



The Power of Custom, The Build of The Future

INTEGRATED REPORT

2021





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About the Report

As Vakıf Gayrimenkul Yatırım Ortaklığı AŞ, we present to all our stakeholders our performance and development in the field of productivity; our economic, environmental, social impacts and governance practices through the “Vakıf REIT Integrated Report”.

We prepared the first integrated report published in Türkiye in the Real Estate Investment Partnership (REIT) sector according to the integrated reporting standards prepared by the International Integrated Reporting Council (IIRC).

In our first published report, we covered the period from 1 January 2021 to 31 December 2021. We aim to inform our stakeholders transparently. The data and information in the report, unless otherwise specified, belong to the specified period and include all our activity regions in the country. The data we have shared in the report shared on a voluntary basis and haven't been independently verified within the scope of the report.

Our report, which we have prepared by matching our activities and targets that we carry out by taking into account the requirements of the United Nations Global Compact (UNGC) principles with the United Nations Sustainable Development Goals (SDGs) and benefiting from the guidance of these principles, has been prepared in accordance with the GRI Standards “Core” option.

You can access our sustainability report at <https://www.vakifgyo.com.tr/#!en> address, and you can send us your questions, opinions and suggestions about the report at <https://www.vakifgyo.com.tr/#!contact-us>.

We continue to move forward with our vision of becoming a responsible company, focusing on the creating value, and working with the determination in line with our basic goal of “The Power of The Future, The Construction of The Future”.

GRI 102-1, GRI 102-4, GRI 102-6, GRI 102-46, GRI 102-48, GRI 102-49, GRI 102-50, GRI 102-51, GRI 102-53, GRI 102-54, GRI 102-56



Chairperson's Message



Mikail Hidir

Chairperson of the Board of Directors

Dear Stakeholders,

As the first real estate investment trust company in our country, we continue our work without slowing down with the vision of being an organization that directs a change in the sector and with the understanding of responsible leadership. The pandemic period we have gone through has been a period in which we have understood more the value of the world we live in. This process, in which we experienced that change and transformation are inevitable in the first place, showed that we, as institutions, should take stronger steps to create value for our stakeholders.

Since the day it was founded, Vakif REIT has been in an effort to meet the expectations of its stakeholders in a balanced manner. In line with our mission, we effectively carry out our change and transformation process by adopting an integrated perspective framework with the participation of our esteemed board of directors. In this process of change and transformation, we carry out studies not only in the financial field but also in the fields of economic, social and environmental sustainability in order to create value for all our stakeholders.

In accordance with our main goal of “the power of tradition, the construction of the future”, we have determined as our focus to leave a more livable world to future generations on this path illuminated by the experiences coming from our roots. We develop many systems that will be a reference for the sector in the field of corporate development. In this context, we have prepared the first integrated strategic plan in the Real Estate Investment

“In accordance with our main goal of ‘the power of tradition, the construction of the future’, we have determined as our focus to leave a more livable world to future generations on this path illuminated by the experiences coming from our roots. “

Trust sector in Turkey and we are publishing the Vakif REIT Integrated Report, which is the first integrated report in the sector.

With the awareness of our responsibilities, we take care that our work for a sustainable world is always respectful to nature and people. It is our primary goal that these works we carry out leave the least negative impact on the environment. In this direction, to keep our environmental footprint at a minimum level, at every point of our projects from the design stage to the completion stage; We carry out studies that take into account our environmental impacts and provide energy and resource efficiency at international standards, where the future of efficient buildings and sustainable cities are taken into consideration.

As Vakif Real Estate Partnership, we attach great importance to acting together with our stakeholders in the projects we carry out. We pay close attention to keeping our relationships strong by using our communication channels effectively, supporting our stakeholder communication with corporate social responsibility campaigns and most importantly, creating value in all our activities.

We, as we have done so far, will continue to add value to our country, attach importance to the protection of our natural resources, to carry out projects in line with this approach by considering the welfare of the world we have always lived in and our next generations, and to produce

permanent value for all our stakeholders who are always with us with the principle of sustainable growth. As the Board of Directors, we have never shied away from taking responsibility. Moving with the awareness that we are the highest responsible governance authority, we have continued to produce value in environmental, social, governance and economic dimensions. On behalf of our Board of Directors and myself; I would like to thank all our stakeholders, especially our main shareholder Türkiye Vakıflar Bankası T.A.O., who believe in and support a better future with the values we produce.

Sincerely,

Mikail Hidir
Chairperson of the Board of Directors

General Manager's Message



Onur İNCEHASAN

**Member of the Board of Directors
and General Manager**

Dear Stakeholders,

As Vakif Real Estate Investment Trust, we are proud of completing the 25 years we have spent in love and respect with our valued stakeholders. We always felt the support of our stakeholders while our past was in light of our path to the future. On this path we have embarked on, we have carried out our operational activities with our common knowledge and the common mind we have created; we have always taken care to manage sustainably, fairly, transparently and trustfully. Context of economic, environmental, social impacts and governance practices; we present to all our stakeholders, our performance and development in the field of sustainability with the **“Vakif REIT Integrated Report”**, **which will be published for the first time in our sector.**

The recent pandemic process, which began to embrace the scars he left around the world, has affected the real estate sector. With the effect of the pandemic, people started spending more time at home. And due to this situation, the need for green and blue has come to the fore more than ever. As Vakif Real Estate Partnership, we took quick action by determining our crisis management plan for this process in advance. We have carried out our work to reinforce the trust that our customers have in us.

We have started to reap the fruits of our selfless efforts in 2021. We increased our capital to 1 billion ₺ and this success made us the 4th REIT company with the strongest capital in our sector. In 2021, with the efforts we have made to create value with our financial capital, we have increased our asset size by 58% compared to last year and increased it to approximately 4.6 billion ₺. We reached an all-time high period net amount, increasing our profit by 1.5 times to ₺475 million. In direct proportion to all this, we have increased our market share from 2.56% to 3.15%.

In all our projects, we have adopted the basic goal of building sustainable structures that respect people and nature. With our Green Building projects carried out in line with this principle, we attach importance to green building rating studies in order to control the carbon emission arising from our projects. From our current projects; Istanbul International Finance Center Project is a candidate for the Leed GOLD certificate. In addition, in our other projects without the goal of certification, compliance with many green building criteria such as energy efficiency, natural

“In our Integrated Report, we have embraced product sustainability beyond the three basic dimensions of sustainability; economic, social and environmental sustainability, and secured our strategies to cover the sustainability program in four dimensions.”

lighting, healthy indoor environment, responsible production and consumption, reduction of water footprint, increasing biodiversity, green parking lots and bicycle parks are taken into consideration.

We attach great importance to the sustainability of our natural resources with our employees who continue their activities in order to contribute to the development of the service we offer, our customers who have the most say in the position we have reached today, and all our valuable internal and external stakeholders, especially our dominant partner VakifBank, who add value to our value.

In our Integrated Report, we have embraced *product sustainability* beyond the three basic dimensions of sustainability; *economic, social and environmental sustainability*, and secured our strategies to cover the sustainability program in four dimensions. As Vakif Real Estate Partnership, we became the company that created the first Integrated Strategic Plan for the Turkish REIT sector by associating it with the United Nations Sustainable Development Goals and 169 Sub-Goals. In 2021, we won 4 stars in the evaluation made by KalDer and were deemed worthy of the “EFQM Competence in Outstanding Performance” award at the Türkiye Excellence Awards.

While implementing corporate change and transformation, our focus is to ensure sustainable development in line with the needs of future generations. To contribute a sustainable development, we started our “Smart REIT” application, which is a digital transformation program aimed at increasing the efficiency of our company.

On behalf of Vakif Real Estate Partnership, we have always determined customer satisfaction as our building block. In 2021, we aimed to systematize our processes in terms of customer satisfaction and quality by obtaining ISO 9001: Quality Management System Certificate. In this context, we have implemented our “Happy Customer” project to create sustainable value. We have carried out studies aimed at monitoring the experiences of our valued customers and managing them accordingly with the “Happy

Customer” project. I can proudly say that we have increased our customer satisfaction score to 81% with these studies.

The happiness of our employees is always important to us. Our primary goals are to support the social dimension of sustainability, to create a “WE” Culture and to offer a better working environment to our employees to increase their performance. In 2021, we carried out a total of 2,013 hours of training on 17 different subjects for the development of technical knowledge, skills and competence of our employees. With the policies and guides we create; we support the respect of our employees and oppose discrimination. In this respect, we have prepared our Institution Guide and Employee Rights Guide for 2021. As a result of our efforts to increase employee motivation, in 2021, our employees’ performance rating average increased by 83.9% compared to the previous year.

2021 was a productive year for us, in which we placed creating value with our stakeholders at the top of our mission, implemented many projects within the scope of sustainability, continued our activities in the field of construction, sales and leasing, and always did better without giving up. We have always been aware of our responsibilities in terms of making these achievements sustainable, of which we are proud, and we will continue to do so. In the activities that we will carry out in the coming period, we will act with this awareness and take care to continue with our strong equity and our vision that aims to look forward under all conditions. I would like to sincerely thank to all our stakeholders who do not withhold their support from us in reaching the position we are in today, who share with us our goal of realizing the symbolic projects of our future, our customers who trust us, our employees who contribute to us by thinking “How can I do better?” every day and our Board of Directors, whose support we always feel by our side, for their contributions.

Sincerely,

Onur İNCEHASAN
**Member of the Board of Directors
and General Manager**

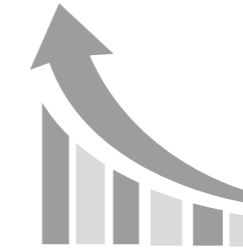
About Vakıf REIT

Vakıf REIT at a Glance

Vakıf REIT was established on 12.01.1996, as Türkiye's first Real Estate Investment Trust company. With our strong capital, increasing portfolio size, market value and reliable partnership structure, we have an important position in the sector.

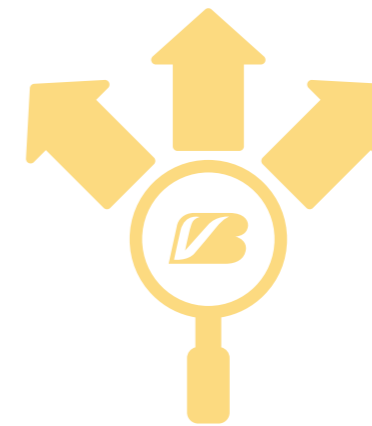
As one of the leading names in the banking sector, our company in partnership with the T. Vakıflar Bankası T.A.O. and the Ministry of Environment, Urbanization and Climate Change Housing Administration of the Republic of Türkiye, which has been providing great support to the housing production and financing for many years in its field of activity, was offered to the public on 24.12.1996 and the public float rate is 47.28%.

Our company, which directs a change in the sector by setting itself the goal of adding value to both our country and our sector and has the vision of becoming a reference institution with its symbolic structures, continues to maintain its growth profitability with our regular rent and high portfolio returns. In this direction, we continue our projects in Istanbul, Ankara and Izmir locations under the leadership of the Headquarters in Istanbul.



Our Main Purpose

Building the future with the power we get from our traditions.



Vision

To being a reference organization that directs a change in the sector with its symbol structures.

Mission

With the power we get from our tradition, we build the living spaces of the future and offer sustainable value to our stakeholders.

Management Policy



Vakıf REIT's Milestones



Activities and Important Developments in 2021

Our Asset Size

We have increased our Size of Assets by **58%** compared to last year to approximately **4.6 billion**.



Our Market Share

We increased our market share from **2.56%** to **3.15%**.



Our Profit for the Period

Our profit for the period increased by **1.5 times** to **£475 million**. Thus, in 2021, we reached an all-time high period net profit amount.



Our Strategies

By integrating our strategies with the United Nations Sustainable Development Goals, we became the first company to make an Integrated Strategic Plan.



Our Capital

We increased our capital to **£ 1 billion** and became the **4th** REIT company with the strongest capital in our sector.



Sales Revenue

In 2021, we achieved sales revenues of **£737 million**.



Participation in the National Quality Movement

The first year we joined the National Quality Movement, we were entitled to receive the "EFQM Competence in Superior Performance - 4 Stars" certificate.



Our Brand Awareness

We increased our brand awareness by **4.60%** and increased our Corporate Reputation Score by **2 points**.

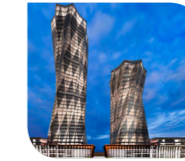


25th Year

We celebrated the **25th** anniversary of Vakif REIT.

IFCM Project

Acting by the Master Plan, we have achieved **86.22%** progress in the IFCM project.



Cubes Ankara Project

We obtained the renovation license for the Cubes Ankara Project and started the construction activities. With the launch campaign, we put our Cubes Ankara Project on sale.



Corporate Development Project

We have developed our systems within the scope of the Corporate Development Project.



We Culture

We increased our organizational agility with well-being filled "We Culture".

**Happy Employee**

We have developed our "Happy Employee" Human Resources practices for sustainable success.

**Employee Training**

We provided a total of **2,013 hours** of training to our employees in 17 different subjects.

**Corporate Governance
Voluntary Principles**

We have determined our policies within the scope of "Corporate Governance Voluntary Principles".

**İzmir Konak Project**

We accelerated the construction activities of the İzmir Konak Project. At the end of 2021, we achieved a project progress rate of **12%**.

**Nida Park**

We sold 25 independent divisions in Nidapark and generated **₺87 million** in revenue.

**Monitoring the Customer
Experience**

We started to monitor and manage the customer experience to deliver sustainable value.

BIST SI Index

We were included in the BIST K Institutional Management Index. Our Compliance with Corporate Governance Principles rating was 8.28.

Bizimtepe Aydos

We have completed the sale of 15 independent sections in Bizimtepe Aydos. We generated total revenue of **₺17 million**.

**SMART REIT**

Within the scope of digital transformation, we started the "SMART REIT" project.

Table Adalar Project

We have started the construction activities of the Tablo Adalar Project. We put our project up for sale in December.

**Customer Satisfaction**

We increased our Customer Satisfaction Score to 81. With the new design of our corporate website, we have increased our annual visitor number by 200%.

**ISO 14064: 2018**

We have made the Greenhouse Gas Emission calculation by ISO 14064: 2018 Standard.

Partnership and Capital Structure

Trade Name of the Partner (*)	Share in Capital (₺)	Share in Capital (%)	Voting Right Rate (%)
Türkiye Vakıflar Bankası T.A.O	489,533,418.36	48.95	61.66
Vakıfbank Staff Private Social Security Services	75,144,026	7.51	14.32
Türkiye Vakıflar Bankası T.A.O. Civil Servants and Servants Pension and Health Assistance Fand Foundation	68,822,014.81	6.88	7.68
T.R. Ministry of Environment, Urbanization and Climate Change Directorate of Public Housing Administration	36,563,104	3.66	5.92
Other	329,937,436.83	33.00	10.42
Total	1,000,000,000	100.00	100.00

(*) These are the data related to Real and Legal Persons with Direct 5% or More Share or Voting Rights in the Capital dated December 31, 2022, published by the Central Registration Agency on the Public Disclosure Platform.

Our Dividend Policy

Our Company's "Dividend Distribution Policy", which determines the profit distribution decisions by taking into consideration the provisions of the Turkish Commercial Code, Capital Market Legislation, Capital Markets Board regulations, tax laws and other legal legislation with the Company's Articles of Association, has determined as follows:

- In the decision of the Board of Directors on dividend distribution; CMB legislation makes recommendations to the General Assembly by considering the market conditions and the objectives of the Company. Accordingly, in the distribution of profits, it is essential to pay attention to the preservation of the balance between the investments required to be made for the growth of the company and the financing of these investments and to propose to the General Assembly that the company's equity ratio, sustainable growth rate, market value, cash flows and profitability status be distributed at least 10% free of charge in stock and/or cash.
- The distribution decision enters into force if it is approved at the General Assembly Meeting and the decisions taken are notified to the public through the Public Disclosure Platform on the same day.
- The dividend per share of the shares to be issued by the Company shall be distributed equally to all shareholders. The Company may consider distributing dividend advances by the provisions of the legislation in force.
- If the dividend is not distributed, the Board of Directors shall inform the shareholders why it is not distributed and where the profit that cannot be distributed is used.
- In profit distributions, the Company's articles of association, the Capital Markets Law, the provisions of the Capital Markets Board's communiqué and the Turkish Commercial Code are complied with.



Vakif REIT Integrated Thinking

Through our Integrated Report for the 2021 year of activity we have prepared, we aim to establish transparent relationships with our stakeholders.

As the Vakif REIT, we aim to be a referral organization that drives the industry with the sense of responsible leadership. In line with this goal, we manage change and transformation with an integrated and inclusive approach. With the responsible approach that we have made with our integrated thinking, we efficiently produce value for our stakeholders not only financial but intellectual, social and relational, produced by using our natural and human capital effectively.

Our first step as a company was to identify our primary stakeholders within our value creation model. However, we have conducted our prioritization analysis with the participation of our internal and external stakeholders to identify the issues that affect our capacity to create value for our organization and stakeholders. With this analysis, we have identified the key points that we need to focus on when preparing our business strategies, managing risk and opportunities.

As we were implementing our process of change and transformation, we put our sustainability approach at the heart of our activities, ensuring sustainable development without overlooking the needs of future generations. We have created our sustainability policy accordingly and have developed our activities to comply with our sustainability policy.

In addition, we have established key performance indicators, monitoring and reporting systems by creating our Integrated Strategy Plan to increase the value we have created for our stakeholders and create a stronger corporate structure.

Through our Integrated Report for the 2021 year of activity we have prepared, we aim to establish transparent relationships with our stakeholders. However, we share our targeted activities to create value, our value model from a risk and opportunity perspective and our practices for our capital details.



General Economic and Sectoral Situation in 2021

Economic Outlook

While 2020 passed under the influence of the Covid-19 pandemic, the world economies started to take normalization steps with the vaccination rate and the spread of the virus incidence in society as of 2021. However, as of 2021, the recovery in global economic activities accelerated with the help of the relaxation of quarantine rates, the acceleration of vaccination and supportive economic policies. The measures and restrictions applied in the economies of many countries due to the new variants that emerged after the second half of 2021 caused the economic recovery to slow down. While material supply problems in the global supply chain and the increase in logistics costs caused a supply-demand mismatch, inflationary pressures continued. It was seen that central banks decided to increase the rates of tightening their supportive monetary policies with increasing inflation concerns. Countries such as the U.S., Germany and Japan have lowered their 2021 growth forecasts due to supply chain disruptions in industrial production.

The Turkish economy was adversely affected by the outbreak that started in the second half of 2020, but with the measures taken to reduce the impact, the economy recovered rapidly and positive growth was recorded in the last six quarters. Moreover, in the first quarter of 2021, the Turkish economy grew by 7.3%, making it one of the best-performing economies in the world. With the effect of taking a leading role in the export and industrial production, the Turkish economy, which grew by 21.9% in the second quarter compared to the same period of the previous year, grew by 7.5% in the third quarter of the year.

In the last quarter of the year, the "Turkish Economic Model" policy focused on "high growth, low current account deficit" was put into practice; With this model, which replaced the high-interest rate cycle, 9.1% growth was realized in the last quarter of the year. The Turkish economy grew by 11% in 2021. In 2022, the positive course in economic activity is expected to continue with the contribution of external demand and to differentiate positively from peer countries in terms of growth.

Real Estate Sector

The real estate sector is one of the locomotive sectors that add value to our country's economy in terms of its

ability to create employment and prevent unemployment in the 250 sub-sectors it activates.

According to scientific research, the pandemic process that started in 2020; It radically and permanently changed many elements from sales to the building system, from the structure of the spaces to the materials used and consumer behaviour. In parallel, the need for balconies, terraces and gardens that will make it possible to breathe, especially in residences, has increased. Having a blue or green look has become much more valuable and preferable than before. Shopping habits have changed, the use of e-commerce has increased and the need for storage spaces has increased in direct proportion to this.

2021 was a year in which the changing conditions of the sector could be quickly adapted, and the solution proposals presented were on the agenda. In the second half of the year, these issues were added to the increase in construction costs, increasing rents and limited access to housing.

The construction cost index increased by 15.70% in December 2021 compared to the previous month and by 67.74% compared to the same month of the previous year. While the Central Bank of the Republic of Türkiye

(CBRT) Housing Price Index increased by 7.9% in December 2021 compared to the previous month, it increased by 59.6% in nominal terms and 17.9% in real terms compared to the same month of the previous year.

In 2021, the number of buildings granted building licenses by municipalities increased by 42.2%, the number of apartments increased by 27.8% and the area increased by 32.3%.

Compared to the same quarter of the previous year; In the 4th quarter of 2021, the number of buildings for which building use permits were issued by municipalities increased by 28.9%, the number of apartments increased by 18.3% and the area increased by 16.8%. 57.8% of the total surface area was realized as a residential area.

While trying to eliminate the damages caused by the pandemic in the fields of health, social life and economy, it was revealed that real estate would play a key role in revitalizing societies, improving individual and community health, as well as creating sustainable areas to improve. In the face of these developments, the view that the themes of green space, renewable energy, circular economy, horizontal architecture, technological and smart structure and wide usage area are prioritized in the sector for 2022 and beyond.





Housing Market

In the first half of 2021, housing sales, which had a stagnant period due to the limiting effects of the pandemic, began to recover. In 2021, housing sales across Türkiye decreased by 0.5% compared to the previous year and amounted to 1 million 491 thousand 856 units. Istanbul had the highest share with 276 thousand 223 housing sales and 18.5%. Istanbul was followed by Ankara with 144 thousand 104 housing sales and a 9.7% share, and İzmir with 86 thousand 722 housing sales and a 5.8% share.

Mortgaged housing sales decreased by 48.6% compared to the same period of the previous year and became 294 thousand 530. In 2021, the share of mortgaged sales in total housing sales was 19.7%. While the share of new housing sales in total sales was 30.9%, the share of second-hand housing sales was 69.1%.

Housing sales to foreigners increased by 43.5% in 2021 compared to the previous year and reached 58 thousand 576. While the share of housing sales to foreigners in total housing sales was 3.9%, Istanbul took the first place with 26 thousand 469 housing sales.

Office Market

The hybrid and remote working model, which became widespread with the effect of the Covid-19 outbreak, continued to be effective in 2021. For this reason, it was observed that the office spaces used by corporate companies shrank significantly. In the third quarter of the year, all workplaces, public institutions and organizations that suspended their activities within the scope of the gradual normalization process started to work by normal working hours as of July 1. Curfews and intercity travel restrictions were lifted. With this normalization process, a large return to the office took place. In addition to the undeniable positive effect of remote working on productivity, it was observed that the hybrid working model was the most preferred method by companies in the process of returning to normalcy with the lack of commitment to the company culture and sense of belonging. In parallel, the hybrid working model has led to the reshaping of office designs and the need for healthy working space has increased the demand for qualified and high-quality office spaces. At the point reached today; designs where productivity is encouraged, innovation, socialization and cooperation are prioritized, and the creation of spaces that contribute to the development of corporate culture and provide a sense of belonging have become important

for the effective use of the office.

In the coming period, with the increase in the demand for Class A buildings with quality infrastructure and qualified management, the buildings in this class will be separated and recategorized within themselves. With the completion of the globally important Istanbul International Finance Center (IFC) in 2022, approximately 1.5 million square meters of supply will be added to the market. Approximately 50% of this supply will be used by public banks and financial institutions.

Accommodation and Hotel Market

Covid-19, which faced serious effects in 2020, did not affect other trade sectors as suddenly and harshly as it affected the accommodation sector. Hotel reservations and revenues have tended to decline substantially compared to before the pandemic due to travel bans or restrictions but are now slowly recovering. According to the data obtained from the Ministry of Culture and Tourism of the Republic of Türkiye, the total number of foreign visitors to Türkiye in the first three quarters of 2020 was approximately 7.26 million. for the first three quarters of 2021, this number reached 14 million. while

the occupancy rates for 2020 were calculated as 34% for Türkiye as a whole, the occupancy rate for Istanbul was 37%. For the same period, the average room rate across Türkiye was 58€, while in Istanbul it was 78€.

In the first three quarters of 2021, the occupancy rate of 45% in Türkiye was 75% for Istanbul. The average room rate in this period was 86€ in Türkiye and 110€ in Istanbul. It can be said that the negative impact of the Covid-19 outbreak on hotel occupancy and actual room prices has decreased compared to last year.

Logistics Market

The logistics market continued to be one of the most sought-after markets in 2021. The most prominent sectors in leasing transactions in 2021 are retail, e-commerce and 3. Party Logistics (3PL). Data centres have also gained importance as both a serious need and an important investment area in the recent period. Due to the limited supply, users began to show interest in factory buildings that could meet the need for warehouses. For this reason, while technology and automation investments in storage have gained momentum with development projects that will contribute to the supply of qualified storage in the coming periods, the expectation that production and logistics facilities will be valued above the real estate sector average has emerged.

As of the current data, there are approximately 10.5 million square meters of logistics supplies for commercial use in the Istanbul-Kocaeli region, which is the primary logistics market, and 6.76 million square meters in the total warehouse stock. While the volume of the projects under construction is recorded as approximately 554 thousand square meters, as of the third quarter of 2021, the vacancy rate of the logistics market is around 11.1%. Almost all of the projects mentioned appear to be logistics supplies for commercial use. Based on the available data, leasing transactions in the third quarter of the year were recorded as 17 thousand 370 square meters and it is seen that the total leasing transaction in 2021 reached 204 thousand 266 square meters.

(Source; TUIK, CBRT, GYODER)

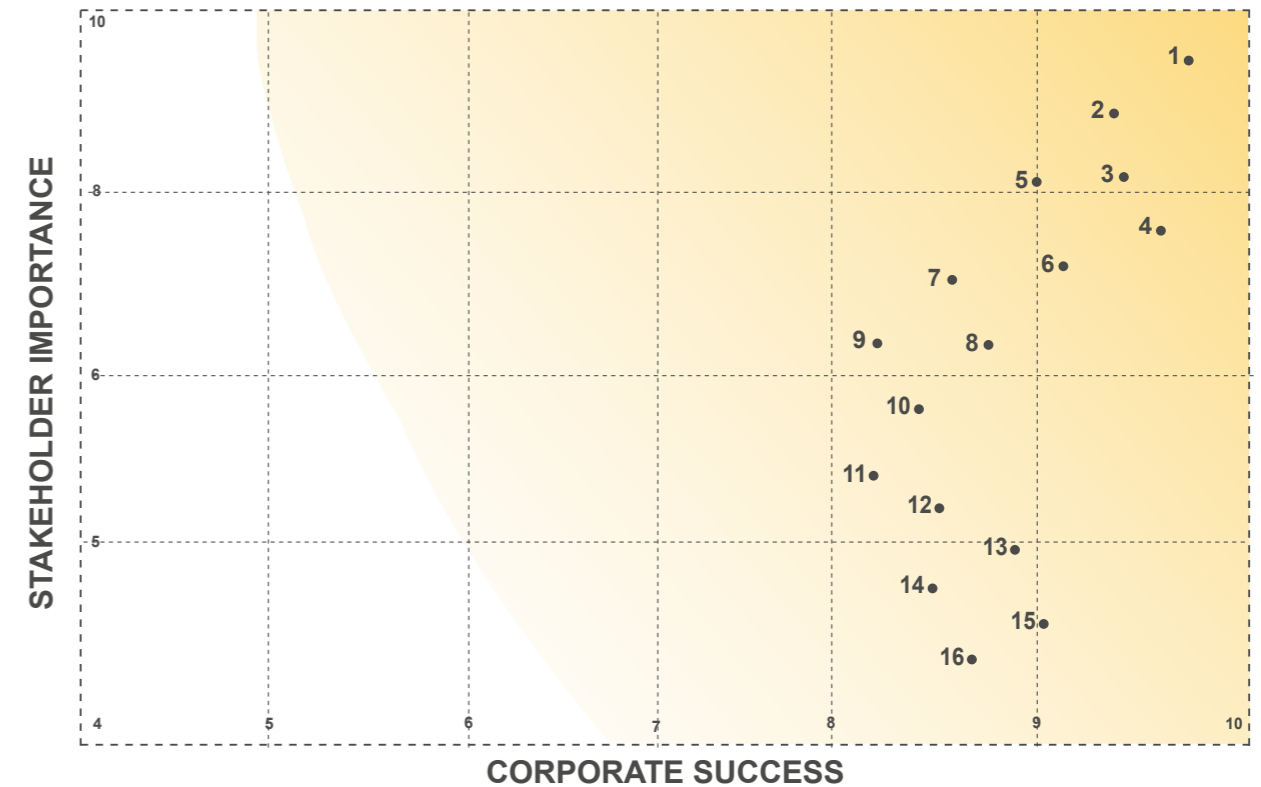
Materiality Matrix

As Vakif REIT, we carry out our activities with an understanding that meets or even exceeds the expectations and needs of our stakeholders. By placing sustainability at the core of our strategies, we analyze risks and opportunities, follow global trends and aim to create value for all our stakeholders. In our 2021 Integrated Report preparation process, we made a Materiality analysis in order to evaluate important issues within the framework of our value areas by considering the opinions of our stakeholders.

With the Vakif REIT Stakeholder Materiality Matrix, we have identified that our first and second-degree key issues are governance and environmental-oriented. Institutional Development is at the top of the 1st-degree priority issues; Strategic Planning, Digitalization, Process Management, Corporate Culture Management and Quality Management Systems. Afterwards, there are Corporate Governance, Stakeholder Management and Sustainability Management. Details of the issues in our Vakif REIT Stakeholder Materiality Matrix are stated below.



VAKIF REIT STEAKHOLDER PRIORITIZATION ANALYSIS



1st Degree Priority Issues

1. Corporate Development: Strategic Planning - Digitalization - Process Management - Corporate Culture Management - Employee Training - Sustainability Management - Quality Management System (EFQM- Documentation)
2. Corporate Governance: Corporate Risk Management - Ethical Principles - Compliance with Laws
3. Stakeholder Management
 - 3.a. Customer Satisfaction
 - 3.b. Employee Satisfaction
 - 3.c. Business and Governance Stakeholders Management
 - 3.d. Management of Community Stakeholders
 - 3.e. Contractor Stakeholders Management
4. Sustainability Management: Integrated Strategic Plan – Waste Management – Carbon Footprint Management – Sustainable Building Management (Contractor) (Energy/ Emissions/ Water/ Waste Management/ Biodiversity)
5. Digitalization
6. Combating Climate Change
7. Occupational Health and Safety with Contractors
8. Vakif REIT Waste Management

2nd Degree Priority Issues

9. Financial Performance
10. Employee Training
11. Employee Performance Management
12. Employee Career Management
13. Biodiversity
14. Water Management
15. Contribution to Society
16. Equal Opportunity

Vakif REIT Sustainability Approach

As Vakif REIT, with our primal goal “The Power of the Future, Building the Future”, leaving a livable world to future generations is a perspective that we put at the centre of our business activities. In this direction, to create value for all our stakeholders, we prepare our strategies.

Within the framework of the 17 Global Goals set by the United Nations for Sustainable Development; We continue our activities by focusing on our social, economic and environmental impacts. In this context, We have created our Sustainability Policy, which reveals our general approach to sustainability, sustainable purchasing, human rights and climate change, to guide our company activities.

In every step we take with the policy we have created, we determine our strategies by considering product sustainability as well as corporate sustainability. In addition to strengthening our financial structure and increasing our existing portfolio; we contribute to our country's economy with sustainability projects. We believe that it is one of our most important tasks to conduct our activities in a transparent and accountable manner to sustain the value we add to our customers, employees, shareholders and society by creating not only financial but also social and intellectual capital.

As Vakif REIT, we are constantly working to provide a safe business environment in the social dimension of sustainability, to manage the organizational climate effectively and to offer equal opportunities to our employees without allowing discrimination within the framework of our ethical principles.

Aiming to increase our customer satisfaction and quality standards, we establish various systems and carry out social responsibility activities that will contribute to our country.

In the environmental dimension of our sustainability approach, we work to keep our environmental footprint arising from our activities at a minimum level. In our projects; We carry out various studies on emission reduction, water and energy efficiency and waste management starting from the design stage.

As Vakif REIT, we aim to carry out awareness-raising activities on combating climate change, to increase our participation in various sectoral activities such as national and international NGOs, associations, conferences and collaborations, and to strengthen our relationship with stakeholders by using our communication channels effectively.

With the awareness that sustainable growth is possible with the trust-based business relationships we establish with our stakeholders in our supply chain, we expect our stakeholders in our supply chain to increase sustainability awareness and manage their operations in this context.

You can reach our Sustainability Policy that we have established as Vakif REIT from [here](#).



Sustainability Development

As Vakif REIT, we take care to take important steps in the name of institutionalization within the scope of change-transformation and establish all necessary functional systems. At the same time, we carry out the digital transformation that will keep up with this change and aim to increase the agility and durability of our organization with the corporate culture studies we have done.

Our corporate journey, which started with ISO 9001 Quality Management System; has enabled the understanding of sustainable development to turn into a way of life in our company with the systems we develop day by day. By adopting the EFQM management model adopted by the EU and participating in the recognition program organized by KalDer, we were entitled to receive the "Turkey Excellence Awards – Competence in Superior Performance – 4 stars" certificate in our first year.

Our focus while implementing change and transformation is to ensure sustainable development without ignoring the needs of future generations. By adopting product sustainability beyond the three dimensions of sustainability, economic, social and environmental sustainability, we ensured that our strategies covered the sustainability program in four dimensions. Our strategies are linked to the 17 Development Goals and 169

Sub-Goals of the United Nations Sustainability Program, and we have published our first integrated strategic plan in the sector. We are also focused on meeting the expectations of all five key stakeholder groups in a balanced manner and managing the experience of our stakeholders.

At Vakif REIT, we carry out our Integrated Strategic Plan with our Strategic Planning Committee. Under the coordination of our Corporate Development and Sustainability Manager, we carry out our strategic planning studies in the committee established under the presidency of our General Manager, with the participation of our Deputy General Managers and all our managers. We ensure that our General Manager, who is also a Member of the Board of Directors, integrates our sustainability approach from the highest level of our institution to all our units in a determined, systematic and efficient manner. In this context, we aim to manage the process of change and transformation that ensures sustainable superior performance. We manage our sustainability efforts under the coordination of our Corporate Development and Sustainability Directorate through the "Sustainability Management" process. In this context, we include Sustainable Building Management, Environmental Sustainability Management and Social Sustainability Management sub-processes and related sub-process owners in the table below with the defined process codes.

Process	Process Owner
Y3.3 Sustainability Management	Corporate Development and Productivity Manager
Y3.3.1. Sustainable Building Management	Coordination with Project Development and Project Implementation Managers
Y3.3.2. Environmental Sustainability Management	Support Services and coordination with Project Development and Project Implementation Managers
Y3.3.3. Social Sustainability	Coordination with Corporate Communication and Marketing Manager

GRI 102-15, GRI 102-18, GRI 102-19, GRI 102-20, GRI 102-21, GRI 102-26, GRI 102-27, GRI 102-29, GRI 102-30, GRI 102-31, GRI 102-32, GRI 102-33, GRI 102-43, GRI 102-44, GRI 102-46, GRI 102-47, GRI 103-1, GRI 103-2, GRI-103-3



Strategic Management and Objectives

By associating it with the United Nations Sustainable Development Goals (SDGs), we became the first Company in Turkey to make an Integrated Strategic Plan.

As Vakif REIT, we have prepared our 2021-2025 Integrated Strategic Plan, which sets out our goals and strategies in order to increase the value we have created and make it sustainable. In Strategic Planning, we created the first integrated strategic plan in Türkiye by linking it with 17 Sustainable Development Goals and 169 Sustainable Sub-Goals both in the Current Situation analysis phase and in the determination of the performance program. By adopting Model 4P (Economic, Social, Environmental and Product sustainability) beyond the generally accepted 3P Model (Economic, Social, Environmental sustainability) defined in the United Nations Sustainability Program, we have ensured that our Strategic Plan covers the four-dimension sustainability program.

With our change and transformation strategies, we focused on meeting the expectations of all five key stakeholder groups in a balanced manner and managing the experience of our stakeholders. In addition, in line with the continuity of the punctuated improvement towards institutionalization and the creation of the corporate culture of "We are Vakif REIT", we aimed to manage the health and well-being of the organization, which is accepted as a global reference, and to keep the values alive.

In order to realize the targets determined by the strategic planning study, we have determined the resource requirement for strategic activities in categories such as human resources, investment cost, service procurement,

effectiveness, etc. and we have made a 5-year financial plan and annual budget based on this. The 5-year Strategic Plan and Annual Performance Program entered into force with the approval of the Board of Directors and in line with the areas of responsibility of all units, we ensured that unit-based strategic activities, key performance indicators and process performance criteria were measured, monitored, reported and the data obtained were analyzed. Through the monitoring and evaluation process, we have ensured continuous improvement of corporate learning and related activities. We monitored and reported on the performance program on a monthly basis in terms of the successful implementation of the strategic plan and accountability.

In the annual review meetings held at the end of the year, we measured and reported the realizations of the strategic plan and determined the evaluations as inputs in the next year's strategic planning process.

While our target for the realization rate of our strategies in the 2021 Performance Program was 70%, we exceeded our expectations and achieved the realization of our target by 75.6%.

As Vakif REIT, we have included our 2021-2025 Integrated Strategic Plan, which we have prepared with the vision of being a reference organization that directs a change in the sector, in the table below.

While our target for the realization rate of our strategies in the 2021 Performance Program was 70%, we exceeded our expectations and achieved the realization of our target by 75.6%.



Strategies	Alt Strateji	KPI	Target Rate	2021 Realization Rate	SDGs Intended to Contribute
Developing Business in Different Sectors	Sectoral Business Development	- Number of business developments	4	4	
	Project Development with Sustainability Design Approach				
	Collaboration Development	- Number of current projects	4	4	
	Use of Alternative Investment and Financing Instruments				
Strengthening the Financial Structure with Effective Marketing and Sales	Developing Effective Marketing Methods	- Active Size Ranking	10	10	
	Increasing Our Sales Performance				
	Effective Fund and Resource Management	- Market Share	2.5%	3.15%	
	Effective Expense Management				
Improving the Effectiveness and Efficiency of the Existing Project Portfolio	Securing Project Compliance	Project Progress Rates			
	Effective Project Management	- Istanbul International Finance Center (IIFM)	100%	86,22%	
	Contractor Management	- Cubes Ankara - Tablo Adalar	35% 35%	18% 12%	
Managing the Customer Experience Effectively	Development of Customer Communication Channels	- Customer Satisfaction Rate	Increase by 8%	14% Increase	
	Development of Experience Management Systems				
	Establishment and Certification of a Customer Relationship Management System				
Managing the Organizational Climate (Health)	Managing Corporate Culture	- Employee Satisfaction Rate	Increase by 1%	1.5% Increase	
	Increasing Employee Satisfaction and Loyalty / Improving Employee Competency				
Managing Corporate Development	Development and Activation of Management Systems	- Self-assessment score	300-350 points	450-500 points	
	Implementation of the EFQM Model	- Strategy Realization Score	70%	75,6%	
	To establish the "Smart Vakif REIT" infrastructure	- Digitalization Level	20%	20%	
To strengthen Our Respected Position by Managing Our Reputation Effectively	Effective Implementation of Corporate Communication Plan	- Corporate Reputation Ratio	Increase by 2%	Increase by 2%	
	Developing Corporate Governance Approaches				
	Implement the UN Sustainability Plan	- Corporate Governance Valuation (KYD) Note	To make the first measurement	8.28 Score	

Our Value Creation Model

Capital	Input and Resources
Our Financial Capital	Investments (Amount of investment made- ₺)
	Sales and Rental Income (₺)
	Financial Revenues (₺)
Generated Capital	Projects
Intellectual Capital	Design (M-manufacture) Knowledge
	Technological Infrastructure
	Management Systems
Our Human Capital	Deep-rooted Corporate Culture
	Employee Engagement and Satisfaction
	Equal Opportunity and Diversity
	Capacity Building and Talent Management
Our Social and Relational Capital	Customer Experience
	Stakeholder Communication and Transparency
	Supplier Management
	Social Responsibility
Natural Capital	Combating Climate Change
	Carbon Emission
	Water
	Energy
	Waste Management

Mega Trends
Risk & Opportunity Management



Governance Structure
Strategic and Quality Management Model

Capital	Business Activity and Strategies	SDGs
Our Financial Capital	-Business development in different sectors	
	-Effective Marketing and Sales	
Generated Capital	-Increasing Sales Performance	
	-Effective Fund and Resource Management	
Intellectual Capital	-Effective Expense Management	
	- Green Building Applications	
Our Human Capital	- Effective Project Management	
	- Effective Contractor Management	
Our Social and Relational Capital	- Project Development for the Construction of a Sustainable Future	
	- Digitalization and Creation of Technological Infrastructure	
Our Human Capital	- Development of a Management Model	
	- Corporate Culture Management	
Our Social and Relational Capital	- Increasing Employee Satisfaction, Loyalty and Developing Human Resources Applications	
	- Execute Training to Support Employee Development	
Our Social and Relational Capital	- Improvement of Individual Performance Evaluation Systems	
	- Establishment of customer communication channels, development and effective use	
Our Social and Relational Capital	- Development of Experience Management Systems	
	- Active participation in NGOs, sectoral associations, meetings, conferences, collaborations and projects	
Our Social and Relational Capital	- Development of Supplier Evaluation System	
	- Developing Social Responsibility Projects	
Our Social and Relational Capital	- Preparation of Greenhouse Gas Inventory report	
	- Sustainable Building Management	
Natural Capital	- Prioritizing energy and water efficiency in our projects	
	- Establishment of waste management systems at project sites	

Capital	Outputs	Value Created
Our Financial Capital	We increased our Asset Size, which was 2.93 billion ₺ in 2020, by 58% to 4.63 billion ₺ in 2021	Strong Capital Structure
	Our Profit for the Period increased by 1.5 times to 475 million ₺. Thus, in 2021, we reached an all-time high net profit	Sustainable Development
Generated Capital	We increased our capital to 1 billion ₺ and became the 4 th REIT company with the strongest capital in our sector	Effective Resource Management
	In 2021, we achieved sales revenues of 737 million ₺	
Generated Capital	We increased our brand awareness by 4.60%. We increased our Corporate Reputation Score by 2 points	
	We sold 25 independent sections in Nidapark and generated 87 million ₺ revenue	
Generated Capital	We have completed the sale of 15 independent sections in Bizimtepe Aydos. We generated total revenue of 17 million ₺	
	As Vakif REIT, we have produced a Closed Construction Area of 890.179 m ² .	Broad Building Portfolio
Intellectual Capital	We have LEED Certificate candidacy in all our projects.	Healthy and Comfortable Living Area
	We have the know-how of our completed and ongoing projects.	Technical Knowledge
Intellectual Capital	We have created the process infrastructure for the goal of digitalization.	Modern Service
	In our first year, we were entitled to receive the "EFQM Competence in Superior Performance - 4 Stars" certificate.	Strong Corporate Structure
Our Human Capital	We were included in the BIST KY Index. Our Compliance with Corporate Governance Principles rating was 8.28.	
	We increased our organizational agility with well-being filled "We Culture".	Strong Corporate Culture
Our Human Capital	We have achieved 74.5% confidence in the work.	Business efficiency
	We organized an average of 49.1 hours of training per employee.	Working Environment by Human Rights
Our Social and Relational Capital		Equal Opportunity
		Career Development of Employees
Our Social and Relational Capital	We started to monitor and manage the customer experience to deliver sustainable value.	Social Development
	We increased our Customer Satisfaction Score to 81.	Stakeholder Value
Our Social and Relational Capital	With the new design of our corporate website, we have increased our annual visitor number by 200%.	Customer Satisfaction
		Building Trust
Natural Capital	In 2021, we prepared our Greenhouse Gas Inventory Report in ISO 14064-1: 2018 standard.	-Environmental Awareness
	We have done infrastructure work to participate in the Carbon Disclosure Project's Climate Change Program (CDP).	-Protection of Natural Resources
Natural Capital	We are working to ensure the highest level of compliance with green building criteria in all our projects, especially in the Istanbul International Finance Center, which is a candidate for the LEED Gold Certificate.	- Ecosystem Sustainability

Our Financial Capital

As Vakif REIT, we focus on sustainable growth in a determined and stable manner and aim to create economic value for all our stakeholders by using our capital effectively. With the strong capital we have created thanks to our rental income and real estate portfolio, we not only increase the profitability of our company but also support the sustainable development of our country and provide decent business and economic growth conditions.

In 2021, with the efforts we have made to create value with our financial capital, we have increased our asset size by 58% compared to last year and increased it to approximately 4.6 billion €. We increased our market share from 2.56% to 3.15%. In addition, in 2021, we reached the highest period net amount of all time, comparing to the last year we increased our importance by 1.5 times and reached 475 million €.

In our 2021-2025 Integrated Strategic Plan, we aimed to protect and strengthen and grow our financial capital. We have also determined our strategies to increase effective marketing and sales performance. As a result of these strategies, we provide quality product and service continuity for our customers with strong capital structure, brand reputation and effective resource management.

We contribute to the United Nations Sustainable Development Goals;



Financial and Economic Performance

Detailed Balance Sheet	Independent Audited	Independent Audited
Assets	December 31, 2021	31 December 2020
Rotating Assets	2,038,355,679	1,204,036,114
Cash and cash equivalents	849,041,503	820,021,801
Trade Receivables		
- Trade receivables from unrelated parties	36,445,330	8,311,723
Other Receivables		
- Other receivables from unrelated parties	807,016	879,568
Stocks	973,711,360	321,093,621
Prepaid Expenses	20,485,966	49,172,069
Current Period Tax-Related Assets	7,874,776	2,742,272
Other Period Assets	149,989,728	1,815,060
Fixed Assets	2,581,459,332	1,724,945,302
Trade Receivables		
- Trade receivables from unrelated parties	29,484,195	2,750,913
Other Receivables		
- Other receivables from unrelated parties	45,944	231,579
Stocks	607,713,712	532,926,026
Investment Properties	1,594,626,855	867,782,413
Tangible Assets	406,987	537,191
Intangible Assets		
- Goodwill	14,631,400	14,631,400
- Other intangible assets	1,520,765	163,351
Prepaid Expenses	311,920,680	228,093,152
Other Fixed Assets	21,108,794	77,829,277
TOTAL ASSETS	4,619,815,011	2,928,981,416

Real Estate Investments

As Vakıf REIT, we are constantly developing our portfolio with safe, efficient and stable real estate. In 2021, we generated a rental income of 3.518.252 ₺ from our Kavaklıdere Store, Aliağa Business Center and Residences, Kütahya Business Center, Bizimtepe Aydos Commercial Units (BTA) properties in our portfolio.

We make various investments to increase the rental income of our company every year. In the table below, we have included what our company's rental returns and rates are based on real estate over the years.

Table 3 Rental Income based on Real Estate (₺)

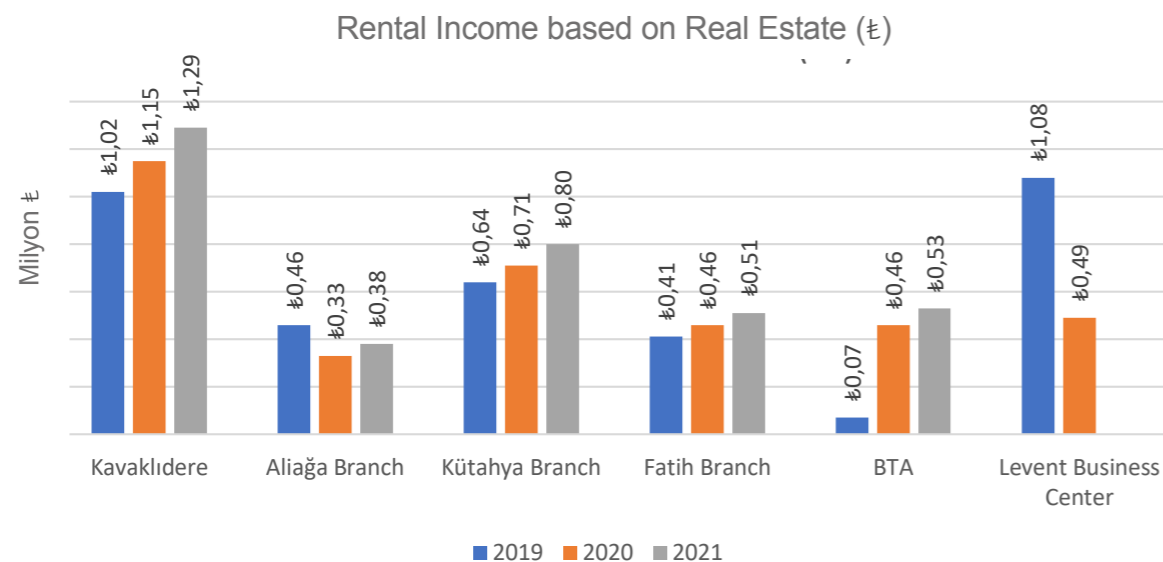


Table 4 Rental Income on a 3-Year Basis (₺)

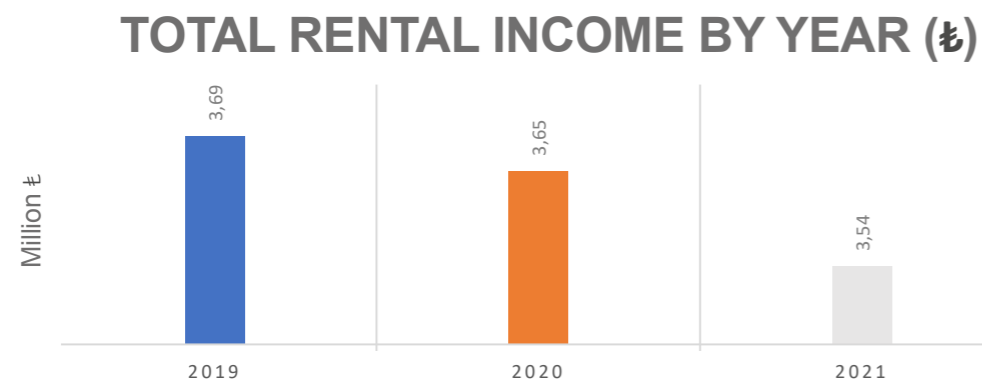
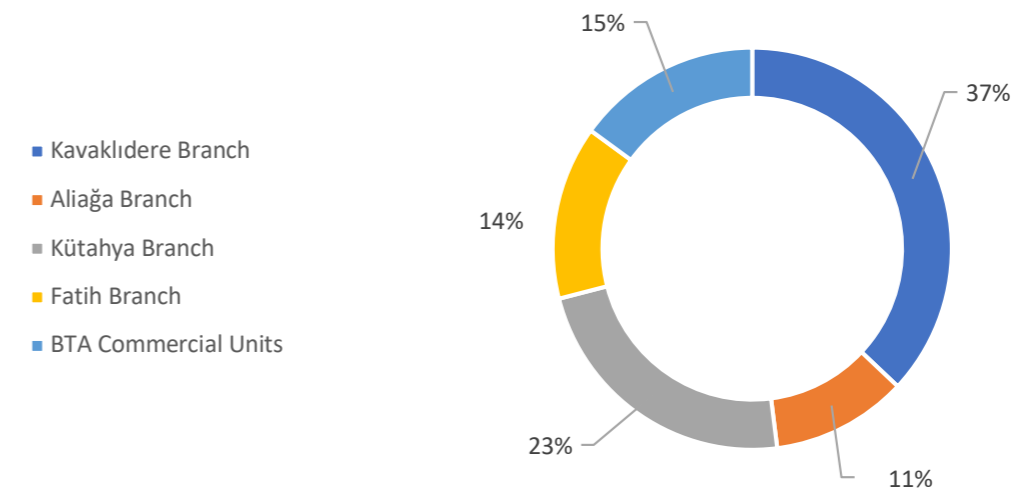


Table 5 Rental Income Ratio for 2021

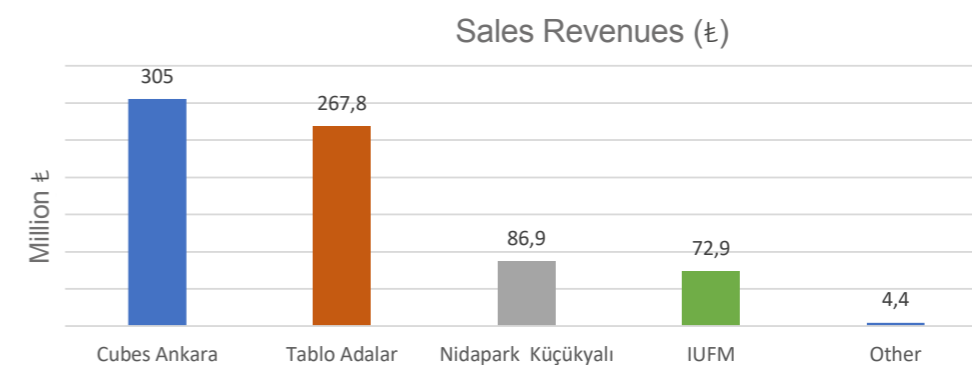
Rental Income Ratio for 2021



As Vakıf REIT, apart from our rent-generating real estate, we generated sales revenues from our Cubes Ankara, Tablo Adalar, Bizimtepe Aydos Commercial Units, Nidapark Küçükyalı and Istanbul International Finance Center projects in 2021. Accordingly, in 2021, we generated

sales revenues of 305 million ₺ for our Cubes Ankara project, 267.8 million ₺ for our Tablo Adalar project, 86.9 million ₺ for our Nidapark Küçükyalı project, 72.9 million ₺ for our IUFM project and 4.4 million ₺ for the other scope.

Table 6 2021 Sales Revenues



Financial Capital Development

Targeting outstanding success in the Real Estate Investment Trust sector, we continue to search for the most suitable projects for new investments under the leadership of our expert employees in the field.

As Vakıf REIT, we continued to grow strongly and steadily with our financial capital increase. In line with this purpose, we continued our existing portfolio investments and supported our financial structure and sustainable growth with the sales made. While growing our real estate portfolio, we manage our real estate investments by carrying out qualitative and financial analysis and risk determination studies. We determine the right target groups by conducting feasibility studies and real estate valuation studies on all of the properties we include in our portfolio. We use these studies as a basis for purchasing and renting.

On behalf of our company, we are keeping up-to-date monitoring of the international and national real estate market to achieve our investment goal. We aim to include in our portfolio properties with efficient, high-profit rates and low-risk parameters. Our company, which aims to achieve outstanding success in the Real Estate Investment Trust sector, continues to search for the most suitable projects for new investments under the leadership of our expert employees in the field.

We aim to further strengthen our financial capital in the coming periods. In line with this purpose, we have determined our strategies for effective marketing, increasing sales performance, effective fund creation, resource and expense management and included them in our 2021-2025 Integrated Strategy Plan.

Current Stocks	Emerging Properties	Real Estate with Rental Income	Land for Project Development	Property Acquisition-Based Investments
Bizimtepe Aydos Project Independent Sections	Istanbul International Finance Center Project	Kavaklıdere Store	İzmir Konak Land	Nidapark Küçükyalı Project
Tablo Adalar Project Istanbul	Transform Fikirtepe Project Independent Departments	Kutahya Business Center	İstanbul Sancaktepe Land	
Cubes Ankara Project		Aliğa Business Center	Ankara Etimesgut Land	
		Fatih Business Center		
		Bizimtepe Aydos Commercial Units		

Our Generated Capital

As Vakıf REIT, we believe that the need for housing, is one of the basic needs of humanity; we adopt a value wounding model with an attitude that aims to meet the social and cultural requirements of society. While producing our projects based on the accommodation of individuals and society in healthy living environments; We create values associated with social sustainability by designing social facilities and recreation areas such as green areas, social facilities, sports areas and cultural areas. Among our ongoing projects, we strengthen our portfolio with the discovery of the Istanbul International Finance Center (IUFM), Cubes Ankara, Table Princes' Islands, Izmir Konak Center and continue our activities with the aim of sectoral leadership. While adding value to our stakeholders, we design the healthy living environments we create in our projects by taking the social sustainability standards in global standards as an example.

While designing our projects, we make use of the United Nations Sustainable Development Goals. We are working to comply with the directive of the principle of ending poverty in the Sustainable Development Goals. In our projects, we support the phenomenon of environmental sustainability as well as social sustainability with Green Building and LEED-certified building activities. We achieve this goal with the guidance of the principle of Responsible Production and Consumption within the Development Goals. While producing green and LEED-certified buildings that are the products of Vakıf REIT, we blend our carbon and water footprint with the circular economy model in the REIT sector based on responsible production and consumption; We add value to the universe in a social, environmental and cultural framework with an approach that targets environmental sustainability.

In our 2021-2025 Integrated Strategic Plan, as Vakıf REIT, we have determined various strategies to create value for our produced capital by adapting the developments in universal standards in the commercial, urban transformation, tourism, logistics sub-sectors and creating advanced technology and sustainable structures.

We have contributed to the United Nations Sustainable Development Goals;



Our Real Estate Portfolio

Ongoing Projects

Istanbul International Finance Center (IIFC)



Our Vakıfbank Headquarters Service Building and Facilities project, which is located within the rising Finance Center Project in Istanbul, consists of two towers with 52 and 36 floors with a construction area of 261.537 m².

With its distinctive exterior, our project will be one of the symbolic structures reflecting our Seljuk architecture and traditional values; With Class A commercial and office spaces, we will contribute to the economy of the country, with technological equipment above world standards and with smart city model, we will offer it to the service of domestic and foreign investors.

We attach importance to the use of environmentally friendly systems throughout our project. For this reason, we make flow rate calculations by paying attention to luminaire selections such as sink faucets, shower columns, reservoirs for efficiency and manage our purchasing processes accordingly. We also save water with our greywater system and our rainwater system collected on the roof. Within the scope of energy efficiency, we manage our processes starting from the project design and choosing according to the energy performance in mechanical equipment purchases. We measure our energy efficiency with building automation systems. In our environmental management processes, we create recycling and recovery arrangements to reduce the amount of waste going to landfill. With our works reflecting our respect for nature, we are preparing our project for the candidacy for LEED Gold Certificate.

Location: Ümraniye, Istanbul

Construction Area: 261.537 m²

Usage: Commercial + Office

GRI 102-6, GRI 201-1, GRI 203-1

Cubes Ankara

Our Cubes Ankara Project, located in Çukurambar, Ankara; consists of housing types ranging from 1 + 1 to 6 + 1 with a closed construction area of 216.932,15 m², office, hotel, commercial and social reinforcement areas.

In our Cubes Ankara Project, which is positioned as the centre of the new generation mixed life, we aim to implement environmentally friendly building systems by considering the elements that trigger human health such as indoor air quality, natural lighting and temperature control.

Being aware of the importance of green areas, our Cubes Ankara project, where floor gardens, terraces and common areas are also presented; stands out as a project friendly to children, pets, nature and the disabled. Our Cubes Ankara project is designed with nature-friendly materials; contributes to sustainability with its energy-saving, recycling system, world-class exterior facade and architectural solutions. In this direction, we continue to work for the LEED Silver certification a full process.

We plan to complete our Cubes Ankara project, which is a candidate to host the city in the field of dynamic and culture with its office, hotel, culture and art areas, performance centre, gourmet taste areas and shopping points in 2023.

Location: Cankaya, Ankara

Construction Area: 216.932,15 m²

Usage: Residential+Commercial+Office



GRI 102-6, GRI 201-1, GRI 203-1

Tablo Adalar



Located on the Anatolian Side of Istanbul, with a view of the Marmara Sea and the Islands, our centrally located 'Table Princes' project offers large balconies, a large landscape area and rich social facilities as well as housing types ranging from 1 + 1 to 5 + 2. Our project consists of a total of 316 residences and 1 commercial unit planned to be used as a nursery.

Our Tablo Adalar Project; outdoor and indoor swimming pool, floor gardens, terraces, basketball court and tennis court, children's playgrounds and landscaping area bring the project residents together with the new generation of life understanding. We provide the necessary conditions for our customers to live in a quality, healthy and comfortable environment.

Through our Vakıf REIT Sustainability strategy, we are carrying out the necessary studies to obtain LEED Silver certificate. Starting from our design process, we attach importance to energy and water conservation. We aim to make our Tablo Adalar project, which is planned to be completed by the end of 2023, an exemplary project that adds economic and vital value to Türkiye.

Location: Zümrütevler, İstanbul

Construction Area: 67.861 m²

Usage: Commercial

İzmir Konak Project

Our project, the same name, located in the İzmir Konak district, where the business centre towers are rising, has been located in a total of 130 m² construction sites, including the office, commercial and residential, two blocks of 50 and 27 floors. With our project, we aim to provide our customers with comfortable, healthy living spaces and to increase their regional potential.

While realizing our İzmir Konak Project, we aim to implement projects reflecting the sustainability approach of our company by creating main contractor tender contracts within the scope of environmentally friendly green building targets. Starting from the design phase of our project, we aim to protect natural resources, provide energy and water efficiency at the highest level, and plan to offer green building functions effectively for our customers. In this context, we are working to become a candidate for LEED Gold Certificate.

We are continuing our work to complete our project, which started construction activities in 2021, in December 2023.

Location: Konak, İzmir

Construction Area: 128.987,13m²

Usage: Commercial



Our Intellectual Capital

While realizing our projects, we have a very valuable intellectual capital thanks to our expert staff who are the source of our knowledge. With the confidence we get from our experience and experience in the Real Estate Investment Trust sector, we create strong values for our stakeholders from our intellectual capital by reflecting our innovative and constantly developing accumulation in our designs, engineering and architecture approaches to our projects.

To maintain our competitive advantage while ensuring the sustainability of our leading position in the sector, we adopt a continuous development approach to increase our intellectual accumulation. We follow the trends research and practices in the world and create designs and engineering solutions with the knowledge we have acquired to reflect our sustainability approach to our projects.

In order to increase the efficiency of our processes and strengthen our corporate success, we entered a digital transformation system and launched our "Smart REIT" application. With the various modules in the content of our application, we continue to provide value to our stakeholders by making our processes with important stakeholder groups such as our employees, customers and suppliers more systematic and effective.

By closely following global developments, we blend our innovative activities with intellectual capital and Sustainable Development Goals; We aim to contribute to the goals of Decent Work and Economic Growth, Quality Education, Sustainable Cities and Communities and Industry Innovative Infrastructure.

Within the scope of the 2021-2025 Integrated Strategic Plan; We focus on strengthening our intellectual capital by developing our management model, corporate work to centralize our corporate software and increasing our investments for the improvement of IT infrastructure components for Smart Vakif REIT.

We contribute to the United Nations Sustainable Development Goals;



Our Design Approach

Within the scope of "Product Sustainability", which is the fourth dimension of the Sustainability Approach we have adopted as Vakif REIT, we develop systems that will ensure that sustainability dimensions are guaranteed in all of our ongoing projects.

In line with our main goal of "The Power of the Future, Building the Future", we act by prioritizing our sustainability approach from the project design stage. With the use of high-tech solutions, we produce innovative solutions within the scope of long-term and low-cost sustainable application searches as well as new materials. We develop alternatives for our designs by following a series of structures ranging from carrier system to material, from hardware to installation systems in parallel with the development of technology.

We design our architectural designs to be compatible with each other in the best way by using form, aesthetics, form, functionality, construction and technological elements. We aim to ensure that the design processes in our projects are compatible with our Vakif REIT Sustainability Approach. In this direction, we follow today's trends in the context of spatial structuring, carry out our studies in search of improving the uses and evaluate them and realize the necessary integration into our projects.

As Vakif REIT, we take care to build buildings in accordance with the Green Building criteria in accordance with our sustainable approach in our projects. Starting from the choice of location in our projects; We design our structures with an understanding of economic, environmental and social responsibility. In accordance with the Green Building approach, we determine the design criteria such as determining the number of floors of our projects and choosing the materials to be used in order to ensure environmental sensitivity. We take care of the use of recycled materials by providing material selection and resource management within the life cycle framework.

Within the scope of "Product Sustainability", which is the fourth dimension of the Sustainability Approach we have adopted as Vakif REIT, we develop systems that will ensure that sustainability dimensions are guaranteed in all of our ongoing projects. Two of our ongoing projects have LEED Gold certificate candidacy. Especially in our Istanbul International Finance Center project, within the scope of LEED Gold certificate candidacy, the colour, reflection and transparency degree of glass and frame products to be used in the façade system in order to ensure energy efficiency in our project; we are looking for conditions to comply with LEED criteria such as light and energy transfer and shading coefficient. In line with our goal, we prefer environmentally friendly equipment with high energy efficiency, the least damage to the ozone layer and against global warming in mechanical devices. In order to protect natural resources, we are installing digital systems in order to bring energy consumption to the lowest rates. We evaluate the sustainability criteria at the design stage of our project by paying attention to the use of low-emission materials, thermal comfort and local materials and keeping our compliance with these criteria under control in our project implementation processes.

Our Digital Transformation Project “Smart REIT”

In 2021, we started our digital transformation project “Smart REIT” to increase the agility and resilience of our organizations.

In the construction sector, which is a part of the Real Estate Investment Trust sector, various information technologies are used to keep the information and data under control due to the fact that there is a lot of input, process and resource use. At Vakif REIT, we use information technologies to manage data correctly and efficiently.

To strengthen our company's corporate success, maintain its sectoral leadership position and increase our sustainability performance, we have implemented a systemic change and transformation process in our company in general. For this purpose, in 2021, we started our “Smart REIT” application, which is our digital transformation project to increase the agility and resilience of our organizations.

Within the scope of our Smart REIT Project, we created our “Enterprise Resource Management” application by benefiting from various technologies. We make budget management the most efficient with the digital systems that we use in the follow-up and reporting of data and information in our financial flows and budget distribution areas. To improve our relations with our customers, we make use of the Customer Relationship Management System (CRM) that we have established within the scope of our digital communication protocols.

As Vakif REIT, we use the modules in our Smart REIT system to optimize our productivity in our operation processes. As part of planning our projects, we use Critical Path Method (CPM) programs to observe

critical information such as the sequence, efficiency and importance of the works in the project or the works that have problems between them and the effects of these problems. With this program, we can easily follow up on the processes, productions and determine the resource needs such as materials and labour, the actual speed and the manufacturing amounts.

To identify the problems that may be encountered in our projects at the design stage while they have not yet been realized, we use the BIM application, which is Building Information Modeling, in our Istanbul International Finance Center Project. With the BIM application, we provide digital management of the data in the project thanks to the combination of process and technology throughout the life of our project. In addition to this application, as of 2021, we use the Enterprise Resource Planning (ERP) system, which is a modular software that provides services from an integrated database in order to integrate and synchronize separate functions in the design and management processes of our projects. In this way, we systematically and transparently increase productivity and minimize possible losses.

As Vakif REIT, we are investing in the fields of network and cyber security by paying attention to investments in IT and technology in order to ensure business continuity. We reserve our data against any natural disaster or cyber-attack. To ensure the highest level of information and data security, we ensure that internal communication is efficient and effective in all our processes we work.

Vakif REIT Management Model

Managing corporate performance is to manage differentiation-oriented change and transformation processes based on Stakeholder Theory for us. As Vakif REIT, we aim to raise our corporate performance to a level of differentiating, sustainable and superior performance. In line with this, we are simultaneously managing both our change process and our current performance and return processes effectively. In this context, we continue our activities to develop a new management approach that started in 2020 in 2021 and implements the “Vakif REIT Management Model”.

Change Management

Strategic management covers all of our process management and enterprise risk management approaches.

- **Strategic Management:** It includes the strategic direction (Basic purpose, mission and vision) and our main strategies, our 5-year strategic planning work and the work of making our annual performance program. With our annual performance program, the organizational targets are to the units; With the performance management system, we reduce the unit targets to individual targets and spread them to all employees. Our current Strategic Planning approach is at the level of the reference implementation in the context of integration and inclusion with the United Nations sustainability program.
- **Process Management:** Our Process Management Process, which has been developed with benchmarking studies; includes updating the Vakif REIT Process Map that will implement the strategies, defining the processes at four levels (main process, sub-process, detail process, activity), reviewing and improving the processes.

- **Corporate Risk Management:** Our Internal Control Commission determines the risks at the strategic and operational level by the legislation and creates the Vakif REIT Risk Universe and Internal Control Plan. In addition, the Early Detection of Risk Committee and the Audit Committee, which are subordinate to our Board of Directors, ensure the effectiveness of internal control and internal audit mechanisms.

Conversion Management

As Vakif REIT, we attach importance to the management of Corporate Culture and digital transformation.

- **Corporate Culture Management:** The success of change depends on the transformation of the corporate culture and organizational climate in a way that supports change. In this context; measurement and evaluation of the current corporate culture, measurement of the health of the organization and the activities of the health and well-being program.
- **Digital Transformation:** Considering the digital changes short and long term, emphasis is placed on the development of information technology hardware and software infrastructure that supports the agility of the organization.

Vakif REIT Management Model has been created concerning EFQM Model. The EFQM Excellence Model, published by the European Foundation for Quality Management in 1991, is used as a management model by more than 50,000 organizations in 48 countries, most of which are located in the European continent.

As Turkey's first Real Estate Investment Trust, our goal is to maximize corporate development in a manner befitting our company's 25 years of experience and to make our Company the pioneer and representative of the sector, especially in the real estate sector where this understanding is not very common.

As Türkiye's first Real Estate Investment Partner, our goal is to maximize corporate development in a manner befitting our company's 25 years of experience and to make our company the pioneer and representative of the sector, especially in the real estate sector where this understanding is not very common. In this context, to increase our level of institutionalization and to implement the EFQM Excellence Model as a management model in our company, we signed a Declaration of Good Faith with KalDer, the Turkish Quality Association, by participating in the National Quality Movement.

In addition, in the Türkiye Excellence Awards organized by KalDer every year, we were deemed worthy of the "2021-EFQM Competence in Superior Performance - 4 stars" award by showing significant success with the advanced systems we established in the first year we participated.

We see the EFQM Model and KalDer's recognition and rewarding programs as a tool that shows our approach to quality, and with the belief that this journey, which is a serious learning process, will be very value-added, we aim to improve our organizational agility and make Vakif REIT the reference point of sustainable superior performance. We believe that our determination to make quality an integral part of our corporate culture and the sincere adoption of this culture by our colleagues will form the solid foundation that leads our company to success.



Our Human Capital

As Vakıf REIT, we aim to create values such as ensuring gender and equal opportunities for our employees, who are our human capital, creating a safe working environment and increasing the productivity of our employees, and we continuously organize studies in this direction. In this context, on behalf of our company Vakıf REIT; In addition to the Labor Law, we are working to make the best effort to fulfil the requirements of the United Nations Universal Declaration of Human Rights, the basic principles of the International Labor Organization and international conventions, to which Türkiye is a party. In connection with our efforts to create value within the scope of our company; We have established our Human Rights and Employee Policy, Equal Opportunity Policy, Diversity and Gender Equality Policy, Occupational Health and Safety Policy, Business Ethics and Code of Conduct. With the policies and guidelines we have established, we oppose discrimination by supporting the respect of our employees. In 2021; We have prepared the "Corporate Guide and Employee Rights Guide" to ensure that our employees have information about the structure of our company, our quality system, our corporate culture, our policies, employee rights and obligations. In this direction, we are constantly improving our human capital by aiming to comply with the rules of respect and ethics and to provide an equal and safe workplace.

We provide opportunities for our employees to improve themselves with the training given. At the same time, we create a healthy work environment where our employees are safe, comfortable and able to share their thoughts, and we are constantly working for gender and equal opportunities.

In our 2021-2025 Integrated Strategic Plan, which we have prepared as Vakıf REIT, we have determined various strategies to increase the satisfaction of our employees and to improve the competencies of our employees in order to create value from our human capital.

You can reach our Code of Business Ethics and Conduct that we have established as Vakıf REIT from [here](#).

We contribute to the United Nations Sustainable Development Goals;



Our Human Resources Policy

Our Human Resources Policy

- Candidates who are qualified for the vacant position are recruited in line with the strategic targets of the Company.
- The human rights and personal rights of the personnel are protected and respected.
- A principle intended to provide equal opportunities are given to those with the equal conditions is set forth with no discrimination of race, language, religion and gender.
- Adequate working conditions and all the facilities that are needed by the personnel to improve themselves are made available considering their competences identified as a result of an assessment on the levels of their knowledge, skills and performance.
- The personnel are encouraged and provided with related possibilities so that they could increase their success and enhance the levels of their knowledge and professional competences.
- It is ensured that the personnel adopt the corporate culture.
- A comfortable and safe working environment is provided to the personnel in line with the tasks that they are performing.
- Necessary measures are taken to facilitate that the personnel are able to communicate their problems, opinions, considerations and recommendations to the management and, they are given sufficient information about such issues relating to them in a timely manner.
- The personnel's productivity, success, performance and loyalty to their works and workplace are taken into consideration in the determination of their wage and promotion.
- It is ensured that the tasks of the personnel under the Personal Data Protection Law are carefully carried out.

“We Culture” Full of Well-Being

Cumulative Approach in terminology; It is defined as a corporate culture that aims to maximize the sense of belonging by providing employees with the belief in team spirit and ensures that the employees adopt a common attitude by the employees of the institution. As Vakif REIT, we have entered a development and transformation process by adapting the understanding of corporate culture, which is described as “traditional” in line with the changing needs in the business world and sector, to innovations. In this context, we aim to create a corporate culture that includes productive, holistic and innovative definitions and responds to changing needs and requests. By creating common knowledge and common sense, we aim to create a “We Culture” full of well-being based on fairness, transparency and trust in our operational activities.

Within the scope of corporate culture management carried out as part of the change and transformation process, we conducted a survey to determine the current corporate culture. We have found that our current understanding of culture is the “segmented culture” seen in specialized sectors. We have determined our values in the light of

“Well-being Conversations” and “50 Core Value Surveys”.

As Vakif REIT, to raise our performance to the level of global standards, we provide many necessary functional systems such as strategic planning, process management and corporate risk management; we are constantly improving by grounding it with our corporate culture. In this process of change and transformation, we adopt the understanding of “participatory management”, which is one of the inseparable elements of our corporate culture, in which our employees take part in decision-making processes. With this understanding, contrary to the management style where all decisions are made unilaterally, we aim to enable our employees to take more responsibility, to be empowered and to increase their loyalty to our company. We use the different ideas produced by our employees as a guide and provide various incentives in this context. We also care about building a positive bond by making the relationship between us and our employees more valuable openly and honestly. We offer a healthy working environment with the Vakif REIT Well-being Program, which we have initiated for the establishment of the “WE” culture and common goals.

As Vakif REIT, in order to raise our performance to the level of global standards, we provide many necessary functional systems such as strategic planning, process management and corporate risk management; we are constantly improving by grounding it with our corporate culture.

As Vakif GYO, we manage our project activities through contractors and the number of our contractors changes according to the project period. However, the number of employees of Vakif REIT does not include business lines that are periodic in terms of employment The number

of our employees was calculated on the basis of the number of employees operating in the company on the last day of 2021. We do not have any employees under the collective bargaining agreement.

Table 8 Number of Employees of Vakif REIT

	2021	2020	2019
Number of Employees	41	37	33
Contractor	8	-	-



Equal Opportunity and Diversity

As Vakif REIT, we attach great importance to equality of opportunity and diversity issues in line with our corporate structure and integrate our Human Resources Policy, Equal Opportunity, Diversity and Gender Equality policies into all our company activities.

On behalf of Vakif REIT; In line with the ethical principles that we have established with respect for human rights in our relations with each other and our customers, without discrimination based on religion, race, gender, age, philosophical belief, sect, political opinion, disability, social class difference and similar reasons, we provide a working environment based

on the principle of diversity and inclusion. We continue our company activities within the framework of the principles of honesty, trust, impartiality and transparency. In our corporate activities, we do not allow behaviours and practices that are contrary to or restrictive to human rights and freedoms, behaviours and practices that prevent equality of opportunity. We do not make any distinction other than competence in the content of the advertisements given within the scope of our recruitment process, interviews and employee selection processes, performance measurement and evaluation, career planning, promotion systems and wage policies applied, taking into account equality of opportunity and inclusivity.

Gender Equality

Today, ensuring gender equality is an indispensable quality that all companies on a global scale should provide. As Vakif REIT, we defend gender equality in business life by carrying out our activities within the framework of quality in all activities of our company. Strengthening the position of women in business life, combating the prejudices brought about by the concept of gender, the inclusion of women in the labour force and the "equal pay for equal work" policy is among our basic principles adopted for both our employees and our Board Members.

On behalf of Vakif REIT, we support the participation of women in the labour force with our Human Resources practices that we have carried out based on gender equality and our female employees whom we employ during the recruitment of new personnel. We aim to maintain a working environment where equality and labour peace prevail by taking the necessary measures to ensure the health, safety and welfare of all our employees.

As Vakif REIT, we take into consideration the participation of our female employees in decision-making positions at management levels and the balance between men and women in management. The process of selecting members for the Board of Directors is in our hands; By complying with the relevant regulations, especially the Turkish Commercial Code and the Capital Markets Law, and the provisions in our contract on the basis of the company, we ensure that female candidate is given priority among the candidates who have the same characteristics in terms of knowledge, experience and competence. In principle, we aim to reach a minimum of 25% of the female members of the Board of Directors.

In addition, on behalf of Vakif REIT, we aim to maintain a working medium that maintains a work-family-life balance by ensuring that our female employees who are mothers can benefit equally from career opportunities in order to ensure that they can continue where they left off on their career path.

You can reach our Opportunity Strategy, Diversity and Gender Equality Policy that we have established as Vakif REIT from [here](#).

Table 9 Number of Employees by Gender

	2021	2020	2019
Female	19	16	12
Male	22	21	21

Table 10 Number of Managers by Gender

	2021	2020
Female	3	3
Male	9	8
TOTAL	12	11

Table 11 Newly Hired by Gender

	2021	2020
Female	4	2
Male	-	3
TOTAL	4	5

Table 12 Number of Employees Promoted by Gender

	2021	2020	2019
Female	4	1	1
Male	6	2	1

Safe Working Environment

As Vakif REIT; We are aware that our employees are one of the most important sources of our corporate success. By not providing a business environment that respects human rights, we aim to increase the awareness of our employees within the framework of this understanding. With this awareness, we aim to create a healthy and safe working environment in order to increase the productivity and motivation of our employees and to work in better conditions.

On behalf of Vakif GYO, we maintain a professional attitude by establishing relationships with all our employees, including our subcontractors who carry out support services, within the limits of courtesy and respect. We apply our ethical principles and take the necessary measures to prevent all kinds of intimidation, discrimination and harassment actions, including psychological harassment (mobbing), that may occur among our employees. In this context, if

our employees have complaints, we have a complaint mechanism where they can be forwarded to our unit managers or directly to our Foundation REIT Disciplinary Board. The complaints are investigated in accordance with the procedure determined by our company in confidentiality and seriousness so that they cannot be used against our employee who has made a complaint. As Vakif REIT, there are no complaints made by our employees in 2019, 2020 and 2021. However, if abuse such as discrimination, harassment, etc. is detected within our complaint mechanism, we include in our company policies the processes that we will apply the necessary administrative sanctions against the responsible persons.

You can reach our Human Rights and Employee Rights Policy that we have created on behalf of Vakif REIT from [here](#).

Educational Activities

In 2021, we carried out training on a total of 17 different subjects for the development of technical knowledge, skills and competence of our employees.

At Vakif GYO, we develop the competencies of all our employees with a high level of awareness in order to create value and achieve the goals we have set. Especially today, we see the development of our employees as an important element of our success in order to adapt to globally developing and changing business trends and to maintain competitive advantage.

As Vakif REIT; In order to increase the productivity of our employees by adopting a high-performance culture, we support their professional and personal development through training. We create Annual Training Plans in line with the Training Needs Analysis we have made and the demands of our units. In addition, Orientation Training is given to our new employees. In this context, in 2021, we carried out training on a total of 17 different subjects for the development of technical knowledge, skills and

competence of our employees. In addition to focusing mainly on "Quality, Leadership and Personal Development" in the training we provided, we also implemented our Business Ethics and Corporate Culture training to protect the Strategy Plan and Organization's Health.

With the training we offer, we aim to create career development opportunities for our current employees. For this purpose, we measured that the effect of the training given in the employee satisfaction survey we conducted between 2019-2021 on business results was 92%.

In our 2021-2025 Integrated Strategic Plan, Vakif REIT plans to develop financial literacy, stock exchange literacy and architectural literacy training programs within the scope of developing employee competence with the awareness of the importance of the concept of education.

Table 13 Per Person and Total Training Hours Given to Our Employees

	2021		2020		2019	
	Per Person	Total	Per Person	Total	Per Person	Total
Female	63,3	1.203	35,8	573,5	8,4	101
Male	36,8	810	25,5	536	4,8	101,5
TOTAL	49,1	2.013	30,0	1.109	6,2	203

Table 14 Average Training Hours of Our Employees

	2021	2020	2019
Average Training Hours	49,1	30	6,2

Occupational Health and Safety Policy

On behalf of Vakif GYO; We know that protecting the health of our employees, which is one of our most important assets, and ensuring that they work in a safe environment is one of our basic responsibilities. We take all kinds of measures for our employees in accordance with occupational health and safety regulations. In this direction, we have prepared our Occupational Health and Safety Policy. Within the framework of our policy, we continuously monitor process performances and exhibit a risk-based approach to continuously improve these performances.

You can reach our Occupational Health and Safety Policy that we have established as Vakif REIT from [here](#).

As a company, we act by both national legislation and international standards. We require our contractors to have an ISO 45001 certificate within the scope of Occupational Health and Safety (OHS). Thus, we aim to minimize work accidents by creating a safe and healthy working environment in our projects.

The basis of our corporate approaches as a company; is to be sensitive to human life, to value our stakeholders and employees and to give importance to the development and training of our employees. In this context, we periodically provide occupational health and safety training to our employees.

Table 15 Occupational Health and Safety Education

	2020		
	Female	Male	Total
Occupational Health and Safety Training (Hour)	48	56	124

Table 16 Occupational Health and Safety Employees and Contractors

	2020	
	Employee	Contractor
Number of Accidents	0	180
Number of Business-Related Fatalities	0	0
Number of Occupational Diseases	0	0
Absenteeism Due to Accident	0	18 Day
Accident Frequency Rate (IR)	0	0.66
Occupational Disease Rate (ODR)	0	0
Lost Day Ratio (LDR)	0	0
Absenteeism Rate (AR)	0	0.01

Performance Evaluation Systems

In 2021, the average performance score of our employees increased and reached 83.9%.

As Vakif REIT, we attach importance to contributing to the personal and professional development of our employees within the scope of the value we give to our employees. We organize training to improve the competencies of our employees and make various systems to contribute to career development.

In order to realize our strategic goals and ensure the continuation of our success, we create career planning and systems for our employees in order to use our human capital effectively and efficiently. In this direction; In 2021, we prepared the "Vakif REIT Promotion System" through our Human Resources. With this system, we support our employees to advance in their careers in a fair and performance-based manner.

As a company, we have prepared the "Award and Gift Procedure" in order to increase the motivation of our employees and to make their performance success

continuous. In this procedure, we aimed to increase the belonging of our employees by defining the Seniority Year Gift, the Gift of Encouragement to Innovation and the Gift of Encouragement to Teamwork.

In addition, our employees, whom we see as the key to our success; In order to monitor, measure and evaluate their competencies and performances, we have created our Individual Performance Evaluation System in a fair and transparent process. With this system, we measure the performance of all our company employees at the end of the year, and with the "Performance Evaluation Interview" held between our employees and their first supervisors, we evaluate the performance results and determine the points that can be improved by providing the necessary communication to increase productivity. In 2021, the average performance score of our employees increased and reached 83.9%.

Table 17 Employee Performance Score Average

	2021	2020
Performance Score Average	%83,9	%79,4

Our Social and Relational Capital

As Vakif REIT, we see our relationship, which is based on mutual trust and understanding with our stakeholders, as our biggest social capital, as well as our corporate success with our related works. For the success of our company's social capital, we provide a flow of information based on both transparency and honesty by considering the principles of respect and value in our relations with our stakeholders. In this direction, we have prepared "Ethical Principles and Codes of Conduct" and "Customer Satisfaction Policy" for our employees. In addition to these studies, we have published the 2021 Vakif REIT Activity Report in order to ensure our salvation.

To create sustainable value within the scope of customer satisfaction, we carry out targeted studies to monitor and manage the experiences of our customers depending on the "Happy Customer" project. In this respect, we create new complaint mechanisms in order to improve our company activities with the feedback we obtain.

Within the framework of the rules we have determined, we use the communication channels we have established between our employees and our five basic stakeholder groups with high efficiency and aim to create value at the highest level from our social and relationship capital.

As Vakif REIT, we are in cooperation with many contractors within the scope of our projects. With the awareness of our impact on our contractors during this period, we put various sustainability criteria in our specifications and expect our contractors to adapt to our sustainability approach. Thus, we contribute to the formation of a more sustainable business world.

In accordance to create creating value for our society, we carry out Corporate Social Responsibility studies in various fields and aim to become a more sustainable company by strengthening the relationship we have established with our stakeholders. In addition to these, we provide support to social development through our social responsibility projects.

We contribute to the United Nations Sustainable Development Goals;



Customer satisfaction

With our efforts, we increased our customer satisfaction score to 81%.

As Vakif GYO, we aim to provide a customer experience that gives confidence beyond expectations with the products and services we offer. For this purpose, we establish management systems and carry out continuous improvement studies.

We aimed to increase customer satisfaction by determining various ethical principles and codes of conduct such as our employees providing clear, understandable and accurate information to our customers, providing accurate and complete services in a timely manner, and treating every customer equally without discriminating between customers. With this goal, we have published the Vakif REIT Customer Satisfaction Policy.

You can reach our Customer Satisfaction Policy that we have created as Vakif REIT from [here](#).

As a company, in order to protect our brand value and reputation, we regularly carry out innovative and result-oriented studies in order to handle all requests from our customers as soon as possible, meticulously and in a

way that will increase customer satisfaction. Within this framework, we established the Vakif REIT Customer Relationship Management System (CRM). With the Vakif REIT CRM system, we have integrated our company's digital communication channels such as our web page and our web pages prepared for each of our projects in our company's portfolio. Thus, we have created a structure that monitors and manages the demands, suggestions and complaints of our customers instantly through our communication channels. In accordance with our "Happy Customer" Approach; With the products and services we offer, we strive to provide a customer experience beyond expectations and to offer sustainable value to our customers. With these efforts, we increased our customer satisfaction score to 81%.

As Vakif REIT, in our integrated strategic plan that we have created with the aim of creating value, we find a strategy of "managing customer experience effectively" focused on customer satisfaction. Within the scope of this strategy, we aim to obtain ISO 10002 Customer Satisfaction Management System certification in 2022.

Stakeholder Management

We increased our brand awareness by 4.60% and increased our Corporate Reputation score by 2 points.

As Vakif REIT, we carry out honest, transparent and efficient work with all our stakeholders in accordance with our ethical rules in order to implement our strategies and increase the values we have created. In this context, being aware of the importance of communication with our stakeholders, we carry out our work regularly through the communication channels we have established. By diversifying the channels through which our stakeholders communicate with our company, we aim to include the opinions of all our stakeholders in our decision-making mechanisms to establish effective communication through every channel.

As a result of the "Corporate Reputation Survey" we conducted, we developed strategies to effectively manage our reputation and strengthen our respected position. In our Integrated Strategic Plan for the years 2021-2025, we have determined our strategic targets within the scope of the development of customer channels, the establishment and effective use of new channels.

In 2021, VakıfBank Finance Group is among the subsidiary companies of our company's 25th anniversary. We organized communication campaigns and events that we celebrated with all our stakeholders specific to the year. In addition, the corporate social responsibility projects we have developed in line with the United Nations Sustainability Development Goals; employees, suppliers, non-governmental organizations, media organizations and universities, such as all our stakeholders such as a quality which will cover the implementation of the application. We receive positive feedback from the work we carry out to continuously improve our brand awareness and reputation score before our stakeholders. With our website, which we have updated to strengthen communication with our stakeholders, we have increased the number of our annual visitors by 200%. In addition, we increased our brand awareness by 4.60% and increased our Corporate Reputation score by 2 points.

Table 19 Vakif REIT Stakeholder Table

STAKEHOLDER GROUP	SUB-STAKEHOLDER GROUP
1. Business and Governance Stakeholders	1.1 Co-Founders
	1.2 Capital Market Investors
	1.3 Regulatory and Supervisory Bodies
2. Customer	2.1 Residential Customers
	2.2 Business Customer
3. Employee	3.1 Administrator
	3.2 Employee
4. Contractors (PARTNERS) and Suppliers	4.1 Project Contractors
	4.2 Other Suppliers
5. Community Stakeholders	5.1 Sectoral Organizations
	5.2 Non-Governmental Organizations
	5.3 Universities
	5.4 Media Organizations

Stakeholder Communication Channels

As Vakif REIT, we develop and diversify our communication channels with the awareness of the importance of communication with our stakeholders. By classifying

our communication and cooperation with our stakeholders as basic and strategic, we periodically ensure our communication.

OUR COMMUNICATION CHANNELS
Board Meetings
Employee and Sector Meetings, Reports
Corporate Reputation Survey (KIA)
Customer Satisfaction Survey (MMA)
One-to-One Meeting
Coordination Meetings
Employee Satisfaction Survey (ÇMA)
Specification and Contract
Legislation
Launches
Ads
Website, E-mail and Phone Number

Our Responsible Supply Chain

On behalf of Vakif REIT, we expect our suppliers to comply with our ethical principles and to act in accordance with the Labor Law and the International Labor Organization (ILO) agreement and other relevant legislation signed by Turkey. With this principle, we only work with suppliers who have a way of doing business in accordance with our occupational health and safety criteria. We prefer to work with business suppliers who can adapt to the systems we implement, who can manage their risks and opportunities in the technical, operational and financial fields by prioritizing improvement studies. We carry out all our construction activities through the main contractors in accordance with the CMB communiqué. We continue to work in cooperation with our suppliers in order to realize the sustainability strategies established by our company. For this reason, we see supplier selection as a critical issue. In order to ensure that our strategies are compatible with the strategies of our contractors, we add relevant sustainability criteria to our specifications

As Vakif REIT, we believe that we shape the future of the sector by developing common strategies on water, energy, waste etc. in our supply chain processes. Supply chain sustainable development: We aim to lead sectoral change by being aware that it will be supported by technical, management, process and cultural innovations.

In our projects, our inputs and outputs are in terms of sustainability; We have a supply chain system that will positively affect the quality of life of the society with environmental factors such as being sensitive to the environment, suitable for recycling and allowing effective resource use. We expect our suppliers to have ISO 9001 Quality Management System, ISO 45001 Occupational Health and Safety Management System and ISO 14001 Environmental Management System certificates. At the same time, we pay attention to the use of Environmental Product Declaration (EPD) certified products within the scope of our Green Building studies in our projects.

As Vakif REIT; In addition to establishing transparent, honest and trust-based business relations with our suppliers, we aim to work with suppliers that increase sustainability awareness, respect society and the environment, and add value to the sector in which they are located. We aim to reduce our negative ethics toward the world with our supplier selections made by considering social and environmental criteria. In this context, we have made supplier evaluations for our "Tablo Adalar" and "Cubes Ankara" projects in 2021. As a result of the evaluations, we terminated our business relations with the suppliers who were observed to be incompatible in the context of social and environmental criteria.

Number of Suppliers	2021
Local	31
Evaluated according to Social and Environmental criteria	7
Evaluated according to social criteria	9
Evaluated according to environmental criteria	3
Termination of employment relationship due to non-compliance with Social and Environmental Criteria	5

*Table Adalar/Cubes Ankara projects in Vakif REIT's portfolio are included in the data.

Vakif REIT Corporate Social Responsibility

As Vakif REIT, a member of the Vakifbank Finance Group, we have been acting with our roots in the society and the world in mind in our activities since the day it was founded with the effect of the REIT heritage in our roots. Leaving behind the traditional profit-oriented mindset, we aim to be an organization that cares about our impacts on society and the environment, develops our relations with our stakeholders and focuses on sustainability. In this context, we see Corporate Social Responsibility projects as an important way to increase the value we add to society. By taking the United Nations Sustainable Development Goals (SDGs) as a guide, we carry out social responsibility activities that support the objectives.

As Vakif REIT, we are complying with our Corporate Social Responsibility policy that we have established in our corporate social responsibility activities process. We work in harmony to support social responsibility with national and international associations, non-governmental organizations and organizations that support behaviours and commitments related to the content of the policy.

You can reach our Corporate Social Responsibility Policy that we have created as Vakif REIT from [here](#).

Our social responsibility activities are also our priority in the SDGs;



Corporate Social Responsibility Activities

As Vakıf REIT, we have carried out various activities within the scope of social responsibility.

25th Anniversary Forest

As Vakıf REIT, to be a breather for the future with our Corporate Social Responsibility understanding and sustainability approach, "Vakıf REIT 25. Year Memorial Forest".

In our 25th year, we are fulfilling our responsibilities to build the structures of the future on the one hand and to leave a livable world to the additional generations of the future on the other. As a result of our cooperation with the General Directorate of Forestry, we carried out a tree-planting activity with all our colleagues to leave a green memory for the future.



VakıfBank Volleyball Team

As Vakıf REIT, we continue to be a supporter of sports and athletes, which we believe to be a part of universal culture. We are proud to support VakıfBank Sports Club, which has achieved great success, since 2017.

VakıfBank Volleyball Team, which is the pride of Türkiye, the team that has won the most trophies in the international arena and the team that has won the first and most Champions League Championships in Türkiye; The Women's International Volleyball Federation (Fédération Internationale de Volleyball-FIVB) has twice qualified for the Guinness Book of Records as the "Most Winning Team" at the Club World Championship. In addition, with 5 trophies won in 2012, it became the only undefeated team by winning all the trophies that a volleyball team could win. As a member of the VakıfBank Financial Group, we supported the education of our girls in sports to add value to society and the world. We have made investments to bring our talented young people, who are the athletes of the future, to the world of sports.

Achievements;

- 4 FIVB CLUB WORLD CHAMPIONSHIP CHAMPIONSHIPS
- 5 CEV CHAMPIONS LEAGUE
- 13 Turkish League CHAMPIONS
- 2 Guinness WORLD RECORDS
- 8 Turkish Cup CHAMPIONS
- 4 Turkish Champions Cup CHAMPIONS
- 1 European Challenge Cup CHAMPION
- 1 European Top Teams Cup CHAMPION
- 1 FIVB Club World Championship RUNNER-UP
- 2 European Cup RUNNERS-UP
- 3 European Champions League RUNNERS-UP
- 3 FIVB Club World Championship THIRD Place
- 2 European Champions League THIRD place



Collaborations and Associations Membership

As Vakıf GYO, we aim to improve our communication and coordination processes by cooperating with sectoral non-governmental organizations in line with our strategy of “strengthening our respected position by managing reputation effectively” in our integrated strategic plan.

In line with this goal, our employees participate in the activities and activities of sector NGOs such as GYODER, KONUTDER, TMB, ÇEDBİK and INDER.

The associations and collaborations we are a member of:

Associations We Are A Member Of



Our Collaborations

The Association of Real Estate Investors (GYODER) was founded in 1999 by representatives of real estate investment partners in Türkiye. As Vakıf GYO, the association; We have representatives in the Real Estate Technologies and Entrepreneurship, Sustainable Urban Development, Organization, Tourism Investments, Green Buildings and Sustainability committees and play an active role. Within the scope of the Green Buildings and Sustainability committee, we carry out studies on LEED certification, YES TR and Green Deal.

Turkish Quality Association (KALDER) was established in 1991 with the gathering of leading representatives of the industrial sector. The association continues to work with the vision of being a non-governmental organization that guides sustainable business and quality of life and leads transformation. Accordingly, as Vakıf REIT, we signed a Declaration of Good Will and joined the National Quality Movement. In 2021, the first year we participated, we were entitled to receive the Competence in Outstanding Performance-4 star certificate.

Corporate Governance Association of Türkiye (TYKD) was established in 2003 as a voluntary non-governmental organization in order to spread and develop the understanding of corporate governance in our country. The association follows the principles of fairness, transparency, accountability and responsibility to serve its purpose; It works closely with the private sector, public institutions, media, academia and non-governmental organizations.

Investor Relations Association (TÜYİD) was established in 2009 with the aim of producing professional knowledge and reaching world standards in the field of investor relations. The Association contributes to the achievement of fair market values for its members; It helps them gain depth in the Turkish capital markets.

Our Natural Capital

Today, climate change has become one of the biggest risk factors for all companies on a global scale. As Vakıf REIT, which has an integrated approach, creating our strategies by taking into account the risks and opportunities in our corporate management is an indispensable point of our way of doing business. For this reason, it is one of our top priorities to fight against climate change in order to protect our natural capital.

As Vakıf REIT, we comply with all environmentally burdened legislation and laws, and we are constantly in a position to minimize our impact on the environment while our activities continue to be traced. Within the scope of our sustainability policy that we have created in line with this effort, we have included the title of combating climate change and undertake that we will carry out various studies to control our effects on the environment. Within this framework, we have measured and reported our greenhouse gas emissions in 2021. In our projects, we have carried out comprehensive studies on waste management systems, energy and water efficiency.

Within the scope of our sustainability policy, we aim to create environmental awareness for our stakeholders and to create various values such as ensuring ecosystem sustainability by carrying out activities for the protection of natural resources in our projects.

The United Nations Sustainable Development Goals to which we contribute;



Combating Climate Change

By evaluating the risks and opportunities created by the process of combating climate change, we implement productivity studies and update our business targets.

Climate change is one of the most important global challenges today. Because of global warming, temperature increases, drought, floods and fires, due to extreme weather events, rising sea levels, melting of ice, ecological stability and biodiversity are at risk. The mentioned global warming-based problems affected various areas of human life.

As Vakif REIT, we are aware of our responsibilities within the scope of climate change for a more livable and sustainable future and we act consciously in all the activities we carry out within this framework.

As the Foundation, we are working on product sustainability to fight climate change. In order to build a sustainable future, we aim to ensure that our project buildings are in a healthy and ecological living area, aiming to bring their compliance to the Green Building criteria in all our buildings, especially the LEED Gold Certified Istanbul International Finance Center. In line with this goal, we care about energy savings, water efficiency and ecology-sensitive material selection in our buildings.

As Vakif REIT, we put the concept of sustainability in a central position while determining our strategies and targets. By evaluating the risks and opportunities created by the process of combating climate change, we implement efficiency studies and update our business targets.

Greenhouse Gas Emissions

At Vakif REIT, we are working to keep greenhouse gas emissions from our operations at a low level since the design study. In this direction, we take care to choose low-carbon emission materials in order to comply with Green Building standards and aim to reduce our emissions with our approaches to energy, water efficiency, biodiversity, etc.

In 2021, within the scope of the Istanbul International Finance Center (IUFM), Tablo Adalar and Cubes Ankara projects and the activities of our General Directorate, we

measured our emissions by ISO 140064: 2018 Standard and prepared the "Greenhouse Gas Inventory Report" in line with these measurements.

As a result of our activities in the period 01.01.2021–31.12.2021, we have reduced the total greenhouse gas emission for 1 year to 100,988.57 tCO₂. The Authority has set Category 1 Emissions for 2021 at 963,55 tCO₂ e and Category 2 Emissions at 1,185.19 tCO₂ e level.

Table 20 Carbon Emissions

ISO 14064:2006	ISO 14064:2018	Category Name	Carbon Emissions (tCO ₂ e)	Total Odds
Scope 1	Category 1	Direct Greenhouse Gas Emissions	963.55	1.0%
Scope 2	Category 2	Indirect Greenhouse Gas Emissions from Imported Energy	1,185.19	1.2%
	Category 3	Indirect Greenhouse Gas Emissions from Transport	939.76	0,9%
Scope 3	Category 4	Indirect Greenhouse Gas Emissions from the Products Used by the Authority	97,839.62	96,9%
	Category 6	Indirect Greenhouse Gas Emissions from Other Sources	60.45	0.06%
TOTAL			100,988.57	100%

In 2021, the total number of employees in our General Directorate is 41 people and the total surface area of Vakif REIT projects is 546.330 m². 01 January – 31 December 2021 for the period of 3 January – 31 December 2021; According to the Category 1 and Category 2 emission

totals, the unit carbon footprint per m² is 0,0038 tCO₂-e/m². Belonging to the General Directorate; The unit carbon footprint per employee relative to the sum of Category 1 and Category 2 emissions is 2,365 tCO₂-e/number of

Table 21 Unit Carbon Footprint by Category 1+2 E missions

	Unit of Quantity	Quantity	Unit Carbon Footprint tCO ₂ e /quantity
General Managment	Number of Employees	41	2.365
Vakif REIT Projects	m ²	546,330	0.004

*Tablo Adalar/ Cubes Ankara / IUFM projects currently being carried out by Vakif REIT are included in the data.

Table 22 Unit Carbon Footprint by Total Emission Amounts

	Unit of Quantity	Quantity	Unit Carbon Footprint (tCO ₂ e /quantity)
General Managment	Number of Employees	41	3.162
Vakif REIT Projects	m ²	546,330	0.185

*Tablo Adalar/ Cubes Ankara / IUFM projects currently being carried out by Vakif REIT are included in the data.

Waste Management

We prevent resource waste, reduce waste generation and ensure that it is collected separately from the source.

As Vakif REIT, we are ranked 12th in our projects within the Sustainable Development Goals. We aim to follow the Responsible Production and Consumption item. In this context, we take care to use local materials with recycled content by using the materials used in building construction most efficiently. We aim to create strategies to reduce the waste generation caused by the use of the building during and after construction and we support a circular economy where resources are not wasted. With our Zero Waste system established in our General Directorate in 2021, we prevent resource waste, reduce waste generation and ensure that it is collected separately from the source.

We strive to show maximum sensitivity in waste management in our projects and in this context, we demand that our

developers have ISO 14001 Environmental Management System certificate. Our projects are also our waste management strategy; With the waste management policy, we carry out studies to reduce waste generation, type waste to return, minimize the use of natural resources and ensure sustainable waste management. Our general strategy plan is to identify the wastes that occur during the construction phase of the project and to collect, separate, label, store and send the wastes to waste management facilities. As project managers, we are sensitive to the environment, nature and ecosystem and we send the wastes coming out of our project site through accredited companies and environmental consultants in accordance with the criteria of the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye and all relevant legal directives.

Table 23 Waste Amount

Waste Amount (t)	2021				Total
	Hazardous Waste		Non-Hazardous Waste		
	Biogenic Waste	Non-Biogenic Waste	Biogenic Waste	Non-Biogenic Waste	
Headquarters	0	0	0	0,03	0,03
Tablo Adalar	0	0	0	27.856,00	27.856,00
Cubes Ankara	0	0	0	8.235,37	8.235,37
IUFM	0	0	6.050,00	45.349,00	51.399,00
Total	0	0	6.050,00	81.440,40	87.490,40

Water Management

Thanks to the “rainwater treatment system falling on the roof” and the use of grey water, which we have established in our International Finance Center, we aim to reduce our water consumption by 45% by creating alternative water sources.

Today, we are facing crises that threaten the future of humanity such as global warming, environmental pollution and depletion of natural resources. The World Resources Institute (WRI) states that Türkiye is a semi-arid country and belongs to the risk group. As Vakif REIT, we are aware of the critical importance of using water resources efficiently and we aim to minimize our water consumption by using the most efficient water fixtures in our projects. In addition, thanks to the “rainwater treatment system

falling on the roof” and the use of grey water, which we have established in our Istanbul International Finance Center, we aim to reduce our consumption by 45% by creating alternative water sources, and we aim to reduce our consumption as much as possible in landscape design. We prefer plant species that are suitable for the current climate, consume little water and have efficient irrigation fog.

Table 24 Water Consumption from the Network

Water Consumption (m ³)	2021
Headquarters	454.00
Tablo Adalar	908,000
Cubes Ankara	1,794,000
IUFM	3,645,87
Total	6,801.87

Energy Management

Through the energy analyzers and building automation systems we have used in our IUFM project, we instantly analyze the realization rate of our targets within the scope of energy efficiency.

At Vakif REIT, energy efficiency is one of our focal points in our goal of reducing our carbon footprint. In the design of our projects, we work to design buildings with efficient energy by evaluating the conditions specific to the location and using efficient systems. At the same time, we aim to supervise the process of taking the mechanical and electrical systems to the giant eye before the use of the building and to bring the energy consumption of our project to the best possible level with efficiency verifications. Through the energy analyzers and building automation systems we have used in our IUFM

project, we instantly analyze the target and zin realization rate within the scope of energy efficiency and from the design stage to ensure energy efficiency. We make our supply selections in line with the selection of mechanical equipment, building shell glass, wall, roof performance values and lighting efficiency.

In 2021, the General Directorate and our actively continuing projects; The total energy consumption made by IUFM, Tablo Adalar and Cubes Ankara was measured as 21.950,81 GJ.

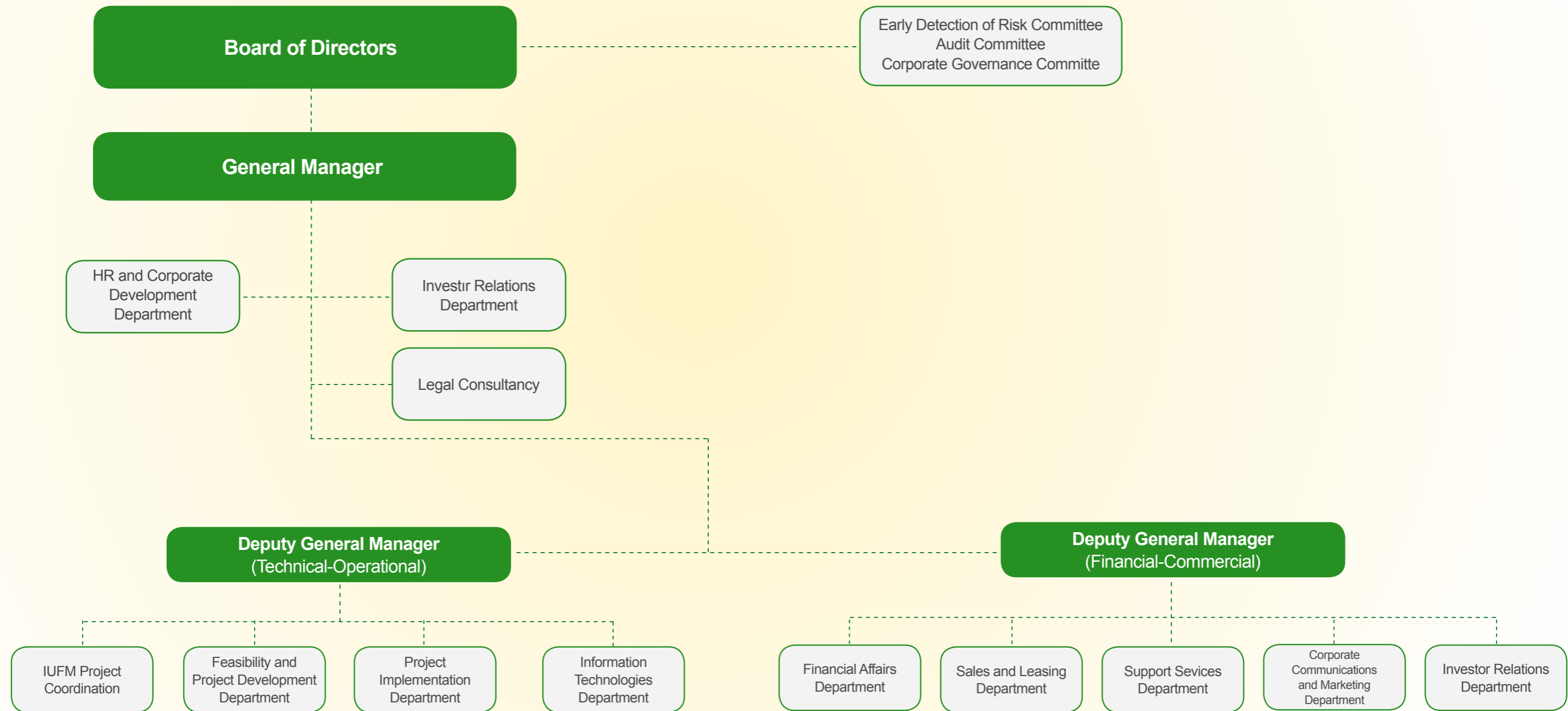
Table 17 Energy Amount

Energy Type (GJ)		2021
Constant Combustion	Natural gas	969.11
	Generator Diesel	3,882.48
Moving Combustion	Diesel	7,247.71
Electricity Consumption	Electricity-Mains	9,851.51

*Table Adalar/Cubes Ankara/IUFM projects currently being carried out by the General Directorate and Vakif REIT are included in the data.

Vakif REIT Corporate Governance

Organization Chart



Members of the Board of Directors

Mikail Hıdır

Chairperson of the Board of Directors

Born in 1979 in Kepsut/Balıkesir, Mikail HİDIR graduated from Ankara University Law School in 2000 and worked as an attorney-at-law for a while. In 2003, he started his banking career as a Deputy Inspector in Vakıfbank, and following his position as an Inspector, he worked as a Supervisor of Follow-Up Teams, Director of Compliance, Director of Credit Monitoring and Follow-Up, and Head of the Internal Control Department. Additionally, he served as Deputy General Manager for Güneş Sigorta AŞ and as a Board of Directors Member at Vakıfbank International AG Vienna. Assigned as the Deputy General Manager of Vakıfbank on 13 December 2018, Mikail HİDIR speaks English. At the 2019 Ordinary General Assembly Meeting held on 22.06.2020, he was elected as a Member of our Company's Board of Directors, and is currently the Chairman of the Board of Directors. Pursuant to the Communication on Corporate Governance (II-17.1) by SPK, Mikail HİDIR's election as a Board of Directors Member does not in any way cause adverse circumstances that may affect the Company's operations.

Dr. Şükrü Mete Tepegöz

Vice Chairperson of the Board of Directors

Şükrü Mete TEPEGÖZ graduated from the Department of Business Administration, the Faculty of Economics and Administrative Sciences, Karadeniz Technical University in 1991, received his master's degree from the Department of Business Administration, the Graduate School of Social Sciences in the same university and, completed his doctorate in 2018 and received PhD degree from the Department of Accounting and Audit, the Institute of Social Sciences, Istanbul Commerce University, in the field of "Internal Control in Financial Institutions". He began his career in 1995 as an inspector for Rumeli Holding AŞ. He has held various positions in T.Vakıflar Bankası T.A.O. between 1997 and 2013 as Inspector; Assistant Manager, Directorate of Commercial Loans, Head Office; Branch Manager, Dolayoba, İstanbul; Branch Manager, Merter; Branch Manager, Levent; and Manager, Corporate Loans, Head Office respectively. Mr. Tepegöz has served as Branch Manager, Bankalar Caddesi; Branch Manager, Bayrampaşa Çarşısı; Branch Manager Beşyüzevler for QNB Finansbank AŞ between 2013 and 2018 and, he has been serving as President, Management of Special Loans, Head Office, T.Vakıflar Bankası T.A.O since 2019. Mr. Şükrü Mete TEPEGÖZ was appointed to the position of Member of the Board of Directors of Vakıf Gayrimenkul Yatırım Ortaklığı AŞ as of 02.03.2020 and, his election to the position of Member of the Board of Directors does not create any unfavourable situation that may affect the activities of the Company as per the CMB's Corporate Governance Communique (II-17.1).

Onur İncehasan

Member of the Board of Directors Managing Director

He graduated from the Department of Mechanical Engineering, the Faculty of Engineering and Architecture, Gazi University in 1997. He received his Master's Degree from the Department of Business Administration, (MBA), Gazi University between 2014 and 2015. After a short private sector experience, he began his professional career as a Project Manager for İstanbul Gaz Dağıtım Sanayi ve Ticaret Anonim Şirketi (İGDAŞ) in 1998.

Holding various positions for İGDAŞ between 1998 and 2020, Mr. İncehasan served as Educational Specialist between 2003-2004, as Quality Manager between 2007 and 2008, as Anatolian Regional Manager between 2008 and 2018, as Assistant General Manager between January 2015, and August 2017 and, as Management Consultant. During his career as an executive, he has led many projects intended to issue technical specifications and principles, prepares directives and standards, use public funding in an efficient and productive manner and, improve customer processes and, on the occasion of one of these projects, he was honoured by the National Productivity Center as the "Employer of 2007".

He has served as an executive for various non-governmental organizations. Onur İNCEHASAN started to hold the position of General Manager of our Company in March 2020 and, he is married and the father of 3 children. He was elected to the position of Member of the Board of Directors of our Company on 19.03.2020. His election to the position of Member of the Board of Directors does not create any unfavorable situation that may affect the activities of the Company as per the CMB's Corporate Governance Communique (II-17.1).

Tevfik Erpek

Member of the Board of Directors Member of the Early Detection of Risk Committee Corporate Governance Committee Member

Born in 1981 in Ankara, Tevfik ERPEK completed his elementary and high school education in Ankara, and his university education at Anadolu University, Faculty of Economics and Administrative Sciences, Department of Economics in 2003. Starting his banking career in 2004 at Türkiye Vakıflar Bankası T.A.O., he worked as the Çarşı/Kadıköy Branch Manager and Director of Commercial Banking, Sales Coordination, respectively. Having been assigned as the SME Banking Marketing Director in 2019, Mr. Erpek is currently serving as the Director. At the 2019 Ordinary General Assembly Meeting held on 22.06.2020, he was elected as a Member of our Company's Board of Directors. Pursuant to the Communication on Corporate Governance (II-17.1) by SPK, Tevik ERPEK's election as a Board of Directors Member does not in any way cause adverse circumstances that may affect the Company's operations.

Arzu Şahin

Member of the Board of Directors

Born on 28.09.1975, Arzu Şahin completed her high school education at Darüşşafaka Private High School, and university education in Marmara University, Faculty of Economics and Administrative Sciences, Department of Public Finances. Starting her career in 1998 as a deputy inspector at Türkiye Vakıflar Bankası T.A.O., she assumed managerial positions at the same bank's Mecidiyeköy, Esentepe Corporate Center, Kozyatağı Corporate Center and İmes Dudullu Commercial Branches. As of January 2020, she is the T. Vakıflar Bankası T.A.O. Corporate Banking Marketing Director. She is married with two children. At the 2019 Ordinary General Assembly Meeting held on 22.06.2020, she was elected as a Member to our Company's Board of Directors. Pursuant to the Communication on Corporate Governance (II-17.1) by SPK, Arzu ŞAHİN's election as a Board of Directors Member does not in any way cause adverse circumstances that may affect the Company's operations.

Rıfat Demirbaş

Member of the Board of Directors (Independent)

Chairperson of the Early Detection of Risk Committee

Member of the Audit Committee

He was born in 1965, in Kırşehir. He completed his Primary School, Middle School and High School education in Ankara. He graduated from Ankara Gazi University, Faculty of Engineering and Architecture, Department of Architecture in 1988. He completed his Postgraduate education, which he started in 1990 at Gazi University, Faculty of Engineering and Architecture, Department of Architecture, in the year 1993.

Between the years 1989 and 1994, he worked as an Architect and Control Supervisor at Obaköy AŞ, which is an investment company owned by Vakıflar Bankası Pension and Support Fund Foundation.

In 1995, he started working as a Master Architect in Vakıflar Bankası General Directorate, Construction and Real Estate Group. Between 1995 and 2007, he held positions as a Control Supervisor and deputy director for the bank's projects and construction works across Turkey. During the same period, he also worked as the deputy director and acting director of real estate operations which involved the purchase, sale and leasing of real estate properties.

Having worked in various projects and construction contracts in the private and public sectors since 2007, Demirbaş is married and has one daughter. At the 2019 Ordinary General Assembly Meeting held on 22.06.2020, he was elected as a Member to our Company's Board of Directors. Pursuant to the Communication on Corporate Governance (II-17.1) by SPK, Rıfat DEMİRBAŞ's election as a Board of Directors Member does not in any way cause adverse circumstances that may affect the Company's operations.

Ömer Demir

Member of the Board of Directors (Independent)

Chairperson of the Corporate Governance Committee

Born in Trabzon in 1973, Ömer Demir completed his primary, secondary and high school education in Trabzon and was graduated from Rize Vocational High School in 1995. Between 1997 and 2002, he worked as a field technician. Ömer Demir, who is married has 3 children, and is currently self-employed. At the 2020 Ordinary General Assembly Meeting held on 02.04.2021, he was elected as a Member of the Board of Directors of our Company. The election of Ömer Demir as a Member of the Board of Directors does not constitute any adverse situation that will affect the company's activities in accordance with the Capital Markets Union's Corporate Governance Communiqué (II-17.1).

Korhan Turgut

Member of the Board of Directors

Korhan Turgut was born in Diyarbakir in 1983 and was graduated from Hacettepe University's Department of Economics in 2005 and received his master's degree in Economics from Hacettepe University. He is currently studying for a PhD in Banking at Marmara University.

In 2006, Korhan Turgut started to work as Deputy Inspector at The Turkish Joint Stock Company of Türkiye Vakıflar Bankası. He worked as an inspector until 2013 and then as a Director in the Credit Reporting and Financial Control Directorate. As of June 2016, he continues to serve as The General Accounting and Financial Affairs Chairman of Türkiye Vakıflar Bankası Joint Stock Company. At the 2021 Ordinary General Assembly Meeting held on 02.04.2020, he was elected as a Member of the Board of Directors of our Company. The election of Korhan Turgut as a Member of the Board of Directors does not constitute any adverse situation that will affect the company's activities in accordance with the Capital Markets Union's Corporate Governance Communiqué (II-17.1).

Mustafa Şengül

Member of the Board of Directors Chairperson of the Audit Committee

Mustafa Şengül graduated from Ankara University Faculty of Law in 2000 and completed his legal internship in 2001. He is a founding partner of Ligos Law Firm from the very beginning of his legal career. His specialty focuses on commercial and corporate law, banking and finance law, real estate law real estate investment consultancy, and legal and criminal proceedings arising from occupational health and safety. Şengül has participated in various university and international projects as a speaker and trainer in lecturing events and seminars regarding occupational accidents and occupational safety in recent years.

Since 2011, Şengül has also been acting as the chairman/member of the board of directors in various companies, operating in the defense industry, informatics, real estate development and investment sectors.

At the 2021 Ordinary General Assembly Meeting held on 31.03.2022, he was elected as a Member to our Company's Board of Directors. Pursuant to the Communication on Corporate Governance (II-17.1) by SPK, Mustafa Şengül's election as a Board of Directors Member does not in any way cause adverse circumstances that may affect the Company's operations.

Senior Board of Directors

Name	Appellation
Onur İncehasan	Managing Director
Esat Horoz	Deputy General Manager Technical-Operational
Hasan Gürsel Öztamur	Deputy General Manager Financial - Commercial

Vakıf REIT Committees

Committees are formed and authorized by our Board of Directors. In order to ensure that the Board of Directors fulfills its duties and responsibilities in a healthy manner, committees were formed under the names of "Audit Committee", "Early Detection of Risk Committee" and "Corporate Governance Committee". In addition, separate committees have not been established as "Nomination Committee and Remuneration Committee" and the duties of these committees are carried out by the Corporate Governance Committee.

The duties, working principles and which members the committees will consist of are determined by the board of directors and explained in the KAP as included in the <https://www.kap.org.tr/tr/Bildirim/918505> link.

Audit Committee

Duties and Responsibilities:

- Committee Responsible for Auditing; The accounting system of the company carries out public disclosure of financial information, independent auditing and oversight of the operation and effectiveness of the company's internal control and internal audit system.
- The selection of the independent audit institution, the preparation of independent audit contracts and the initiation of the independent audit process and the work of the independent audit organization at each stage are carried out under the supervision of the Committee Responsible for Auditing.
- The independent audit institution to which the Company will receive services and the services to be obtained from these institutions are determined by the Committee Responsible for Auditing and submitted to the approval of the Board of Directors.
- The methods and criteria to be applied in the examination and conclusion of the complaints received by the company regarding the accounting, internal control and internal audit system and independent audit of the company and the evaluation of the company's notifications on accounting and independent audit issues within the framework of the confidentiality principle are determined by the Committee in Charge of Auditing.
- The Committee in Charge of Auditing shall submit to the Board of Directors in writing the valuation of the annual and interim financial statements to be disclosed to the public regarding the accounting principles followed by the company and their fairness and accuracy, together with their own valuation, by taking the opinions of the responsible managers and independent auditors of the company.
- The Committee shall immediately notify the Board of Directors in writing of its determinations regarding its duties and responsibilities, its evaluations and recommendations on the subject.
- The Committee in Charge of Audit shall fulfill other duties and responsibilities assigned by the Board of Directors.

Our 2021 Activities

The committee responsible for the audit is formed and authorized by the Board of Directors. The committee is chaired by Mr. Hakan TAŞCI and the member is Mr. Rifat DEMİRBAŞ. The Committee acts within its own authority and responsibility, makes recommendations to the Board of Directors and prepares reports when necessary and submits its opinion to the Board of Directors. However, the responsibility for the final decision always lies with the Board of Directors.

The Committee Responsible for Audit took 8 decisions during the relevant period and submitted them to the Board of Directors. The Committee has prepared four quarterly reports on the basis that the Company's financial statements have been prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards and the accounting principles monitored and that the Board of Directors has been informed that it has been found to accurately reflect the Company's financial position. In addition, he prepared four committee reports in three-month periods and submitted them to the Board of Directors. In addition, he conveyed his opinions on the election of the independent audit company for 2021 and the updating of the Internal Audit Regulation to the Board of Directors. In addition, due to the paid-up capital increase realized by the Company in 2021, the Capital Markets Board stated in Article 33 of the Share Communiqué No. VII-128.1; "In the case of paid capital increases to be made by public partnerships whose shares are traded on the stock exchange, as to whether the fund obtained from the capital increase is used in the specified manner; For partnerships that are opened to the public, a report must be prepared within 10 working days following the announcement of the first two financial statements announced to the public and containing the results of the capital increase after the completion of the capital increase and the said report must be published on the website of the partnership and in the KAP.

This obligation shall be fulfilled by the committee responsible for the audit within the partnership." He prepared three reports in accordance with his provision. These reports were disclosed in the KAP within the periods specified in the legislation.

Corporate Governance Committee

Duties and Responsibilities

- a) The Corporate Governance Committee determines whether the corporate governance principles are applied in the Company, and if not, the justification and the conflicts of interest that arise due to the non-compliance with these principles and makes recommendations to the Board of Directors to improve corporate governance practices.
- b) Oversees the work of the Investor Relations Unit of the Company. In this context, the Committee determines the basic principles regarding the Company's communication with investors and regularly reviews them.
- c) The Corporate Governance Committee, together with the Investor Relations Unit, submits to the Board of Directors developer suggestions that serve the purpose of ensuring effective communication between the company and its shareholders, resolving and resolving any disputes that may arise.
- d) The Committee reviews the Company's Corporate Governance Principles Compliance Report before it is published in the Company's annual report and submits its opinions to the Board of Directors.
- e) The Committee makes recommendations and evaluations for determining or amending the Company's Disclosure Policy and submits it to the Board of Directors. It ensures that the Disclosure Policy covers the minimum content determined in the legislation in terms of the Company's communication with the stakeholders and that the documents, presentations and explanations prepared by the Company for informational purposes are prepared in accordance with the Disclosure Policy by reviewing the scope, nature, amount and accuracy.
- f) Carries out studies for the establishment of a corporate governance culture within the company and its adoption by managers and employees at all levels. Follows domestic and international developments in the field of corporate governance and investigates the possible effects on the Company.
- g) The Corporate Governance Committee shall fulfill other duties and responsibilities to be assigned by the Board of Directors in relation to its field of duty.
- h) The Corporate Governance Committee shall also perform the duties of the Nomination Committee and the Remuneration Committee.

Our 2021 Activities

The Corporate Governance Committee established by the Board of Directors is chaired by Mr. Ömer DEMİR, and the members are Mr. Ahmet YILMAZ and Mrs. Ebru BOZDOĞANGİL. The committee responsible for corporate governance, during the period; To ensure that the Corporate Governance Principles are developed and implemented within the Company, to make recommendations to the Board of Directors to improve corporate governance practices, to observe the work of the Investor Relations Unit, to make recommendations regarding the number and election of the members of the Board of Directors, the functioning structure and effectiveness of the Board of Directors and its affiliated committees by taking into account the Corporate Governance Principles, to make recommendations regarding the company's work in the areas in which the Company operates, He carried out studies throughout the period in order to create an agenda for the Board of Directors on the prediction of risks and taking measures to eliminate and/or reduce the possible negative effects of these risks. In addition, the Corporate Governance Committee has also undertaken the duties of the "Nomination Committee" and the "Remuneration Committee" in our Company. In 2021, the Committee examined the Corporate Compliance Report for the 2020 accounting period and the Investor Relations Department Annual Report for 2020 and submitted it to the Board of Directors during this period.

Early Detection of Risk Committee

Duties and Responsibilities

- a) The Committee for the Early Detection of Risk; It carries out studies in order to diagnose the risks that may endanger the existence, development and continuation of the company, to take the necessary measures regarding the identified risks and to manage the risk.
- b) The Committee will be able to minimize the effects of risks that may affect all stakeholders, especially shareholders. The Company submits its suggestions and opinions for the establishment and development of the risk management system to the Board of Directors in writing.
- c) Reviewed the risk management system of the Company at least once a year.
- d) Oversees the implementation of risk management practices in accordance with the decisions of the Board of Directors and the Committee.
- e) Reviewed the determinations and evaluations related to the risk management issue to be included in the annual report of the Company.
- f) The Early Detection of Risk Committee shall fulfill other duties and responsibilities to be assigned by the Board of Directors in relation to its field of duty.

Our 2021 Activities

Mr. Murat NUHOĞLU is the chairman of the Early Detection of Risk Committee established by the Board of Directors of our Company in accordance with the TCC and capital market legislation in order to diagnose the reasons that endanger the existence, development and continuation of the company, to implement the necessary measures and remedies for this purpose and to manage the risk, and Mr. Tevfik ERPEK is the committee member. In 2021, it evaluated the risks every two months and prepared 6 reports on this assessment and submitted them to the Board of Directors.

Corporate Risk Management Process

As Vakif REIT, taking into consideration the Corporate Governance Principles and Standards with our Early Detection of Risk Committee and Audit Committee established by our Board of Directors; that our company's activities are carried out in line with our matches, that they act in accordance with the financial statements and the relevant laws and legislation, that an environment of trust has been established, that the main risks have been determined in line with the targets set, that they are constantly observed and minimized. and we are frequently and continuously reviewing existing internal control activities.

- According to Law No. 5018 and CMB regulations, as Vakif REIT, we have been continuously developing and implementing Internal Control and Internal Audit practices, which are the two basic components of Corporate Risk Management, since 2014. Currently, within the scope of our "Enterprise Risk Management Process"; By determining the risks at the strategic and operational level through our Internal Control Commission, we created the Vakif REIT Risk Universe and Internal Control Plan. We ensure the effectiveness of the Internal Control system through the Internal Audit Systems established by our Audit Committee affiliated with our Board of Directors and our Early Detection of Risk Committee. In 2021, the Corporate Risk Management Procedure is determined by the Internal Control Commission. We rate these risks and opportunities as low-medium-high. We take action for medium and high-level risks and opportunities and create an Internal Control Plan. Our risk and opportunity management process (risk identification, assessment and control) are evaluated by our Commissions and senior management at the end of each year or at times of necessity at the Management Review meetings and we ensure that the necessary measures are taken according to the results of the evaluation.

We identify risks and opportunities at three levels: strategy, process and real estate project risk and opportunities.

- The first level is the stage of assessing strategic risks and opportunities. Within the scope of the strategic plan, we evaluate the strategies we have determined by making SWOT, PESTEL and other analyzes related to internal and external issues and taking into account the needs and expectations of the relevant parties.
- The second level is the identification and evaluation of risks and opportunities for our processes. In addition to our Internal Control Commission in determining risks and opportunities; all our units make evaluations about their own processes and calculate risk and opportunity scores.
- The third level is to identify and manage risks and opportunities by our GMM (Technical-Operational) team on a project basis.

Corporate Governance Rating

We have signed a one-year Corporate Governance Rating Agreement between our Company and Kobirate International Credit Rating and Corporate Governance Services Inc. with effect from June 23, 2021.

In accordance with this agreement, as Vakif REIT, our Compliance with Corporate Governance Principles Rating has been determined as 8.28 as of 30.09.2021.

The note we have received shows that our Company has significantly complied with the Corporate Governance Principles published by the CMB and that BIST deserves to be traded in the Corporate Governance Index.

The Corporate Governance Ratings I have received according to the departments are indicated in the table below.

Partitions	Corporate Governance Rating
Shareholders	82.53
Public Disclosure and Transparency	84.19
Stakeholders	80.83
Board	82.86

Declaration of Independence

DECLARATION WITHIN THE SCOPE OF THE COMMUNIQUÉ ON THE DETERMINATION AND IMPLEMENTATION OF CORPORATE GOVERNANCE PRINCIPLES

1) Between the company, the partnerships in which the company has management control or significant influence, and the partners who hold or have significant influence over the company and the legal entities over which these partners have management control, and myself, my wife and my blood and blood relatives to the second degree; in a managerial position to assume important duties and responsibilities within the last five years; that I do not have an employment relationship, that I do not own more than 5% of the capital or voting rights or preferred shares, jointly or alone, or that no significant commercial relationship has been established,

2) In the last five years, I have not worked in a common (5% or more) managerial position to assume important duties and responsibilities in companies where the company has purchased or sold services or products to a significant extent within the framework of the agreements made, in particular in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, during the periods when services or products are purchased or sold. or that I am not a member of the Board of Directors,

3) Since I am an independent member of the Board of Directors, I have the professional training, knowledge and experience to fulfil the duties I will undertake properly,

4) Income Tax Act (G.V.K.) that I am considered to be settled in Türkiye,

5) I have strong ethical standards, a professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and its shareholders, and make decisions freely by taking into account the rights of stakeholders,

6) I can devote time to the company's affairs to the extent that I can follow the operation of the company's activities and fully fulfil the requirements of the duties I undertake,

7) I have not been a member of the Board of Directors of the Company for more than six years in the last ten years,

8) I am not an Independent Board Member in more than three of the companies under which the company or the shareholders who hold the management control of the company have management control and in more than five of the companies traded on the stock exchange in total,

9) I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors,

10) If a situation arises that eliminates my independence, I will immediately forward this situation to the board of directors to be explained in the KAP together with the reason, simultaneously I will convey this situation and its justification to the Board in writing and I will resign as a principle,

I declare, accept and undertake.

Murat NUHOĞLU

DECLARATION WITHIN THE SCOPE OF THE COMMUNIQUÉ ON THE DETERMINATION AND IMPLEMENTATION OF CORPORATE GOVERNANCE PRINCIPLES

1) between the company, partnerships in which the company has management control or significant influence, and the partners who hold management control of the company or have significant influence in the company and the legal entities over which these partners have management control, and myself, my wife and my blood and blood relatives to the second degree; that I have not had an employment relationship in a managerial position to assume significant duties and responsibilities within the last five years, that I do not own more than 5% of the capital or voting rights or preferred shares, jointly or alone, or that no significant commercial relationship has been established,

2) In the last five years, I have not worked in the position of a partner (5% and above), a manager to assume important duties and responsibilities or not a member of the Board of Directors in companies where the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit of the company (including tax audit, legal audit, internal audit), rating and consultancy, during the periods when services or products are purchased or sold,

3) Since I am an independent member of the Board of Directors, I have the professional training, knowledge and experience to fulfil the duties I will undertake properly,

4) Provided that it is in accordance with the legislation to which they are affiliated, I will not work full-time in public institutions and organizations after being elected as a member, except for university faculty membership,

5) Income Tax Act (G.V.K.) that I am considered to be settled in Türkiye,

6) I have strong ethical standards, a professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and its shareholders, and make decisions freely by taking into account the rights of stakeholders,

7) I am able to devote time to the company's affairs to the extent that I can follow the operation of the company's activities and fully fulfil the requirements of the duties I undertake,

8) I am not an Independent Board Member in more than three of the companies under which the company or the shareholders who hold the management control of the company have management control and in more than five of the companies traded on the stock exchange in total,

9) I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors,

10) If a situation arises that eliminates my independence, I will immediately forward this situation to the board of directors to be explained in the KAP together with the reason, simultaneously I will convey this situation and its justification to the Board in writing and I will resign as a principle,

I declare, accept and undertake.

Hakan TAŞCI

DECLARATION WITHIN THE SCOPE OF THE COMMUNIQUÉ ON THE DETERMINATION AND IMPLEMENTATION OF CORPORATE GOVERNANCE PRINCIPLES

1) between the company, partnerships in which the company has management control or significant influence, and the partners who hold management control of the company or have significant influence in the company and the legal entities over which these partners have management control, and myself, my wife and my blood and blood relatives to the second degree; that I have not had an employment relationship in a managerial position to assume significant duties and responsibilities within the last five years, that I do not own more than 5% of the capital or voting rights or preferred shares, jointly or alone, or that no significant commercial relationship has been established,

2) In the last five years, I have not worked in the position of a partner (5% and above), a manager to assume important duties and responsibilities or not a member of the Board of Directors in companies where the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit of the company (including tax audit, legal audit, internal audit), rating and consultancy, during the periods when services or products are purchased or sold,

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7) I have not been a member of the Board of Directors of the Company for more than six years in the last ten years,

8) I can devote time to the company's affairs to the extent that I can follow the operation of the company's activities and fully fulfil the requirements of the duties I undertake,

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10) I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors,

11) If a situation arises that eliminates my independence, I will immediately forward this situation to the board of directors to be explained in the KAP together with the reason, and simultaneously I will convey this situation and its justification to the Board in writing and I will resign in principle,

I declare, accept and undertake.

Rıfat DEMİRBAŞ

DECLARATION WITHIN THE SCOPE OF THE COMMUNIQUÉ ON THE DETERMINATION AND IMPLEMENTATION OF CORPORATE GOVERNANCE PRINCIPLES

1) between the company, partnerships in which the company has management control or significant influence, and the partners who hold management control of the company or have significant influence in the company and the legal entities over which these partners have management control, and myself, my wife and my blood and blood relatives to the second degree; that I have not had an employment relationship in a managerial position to assume significant duties and responsibilities within the last five years, that I do not own more than 5% of the capital or voting rights or preferred shares, jointly or alone, or that no significant commercial relationship has been established,

2) In the last five years, I have not worked in the position of a partner (5% and above), a manager to assume important duties and responsibilities or not a member of the Board of Directors in companies where the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit of the company (including tax audit, legal audit, internal audit), rating and consultancy, during the periods when services or products are purchased or sold,

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7) I have not been a member of the Board of Directors of the Company for more than six years in the last ten years,

8) I am able to devote time to the company's affairs to the extent that I can follow the operation of the company's activities and fully fulfil the requirements of the duties I undertake,

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10) I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors,

11) If a situation arises that eliminates my independence, I will immediately forward this situation to the board of directors to be explained in the KAP together with the reason, and simultaneously I will convey this situation and its justification to the Board in writing and I will resign in principle,

I declare, accept and undertake.

İdris Yakup AŞKIN

DECLARATION WITHIN THE SCOPE OF THE COMMUNIQUÉ ON THE DETERMINATION AND IMPLEMENTATION OF CORPORATE GOVERNANCE PRINCIPLES

1) between the company, partnerships in which the company has management control or significant influence, and the partners who hold management control of the company or have significant influence in the company and the legal entities over which these partners have management control, and myself, my wife and my blood and blood relatives to the second degree; that I have not had an employment relationship in a managerial position to assume significant duties and responsibilities within the last five years, that I do not own more than 5% of the capital or voting rights or preferred shares, jointly or alone, or that no significant commercial relationship has been established,

2) In the last five years, I have not worked in the position of a partner (5% and above), a manager to assume important duties and responsibilities or not a member of the Board of Directors in companies where the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit of the company (including tax audit, legal audit, internal audit), rating and consultancy, during the periods when services or products are purchased or sold,

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11) If a situation arises that eliminates my independence, I will immediately forward this situation to the board of directors to be explained in the KAP together with the reason, and simultaneously I will convey this situation and its justification to the Board in writing and I will resign in principle,

I declare, accept and undertake.

Ömer DEMİR

Our Performance Indicators

Economic Performance Indicators

Financial and Economic Performance

Detailed Balance Sheet	Independent Audited	Independent Audited
Assets	December 31, 2021	31 December 2020
Rotating Assets	2,038,355,679	1,204,036,114
Cash and cash equivalents	849,041,503	820,021,801
Trade Receivables		
- Trade receivables from unrelated parties	36,445,330	8,311,723
Other Receivables		
- Other receivables from unrelated parties	807,016	879,568
Stocks	973,711,360	321,093,621
Prepaid Expenses	20,485,966	49,172,069
Current Period Tax-Related Assets	7,874,776	2,742,272
Other Period Assets	149,989,728	1,815,060
Fixed Assets	2,581,459,332	1,724,945,302
Trade Receivables		
- Trade receivables from unrelated parties	29,484,195	2,750,913
Other Receivables		
- Other receivables from unrelated parties	45,944	231,579
Stocks	607,713,712	532,926,026
Investment Properties	1,594,626,855	867,782,413
Tangible Assets	406,987	537,191
Intangible Assets		
- Goodwill	14,631,400	14,631,400
- Other intangible assets	1,520,765	163,351
Prepaid Expenses	311,920,680	228,093,152
Other Fixed Assets	21,108,794	77,829,277
TOTAL ASSETS	4,619,815,011	2,928,981,416

Social Performance Indicators

Number of Employees of Vakif REIT

	2021	2020	2019
Number of Employees	41	37	33
Contractors	8	-	-

Number of Employees by Gender

	2021	2020	2019
Female	19	16	12
Male	22	21	21

Number of Employees According to Working Hours

	2021	2020
For 0-5 years	31	28
For 5-10 Years	8	7
Over 10 Years	2	2
Total	41	37

Number of Employees by Age

	2021	2020
Under 30	9	9
Ages 30-50	32	28
Total	41	37

Number of Managers by Gender

	2021	2020
Female	3	3
Male	9	8
TOTAL	12	11

Newly Hired by Gender

	2021	2020
Female	4	2
Male	-	3
TOTAL	4	5

Number of Employees Leaving Their Jobs

	2020	
	Kadın	Erkek
Under 30	1	-
Ages 30-50	-	8
Total	9	

Number of Promoted Employees

	2021	2020	2019
Female	4	1	1
Male	6	2	1

Number of Employees Allocated and Returning to Maternity Leave

	2020	2019
Number of Employees On Maternity Leave	1	2
Number of Employees Returning from Maternity Leave	1	2

Occupational Health and Safety Employees and Contractors

2020		
	Employee	Contractor
Number of Accidents	0	180
Number of Business-Related Fatalities	0	0
Number of Occupational Diseases	0	0
Absenteeism Due to Accident	0	18 Days
Accident Frequency Rate (IR)	0	0.66
Occupational Disease Rate (ODR)	0	0
Lost Day Ratio (LDR)	0	0
Absenteeism Rate (AR)	0	0.01

Training Hours Provided to Employees by Gender

	2021		2020		2019	
	Per Person	Total	Per Person	Total	Per Person	Total
Female	63.3	1,203	35.8	573.5	8.4	101
Male	36.8	810	25.5	536	4.8	101.5
TOTAL	49.1	2,031	30.0	1,109	6.2	203

Occupational Health and Safety Training

2020			
	Female	Male	Total
Occupational Health and Safety Training	6	7	13

Average Training Hours of Employees

	2021	2020	2019
Average Training Hours	49.1	30	49.1

Corporate Governance Rating

Partitions	Corporate Governance Rating
Shareholders	82.53
Public Disclosure and Transparency	84.19
Stakeholders	80.83
Board	82.86

Number of Suppliers

Number of Suppliers	2021
Local	31
Evaluated according to Social and Environmental criteria	7
Evaluated according to social criteria	9
Evaluated according to environmental criteria	3
Termination of employment relationship due to non-compliance with Social and Environmental Criteria	5

Performance Score Average

	2021	2020
Performance Score Average	83.9%	79.4%

Environmental Performance

Carbon Emissions

ISO 14064:2006	ISO 14064:2018	Category Name	Carbon Emissions (tCO ₂ e)	Total Odds
Scope 1	Category 1	Direct Greenhouse Gas Emissions	963.55	1.0%
Scope 2	Category 2	Indirect Greenhouse Gas Emissions from Imported Energy	1,185.19	1.2%
	Category 3	Indirect Greenhouse Gas Emissions from Transport	939.76	0,9%
Scope 3	Category 4	Indirect Greenhouse Gas Emissions from the Products Used by the Authority	97,839.62	96,9%
	Category 6	Indirect Greenhouse Gas Emissions from Other Sources	60.45	0.06%
TOTAL			100,479.56	100%

Total Carbon Footprint

Total Unit Carbon Footprint	Unit of Quantity	Quantity	Unit Carbon Footprint (tCO ₂ e /quantity)
Headquarters	Number of Employees	41	3.162
Vakif REIT Projects	m ²	546,330	0.185

Category 1+2 is Unit Carbon Footprint

	Unit of Quantity	Quantity	Unit Carbon Footprint tCO ₂ e /quantity
Headquarters	Number of Employees	41	2.365
Vakif REIT Projects	m ²	546,330	0.004

Energy Amount

Energy Type (GJ)		2021
Constant Combustion	Natural gas	969.11
	Generator Diesel	3,882.48
Moving Combustion	Diesel	7,247.71
Electricity Consumption	Electricity - Mains	9,851.51

Waste Amount

2021					
Waste Amount (t)	Hazardous Waste		Non-Hazardous Waste		Total
	Biogenic Waste	Non-Biogenic Waste	Biogenic Waste	Non-Biogenic Waste	
Headquarters	0	0	0	0,03	0,03
Tablo Adalar	0	0	0	27,856.00	27,856.00
Cubes Ankara	0	0	0	8,235.37	8,235.37
IUFM	0	0	6,050.00	45,349.00	51,399.00
Total	0	0	6,050.00	81,440.40	87,490.40

Water Consumption from the Network

Water Consumption (m ³)	2021
Headquarters	454.00
Tablo Adalar	908,000
Cubes Ankara	1,794,000
IUFM	3,645.87
Total	6.801.87

GRI Index



MATERIALITY
DISCLOSURES SERVICE

2022

We have developed the content of the report in accordance with the requirements of the GRI Standards Basic option. We have received confirmation that the general notifications between GRI Standards 102-40 and 102-49 under the “Materiality Disclosures Service” offered by GRI are correctly included in the report. The service was provided through the Turkish version of the report.

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Organizational Profile			
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			https://www.vakifgyo.com.tr/#ethical-principals
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