

FOR SUSTAINABLE
SUCCESS





Table of Contents

Global Investment Holdings has achieved success in all its business areas.

03	About the Report
04	Chairman's Message
06	Global Investment Holdings in Summary Global Investment Holdings Group Shareholding Structure
10	Highlights in 2017
12	Sustainable Growth Our Financial Performance Main Financial Indicators R&D and Innovation Supply Chain
18	Our Sustainability Approach Our Material Issues Communication with Our Stakeholders
22	Corporate Governance Management Structure Business Ethics Risk Management Human Rights in Work Environment
26	Our Employees Working Life at Global Investment Holdings Training Healthy and Safe Work Environment
30	Environmental Sustainability Climate Change and Energy Management Growing Renewable Energy Portfolio Water and Waste Management Our Support for the Protection of Biodiversity
40	Corporate Citizenship
42	Performance Tables
43	GRI Content Index



About the Report



At Global Investment Holdings, we are publishing our first sustainability report which covers our activities within the framework of our sustainability approach. Our sustainability report includes our activities and performance in the economic, governance, social and environment areas in the period covering January 1st - December 31st, 2017.

Our report has been prepared in accordance with Global Reporting Initiative (GRI) Standards core option. Furthermore, we capitalized on the Sustainability Accounting Standards Board's (SASB) standards specific to cruise lines, electric utilities and the metals and mining sector.

We have determined the subjects of priority making up the framework of our sustainability approach with the participation of both internal and external stakeholders according to the AA1000SE standard focused on international stakeholder participation.

You may send any of your questions, opinions and suggestions to investor@global.com.tr

Chairman's Message

We carefully assess the environmental, societal and economic impacts of our operations and work towards eliminating any unfavorable effects.

IN 2016, WE WERE INCLUDED IN THE BORSA ISTANBUL SUSTAINABILITY INDEX, WITH REGARDS TO THE ASSESSMENT OF OUR PERFORMANCE AND DISCLOSURES ON SUSTAINABILITY ISSUES.

Esteemed Stakeholders,

At Global Investment Holdings we have been operating in the port infrastructure, energy, finance and real estate sectors since 1990 with success thanks to our increasingly diversified investment portfolio. We continuously expand our lines of business as we capitalize on the first mover advantage into sectors with high growth potential both in Turkey and abroad. We make investments in line with our sustainable business model and make the most of our success with the shared value we create for all our stakeholders, extending well beyond financial and operational profitability.

We carefully assess the environmental, societal and economic impacts of our operations and work towards eliminating any unfavorable effects. We manage our performance with regards to sustainability in an effective manner by the activities conducted under the supervision of the Sustainability Committee. We observe environmental, societal and governance issues in all

our operations in line with the UNGC, which we became a signatory in 2016. We determined our sustainability objectives in line with the UN Sustainable Development Goals. In 2016, we were included in the Borsa Istanbul Sustainability Index, with regards to the assessment of our performance and disclosures on sustainability issues. Moreover, we continued to improve our Corporate Governance Rating score thanks to our fair, accountable and responsible management structure.

This year we performed our first stakeholder analysis to ensure effective stakeholder engagement in determining our material issues. These material issues, which were shaped based on our stakeholders' opinions are also diversified based on sector specific dynamics. While climate change, contribution to the local communities and employee health are topics that take the center stage in energy, gas and mining sectors, the protection of biodiversity and occupational health and safety are those on which our port operations are focused.



MEHMET KUTMAN CHAIRMAN

Our material issues are also reflected in our strategic investment plans. We aspire to be the leading investor in innovative green energy sector, in Turkey. We concentrate our efforts on renewable energy investments, primarily wind, solar and biomass energy power plants. In addition to this, we conducted the initial public offering of Global Ports Holding, the largest independent cruise port operator in the world, at the London Stock Exchange, and took our first steps towards expanding our sustainability efforts into the global arena. We will continue to grow horizontally as we aim to acquire new ports in the Caribbean and Asia. Lastly, we target to achieve a healthy growth in asset management along with Centricus, who became our strategic partner in asset management after the capital increase process which took place this year.

We are pleased to publish our first sustainability report, in which we aim to share the results of our sustainability efforts that we aim to continually improve each day. I would like to thank all our stakeholders, particularly our employees, who have contributed to the reporting process.

MEHMET KUTMAN
CHAIRMAN

This year we performed our first stakeholder analysis to ensure effective stakeholder engagement in determining our material issues.

Global Investment Holdings In Summary

Within the last 12 years, we have been able to grow our total assets by 18 times and total equity by 11 times and as such accomplished our transformation from a brokerage firm into a diversified conglomerate.

We aim to continue swift growth as we use our resources more efficiently in sectors of high importance and of high growth potential in near-future, such as port infrastructure, renewable and clean energy, as well as asset management sectors.

At Global Investment Holdings (GIH) we focus on maximizing the shareholder value by diversifying investments in our operational areas and through agile investment strategies. Since 1990, the year our group was established, we have transformed into a dynamic investment vehicle by focusing on a variety of nascent business sectors and traditional non-bank financial service providers. Our current asset portfolio includes investments in commercial and cruise port infrastructure, energy, mining, real estate and financial services sectors which offer high growth potential with “first mover” advantages.

Within the last 12 years, we have been able to grow our total assets by 18 times and total equity by 11 times and as such accomplished our transformation from a brokerage firm into a diversified conglomerate. As of the end of 2017, our total assets were valued at TRY 4.4 billion and our total equity was TRY 1.6 billion.

At GIH, we set our new business strategy as delivering growth through focusing on our strategic sectors. We aim to continue swift growth as we use our resources more efficiently in sectors of high importance and of high growth potential in near-future, such as port infrastructure, renewable and clean energy, as well as asset management sectors.

STRATEGY

- Expansion in all our portfolio companies
- Create a worldwide & class asset (consolidating the cruise port industry around the globe)
- Create regional/international entities with the core focus on infrastructure (ports), clean energy (biomass, solar, co-generation), and asset management.

STRATEGIC AREAS OF INVESTMENT AND FOCUS AREAS

Port Infrastructure: To continue our fast-paced inorganic growth through acquisitions of new ports in the Caribbean and Asia, and to focus on ensuring organic growth by increasing revenues at existing ports

Clean Energy: To develop innovative green energy solutions via making use of long-term, attractive, and guaranteed tariffs

Asset Management: To become a leader in asset management with our strategic partner Centricus



FAST MOVER

- > Effective recognition of attractive investment opportunities in rapidly growing sectors
- > No specific geographic or sector-bound limits
- > Proven track record of successful exits

FIRST ENTRANT

- > Unique position as industry consolidator in its port operations
- > Always prioritize the potential for future growth

DYNAMIC

- > A dynamic investment vehicle with interests in a variety of budding business sectors
- > Investment portfolio unlike any other traditional holding company
- > Immediately responding to a continuously changing business environment and achieving operational efficiency

Global Investment Holdings Group

At Global Investment Holdings we focus on maximizing the shareholder value by diversifying investments in our operational areas and through agile investment strategies.



PORT INFRASTRUCTURE

- Global Ports Holding (GPH), world's largest cruise port operator with 13 cruise and two commercial ports in seven countries
- Dominant presence in the Mediterranean with approximately 7,000,000 passengers
- Initial public offering conducted at the London Stock Exchange in 2017

Port Portfolio:

Adriatic: Bar Cruise Port & Port of Adria (commercial), Ravenna Cruise Port, Venice Cruise Port

Atlantic: Lisbon Cruise Port

West Mediterranean: Barcelona Cruise Port, Cagliari Cruise Port, Catania Cruise Port, Valetta Cruise Port, Malaga Cruise Port

East Mediterranean: Antalya Cruise Port & Port Akdeniz (commercial), Bodrum Cruise Port, Ege Port, Kuşadası

Asia: Singapore Cruise Port

ELECTRICITY GENERATION

- Co/Tri-generation with 58.3 MW installed capacity
- Biomass energy power plants with a total installed capacity of 41.2 MW by the end of 2018 and 125 MW by the end of 2020, of which 17.2 MW already in operation at two separate facilities
- Two solar energy power plant projects with a total 14 MW capacity in development
- Retail and wholesale electricity sales

COMPRESSED NATURAL GAS SALES AND DISTRIBUTION

- The leading off-grid natural gas distribution firm in Turkey, in possession of approximately 77% of the market share
- 180 million m³ sales volume at 13 compressed natural gas stations
- Turkey's leading off-grid natural gas distributor with approximately 19% market share

You may find more information on Global Investment Holdings and its subsidiaries in the 2017 Annual Report.

An investment platform supported by global financial and strategic investors, Centricus became a shareholder in possession of a 30.7% share in the company as a result of the capital increase seen at Global Investment Holdings in 2017. As our strategic partner with a long-term investment understanding, Centricus targets strong absolute returns in four fundamental sectors, namely financial services, infrastructure, technology and fashion, entertainment, and media and sports (FEMS) investments.



MINING

- Among the leading players in Turkey in industrial minerals category with its 630,000 ton feldspar volume



REAL ESTATE

- Consolidated total gross leasable area: 141,000 m²
- Retail sector gross leasable area: 93,500 m²
- Other leasable areas: 47,500 m²



FINANCE

Asset Management:

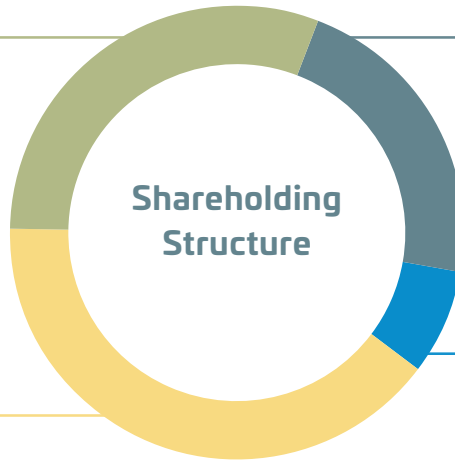
- One of the leading players in the market serving multinational and Turkish corporate investors with its innovative products portfolio

Brokerage:

- Among Turkey's leading independent brokerage firms that offer securities and derivatives trading and portfolio management services to international and domestic investors

Centricus
30.7%

Mehmet Kutman*
21.8%



Other
40%

Treasury Shares
7.5%

* Disclosed together with the shares of Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş. which is owned by Mehmet Kutman.

Highlights In 2017

In 2017, we registered a record operational EBITDA and total equity increase in the Group.

THE TOTAL EQUITY DISPLAYED AN INCREASE OF 75% ON A CONSOLIDATED BASIS AND REACHED TRY 1,595 MILLION LEVEL BY THE END OF 2017 COMPARED TO TRY 913 MILLION AT THE END OF 2016.

We registered a record operational EBITDA and total equity increase in the Group.

Our turnover increased by 28%, climbing up to TRY 806 million, while the consolidated operational EBITDA displayed an increase of 21% compared to 2016 and reached to TRY 278 million.

We conducted Global Ports Holding's initial public offering at the London Stock Exchange and consequently provided gross cash proceeds of GBP 58 million (USD 75 million) for Global Investment Holdings.

As a result of the capital increase transaction process in June, Centricus acquired a 30.7% share in Global Investment Holdings.

The gross cash proceeds resulting from the public offering of Global Ports Holding and Centricus shareholding ensured that the consolidated net borrowing of Global Investment Holdings was reduced to TRY 1,431 million by the end of 2017 from its 2016 year-end level of TRY 1,991 million.

The 2016 year-end TRY 499 million net borrowings of the Holding's parent company displayed a great improvement as it decreased to TRY 89 million by the end of 2017.



The total equity **displayed an increase of 75%**

on a consolidated basis and reached the TRY 1,595 million level by the end of 2017 compared to TRY 913 million at the end of 2016.

We increased our rating for Compliance with Corporate Governance Principles **from 8.99 to 9.05.**

Our 17.2 MW capacity biomass

power plants in Aydın and Şanlıurfa have become operational.

Within the scope of biodiversity studies, we continued to support the **Mediterranean Conservation Society's** Sandbar Shark and Breeding Site Protection Project.

We achieved **a reduction of 389 MWh** in energy consumption as a result of various energy efficiency projects.

We were included in the **Borsa Istanbul Sustainability Index 2018** assessment process.

We are in the process of publishing our first sustainability report **in compliance with GRI Standards.**

Sustainable Growth

For the purposes of sustaining the quality of our services and ensuring the sustainability of our growth, we give importance to create value for all our stakeholders, primarily our shareholders.

Since our establishment we have displayed a fast-paced and strategic growth performance and transformed ourselves from a brokerage firm that transforms into a diversified conglomerate in a variety of nascent business sectors within a very short period. For the purposes of sustaining the quality of our services and ensuring the sustainability of our growth, we give importance to create value for all our stakeholders, primarily our shareholders. Our sustainable growth approach requires compliance with all future trends, following up of technologic advancements, the adoption of an effective R&D and innovative approach, and the integrated management of our operations considering our entire value chain as we continue growing financially and operationally.

OUR FINANCIAL PERFORMANCE

At Global Investment Holdings, we favor investments that will improve our profitability and financial performance. Our work and investments in port operations and energy sectors have the largest share where our profitability is concerned.

In 2017, our consolidated net revenues increased by 28%, climbing up to TRY 806 million, while the consolidated operational EBITDA displayed an increase of 21% compared to 2016 at TRY 278 million.

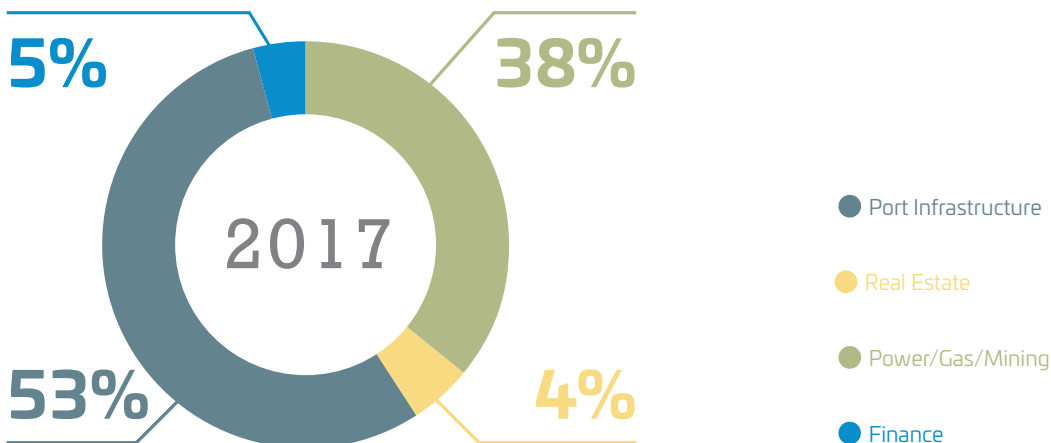
The cash flow resulting from the public offering of Global Ports Holding and Centricus shareholding ensured that the consolidated net

borrowing of Global Investment Holdings reduced to TRY 1,431 million by the end of 2017 from its 2016 year-end level of TRY 1,991 million. The 2016 year-end TRY 499 million net borrowings of the Holding's parent company displayed a great improvement as it decreased to TRY 89 million by the end of 2017.

The total equity increased on a consolidated basis from TRY 913 million in 2016 to TRY 1,595 million representing a 75% increase.

The initial public offering of Global Ports Holding, one of the flagship company conducting port operations, at the London Stock Exchange, carried great importance in terms of our growth opportunities and the realization of our company's objectives.

GROSS TURNOVER (%)

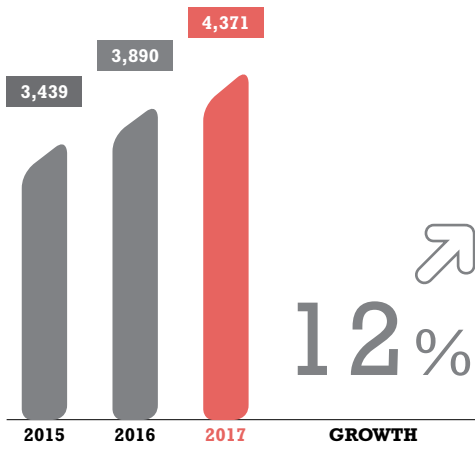




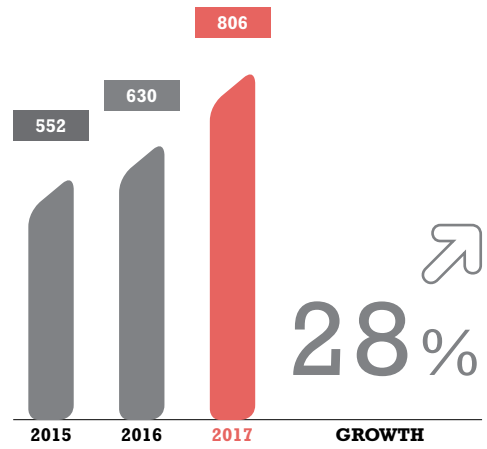
Main Financial Indicators

Our turnover increased by 28%, climbing up to TRY 806 million, while the consolidated operational EBITDA displayed an increase of 21% compared to 2016 and reached to TRY 278 million.

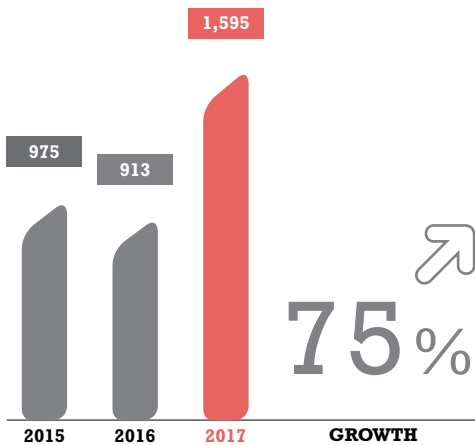
**TOTAL ASSETS
(TL MILLION)**



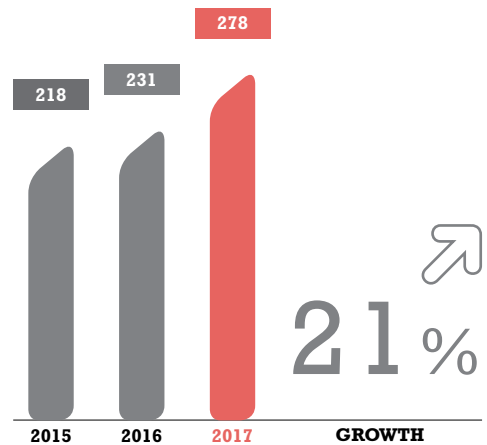
**TURNOVER
(TL MILLION)**



**TOTAL SHAREHOLDERS' EQUITY
(TL MILLION)**



**OPERATING EBITDA
(TL MILLION)**



Consolidated Balance Sheet (TL million)	2016	2017
Current Assets	629	941
Non-Current Assets	3,262	3,430
Total Assets	3,890	4,371
Short-Term Liabilities	1,033	729
Long-Term Liabilities	1,945	2,047
Total Shareholders' Equity	913	1,595
Total Liabilities and Shareholders' Equity	3,890	4,371

Consolidated Income Statement (TL million)	2016	2017
Turnover	630	806
Gross Profit	220	242
Operating EBITDA	231	278
Profit/(Loss) Before Tax	(141)	(404)
Net Profit/(Loss) for the Period	(130)	(329)

R&D and Innovation

The innovative approach undertaken by Global Investment Holding and its companies also reveals any potential areas of development to ensure retail and corporate customer satisfaction.

All the sectors in which we operate contain significant potential in terms of R&D and innovation. Our main areas of business, namely ports, energy generation, gas distribution and sales, renewable energy, mining and real estate, are among the sectors that are most affected by global trends. The new strategy adopted by our Group foresees a focus on clean energy and infrastructure investments determined on a regional and global scale. Within this scope, our strategic priorities in

the fields of ports, clean energy and asset management underline the importance of R&D and innovation.

The development of long-term, low-cost and innovative green energy solutions in the field of clean energy in particular is closely linked to the stepping up of our R&D and innovative efforts. The conversion of the remains of agricultural harvests like cotton and corn, natural waste produced in livestock breeding, as well as any forestry debris, into energy is a new field developing in Turkey. The development of this kind of innovative knowhow can

only be possible by investing in R&D and innovations.

The innovative approach undertaken by Global Investment Holding and its companies also reveals any potential areas of development to ensure retail and corporate customer satisfaction. The technological advancements in the service sector give rise to great opportunities. Benefiting from technology, especially in the fields of port operations and maritime transportation, provide advantages in developing customers' experiences.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



In order to convert the fuel systems of trucks and buses to CNG (Compressed Natural Gas), Naturelgaz carries out R&D in order to integrate technologic development and innovation into its operations and to reduce costs in this conversion field.

Supply Chain

As a part of the sustainability approach we have adopted, we take into consideration social and environmental criteria in choosing the suppliers across our entire supply chain, in addition to the classic approaches regarding quality and price.

We expect our suppliers with whom we work to comply with our sustainability approach and business principles. We manage a vast operation involving more than 3,000 suppliers located in different countries and regions. As a part of the sustainability approach we have adopted, we take into consideration social and environmental criteria in choosing the suppliers across our entire supply chain, in addition to the classic approaches regarding quality and price. We expect the third parties with whom we work to comply with the human rights, working conditions, environmental awareness and anti-corruption principles of the UN Global Compact without compromising any transparency and accountability principles.

As Holding, in the selection of our suppliers, we look for the restrictions regarding child and forced labor and do not tolerate any contrary practices. Besides this integrated approach, our expectations from our suppliers change on the basis of products and services in different sectors.

While supplying products which require environmental and social footprint consideration, we expect the suppliers to hold international standards (ISO14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System) and required certifications in

the procurement of products conscious to environmental and social issues. We expect all third-party suppliers to act in compliance with Global Investment Holdings' Environmental Policy.

In port operations and the real estate sector, suppliers in possession of a score above a certain level are included in the Approved Suppliers List according to the supplier assessment criteria, following a market research conducted on the product or service to be procured.

In the energy generation/gas/mining sectors, we expect our contractor companies to have effective management in occupational health and safety (OHS) which is a high-risk issue. We expect service providers to obtain professional services from experts and provide occupational training to their employees on OHS.

While supplying products which require environmental and social footprint consideration, we expect the suppliers to hold international standards and required certifications in the procurement of products conscious to environmental and social issues.

Our Sustainability Approach

We not only evaluate investments made on the basis of their economic success, but also expect them to garner permanent results and create value for all our stakeholders.

Within the framework of our business strategy, we swiftly adapt to the continuously changing business environment and market conditions to take advantage of the attractive investment opportunities in growing sectors. We not only evaluate investments made on the basis of their economic success, but also expect them to garner permanent results and create value for all our stakeholders. Accordingly, we evaluate the growth potential of the identified sectors through effective risk and market analysis tools and use the first mover advantage. We manage all our decision-making processes and related work in line with our sustainability approach and corporate governance principles.

Sustainability plays an important role at this point reached after just 28 years in the industry, along with the contributions we have made to Turkish capital markets. Our fair, responsible and accountable management understanding, ethical principles, environmental sustainability efforts, understanding of human rights in a business environment, occupational health and safety, supplier relations and social contributions considered within the scope of our sustainability work constitute an integral part of our business.

Accordingly, we appointed different business units to establish the Sustainability Committee in 2016 for conducting sustainability studies in a systematic manner, establishing the necessary strategy, objectives and action plan and, integrating these within our corporate structure. Under the leadership of this Committee and with the support of the top management, we have prepared our first sustainability report as a further contribution to our work on sustainability and to achieve effective stakeholder participation.

Full text of sustainability management and the Responsibilities and Operating Principles of the Sustainability Committee can be found on [our website](#).

102-40
102-42
102-43
102-46
102-49

Our Material Issues

We determined the material issues on which to focus our sustainability practices by a comprehensive stakeholder analysis, in compliance with the internationally recognized AA1000SE standard.

In this process conducted by an independent consultancy, we reached our stakeholders which include analysts, banks, advisors, rating firms, financial institutions, public institutions, portfolio management companies, non-governmental organizations and suppliers, via online surveys. We evaluated the survey results in line with the Sustainable Development Goals (SDGs), UN Principles for Responsible Investment (UN PRI), UN Environment Program Finance Initiative (UNEP FI) and the standards established by the Sustainability Accounting Standards Board (SASB) on cruise lines, electricity generation and the metal and mining sectors, and took external trends into consideration as we determined the sustainability material issues of our stakeholders.

Similarly, we prepared online surveys to gather the opinions of our shareholders,

investors, subsidiaries, affiliates, employees and stakeholder groups in determining our sustainability material issues of Global Investment Holdings. We determined the material issues of Global Investment Holdings by evaluating the results of these surveys together with our long-term business strategy. Finally, we established our materiality matrix, considering material issues of our stakeholders along with our own sustainability material issues.

As a result of the stakeholder analysis process, we determined material issues as Occupational Health and Safety, Sustainable Financial Growth, Business Ethics, Fair, Transparent and Accountable Management Approach and Renewable Energy.

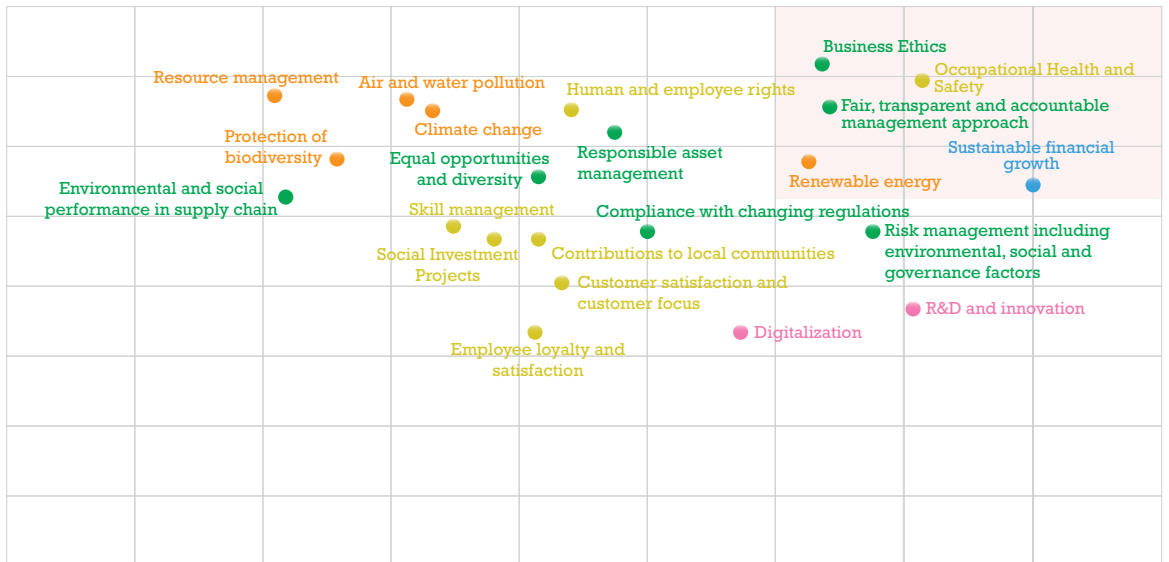
We also evaluate our material issues based on the various sectors in which we operate in. Accordingly, climate change, contribution to the local communities and employee health are the subjects we consider in the energy, gas and mining sectors, while the protection of biodiversity and occupational health and safety in our port operations and responsible asset ma-

agement in our financial operations are the points we focus on other sectors.

We pay attention to the stakeholder analysis process also in terms of understanding the expectations of different stakeholders. As our employees aspire to reduce our environmental footprint, support recycling and increase our efforts to improve awareness, the banks would like us to focus on cooperation on both national and international platforms with regards to sustainability. On the other hand, non-governmental organizations have promised their support for the continuation of our investments in the field of renewable energy, in which we have already registered an active progress.

- 102-40
- 102-42
- 102-43
- 102-44
- 102-46
- 102-47
- 102-49

Significance for the Stakeholders



Significance for Global Investment Holdings

- Society
- Environment
- Corporate Governance
- Products and Services
- Economic

Communication with Our Stakeholders

We regularly keep in contact with our stakeholders by means of various methods and channels including our annual reports, Public Disclosure Platform (KAP) disclosures, our website, meetings, events, bulletins, social media and the communication lines.

We are strengthening our active participation in institutions such as trade associations, sector-based organizations and unions as we continue to develop new cooperative initiatives.

We believe that the best way of meeting the demands, needs and expectations of our stakeholders is to always keep an effective and a two-way communication open with them. In this context, we regularly keep in contact with our stakeholders by means of various methods and channels including our annual reports, Public Disclosure Platform (KAP) disclosures, our website, meetings, events, bulletins, social media and the communication lines provided via the addresses investor@global.com.tr and etik@global.com.tr, in addition to the stakeholder analysis we conducted within the scope of our new sustainability report.

We are strengthening our active participation in institutions such as trade associations, sector-based organizations and unions as we continue to develop new cooperative initiatives.

- TSPB – Turkish Capital Markets Association
- Istanbul Chamber of Commerce and other regional chambers of commerce
- Chamber of Shipping
- Karaköy Beautification and Conservation Association
- TUYID - Turkish Investor Relations Society
- DEIK - Foreign Economic Relations Board
- Turkish Finance Executives Foundation
- Turkish-Spanish Official Chamber of Industry and Commerce
- Turkish Cogeneration and Clean Energy Technologies Association
- ISO - Istanbul Chamber of Industry
- ITO - Istanbul Chamber of Commerce
- Association of Liquefied and Compressed Natural Gas Producers and Distributors

102-40

102-42

102-43



Management Structure

We perform our operations with a management understanding that is transparent, accountable, fair and responsible across the group and strengthen our corporate structure through reports published every year on Compliance with Corporate Governance Principles.

Our Corporate Governance Rating was upgraded to 9.05 (out of 10.00), up from 8.99.

At Global Investment Holdings we adopt and apply international standards in the fields of corporate governance and investor relations. We perform our operations with a management understanding that is transparent, accountable, fair and responsible across the group and strengthen our corporate structure through reports published every year on Compliance with Corporate Governance Principles. As a result of our efforts, our Corporate Governance Rating was upgraded to 9.05 (out of 10.00), up from 8.99. The 9.05 rating we were given in the rating study conducted based on Corporate Governance Principles is an indicator of almost the full compliance GIH displays with CMB's Corporate Governance Principles and its inclusion of the necessary policies and measures in its operations.

The Board of Directors is the highest governance body and consists of seven members. There is one female member, two independent members and two non-executive members on the Board of Directors. The Holding has an Audit Committee, Corporate Governance Committee and Risk Assessment Committee.

Sustainable Development Goals 16 "Peace, Justice and Strong Institutions" emphasizes the importance of transparent, fair and strong corporate governance.



Business Ethics

For the purposes of improving the value and reputation of Group companies, as well as protecting the stakeholders against potential risks, there is also the Anti-Bribery and Corruption Policy in addition to the Code of Ethics.

We are of the belief that effective corporate governance can be achieved in the presence of well-founded corporate identity. Accordingly, the Code of Ethics we have developed covers all the stakeholders with which we interact, first and foremost our employees. The Board of Directors, executives and employees have agreed to the responsibilities arising from Global Investment Holdings' Code of Ethics and made it a rule to avoid any situations that will create a conflict between their own interests and that of the company. For the purposes of improving the value and reputation of Group companies, as well as protecting the stakeholders against potential risks, there is also the Anti-Bribery and Corruption Policy in addition to the Code of Ethics. The policy that we at GIH expect all our subsidiaries and business partners to observe includes the principles, practices, supervision and reporting methods regarding compliance with the laws and regulations on bribery, corruption and facilitation payments, political donations, hospitality, gift and other offers.

In case of the violation of the Anti-Bribery and Corruption Policy, disciplinary penalties that could extend to the termination of the employment contract can be applied. We have sanctions in place ranging from the termination of the business relationship to the prohibition of any future dealings if it is determined that suppliers and business partners are involved in bribery or corrupt behavior. The Anti-Bribery and Corruption Policy is evaluated every year and when deemed necessary amended and circulated among the company employees. The Audit Committee, consisting of independent members, has been tasked to regularly review and evaluate the Anti-Bribery and Corruption Policy. No amendments were made to the Policy in 2017.

Group companies are managed with commitment to a zero corruption tolerance policy and doing business with enterprises known to use bribery is avoided at all costs. There have been no incidents of bribery or corruption identified or public lawsuits in progress this year.

The etik@global.com.tr e-mail address is available for all notifications regarding the Code of Ethics, bribery and corruption. No complaints or feedback regarding violations of the Anti-Bribery and Corruption Policy was received.

The Board of Directors, executives and employees have agreed to the responsibilities arising from Global Investment Holdings' Code of Ethics and made it a rule to avoid any situations that will create a conflict between their own interests and that of the company.

Full text of **Code of Ethics** and **Anti-Bribery and Corruption Policy** can be found on our website.

Risk Management

At Global Investment Holdings we aim to focus on sectors with a large potential for future development and fields of business that are just starting up.

Thanks to our expansive investment experience and the strong relations we have established with international business circles, we have a superior competitive advantage in determining investment objectives and evaluating risks associated with new fields.

Subjects such as corporate risk management, legislation compliance, operational performance, brand and reputation management and business sustainability have been continuously gaining importance where the companies are concerned. At Global Investment Holdings we aim to focus on sectors with a large potential for future development and fields of business that are just starting up. Thanks to our expansive investment experience and the strong relations we have established with international business circles, we have a superior competitive advantage in determining investment objectives and evaluating risks associated with new fields. Thanks to the Group's effective risk assessment processes, we are able to display a pioneering effort with success in many investments.

Presently, a risk management and internal control unit has been established within the Holding and work on the subject is being conducted under the supervision of the members of the Board of Directors. The Internal Audit Department directly reports to the Audit Committee of the Board of Directors. We map out and manage not only the financial risks but also the non-financial ones. Reputation risk, strategic risks, compliance risks, operational risks and risks based on external factors are among the risks we follow up.

We identify the risks and establish the Risk Logbook, as well as the Internal Control Procedures, within the framework of COSO Risk Management. The Risk Logbook is used as a source in audit work and also further developed in line with the Group's requirements, changing conditions and new targets. The Risk Logbook is updated on a regular basis based on the assessments of the Audit Committee, Corporate Governance Committee, Early Risk Detection Committee and Board of Directors and the results of the audit conducted by the Internal Audit Department, and is considered to be a main source in internal audits.

The Early Detection of Risk Committee deals with the early detection of risks that could endanger the existence, continuity and development of Group companies and the management of these risks by taking the necessary measures. The Committee meets at least once every three months and presents the results of its assessment to the Board of Directors. Corporate risk management helps with the handling of the risks to which the enterprises are exposed via an integrated common perspective.

You can reach full text of the Duties and Working Principles of the Early Risk Assessment Committee on [our website](#).

Human Rights in **Work Environment**

Although Global Investment Holdings and its subsidiaries are not active outside the OECD countries, we take the necessary steps to manage any impact our operations could cause in terms of human rights.

In line with our objective to rising while creating difference, we conduct our relations with the employees, contractors, suppliers, customers and the local people in the regions in which we operate with an eye to having a positive effect on all our stakeholders. Accordingly, although Global Investment Holdings and its subsidiaries are not active outside the OECD countries, we take the necessary steps to manage any impact our operations could cause in terms of human rights. We carry out our operations in compliance with the Universal Declaration of Human Rights and International Labor Organization's (ILO) Conventions. Accordingly, we act with the understanding that any negative influence our operations could have on local residents in the areas where we operate must be prevented and any potential negative effects must be intervened.

In conformity with fundamental human rights principles, we are absolutely against child labor and/or forced labor at Global Investment Holdings and also observe the same principles in choosing suppliers and contractors. We encourage compliance with these principles in the contracts we enter into.

Sustainable Development Goals 8 "Humane Business and Economic Growth" emphasizes human rights in the work environment for ensuring sustainable development.

The Board of Directors is responsible for the higher-level supervision of the Human Rights Policy approval and the identification and operating of notification, inspection and sanctioning mechanisms in case of the violation of the rules and regulations. Senior management is responsible for the preparation, development, creation and updating of the Human Rights Policy. The Policy is reviewed by the Corporate Governance Committee at regular intervals and at least once a year and the practices are regularly followed up. Additionally, the Policy is distributed to all staff at the company. We include this Policy in the contracts we execute with our main partners, suppliers and third parties, and contact state officials if human rights are threatened in the regions or countries where we operate. You can write to etik@global.com.tr about any issues that are in violation of the Human Rights Policy. The Audit Department has not received any notifications regarding human rights.

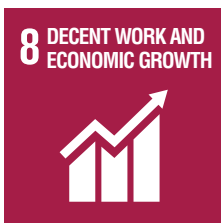


You can access full text of the Global Investment Holdings Human Rights Policy on [our website](#).

Working Life at Global Investment Holdings

As a global group, we operate in different geographical areas and we expect our subsidiaries to manage their human resources in consideration of the requirements of these regions.

We employ a total of 1,373 people in the Holding and subsidiaries and 237 of these employees are women. We employ a total of 153 people in the Holding headquarters, of whom 49 are female.



The particular importance we attach to our employees plays a significant role in the success of our company and subsidiaries. We are of the belief that we can further this success by improving the commitment, motivation and satisfaction of our employees and strengthening the synergy in the company.

We attach importance to employee development that will allow employees to achieve their potential and offer opportunities to improve both the company and employee performance within this scope. We design our performance management system accordingly to ensure fair judgment of employee competencies and performances.

As a global group, we operate in different geographical areas and we expect our subsidiaries to manage their human resources in consideration of the requirements of these regions. We manage human resources within the scope of our Personnel Regulation that identifies employee rights and the rules with which employees are required to comply.

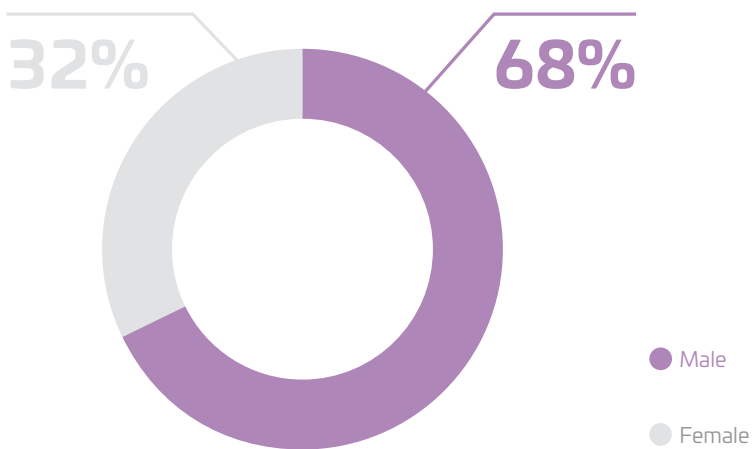
We prioritize respect for human rights and diversity and inclusion in our approach to our employees. On the basis of the importance we place on equality in line with the United Nations Global Compact, to which we are a signatory, we refrain from any discrimination on the basis of race, religion, language, gender, etc. in hiring people or providing them with career opportunities. We work towards providing decent jobs and contributing to sustainable economic growth within the scope of Sustainable Development Goals.

We pay attention to the impact of our operations on local communities and human rights in our activities conducted outside the OECD. We prevent any negative impact in terms of human rights and conduct all our operations in compliance with the Universal Declaration of Human Rights and Conventions of the International Labor Organization (ILO).

We employ a total of 1,373 people in the Holding and subsidiaries and 237 of these employees are women. We employ a total of 153 people in the Holding headquarters, of whom 49 are female. On the other hand, the ratio of women in senior management increased twice to 50% in comparison to the previous year. In conformity with the Sustainable Development Goals, we aim to increase our ratio of women employees in the coming years.



GIH EMPLOYEES*



* Subsidiaries are excluded.

Training

We support our employees' professional and personal development through the training programs we provide in personal development, occupational and technical areas.

The training programs provided differ from each other depending on the sector and competency requirements.

We believe that our employees can reach their potential through training programs that support both their professional and personal development. We support our employees' professional and personal development through the training programs we provide in personal development, occupational and technical areas.

The training programs provided differ from each other depending on the sector and competency requirements. In our real estate and finance companies, the training programs mainly focus on capital markets, CMB license renewal, technical issues regarding the exchange and financial markets, and foreign languages. On the other hand gas measurements, ERP, software, technical maintenance, environmental protection covering marine and land pollution, waste management, quality management and basic occupational health and safety subjects occupy the agenda of the training programs in electricity generation/gas/mining companies.



Healthy and Safe Work Environment

We manage OHS on a company basis by observing sector-based differences and through boards and committees in which employees are also represented.

Providing our employees with healthy and safe work environments is among our material issues. To be able to provide this, we manage occupational health and safety in the most effective manner, take the necessary measures in the work environment, and train our employees in this area.

Occupational health and safety risks differ according to the sector and accordingly mining and energy companies are classified among higher risk firms, while ports are classified as moderate, and finance companies as lowest risk ventures. Occupational health and safety is managed according to each sector's requirements and risk levels.

We manage OHS on a company basis by observing sector-based differences and through boards and committees in which employees are also represented. The highest responsible body regarding OHS is the Sustainability Committee that reports OHS issues to the Board of Directors.

We systematically track the risks and performance and work with continuous improvement and zero accident objectives. We pay particular attention to the updating of OHS policy and guidelines. Within this scope we prepared and published an OHS Handbook for ports. Moreover, we work towards improving accident reporting systems. Accordingly, in 2018, we plan to perform a gap analysis.

Antalya Port, Bodrum Port, Kuşadası Port and Naturelgaz all have the OHSAS 18001 Occupational Health and Safety Management certificate. On the other hand, our ports are compliant with the international port operations safety standards, as well as being managed in conformity with ISO 20858 Maritime Port Facility Security Assessment System.

This year we improved our OHS performance and reduced the rate of accidents by 70% and 45% at our Mediterranean and Adria ports respectively.

We manage occupational health and safety in the most effective manner, take the necessary measures in the work environment, and train our employees in this area.

There have been no accidents resulting in fatalities at the Holding and our subsidiaries.

	2015	2016	2017
Fatalities	0	0	0
Number of Accidents	28	53	46
Accident Frequency Rate	8	16	8
Total OHS Training Hours	6,568	6,836	50,536

Environmental Sustainability

The framework of our work on the subjects of energy management, renewable energy investments, water and waste management and biodiversity is set by our Environment Policy.

In addition to the policies and principles with which all our subsidiaries are required to conform, we expand the use of management system practices at international standards for the purposes of ensuring effective tracking and management of our environmental performance.

Global climate change, rapid population increase, and shortage of natural resources are causing pressure on global markets. The private sector players shoulder the main responsibility in solving the global issues that have increasingly made their presence felt, especially since the industrial revolution. At Global Investment Holdings with the consideration of our global investment portfolio we conduct our business with awareness of the potential impact of our performance on the environment. Accordingly, as we see as an important duty to continue to grow, we see it as an important duty to control our impact on the environment and contribute to the solution of global issues.

Within this scope, we track the Holding's operations, as well as effectively manage the environmental performances of the Holding's subsidiaries. The framework of our work on the subjects of energy management, renewable energy investments, water and waste management and biodiversity is set by our Environment Policy. We determine the outline for the updating of the Environment Policy, management of environmental issues and the studies conducted within the scope of the Sustainability Committee in line with the Principles and Procedures of the Environmental Management System.

In addition to the policies and principles with which all our subsidiaries are required to conform, we expand the use of management system practices at international standards for the purposes of ensuring effective tracking and management of our environmental per-

formance. Our energy companies and ports in Malaga, Kuşadası, Bodrum, Lisbon and Antalya all have the ISO 14001 certificate. At the Holding, we will be completing our ISO 14001 certification process in 2018. In addition to these, our Kuşadası and Bodrum port operations are all conducted under the Green Port certificate. We aim to apply for a Green Port certificate for Lisbon Port within the next period. Moreover our Antalya Port is included within the scope of Green Port Practices by ESPO (European Sea Ports Organization) EcoPorts.

We handle our work in the field of the environment under the leadership of the Sustainability Committee, with the participation of varied stakeholder groups and within the scope of the cooperative initiatives we have established. We are aware of the importance of the feedback we receive from our stakeholders and shape our work in line with their contributions. Within this scope, the results obtained from the stakeholder analysis, conducted at international standards, support the development of our work regarding the environment. Our renewable energy investments and studies on climate change and the protection of the water ecosystem are conducted in parallel with the Sustainable Development Goals of the United Nations. We seek to further our performance regarding the environment with each passing year. In 2017, we invested and incurred expenditures in excess of TRY 200,000 in the field of the environment. There have been no environment related non-compliance or environmental fines due to our operations within the last three years.



13 CLIMATE ACTION



Energy Management

7 AFFORDABLE AND CLEAN ENERGY



Renewable Energy Investments

14 LIFE BELOW WATER



Biodiversity Studies

6 CLEAN WATER AND SANITATION



Water Management

17 PARTNERSHIPS FOR THE GOALS



Climate Change and Energy Management

As we seek to achieve our corporate objectives, we consider reduction of our greenhouse gas emissions, more effective use of energy, and responsible consumption among our priorities to be pursued across the Holding.

We also keep track of our greenhouse gas emission values. Accordingly, our total emissions in 2017 equated to 19,401.7 tons (including all our subsidiaries).

The global climate change that originates from greenhouse gas emissions and whose effect we have been increasingly feeling, brings along risks that are closely related to the operations of many sectors. Effective energy management plays an important role in management and conversion of these risks into an advantage.

As we seek to achieve our corporate objectives, we consider reduction of our greenhouse gas emissions, more effective use of energy, and responsible consumption among our priorities to be pursued across the Holding. We regularly follow the energy consumption of both the Holding and all its subsidiaries. As such, we test our corporate performance regarding the set targets and seek to develop any areas where our performance falls short.

Accordingly, we achieved a reduction of 389 MWh in energy consumption as a result of a various energy efficiency projects. In this way, we achieved financial savings of USD 47,198. In the next period we aim to increase our energy savings by making improvements to the tools and systems we use, implementing rooftop solar panels, changing lighting systems, and the use of electrical vehicles. This year our total energy consumption was 54,613 MWh. Our energy consumption increased by 13% along with the increase of 28% in our turnover in comparison to 2016. Our energy density value, which is an

indicator of the energy consumption corresponding to the unit turnover amount, decreased to 67.8 MWh/million TRY in 2017 from 86.5 MWh/million TRY in 2015.

We also keep track of our greenhouse gas emission values. Accordingly, our total emissions in 2017 equated to 19,401.7 tons (including all our subsidiaries). The value indicating our carbon equivalent gas emission value per unit turnover was 24.1 tons/million TRY by the end of 2017 down from 31.4 tons/million TRY in 2015. In addition to greenhouse gas emissions, we also keep track of other emissions emitted into the air and track their effect within the scope of environmental management. All other air emissions totaled 7 tons in 2017 (including all our subsidiaries).



Growing Renewable Energy Portfolio

We believe that renewable energy and energy source diversity will play an important role in meeting the energy demand in the future.

We aim to become the leading investor in the Turkish sector with the investments we will be making in the future period in solar and wind energy field.

In addition to our efforts in energy management, we also make investments in the field of clean and renewable energy and as such support the provision of energy requirements by means of the most advanced and environment friendly technologies. We believe that renewable energy and energy source diversity will play an important role in meeting the energy demand in the future.

Accordingly, we have power plants operational in Aydın and Şanlıurfa with a 17.2 MW capacity. Moreover, our 9 MW capacity Mardin Power Plant became operational, which is a solar energy

electricity generation investment. Furthermore, we plan to make the 5 MW rooftop solar panel application at Adria Port operational in 2018. We follow up the legislation and regulations closely for the purposes of further expanding our investments in Turkey. We aim to become the leading investor in the Turkish sector with the investments we will be making in the future period in solar and wind energy field.

Within this scope, we plan to invest in the establishment of a 400 MW capacity power plant by 2020, of which, 125 MW will be in biomass energy generation.

Straton – Feldspar: Straton Maden, one of our subsidiaries, makes an important contribution to the production of feldspar minerals, in which Turkey holds the leading position in the world. Straton is among the five largest companies in feldspar production in Turkey and has an annual 626 tons of feldspar production capacity. Feldspar is an important material that reduces heat in ceramic and glass production and ensures large savings in carbon emissions. Straton makes significant contributions in the production of feldspar and energy efficiency.



Water and Waste Management

We monitor our water consumption in the fields where we are active and consider any waste that is the direct or indirect result of our operations as our responsibility within the scope of our environmental management strategy.

Within the scope of our waste management efforts, we plan to monitor our waste generation more effectively. At the same time, we aim to increase the rate of recycling in general at the Holding and its subsidiaries.

We monitor our water consumption in the fields where we are active and consider any waste that is the direct or indirect result of our operations as our responsibility within the scope of our environmental management strategy. In line with the responsibility we have undertaken, we track our water consumption on a regular basis. In 2017, our water consumption was 204,000 m³.

Within the scope of our waste management efforts, we plan to monitor our waste generation more effectively. At the same time, we aim to increase the rate of recycling in general at the Holding and its subsidiaries. We aim to generate waste of a more recyclable nature through awareness studies conducted in the company and by expanding the scope of recycling practices. In 2017, the total waste amount generated as a result of our operations was 772,000 tons.

Our port operations are important in terms of waste management. We ensure that the waste generated at the ports is separated before storage. We store all the waste obtained from ships at our ports and render such waste more environmentally friendly by subjecting it to treatment. On the other hand, we treat waste water and regularly control its contents to ensure compatibility. In 2017, we discharged 23,000 m³ of wastewater following quality control performed within this scope. In the future period, we will continue to control the waste water generated as a result of our operations within the scope of corporate and legislative requirements. In this regard, we aim to improve the quality and decrease the amount of the waste water generated in the future periods.



Our Support for the Protection of Biodiversity

In addition to minimizing the effect of our operations, we collaborate with others and lead work for the protection of natural life in for contributing positively to biodiversity.

At Global Investment Holdings, we are aware of the effect that our facilities spread across the world may have on biodiversity, led by our port operations that are included within the scope of our wide-ranging activities as required by our expansive investment portfolio.

Protection of land and marine ecosystems is extremely important where the health of our planet and sustainability of our business models are concerned. All industrial activities have some sort of effect on the environment. We diligently work towards minimizing these effects and towards not causing any direct or indirect irrecoverable damage to the environment or damaging biodiversity as a result of our operations.

At Global Investment Holdings, we are aware of the effect that our facilities spread across the world may have on biodiversity, led by our port operations that are included within the scope of our wide-ranging activities as required by our expansive investment portfolio. For this reason, we assess the impact of all our operations on biodiversity and have continued to work on this issue since 2015. In addition to minimizing the effect of our operations, we collaborate with others and lead work for the protection of natural life in for contributing positively to biodiversity.

One of our facilities is located in the Gulf of Gökova. We are currently working on a collaborative project which we began in 2015 together with the Association for the Protection of Mediterranean called the Sandbar Shark (*Carcharhinus Plumbeus*) and Breeding Site Project at Boncuk Bay, which is in close proximity to the Gulf of Gökova and has Special Conservation Area status. Under this project, we contribute to the protection of sandbar sharks and their living environment which are included in the sensitive category in the International Union for Conservation of Nature's (IUCN) Red List and in the endangered category in the red list for the Mediterranean region. Accordingly, we include and benefit from the knowledge of the local fisherman in the studies we conduct.





Corporate **Citizenship**

Global Ports Holding sponsored the Ravenna Marathon that is held regularly in Ravenna every year and ran the competition as a Global Run event.

In 2017, 3,600 people from 45 different countries participated in the Global Run that has so far been held at Bodrum, Valletta, Bar/Adria and Ravenna ports.

We believe that the economic and social value we create must not only be limited to our operations. We place great importance on cooperating with the communities in the areas where we operate, as well as with our stakeholders. Accordingly, we initiate projects that will also make a social contribution. Our support to educational, sport, social and cultural projects continues.

GLOBAL RUN

Global Run, organized by Global Ports Holding at a different port every year, is one of our most important social projects. This event that aims to establish a better understanding and tolerance among people from different cultures was held in Bodrum and Ravenna this year. We plan to hold the Global Run at our other ports in line with our port network expansion strategy.

In 2017, 3,600 people from 45 different countries participated in the Global Run that has so far been held at Bodrum, Valletta, Bar/Adria and Ravenna ports.

Bodrum

Global Run has been held regularly in Bodrum for the past four years. The revenue obtained from the event is donated to charitable foundations. Non-governmental organizations such as TOG, TOÇEV and the Parlıt Foundation have previously participated in the event. Approximately 1,000 people participated in this year's competition.

Ravenna

Global Ports Holding sponsored the Ravenna Marathon that is held regularly in Ravenna every year and ran the competition as a Global Run event. The proceeds of the run were donated to the Progetto Margherita - Romagna Oncology Institute, which works towards improving the life quality of patients undergoing chemotherapy.

TURKISH EDUCATION FOUNDATION

This year at Global Investment Holdings we made a donation to the Turkish Education Foundation and sent New Year cards. We lent our support to the Turkish Education Foundation, which provides educational opportunities to young people, as well as supporting their education and conducting studies to solve problems in the education system.



Performance Tables

Social Performance

	2015	2016	2017
Number of employees	1,424	1,411	1,373
Number of fatalities	0	0	0
Number of OHS related accidents	28	53	46
Injury rate (IR)	8	16	8
Total OHS training hours	6,568	6,836	50,536

Environmental Performance

Energy Consumption (MWh)	2015	2016	2017
TOTAL	47,755.8	53,763.9	54,613.1

Greenhouse Gas Emissions (ton CO ₂ e)*	2015	2016	2017
Scope 1	7,722.4	8,165.9	8,559.6
Scope 2	9,589.5	11,159.4	10,842.1
TOTAL	17,311.9	19,325.3	19,401.7

* Greenhouse gas emissions are calculated according to the GHG protocol. Global Warming Potential (GWP) factors are taken from the 5. Assessment Report of Intergovernmental Panel on Climate Change (IPCC).

GRI Content Index

102-41

102-48

GRI Standard	Disclosure	Page Number(s) and/or URL(s)
GRI 101: Foundation 2016		
GRI 102: General Disclosures		
GRI 102: General Disclosures 2016	GRI 101: Foundation 2016	
	102-1	3
	102-2	https://www.globalyatirim.com.tr/en/about
	102-3	https://www.globalyatirim.com.tr/en
	102-4	6-9
	102-5	https://www.globalyatirim.com.tr/en/presentations/investor-presentations
	102-6	6-9
	102-7	6-9, 26
	102-8	26, 42
	102-9	17
	102-10	8, 17
	102-11	18-19, 22-25, 29, 32
	102-12	11, 17, 19-20
	102-13	20
	Strategy	
	102-14	4-5
	Ethics and Integrity	
	102-16	22-25
	Governance	
	102-18	22-24
	Stakeholder Engagement	
	102-40	18-20
	102-41	Holding employees are not covered under collective labor agreement.
	102-42	18-20
	102-43	18-20
	102-44	19, 30
	Reporting Practice	
	102-45	3, 8-9
	102-46	3, 18-19
	102-47	19
	102-48	No major change has been observed.
	102-49	18-19
	102-50	3
102-51	3	
102-52	3	
102-53	3	
102-54	3	
102-55	43-44	
102-56	No independent verification has been sought for this report.	

GRI Content Index

GRI Standard	Disclosure	Page Number(s) and/or URL(s)	Omission
Material Topics			
Sustainable Financial Growth			
GRI 103: Management Approach 2016	103-1	12-15, 18-19	-
	103-2	12-15	-
	103-3	12-15	-
GRI 203: Indirect Economic Impacts	203-1	9-10	-
Business Ethics			
GRI 103: Management Approach 2016	103-1	18-20, 23, 25	-
	103-2	20, 23, 25	-
	103-3	20, 23, 25	-
GRI 205: Anti-corruption 2016	205-3	23	-
Renewable Energy			
GRI 103: Management Approach 2016	103-1	18-19, 32-34	-
	103-2	32-34	-
	103-3	32-34	-
GRI 302: Energy 2016	302-1	32, 42	-
	302-3	32, 42	-
	302-4	32, 42	-
GRI 305: Emissions 2016	305-1	32, 42	-
	305-2	32, 42	-
	305-4	32, 42	-
		32, 42	-
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1	18-19, 29	-
	103-2	29	-
	103-3	29	-
GRI 403: Occupational Health and Safety 2016	403-2	29	-
	403-3	29	-
Fair, Transparent and Accountable Management Approach			
GRI 103: Management Approach 2016	103-1	18-19, 22, 25-26	-
	103-2	22, 25-26	-
	103-3	22, 25-26	-

