers



200 MW+

Solar Energy
Power Plant Investment



2,000 MW+

Engineering,
Procurement and
Construction



7 DC, 15 AC

Total

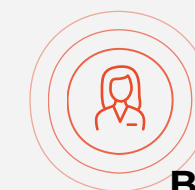
22

Charging Stations



1,100+

Employees



45%

Female
Board Members



48%

Female
Employees



95%

Production with
Automation and Smart
Technologies

Awards Received in 2023



We were honoured with the **Big Star Awards** for the consecutive 3rd time in the Deloitte Technology Fast 50 Türkiye 2023 programme.

50 Technology Fast 50
2023 TÜRKİYE



At the Women Empowered Boards of Directors Award Ceremony, held as part of the Sabancı University 30 Percent Club event, Smart Solar Technologies was presented with an award in recognition of **our 45% female board member** ratio.



Organised by Kariyer.net, we won the Kariyer.net **Respect for Humans Award** for the years 2022 and 2023 among more than 30 thousand employers at the Respect for Humans Award Ceremony.



We have been awarded in our journey to become a "Global Brand" with performance, safety, sustainability and cost-oriented solutions. In line with the vision of "Digital Transformation and Green IT", we continue to develop our corporate IT architecture solutions with "Cloud Transformation" architecture.

We were awarded by Glass House in 2023 with performance, safety, sustainability and cost-oriented solutions on the journey to become a **"Global Brand"**.



Our Partnership Structure

We Value Stakeholder Views

Our Company's shareholder Smart Holding A.Ş. announced the sale of 12,117,600 shares of SMRTG, which is 2% of the Company's capital and closed to trading on the Stock Exchange, to an international institutional investor residing outside Türkiye on 09.10.2023, and our Company's publicly traded share ratio became 26.97%.

In line with this policy, we endeavour to accommodate all meeting and interview requests from both direct institutional and individual investors and analysts. Furthermore, we aim to respond to all queries received via email within the existing legal limits.

In 2023, two analyst meetings were held, a total of 27 analysts were interviewed, and a total of 425 questions and clarification requests received from individual investors via e-mail were fulfilled in a timely manner.



Financials Indicators

	31.12.2023
EBITDA	1,856,708,766 TL
RETURN ON EQUITY	48%
TOTAL ASSETS	10,550,691,463 TL
TOTAL INVESTMENTS	2,408,088,577 TL
NET SALES REVENUE	8,093,257,032 TL
DIRECT ECONOMIC VALUE DISTRIBUTED	6,069,942,774 TL

Partnership Structure

Trade Name	Share in Capital (TL)	Share in Capital (%)	Voting Right Ratio (%)
SMART HOLDING JOINT STOCK COMPANY	442,458,798.53	73.03	85.92
OTHER	163,421,201.47	26.97	14.08
TOTAL	605,880,000	100	100

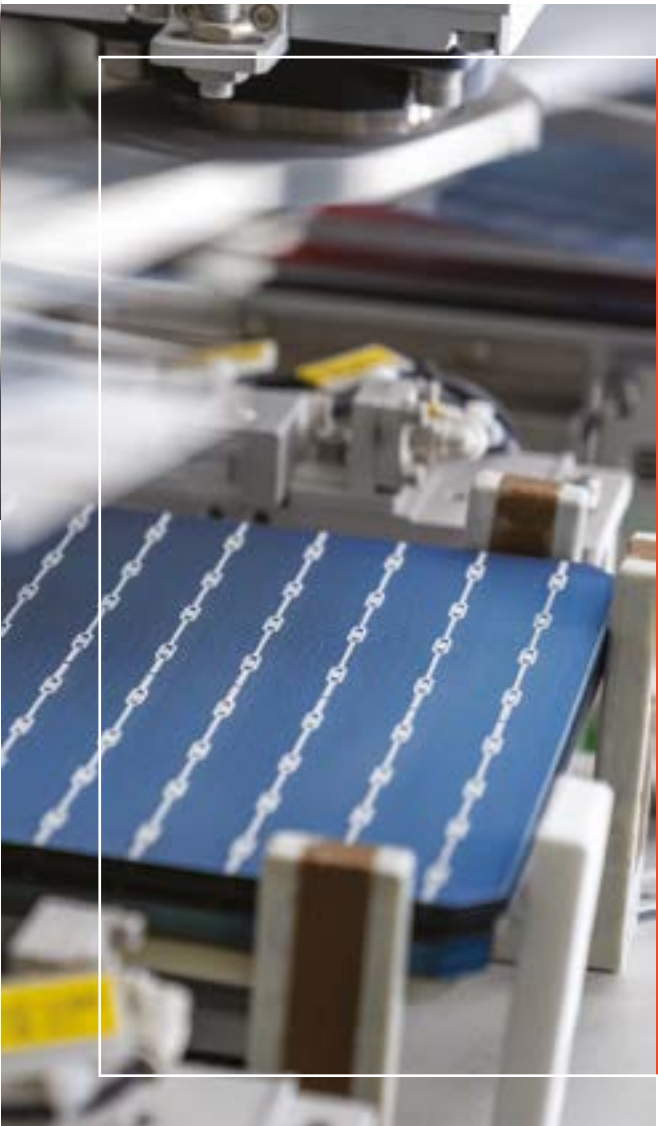
Our Investments

We develop realistic investment plans to grow our profitability and company assets, improve our innovation capabilities, expand our sphere of influence in domestic and international markets and generate added value for our stakeholders. We transform the resources we obtain from public offerings and capital instruments into investments that will support our profitability and growth. To maximise our share value, we improve our communication with major institutional investment funds around the world and implement buyback processes.

Our company's 200 MW+ solar power plants in Türkiye, Romania, Greece and Bulgaria operate integrated to the grid.

In 2023, we continued the installation process of our 128 MW solar power plant investment at our Niğde Bor site. We aim to generate 260,313,000 kWh of electricity annually with the solar energy foreseen to be obtained from this investment, and in line with our 2040 Net Zero target, we aim to generate 165,169 tonnes of CO₂* net negative emissions and use it for our scope 2 emissions arising from our Aliğa Panel & Cell Integrated Production Facility activities. In this direction, with the commissioning of our Niğde Bor Facility, a great progress will be made in our zero carbon target.


*Calculated according to the Turkish National Electricity Grid Emission Factor published by the Ministry of Energy and Natural Resources, updated on 18.03.2024.



Targeted Investments:

In line with our strategic goals, we aim to perform our production in a way to include all process stages of product and intermediate product groups. In this direction, in addition to the Aliğa Solar Panel and Cell Integrated Production Facility investment we have realised, we are planning integrated production facility investments in Europe and America, which are designed in line with a similar strategy.

We plan to complete the 128 MWp - 100MWe YEKA-4 Project, which was started to be constructed in the BOR-1 Niğde region within the scope of the tender received in the past, in 2024. In the first phase of the Aliğa Cell and Panel Integrated Production Facility investment, 600 MW panel production capacity was commissioned in March 2023. We plan to commission 800 MW of cell production in the first half of 2024 and an additional 1,200 MW of cell and 600 MW of panel production facilities starting from the second half of 2024. The investments of the Panel and Cell Production Facilities with a capacity of 3GW in the USA, the feasibility of which was completed in 2023, are planned to start in 2024.

 Türkiye 225 MW	 Bulgaria 24 MW	 Romania 21 MW	 Ukraine 19.5 MW	 Greece 5.5 MW
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In 2023, we continued the installation process of our **128 MW** solar power plant investment at our Niğde Bor site. We aim to generate 260,313,000 kWh of electricity annually with the solar energy foreseen to be obtained from this investment, and in line with our 2040 Net Zero target, we aim to generate **165,169 tonnes of CO₂*** "**net negative**" emissions and use them for our scope 2 emissions arising from our Aliğa Panel & Cell Integrated Production Facility activities. In this direction, with the commissioning of our Niğde Bor Facility, a great progress will be made in our zero carbon target.

*18.03.2024, calculated according to the Turkish National Electricity Grid Emission Factor published by the Ministry of Energy and Natural Resources.

72%
Local
Employment Rate
in Niğde Bor Area



Afyon ÇİMSA SPP - 3,377.70 kWp

In 2023, with more than
1,100
employees, we continued
to transfer the experience
we gained in our own
investments to all solar
energy investors.

Our company's
200 MW+
solar power plants in
Türkiye, Romania, Greece
and Bulgaria are integrated
to the grid.

Production and Products

We manufacture silicon cell based PV solar panels on production lines equipped with the latest technology in our existing production facilities located in Gebze, Dilovası and Aliğa.

Solar panel products produced; feature monocrystalline, PERC (Passivated Emitter and Rear Cell), Multi Busbar (MBB), Bifacial, Half-Cut and similar properties.

Monocrystalline silicon cell based panels;

It is preferred because it produces more energy than similar peak polycrystalline silicon cell-based panels in lower sunlight conditions and therefore has higher efficiency. In PERC technology, passivation of the back surface contributes to efficiency by improving radiation retention. Over the past 5 years, mono PERC has helped to reduce the losses in the cell and increase their efficiency in this context. At the same time, it dominates the market as it is the most efficient technology in terms of efficiency/performance compared to other products in the market. This technology is expected to dominate more than 50% of the market in the next 10 years.

Multi Busbar (MBB) technology;

The busbars where the current is collected over the panel are increased and the resistance losses are reduced by enabling the current to take a shorter path. At the same time, the current collection becomes more active, which allows the cell to be less affected by situations such as cell cracks / fractures and lowers losses. In addition, after switching to this technology, the amount of light coming into the cell can be increased thanks to the transition of ribbon technology from tab ribbon to round ribbon.

Bifacial technology;

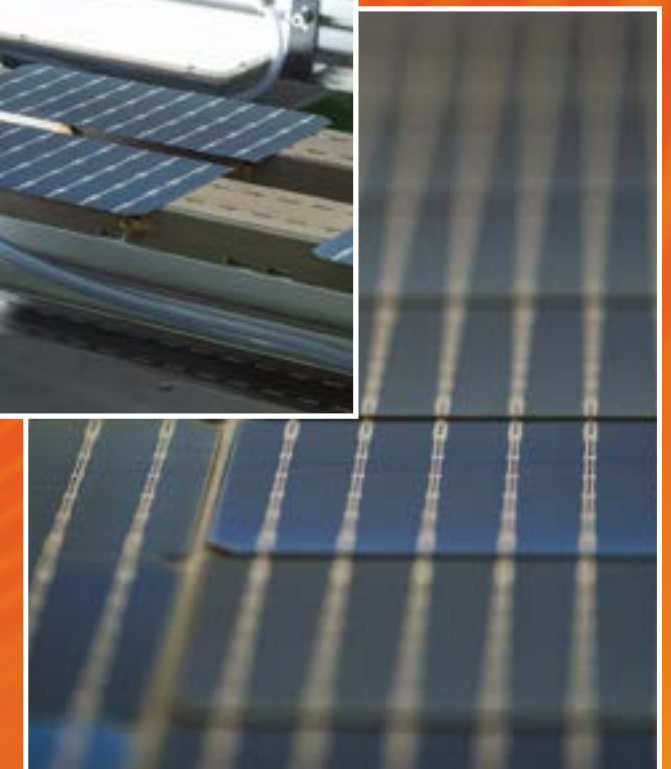
Both front and back surfaces of the panel can be used to produce electricity. The production from the rear surface varies depending on the bifaciality factor of the cell and albedo (reflected light) and increases the total power output of the panel. In this context, there is a difference in production and efficiency between mono-facial and bi-facial panels with the same size, same cell and connection technology.

Half-cut technology;

The cells are divided into two parts by laser technology. After this process, since the unit area of the cell is halved, the total current to be produced is also halved. Since the resistance losses are directly proportional to the square of the current, halving the current reduces the resistance losses to 1/4. In this context, efficiency is increased. At the same time, due to the series and parallel connections made to provide electrical output in half-cut panels, it is less affected by shading losses compared to full-cell cells.

Smart Solar Technologies took an important initiative during the period within the scope of its long-term strategic investment plans, sustainability targets, and efforts to create financial value and reduce costs through activities carried out to eliminate its carbon footprint. In order to meet the electrical energy needs of the Company's Gebze Plant, an application was made for a call letter for a connection agreement with a power of 4,000 kW AC on the land purchased in Kahramanmaraş province within the framework of the Regulation on Unlicensed Electricity Generation in the Electricity Market. The related application was evaluated positively by the distribution company "Adıyaman Kahramanmaraş Elektrik Dağıtım A.Ş. (AKEDAŞ)" and the call letter regarding the connection agreement was notified to the Company. The Company plans to generate over 9.5 million kWh of electricity annually with this solar power plant investment. This clean energy production will meet 100% of the Gebze Plant's current annual total electricity consumption, reducing operating costs, and the remaining surplus will be sold to the related distribution company thus generating additional income.

We plan our investments at the right times and with the right steps in line with technological developments and market preferences. In this way, we aim to provide customers with state-of-the-art technology products (high efficiency rate, long service life, durability) and services.



Production and Products

Aliğa Solar Panel & Cell Integrated Production Facility

As of the reporting period, the Company's panel production activities are carried out using supplied cells. In line with the vertical integration strategy, it is aimed to increase the added value provided by high technology production by producing the cells used in panels within the Company. In this context, investment decisions have been taken for integrated production facilities in recent periods.

Considering both the advanced technology level of the planned integrated production facilities and the added value it generates for the economy, it was decided to be included in the Project-Based Incentive Programme by the Ministry of Industry of the Republic of Türkiye in 2022. Within the scope of the incentive granted to the project implemented in İzmir Aliğa, wafer, cell and panel integrated production facility investments starting from ingot production with a capacity of 2,048 MW/year are supported. When the project is completed, all stages of the product and intermediate product groups of solar panels will be produced within the facility in an integrated manner and the existing panel production capacity will be significantly increased. On the other hand, the investment made in line with the incentive received also includes the construction of a SPP to be established to meet the self-consumption of the facility. In this way, greenhouse gas emissions arising from production will be minimised and significant savings in energy costs will be achieved.

The solar panel production part of the Aliğa Solar Panel and Cell Integrated Production Facility, where similar investments are planned in Europe and the USA, became operational in 2023 and the first panel production was carried out. The installation works of the cell production facility are still ongoing and these works are planned to be completed and production is planned to start in 2024. It is planned to use PERC technology in the first stage of cell production, and in the following stages, TOPCon (Tunnel oxide passivated contacts) cells and gettering process will be studied. In the pilot lines of around 100 MW implemented by different manufacturers for TOPCon cell technology application trials, an average efficiency level of 23% is achieved and 0.5-0.8% higher performance is achieved compared to existing PERC lines. In this context, it is planned to design a new TOPCon cell design and establish production lines together with Fraunhofer ISE simultaneously with the installation of the cell line.

Fast Charging Stations with Solargize

Solargize Yeşil Mobilite Enerji A.Ş. successfully continued its sustainability-oriented activities in 2023 and maintained its growth graph steadily. Our company, which adopts increasing customer satisfaction and producing solutions for a sustainable future as its mission, offers high quality chargers to meet the charging needs of electric vehicles.

In 2023, we have taken important steps in the field of sustainability by commissioning the first charging stations in different provinces of Türkiye with Charging Network Operation Licence. Our company plays an important role in reducing carbon footprints in mobility and logistics. The synergy between solar energy and electric vehicles allows us to specialise in sustainability-oriented projects and offer innovative solutions.

By continuously investing in R&D activities, we aim to offer our customers state-of-the-art products in charging network management and hardware supply processes. In 2023, we aimed to continuously improve the customer experience by working on new generation fast charging technologies and more efficient designs. As a result of these efforts, our new products were successfully introduced to the market with an expanding customer base and effective marketing strategies.

In order to strengthen our marketing and sales strategies, more resources were allocated to our digital marketing activities in 2023 and our online presence was increased. We reached our target audience more effectively by being active on social media platforms. In addition, the distribution network of our products was expanded by increasing our cooperation with retail stores.

As Solargize Yeşil Mobilite Enerji A.Ş., we continue to reduce our environmental impact and support local communities by adhering to the principles of sustainability and social responsibility. We will continue to invest in our R&D activities in order to increase customer satisfaction, strengthen our leading position in the sector and grow on a global scale by expanding into international markets.

2023 has been an important year for Solargize Yeşil Mobilite Enerji A.Ş. Thanks to its customer-oriented approach, quality products and effective business strategies, Solargize Yeşil Mobilite Enerji A.Ş. has experienced successful growth and development in 2023 and aims to continue to produce solutions for a sustainable future by acting with the same determination in the future.

7 DC, 15 AC
Total of 22
Charging Stations

The carbon emissions of the electricity to be supplied to the charging networks we serve will be offset by renewable energy certificates obtained from solar power plants within our group companies.



Corporate Governance

Board of Directors and Organisational Structure

As Smart Solar Technologies, we set our targets with a focus on sustainability and adopt the United Nations Sustainable Development Goals in this direction. The Board of Directors, the highest body responsible for governance, actively participates in the strategic decision-making processes of our Company. The Board of Directors of Smart Solar Technologies, a publicly traded company, consists of 11 members, 4 of whom are independent. Each of the independent members has written declarations regarding their independence. There are 5 female members in the Board of Directors, corresponding to 45% of the members.

In accordance with the criteria set forth in the Capital Markets Board's (CMB) Corporate Governance Principles, the members of the Board of Directors are composed of qualified individuals with a high level of knowledge and skills, who are competent in financial matters, and who have a certain level of experience and background. Five of the members are elected by the General Assembly from the candidates to be nominated by the majority of Group (A) shareholders. All of the members to be nominated by Group (A) shareholders consist of members other than independent members. Members of the Board of Directors may be elected for a maximum term of three years, and members whose term of office has expired may be re-elected.

In 2023, the members of the Board of Directors did not enter into any transaction with the Company that would cause a conflict of interest, nor did they engage in any activity intended to compete in the same fields of activity.

Our Company has policies supporting corporate governance such as Code of Ethics, Human Rights Policy, Environmental Protection Policy, Sustainability Policy, Occupational Health and Safety Policy, Anti-Bribery and Anti-Corruption Policy, Disclosure, Dividend Distribution Policy. Policies are formulated under the control of the Board of Directors, approved by the

Board of Directors and published on the web page in Turkish and English.

Smart Solar Technologies, a publicly traded company, is subject to CMB regulations. All of the Corporate Governance Principles that must be complied with according to the CMB have been complied with, and the financial statements are examined and approved by the independent audit company and announced on the Public Disclosure Platform. The Company's developments on important issues are also disclosed to the public in the same manner.

Within the framework of CMB Corporate Governance Principles, four committees have been established in our Company. The Audit Committee consisting of independent members of the Board of Directors, the Corporate Governance Committee, the Early Detection of Risk Committee and the Sustainability Committee established last year play a role in identifying risks and taking appropriate measures.

The existence of structures such as committees in the company governance and the establishment of Internal Audit Systems contribute to the correct and timely execution of business processes. The fact that our company is subject to transparent and accountable rules, that its financial statements are evaluated by independent audit companies and audited for credit rating positively affects the processes and is an important part of the internal/independent audit.

There are 5 female members of the Board of Directors, representing 45% of members.

Board Committees

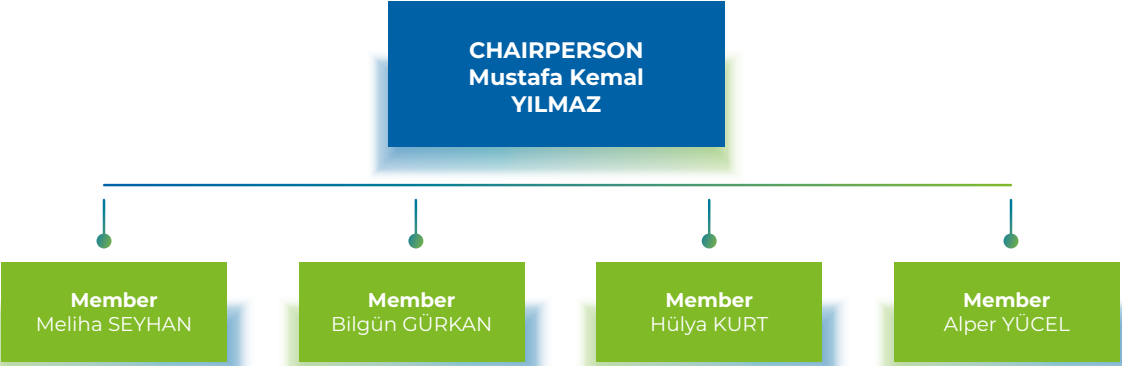
Corporate Governance Committee

The purpose of the Corporate Governance Committee, consisting of a Chairperson and four members, is to oversee the activities of the Investor Relations Department, to make recommendations to the Board of Directors to improve corporate governance practices and to determine whether our Company fully complies with corporate governance principles.

Our Company adopts the "Corporate Governance Principles" determined within the scope of the Capital Markets Board's Corporate Governance Communiqué numbered II-17.1 and pays the necessary attention and care for

the correct implementation of these principles. In this context, in accordance with the Communiqué, the Committee prepares and publishes a Corporate Governance Compliance Report every quarter.

The Committee also assumes the responsibilities of the Remuneration and Nomination Committees by convening as needed in line with the duties assigned to it. As part of its duties, the Committee assists the Board of Directors in finding and evaluating qualified candidates for management roles involving administrative obligations as well as the Board of Directors.



2023 Strategy Workshop

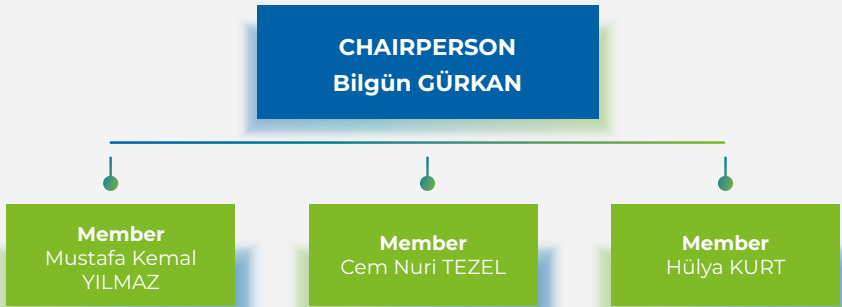
GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-17, GRI 2-18

GRI 2-13, GRI 2-15, GRI 2-16, GRI 2-27

Early Detection of Risk Committee

One of the committees at Smart Solar Technologies is the Early Detection of Risk Committee. The task of the Committee is to early identify operational, strategic, financial and compliance risks that may jeopardise the existence, development and continuity of our Company, to take and implement the necessary measures against the identified risks, to develop the necessary policies for the execution of risk management processes, and to manage and report the risks in accordance with the Company's risk-taking profile.

The Committee is responsible for determining and implementing appropriate countermeasures for the risks identified, establishing the necessary rules for carrying out risk management procedures, and monitoring and disclosing risks in accordance with the Company's risk-taking guidelines. The committee, which is established by the Board in accordance with the relevant laws and the Company's articles of association, has a total of four members, three of whom are members and one is the chairperson. The Committee meets regularly to anticipate and analyse potential hazards and to propose solutions to the Board when necessary.



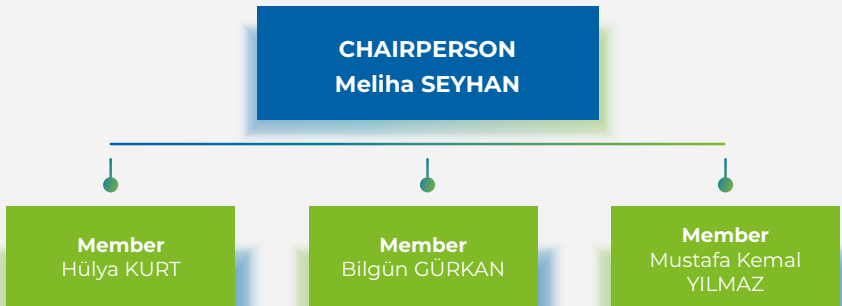
Audit Committee

The Audit Committee has been established to oversee the Company's internal control system, independent auditing, public disclosure of financial information, compliance with relevant laws and regulations, and the functioning of accounting and reporting systems. The Audit Committee, which is composed entirely of independent members of the Board of Directors, has a total of four members, including three members and a chairperson.

The Committee submits its work on the selection of the independent audit firm to the Board after obtaining preliminary approval and reports to the Board in writing together with its own evaluations by taking the opinions of the responsible managers and independent auditors regarding the accounting principles followed by

our Company. The Committee, which is responsible for the supervision of the Company's accounting system, public disclosure of financial information, independent auditing and the functioning and effectiveness of the internal control system, addresses and resolves complaints related to these issues. All annual and interim financial statements to be disclosed to the public are prepared in accordance with the law and international accounting standards.

The Chairperson of the Committee invites the Committee to meet at least once a quarter. Executives and independent and internal auditors are invited to the meetings when necessary to share information. The Committee may also choose to retain external advisors. Based on the information on audit activities presented, the annual plan may be amended if necessary, or the scope of the audit may be expanded or contracted.



In 2022, following an audit at the Gebze plant, we were awarded the "Respect for Human Rights in the Workplace Programme" certificate valid for the years 2023-2024 as a reflection of business activities carried out in accordance with human rights.

Business Ethics and Compliance

At Smart Solar Technologies, transparency, honesty and openness are at the basis of all our operations. Laws, regulations and ethical principles are complied with in all regions where service is provided. In terms of legal compliance, human rights and commercial ethics, there were no cases of non-compliance in 2023.

Within the framework of company policies and our ethical values, full compliance with human rights is crucial for all corporate operations and activities. All forms of discrimination, including those based on religion, language, colour, gender, marital status, sexual orientation, age and ethnic origin, are considered within the scope of zero tolerance policy. All employees are provided with equal employment, equal labour force and equal pay opportunities. Child labour, forced and compulsory labour are prohibited. While the working environment of our company is supported by the philosophy of providing a comfortable, safe, fair, healthy and productive working environment to its employees, the ideas and opinions of the employees are always taken into consideration. In this direction, the Company has initiated efforts to establish a feedback framework that enables employees to share ideas with their managers and senior management.

The rules on "Honesty and Integrity", "Equality and Justice", "Compliance with Laws and Regulations", "Developing Responsible Behaviour and Fulfilling Responsibilities", "Environmental Protection, Occupational Health and Safety and Human Health Protection" are available in writing on the Company's website and all Company employees are expected to act in accordance with these values.

You can access our Code of Business Ethics [here](#).

You can access our Human Rights Policy [here](#).

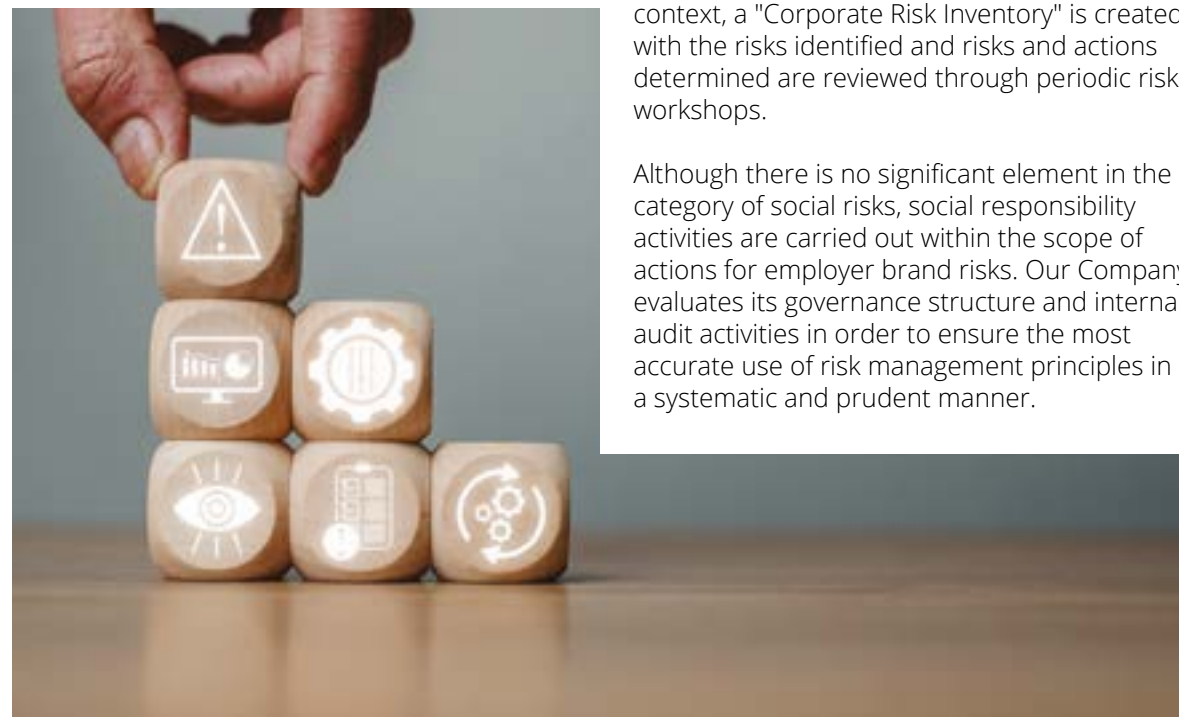
GRI 2-13, GRI 2-15, GRI 2-16, GRI 2-27

Anti-Bribery and Anti-Corruption

Smart Solar Technologies adopts a zero-tolerance policy against bribery and corruption. All our activities are carried out in accordance with fair, equitable, accountable, transparent and ethical principles.

Our company's commitment to combating corruption and bribery is demonstrated by the Anti-Bribery and Anti-Corruption Policy, which also determines our values and ensures that all relevant parties act in accordance with professional, ethical and general norms. We expect not only our employees but also our suppliers, with whom we carry out all procurement procedures, to comply with all applicable rules and regulations regarding anti-corruption. In 2023, there were no cases of bribery and corruption throughout our company operations.

You can access our Anti-Bribery and Anti-Corruption Policy [here](#).



Risk Management and Internal Audit

In 2022, the Early Detection of Risk Committee was established at Smart Solar Technologies in order to institutionalise the Company's risk management strategy and establish a systematic management. The duties and working principles of the "Early Detection of Risk Committee" established by the Board of Directors to identify potential risks to the development and continuity of our Company and to take appropriate actions, and the Corporate Risk Management Handbook have been determined and recorded.

Possible risks identified and actions to be taken against these risks are submitted to the approval of senior management through the Committee. The method to be applied has been determined with reference to ISO 31000 Risk Management Standard in order to identify potential events that may affect the corporation, to manage risks in accordance with the risk-taking capacity of the corporation and to reduce the effects of existing risks in order for the corporation to achieve its goals. The purpose of the corporate risk management programme is to create an environment where risks are identified and measured throughout the Company and where the most appropriate responses are given to these risks with the most effective and efficient techniques. In this context, a "Corporate Risk Inventory" is created with the risks identified and risks and actions determined are reviewed through periodic risk workshops.

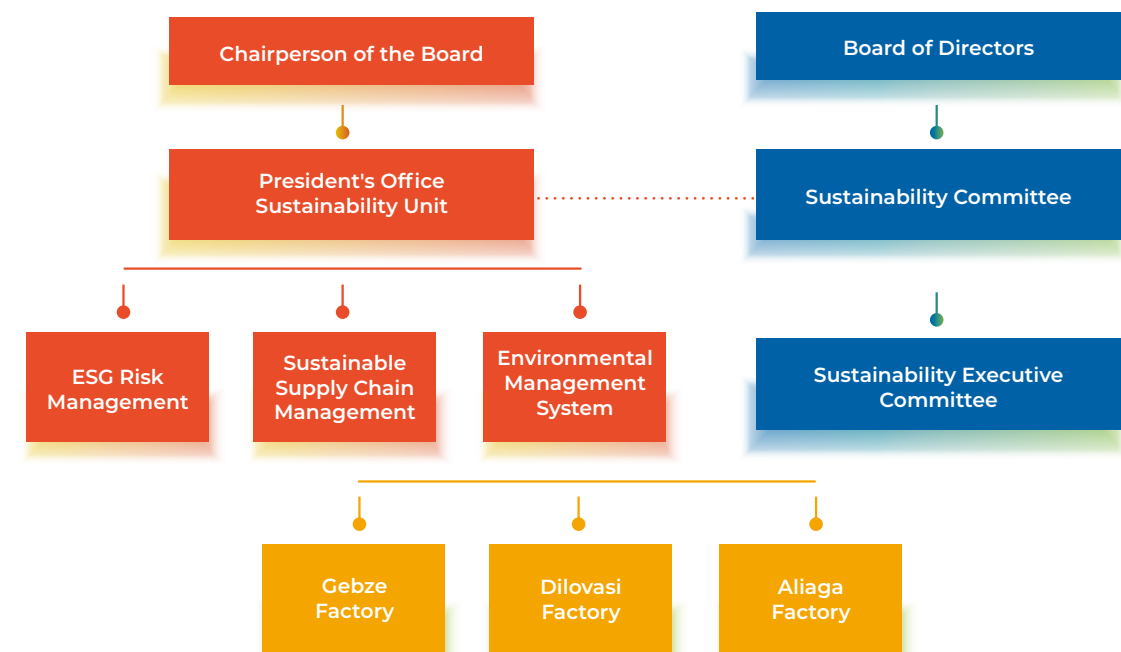
Although there is no significant element in the category of social risks, social responsibility activities are carried out within the scope of actions for employer brand risks. Our Company evaluates its governance structure and internal audit activities in order to ensure the most accurate use of risk management principles in a systematic and prudent manner.

Sustainability Governance Structure

At Smart Solar Technologies, a distribution of duties has been established starting from the Board of Directors and extending to the operational units in order to manage sustainability processes at strategic and operational levels.

ESG Risk Management, Sustainable Supply Chain and Environmental Management System and factory organisations carry out their duties under the Sustainability Unit of the Office of the Chairman of the Board of Directors.

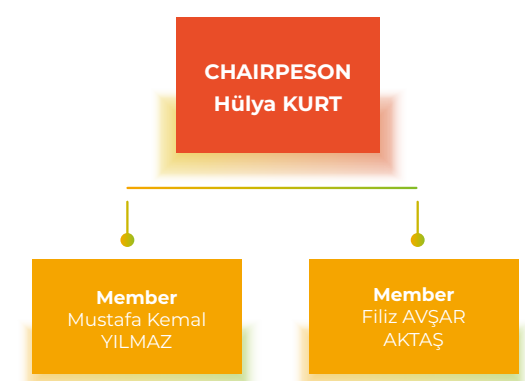
A Sustainability Committee was established in 2022 in order to plan and carry out sustainability activities within the Company in coordination with the senior management of the Company. The Sustainability Committee, which consists of three people in total, including a chairperson and two members, is chaired by Ms Hülya Kurt, an independent member of the Board of Directors.



Sustainability Committee:

The Sustainability Committee was established within the Sustainability Principles Compliance Framework declared by the relevant Communiqué published by the Capital Markets Board in 2022,

- ▶ To observe the environmental, social and corporate governance principles determined,
- ▶ To establish the necessary corporate policies and to make them operational throughout the Company, to follow up on said policies,
- ▶ To carry out the works for compliance with these principles in accordance with the activities of our Company.



GRI 2-2, GRI 2-14, GRI 2-18, GRI 2-22, GRI 2-23, GRI 2-24, GRI 3-1, GRI 3-2

GRI 2-2, GRI 2-14, GRI 2-18, GRI 2-22, GRI 2-23, GRI 2-24, GRI 3-1, GRI 3-2

Sustainability Strategy, Policies and Targets

With the motto **"Faces to the Sun"**, our company combines high-tech products and services with investment, engineering and production processes to create sustainable value. In this context, the sustainability impacts of Smart Solar Technologies, an important player in the field of energy transformation and renewable energy in Turkey, are managed with a risk and opportunity-oriented approach, with targets set in line with corporate policies and strategies.

Following the sustainability policies established by the Sustainability Committee in the last reporting period **"Smart Solar Technologies Sustainability Management System Project"** was initiated. Our prioritisation work has been completed in the sustainability roadmap that we follow by taking into account the Corporate Sustainability Plan and the best practices of the sector on a global scale and internationally accepted sustainability standards. Within the scope of the Sustainability Management System, relevant policies and procedures were prepared and put into practice. In this context, an Environmental Management System was established under the sustainability management structure to be valid throughout the Company. In order to increase environmental management awareness and technical competences throughout the company, environmental trainings provided to employees were improved.

Within the scope of the Sustainability Management System, special attention was paid to corporate carbon footprint management. In addition to the trainings on these issues, in 2023, we completed the work we carried out to obtain the ISO 14064 (Greenhouse Gas Emission Inventory and Verification) Certificate for the corporate carbon footprint calculated and verified as of 2021. Our ISO 14064 audited data is shared in the Environmental Approach section of the report.



Our Sustainability Policies within the Scope of Environmental, Social and Corporate Governance (ESG)



Sustainability Approach

As Smart Solar Technologies, we work with a focus on sustainability with a business model that is sensitive to the environment and the future. We carry out our activities with the aim of becoming a world-leading company that develops the most advanced technologies to contribute to the sustainable growth of our country.

In this journey that we embarked on with the slogan "Faces to the Sun", the concept of sustainability has become a fundamental element of our Company's corporate approach. Within the scope of sustainability efforts, priorities have been identified and sustainability has been structured as a "strategic business model".

We continue our activities in line with the Sustainability Policy we established last year and contribute to the sustainable growth of the countries we serve with the advanced technology and creative solutions we use in the renewable energy sector.

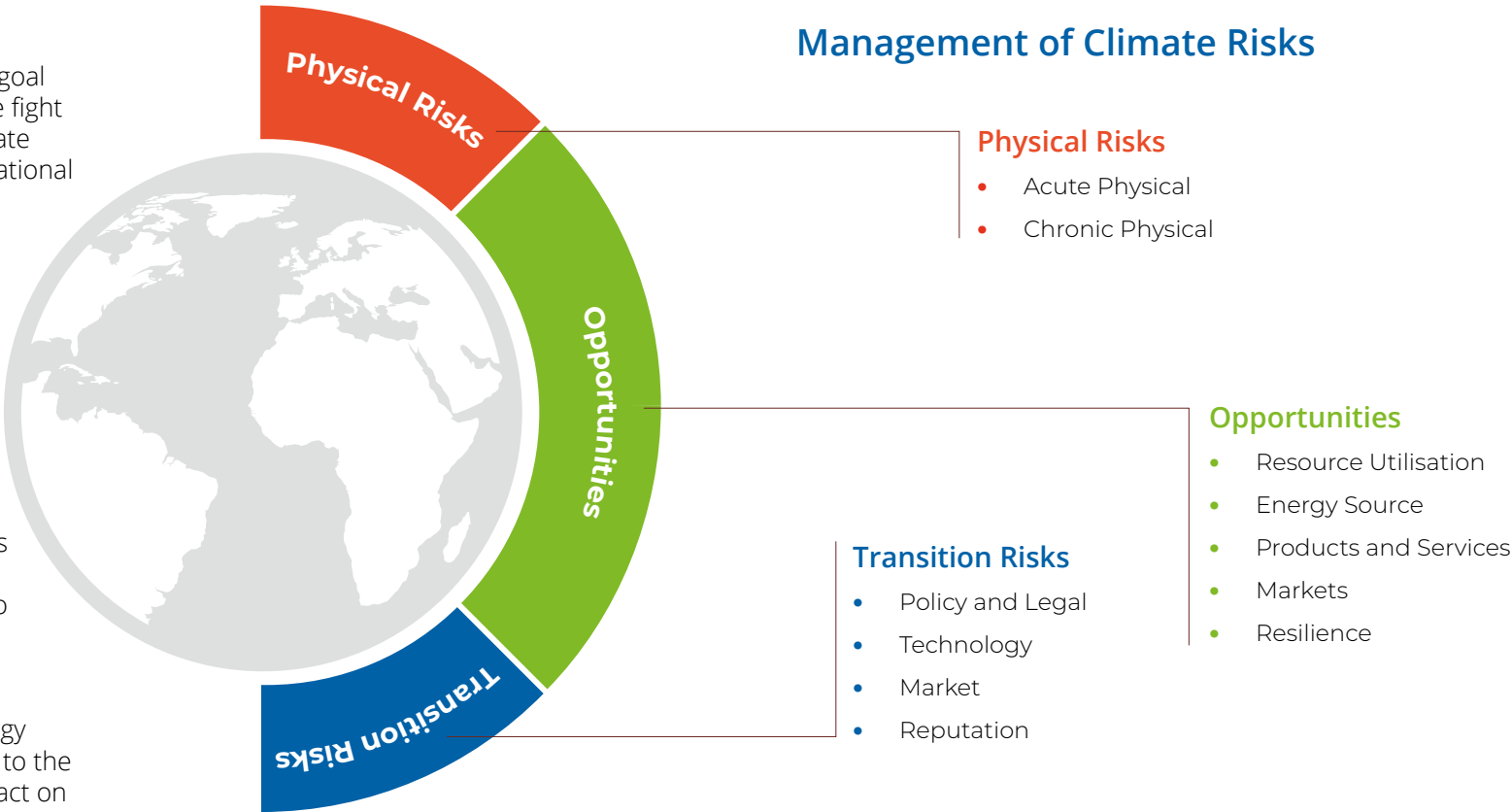
We offer accessible, effective, environmentally friendly and clean energy products and services through our R&D and innovation activities, which are among the priority areas for Smart Solar Technologies. We are working

to create a value chain in line with our goal of becoming a net zero company in the fight against green transformation and climate change with the best examples from national and international practices we follow.

Within the scope of our sustainability-oriented business model, we have started a new project to create a sustainable supply chain in 2023. We attach great importance to the fact that the companies in our supply chain have the same values and consciousness about sustainability as Smart Solar Technologies. Therefore, in the first phase, we provided trainings to our suppliers. The focus of our sustainable supply chain approach is to create our responsible supply chain.

We analyse all our risks in the value chain from raw material supply to energy production, especially the risks related to the climate crisis, and determine their impact on the company.








We prioritise our efforts to prevent possible risks and evaluate opportunities in strategic decision-making processes in order to build a sustainable system.










We manage climate risks in an integrated manner by including them in the company's corporate risk inventory. We analyse different scenarios related to the climate crisis and their potential impacts on the sustainability of our business and implement our necessary action plans. We periodically organise workshops with Finance, Procurement, Risk Management, Investor Relations and Sustainability teams to assess climate-related risks and opportunities.



Climate-related Risks and Opportunities

PHYSICAL RISKS	Risk Type		Description	Impact Level	Risk Mitigation Recommendations
	Severe rainfall, Acute storm exposure (EPC)	Acute Physical	Severe weather conditions, floods and fires resulting from climate change may disrupt EPC site installations and damage infrastructure at power plants where we have a post-installation operation and maintenance contract. Extreme weather events such as heavy snowfall, severe thunderstorms may delay site access and repair time for the maintenance and repair team. Damage frequency may increase and maintenance costs may increase accordingly.	 High	<ul style="list-style-type: none">✓ In order to minimise the impact of material damages as a result of severe weather events caused by climate change, insurance is provided by transferring our risk.✓ Site designs are made on the applications used by taking into account environmental factors (current snow load in the region, wind load).✓ Business Continuity and Crisis Management plans are updated annually and reviewed by the Early Detection of Risk Committee and crisis management team in order not to face sanctions due to climate-related risks.
	Severe rainfall, Acute storm exposure (Factories)	Acute Physical	Due to excessive rainfall and wind, risks of factory, machinery, raw material damage, failure to ensure personnel safety may arise. Excessive rain and wind can result in power outages, delays in production, significant repair costs and disruptions in the supply chain. Energy costs may increase to maintain indoor air quality standards.	 High	<ul style="list-style-type: none">✓ In our factory investments, analyses on climate risks are conducted by independent institutions and measures are taken according to the results. In order to minimise the effects of extreme precipitation and wind-related risks, the warehouse loading platform was designed to have the necessary height to minimise the effects of extraordinary conditions, including flooding. Plans are made to reduce the amount of exposed commodities and reduce storage time. Investments are being made in backup power systems to ensure the continuity of critical operations during power outages. Diversification of raw material sources and adaptive supply chain strategies are being developed. A supplier code of conduct agreement is signed with all our suppliers within the framework of ESG.
	Insurance Coverage Risk	Acute Physical	The increase in the severity of extreme weather events caused by climate change and the related increase in the damage burden on insurance companies may cause an increase in policy premiums and difficulties in finding coverage.	 High	<ul style="list-style-type: none">✓ Our production facilities and fields are physically protected against extreme weather events (floods, dilution, soaking, snow and hail damages), insured and strategic business relations are established with insurance companies on Holding basis. Developments on climate risks in the insurance sector are monitored.
	Heat Stress	Chronic Physical	Chronic heat stress caused by prolonged exposure to high temperatures may lead to decreased work efficiency, absenteeism and business interruptions. Additional operational costs to reduce heat stress may result in increased energy consumption to maintain favourable working conditions. It may also cause an increase in downtime and interruptions due to overheating in production facilities.	 Medium	<ul style="list-style-type: none">✓ In addition to regular breaks for employees, access to shaded areas is increased and trainings on recognising and managing heat stress are planned. The labour practices of the sector are closely monitored and necessary measures are planned to be implemented. Energy-efficient cooling and ventilation solutions are researched and implemented against the possible increase in energy demand. Machine stoppages due to overheating are monitored and maintenance plans are created.
	Water Scarcity	Chronic Physical	Chronic changes in precipitation resulting in prolonged drought periods may affect processes due to water scarcity. Under extreme conditions, it may be necessary to ensure a reliable water supply for the workforce, such as bottled water or mobile water stations, and adjust energy consumption to efficiently manage limited water resources.	 High	<ul style="list-style-type: none">✓ The water stress of the locations where our production facilities and sites are located is monitored.
	Changes in Energy Prices	Chronic Physical	Global warming may lead to drought and this may also affect energy prices. Hydroelectric power plants constitute approximately 30% of Türkiye's current installed capacity. Drought caused by decreasing rain and snowfall may lead to an increase in energy prices. Increasing energy prices may increase production costs in our panel production facilities.	 Medium	<ul style="list-style-type: none">✓ It is assessed that increases in average air and water temperatures on a global scale may lead to efficiency decreases, especially in conventional and hydroelectric power generation. This situation will create an opportunity for solar and wind energy.
	Sea level rise and flood risk	Chronic Physical	Due to sea level rise and flooding, there may be a risk of factory, machinery, raw material damage, failure to ensure personnel safety. Flood waters and pollutants may be transported to the factory site, causing production interruption and disruptions in transport routes and logistics. Legislative violations and environmental clean-up costs may arise due to the release of hazardous substances or wastewater into the environment.	 Low	<ul style="list-style-type: none">✓ The flood risk of the locations where our production facilities and sites are located is monitored. We make strategic investments in flood-resistant infrastructure and incorporate geographical location and flood risk mitigation into our long-term business strategies. The warehouse loading platform is designed to have the necessary height to minimise the impact of extreme conditions, including flooding. Planning is in place to reduce the amount of exposed commodities, reduce storage time, and waste is stored in the landfill at the project site.

TRANSITION RISKS

	Risk Type	Description	Impact Level	Risk Mitigation Recommendations
Regulatory Compliance Risk	Transition Risk	The energy market is a market regulated by comprehensive legislation. The company may be subject to fines if it fails to fulfil new requirements that may arise in relation to climate change as a result of agreements that Türkiye has committed to in the international arena (Paris Climate Agreement, Net zero emission target, etc.).	 Medium	<ul style="list-style-type: none">✓ The Legal Department and Sustainability Committee follow sectoral and climate change-related legislation and publications.✓ Legislative changes such as carbon regulation at the border will affect some sectors more heavily. The fact that legislative changes may create new business opportunities in these sectors is an opportunity for Smart.
Collection Risk	Transition Risk	Customers may be exposed to loss of income and liquidity risk due to transition costs such as climate change, drought, carbon regulation at the border, etc. For this reason, the company may experience difficulties in securing receivables.	 Medium	<ul style="list-style-type: none">✓ Loss of value of customer assets as a result of extreme climate-related events, disruptions in cash flow as a result of delays in customer payments due to loss of income. The impact of each risk factor on customer-specific cash flow is evaluated.
Technological Investment Risk	Transition Risk	Technological developments in panel and cell production have accelerated with the increase in climate risks and the increasing importance of energy transformation for the realisation of carbon neutral targets. Legislative updates lead the market to produce more sustainable products. Technology is also developing accordingly. Additional investments may be needed to transition to new and green technologies in production processes. This may lead to the risk of technological investments completing their lifespan in a shorter period of time than anticipated due to rapid technological change.	 Medium	<ul style="list-style-type: none">✓ Changes in cell and panel technologies in the global arena are monitored, and financial feasibility studies are carried out by taking into account the rapid change in technology in technological investments.✓ Strategic collaborations are made with technology leading companies. We have strategic partners in the Far East and Germany based on know-how transfer.
Changes in Market Structure	Transition Risk	Failure to effectively monitor changes in customer needs and market structure due to climate change may lead to loss of potential customers.	 Medium	<ul style="list-style-type: none">✓ The effects of climate risks on customer needs and expectations are monitored and possible future changes in the market are evaluated. Risks and opportunities related to new products and services are evaluated and the results are included in the company's strategic plans.✓ Türkiye's commitment to sell only electric vehicles in 2040, which was stated at the Glasgow Climate Conference, is expected to change the market in vehicle technologies. In this context, our company's subsidiary Solargize was established and our vehicle charging station services started. Our charging station investments are also planned taking into account the expected increase in electric vehicle sales.
Reputation Risk	Transition Risk	As a company operating in the renewable energy sector, we are involved in collaborations on combating climate change and sustainability issues and assume a leading role in the sector. We consider carrying out these activities as an opportunity and believe that the contrary may cause reputational risk.	 Medium	<ul style="list-style-type: none">✓ Since we are a publicly traded company, if we fail to meet our sustainability targets, it may cause critical reputational damage. Our 2024 targets include inclusion in the BIST Sustainability index and CDP reporting. We planned to obtain an ESG Rating from an international assessment organisation.
Failure to Meet GHG Targets	Transition Risk	As a fast-growing company, greenhouse gas emission targets may not be met due to natural resource consumption, electricity consumption, vehicle use, etc. due to production increase.	 Medium	<ul style="list-style-type: none">✓ Smart Solar Technologies aims to be net zero in 2040 in addition to its contributions to combating global climate change and reducing greenhouse gas emissions in energy production by offering clean technologies.✓ 2022 greenhouse gas emissions from electrical energy consumption in the management and factory buildings were zeroed by obtaining I-REC certification.✓ Within the framework of combating climate change, the Company pursues policies to increase resource efficiency in the value chain. In this direction, greenhouse gas emissions from production are calculated, reduction targets are determined and projects are developed accordingly. With 2021 taken as the base year, Scope 1 and Scope 2 GHG emissions have started to be calculated.
Commodity Price Risk	Transition Risk	There may be loss of income due to fluctuations in commodity prices as a result of extreme climate events, and there may be an increase in raw material prices caused by increased energy costs in connection with climate change legislation.	 Medium	<ul style="list-style-type: none">✓ The Purchasing and Finance Department evaluates the price levels and plans long-term purchases in the appropriate position.

OPPORTUNITIES

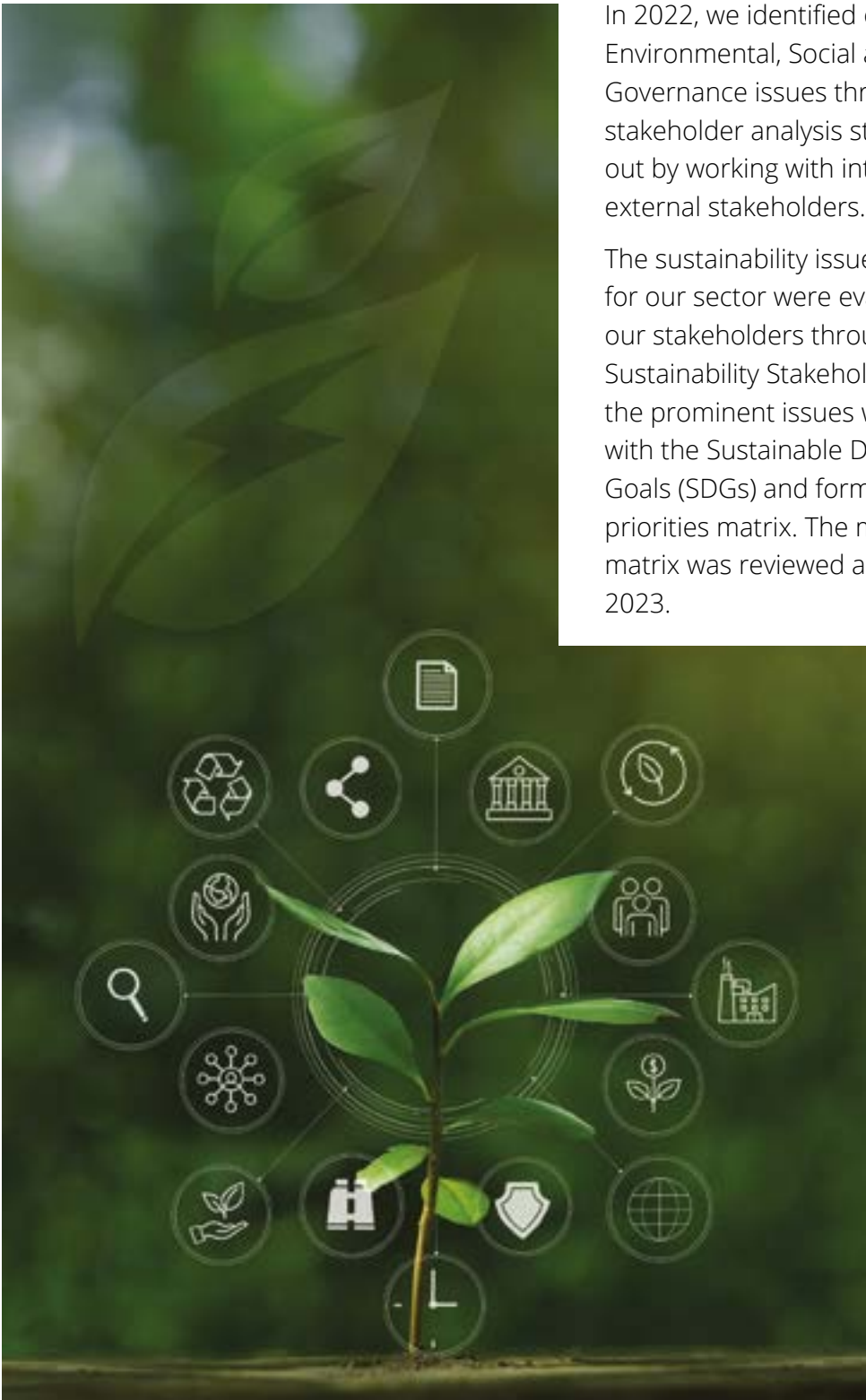
	Risk Type	Description	Impact Level	Risk Mitigation Recommendations
Increasing Importance of Energy Transition in Combating Climate Risks	Opportunity	<p>Increasing average temperatures due to climate change, urbanisation and increasing population density increase Türkiye's energy demand. This will lead to an increase in the demand for renewable energy within the scope of energy transformation.</p> <p>The electricity sector is slated to be the first sector to achieve decarbonisation compared to other sectors. Banks' projects to support the transition to a low-carbon economy with sustainability-themed loans by offering solutions to combat climate change is an opportunity for the development of the sector.</p>		<ul style="list-style-type: none">✓ In addition to its contributions to combating global climate change and reducing greenhouse gas emissions in energy production by offering clean technologies, Smart Solar aims to be net zero in 2040.✓ The company offers products and services that focus on green technology and low-carbon energy production to support the fight against climate change.
Water Scarcity	Opportunity	<p>Increases in average air and water temperatures on a global scale may lead to efficiency reductions, especially in conventional and hydroelectric power generation. Hydroelectric power plants account for approximately 30 percent of Türkiye's current installed capacity.</p> <p>This will create an opportunity for renewable energy.</p>		<ul style="list-style-type: none">✓ Disruptions in cash flow may occur as a result of loss of value of customer assets as a result of extreme climate-related events, delays in customer payments due to loss of income. The impact of each risk factor on cash flow is assessed for each customer.

We support efforts to increase the level of awareness of sustainability not only within the Company but also among the society. We organise trainings for our stakeholders on solar energy, renewable energy and technologies with "Smart Solar Academy" which was launched in 2020.

You can find comprehensive and up-to-date information about our company's sustainability policy [here](#).

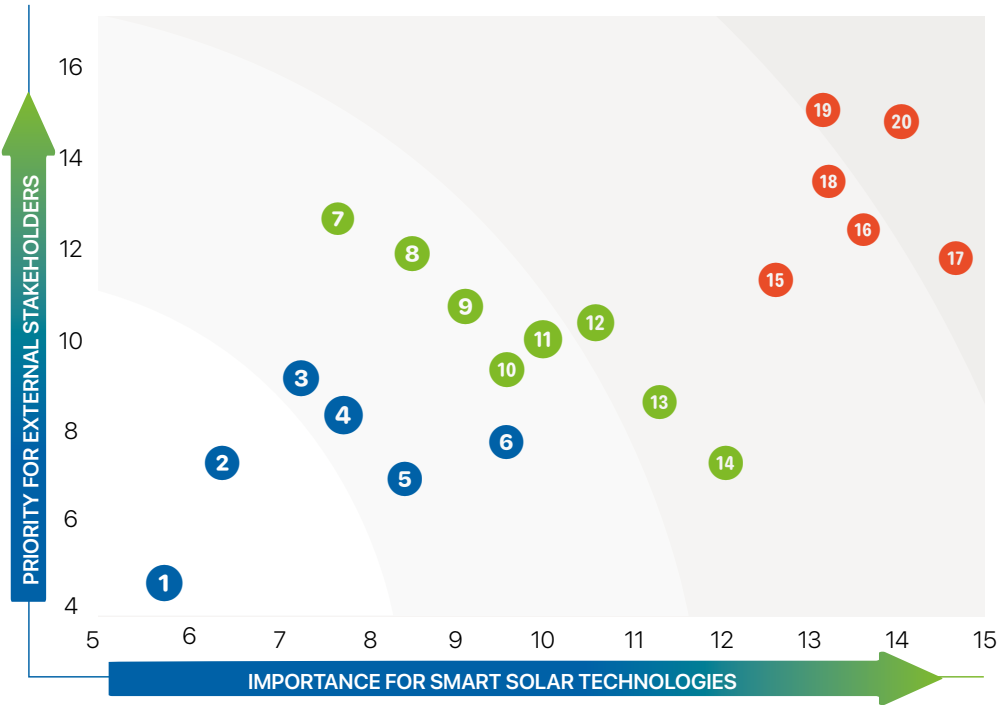


Sustainability Priorities



In 2022, we identified our priorities in Environmental, Social and Corporate Governance issues through the stakeholder analysis study we carried out by working with internal and external stakeholders.

The sustainability issues we identified for our sector were evaluated by our stakeholders through the Smart Sustainability Stakeholder Survey, and the prominent issues were associated with the Sustainable Development Goals (SDGs) and formed the ESG priorities matrix. The materiality matrix was reviewed and updated in 2023.



Priority	<div><div>1</div>Digitalisation and Data Security</div> <div><div>2</div>Stakeholder Relations and Stakeholder Management</div> <div><div>3</div>Contribution to Society and Corporate Social Responsibility</div>	<div><div>4</div>Responsible Purchasing Practices</div> <div><div>5</div>R&D and Innovation Studies</div> <div><div>6</div>Management of Product Quality and Safety</div>
High Priority	<div><div>7</div>Anti-Bribery and Anti-Corruption</div> <div><div>8</div>Biodiversity Conservation</div> <div><div>9</div>Waste Management Practices</div> <div><div>10</div>Customer Satisfaction Approach</div> <div><div>11</div>Supply Chain Management</div>	<div><div>12</div>Inclusion and Equality</div> <div><div>13</div>Economic Performance and Sustainable Profitability</div> <div><div>14</div>Talent Management and Employee Development</div>
Very High Priority	<div><div>15</div>Compliance with Corporate Governance Principles and Effective Risk Management</div> <div><div>16</div>Occupational Health and Safety</div> <div><div>17</div>Employee Rights and Satisfaction</div>	<div><div>18</div>Energy and Resource Management</div> <div><div>19</div>Combating Climate Change and Adaptation</div> <div><div>20</div>Ethical Principles and Legal Compliance</div>

	Table No	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELFARE	4 QUALITY EDUCATION	5 GENDER EQUALITY
Combating and Complying with Climate Change	19					
Compliance with Ethical Principles and Laws	20					
Compliance with Corporate Governance Principles and Effective Risk Management	15					
Anti-Bribery and Anti-Corruption	7					
Energy and Resource Management	18					
Waste Management and Practices	9					
Biodiversity Conservation	8					
Occupational Health and Safety	16			●		
Employee Rights and Satisfaction	17					●
Inclusion and Equality	12					●
Talent Management and Employee Development	14				●	●
Supply Chain Management	11					
Responsible Purchasing Practices	4					
Customer Satisfaction Approach	10					
Contribution to Society and Corporate Social Responsibility	3	●	●	●	●	●
Stakeholder Relations and Stakeholder Management	2					
Economic Performance and Sustainable Profitability	13					
Management of Product Quality and Safety	6					
Product Life Cycle Assessment (LCA)						
R&D and Innovation Studies	5					
Digitalisation and Data Security	1					

6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
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SDG 5: Gender Equality

We believe in the importance of increasing female employment in high technology sectors in terms of ensuring gender equality, and therefore we attach importance to creating a female-friendly working environment. With a company-wide female employment rate of 48%, we are above the sector average. Female members make up 45% of our Board of Directors and we support gender equality at all executive levels.

In addition to our membership in the Green Collar Women's Association (YEYKAD), as of the reporting period, we are a member of TÜSİAD's Gender Equality Working Group and the Women's Employment and Equal Opportunity Working Group of the Sustainable Development Association (SKD) in order to promote inclusiveness in the energy sector.

In addition, we support strengthening the presence of women in these fields by providing support such as training, internships and scholarships for young women who study, work or want to work in STEM (Science, Technology, Engineering and Mathematics) sectors. For the development of the social structure in our country, we work to identify the obstacles to women's equal participation in education and working life, to raise awareness and to propose solutions.

SDG 7: Affordable and Clean Energy

We believe that combating climate change and achieving a global net zero emission level is critical for the future of humanity and should be a responsible business model. In order to realise this goal, the use of renewable energy sources should become widespread, production-energy efficiency should increase and the cost should be reduced to accessible levels in economic terms. As Smart Solar Technologies, we support the widespread use of more efficient energy production from renewable sources and the reduction of energy production costs with our high-tech R&D and production activities.

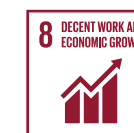
We plan our investments by closely following the technological and sectoral developments worldwide. While the share of renewable energy in global energy production is expected to increase to 86% in 2050 as part of the targets to combat the climate crisis, Türkiye has a high production potential thanks to its geographical location.* We work tirelessly with the aim of increasing Türkiye's total installed renewable energy capacity and harnessing its potential, thereby reducing dependence on imported energy and ensuring energy supply security. On the other hand, by developing efficient renewable energy generation systems based on advanced technology, we increase the options

* PwC Solar Energy Sector Report in Türkiye and the World, December 2021

for access to clean, climate-friendly and lower-cost energy, and contribute to Türkiye's export potential of value-added technology produced with domestic resources. The renewable generation energy technologies we develop support the transformation of different industries in line with the low carbon economy.

In line with the vertical integration strategy we have planned for this purpose, we continue our integrated cell and panel production facility investments. In this context, the Aliağa Solar Panel & Cell Integrated Production Facility investment, where we realised our first panel production in 2023, has an important place.

The reuse of used solar panels resulting from the renewal or capacity increase of existing power plants in projects with lower energy needs has a significant potential in terms of both environmental impact and reducing energy investment costs. These practices, which support the dissemination of circular economy practices in the energy sector, also make it possible to realise renewable energy investments at lower costs in less developed countries. These services, which add a new life cycle to renewable energy, contribute both to increasing the installed capacity of clean energy accessible on a global scale and to reducing the environmental impact of production.

SDG 8: Decent Work and Economic Growth

In today's rapidly developing and intensely competitive renewable energy technologies sector, the key to our steady growth is our capacity to develop innovative technologies.

Innovative ideas can only flourish in a free, equitable and inclusive work environment. For this reason, we offer our employees a healthy, safe and dignified working environment where their ideas and work are valued. We support our stakeholders in our value chain, especially micro-enterprises and SMEs, in order to spread our working principles throughout the value chain.

We pursue new employment-oriented programmes in order to develop a qualified green-collar workforce, which is the greatest need of our industry. In this context, we prioritise local employment in field installation projects. In these activities, we employ talented and motivated local labour employed on a full-time basis to work in our projects implemented in different regions in order to gain experience and bring them to the sector permanently.

In the current global economic conjuncture, we take measures to protect the living conditions of our employees. In this context, we continued our monthly energy benefits, which we started in 2022, and family benefits, which we started in 2017, during the reporting period. On the other hand, in order to balance the family and business life of our teammates, we help our employees to establish the necessary balance with social leaves and compassionate leave. In 2024, we plan to launch our hybrid and flexible working systems.



At the Women Empowered Boards of Directors Award Ceremony, held as part of the Sabancı University 30 Percent Club event, Smart Solar Technologies was presented with an award in recognition of our **45% female board member ratio**.



Organised by Kariyer.net, we won the Kariyer.net **Respect for Humans Award** for the years 2022 and 2023 among more than 30 thousand employers at the Respect for Humans Award Ceremony.

SDG 9: Industry, Innovation and Infrastructure



We are working tirelessly to become a globally competitive player in the renewable energy technologies sector, which is developing worldwide. To this end, we closely follow scientific and technological developments around the world, and support the development of high-tech value-added applications in our sector by strengthening our R&D infrastructure. Through our R&D activities, we facilitate our customers' access to high-efficiency energy generation technologies, and we support increasing the rate of renewable resource utilisation in the energy infrastructure through our investments to increase production capacity. In this way, we also contribute to the spread of green transformation and low carbon economy in the industry.

Our integrated production facility investments focused on vertical integration have a much wider economic impact beyond increasing our production capacity. With these investments, we aim to produce the cells used in the solar panels we produce in Türkiye with domestic raw materials. In this way, we are reducing our country's foreign dependence on raw materials and high-tech products needed for the development of renewable energy infrastructure, and developing the potential for value-added technology exports. We balance our operational emissions by using renewable energy in our production infrastructure, as in the SPP facility we will establish in our Aliğa Cell and Panel Integrated Production Facility investment.

SDG 11: Sustainable Cities and Communities



One of the key elements in the development of sustainable urban areas is that the energy needed intensively in urban areas is obtained from renewable sources. Energy from renewable sources is needed for the sustainable use of buildings and households, urban use areas, mobility vehicles and many other urban instruments.

As Smart Solar Technologies, we contribute to the creation of the energy infrastructure of sustainable cities with the innovative products and technologies we produce. In this context, we primarily produce solutions for the construction of houses and residential units that produce their own energy with renewable energy technologies. On the other hand, we develop charging solutions that meet the needs of electric vehicles, which are becoming increasingly popular, from renewable resources. In this context, we continued to offer renewable energy-based and innovative energy generation, storage and electric vehicle charging solutions under the Solargize brand established in the previous period.

SDG 12: Responsible Production and Consumption



In the entire supply chain, we work to share our values with our suppliers and stakeholders, and use our corporate strength and know-how to promote responsible production and consumption.

Thanks to the high technology we use within the solar technologies ecosystem, we use solar energy more efficiently and contribute to the green energy revolution of our country. While pioneering innovation and technology development in the solar technologies sector, we also carry out initiatives to develop clean and sustainable energy sources. With our storage solutions, we strengthen continuity and efficiency in renewable energy supply.

In line with the circular economy approach, we ensure that solar panels that are out of use as a result of improvements or capacity increases in existing power plants are upcycled and sent to underdeveloped countries. In this way, we support the popularisation and capacity increase of solar energy systems.

For the upcoming year, we plan to increase the trainings that we organise for our suppliers within the scope of the sustainable procurement strategy in 2023. Within the scope of our sustainable supply chain strategy, we aim to require our suppliers to fully comply with our Company's Supplier Code of Conduct and Polysilicon Traceability Requirements for 2024 and to take necessary actions in case of non-compliance.

Our company helps our customers to produce clean, low-carbon energy with PV technology, equipment and components. We organise informative events and trainings to further increase the public's knowledge on renewable energy.

The Sustainability Management System, which we implemented in 2023, includes current targets in line with international standards such as United Nations Sustainable Development Goals (UN SDG), Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and Key Performance Indicators (KPIs) such as greenhouse gas emissions, energy consumption, water consumption, human resources, social rights, women's employment, diversity/inclusiveness. By following these indicators, we aim to continuously improve Smart Solar Technologies in responsible production and consumption.

SDG 13: Climate Action



Developing societies, which have fewer resources and capacities compared to industrialised countries, are more vulnerable to the harmful effects of climate change. In order to ensure "climate justice", renewable energy, and especially solar energy, stands out as a sustainable energy source due to its low-carbon, efficient, scalable and economical. As Smart Solar Technologies, we serve to ensure climate justice with our contribution to renewable energy.

As Smart Solar Technologies, with our investments in solar energy technology and our responsible, low-carbon production activities, we both support the fight against climate change and aim to raise awareness about climate and sustainability among our stakeholders and society. We work towards making renewable energy more in demand as a preferred and rational energy option, and we encourage our stakeholders who share this view.

In Smart Solar Technologies, we aim to achieve steady and rapid growth with our SPP investments and efficient energy management initiatives that support our 2030 Almost Net Zero target and 2040 Net Zero target. We organise trainings to make all our employees and stakeholders share the same awareness in line with improving resource use and reducing the negative effects of climate change through efficient energy management.

By 2040, we aim to achieve 90% net zero in Scope 1, 100% in Scope 2 and 30% in Scope 3 in our operations. For this purpose, we have set our interim targets for 2030 as 30% reduction target for Scope 1, 50% reduction target for Scope 2 and 15% reduction target for Scope 3, taking 2022 as the base year. We are working to zero our Scope 2 emissions with our 128 MW solar power plant investment.

SUSTAINABILITY TARGETS

As Smart Solar Technologies, we aim to become a net zero enterprise by 2040. All developments regarding the sustainability priorities and targets we have set in line with our Sustainability Policy are shared with our stakeholders through the Sustainability Report.

We are carrying out a comprehensive digital transformation project in our company. Our transition to the SAP platform is ongoing. We integrate all our data within the scope of ESG into the SAP Sustainability Module. Thus, we will be able to systematically and digitally monitor our sustainability data.

Our LEED Certification process for our Aliğa Integrated Production Facility is ongoing.

In 2024, we aim to transparently share our 2023 year-end environmental and climate data with the public by participating in Turkey's Carbon Disclosure Project (CDP).

We shared our Strategy Document covering the 2023-2027 period and our first Sustainability Report for 2022 with the public at the launch meeting held on 5 September 2023.



You can access

✉ **The Sustainability Report 2022** and **Strategy Document** we published at our launch here.

We worked on aligning our sustainability goals with the actions identified in the strategy workshop we held after the launch of our first Sustainability Report.

In addition, we aim to work with a global rating agency on ESG in 2024 to conduct an ESG scoring study and to be included in the BIST Sustainability Index.

In 2025, we plan to bring our sustainability report to the level of an integrated report. Within the scope of gender equality, which we attach great importance to, we envisage obtaining the Equal Opportunity Certificate and being included in the Bloomberg Gender Equality Index. In addition, obtaining ISO 50001 Energy Management System and ISO 14046 Water Footprint certificates are among our medium-term targets.













Özseç Beton - 4.334,88 kWp

Our Net Zero Journey



Emission Reduction Interim Target Table

In line with our sustainability goals, we have set our "Almost Net Zero" interim targets until 2030. In order to achieve our Net Zero target in 2040, our efforts to concretise our 2030 emission reduction interim targets continue at full speed.

Sustainability Focus Areas		Target	Base Year	2030 From Target Year (%)		Relevant Material Topic
 Occupational Health and Safety		Zero Accident Journey	2024	50	▼	<div><div>Compliance with Ethical Principles and Regulations</div><div>Occupational Health and Safety</div><div>Energy and Resource Management</div><div>Compliance with Corporate Governance Principles and Effective Risk Management</div><div>Talent Management and Employee Development</div></div>
		OHS Trainings	2024	50	▲	
 Environment and Climate Change		Scope 1 CO ₂ emissions (tCO ₂ e)	2022	30	▼	<div><div>Climate Change</div><div>Energy and Resource Management</div></div>
		Scope 2 CO ₂ emissions (tCO ₂ e)	2022	50	▼	<div><div>Compliance with Corporate Governance Principles and Effective Risk Management</div></div>
		Scope 3 CO ₂ emissions (tCO ₂ e)	2022	15	▼	<div><div>Supply Chain Management</div><div>Importance of Product Quality and Safety</div><div>Responsible Purchasing Practices</div><div>Product Life Cycle Assessment</div></div>
		Environmental Trainings	2023	50	▲	
 R&D and Digitalisation		Digital maturity level	2022	6	▲	<div><div>R&D and Innovation Studies</div><div>Digital Data and Security</div></div>
		R&D expenditures	2023	50	▲	<div><div>Economic Performance and Sustainable Profitability</div><div>Importance of Product Quality and Safety</div></div>
 Social Approach and Governance		Employee training	2023	25	▲	<div><div>Employee Rights and Satisfaction</div><div>Compliance with Corporate Governance Principles and Effective Risk Management</div></div>
		Gender equality and women employees	2022	50	◀▶	<div><div>Talent Management and Employee Development</div><div>Inclusion and Equality</div></div>
		Dialogue with stakeholders	2024	25	▲	<div><div>Community Contribution and Corporate Responsibility</div><div>Stakeholder Relations and Stakeholder Management</div></div>
 Energy and Resource Management		Effective water management	2025	50	▲	
		Biodiversity conservation	2022	50	▲	<div><div>Compliance with Ethical Principles and Regulations</div><div>Energy and Resource Management</div></div>
		Environmental investment budget	2022	30	▲	<div><div>Biodiversity Conservation</div><div>Waste Management Applications</div><div>Product Life Cycle Assessment</div></div>
		Effective Energy Management	2024	25	▲	
		Zero waste management	2024	50	▲	

GRI 2-6, GRI 2-25, GRI 2-26, GRI 2-28, GRI 2-29

Relations with Stakeholders

Stakeholder relations at Smart Solar Technologies are based on honesty and transparency. Stakeholder opinions and thoughts, which are of great importance for our company, are meticulously monitored. In this direction, we regularly survey our customers and employees and use the responses from our internal and external stakeholders for process improvement.

In order to establish strong and productive relationships with our internal and external stakeholders, we communicate with them with a communication method and frequency appropriate for each stakeholder and receive their feedback. Accordingly, we are in constant communication with our institutional and individual investors and update our activities accordingly when necessary.

Stakeholder Group	Communication Methods	Frequency of Communication
DOMESTIC SALES	E-mail, Telephone	Regularly / As needed
DEALERS	E-mail, Telephone	Regularly / As needed
KEY CUSTOMERS	E-mail, Telephone	Regularly / As needed
SUPPLIERS AND SUBCONTRACTORS	E-mail, Telephone, Online meetings	Regularly
SHAREHOLDERS AND INVESTORS	E-mail, Telephone, General Assembly Meeting	Regularly
PUBLIC ORGANISATIONS AND LOCAL GOVERNMENTS	E-mail, Telephone, On-site visit	Regularly
BANKS AND FINANCIAL INSTITUTIONS	E-mail, Telephone, Face to Face Meetings, Quarterly Analyst Meetings	Regularly
INDEPENDENT AUDIT AND RATING ORGANISATIONS	E-mail, Telephone, Face to Face Meetings	1-2 times a month
EMPLOYEES	E-mail, Verbal, Petition, Union Representatives, SMS/whatsapp, Workplace committees	When necessary
UNIVERSITIES, RESEARCH INSTITUTIONS AND CONSULTANTS	ITU Çekirdek (Platform where young ideas, incubation and start-up ideas are discussed and feasibilities are assessed) Young Energy	When necessary

Our Memberships	
» Foreign Economic Relations Board (DEİK)	» PV CYCLE
» Energy Industrialists and Businesspeople Association (ENSİA)	» SolarSTK
» European Solar Energy Manufacturing Council (ESMC)	» Solar Energy Industrialists Association (SEIA)
» European-Ukrainian Energy Agency (EUEA)	» Turkish Industry and Businesspeople Association (TÜSİAD)
» EuPD Research	» Turkish Ukrainian Businesspeople Association (TUID)
» Green Collar Women Association (YEYKAD)	» Corporate Governance Association of Türkiye (TKYD)
» Solar Energy Industrialists and Industry Association (GENSED)	» Investor Relations Association of Türkiye (TÜYİD)
» International Solar Energy Society Türkiye Chapter (GÜNDER)	» Ultra Low-Carbon Solar Alliance
» Solar Energy Investors Association (GÜYAD)	» Business Council for Sustainable Development (BCSD Türkiye)
» Istanbul Mineral and Metals Exporters' Associations (IMMİB)	

Customer Relations

As Smart Solar Technologies, we continuously implement the necessary process improvements to strengthen our business relationships with customers, which constitute one of the most important segments of the value chain, and to ensure customer satisfaction.

While ensuring customer satisfaction, we meticulously approach customer data privacy. All information related to contracts, business partners, suppliers, customers, personnel, financial data, organisational data and company strategy are considered confidential. This information cannot be changed,

reproduced or removed. All kinds of security measures are implemented to ensure that the data is safe, protected and never disclosed, and honesty, accuracy and transparency in customer relations are at the core of our operation.

In 2023, Customer Satisfaction Survey studies were initiated to better understand the needs of our customers. In line with our regular customer interviews and the Customer Satisfaction Survey, complaints are evaluated and necessary actions are taken by the Business Development Unit and the Quality Unit, which collect complaints from customers.



Sustainable Supply Chain Management

As Smart Solar Technologies, we attach great importance to quality, compliance, reliability, fair and ethical trade practices throughout the entire supply chain. We strive to carry out supply chain and procurement activities in a sustainable manner in all business areas to protect the environment and natural resources for future generations and to promote the circular economy. In order to demonstrate the same sensitivity for our entire value chain, we accelerated our "Sustainable Supply Chain Project" in 2023. Within the scope of this strategy, we have updated our Supply Chain Policy and Supplier Code of Conduct in order to present our company's vision and to clearly convey our expectations for our suppliers.

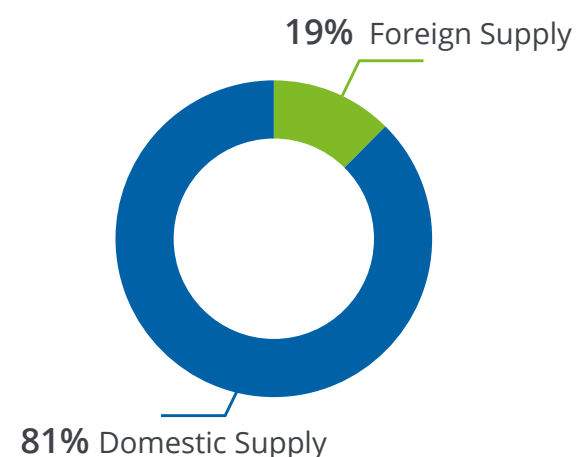
Our company prefers to cooperate with suppliers who share our vision, mission and goals and have the self-control to conduct business and operate accordingly. For this reason, business partners are also expected to comply with the principles set out in the Supplier Code of Conduct and to maintain a consistent ethical standard throughout the business relationship.

With our priority of customer satisfaction, all suppliers are expected to make error-free and timely production in accordance with the production processes in the standards and specifications, and to make undamaged shipment during the packaging process, and supplier selection is carried out meticulously by taking these issues into account.

As Smart Solar Technologies, we purchase the products used for cells and solar panels from domestic and foreign suppliers by land, sea and air. In addition, purchasing procedures are also carried out by our Company on the engineering, procurement and installation side. When it comes to purchasing procedures, we prefer suppliers that emphasise sustainability issues and control their impact on the environment and society. In addition, we especially support and encourage local suppliers and women entrepreneurs.

In 2023, we started to provide trainings to suppliers within the scope of the sustainable supply chain strategy. We decided to intensively share our awareness and experience on this issue with our suppliers. In order to contribute to a sustainable future by working with companies that have values identical to Smart Solar Technologies in sustainability, we plan to increase trainings to cover all first-degree suppliers in 2024.

Within the scope of the sustainable supply chain strategy put into effect in 2023, suppliers will be expected to fully comply with the supplier code of conduct and polysilicon traceability requirements for 2024. In this regard, supplier audits will be carried out and actions regarding non-conformities will be followed up. We aim to improve together by including many new topics in our training programmes to ensure full compliance with the newly added requirements.



For the realisation of our 2023 operations, procurement activities were carried out from a total of 360 suppliers. While 291 of these suppliers operate in Türkiye, 69 of them are located abroad.

You can access our Supply Chain Policy from [here](#).

We expect procurement procedures to comply with the company's supply chain policy, anti-bribery and anti-corruption policy, business ethics policy, sustainability policy, environment and climate change policy, human rights policy, occupational health and safety policy and corporate social responsibility policy, and we expect suppliers to operate in accordance with the United Nations Convention on Human Rights, the International Labour Organization (ILO), as well as local laws in the countries where they do business.

Sustainable Supply Chain Strategy

Responsible Purchasing

We maintain our commitment to ensure that operations in our supply chain are carried out in a manner that respects human rights and the environment; we evaluate the status of our suppliers according to the Smart Supplier Code of Conduct, which we have prepared according to the ten principles of the ILO and the United Nations Global Principles.

Our basic criteria in the supplier code of conduct:

- All employees in our supply chain have a healthy and safe working environment
- Protection of children's rights
- No employee is treated in a manner contrary to human rights
- Protection of the environment

To create a common sustainable future:

- We will organise awareness sessions for our suppliers,
- We will identify the risks in our supply chain,
- We will conduct gap analyses with physical site visits to our first-degree suppliers,
- We will support our suppliers with trainings, sharing of good practice examples and we will carry out projects to improve the conditions in our supply chain.
- We will carry out regular third party audits.



Polysilicon Traceability

We expect our suppliers to share with us the companies in the Smart supply chain from raw materials to our solar panels in a transparent manner.

We share our polysilicon traceability requirements with our suppliers in order to ensure that there is no practice incompatible with our supplier code of conduct in the companies in our polysilicon supply chain.

Our aim:

- To ensure the traceability of polysilicon content at all stages from the Smart customer all the way back to the raw material,
- To ensure that all companies involved in the polysilicon supply chain can provide specific and traceable evidence,
- To ensure that there is no forced and compulsory labour in the Smart polysilicon supply chain.

Our goal:

- We will map our polysilicon supply chain aspects such as;
 - Cell
 - Polysilicon Wafer
 - Polysilicon Ingot
 - Metallurgical grade silicone
 - Quartz mining
- We will map the companies involved in the production, storage, transport and trade of these stages.
- We will organise awareness sessions with our suppliers to introduce our strategy and requirements.
- In 2024, we will start conducting traceability audits and establish a regular traceability reporting system.



Mapping our supply chain

Approval of our suppliers to the Supplier code of conduct

Supplier risk assessment

Gap analysis with physical site visit

Follow-up of actions and supplier developments

Regular audits according to risk level



Approval of polysilicon traceability requirements by our suppliers

Mapping the polysilicon supply chain

Regular traceability reporting system

Verification of traceability documents for all shipments containing polysilicon

Supplier polysilicon traceability audits



Innovative Approach

In Smart Solar Technologies, as an international service provider, we carry out our activities with a green future understanding by considering all stakeholder values, to provide safe, compliant, high quality and technological products in accordance with legal requirements and to be the company of the future in line with the principles of sustainability.

R&D and Innovation

In Smart Solar Technologies, as an international service provider, we carry out our activities with a green future understanding by considering all stakeholder values, to provide safe, compliant, high quality and technological products in accordance with legal requirements and to be the company of the future in line with the principles of sustainability.

While producing based on advanced technology in line with the green future target and high quality understanding, we also consider the values of stakeholders and proceed under the guidance of sustainable development goals. With the responsibility of our pioneering position in the sector and our entrepreneurial vision, we attach great importance to creating sustainable value for our country, society and the future within the scope of renewable energy activities. Therefore, R&D activities are of critical priority for us.

In this direction, a total of TL 4,953,163 R&D expenditure was realised in 2023. By 2030, we aim to have increased R&D expenditures by 50%.

With the R&D Department established in 2018, we continue our new product development and research and development activities without slowing down. Our R&D Department, whose main goal is to offer creative and efficient solutions by closely following the material, design and technology developments in the green energy technologies sector, cooperates with academic institutions and organisations such as TÜBİTAK, GÜNAM and Fraunhofer ISE at national and international levels.

While continuing our R&D and P&D studies that we have developed in-house in accordance with the technological development in Smart Solar Technologies, necessary revisions are made in the production lines; the equipment and lines used are adapted to the current technology and kept constantly updated in accordance with market requirements and product diversity.

In 2023 For Efficiency...

In 2023, it is aimed to reduce the amount of scrap raw materials for more efficient production. Scrap tracking system for each raw material and regular reporting team have been established and regular reporting has been initiated.

In order to prevent unnecessary material use in the machines, required actions have been determined and implemented.

Autonomous maintenance work was carried out regularly at various stations in production.

Projects Carried Out in R&D Department

As Smart Solar Technologies, we are aware of the role of R&D in the value creation chain of organisations. In this context, we participate in domestic and international joint projects and realise projects in order to put these ideas into practice in the light of different ideas.

- Within the scope of R&D studies, the TÜBİTAK project **"Distance Controlled Nano Composite Material Increasing Photovoltaic Cell Efficiency"** has been successfully finalised and patented in 2023.
- In December 2023, the Clean Energy Transition Partnership (CETP) project **"From Slice to Module: Cost Effective High Efficiency Silicon Technologies"** was initiated. In this project, which is carried out by "Fraunhofer Institute for Solar Energy Systems" and "Schmid-Group" from Germany, "Nines-PV" from Ireland and "NorSun" from Norway together with "Smart Solar Technologies" company, it is aimed to reduce the Levelized Cost of Electricity (LCOE) for electricity generated by photo-voltaic (PV) effect by eliminating the use of high-cost materials required for TOPCon solar cell production.
- One of the places where solar energy systems are used is marine vehicles. With the use of solar energy systems in marine vehicles, great advantages are obtained in preventing problems occurring in the existing battery or eliminating the necessity of having a spare battery. An active work continues in the **"Marine Solar Panel Design and Smart Maritime System"** project, which aims to develop solar panels with high resistance to heavy sea conditions, to design the new construction system to tolerate mechanical loads, to design the electrical and mechanical equipment to be used in the system, to design the measurement and control system of the system and to ensure its integration into the existing system used on the ship.
- The project **"Increasing Panel Quality with Image Processing on the Production Line"** is actively ongoing. It is aimed to minimise the factors that will adversely affect the life of the solar panel by increasing the busbar-ribbon soldering quality that may be caused by human or equipment errors, to optimise the efficiency of the panels on the production line, and to minimise the problems caused by connection

losses caused by human or equipment errors in the field.

- In order to reduce greenhouse gas emissions and combat climate change, the **"PV Based, Portable, Green Hydrogen and Fuel Cell System"** project, developed by combining hydrogen and solar energy applications, is being implemented within the framework of the plan to create a sustainable future by utilising renewable energy sources. This project aims to make hydrogen, the energy carrier of the future, portable and accessible by obtaining it with solar energy. It is aimed to meet this need by developing a solar-powered green hydrogen solution in areas where electrical energy is needed but difficult to access. In addition, the system, which is made portable, is being developed to adapt to the needs of existing structures by optimising the size.
- Active studies continue in the **"New Generation Organic Solar Cell Donor Material Synthesis"** project, which aims to design and synthesise the donor material suitable for new generation acceptor groups, to design a highly efficient, stable organic solar cell with the new donor material and to create a non-toxic, easy-to-produce process with the new synthesis method.
- Within the scope of the project **"Synthesis of Albedo Effective Polymeric Film"**, which is under the basic idea of increasing module efficiency by designing an albedo effective polymeric film, it is aimed to prevent efficiency losses by preventing temperature formation as well as radiation scattering of the designed film. Active studies continue in the project.
- **"The Effect of Laser Cutting Parameters on Cell/Module Power"**: The aim of the project is to investigate the effect of laser cutting device parameters on microcrack and cell power, to minimise microcrack formation and to reduce power losses due to cutting.

Digital Transformation

We carry out studies to increase digital transformation in our business processes. We work with the most competent information technology experts to produce solutions for the needs by following technological developments. Accordingly, we aim to increase our digital maturity level by 7.8% in 2030 compared to 2022. In this context, the SAP project was initiated to ensure information security, operational integration and business continuity, and some modules were put into service in 2023.

We plan to digitalise our sustainability processes with the SAP Sustainability Control Tower solution, which we use as part of our cloud transformation. While tracking our targets with this module, which is integrated simultaneously with the SAP transition process, we aim to obtain accurate and timely information in critical areas such as carbon footprint, energy use and waste management thanks to the automatic data collection and analysis features of SAP Sustainability Control Tower. With this system, which will make all our reporting and compliance processes more transparent and accessible, we aim to further increase investor confidence and facilitate our compliance processes.

Within the scope of managed services, we provide more efficient and secure services and support with the end-to-end transformation project initiated in IT systems in May 2022 following the signing of an agreement with a hybrid cloud provider offering Tier-4 level services, which is the highest level in global standards in Cloud, Security, Infrastructure and Business Continuity Services. The use of PLC (Programmable Logic Controller) and IoT (Internet of Things) devices within the scope of the End-to-End Transformation Project provides instant data that reduces error rates, reduces maintenance costs and ensures optimum capacity management.

With the WMS (Warehouse Management System) project we launched last year, we ensured the most efficient use of warehouse space according to work orders and material

specifications and optimised the picking and placement process in the warehouse. In this way, we carry out all supply chain processes more reliably by real-time stock tracking.

In 2023, the Cloud Transformation project to increase information privacy and cyber security, and the Security as Service, SIEM as Service, Infrastructure as Service, Monitoring as Services and VLAN Segmentation Project were included in digital transformation projects. Thanks to the security measures and practices we follow, we did not experience any data loss, data leakage or cyber security problems within the scope of our activities in 2023.

Digitalisation and IoT Applications We Realised in 2023

- ◆ Intranet Portal,
- ◆ Production Information Portals,
- ◆ Repair Station Quality Improvement Implementation Solution (In-House),
- ◆ Digital Central Mail Signing Solution,
- ◆ PaperZero e-signature and mobile signature solution for instructions, contracts,
- ◆ Warehouse Management System integrated with Micro ERP system,
- ◆ SAP s4/HANA Rise,
- ◆ E-Transformation Projects,
- ◆ DAS (Digital Archiving System),
- ◆ ESA (Electronic Statement of Account),
- ◆ BEAM (Maintenance) at production locations.





Environmental Approach

One of the key elements of the Sustainability Plan at Smart Solar Technologies is the Management of Environmental Impacts.

Environmental Approach

One of the key elements of the sustainability strategy at Smart Solar Technologies is the management of environmental impacts. We manage all our activities in accordance with applicable environmental laws and regulations as well as national and international standards. In addition, the Environmental and Climate Change Policy, which we have prepared in accordance with internationally recognised principles and legal requirements, frames the measures taken to reduce our impact on the environment and combat climate change. In this context, during the reporting period, we worked in compliance with national environmental laws and regulations and thus, our Company was not subjected to any monetary or administrative sanctions.

Our Company, which supports sustainability in its sector and adds value with the technological products and services it produces for the green energy transformation of corporate companies, has put sustainability at the centre of its entire value chain and operations. While supporting Türkiye's

sustainable growth with green technology, we work for the development of domestic and national production and a sustainable future. Smart Solar Technologies, operating in the renewable energy sector, integrates ESG principles into its entire value chain and operations while providing value to sustainable transformation. In this direction, as our operations expand, we continue to increase our environmental investment activities. In 2030, we aim to increase our environmental investment budget by 30% compared to 2022.

We support low carbon economy not only through our production but also through the energy transformation processes of our business partners to whom we provide products and services.

Our Company, which offers products and services focused on low-carbon energy generation and green technology within the scope of combating climate change, generated TL 8.1 billion in revenue from climate-friendly energy generation techniques in 2023.

	2020	2021	2022	2023
Income from climate-friendly energy generation practices (TL)	579,697,636	846,114,782	3,973,288,754	8,093,257,032

You can access our Environment and Climate Change Policy [here](#).

The importance of renewable resources is increasing with the Border Carbon Tax practices addressed under the heading of preventing the global climate crisis. Considering the targets of the Ministry of Energy and Natural Resources of the Republic of Türkiye for 2035, an annual average of 3.75 GW investment is targeted only in solar energy.

Greenhouse Gas Management

As Smart Solar Technologies, we offer sustainable solutions that reduce greenhouse gas emissions from energy generation and help combat global climate change. By 2040, we aim to achieve 90% net zero in Scope 1, 100% in Scope 2 and 30% in Scope 3 in our activities. For this purpose, taking 2022 as the base year, our interim targets for 2030 have been set as 30% reduction for Scope 1, 50% reduction for Scope 2 and 15% reduction for Scope 3.

In order to support these targets, by 2030, we aim to reduce air conditioning and refrigerant gas leaks by 50%, increase the use of recycled content in production by 10%, increase green logistics practices in the supply chain by 10%, and reduce emissions from mobilisation by 50%. We aim to reduce emissions from travel by 15% by implementing sustainable business travel practices, increase the collection of verified emission values from suppliers by 50%, increase the localisation rate in overseas purchases by 50% and reduce logistics emissions by 10%.

In order to concretise the responsible and sustainable production approach, the carbon emissions arising from the electricity consumption of the management and factory buildings were offset with the i-REC carbon credits we obtained from the green energy production of our group companies.

In 2023, we continued the installation process of our 128 MW solar power plant investment at our Niğde Bor site. With this investment, in addition to safe and clean electricity generation, it is aimed to eliminate the carbon footprint that will arise from the activities of the Aliğa Solar Cell and Solar Panel Integrated Production Facility.

In order to meet the electrical energy needs of the Gebze Plant, the Company started to work on the installation of a SPP in Kahramanmaraş province. This SPP investment is planned to generate over 9.5 million kWh of electricity annually. This clean energy production is planned to meet 100% of the current annual total electricity consumption of the Gebze Plant.

Our company functions as an important centre for innovation and technology development within the solar technology ecosystem. The potential of solar energy, one of the clean and sustainable energy sources, is used more effectively thanks to the studies carried out in this field. Thanks to the high technology we utilise at Smart Solar Technologies, we use solar energy more efficiently and contribute to the green energy revolution of our country. While pioneering innovation and technology development in the solar technologies sector, we also implement initiatives to develop clean and sustainable energy sources.

We have been calculating GHG emissions from our operations since 2021. Calculations in 2021 were based on the activities of the Gebze production facility. Due to the addition of the Dilovası production facility in 2022 and the Aliğa integrated production facility in 2023, there has been a projected increase in greenhouse gas emissions. In order to reach our 2040 Net zero target, we continue our efforts to determine our 2030 emission reduction interim targets.

Carbon Emissions (tCO ₂ e)	2021	2022	2023
Scope 1	146.71	257.62	282.46
Scope 2	3,398.85	3,934.04	7,499.56
Scope 3	19,204.19	24,512.8	37,516.24

Energy Management and Efficiency

Our main goal is to develop high technologies to make efficient and clean energy use accessible and widespread, and to be a stakeholder of investors and users who prefer a low-carbon economy business model. With this understanding, we attach special importance to developing reliable energy management and efficient consumption practices in our own operations. In this context, we manage energy management and efficiency processes in line with the principles set out in our Energy and Resource Efficiency Policy and in full compliance with all legal regulations.

In order to conduct our energy management processes within the framework of international standards, we aim to carry out ISO 50001 Energy Management System Standard certification studies in the coming period. In this context, we will start energy audit studies. By 2030, we aim to have 25% of the practices implemented within the framework of energy and resource efficiency policy.

We focus on continuously improving our energy performance in our production activities. Within the scope of our Sustainability Management System, we monitor the effective and efficient use of energy.

We realise SPP investments and efficient energy management initiatives, which also support our company's Net Zero targets, simultaneously with our steady and rapid growth steps. Through efficient energy management, we aim to improve resource utilisation and reduce the negative impacts of climate change. Currently, we reduce our emissions by preferring i-REC certified renewable energy sources obtained from our in-group companies. With the commissioning of the Niğde Bor SPP, we aim to offset our emissions from the Aliğa Integrated Production Facility, and with the commissioning of the Kahramanmaraş SPP, we aim to offset our emissions at the Gebze Production Facility. Thanks to these investments, we will have taken a fundamental step towards our net zero target, while significantly strengthening our energy cost and continuity performance.

We organise awareness trainings for all our employees and stakeholders to share a common awareness with us on the efficient use of energy and the importance of renewable clean energy.

You can access our Energy and Resource Efficiency Policy [here](#).

	2020	2021	2022	2023
Electricity consumption (kWh)	5,982,990	7,876,591	7,569,730	17,044,444

Water Management

The annual per capita water availability in Türkiye, which is projected to decrease to 1,069 m³ in 2050, shows the risk of our country becoming one of the countries with water stress.

Water consumption does not occur during the panel production process. However, with the start of cell production, water will be used due to the process. Being aware of the critical importance of efficient use of water resources, we plan to initiate water footprint studies along with cell production at Smart Solar Technologies. In this context, we also aim to carry out water cycle assessment studies. In parallel with the planned wafer and ingot investments, the scope of water management will be expanded. For this purpose, the water efficiency target for 2030 will be determined by commissioning the effective water management project.

A 50% efficiency increase is targeted within the scope of 2030 interim targets by converging to the most effective management values to be calculated.

The amount of household grade water consumed by our company in 2023 is 9,448 m³. All of the water consumed is municipal water and the wastewater generated is discharged to the municipal waste water channel.

⁴ According to the Republic of Türkiye Ministry of Environment, Urbanisation and Climate Change, countries with less than 1,000 m³ of usable water per capita per year are characterised as "water stressed".



Waste Management and Circular Economy

At Smart Solar Technologies, we accept waste management as a shared responsibility and follow the waste management procedure we have established with strategies such as waste minimisation, recycling and encouraging reuse. In accordance with the Waste Management Regulation, related processes include the storage, transport and disposal of hazardous and non-hazardous wastes generated as a result of business and production activities. The principles of waste minimisation at source, waste separation, waste recycling and reuse are followed throughout the value chain.

Our company regularly makes improvements in waste management practices and resource efficiency in order to reduce the negative environmental impacts arising from its activities. First of all, we aim to prevent or minimise production waste at its source and recycle it. In this direction, almost all of our non-hazardous wastes are recycled.

	2023
Recycled (R-coded) non-hazardous waste (tonnes)	1422.32
Recycled (R-coded) hazardous waste (tonnes)	36,183
Disposed (D coded) hazardous waste (tonnes)	0.006
Other hazardous waste sent to temporary storage (tonnes)	0.002

By 2030, we aim to increase our zero waste practices and waste recycling performance by 50%.

We adopt the principles of circular economy and aim to upcycle and reuse energy systems after the completion of their economic life. In this context, we continue our projects to increase the use of solar energy, especially in least developed countries, by upcycling solar panels that are out of use as a result of improvements or capacity increases in existing power plants. Within the scope of the circular economy, we cooperate with all stakeholders and provide regular training to our employees.

A zero waste system has been established in our company in accordance with the provisions of the Zero Waste Regulation and our Gebze Plant has been awarded the Zero Waste Certificate. Activities for our Aliğa Plant are in progress.



Waste Management Procedures

According to the Waste Management Procedure supported by the Environment Department, waste is categorised and collected. A licensed company collects hazardous waste, uses the R12⁵ waste treatment technique to recover it, stores it using the R13⁶ treatment method and then sends it to another licensed company for disposal. A licensed business collects non-hazardous waste, recovers it and recycles it using the R12 code.

⁵ Change of waste to be subjected to any of the waste recovery processes R1 to R11 specified in the Waste Management Regulation: Use as primary fuel or in other ways for energy production (R1), Solvent reclamation/regeneration (R2), Reclamation/recycling of organic materials not used as solvents (including compost and other biological transformation processes) (R3), Reclamation/recycling of metals and metal compounds (R4), Reclamation/recycling of other inorganic materials (R5), Re-production of acids or bases (R6), Recovery of components used for pollution abatement (R7), Recovery of catalyst components (R8), Re-refining or other re-use of oils (R9), Land reclamation resulting in ecological improvement or in the interest of agriculture (R10), Use of waste from processes R1 to R10 (R11).)

⁶ Temporary storage of wastes (excluding temporary storage and collection within the area where the waste was generated) until they are subjected to any of the treatments specified in R1 to R12.



Biodiversity

At Smart Solar Technologies, we work to protect biodiversity and reduce the ecological footprint to support the proper functioning of the ecosystem. With our environmental awareness and responsibility, we design our operation areas and all our business processes in a way that will not harm biodiversity. Within the scope of Environmental Policies, we take the necessary measures to protect biodiversity in all our activities and comply with the relevant legal regulations. By 2030, we aim to have increased our efforts to protect biodiversity by 50%.

In our company, ecosystems in projects and investments are evaluated in terms of their impact on biodiversity and the environment. These impacts are planned to be minimised during implementation, operation and post-operation phases. Care is taken to implement the architectural plans of Solar Power Plants and projects in a way to prevent habitat and vegetation loss.

We act in accordance with the legal environmental legislation in force in the projects we carry out. Accordingly, no action is taken in projects and/or investments without the "EIA Positive" or "EIA Not Required" certificate required under the Environmental Impact Assessment (EIA) Regulation. We pay utmost attention to ensure that all necessary measures are taken to protect wildlife, flora, fauna and migratory birds and to protect biodiversity, especially in land-type sites.

Within the scope of green financing, which focuses on financing environmentally and socially responsible projects, Environmental and Social Impact Assessment (ESIA) reports were prepared for our Aliğa Plant and Niğde Bor site in 2023. Thanks to these reports, we determine the potential positive and negative impacts of our fields of activity and projects on the environment and society, and make appropriate plans to reduce our environmental and social risks.

Environmental Awareness Activities

The Sustainability Management System Project at Smart Solar Technologies was initiated by the Sustainability Committee to incorporate EMS practices and concepts into the activities of the organisation.

The ongoing European Union BEST for Energy Project (Boosting Effective and Sustainable Transformation for Energy), in which our company is involved, is carried out in cooperation with the Energy Industrialists and Business People's Association (ENSIA) and Izmir Development Agency (IZKA).

In 2023, our Greenhouse Gas emissions inventory was verified to meet the standard requirements according to ISO 14064-3:2019 / Greenhouse Gas emissions inventory to determine the carbon footprint and monitor greenhouse gas emissions.

Throughout our entire value chain, we take a proactive stance in raising the sustainability awareness of our business partners and all our stakeholders.

Under the sustainability management structure, an Environmental Management System has been established for the entire company. In order to increase environmental management awareness and technical competences throughout the company, environmental trainings given to employees are being developed.

By 2030, we aim

50%

increase in our environmental trainings.



Social Approach

As Smart Solar Technologies, while contributing to Türkiye's sustainable growth and green energy transformation, we strive to create shared value by acting responsibly towards all our stakeholders.

Social Approach

As Smart Solar Technologies, while contributing to Türkiye's sustainable growth and green energy transformation, we strive to create shared value by acting responsibly towards all our stakeholders. While creating value by working in compliance with legal regulations in the renewable energy sector where we create employment, it is the priority of our Company to create an equal, fair and inclusive working environment for our employees. Social impacts are taken into consideration in all our business processes and strategic goals, choices and actions are transparently discussed in all stakeholder participations in accordance with the principles of accountability and openness.

Our Company, which is very sensitive about gender equality, especially supports women's employment. Accordingly, in 2023, 48% of our workforce, which operates in three different locations in Türkiye and consists of a total of 1,161 employees, consists of female employees.

As Smart Solar Technologies, we carry out our activities with a sustainable development perspective and attach importance to the observance of fundamental human rights in all our business processes. We adopt an understanding that respects human rights in our communication with our employees and all our stakeholders and we endeavour to ensure that basic human rights are observed in society. In our activities, we aim to create an egalitarian, inclusive, modern and fair working environment that respects human rights; we provide equal opportunities to all our employees regardless of age, gender, belief, ethnic origin or any other personal characteristics in our company; we do not allow discrimination or any practice that evokes discrimination.

With the "Smart Solar Academy" initiative, which we launched in 2020, we work in partnership with non-governmental organisations and vocational schools to conduct training programmes on issues such as climate change, renewable energy sources, solar energy and technology, circular economy, as well as employment and equality issues.



Inclusive Workplace, Diversity and Equality

In order to support gender equality and an inclusive corporate environment, equal opportunities, remuneration and rights for male and female employees are prioritised. In this context, we are working at Smart Solar Technologies to increase female employment, which constitutes a small percentage of the labour force in the energy sector. With 48% female employees and 45% female executives on our Board of Directors, we always strive to carry our sector forward. In this direction, we aim to increase our female employee ratio to 50% in 2030.

We encourage equal opportunities by complying with the concepts of inclusiveness and equal opportunity in the workplace in the employment of the disabled. We endeavour to improve conditions with accessibility ramps in our factories and assign suitable jobs to our disabled employees. In this context, 8 female and 14 male disabled employees were employed in our Company in 2023.

In 2024, we have a succession plan for the key job positions of the organisation, taking into account the strategic goals and workforce needs of the organisation. Talent, competence and performance evaluation tests are conducted for all our employees in a non-discriminatory and equal opportunity manner and submitted to the Promotion Committee. With this practice, we aim to establish a system where all employees will be evaluated with the same questions.

Smart Solar Technologies' employment approach consists of an effective recruitment process to hire the right talents. Ensuring inclusion and diversity to create equal opportunities without discrimination is also secured by the Company's policies and procedures. Within the parameters of the Code of Business Ethics, all decision-making processes and activities are carried out in accordance with the principles of fairness and equality. The Company does not tolerate discriminatory behaviour based on gender, ethnic origin, religion or language.

You can access the Diversity, Equity, and Inclusion Policy [here](#).

Human Resources Policy and Employee Rights

As Smart Solar Technologies, we aim to be the go-to company for an environmentally conscious workforce that values innovation, global thinking and high-tech production capabilities. Our Company, which draws its strength from its employees, attaches equal importance to all our colleagues with whom we create value, and every effort is made to ensure equal and fair methods in recruitment, professional development, promotion, work-life balance, remuneration and fringe benefits. In addition to the national regulations we follow, we act with great care regarding human rights at Smart Solar Technologies, which is a signatory of the UN Global Compact in 2023.

In our company, wage market evaluations are made by an independent company and presented to the management. The wages of unionised employees are determined by collective bargaining agreements and 857 blue-collar employees are unionised.

We encourage our employees and aim for efficient production with our talent management policy, which provides a safe environment for all employees to express their ideas and perspectives. We carefully evaluate employee feedback obtained through complaint and suggestion channels.

A zero tolerance policy is applied against all kinds of verbal, physical, sexual, psychological and/or emotional discrimination and harassment in the workplace and among our employees. We are also working on establishing a communication channel for reporting possible cases of harassment.

You can access our Human Resources Policy [here](#).

You can access our Harassment Prevention Policy [here](#).

You can access our Remuneration Policy [here](#).

As a result of the audit conducted by the Respect for Human Rights Organisation at the Gebze facility, the Company received the "Respect for Human Rights at Workplace" accreditation valid for the years 2023-2024.

Employee Development and Employee Satisfaction

At Smart Solar Technologies, we offer our employees a working environment where they can improve themselves, be productive, and feel happy and healthy. In order to achieve our goals together, we organise talent management programmes and comprehensive trainings suitable for each employee.

In order to accelerate the acclimatisation process of our new employees, we share the corporate culture with the "Energy at Work" orientation programme and trainings are planned by the Human Resources Department on technical, professional development and personal development in accordance with the fields of our employees. We also support our employees who continue their postgraduate studies with flexible working hours.

We monitor the development and performance of our employees and evaluate them using objective standards. Accordingly, the Human Resources Department and

department managers review the career plans of employees at least once a year. We reward our high-performing employees and value their contributions.

While career planning at Smart Solar Technologies, the possible development of existing employees is taken into consideration in matters such as promotions, rotation or transfer policies and new roles.

Potential tables were created to visualise employee competence in 2023; appropriate employee levels were measured and targets were set for each operation and employee.

In 2023, a total of 788 employees received 10,029 personxhours of training. In 2030, we aim to increase employee trainings by 25% and OHS trainings by 50% compared to 2023.

We plan to provide business ethics, anti-fraud and anti-corruption trainings for 2024 and beyond.

2023 Training Hours

Office employees	630 personxhours
Field employees	4,500 personxhours

2023 OHS Training Hours

	Gebze-Kocaeli	Aliğa-İzmir
Number of participants	532	680
Training hours (personxhour)	8,192	8,160

Smartest Performance Management Project

The scope of the SMARTEST project launched last year includes fair wage management based on performance, determining training requirements, and managing promotion and career processes. The objectives of the project are:

Linking business strategy to annual budgets and long-term goals,

Ensuring that the company's primary goals are distributed evenly and consistently throughout the organisation,

Setting sub-unit goals in a way that advances the organisation's primary goals,

Ensuring that people at all organisational levels are aware of the company's goals and design their own personal goals to support these goals,

Determining which goals the goal owners will advance in relation to the organisation's goals.

We consider innovative ideas that are in line with our goals and initiatives and actions that will help realise them, and we reward successful ideas. In order to deepen the relationship between employees and the company, managers and senior management cooperate in evaluating employees' views and formulating action plans.

Our employees and their families are invited to workplace events every year, and events are planned for employees' spouses and children to attend. In order to encourage long-term employment, employees who have been with the company for more than one year are paid a Seniority Differential Payment. Employees who have completed five years of service are awarded with a plaque and gold. Benefits provided to our employees are analysed in every operational cycle and changed according to the conditions. White-collar employees are provided with "Complementary Health Insurance" covering their families and children from the first day of their employment. Each employee receives incentives and shopping vouchers on Eid al-Adha, Eid al-Fitr and New Year's Day, as well as monthly Family Allowance and Energy Allowance. On March 8th, International Women's Day, our Company organises activities and sends gifts to our female employees. Every year on April 23rd National Sovereignty and Children's Day, pre-school education support is paid, gift cards and educational groups are organised for the children of our employees. In addition, employees who get married and have children are presented with a quarter gold piece each.

In order to balance family and work life, we provide our employees with social leave and compassionate leave. In addition, we plan to launch our remote working and flexible working practices in 2024.

➤ Employee Satisfaction Approach

The Employee Satisfaction Approach is used to measure employee loyalty and satisfaction. In order to improve the Company's approach and increase satisfaction, events are organised where the opinions of our employees are taken. Employee satisfaction surveys and events are two different practices carried out throughout the year to measure employee happiness and loyalty and to increase employee motivation.

Action plans are developed to be implemented according to the results of the Employee Satisfaction Survey. The survey findings are also compared with the previous year's findings to identify areas that have improved or still need improvement.

According to the results of the 2023 Employee Satisfaction Survey, 73.46% of the company employees expressed their belief in the company's goals and objectives, 74.26% stated that they were proud to work for the company and 70.90% recommended working for the company.

69%

Success rate of orientation and retention programme for newly recruited employees (0-2 years)

Occupational Health and Safety

Occupational health and safety constitutes the basis of our activities at Smart Solar Technologies. We offer our employees, who are the highest priority of our company, a safe work environment where both their physical and psychosocial health are protected. We never compromise our aim of being prepared by taking measures against disasters and emergencies.

Our Company, which is extremely sensitive to occupational health and safety, operates in accordance with all applicable laws and regulations in order to prevent possible damages to our stakeholders, employees and parties. The OHS culture of our organisation is continuously improved by including occupational health and safety in the work carried out.



Occupational Health Safety and Management

The Company has a total of 11 OHS committees, 1 in Aliğa and 10 in Gebze, in order to improve OHS performance, ensure policy compliance, increase the OHS understanding of our employees and achieve the zero accident target. The OHS Committees have 12 members in Aliğa and 21 members in Gebze, totalling 33 members, and 7 employee representatives, 3 in Aliğa and 4 in Gebze. All unit managers, members and employee representatives attend the monthly Occupational Health and Safety Committee meeting. The OHS Board is chaired by the employer or the employer's representative and is employed by the company to monitor OHS-related activities and to provide suggestions for corrective and preventive actions to reduce potential hazards.

OHS practices carried out under the Human Resources Department are based on the Occupational Health and Safety Law No. 6331, Labour Law No. 4857, Social Insurance Law No. 5510 and related regulations. Consultancy services are provided on behalf of Occupational Health and Safety within the scope of all regulations, legislation, ILO Conventions and Standards.

Within the framework of our Occupational Health and Safety Policy, which aims to make the OHS approach a corporate culture and to continuously improve our practices, we take many measures to ensure that workers, subcontractors, suppliers, visitors, local people and personnel assigned outside the workplace do not face risks. In our company, we provide all necessary tools, materials and personal protective equipment to our employees and provide regular trainings for their proper use.

We aim to reduce the number of accidents by 50% by 2030 through continuous improvement efforts.

Our Occupational Health and Safety management is primarily guided by the Occupational Safety Specialist and Occupational Physician. At the same time, the managers of the Production Department, Maintenance Department, Planning Department, Administrative Affairs Department and Human Resources Department assume critical roles and responsibilities in the management of the process. In this context, a framework has been developed to identify, assess and effectively control the risks present in our activities. Our employees are contacted on OHS-related issues and their active participation in these procedures is ensured. Hazards, risks and near misses in the working environment are recognised early

and risks are eliminated or reduced to acceptable levels.

Risk assessments are carried out to create and maintain a safe working environment for subcontractors and our employees, as well as to reduce or eliminate the possibility of accidents or occupational diseases among our employees. The infrastructure required for these purposes is integrated into all operations. Proactive steps are taken by creating appropriate plans to prevent crises such as fires, earthquakes, floods, accidents, diseases and epidemics. Then, the applicability of the measures is audited and necessary arrangements are implemented. In our company, we regularly conduct audits in accordance with ISO 45001 Occupational Health and Safety Management Systems.

In the coming year, with the principle of "Zero Occupational Accidents", we plan to start behaviour-oriented occupational safety culture and Toolbox trainings in the field in order to embed the concept of occupational health and safety in all parts of business processes. We aim to improve our risk management by optimising our occupational safety processes using technological innovations. We aim to identify our improvement areas by checking our OHS practices through announced/unannounced drills. We continue to work on the necessary arrangements for measuring the performance of our employees in occupational health and safety issues and encouraging them with awards.

2023	Aliğa-İzmir	Gebze-Kocaeli
Accident Frequency Rate	12.33	38.5
Lost Workday Rate	0.05	0.28
Near-miss Cases	6	2

OHS Trainings

In our company, every employee is expected to comply with environmental and occupational health and safety laws, policies and procedures. In case of any non-conformity found by our employees, they are encouraged to report them and to improve their own performance in this area with the training opportunities provided.

We provide machine equipment, personal protective equipment and "on-the-job" training to our newly recruited employees and frequently organise OHS trainings. Within the scope of basic trainings, a total of 16,352 hours of training was provided in Gebze and Aliağa operation areas during the 2023 operating period. In 2023, a total of 1,212 employees benefited from the company's occupational health and safety trainings.



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Disaster and Emergency Preparedness

Within the scope of Occupational Health and Safety, it is ensured that the hazards in our business are identified, risks are assessed, corrective and remedial actions are implemented and action plans are created. We approach the issue in a holistic manner through regular inspection and maintenance of our work equipment, providing necessary trainings to our employees on the subject and regular health checks.

We revise our OHS Policies and update risk analyses when necessary according to the developments and evaluations. We aim to continuously improve in order to take more accurate measures against possible hazards. In this context, Emergency Teams were established in 2023 and trainings were provided. An emergency fire drill covering all departments was held throughout the factory and the drill was carried out with the support of the fire brigade and ambulance.

In our Gebze plant, earthquake drills, first aid drills, fire extinguishing and evacuation drills were carried out separately in each of the 3 shifts. Prior to the drills, the trainings given to emergency teams were updated.

In 2023, 220 employees received 660 personxhours of disaster and emergency training at the Aliağa site and 74 employees received 148 personxhours of disaster and emergency training at the Gebze site.

Social Contribution

Corporate Social Responsibility

At Smart Solar Technologies, we work to raise public awareness on sustainability and build a sustainable future. At our company, we aim to create value for all our stakeholders by adopting a proactive and collaborative approach with social responsibility initiatives. In this direction, we strive to create a dialogue with our stakeholders based on mutual benefit and transparency. We ensure periodic communication with different methods that vary according to stakeholder groups. In this context, we aim to accelerate these efforts in the coming periods, and by 2030, we aim to increase our dialogue activities with stakeholders by 25% compared to 2024.

All our operations, investments and activities are carried out within the framework of corporate social responsibility policy. Relations with local stakeholders are developed through cooperation protocols with vocational high schools in the regions where industrial facilities are located.

In order to contribute to the local economy and employment, the need for labour force in field projects is primarily met from local candidates. In this context, the recruitment of technicians, engineers, operators and security

guards responsible for the power plant during the construction, operation and maintenance periods is mainly carried out from the regions where the activity is carried out. In order to meet the need for employment with high professional knowledge and experience in the renewable energy sector, we aim to convert project-based employees who gain experience in our projects into permanent employment. In this direction, during the reporting period, we included our local employees working on a project basis at Niğde Bor SPP site in our permanent employment staff by equipping them with professional knowledge and experience. These employees will also play a role in the gaining of experience and professional knowledge of different local employees in our future projects and will contribute to more people to acquire a green-collar profession. In this way, we will contribute to meeting the need for renewable energy expert technical employees of both our Company and our country.

We try to support as one heart in all disasters experienced in our country. After the 2023 earthquake disaster, all our company employees collected material and moral support for those who suffered from the earthquake, and provided even more support through cash and clothing aids to NGOs.

PROJECT NAME	PROJECT LOCATION		PROJECT POWER	NUMBER OF LOCALLY EMPLOYED PERSONNEL	LOCAL EMPLOYMENT RATE
Burdur Kozluca SPP	Burdur	Kozluca	5,380.00 kWp	5	12%
Niğde BOR SPP	Niğde	Bor	128,066.00 kWp	74	72%
Borusan	Çanakkale	Merkez	93,999.80 kWp	100	25%
Denizli Çivril SPP	Denizli	Çivril	90,000.00 kWp	100	25%
Kilim Group SPP	Edirne		5,012.28 kWp	10	20%
Daniş Maden	Yozgat/Yerköy		11,056.50 kWp	10	20%
Özseç Beton	Yozgat/Akdağmadeni		4,334.88 kWp	10	25%
Samsun	Samsun/Ladik		57,280.00 kWp	100	25%
Afyon Çimsa SPP	Afyon	Centre	3,377.70 kWp	10	17%

In cooperation with universities and the relevant departments of technical and vocational high schools, we implement long-term social responsibility initiatives that encourage creative ideas. We collaborate with universities and high schools to support the new integrated production facility being built in Aliağa.

We attach importance to the inclusive nature of our social programmes. Accordingly, we particularly support initiatives that improve the social welfare, health and education of disadvantaged populations, including women, children, youth and persons with disabilities.

Every year, our Company provides internship opportunities to students of Adem Ceylan Private Final Technical High School in Güzeller Organised Industrial Zone, where the Gebze plant is located. During their internships, students of the school's Renewable Energy Department gain hands-on experience in the production of solar panels and develop their professional goals. The Smart Solar Energy Workshop developed by the school was converted into a small-scale manufacturing workshop in 2023.

➤ **We are among ITÜ Çekirdek stakeholders:**

Smart Solar Technologies joins ITÜ Çekirdek stakeholders to support the technologies of the future in Big Bang 2023 and sheds light on the energy solutions of the future.

As every year, we took part in many national and international fairs and events this year:

We would like to thank all participants who attended the speech of Borga Karagülle, Vice Chairperson of the Board of Directors, on new technologies and latest developments in PV cells and modules at the Solar Storage Fair.

Tradeshows We Attended
5 th Productivity and Technology Fair
Inter Solar North America
Genera
Solar Solutions International
III. Konya Energy Summit
Prosumer Expo
VIII. İKZ Carbon Summit
EIF Energy Congress and Fair
ERBIL International Building - Construction&Machinery Exhibition
Intersolar Europe, Munich
GENSED - Solar+Storage
RE+ Las Vegas
EIF Energy Congress and Fair
EV Charge
EIF İstanbul
Solar Solution Düsseldorf
Energy Producing Factories Summit

You can access the Corporate social Responsibility Policy [here](#).

Smart Solar Academy Project

In 2020, with the 'Smart Solar Academy', which started to offer online and face-to-face trainings on solar energy and technology, we aim to raise awareness of our stakeholders on solar energy and to disseminate technically and economically sound data. Under the umbrella of the academy, we also aim to provide theoretical and practical knowledge to new graduates in the fields of science, technology, engineering and mathematics who want to enter the sector through our company employees.

In line with the objectives of the project, a Smart Solar Workshop was established at Private Final Schools Adem Ceylan Technical High School.



Donation and Aid Policy

As Smart Solar Technologies, we take responsibility for supporting environmental and educational initiatives that are in line with the company's principles of resource sustainability and the future of the planet. The purpose of these supports is to realise initiatives that will advance social development by creating common benefits for our stakeholders. In 2023, our employees participated in the Türkiye İş Bankası 45th Istanbul Marathon with the Turkish Disabled Sports Aid and Education Foundation (#TESYEV) and collected donations to support disabled students.

Our donations and grants to non-governmental movements and social welfare institutions and organisations operating in the fields of science, technology, education, culture, arts, nature, environment and sports, associations or foundations engaged in scientific research and development activities, universities, public institutions and organisations are carried out within the framework of the principles specified in the Capital Markets Law and regulations.

Considering the ethical beliefs and values of the Company's management, the Company's ethical beliefs and values, we make in-kind and in-cash donations and grants in accordance with the Company's vision, objectives and policies. At each General Assembly, the maximum amount of donations to be made in the upcoming activity period is decided. The amount and beneficiaries of all donations and grants made in each accounting period are submitted for the information of the shareholders with a separate agenda item at the General Assembly Meeting of the relevant year in accordance with the principles specified in the Donation and Aid Policy and the relevant legislation, and this information is disclosed to the public in the annual report.

You can access the Donation and Aid Policy [here](#).



► We Brought the Sun to Angels Farm Sanctuary Türkiye Farm Animal Protection and Rescue Shelter!

As Smart Solar Technologies, we continue to increase our efforts in sustainability and social impact with our commitment to contribute to the construction of a sustainable world and our goal of becoming a Net Zero company.

In this context, we took a big step for Angels Farm Sanctuary Turkey Farm Animal Protection Rescue Shelter, Türkiye's first and largest farm animal protection, sheltering and rehabilitation farm, and introduced our lovely friends to the sun.



APPENDICES



APPENDICES

International Standards We Follow:	
<div></div>	
ISO 9001-9002 Quality Management System	IEC 62915 Photovoltaic (PV) module
ISO 14001 Environmental Management System	IEC 61215-1-1:2021 and 2:2021
ISO 45001 Occupational Health and Safety System	TS_13381 and TS_12361
ISO 14064 Greenhouse Gas Calculation and Verification Management System	IEC 60269-6 Low-voltage fuses Part 6
ISO/IEC 17025 General requirements for testing and calibration competence	IEC 60891 Photovoltaic devices
IEC 61730-1 and 2:2016	IEC 61701 TUV Salt Mist Test
EN IEC 61730-1:2018 Photovoltaic (PV) module safety qualification Part 1-2	IEC TS 61836 Solar photovoltaic energy systems
EN IEC 61730-1 and 2:2018/AC:2018-06	PPP 58042 B:2015
IEC 61853-1 Photovoltaic (PV) module performance testing and energy ranking Part 1-2	PPP 5902BB:2021
IEC 62716 TUV Ammonia test	IEC 60068 TUV Dust and Sand Test
IEC 62804 TUV PID Test	UL 61730-1 UL Standard for safety for Phonovoltaic PV Module Safety Qualification-Part:1-2
IEC 62804-1 2015	CAN/CSA-C22.2 No 61730-1 Photovoltaic (PV) module safety qualification Part 1-2
In addition to our standards, our applications for product certifications such as TS EN IEC,4 TSE Certificate of Conformity for "Phono Solar" brand product, PSXXM8H-24/TH 550W and 555 W power class certification in line with customer special requests have been processed and examinations are ongoing.	

Performance Indicators

Economic Performance Data

Economic Performance Data	2020	2021	2022	2023
Net sales (TL)	579,697,636	846,114,782	3,973,288,754	8,093,257,032
Total solar panel production capacity (GW)	-	-	-	2.90
Solar cell production capacity (GW)	-	-	-	0.6
Operating profit (TL)	60,774,441	145,099,018	477,396,355	1,704,169,168
EBITDA (TL)	73,956,189	159,948,801	553,729,668	1,865,708,766
Net debt (TL)	56,566,427	154,026,329	124,858,365	3,034,691,560
Return on equity (ROE) (%)	78%	42%	5%	48%
Total assets (TL)	578,057,933	818,331,763	4,294,263,789	10,550,691,463
Total investment (TL)	24,106,133	20,041,891	298,853,539	1,495,650,057
Direct economic value created - Net sales (TL)	579,697,636	846,114,782	3,973,288,754	8,093,257,032
Direct economic value distributed (TL)	484,892,613	756,016,802	3,558,013,378	6,797,984,701
Operating expenses	456,981,466	707,439,903	3,376,697,978	6,444,021,671
Wages and benefits paid to employees	27,911,147	48,576,899	181,315,400	353,963,030
Dividends paid	-	-	-	-
Tax paid	4,004,172	6,455,267	16,798,456	69,512,923
Donations, sponsorship and corporate responsibility expenses	-	-	3,093,282	14,630,876
Ratio of the lowest employee wage to the minimum wage by gender	At least 10% above the minimum wage by providing equal pay for equal work without gender discrimination.			
Local supplier ratio (%)	-	-	-	80.8%

* 2022-2023 Inflation accounting has been applied.

APPENDICES

Environmental Performance Data

Environmental Performance Data	2020	2021	2022	2023
Fuel consumption (litres)				
Diesel consumption	1,687	33,401	34,973	38,667
Gasoline consumption	194	20,722	62,460	123,202
Indirect energy consumption (Kwh)				
Purchased conventional electricity	5,982,990	7,876,591	7,569,730	17,044,444
Energy offset with IREC certificates	-	7,876,591	7,569,730	17,044,444
Water withdrawal by source (m³)				
Municipal water	-	-	5,166	9,448
Total amount of waste (kg)				
Non-hazardous waste	9,981	22,021	10,803	1,422,326
Hazardous waste	350,256	737,580	1,066,644	36,185
Recycled waste	360,236	759,600	884,487	1,458,503
Waste disposed	1	1	3	6
Waste sent to temporary storage	-	-	192,960	2
Total GHG emissions (tonnes CO ₂)				
Scope 1	-	146.71	257.62	282.46
Scope 2	-	3,398.85	3,934.04	7,499.56
Scope 3	-	19,204.19	24,512.80	37,516.24
Amount of scope 2 emissions eliminated with IREC certificates	-	3,398.85	3,934.04	7,499.56
Amount spent on environmental activities and investments (TL)	-	-	-	946,782.02

Social Performance Data

Social Performance Data	2020	2021	2022	2023
Employee Trainings - Number of Participants (person)	764	1,905	2,449	788
Female	-	-	-	411
Male	-	-	-	377
Office Employees	28	101	58	136
Field Workers	736	1,804	2,391	652
Employee Trainings - Total Hours (personxhours)	1,696	3,709	5,229	10,029
Female	-	-	-	5,130
Male	-	-	-	4,899
Office Employees	224	101	447	2,143
Field Workers	1,472	3,608	4,782	7,886
Training hours per employee (hours/employee)				
Office Employees Female	-	-	-	6.49
Field Worker Female	-	-	-	8.01
Office Employees Male	-	-	-	6.25
Field Worker Male	-	-	-	6.44
Injury Rate %				
İzmir-İliğa	-	-	-	12.33
Female	-	-	-	38.51
Number of injuries				
İzmir-İliğa	-	-	-	38
Female	-	-	-	13
Male	-	-	-	25
Kocaeli-Gebze	-	-	-	48
Female	-	-	-	13
Male	-	-	-	35
Lost Day Rate %				
Izmir-İliğa	-	-	-	0.048
Female	-	-	-	0.045
Male	-	-	-	0.051
Kocaeli-Gebze	0.63	0.92	0.63	0.28
Female	-	-	-	0.11
Male	-	-	-	0.43
Number of Lost Days	114	177	170	503
Izmir-İliğa	-	-	-	151
Female	-	-	-	65
Male	-	-	-	86
Kocaeli-Gebze	114	177	170	352
Female	-	-	-	71
Male	-	-	-	281

Social Performance Data	2020	2021	2022	2023
Number of Occupational Diseases	-	-	0	0
Fatalities	-	-	0	0
Employee OHS Trainings - Number of Participants	197	118	64	1,212
İzmir-İzmir	-	-	-	532
Kocaeli-Kocaeli	197	118	64	680
Employee OHS Trainings - Total Hours (personxhour)	-	-	-	16,352
İzmir-İzmir	-	-	-	8,192
Kocaeli-Kocaeli	-	-	-	8,160
OHS Committees Established				
Number of OHS Committees Established	4	4	5	11
İzmir-İzmir	-	-	-	1
Kocaeli-Kocaeli	4	4	5	10
Total Number of Members in OHS Committees Established	11	12	15	33
İzmir-İzmir	-	-	-	12
Kocaeli-Kocaeli	11	12	15	21
Number of Employee Representatives in OHS Committees	4	4	4	7
İzmir-İzmir	-	-	-	3
Kocaeli-Kocaeli	4	4	4	4
Number of participants in disaster and emergency trainings				294
İzmir-İzmir	-	-	-	220
Kocaeli-Kocaeli	-	-	-	74
Total hours of disaster and emergency trainings (person x hours)				808
İzmir-İzmir	-	-	-	660
Kocaeli-Kocaeli	-	-	-	148
Number of near misses	-	-	1	8
İzmir-İzmir	-	-	-	6
Kocaeli-Kocaeli	-	-	1	2

Employee Demographics

Employee Demographics	2020	2021	2022	2023
Total Workforce (Number)				
Direct Employment	520	545	744	1,161
Female	250	256	356	559
Male	270	289	388	602
Direct Employment (Number)	520	545	744	1,161
Office Employees	88	122	186	289
Female	27	40	51	79
Male	61	82	135	210
Field Workers	432	423	558	872
Female	223	216	305	480
Male	209	207	253	392
Direct Workforce by Contract Type (Number)	520	545	744	1,161
Indefinite Term Contract	303	482	610	1,149
Female	138	236	280	554
Male	165	246	330	595
Temporary Contract	217	63	134	12
Female	112	20	76	5
Male	105	43	58	7
Direct Workforce by Education Level (Number)				1,161
Uneducated	-	-	-	12
Primary School	-	-	-	324
High School	-	-	-	557
University and Above	-	-	-	268
Direct Workforce by Age Groups	520	545	744	1,161
Female	250	256	355	559
18-30	61	56	81	133
30-50	185	195	271	414
50+	4	5	3	12
Male	270	289	388	602
18-30	96	90	147	254
30-50	168	191	230	319
50+	6	8	11	29

Employee Demographics	2020	2021	2022	2023
Number of employees given regular performance evaluation feedback				872
Female Blue Collar Employees	-	-	-	480
Female White Collar Employees	-	-	-	0
Male Blue Collar Employees	-	-	-	392
Male White Collar Employees	-	-	-	0
Senior Management Structure (Number)	7	17	17	47
Female	3	5	6	24
18-30	-	-	-	3
30-50	-	-	-	3
50+	-	-	-	18
Male	4	12	11	23
18-30	-	-	-	9
30-50	-	-	-	9
50+	-	-	-	5
Mid-level Management Structure (Number)	19	30	42	60
Female	4	9	13	13
18-30	-	-	-	1
30-50	-	-	-	12
50+	-	-	-	0
Male	15	21	29	47
18-30	-	-	-	1
30-50	-	-	-	41
50+	-	-	-	5
New Recruits (Number)	275	255	408	841
Office Employees Female	-	-	-	81
Office Employees Male	-	-	-	203
Field Workers Female	-	-	-	267
Field Workers Male	-	-	-	290

Employee Demographics	2020	2021	2022	2023
Employees Quitting (Number)	153	208	179	287
Office Employees Female	-	-	-	24
Office Employees Male	-	-	-	57
Field Workers Female	-	-	-	88
Field Workers Male	-	-	-	118
Employee Turn Over %				24.72
Female	-	-	-	20.04
Male	-	-	-	29.07
Voluntary Turn Over	-	-	-	17.83
Employees on Maternity/Paternity Leave	4	11	21	11
Female	1	5	5	11
Male	3	6	16	0
Number of Employees Returning from Maternity/Paternity Leave	4	11	21	4
Female	1	5	5	4
Male	3	6	16	0
Number of Employees Who Have Not Quit Their Job for the Last 12 Months After Returning from Maternity/Paternity Leave	4	11	21	1
Female	1	5	5	1
Male	3	6	16	0
Number of disabled employees	14	14	19	22
Female	4	6	8	8
Male	10	8	11	14
Workforce Covered by Collective Bargaining Agreement (Number)	-	-	-	857

GRI CONTENT INDEX

Statement of Use: Smart Güneş Enerjisi Teknolojileri Araştırma Geliştirme Üretim San. ve Tic. A.Ş. (Smart Solar Technologies), has reported in accordance with the GRI Standards for the period 01 January 2023-31 December 2023.

GRI 1 Used: GRI 1: Foundation 2021

GRI Sector Standard: N/A

			OMISSIONS		
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Omitted Requirements	Reason	Description
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, p.4 About Smart Solar Technologies, p.10			
	2-2 Entities included in the organization's sustainability reporting	About Smart Solar Technologies, p. 10 Sustainability Strategy, Policies and Targets, p.48			
	2-3 Reporting period, frequency and contact point	About the Report, p.4, Contacts, p.132			
	2-4 Restatements of information	There is no restated information in the report.			
	2-5 External assurance	The report has not been externally audited.			
	2-6 Activities, value chain and other business relationships	About Smart Solar Technologies, p.10 Relations with Stakeholders, p.72			
	2-7 Employees	Social Approach, p.96 Performance Indicators, p.119			
	2-8 Workers who are not employees	Performance Indicators, p.119			
	2-9 Governance structure and composition	Corporate Governance, p.42			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Omitted Requirements	Reason	Description
General Disclosures					
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	Corporate Governance, p.42			
	2-11 Chair of the highest governance body	Corporate Governance, p.42			
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, p.42			
	2-13 Delegation of responsibility for managing impacts	Business Ethics and Compliance, p.45 Anti-Bribery and Anti-Corruption, p. 46 Risk Management and Internal Audit, p. 46			
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Strategy, Policies and Targets, p.48			
	2-15 Conflicts of interest	Business Ethics and Compliance, p.45 Anti-Bribery and Anti-Corruption, p.46 Risk Management and Internal Audit, p.46			
	2-16 Communication of critical concerns	Business Ethics and Compliance, p. Anti-Bribery and Anti-Corruption, p. 46 Risk Management and Internal Audit, p. 46			
	2-17 Collective knowledge of the highest governance body	Board of Directors p.12 Corporate Governance, p.42			
	2-18 Evaluation of the performance of the highest governance body	Sustainability Strategy, Policies and Targets, p.48 Corporate Governance, p.42			

			OMISSIONS		
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Omitted Requirements	Reason	Description
General Disclosures					
GRI 2: General Disclosures 2021	2-19 Remuneration policies	Human Resources Policy and Employee Rights, p.98 Performance Indicators, p.115		Confidentiality Constraints	Remuneration matters are treated as confidential information.
	2-20 Process to determine remuneration	Human Resources Policy and Employee Rights, p.98 Performance Indicators, p.115			
	2-21 Annual total compensation ratio	Performance Indicators, p.115			
	2-22 Statement on sustainable development strategy	Sustainability Strategy, Policies and Targets, p.48			
	2-23 Policy commitments	Sustainability Strategy, Policies and Targets, p.48			
	2-24 Embedding policy commitments	Sustainability Strategy, Policies and Targets, p.48			
	2-25 Processes to remediate negative impacts	Relations with Stakeholders, p.72			
	2-26 Mechanisms for seeking advice and raising concerns	Relations with Stakeholders, p.72			
	2-27 Compliance with laws and regulations	Business Ethics and Compliance, p.45 Anti-Bribery and Anti- Corruption, p.46 Risk Management and Internal Audit, p.46			
	2-28 Membership associations	Our Memberships, p.72			
	2-29 Approach to stakeholder engagement	Relations with Stakeholders, p.72			
	2-30 Collective bargaining agreements	Human Resources Policy and Employee Rights, p.98			

			OMISSIONS		
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Omitted Requirements	Reason	Description
Material Issues					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Strategy, Policies and Targets, p.48			
	3-2 List of material topics	Sustainability Strategy, Policies and Targets, p.48 Sustainability Priorities, p.58			
Our Investments					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Strategy, Policies and Targets, p.48			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Investments, p.35			
	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management and Internal Audit, p.46			
Anti-Bribery and Anti-Corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Strategy, Policies and Targets, p.48			
GRI 205: Anti- Corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption, p.46 Risk Management and Internal Audit, p.46			
Innovative Approach					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Strategy, Policies and Targets, p.48 Innovative Approach, p.78			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	R&D and Innovation, p.80 Digital Transformation, p.82			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Supply Chain Management, p.74 Performance Indicators, p.115			

			OMISSIONS		
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Omitted Requirements	Reason	Description
Environmental Approach					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Strategy, Policies and Targets, p.48 Environmental Approach, p.84			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management and Efficiency, p. 88 Performance Indicators, p.116			
	302-5 Reductions in energy requirements of products and services	Energy Management and Efficiency, p.88 Performance Indicators, p.116			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, p.89 Performance Indicators, p.116			
	303-3 Water withdrawal	Water Management, p.89 Performance Indicators, p.116			
	303-5 Water consumption	Water Management, p.89 Performance Indicators, p.116			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG Management, p.87 Performance Indicators, p.116			
	305-2 Energy indirect (Scope 2) GHG emissions	GHG Management, p.87 Performance Indicators, p.116			
	305-3 Other indirect (Scope 3) GHG emissions	GHG Management, p.87 Performance Indicators, p.116			
	305-4 GHG emissions intensity	GHG Management, p.87 Performance Indicators, p.116			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Waste Management and Circular Economy, p.90 Performance Indicators, p.116			
	301-2 Recycled input materials used	Waste Management and Circular Economy, p.90 Performance Indicators, p.116			

			OMISSIONS		
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Omitted Requirements	Reason	Description
Environmental Approach					
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity, p.92			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management and Circular Economy, p.90 Performance Indicators, p.116			
	306-2 Management of significant wasterelated impacts	Waste Management and Circular Economy, p.90 Performance Indicators, p.116			
	306-3 Waste generated	Waste Management and Circular Economy, p.90 Performance Indicators, p.116			
	306-4 Waste diverted from disposal	Waste Management and Circular Economy, p.90 Performance Indicators, p.116			
Social Approach					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Strategy, Policies and Targets, p.48 Occupational Health and Safety, p.102			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Performance Indicators p.115			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Performance Indicators p.121			
	401-3 Parental leave	Inclusive Workplace, Diversity and Equality, p.97 Performance Indicators, p.121			

			OMISSIONS		
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Omitted Requirements	Reason	Description
Social Approach					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.102 Disaster and Emergency Preparedness , p.104 Performance Indicators, p. 118			
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p.102			
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p.102 Performance Indicators, p.118			
	403-6 Promotion of worker health	Occupational Health and Safety, p.102			
	403-9 Work-related injuries	Occupational Health and Safety, p.102 Performance Indicators, p.117			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Development and Employee Satisfaction, p.99 Performance Indicators, p.117			
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development and Employee Satisfaction, p.99 Performance Indicators, p.117			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Inclusive Workplace, Diversity and Equality, p.97 Performance Indicators, p.119			
	405-2 Ratio of basic salary and remuneration of women to men	Performance Indicators p.115			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no cases of discrimination during the reporting period.			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Contribution, p.105			

Abbreviations

KPI	Key Performance Indicators	ISE	Fraunhofer Institut für Solare Energiesysteme
BIST	Borsa İstanbul	ISO	International Organization for Standardization
UN	United Nations	IT/OT	Information Technologies/ Operational Technologies
IT	Information Technology	İMİB	Istanbul Mineral and Metals Exporters' Associations
CDP	Carbon Disclosure Project	OHS	Occupational Health and Safety
CETP	Clean Energy Transition Partnership	kWp	Kilowat Peak
CIS	Copper Indium Diselenide Solar Cell	LCA	Life Cycle Assessment
EIA	Environmental Impact Assessment	LCOE	Levelized Cost of Electricity
EMS	Environmental Management System	M²	Square Metre
ESG	Environmental-Social-Corporate Governance	M³	Cubic Meter
DAS	Digital Archiving System	MBB	Multi Busbar
DEİK	Foreign Economic Relations Board	MW	Megawat
EAS	Electronic Account Statement	PERC	Passivated Emitter and Rear Cell
ENSİA	Energy Industrialists and Businessmen Association	PLC	Programmable Logic Controller
EPC	Engineering, Procurement and Construction	SEIA	Solar Energy Industrialists Association
ESIA	Environmental and Social Impact Assessment	SDG	Sustainable Development Goal
ESMC	European Solar Energy Manufacturing Council	SKD Türkiye	Business and Sustainable Development Association
EUEA	European-Ukrainian Energy Agency	CMB	Capital Markets Board
FV	Photovoltaic	STEM	Science, Technology, Engineering, Mathematics
GENSED	Solar Energy Industrialists and Industry Association	TKYD	Corporate Governance Association of Turkey
SPP	Solar Power Plant	TOPCon	Tunnel oxide passivated contacts
GRI	Global Reporting Initiative	TUİD	Turkish Ukrainian Businessmen Association
GÜNAM	Solar Energy Research and Application Centre	TÜBİTAK	Scientific and Technological Research Council of Türkiye
GÜNDER	International Solar Energy Society Türkiye Chapter	TÜSİAD	Turkish Industry and Business Association
GÜYAD	Solar Energy Investors Association	TÜYİD	Investor Relations Association of Türkiye
GW	Gigawat	UN SDG	United Nations Sustainable Development Goals
ILO	International Labor Organization	VLAN	Virtual Local Area Network
IoT	Internet of Things	YEYKAD	Green Collar Women Association
I-REC	International Renewable Energy Certificate		

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Smart Solar Technologies Dilovası Production Facility

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Dilovası/Kocaeli



Aliağa Solar Cell & Solar Panel Integrated Production Facility

Aliağa OSB, Çoraklar Mah., 5024. Sk., No:10
Aliağa/İzmir



Germany Office

Icarus Solar GMBH - Almany



Ukraine Office

Smart Solar Ukr LLC



Spain Office

Smart Gunes Renovables Sociedad Limitada - İspanya



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