

2025 TSRS COMPLIANT SUSTAINABILITY REPORT

FOCUSING ON THE ENERGY OF THE FUTURE





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CEO Message

Dear Stakeholders,

We are navigating a period in which environmental, macroeconomic, and technological dynamics are changing at an unprecedented pace across the globe. This transformation process creates not only new responsibilities for the business world but also multilayered uncertainties that must be managed effectively. As a company, our primary objective is not to remain reactive in the face of these uncertainties; rather, it is to safeguard and enhance our corporate resilience under all circumstances through a proactive, transparent, and data-driven management approach.

Last year, within the scope of the Turkish Sustainability Reporting Standards (TSRS), we focused particularly on the uncertainties and risks arising from the climate crisis, with an emphasis on TSRS 2 – Climate-related Disclosures. This year, we have further expanded our vision by placing TSRS 1 at the center of our integrated business model. We no longer limit our reporting perspective solely to climate; instead, we address all sustainability-related risks and opportunities that may affect our Company's financial flexibility, operational continuity, and long-term value creation capacity within a holistic ecosystem.

A key enabler in translating this expanded vision into action has been the increasing effectiveness of our Sustainability Committee. By integrating our Environmental, Social, and Governance (ESG) objectives into every level of our decision-making mechanisms, our Committee ensures the uncompromising implementation of our sustainability targets.

For us, sustainability is not a matter of aspiration, but a strategic discipline that generates tangible business outcomes. One of the clearest indicators of this commitment is our process of fully aligning our operational portfolio with our decarbonization targets. Our decision to exit our emission-intensive thermal operations is not merely a portfolio optimization; it is also a strategic reflection of our absolute decarbonization strategy and the emission reduction commitments we have established in line with the Science Based Targets initiative (SBTi). Through this step, we are channeling our resources toward significantly stronger and cleaner energy investments that will build a net-zero future.

Through the integrated perspective provided by TSRS 1 and TSRS 2, we analyze future uncertainties in a more systematic manner, integrate them into our enterprise risk management processes, and position them as an integral part of our strategic decision-making mechanisms. Within this scope, we focus on the following key areas in our enterprise risk management architecture:

•**Risks Related to the Energy Sector:** We manage regulatory changes, energy supply security, the need for grid flexibility, and sectoral vulnerabilities arising from the transition process through our agile operating model.

•**Technology Risks:** We closely monitor operational uncertainties associated with digitalization at the heart of the energy transition, opportunities arising from artificial intelligence, cybersecurity threats, and the integration of next-generation clean technologies (R&D) into existing infrastructure.

•**Macroeconomic Developments:** We continuously monitor our business processes against global inflationary pressures, changes in energy prices, interest rate fluctuations, conditions for access to green finance, and constraints within supply chains.

We believe that effectively managing uncertainties and transforming risks into opportunities for innovation and transformation constitute one of the fundamental elements of corporate resilience. Supported by our robust governance structure, the vision of our Sustainability Committee, and the guidance of TSRS 1 and TSRS 2, we will continue to develop our business model, which respects ecological boundaries and safeguards economic stability, with a focus on long-term value creation.

I would like to thank all our stakeholders for their trust and support throughout this transformation journey.

Best Regards,

Elif YENER
Sector President

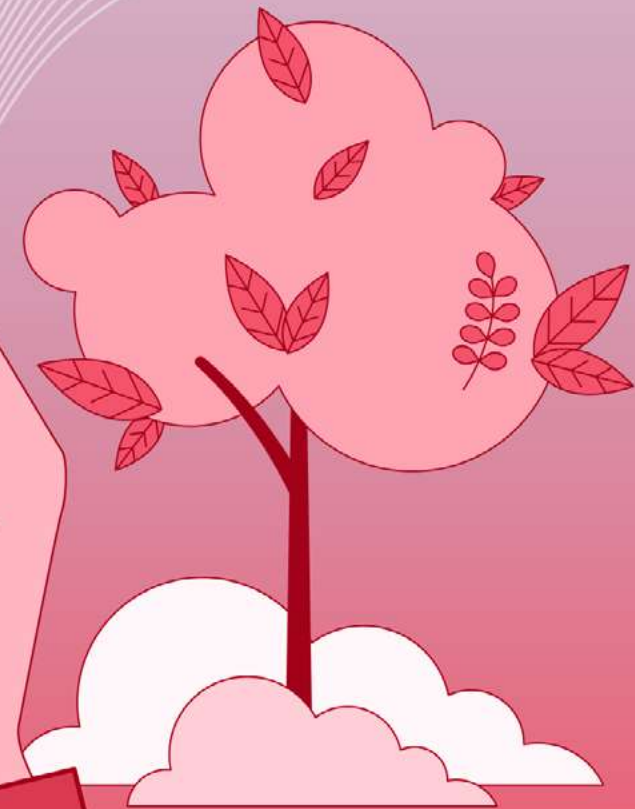
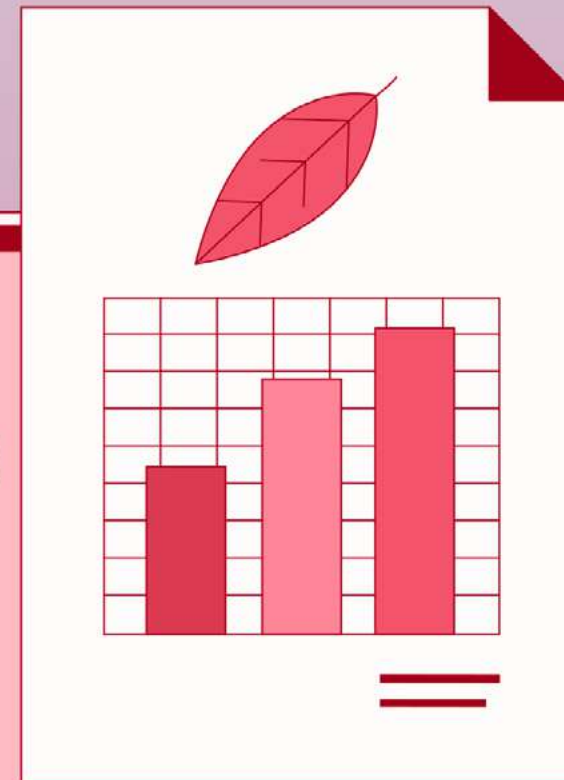
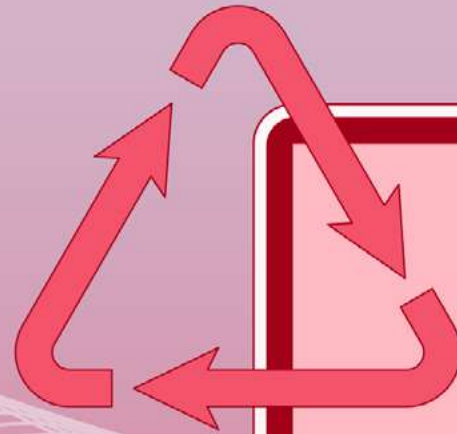
Elif YENER
Sector President





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Compliance with the Türkiye Sustainability Reporting Standards

The Türkiye Sustainability Reporting Standards (TSRS), which were published in the Official Gazette dated 29 December 2023, entered into force and have been applicable as of the reporting periods beginning on 1 January 2024. Zorlu Enerji Elektrik Üretim A.Ş., which is subject to the regulation and supervision of the Capital Markets Board, has exceeded the relevant threshold values for two consecutive reporting periods and thus has become subject to the reporting obligation within the scope of TSRS.

Accordingly, this report has been prepared in line with TSRS 1: General Requirements for Disclosure of Sustainability-related Financial Information and TSRS 2: Climate-related Disclosures. The reporting scope covers Zorlu Enerji Elektrik Üretim A.Ş. and its fully consolidated subsidiaries; taking into account all affiliated entities within the value chain.

In the preparation of this report, reference was made to the Sustainability Accounting Standards Board (SASB) standards under the International Sustainability Standards Board (ISSB), as well as the industry-specific implementation guidance of TSRS 2. Within this scope, “Volume 32 – Electric Utilities and Power Generators,” “Volume 44 – Solar Technology and Project Developers,” and “Volume 45 – Wind Technology and Project Developers” were used as reference documents. The applicability of the industry-specific disclosure topics included in the SASB Electric Utilities and Power Generators Standard was assessed in relation to the Company’s activities, and the topics determined to be applicable were integrated into the process of identifying sustainability-related risks and opportunities.

Related Information

The sustainability and climate-related information presented in this report has been prepared specifically for Zorlu Enerji Elektrik Üretim A.Ş., and evaluations have been carried out on the basis of the consolidated financial statements. The report covers the 12-month period ending on 31 December 2025 and is aligned with the financial reporting period. The monetary data included in the report are expressed in the same currency as the financial statements, ensuring consistency. Accordingly, in order to present climate-related information in alignment with the financial data, the accounting policies, application methods, estimates, and the presentation currency used in the preparation of the financial statements, Turkish Lira (TL), have been taken as the basis.

Zorlu Enerji integrates the maturities related to sustainability and climate-related risks and opportunities into its corporate planning processes and defines them as follows:

Short-term: 0-1 year

Medium-term: 1-5 years

Long-term: 5+ years

Reporting Period and Frequency

Zorlu Enerji Elektrik Üretim A.Ş. is reporting, for the first time under the TSRS framework, by applying TSRS 1 and TSRS 2 together for the annual reporting period ended 31 December 2025. Following the publication of its first TSRS Report, compliant with TSRS 2, on 1 January 2024, the Company will continue its reporting by applying both TSRS 1 and TSRS 2 standards annually starting from 1 January 2026. With this report, Zorlu Enerji publishes its second TSRS Report.

Judgements and Uncertainties

The sustainability and climate-related information included in this report has been obtained from Zorlu Enerji’s own internal resources as well as from third-party data providers whose reliability is generally accepted. Since some of the information is based on measurements and estimates, it may contain approximate values. In evaluating climate-related risks and opportunities, the Company has acted in line with international standards, science-based guidelines, and best practices; and has aimed to ensure the accuracy, completeness, and reliability of the information presented.

Fair Presentation

This report covers Zorlu Enerji’s climate-related risks and opportunities for the 2025 fiscal year. The disclosures have been prepared in a complete, impartial, and faithfully representative manner to support the decision-making processes of general-purpose financial reporting users. The information has been presented with due regard to the principles of transparency, consistency, and comparability; and in forward-looking assessments, reasonable assumptions based on reliable sources have been taken as the basis. Possible impacts of climate-related risks and opportunities on the Company’s cash flow, access to financing, and cost of capital have also been addressed.

The report has been prepared in compliance with the TSRS 1 and TSRS 2 standards, and where necessary, the principle of faithful representation has been supported with additional information. However, with respect to opportunities, disclosures have been carefully evaluated considering the potential impact of revealing commercially sensitive information on the Company’s competitiveness. The disclosures have been presented in alignment with the financial statements and within a holistic framework.

Information on the relief applied during the reporting period;

TSRS 1 - APPENDIX E6 (b)

Comparative information is not presented in the disclosure of information relating to sustainability-related risks and opportunities in accordance with paragraph E5.

Materiality

In the assessments conducted with Senior Management (CEO and Zorlu Holding Chief Audit, Control and Risk Officer), the Company’s consolidated financial statements are taken as the basis. The key indicators used in the financial materiality analysis have been determined as Revenue, Operating Expenses, Capital Expenditures (CapEx), Financing Expenses, and EBITDA; changes in these items are observed to create significant impacts when considered in the context of Zorlu Enerji’s business model. The financial impacts of the relevant risks are also presented in a manner comparable to the Company’s revenue in order to facilitate investors’ assessment. Revenue is used as the materiality metric.

Accordingly, the financial materiality threshold determined for the Company is defined as the financial impact of a risk exceeding 2.1% of revenue in any reporting period. This threshold has been used as a reference in the assessment of the financial impacts of climate-related risks and opportunities.

Audit

This report has been evaluated within the scope of the mandatory independent audit, as required by the Turkish Sustainability Reporting Standards, which were published by the Public Oversight, Accounting and Auditing Standards Authority (POA) in the Official Gazette No. 32414(M) dated 29 December 2023.

In this context, a limited assurance audit has been conducted by KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in accordance with ISAE 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” and ISAE 3410 “Assurance Engagements on Greenhouse Gas Statements,” and this limited independent assurance statement has been included in the report.

Events After the Reporting Period

Between the end of the reporting period and the date of approval of this document for publication, no new information or developments have occurred that would materially affect the content of this report.





About Zorlu Enerji

Organization Structure and Fields of Activity

As of 31 December 2025, Zorlu Enerji Elektrik Üretim A.Ş., together with its subsidiaries and associates, operates in the fields of electricity and steam generation and sales, electricity trading, electricity distribution and retail sales, as well as electric vehicle leasing and the sales, installation, and operation of electric vehicle charging stations.

The Company was established in 1993 through a partnership between Zorlu Holding A.Ş. and Korteks Mensucat Sanayi ve Ticaret A.Ş. and is ultimately managed by Zorlu Holding. Registered in Türkiye, Zorlu Enerji is headquartered at Bursa Organize Sanayi Bölgesi, Pembe Cadde No:13, Bursa, Türkiye. The Company, which is subject to the regulations of the Capital Markets Board of Türkiye (CMB), has been listed on Borsa İstanbul (BIST) since 2000.

As of 31 December 2025, 37.40% of the Company's shares are publicly traded.

The Company's direct subsidiaries are as follows:

Direct Subsidiaries	Share Ratio	Main Field of Activity	Country
Zorlu Osmangazi Enerji Sanayi ve Ticaret A.Ş. ("Zorlu Osmangazi")	100%	Electricity distribution and other	Türkiye
Zorlu Yenilenebilir Enerji A.Ş. ("Zorlu Yenilenebilir")	100%	Electric power generation and other	Türkiye
Eway Araç Kiralama Ticaret A.Ş. ("Eway")	100%	Renting, leasing and other non-driverless leasing of motorised light land vehicles and cars	Türkiye
ZGP Pakistan (Private) Ltd. ("ZGP Pakistan")	99.70%	Electric power generation and other	Pakistan
Zorlu Enerji Pakistan Ltd. ("Zorlu Enerji Pakistan")	99.99%	Electric power generation and other	Pakistan
In Liquidation Zorlu Enerji İsrail Ltd. ("Zorlu Enerji İsrail")	100%	Electric power generation and other	Israel
ZJ Strong Energy for Renewable Energy Limited Co. ("ZJ Strong")	75%	Electric power generation and other	Palestine
Zador Israel Ltd. ("Zador")	100%	Electric power generation and other	Israel
Zorlu Renewable USA Inc ("Zorlu Renewable USA")	100%	Electric power generation and other	USA
Zorlu Dengeleme Enerji Yönetimi AŞ ("Zorlu Dengeleme") (*)	100%	Electric power generation and other	Türkiye

The Company's direct subsidiaries are as follows.

Direct Subsidiaries	Share Ratio	Main Field of Activity	Country
Electrip Global Limited	49.99%	Charging station maintenance, repair, installation, sale and other	England, Jersey

(*) Zorlu Dengeleme was established on 21 August 2025 as a wholly owned subsidiary of Zorlu Enerji.



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Governance

(TSRS 1: Articles 26 - 27) (TSRS 2: Articles 5 - 7)

Sustainability and Climate-Related Governance Structure

(TSRS 1: Articles 27(a), TSRS 2: Articles 6(a))

Roles and Responsibilities of the Board of Directors and Committees

(TSRS 1: Articles 27(a)(i), TSRS 2: Articles 6(a)(i))

At Zorlu Enerji, the enterprise risk management function is carried out by the Enterprise Risk Management Department within the Internal Control and Enterprise Risk Management Directorate, which is structured under the Zorlu Holding CEO. This structure manages integrated risk management processes by working in coordination with the appointed Sector Enterprise Risk Management Coordinator and the relevant units across the Zorlu Enerji Group.

In order to ensure the effective execution of enterprise risk management processes, risks are addressed on a regular basis throughout the reporting period. Within the scope of these assessments, sustainability- and climate-related risks and opportunities are addressed as an integral part of the enterprise risk universe within the framework of the integrated risk management approach.

The Sustainability Committee, which operates under the Board of Directors and continues its activities under the chairmanship of an Independent Board Member, is responsible for the management and reporting of sustainability- and climate-related risks and opportunities. The Committee systematically evaluates sustainability- and climate-related risks and opportunities and, through these evaluations, provides input to the strategic decision-making processes of the Board of Directors. The working groups operating under the Committee conduct analyses and scenario analyses relating to both physical and transition risks and report their findings directly to the Sustainability Committee.

At Zorlu Enerji, the highest decision-making authority in the management of sustainability strategies is the Board of Directors. The Board of Directors is ultimately responsible for the formulation of the Company's strategy and for the management of critical sustainability- and climate-related risks.

Sustainability and Climate Competencies of the Board of Directors

(TSRS 1: Articles 27(a)(ii), TSRS 2: Articles 6(a)(iii))

The performance of the Board of Directors at Zorlu Enerji is evaluated annually, and this evaluation process contributes to the identification of areas on which the Board of Directors should focus, particularly sustainability, climate, and risk management. Various development initiatives are planned and implemented to enhance the competencies of the Board of Directors and to make risk management processes more effective.

Within this scope, an orientation program has been initiated to enable newly appointed Board members to gain a closer understanding of the company and its operations; as part of this program, training sessions on the Zorlu Enerji Risk Map are organized by the Integrated Risk Management and Internal Control teams.

The Board of Directors performance evaluation is conducted through an internal assessment method based on a methodology previously developed by an external consulting firm. A similar method has been applied during the reporting period, and the outputs obtained are used to enhance the effectiveness of the Board of Directors, strengthen risk management competencies, and support the continuous improvement of corporate governance practices.

The integration of sustainability criteria into corporate strategy and management processes is supported through the Balanced Scorecard (BSC) application. The performance objectives of employees in managerial and above title groups are defined in strategic, functional, and financial areas in line with sustainability priorities, and the Company's sustainability targets are linked to individual objectives across all levels of the organisation, particularly senior management. This structure contributes to aligning employees' career development with corporate objectives and to the adoption of the sustainability strategy throughout the organisation.

The competency matrix demonstrating the distribution of the Board of Directors' competencies in sustainability, climate, and risk management is presented below.

Competency Matrix

Competencies/ Members	Ahmet Nazif Zorlu	Selen Zorlu Melik	Cem Köksal	Mümin Cengiz Ultav	Betül Ebru Edin	Cem Mengi	Yusuf Günay
Strategy and management organization	2	1	2	2	2	2	2
Financial management experience	2	1	2	0	2	2	2
Industry/sector experience (*)	2	2	2	2	2	1	2
International experience	0	0	1	1	2	2	2
Risk management experience	2	1	2	1	2	2	2
Sustainability/ESG experience	0	2	1	2	2	2	2
R&D and innovation experience	2	0	0	2	1	1	1
Digital transformation experience	1	0	1	2	1	2	1
Senior management experience	2	1	0	0	2	2	2
Board of Directors experience (**)	2	2	2	1	2	2	2

10+ years of experience	2
Less than 10 years of experience	1
No experience.	0

(*) The Global Industry Classification Standard (GICS) has been used as a reference for industry/sector experience.
(**) The board member's experience has been calculated on a yearly basis, taking into account their individual experience in the same years, even if they had board membership experience in different companies before becoming a board member of the relevant company.



Sustainability and Climate-Related Governance Structure

Informing the Board of Directors on Sustainability and Climate-Related Risks and Opportunities

(TSRS 1: Articles 27(a)(iii), TSRS 2: Articles 6(a)(iii))

At Zorlu Enerji, the Sustainability Committee, which operates under the Board of Directors and continues its activities under the chairmanship of an Independent Board Member, is responsible for the management of sustainability- and climate-related risks and opportunities. Within this scope, the Committee addresses and evaluates sustainability- and climate-related risks and opportunities through a holistic approach and submits the analyses and reports prepared to the relevant committees for presentation to the Board of Directors.

Assessments relating to sustainability- and climate-related risks and opportunities are carried out by the Sustainability Committee and the Early Detection of Risk Committee.

The evaluations conducted and decisions taken by the Committees are reported to the Board of Directors, providing input to senior-level oversight and decision-making processes. Through this structure, sustainability- and climate-related risks and opportunities are regularly and systematically brought to the agenda of the Board of Directors. The Board of Directors convened a total of 8 times in 2025.

During the reporting period, the Sustainability Committee convened four times and the Early Detection of Risk Committee convened six times, with an attendance rate of 100% at all meetings.

Members/Meeting Attendance	Board of Directors	Committee on Early Risk Detection	Sustainability Committee
Ahmet Nazif Zorlu	7/8		
Selen Zorlu Melik	8/8		
Cem Köksal	8/8		
Betül Ebru Edin	7/8	6/6	4/4
Cem Mengi	7/8		1/1
Cengiz Ultav	8/8		
Yusuf Günay	8/8	6/6	
Elif Yener			4/4

Strategic Management of Sustainability and Climate-Related Risks and Opportunities

(TSRS 1: Articles 27(a)(iv), TSRS 2: Articles 6(a)(iv))

Sustainability- and climate-related risks and opportunities at Zorlu Enerji are systematically integrated into operational processes, investment planning, and all stages of the value chain. The long-term targets determined in line with the assessments conducted by the Sustainability Committee guide the Company's strategy development and management processes and are directly linked to the sustainability risk management framework.

The Company's activities are carried out within the framework of the Zorlu Enerji Decarbonization Strategy. Risk and opportunity analyses are conducted by considering not only the impacts of climate change on the Company's operations but also its impacts across all stages of the value chain, including the supply chain, distribution processes, and customer use. Within the scope of these analyses, preventive and corrective practices are developed both to manage existing risks and to enable the early identification of emerging risks.

Integration of Sustainability and Climate Targets into Remuneration Policies

(TSRS 1: Articles 27(a)(v), TSRS 2: Articles 6(a)(v))

At Zorlu Enerji, the performance of senior management and the CEO is supported by incentive systems designed to align with the company's long-term sustainability goals. Performance-based bonuses provided in addition to senior executives' salaries include both a percentage of the salary and a fixed amount and are implemented in an integrated manner with short- and long-term incentive plans.

Senior executives are included in a variable short-term incentive plan that incorporates financial and Environmental, Social and Governance (ESG) performance indicators aligned with the Company's strategic priorities, in addition to their fixed salaries. Within this scope, performance evaluation is carried out through a holistic framework in which financial indicators and sustainability- and climate-related indicators are assessed together. In this context, the key targets determined are as follows:

1. Financial targets



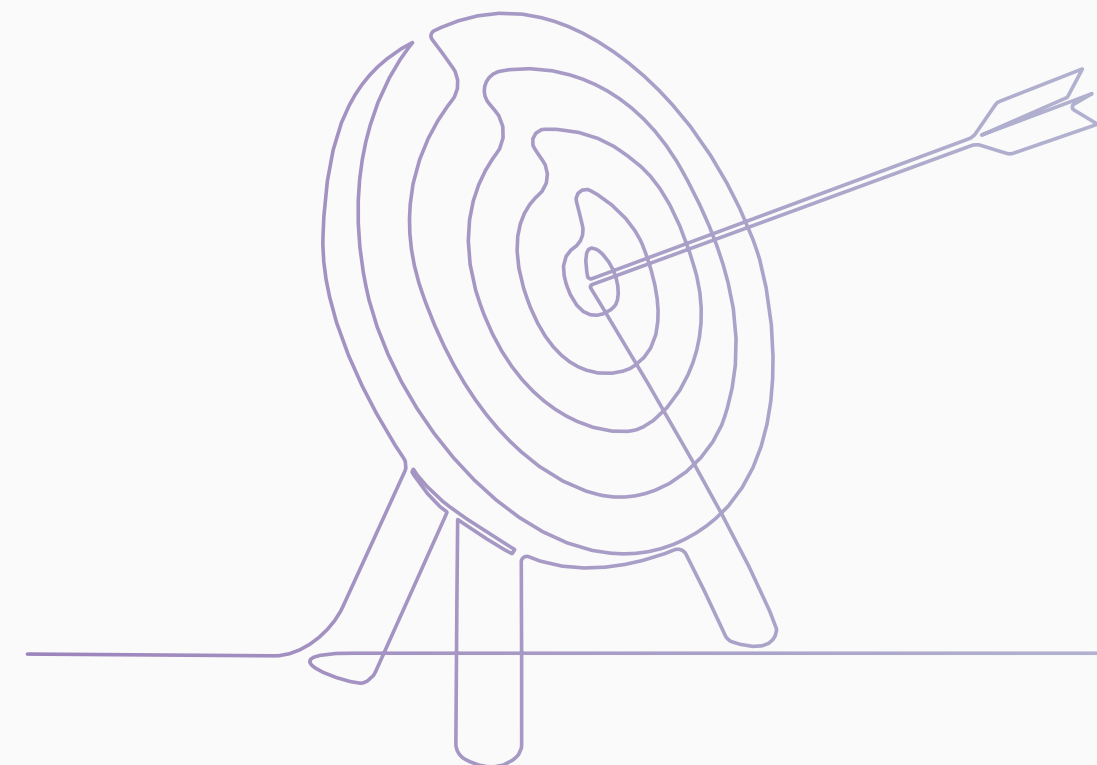
EBITDA and debt ratios, interest expenses, investment ratios

2. ESG targets



- **Strategic targets:** ESG index scores 20%
- **Functional targets:** Scope 1, 2, and 3 carbon emissions 50%
- **Organizational targets:** Retention of high-performing employees and overall employee engagement 20%

The incentive system is based on the critical performance indicators specified above and is implemented in an integrated manner with the Short-Term and Long-Term Incentive Plans. If the specified targets are successfully achieved, all employees who contribute to the process receive a salary incentive.





Oversight Process of Governing Bodies, Controls and Procedures

(TSRS 1: Articles 27(b), TSRS 2: Articles 6(b))

Oversight by the Board of Directors and Committees

(TSRS 1: Articles 27(b)(i), TSRS 2: Articles 6(b)(i))

The responsibility for the oversight of sustainability- and climate-related risks and opportunities at Zorlu Enerji rests with the Sustainability Committee, which operates directly under the Board of Directors. The Sustainability Committee continues its activities under the chairmanship of an Independent Board Member and is responsible for the assessment of risks and opportunities within the scope of sustainability, particularly climate change.

Information relating to sustainability- and climate-related risks and opportunities is regularly presented to the Board of Directors through the Sustainability Committee. The activities carried out and assessments prepared by the Committee are directly monitored and considered by the Board of Directors; based on these assessments, the Board of Directors provides strategic direction and ensures that the necessary actions are taken. Through this structure, sustainability- and climate-related risks and opportunities are subject to an effective oversight and decision-making process at the management level.

Within the scope of Zorlu Enerji's Integrated Risk Management framework, sustainability- and climate-related risks and opportunities are also evaluated by the Early Detection of Risk Committee.

Sustainability Committee

The Sustainability Committee consists of at least two members. Pursuant to the resolution adopted at the Board of Directors meeting held on 29 May 2025, Independent Board Member Ms. Betül Ebru Edin was appointed as Chair of the Committee, while CEO/Sector President Ms. Elif Yener and Independent Board Member Mr. Cem Mengi were appointed as Committee Members to carry out the activities of the Sustainability Committee. The allocation of responsibilities of the Sustainability Committee is presented below:

Committee Members	Duty	Qualifications
Betül Ebru Edin	Chair of the Committee	Independent Board Member
Elif Yener	Committee Member	CEO/ Sector President
Cem Mengi	Committee Member	Independent Board Member

Early Detection of Risk Committee

The Early Detection of Risk Committee of Zorlu Enerji consists of at least two members of the Board of Directors. Where the Committee consists of two members, all members are selected from among non-executive members of the Board of Directors; where the Committee consists of more than two members, the majority of the members are selected from among non-executive members of the Board of Directors. Pursuant to the resolution adopted at the Board of Directors meeting held on 29 May 2025, Independent Board Member Mr. Yusuf Günay was appointed as Chair of the Committee, and Independent Board Member Ms. Betül Ebru Edin was appointed as Committee Member to carry out the activities of the Early Detection of Risk Committee. The allocation of responsibilities of the Early Detection of Risk Committee is presented below:

Committee Members	Duty	Qualifications
Yusuf Günay	Chair of the Committee	Independent Board Member
Betül Ebru Edin	Committee Member	Independent Board Member

Controls and Procedures Used to Monitor Sustainability and Climate Risks

(TSRS 1: Articles 27(b)(ii), TSRS 2: Articles 6(b)(ii))

At Zorlu Enerji, various controls and procedures are implemented to ensure the effective monitoring of sustainability and climate-related risks and opportunities. The Sustainability Committee works in integration with the internal audit, risk management, and compliance units to ensure that sustainability risks are incorporated into operational processes. Sustainability risks are systematically monitored through risk analyses, risk matrices, and monitoring tables updated annually.

Within the framework of the Sustainability Policy and the Environmental and Social Governance Principles Commitment, environmental and social risks are systematically monitored and evaluated through a holistic risk management approach integrated into all business processes. In this context, the potential impacts of investments on natural and cultural heritage are analyzed in advance, and measures to mitigate adverse effects are integrated into business plans.

In line with climate change mitigation and adaptation efforts, high-technology investments are carried out, projects to improve energy efficiency are developed, and processes are continuously improved. In accordance with the commitments set forth in the Sustainability Policy, impact and risk analyses are regularly updated; performance results are transparently monitored, reported, and shared with stakeholders. In addition, through risk monitoring procedures, early detection and response mechanisms are actively utilized against emerging sustainability and climate risks.

The relevant policies can be accessed via the link below, and the relevant procedure related to risk management can be found under the "Corporate Governance" section of the Integrated Activity Report:



[Zorlu Enerji Sustainability Policy](#)



[Zorlu Enerji Environmental and Social Management Principles](#)





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Strategy

(TSRS 1: Articles 28 - 42) (TSRS 2: Articles 8 - 23)

Zorlu Enerji addresses the impacts of sustainability- and climate-related risks on its business model, operational activities, and value chain at a strategic level and integrates these risks into its financial and managerial decision-making processes. This assessment, conducted within the framework of TSRS 1 and TSRS 2, focuses on the holistic analysis of the potential implications of sustainability- and climate-related risks for the business model, strategic objectives, and long-term value creation capacity. These analyses are structured not only to cover Zorlu Enerji’s direct operations but also to encompass value chain elements that are considered critical to the Company’s long-term resilience and whose level of financial materiality exceeds specified thresholds.

Within this framework, the potential impacts of climate-related physical and transition risks, as well as sustainability risks encompassing environmental, social, and governance dimensions, on Zorlu Enerji’s long-term financial resilience, strategic objectives, and business model are assessed. The implications of these risks for investment decisions, value chain structure, strategic direction, and financial planning processes are also considered. Furthermore, the Company’s climate transition plans, sustainability-focused strategic direction, and capacity to adapt to uncertainties are detailed under the relevant sections within the context of short-, medium-, and long-term maturities.

Risk and Opportunity Definitions

In order to identify Zorlu Enerji’s sustainability- and climate-related risks and opportunities in a systematic, comparable, and consistent manner, the principles and classifications set out in TSRS 1 and TSRS 2 have been taken as the basis. The definitions presented in this section have been structured to demonstrate the nature, maturity, probability, position within the value chain, and potential financial impacts of sustainability- and climate-related risks. The defined classifications serve to support the prioritisation of risks and provide input to strategic decision-making processes.

Connection Between Risk and Climate		
Physical Risk	Acute	Risks arising from extreme weather events that develop suddenly and have short-term effects (e.g., heat stress (heat/cold waves, frost, wildfires), drought, heavy rainfall/flooding/torrential rain, strong winds, and storms).
	Chronic	Risks arising from long-term and persistent climate changes (e.g., temperature change, precipitation pattern change/hydrological variability, wind pattern change).
Transition Risk	Policy and Legal	Risks arising from legislation, regulations, and practices related to combating climate change. For example, carbon pricing or emission limits.
	Technology	Risks arising from existing systems becoming inadequate or obsolete as a result of the adoption of new and low-emission technologies.
	Market	Energy demand, customer preferences, cost structures, or supply chain dynamics are economic risks arising from climate-related changes.
	Reputation	Risks arising when the business is not sufficiently transparent, responsible, or effective in line with the expectations of stakeholders, investors, or the public related to climate change.

Maturity of Risk		
Short	0-1 Year	Risks expected to arise within 0 to 1 year.
Medium	1-5 Years	Risks expected to arise within 1 to 5 years.
Long	5+ Years	Risks expected to arise after 5 years.

Probability of Risk	
Almost certain	A situation that is almost certain to occur. There is a history of numerous past occurrences. It is expected to occur within a few months.
Likely	A situation that is highly likely to occur. Many past occurrences are remembered. More than one occurrence may happen within the same year.
Possible	A situation that is likely to occur. Several past occurrences within the organization are remembered.
Unlikely	A situation that is expected to occur with a low probability. A rare occurrence or a few occurrences within the organization are remembered.
Very unlikely	A situation that is not impossible but is expected to occur with a very low probability. Exceptional cases may be remembered from similar organizations.

Impact of Risk on the Value Chain	
Upstream	It covers processes that are outside the company's direct control and are in the initial stages of operations.
Internal Operations	It covers processes that the company directly owns, manages, and has full authority over operational decisions.
Downstream	It covers the stages after the company's products and services reach the end user.

Financial Impact of Risk	
Level	Financial Performance ¹ (%)
Very Low	< 2.1%
Low	2.1% –4.99%
Medium	5.0% –9.99%
High	10.0% –14.99%
Very High	≥ 15.0%

¹ Revenue has been determined as the financial materiality metric. An impact equivalent to 2.1% of revenue is considered financially material. The financial impacts of risks and opportunities assessed as having a low-to-medium risk level have not been quantitatively disclosed.



Risk and Opportunity Definitions

Business Model and Value Chain

When assessing the impacts of sustainability- and climate-related risks on its business model and value chain, Zorlu Enerji considers not only its own operational activities but also its subsidiaries, associates, and the upstream and downstream impacts arising throughout its value chain.

Zorlu Enerji's business model is based on various resources and relationships established with numerous stakeholders that support the continuity of its energy generation activities. In this context, raw material and equipment suppliers that directly contribute to the production process, as well as service providers, employees, and consultants involved in the construction, operation, and maintenance of facilities, constitute the key elements of the upstream value chain. Within the downstream value chain, logistics and distribution service providers involved in the distribution of the energy generated and its delivery to end users, together with customers generating demand for products and services, are among the critical stakeholders.



Zorlu Enerji's upstream and downstream value chain relationships are summarised below:

Value Chain		Description and Definition	Geographical Area
Upstream	Decarbonization	High-Emission Assets Disposal	Türkiye
	Trade and Financial Products	Carbon Credit Sales	Türkiye, Pakistan
		Electricity Trading	Türkiye
Internal Operations	Corporate Compliance and Stakeholder Management	I-REC and Yek-G Certificate Sales	Türkiye
		Compliance with Agreements Made with Partners	Türkiye
		Thermal Power Plant	Türkiye
		Hydroelectric Power Plant	Türkiye
		Geothermal Power Plant	Türkiye
	Production	Wind Power Plant	Türkiye, Pakistan
		Solar Power Plant	Türkiye, Palestine
		Transmission Line	Türkiye
	Distribution	Transmission/Distribution Station	Türkiye
		Geothermal Drilling Operations	Türkiye
	Technological Systems	CO ₂ Sales	Türkiye
		Electric Vehicle Charging Stations	Türkiye, Europe
		Inverters, Cells, Solar Panels, etc. Solar Equipment	Türkiye
		Wind Turbine Equipment Maintenance and Repair Center	Türkiye
	Management Processes	Waste Disposal	Türkiye
		Supplier Management	Türkiye
Downstream	Supporting and Integrated Activities	Thermal Tourism	Türkiye
		Agriculture	Türkiye
		Textile Factory	Türkiye
		Relations with Official Institutions	Türkiye
	Corporate Compliance	Fuel and energy products	Türkiye
		Raw material extraction for renewable energy assets	Türkiye
		Mineral and metal mining	Türkiye
	Raw Material and Resource Supply	Resource extraction and processing	Türkiye
		Transportation vehicles	Türkiye
	Logistics and Transportation	Settlement	Türkiye
		Zero Carbon Footprint Forests	Türkiye
	Natural Resources and Resource Procurement	Ecosystem	Türkiye
		Agriculture	Türkiye
		Renewable Energy Equipment Manufacturing	Türkiye
	Equipment Manufacturing		



Sustainability and Climate-Related Risks

Zorlu Enerji considers sustainability- and climate-related risks as key factors that may affect the Company’s business model, value chain, strategic objectives, and long-term value creation capacity. Within this scope, sustainability risks encompassing environmental, social, and governance dimensions, together with climate-related risks, are addressed in connection with strategic planning and decision-making processes.

Climate-related risks are assessed under the categories of physical risks and transition risks, and the potential impacts of these risks on Zorlu Enerji’s operational continuity, asset management, cost structure, and financial performance are analysed.

The increasing frequency and severity of extreme weather events, long-term climatic changes, and the transformation of climate policies are among the prominent risk factors for the areas in which the Company operates.

Beyond climate-related risks, sustainability risks include energy sector supply security risks, supply chain-driven cost inflation risk, and uncertainties in the Turkish energy market. These risks are considered capable of creating direct or indirect impacts on the Company’s operational and financial resilience across different stages of the value chain.

Risk Title	Risks to Energy Supply Security Arising from Global Geopolitical and Socioeconomic Developments (S1)
Risk Definition	Global geopolitical developments and socioeconomic fluctuations disrupt the supply-demand balance in energy commodity markets, increasing price volatility and creating direct impacts on energy supply security. Production and export decisions taken by countries and organisations that play a decisive role in energy supply (e.g., OPEC and Russia) may lead to sudden changes, particularly in natural gas and oil prices, thereby creating pressure on energy generation costs. Geopolitical tensions, trade restrictions, and sanctions may cause disruptions in energy supply chains and create uncertainties in the procurement of imported fuels. These developments may result in increased fuel costs, reduced generation margins, and fluctuations in cash flows. Wars, pandemics, and macroeconomic crises may also lead to sudden decreases or increases in energy demand, reducing predictability in market prices.
Connection Between Risk and Climate	Sustainability – Energy Supply Security / Geopolitical and Macroeconomic Risks
Source of Risk	Double Materiality Assessment, Enterprise Risks
Risk Maturity	Short-Term
Risk Probability	Likely
Impact of Risk on the Business Model and Value Chain	Geographical Area: Global and regional (Türkiye and other countries in which operations are conducted) Value Chain Stage: Upstream, Internal Operations, and Downstream Area of Concentration: Fuel costs for the Lüleburgaz thermal power plant
Current and Anticipated Impacts of Risk on the Business Model and Value Chain	Current Impacts: Zorlu Enerji has completely exited its thermal and natural gas portfolio and has structured its strategy around 100% renewable energy. As a result, the Company is insulated from direct cost increases associated with natural gas and fossil fuels. As of the reporting period, no direct impact causing interruptions in energy generation activities has been observed. However, volatility in global energy markets is expected to have an impact on inflation. Cost and price risks should be closely monitored. Brent Crude Oil (2024 Average): USD 79.32/barrel Brent Crude Oil (2025 Average): USD 67.88/barrel Brent Crude Oil (2026 Expected Average): USD 76/barrel Anticipated Impacts: In the event of increasing geopolitical and socioeconomic uncertainties, cost and planning risks related to energy supply are expected to rise; this situation is expected to increase the need for operational flexibility and create pressure on supply processes.

Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: The risk influences strategic approaches relating to the diversification of the energy generation portfolio, the prioritisation of investments supporting energy supply security, and the strengthening of operational resilience. Impact on Decision-Making Processes: Geopolitical and socioeconomic developments are taken into consideration when making decisions related to investment timing, short-term generation plans, and cost management.
Actions Related to Risk Management	- Regular monitoring of geopolitical and socioeconomic developments in energy markets - Directing a larger portion of generation capacity to fixed-price long-term bilateral agreements (PPAs) in order to mitigate exposure to price fluctuations in the spot market.
Investments for Risk Management	Zorlu Enerji’s renewable energy investments (Capital Expenditures of Zorlu Yenilenebilir Enerji A.Ş. and its Subsidiaries: TL 1,239,228,000)
Objectives Related to Risk Management	Execution of investments in renewable energy. (Total Installed Renewable Capacity in 2025: 538 MW; Existing Renewable Energy Licences: 496 MW)
Current and Anticipated Effects of Risk on Financial Position and Performance	Financial Impact: The risk involves a large number of interrelated variables. The impact of increases in natural gas and oil prices on the Market Clearing Price (MCP) could not be directly quantified. Due to the large number of variables affecting the MCP, the financial impact of the risk could not be quantified. The risk contains numerous interrelated variables, and the main reasons why a disaggregated financial impact calculation cannot be performed are explained below: 1. Data Uncertainties The historical datasets required to isolate the impact of natural gas and oil price movements on the Market Clearing Price (MCP) do not exhibit sufficient homogeneity in terms of the timing, duration, and severity of geopolitical events. Although commodity price data relating to past crises (e.g., the Russia–Ukraine war and the COVID-19 pandemic) are available, the effects of these events on the MCP cannot be isolated from other simultaneous factors, such as demand fluctuations, renewable energy penetration, and exchange rate movements. 2. Modelling Uncertainties The MCP is determined through the simultaneous interaction of numerous variables, including the status of renewable energy resources, uncertainties relating to nuclear power plant investments, thermal power plant capacity factors, renewable energy generation, cross-border electricity trade, and regulatory interventions. This structural complexity makes it difficult to establish causal models linking geopolitical fuel price shocks to changes in the MCP. Furthermore, existing econometric methods do not allow for reliable disaggregation due to issues such as multicollinearity and endogeneity. 3. Measurement Uncertainties The occurrence scenarios associated with the risk (e.g., short-term price spikes, prolonged supply disruptions, or sanctions-driven fuel access restrictions) generate different magnitudes and timing profiles of impact. Calculating a separate financial impact for each scenario requires reliable forecasts related to parameters such as probability weightings, impact duration, and the sensitivity of hedging positions to each scenario. Due to the geopolitical nature of the risk, these parameters cannot be estimated statistically with sufficient reliability. For these reasons, the risk is currently assessed on a qualitative basis.
Items Affected by the Risk in the Financial Statements	A decrease in revenue (OEPSAŞ and Zorlu Yenilenebilir – Sales Realised through the Market Clearing Price (MCP)) and an increase in operating expenses (All Operations) are expected.
Opportunity Created by Risk	Geopolitical and socioeconomic uncertainties may create opportunities for Zorlu Enerji to strengthen its renewable energy-focused generation portfolio and prioritise investments that contribute to energy supply security by increasing the strategic importance of domestic and renewable energy resources.



Sustainability and Climate-Related Risks

Risk Title	Supply Chain and Cost Inflation Risk (S2)
Risk Definition	Cost inflation at both global and local levels may lead to cost increases across different stages of the supply chain, particularly in maintenance and repair services, logistics activities, fuel, equipment procurement, and information technology expenses. Extended lead times and increases in service costs create direct pressure on the operating cost structure of energy generation activities. The fact that a significant portion of the critical equipment and spare parts used in energy generation depends on the global supply chain increases cost uncertainty due to exchange rate fluctuations, international logistics costs, and volatility in commodity prices. This situation may result in deviations in both operating expenditure and capital expenditure projections. a) Operating Expense Inflation Cost inflation at both global and local levels creates structural cost pressure on operating expense items, particularly maintenance and repair services, logistics activities, fuel, and information technology expenses. This factor is of critical importance for the routine operation and maintenance activities of geothermal, wind, solar, and hydroelectric power plants, and delays or cost overruns in planned maintenance cycles may directly affect generation continuity and operational efficiency. Within the scope of electricity distribution activities, increases in the maintenance and renewal costs of grid infrastructure create additional pressure on the distribution cost structure. b) Cost Uncertainty Arising from Exchange Rates and Commodity Prices The significant dependence of critical equipment and spare parts used in renewable energy generation, such as wind turbines, battery storage components, solar panels and inverters, and geothermal drilling equipment, on the global supply chain may lead to deviations in both operating expenditure (OPEX) and capital expenditure (CAPEX) projections due to exchange rate fluctuations, international logistics costs, and volatility in commodity prices. From the perspective of electricity trading activities, cost inflation increases uncertainty in portfolio management by making it more difficult to forecast trading margins. c) Supplier Concentration and Limited Alternative Supply The fact that high-technology equipment specific to renewable energy Technologies, particularly geothermal fluid management systems, utility-scale wind turbines, Battery Energy Storage System (BESS) investments required by regulation, and grid connection equipment, is supplied by a limited number of manufacturers narrows alternative supplier options and increases suppliers' pricing power when combined with geopolitical tensions and logistics bottlenecks. Renewable energy power plants operating under long-term maintenance agreements, together with portfolio expansion investment projects, carry the highest concentration of risk in this regard. In addition, extended procurement lead times for equipment required for distribution infrastructure constitute an additional risk factor affecting the timely implementation of grid investment programmes.
	Connection Between Risk and Climate
	Source of Risk
	Risk Maturity
	Risk Probability
Impact of Risk on the Business Model and Value Chain	Geographical Area: Zorlu Enerji Operations in Türkiye
	Value Chain Stage: Upstream value chain and Internal Operations
	Area of Concentration: Procurement processes, operating costs, and outsourced services

Current and Anticipated Impacts of Risk on the Business Model and Value Chain	Current Impacts: As a result of the analysis of procurement data realised in 2025 compared to 2024, cost increases of up to 38% in maintenance and repair services, 42% in logistics services and leased vehicle utilisation, and approximately 28% in fuel costs were observed. These increases created short-term pressure on operating costs. Within the scope of Electricity Generation Activities, chemical products, maintenance and repair services, and fuel inputs have been identified as areas of concentration. Within the scope of Electricity Distribution Activities, concentration has occurred in procured infrastructure equipment (switchgear cells, transformers and kiosks, cables and other conductive materials), as well as service and labour costs. Data Set Used and Basis of Comparability: The findings presented in this section were derived through a comparison of 2024 and 2025 purchase order data obtained from the SAP procurement management system. The data set includes the procurement records of Zorlu Enerji Elektrik Üretim, covering Zorlu Enerji's geothermal, wind, and solar generation assets, and Zorlu Osmangazi Elektrik Dağıtım, covering electricity distribution activities. The comparison was performed based on items procured in both periods that could be matched by material number and unit price. Changes in unit costs were taken as the basis of comparison, independently of any increase or decrease in total procurement volume. Anticipated Impacts: If inflationary pressures persist and regulatory obligations increase, further increases in supply chain costs are expected, which may create pressure on operating budgets. This risk is considered more likely to materialise in geothermal generation maintenance items characterised by high supplier concentration and in renewable energy equipment procurement activities exposed to foreign exchange rate fluctuations.
	Impact on Strategic Position: Cost inflation and supply chain-driven price increases require the Company's cost management approach and procurement strategies to be designed in a more prudent and control-oriented manner. In light of the maintenance and repair (38%), logistics (42%), and fuel (28%) cost increases observed in 2025, strengthening centralised procurement practices, expanding long-term price-fixing mechanisms, and implementing contract-based cost controls for critical items have become strategic priorities. Impact on Decision-Making Processes: Procurement plans, contract terms, and supplier selections are shaped by taking cost volatility into consideration. Particularly for the procurement of critical equipment and services, multi-bid mechanisms, price-fixing practices, and negotiation processes are prioritised. In this way, the impact of inflationary pressures on operational profitability is limited.
Actions Related to Risk Management	- Regular monitoring of supply chain costs and market developments - Review of contractual terms and pricing mechanisms with suppliers - Evaluation of alternative supplier and service provider options - Implementation of cost control measures aimed at improving operational efficiency
Investments for Risk Management	- Digital systems supporting procurement and cost monitoring processes - Process improvement initiatives aimed at enhancing operational efficiency - Investments aimed at optimising maintenance activities, logistics operations, and fuel consumption
Objectives Related to Risk Management	- Maintaining supply chain cost increases at manageable levels - Ensuring operational budget discipline - Obtaining bids from a minimum of three companies in tender processes - Establishing target pricing strategies in tender processes - Limiting deviations from the annual procurement budget to 3–5%



Sustainability and Climate-Related Risks

Current and Anticipated Effects of Risk on Financial Position and Performance	Current Financial Impact: Compared to 2024, the analysis of 2025 procurement data indicated cost increases of 38% in maintenance and repair services, 42% in logistics services and leased vehicle utilisation, and approximately 28% in fuel costs. The increase in the minimum wage between 2024 and 2025 was determined to be 30%. For Zorlu Enerji, labour-intensive service procurement was primarily carried out within the scope of electricity distribution network construction and maintenance services. The change in fuel expenditures related to electricity generation activities during the reporting period is presented below: 2024 Fuel Cost: TL 1,177,439; TL 43.32/Liter 2025 Fuel Cost: TL 2,248,568; TL 49.70/Liter Anticipated Financial Impact: The most significant financial impact of inflation-driven cost increases arises from the increase in fuel prices. In addition to being a direct operating expense, fuel costs indirectly affect the overall cost structure through their impact on other procurement categories such as logistics, supply, and service purchases. Accordingly, the financial impact of inflation-driven cost increases has been calculated solely on the basis of changes in fuel prices, while indirect cost impacts arising in other categories have been excluded from the scope of the assessment. 2026 Estimated Fuel Cost: TL 57.65/Liter Magnitude of the Risk: < 2.1% × Revenue (Below the materiality threshold)
	Items Affected by the Risk in the Financial Statements
	Operating expenses (Zorlu Enerji Elektrik Üretim A.Ş. and its subsidiaries) and capital expenditures of Osmangazi Elektrik Dağıtım A.Ş. are expected to be affected.
	Opportunity Created by Risk
	Cost inflation and supply chain pressures may create opportunities for the restructuring of the supplier portfolio and the acceleration of operational efficiency-focused improvement initiatives.

Risk Title	Uncertainties in the Turkish Energy Market (S3)
Risk Definition	In the Turkish electricity market, price volatility, uncertainties relating to the regulatory framework, and structural changes in the market supply-demand balance have a direct impact on the Company’s revenue projections and investment planning. In particular, the rapid increase in Solar Power Plant (SPP) and Wind Power Plant (WPP) capacity in recent years has created downward pressure on the Market Clearing Price (MCP) by generating excess supply resulting from low marginal-cost generation during daylight hours with high solar irradiation and unplanned generation dependent on wind speeds.
	These fluctuations observed in electricity prices reduce revenue predictability and create uncertainty in cash flow projections, particularly for the generation portfolio that sells electricity in the free market outside the Renewable Energy Resources Support Mechanism (YEKDEM).
Connection Between Risk and Climate	Sustainability – Market and Regulatory Uncertainty Risks
Source of Risk	Enterprise Risks
Risk Maturity	Short-, Medium-, and Long-Term (Multiple Maturity)
Risk Probability	Likely

Impact of Risk on the Business Model and Value Chain	Geographical Area: Türkiye Value Chain Stage: Internal Operations Area of Concentration: Investment planning, licensing processes, capacity expansion, and financing structure
	Current Impacts: Uncertainties relating to legislation and market conditions have necessitated the reprioritisation of capital allocation decisions for certain investment and capacity expansion projects. Within this framework, rather than postponing large-scale new investment commitments, priority has been given to projects with shorter payback periods that are based on existing licensing infrastructure and aimed at increasing the efficiency potential of existing assets. The concrete changes in capital allocation implemented within this scope may be summarised as follows: Enhancement of Geothermal Efficiency: Priority has been given to in-field optimisation and equipment renewal activities aimed at increasing the generation capacity of existing geothermal power plants. This approach seeks to achieve higher efficiency from licensed reservoirs rather than developing new fields and therefore offers a more predictable investment profile in an environment characterised by regulatory uncertainty. Hybrid Solar Power Plant (SPP) Integration: Initiatives have been launched to transition to a hybrid generation model through the integration of solar energy (SPP) capacity under existing geothermal licences. The hybrid SPP projects implemented at the Kızildere 2 and Kızildere 3 power plants represent tangible examples of this strategy. By eliminating the regulatory uncertainty associated with new licensing processes, this model increases generation capacity and enhances capital efficiency through the utilisation of existing connection infrastructure and licensing frameworks. This strategic direction constitutes a concrete indication that, in an environment where regulatory uncertainty suppresses investment appetite, the Company has restructured its risk-return balance without abandoning its growth objectives. Once the regulatory framework becomes clearer, previously deferred large-scale investment decisions are planned to be reassessed. Anticipated Impacts: If regulatory and market uncertainties continue, the Company may need to defer renewable energy and energy storage investments or revise project scales to align with prevailing conditions. This situation is expected to constrain growth rates and installed capacity expansion in the medium term and, consequently, create pressure on capacity utilisation rates and revenue growth potential.
Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: The risk is a determining factor in the timing of the investment strategy in Türkiye, portfolio prioritisation, and capital allocation decisions. Regulatory outlook, market price expectations, and financing conditions are evaluated collectively when determining investment priorities. Impact on Decision-Making Processes: Market volatility and regulatory uncertainties are taken into consideration when establishing licensing processes, investment feasibility assessments, financing structures, and project schedules.
	Actions Related to Risk Management
Investments for Risk Management	- Monitoring of energy market legislation and regulatory developments - Adoption of a phased and flexible planning approach for investment projects - Operational improvements aimed at increasing the efficiency of existing assets
Objectives Related to Risk Management	- Efficiency enhancement and optimisation investments in existing generation facilities - Structuring initiatives aimed at strengthening financial resilience - Ensuring the effective utilisation of existing capacity that supports energy supply security - Maintaining a balanced growth strategy aligned with the transformation of the Turkish energy market



Sustainability and Climate-Related Risks

Current and Anticipated Effects of Risk on Financial Position and Performance	Current Financial Impact: TL 39,682,532 Anticipated Financial Impact: Short Term: TL 30,760,776 Calculation Methodology: In order to analyse how Zorlu Enerji has been affected by changes in the Market Clearing Price (MCP) over the years, the volume of electricity generation outside the Renewable Energy Resources Support Mechanism (YEKDEM) in 2025 was taken as the basis. This generation volume was multiplied by the average MCP for 2024, the average MCP for 2025, and the projected average MCP for 2026, and the financial impacts of price changes were calculated on a comparative basis. This approach isolates the impact of price changes on revenue by keeping the generation volume constant. Data Used: 2024 Average MCP: 68.1 USD/MWh 2025 Average MCP: 66.4 USD/MWh Assumptions: 2026 Average MCP Forecast: USD 65.1/MWh Through this methodology, the impact of changes in the MCP between years on Zorlu Enerji’s revenues is clearly demonstrated. Medium Term: A short-term MCP forecast can be derived using observable and relatively stable variables such as current market data, historical price series, and near-term supply-demand balances. A medium-term MCP forecast, however, cannot be calculated using the same methodology, as generation licences with integrated energy storage, which are expected to fundamentally transform the market structure in the medium term, have not yet entered the operational phase, and the impact of these technologies on the supply curve has not yet been observed in the market. In particular, the rate of integration, scale of deployment, and regulatory framework of energy storage technologies, which are expected to fundamentally affect price formation during peak hours, have not yet reached a level of clarity sufficient to support medium-term price modelling. Due to these uncertainties, producing a medium-term MCP forecast would involve a high margin of error and a risk of misleading precision; therefore, a methodologically sound calculation is not considered possible at this stage. Long Term: The layers of uncertainty deepen further in long-term MCP forecasting. Variables that are observable in the short term become unpredictable over longer maturities, while factors that will determine long-term pricing, including the cost curve of energy storage technologies, secondary regulations, and potential structural changes in market design, have not yet fully developed. The international energy markets literature also recognises that MCP forecasts extending ten years and beyond largely lose their predictive power during periods of technological transformation and carry significant risks of deviation. Within this context, a long-term MCP forecast has not been calculated, as it cannot be produced with a reliable level of confidence based on the current data and modelling infrastructure. These forecasts are planned to be updated when uncertainties relating to the regulatory framework and market structure are reduced. Magnitude of the Risk: < 2.1% × Revenue (Below the materiality threshold)
Items Affected by the Risk in the Financial Statements	A decrease in revenue (Zorlu Enerji Elektrik Üretim A.Ş. and its subsidiaries) is expected.

Risk Title	Battery Energy Storage Systems Technology Risk (S4)
Risk Definition	Battery Energy Storage Systems Technology Risk - Energy storage technologies are of critical importance for the integration of renewable energy. However, the costs, environmental impacts, and safety risks associated with these technologies are among the key areas requiring attention.
	For the storage-integrated power plants that Zorlu Enerji has begun to establish within its renewable energy projects, the effective management of supply, lifespan, and energy security risks associated with battery technologies is considered important for generation continuity and operational efficiency.
	BESS Ageing Risk Pursuant to the Regulation on Storage Activities in the Electricity Market, battery systems integrated into licensed renewable energy facilities are required to comply with system balancing instructions issued by the grid operator (TEİAŞ). This regulatory obligation requires batteries to remain in continuous charge-discharge cycles, initiating an unavoidable process of chemical ageing (degradation) in current lithium-ion technologies.
Connection Between Risk and Climate	Capacity Loss (SOH): As a result of intensive use, the battery State of Health (SOH) may fall below the critical threshold of 80%, creating a risk that the power output standards committed under the applicable regulations cannot be met.
Source of Risk	Sustainability – Resolution of Renewable Energy Supply Challenges – Technology Risk
Risk Maturity	Enterprise Risks
Risk Probability	Long Term
Impact of Risk on the Business Model and Value Chain	Likely
	Geographical Area: Yeniçiftlik and Hamitabat Storage-Integrated Wind Power Plant (WPP) Licence Area (375 MW), Tekirdağ and Kırklareli
	Value Chain Stage: Internal Operations
Current and Anticipated Impacts of Risk on the Business Model and Value Chain	Focus Area: Battery Technology
	Current Impacts: No current impacts have been identified.
	Anticipated Impacts: Increases in battery procurement costs may be expected as a result of changes in existing Li-ion technology.
Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: At the current stage, the risk associated with BESS technology does not yet have a tangible impact on strategic decision-making processes; however, this should not be interpreted as indicating that the risk is insignificant. Since Wind Power Plant (WPP) investments cannot be licensed without BESS integration under the applicable regulatory framework, this risk is not optional but rather a structural requirement that must be accepted and forms an integral component of the business model. Although the COD+10 maturity, at which capacity augmentation may become mandatory, has not yet entered the strategic decision-making cycle, it is intended that capital planning preparations be designed in advance, taking into account projections that such an investment may reach 20–25% of the initial BESS investment cost.
	Impact on Decision-Making Processes: Technology-related risk uncertainties are taken into consideration when establishing licensing processes, investment feasibility assessments, financing structures, and project schedules.
	In order to maintain the profitability of the facility, it is planned that this high energy demand will be met directly from the plant’s own generation (self-consumption) rather than through electricity purchased from the grid.
Actions Related to Risk Management	
Investments for Risk Management	The technology is being monitored.



Sustainability and Climate-Related Risks

Current and Anticipated Effects of Risk on Financial Position and Performance	Current Financial Impact: None. The risk is considered likely to materialise 10 years after the Commercial Operation Date (COD) of the relevant projects. Anticipated Financial Impact: Short Term: No financial impact. Medium Term: No financial impact. Long Term: Magnitude of the Risk < 2.1% × Revenue (Below the materiality threshold) Capital Expenditure (CAPEX) Impact Within Zorlu Enerji’s storage-integrated WPP portfolio, the degradation (loss of useful life) process, which is an inherent characteristic of battery technology, requires critical financial planning. Current projections indicate that a capacity augmentation investment equivalent to approximately 20–25% of the initial BESS investment cost may become mandatory around the 10th year of operation (COD+10). Accordingly, this early replacement cost should be considered as a capital expenditure item in long-term cash flow projections. Operating Expenditure (OPEX) Breakdown: BESS, HVAC and Efficiency Loss Analysis 1. Battery Lifetime and Financial Uncertainties Battery systems are expected to reach the end of their economic life after exceeding 10,000 charge-discharge cycles. However, the inability to accurately predict when this cycle threshold will be reached due to operational conditions makes it difficult to quantify this item financially and creates uncertainty in the modelling process. 2. HVAC (Cooling System) Consumption and Self-Consumption Strategy The HVAC system, which provides climate control for battery containers, is expected to continuously draw an electrical load of approximately 200 kWh. Assuming that each of the 50 containers located on site consumes an average of 30.73 kW of power, the cooling system is estimated to require a total power load of approximately 1.5 MW.
	Items Affected by the Risk in the Financial Statements Zorlu Yenilenebilir Enerji A.Ş. (“Zorlu Yenilenebilir”) Capital Expenditures + Operating Expenditures

Climate-Related Risks

The climate risk financial quantification study conducted during the 2024 TSRS reporting process was reassessed during the 2025 TSRS reporting process. In this context, it was decided that climate risks would be disaggregated on an asset-by-asset basis, taking into consideration the current reporting period as well as short-, medium-, and long-term maturities. Therefore, it is not possible to make a one-to-one comparison between the climate risks disclosed in the 2024 TSRS reporting and those disclosed in the 2025 TSRS reporting. During the 2025 TSRS reporting process, climate risks were assessed at a high level of granularity through asset-based disaggregation across four different maturities and four scenarios.

Climate-Related Transition Risks

Risk Subject	Climate Change				
Risk Title	Regulatory and Low-Carbon Economy Transition Risks – Deviation from Science Based Targets initiative (SBTi) Targets (ii)				
Risk Definition	Zorlu Enerji’s financing strategy includes sustainability-linked financing instruments that are contractually tied to the achievement of predefined climate performance targets. Under such instruments, failure to achieve the relevant targets may result in an increase in financing costs through performance-based pricing adjustments. In this context, Zorlu Enerji has assessed the potential financial impacts of such pricing adjustments as part of its transition risk analysis. The assessment focuses on the potential impact of pricing penalties on Financing Expenses and considers their potential indirect effects on the Group’s financial flexibility. The short- and medium-term analysis is based on the Group’s existing sustainability-linked bond, which includes four climate-related KPIs to be assessed as of 31 December 2026 and incorporates a coupon step-up mechanism in the event that the targets are not achieved. Looking beyond the maturity of the current sustainability-linked bond (SLB), the analysis also reflects the likelihood that sustainability-linked financing will continue to be utilised within the Group’s funding mix. In the absence of a fixed issuance plan, a programme-based continuity approach has been applied. As pricing outcomes may affect the Group’s overall cost of funding and its ability to implement long-term transition plans, this risk has been assessed on a consolidated basis.				
Connection Between Risk and Climate	Market Risk – Deviation of Zorlu Enerji from its SBTi Targets				
Probability and Financial Impact Assessment Based on Scenarios	Scenario / Probability	Reporting Year (2025)	Short Term (2026)	Medium Term (2027–2030)	Long Term (2031–2040)
	Net Zero (NZE)	Very unlikely	Very unlikely	Very unlikely	Very unlikely
	Delayed Transition	Very unlikely	Very unlikely	Unlikely	Unlikely
	A Fragmented World	Very unlikely	Very unlikely	Possible	Possible
	Current Policies	Very unlikely	Very unlikely	Likely	Likely
	Impact (Qualitative)	Based on the assessments conducted across four different climate scenarios, taking into consideration the current reporting period (2025), short term (2026), medium term (2027–2030), and long term (2031–2040), the financial impact of the risk did not exceed the established financial materiality threshold (< 2.1% × Revenue). Accordingly, the nominal and percentage financial impacts of the risk are not disclosed in this report.			
Impact of Risk on the Business Model and Value Chain	Geographical Area: Denizli and Manisa in the Aegean Region, where the geothermal facilities are located, and the OEDAŞ distribution region, where the electricity distribution network is located				
	Value Chain Stage: Internal Operations				
Current and Anticipated Impacts of Risk on the Business Model and Value Chain	Area of Concentration: Electricity Generation, Electricity Trading, and Electricity Distribution - Zorlu Yenilenebilir Enerji A.Ş. and its subsidiaries (Zorlu Yenilenebilir, Zorlu Osmangazi). - Zorlu Osmangazi Enerji Sanayi ve Ticaret A.Ş. and its subsidiaries (OEDAŞ, OEPSAŞ).				
	Higher financing expenses may create secondary effects beyond the direct pricing impact. Increased funding costs may reduce profit before tax and net profit, while weakening cash flows by reducing the cash available for debt servicing, dividend distributions, and investments. Over time, this may place pressure on credit and financing metrics (e.g., leverage ratios).				
	From an operational perspective, increased costs may constrain the pace of capital-intensive transition projects, particularly renewable energy capacity expansion, grid modernisation, and digitalisation initiatives. This may lead to project delays, reduce the attractiveness of low-carbon investments, and affect the Group’s competitive position.				
	In addition, adverse sustainability performance may influence stakeholder expectations, resulting in increased investor scrutiny and an increase in funding risk across the Group. In summary, although the immediate impact is reflected in Financing Expenses, long-term value creation and investment timing may be adversely affected indirectly.				



Sustainability and Climate-Related Risks

Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: No impact has been identified.
Actions Related to Risk Management	Impact on Decision-Making Processes: It has been decided that the internal and external factors affecting Zorlu Enerji’s decarbonisation journey will be routinely reviewed and monitored during Sustainability Committee meetings. - Board-Level Oversight: Sustainability strategy and climate commitments are overseen by the Board of Directors, ensuring accountability. - Sustainability Committee Governance: The Committee, chaired by an Independent Board Member, systematically evaluates climate risks and monitors related actions. - Sustainability-Linked Financing Discipline: These instruments are used as part of the funding strategy, and the proceeds are allocated to renewable energy and infrastructure investments that support the transition. - Continuous Climate Risk Monitoring: Climate-related risks, including scenario analyses, are continuously monitored, and timely management actions are taken to maintain the credibility of the transition. - Actions are planned in areas where there is a risk of deviation from established targets.
Objectives for Risk Management	Targets: In line with its net zero emissions target for 2040, Zorlu Enerji has established targets for 2030 and 2040. - Electricity Generation Emissions Intensity: **(2030) 0.105 tCO₂e/MWh, **(2040) 0.009 tCO₂e/MWh - Scope 2 Emissions: ** (2030) 87,739 tCO₂e ** (2040) 15,127 tCO₂e - Scope 1 and Scope 3 Emissions Intensity for Electricity Generation and Electricity Trading: ** (2030) 0.071 tCO₂e ** (2040) 0.006 tCO₂e - Other Scope 3 Emissions: ** (2030) 144,033 tCO₂e ** (2040) 0 tCO₂e
Financial Impact of the Risk	An increase in financing expenses is expected.
Opportunities Created by Risk	Zorlu Enerji’s financing strategy is shaped in line with the climate performance expectations of investors and lenders, and sustainability-linked structures improve financing conditions as targets are achieved. Within the scope of this opportunity assessment, it is anticipated that the Company’s consistent progress in fulfilling its transition commitments will provide a measurable cost advantage (green premium or “greenium”) compared with conventional financing instruments. Through enhanced sustainability performance and the credibility of its transition strategy, funding costs are expected to decrease and financial flexibility is expected to improve. This potential benefit is analysed independently of penalty scenarios in the form of a basis-point reduction in financing expenses. For the period following the maturity of the existing sustainability-linked financing instrument, it is assumed that such financing mechanisms will continue to play an active role within the Company’s financing structure. Although no fixed issuance plan exists, a programme-based continuity approach has been adopted in order to capture potential “greenium” opportunities under changing market conditions after 2030. Assessed on a consolidated basis, this opportunity reflects the potential of the green premium to reduce the Company’s overall funding costs and supports the more efficient long-term financing of capital-intensive transition investments.

Risk Subject	Climate Change				
Risk Title	Regulatory and Low-Carbon Economy Transition Risks (i2)				
Risk Definition	Regulatory Risk – Future Carbon Cost Exposure for Electricity Generation under the Turkish Emissions Trading System (ETS) (Specific to Geothermal Emissions)				
	Scope 1 emissions, including emissions associated with geothermal non-condensable gas (NCG) streams that are not currently covered under the ETS regulatory framework, may create direct compliance obligations and financial exposure for Zorlu Enerji's geothermal generation assets located in Türkiye in future years through carbon pricing mechanisms. As the ETS design matures, geothermal facilities may become fully subject to the scheme through the definition of covered emissions, sector-specific thresholds, and monitoring, reporting, and verification (MRV) requirements, potentially requiring the mandatory annual surrender of allowances for covered emissions. The most significant uncertainty in this process relates to the inability to predict the emission threshold values that will ultimately be established.				
	Under a benchmark-based allocation framework, the portion of geothermal Scope 1 emissions exceeding the applicable electricity generation benchmark may become a priced exposure, requiring the purchase and surrender of allowances and/ or the implementation of operational and technical measures to reduce covered emissions over time. As carbon costs become incorporated into generation economics, investment valuations, and long-term valuation assumptions, this may result in additional operating expenses arising from allowance purchases, incremental compliance costs, and potential pressure on long-term asset economics.				
Connection Between Risk and Climate	Future Carbon Cost Exposure for Electricity Generation under the Turkish Emissions Trading System (ETS) (Specific to Geothermal Emissions).				
Probability and Financial Impact Assessment Based on Scenarios	Scenario / Probability	Reporting Year (2025)	Short Term (2026)	Medium Term (2027–2030)	Long Term (2031–2040)
	Net Zero (NZE)	Very unlikely	Very unlikely	Unlikely	Almost certain
	Delayed Transition	Very unlikely	Very unlikely	Unlikely	Likely
	A Fragmented World	Very unlikely	Very unlikely	Unlikely	Likely
	Current Policies	Very unlikely	Very unlikely	Very unlikely	Possible
	Impact (Qualitative)	Based on the assessments conducted across four different climate scenarios, taking into consideration the current reporting period (2025), short term (2026), medium term (2027–2030), and long term (2031–2040), the financial impact of the risk did not exceed the established financial materiality threshold. Accordingly, the nominal and percentage financial impacts of the risk are not disclosed in this report.			
Impact of Risk on the Business Model and Value Chain	Geographical Area: Denizli and Manisa in the Aegean Region, where the geothermal facilities are located				
	Value Chain Stage: Internal Operations				
	Area of Concentration: Entities under Zorlu Yenilenebilir Enerji A.Ş. that may be affected by this specific risk: - Zorlu Doğal Elektrik Üretimi A.Ş. ("Zorlu Doğal"). - Zorlu Jeotermal Enerji Elektrik Üretimi A.Ş. ("Zorlu Jeotermal").				



Sustainability and Climate-Related Risks

Current and anticipated impacts of risk on the business model and value chain	- In addition to the impact on operating expenses arising from allowance purchases, ETS-related carbon cost exposure may create secondary financial effects across cash flow management, balance sheet sensitivity, and long-term investment decisions. - Periodic compliance cycles may create working capital and liquidity impacts. Allowance purchase and surrender requirements may result in periodic cash outflows that reduce short-term liquidity headroom and increase reliance on cash reserves or committed credit facilities, particularly during periods of rising carbon prices or constrained market liquidity.
Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: - ETS obligations may affect accounting provisions and contingent liabilities. As carbon prices and covered emission volumes fluctuate, they may increase earnings volatility. - Ongoing ETS pricing may increase the structural cost base of geothermal operations and may be incorporated into forward-looking business plans, generation assumptions, and valuation models. This may reduce projected cash flows, increase the sensitivity of geothermal assets to impairment triggers, and affect the return thresholds applied to new investments. Impact on Decision-Making Processes: - ETS exposure may affect capital allocation and financing conditions. Lenders and investors may place greater emphasis on carbon cost management, compliance maturity, and mitigation plans. This may influence the Group's cost of capital and the pace at which capital is allocated to geothermal investments.
Actions Related to Risk Management	- GECO and JESKE Programmes: The Geothermal Gas Emission Control (GECO) programme has been initiated to reduce ETS-related geothermal Scope 1 exposure and to develop non-condensable gas (NCG) treatment and CO₂e reinjection technologies. Contract negotiations for JESKE are ongoing. - Carbon Capture and Emissions Management: Positioned as a strategic priority within the geothermal portfolio to strengthen the long-term sustainability of the resource and limit future carbon cost exposure. - Performance Optimisation: Engineering and field-efficiency measures, including the implementation of Electric Submersible Pump (ESP) technology and modernisation projects, have been developed to improve operational efficiency and reduce emissions intensity per MWh over time. - GeoSmart Integration: Pilot applications are being conducted to enhance geothermal facility efficiency and optimise energy use through improved thermal management (e.g., thermal storage integration and reinjection temperature optimisation). - Governance and Oversight: Group-level climate governance and risk oversight practices have been strengthened through sustainability governance structures, and carbon emissions reduction strategies have been reviewed on a routine basis. - Environmental Management and MRV Compliance: An integrated management approach is maintained through regular internal and external audits and structured reporting to senior management, supporting preparedness for Monitoring, Reporting and Verification (MRV)-type obligations expected under the ETS framework. - Transparency and Data Quality: The traceability and defensibility of Scope 1 emissions data are supported through structured digital measurement methodologies.
Objectives for Risk Management	Targets: In line with its net zero emissions target for 2040, Zorlu Enerji has established targets for 2030 and 2040. - Electricity Generation Emissions Intensity: ** (2030) 0.105 tCO₂e/MWh, ** (2040) 0.009 tCO₂e/MWh - Scope 1 and Scope 3 Emissions Intensity for Electricity Generation and Electricity Trading: ** (2030) 0.071 tCO₂e ** (2040) 0.006 tCO₂e
Financial Impact of the Risk	An increase in operating expenses is expected.

Risk Subject	Climate Change				
Risk Title	Regulatory and Low-Carbon Economy Transition Risks – Restriction of SF ₆ Gas and Transition to Alternative Technologies (i3)				
Risk Definition	The restriction, phase-down, or complete phase-out of SF ₆ , a fluorinated greenhouse gas with a very high Global Warming Potential (GWP) that is widely used as an insulating medium in electricity distribution switchgear, may increase transition-related compliance obligations for OEDAŞ and require changes in both asset strategy and technical operational practices due to regulatory and stakeholder pressure.				
Connection Between Risk and Climate	Regulatory Risk – Regulations on Fluorinated Greenhouse Gases and the Transition to Low-Carbon Technologies				
Probability and Financial Impact Assessment Based on Scenarios	Scenario / Probability	Reporting Year (2025)	Short Term (2026)	Medium Term (2027–2030)	Long Term (2031–2040)
	Net Zero (NZE)	Very unlikely	Very unlikely	Very unlikely	Possible
	Delayed Transition	Very unlikely	Very unlikely	Very unlikely	Plausible/Possible
	A Fragmented World	Very unlikely	Very unlikely	Very unlikely	Plausible/Possible
	Current Policies	Very unlikely	Very unlikely	Very unlikely	Unlikely
	Impact (Qualitative)	Based on assessments conducted across four different climate scenarios, taking into account the current reporting period (2025), the short term (2026), the medium term (2027–2030), and long-term (2031–2040) maturities, the financial impact of the risk was determined not to exceed the established financial materiality threshold; therefore, the nominal and percentage financial impacts of the risk are not disclosed in this report.			
Impact of Risk on the Business Model and Value Chain	Geographical Area: OEDAŞ electricity distribution area (Eskişehir, Kütahya, Afyonkarahisar, Bilecik, Uşak)				
	Value Chain Stage: Internal Operations				
Current and Anticipated Impacts of Risk on the Business Model and Value Chain	Focus Areas: Electricity Generation, Electricity Trading and Electricity Distribution - Zorlu Osmangazi Energy Industry and Trade Inc. and its subsidiaries (OEDAŞ).				
	Regulatory restrictions on the use of SF ₆ and the need to transition to alternative technologies may necessitate the replacement of switchgear used in the electricity distribution infrastructure. This could lead to an increase in capital expenditure, thereby raising the costs of modernising the distribution infrastructure.				
	From an operational perspective, the transition to new technologies may require additional planning in relation to equipment procurement, technical compatibility, and maintenance processes. The higher cost of alternative equipment and supply chain constraints may affect the timing of investment programmes.				
Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	In addition, increasing requirements for the monitoring and reporting of SF ₆ emissions may necessitate the strengthening of operational control processes and the enhancement of data management systems. While this may lead to an increase in operating costs in the short term, it is expected to contribute to improved environmental performance over the long term.				
	Impact on Strategic Position: Long-term replacement plans for equipment used in the electricity distribution infrastructure are being reviewed, and transition options to SF ₆ -free or low-GWP alternative technologies are being evaluated.				
	Impact on Decision-Making Processes: Regulatory developments and technological alternatives are taken into consideration in the Company’s investment planning processes and asset management strategy. In this context, climate- and regulation-related developments are regularly monitored by the Sustainability Committee and the relevant technical teams.				



Sustainability and Climate-Related Risks

Actions Related to Risk Management	• SF₆-free or low-GWP alternative solutions are being evaluated for equipment where technically feasible. • Common methodologies and industry best practices are being monitored through electricity distribution sector organisations and industry associations. • Data collection processes for the monitoring and reporting of SF₆ emissions are being enhanced. • National and international regulations concerning fluorinated greenhouse gases are regularly monitored and integrated into investment planning processes.																								
Objectives for Risk Management	Targets: • Effective monitoring and management of SF₆ emissions • Evaluation of low-carbon technologies during equipment replacement processes • Reduction of operational leakage rates • Enhancement of the technical and economic feasibility of alternative technologies																								
Financial Impact of the Risk	An increase in Capital Expenditures (CAPEX) is expected.																								
Risk Subject	Climate Change																								
Risk Title	Impacts of Distributed Energy Resources (DERs) and Sectoral Transformation (i4)																								
Risk Definition	The increasing adoption of Distributed Energy Resources (DERs), including rooftop solar energy systems, behind-the-meter storage, microgrids, and off-grid solutions, may significantly reduce electricity volumes supplied through the grid and reshape customer load profiles within OEDAŞ’s service area. This development is also likely to have direct implications for OEPSAŞ’s retail business segment. As the penetration rate of prosumers increases, a growing portion of customer demand may be met behind the meter, resulting in erosion of retail sales volumes, increased customer churn, and intensified competitive pressure in customer acquisition and retention processes. The financial consequences will largely depend on tariff structures and regulatory cost recovery mechanisms. If fixed cost recovery continues to depend predominantly on volumetric consumption, lower energy throughput may compress profit margins and weaken revenue stability. At the same time, this may create a mismatch between grid/retail cost structures and declining billed volumes. Over time, these dynamics may increase the risk of regulatory interventions, such as tariff rebalancing, contribution mechanisms, or revisions to service charges, and may alter the economic equilibrium of specific customer segments.																								
Connection Between Risk and Climate	Market Risk – Customers’ transition to distributed and off-grid solutions reduces OEPSAŞ’s electricity sales volumes and profit margins.																								
Probability and Financial Impact Assessment Based on Scenarios	<table><tr><th>Scenario / Probability</th><th>Reporting Year (2025)</th><th>Short Term (2026)</th><th>Medium Term (2027–2030)</th><th>Long Term (2031–2040)</th></tr><tr><td>Net Zero (NZE)</td><td>Very unlikely</td><td>Very unlikely</td><td>Possible</td><td>Likely</td></tr><tr><td>Delayed Transition</td><td>Very unlikely</td><td>Very unlikely</td><td>Unlikely</td><td>Plausable/Possible</td></tr><tr><td>A Fragmented World</td><td>Very unlikely</td><td>Very unlikely</td><td>Possible</td><td>Likely</td></tr></table> Impact (Qualitative) Based on assessments conducted using four different climate scenarios, taking into account the current reporting period (2025), the short term (2026), the medium term (2027–2030) and the long term (2031–2040), the financial impact of the risk remains at a low level of financial significance. As the risk has not exceeded the medium-level threshold, its nominal and percentage financial impacts are not disclosed in this report.					Scenario / Probability	Reporting Year (2025)	Short Term (2026)	Medium Term (2027–2030)	Long Term (2031–2040)	Net Zero (NZE)	Very unlikely	Very unlikely	Possible	Likely	Delayed Transition	Very unlikely	Very unlikely	Unlikely	Plausable/Possible	A Fragmented World	Very unlikely	Very unlikely	Possible	Likely
Scenario / Probability	Reporting Year (2025)	Short Term (2026)	Medium Term (2027–2030)	Long Term (2031–2040)																					
Net Zero (NZE)	Very unlikely	Very unlikely	Possible	Likely																					
Delayed Transition	Very unlikely	Very unlikely	Unlikely	Plausable/Possible																					
A Fragmented World	Very unlikely	Very unlikely	Possible	Likely																					

Impact of Risk on the Business Model and Value Chain	Geographical Area: OEPSAŞ electricity sales operations (Türkiye) Value Chain Stage: Internal Operations Area of Concentration: - Zorlu Osmangazi Enerji Sanayi ve Ticaret A.Ş. and its subsidiaries (OEPSAŞ). A reduction in OEPSAŞ's retail electricity sales revenues resulting from the increasing adoption of Distributed Energy Resources (DERs) may give rise to a range of secondary financial consequences beyond the direct impact on revenue. Declining grid-supplied volumes may weaken operating leverage and reduce the ability to absorb the relatively fixed cost components of the retail supply model (e.g., customer acquisition and service, billing, IT platforms, and compliance activities). As a result, although the primary impact relates to revenue, profit margins may narrow and profitability may become more volatile. In parallel, changes in load profiles, characterised by higher intermittency and lower net consumption among prosumers, may complicate forecasting and balancing processes, increase imbalance risk, and heighten sensitivity to wholesale market price fluctuations, thereby placing pressure on gross margin stability. Revenue erosion may also trigger increased customer churn and competitive intensity as prosumers and high-value customers become more inclined to switch suppliers or reduce contracted volumes. This may increase customer retention and acquisition costs and necessitate more aggressive commercial terms, creating additional pressure on unit economics. Over time, declining billed volumes may reduce cash flows and constrain working capital dynamics, particularly where collection performance deteriorates or timing differences arise between wholesale settlement obligations and retail cash collections. From a strategic perspective, sustained revenue pressure may limit the investment capacity required for digital customer channels, smart meter integration, data management capabilities, and product innovation (e.g., bundled DER offerings, flexibility services, and energy management solutions). This may slow OEPSAŞ's ability to reposition its business model towards emerging retail value pools and increase the risk of losing long-term relevance within a more decentralised power system. In addition, the evolution of tariff and regulatory mechanisms may affect both the magnitude and persistence of revenue impacts. If regulators respond to increasing DER adoption by rebalancing tariffs towards higher fixed charges, grid contribution fees, or new settlement rules, OEPSAŞ's revenue stability and customer behaviour may be affected. Until such mechanisms mature, the transition process may increase regulatory uncertainty and heighten sensitivity to policy decisions affecting cost recovery and retail market structure. Overall, while the directly measured impact is presented as "revenue loss," the broader implications of DER-driven decentralisation relate to OEPSAŞ's profitability resilience, cash conversion, customer economics, and strategic flexibility, and are likely to influence the Group's investment planning and risk profile over time.
Current and Anticipated Impacts of Risk on the Business Model and Value Chain	
Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: The introduction of an aggregation licence as part of new business models aimed at preventing revenue loss has been placed on the strategic agenda.
Actions Related to Risk Management	A 20-year aggregation licence has been obtained through the establishment of Zorlu Dengeleme Enerji Yönetimi A.Ş. within Zorlu Enerji.
Financial Impact of the Risk	A decrease in revenue is expected.



Sustainability and Climate-Related Risks

Climate-Related Physical Risks

Risk Subject	Climate Change			
Risk Title	Physical Risks of Climate Change and Extreme Weather Conditions on Energy Generation (i5)			
Risk Definition	Physical (Acute) Risk – Extreme Weather Events This risk represents an acute physical climate risk associated with more frequent and more severe extreme precipitation events, including intense rainfall, rapid snowmelt, and flooding conditions, which may temporarily disrupt renewable electricity generation capacity and reduce the ability to deliver planned and/or committed electricity volumes. The risk materialises through event-driven operational interruptions and the potential damage to, or functional degradation of, critical supporting infrastructure required for safe and continuous generation.			
	Within the scope of this risk, extreme precipitation events may primarily affect water intake systems and associated hydraulic structures at hydroelectric assets, potentially triggering forced outages, generation curtailments, and unplanned downtime. Relevant operational failure modes include, for example, the blockage of intake screens and conveyance points due to the accumulation of debris, sediment, and ice, as well as restrictions on water withdrawal during periods of high flow or flooding implemented to protect equipment integrity and maintain operational safety. Such disruptions may prevent generation units from operating at their intended capacity, resulting in electricity generation (MWh) shortfalls during the event period.			
	From a financial perspective, the risk may translate into revenue impacts through lost generation and reduced delivery volumes. It may also increase revenue volatility in situations where lost output cannot be fully recovered within the same period or where delivery commitments must be fulfilled under constrained operating conditions. Given the Group's geographically diversified renewable energy portfolio, this risk is particularly relevant to assets located in river basins and catchment areas exposed to intense rainfall and flooding dynamics, where acute events may occur intermittently but with significant operational consequences. Historical precipitation-related operational disruptions demonstrate that such events are not purely theoretical and support the treatment of this risk as a credible and recurring source of short-term operational and financial variability.			
Connection Between Risk and Climate	Physical (Acute) Risk – Extreme weather events disrupt generation continuity, increasing downtime and repair costs.			
Probability and Financial Impact Assessment Based on Scenarios	Scenario / Probability	Reporting Year (2025)	Short term (2026)	Medium Term (2027–2030)
	Net Zero (NZE)	Possible	Possible	Likely
	Delayed Transition	Possible	Likely	Likely
	A Fragmented World	Possible	Likely	Likely
	Current Policies	Possible	Likely	Almost Certain
	Impact (Qualitative)	Based on the assessments conducted across four different climate scenarios, taking into consideration the current reporting period (2025), short term (2026), medium term (2027–2030), and long term (2031–2040), the financial impact of the risk did not exceed the established financial materiality threshold. Accordingly, the nominal and percentage financial impacts of the risk are not disclosed in this report.		

Impact of Risk on the Business Model and Value Chain	Geographical Area: The Black Sea Region, Central Anatolia Region, Anatolia Region, and Northeastern Anatolia Region, where the hydroelectric power plants are located, and Denizli and Manisa in the Aegean Region, where the geothermal facilities are located. Value Chain Stage: Internal Operations Entities within Zorlu Enerji Group: - Zorlu Yenilenebilir Enerji A.Ş. (“Zorlu Yenilenebilir”) and its affiliates: > Zorlu Doğal Elektrik Üretimi A.Ş. (“Zorlu Doğal”). > Zorlu Jeotermal Enerji Elektrik Üretimi A.Ş. (“Zorlu Jeotermal”). Area of Concentration: Electricity Generation
	The primary impact of the risk relates to lost generation, predominantly arising from changes in precipitation patterns affecting hydroelectric power plants. More frequent or more severe interruption events may also give rise to the following indirect effects across the financial statements: Operating Cash Flow and Liquidity Pressure: Reduced billed volumes and potential impacts on collection timing may weaken operating cash flows and increase reliance on liquidity buffers, thereby constraining financial flexibility. Working Capital Impacts: Interruption periods may alter cash conversion dynamics, including changes in the timing of trade receivables and the need to maintain higher inventories of critical spare parts to support operational continuity. Asset Valuation and Impairment Indicators: Changes in the frequency of interruption events may affect long-term utilisation expectations and asset valuations at certain sites. Overall Impact: Beyond the immediate revenue impact, the relevant risk may indirectly affect earnings quality, cash generation, balance sheet dynamics, and capital planning. Climate-related operational interruptions may also result in the reassessment of insurance policies and increases in insurance premium costs.
Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on Strategic Position: No impact has been identified. Impact on Decision-Making Processes: It has been decided that the internal and external factors affecting Zorlu Enerji's decarbonisation journey will be routinely reviewed and monitored during Sustainability Committee meetings.
Actions Related to Risk Management	- End-to-End Monitoring, Early Warning and Rapid Escalation: Maintaining enterprise-level monitoring and early warning mechanisms for physical hazards by tracking meteorological and hydrological indicators against predefined thresholds; ensuring that crisis and emergency response plans remain up to date. - Physical Protection and Site Resilience Engineering: Implementing flood barriers and reinforcement measures at exposed locations; relocating critical infrastructure to higher elevations where necessary. - Regional Risk Mapping and Asset-Level Vulnerability Analytics: Utilising regional risk maps and geospatial tools to identify “hotspots” and translating findings into investment planning processes. - Financial Risk Transfer and Exposure Discipline: Conducting Probable Maximum Loss (PML) assessments and continuously optimising the risk transfer strategy by enhancing insurance coverage for climate-related events affecting critical assets. - Integration into Enterprise Risk Management, Internal Controls and Continuous Improvement: Integrating climate risks into the central Enterprise Risk Management (ERM) framework; regularly updating risk analyses and incorporating adaptation-focused improvements into planning processes. - Operational Preparedness and Restoration Capability: Strengthening operational preparedness through defined incident response guidelines, clear accountability structures, and investments in digital infrastructure enhancements, thereby reducing outage durations.
Risk Management Objectives	Developing R&D projects addressing climate-related physical risks
Financial Impact of the Risk	A decrease in revenue is expected.



Sustainability and Climate-Related Risks

Risk Subject	Climate Change Adaptation				
Risk Title	Physical Risks of Climate Change and Extreme Weather Conditions on Energy Generation (i6)				
Risk Definition	Physical Acute Risk – Outages Caused by Wildfires Affecting the Electricity Distribution Network				
	The increasing frequency, intensity, and duration of wildfires within OEDAŞ’s distribution region (Afyonkarahisar, Bilecik, Eskişehir, Kütahya, and Uşak) may cause significant physical damage to and disruptions of the electricity distribution network, particularly affecting overhead lines, poles, insulators, and substations located within or adjacent to forest corridors. The increasing frequency, intensity, and duration of wildfires in OEDAŞ’s distribution region may create significant physical disruptions to the electricity distribution network. Wildfires may directly damage assets through exposure to heat and flames, while also indirectly triggering outages through smoke and ash contamination, fallen vegetation, restricted site access, and precautionary power shut-offs implemented to protect public safety. As a result, OEDAŞ may experience more frequent unplanned outages and accelerated emergency field operations, particularly during peak summer periods.				
	When wildfire events occur, the primary financial mechanism relates to increased operating expenditures required to: (i) conduct emergency response and fault localisation activities under time-sensitive conditions; (ii) mobilise contractors, equipment, and logistics resources; and (iii) undertake emergency repair and restoration works to restore service. In parallel, wildfire-related outages may adversely affect service continuity indicators (e.g., SAIDI/SAIFI) and increase exposure to customer compensation obligations and service quality-related financial consequences where regulatory performance thresholds or permitted interruption limits are exceeded. Wildfire incidents may also give rise to legal and third-party claims, including forestry administration claims and tort actions, where an ignition source is alleged to be linked to network infrastructure, thereby creating additional event-driven operating expense volatility through legal proceedings and potential compensation outcomes.				
	This risk is assessed as an acute physical risk with a strongly non-linear profile. Even where average conditions change gradually, the probability of extreme tail events and clusters of high-risk days may increase disproportionately under hotter and drier conditions. Accordingly, OEDAŞ’s exposure is expected to be driven not only by the frequency of wildfire events but also by their severity and the operational constraints they impose, including access restrictions, safety requirements, and restoration complexity. Collectively, these factors may increase both the magnitude and volatility of wildfire-related operating expenditures over time.				
Connection Between Risk and Climate	Physical Acute Risk – Outages Caused by Wildfires in the Electricity Distribution Network				
Risk Probability and Impact Matrix	Scenario / Probability	Reporting Year (2025)	Short term (2026)	Medium Term (2027–2030)	Long Term (2031–2040)
	Net Zero (NZE)	Possible	Possible	Likely	Likely
	Delayed Transition	Possible	Possible	Likely	Very likely
	A Fragmented World	Possible	Possible	Likely	Very likely
	Current Policies	Possible	Possible	Likely	Very likely
Impact (Qualitative)		Based on the assessments conducted across four different climate scenarios, taking into consideration the current reporting period (2025), short term (2026), medium term (2027–2030), and long term (2031–2040), the financial impact of the risk did not exceed the established financial materiality threshold. Accordingly, the nominal and percentage financial impacts of the risk are not disclosed in this report.			

Impact of Risk on the Business Model and Value Chain	Geographical Area: OEDAŞ Electricity Distribution Region (Eskişehir, Uşak, Kütahya, Bilecik, and Afyon) Value Chain Stage: Internal Operations Under Zorlu Osmangazi Enerji Sanayi ve Ticaret A.Ş. (“Zorlu Osmangazi”) and its subsidiaries: > Osmangazi Elektrik Dağıtım AŞ (“OEDAŞ”)
	Beyond the direct increase in operating expenses associated with emergency response and restoration activities, wildfire events may give rise to indirect financial impacts through the following mechanisms: Cash Flow and Liquidity Pressure: Upfront cash outflows for emergency procurement, contractor mobilisation, and overtime labour may place pressure on working capital during peak seasons. Insurance and Risk Transfer Costs: Recurrent events may increase insurance premiums, deductibles, and exclusions, thereby increasing the long-term cost of risk transfer and retained loss volatility. Regulatory Cost Recovery Uncertainty: Extraordinary costs may be subject to prudence reviews, regulatory caps, or delays in tariff approval processes, potentially resulting in temporary earnings compression and forecast uncertainty. Service Quality and Performance Exposure: Deterioration in reliability key performance indicators (e.g., SAIDI/SAIFI) may lead to increased regulatory scrutiny and trigger compensation obligations or performance-based adjustments, thereby increasing compliance burdens and operational constraints. Financing and Capital Allocation Impacts: Higher perceived physical risk volatility may necessitate larger contingency buffers and potentially affect financing conditions (including liquidity reserves and covenant requirements), thereby reducing financial flexibility. Legal and Contingent Liabilities: Allegations relating to ignition sources may result in litigation, legal defence costs, and potential provisions or contingent liabilities, increasing earnings volatility. Reputational and Stakeholder Impacts: Major outage events may weaken stakeholder confidence and increase friction in permitting processes, investment approvals, and interactions with regulatory authorities.
Current and Anticipated Impacts of Risk on the Business Model and Value Chain	The Aerogel Fire Shield Project is being developed (project budget: TRY 5,277,000).
	Preventive Controls (Reducing Ignition Probability and Outage Exposure): Systematic vegetation management, including tree felling, pruning, and clearance of cut residues within forest corridors and in the vicinity of critical grid assets, to minimise conductor-to-vegetation contact and ignition probability during high-risk periods. Risk-based preventive maintenance focused on wildfire hotspots, including prioritised inspection routes, targeted preventive interventions, and seasonal field inspections. Dedicated monitoring of planned maintenance expenditures related to wildfire prevention by activity type (e.g., vegetation management works, other preventive activities, forest corridor clearance, and local reinforcement works) to ensure traceability and governance of preventive measures.
Actions Related to Risk Management	Preparedness and Response Controls (Reducing Operating Expenditure Increases and SAIDI/SAIFI Impacts Following an Event): Defined emergency response and restoration procedures for wildfire-related outages, including rapid fault detection, contractor mobilisation, and restoration prioritisation, to reduce outage duration and limit exposure to service quality penalties and compensation mechanisms. Strengthening workforce capability through practical training programmes and drills incorporating firefighting and search-and-rescue competencies to enhance operational preparedness under acute wildfire conditions.
	Structural Risk Mitigation Measures (Supporting Lower Event Severity and Restoration Costs): Selective redesign of lines traversing forested areas to improve response accessibility (e.g., routing closer to roads where feasible), thereby reducing restoration time and emergency mobilisation burdens. Targeted undergrounding or reinforcement works in forest crossing sections where risk intensity justifies intervention, reducing vulnerability to wildfire damage and recurrent outage exposure.
Objectives for Risk Management	Early Warning and Monitoring Initiatives (Situational Awareness and Prioritisation): Evaluation of early warning and dynamic wildfire risk monitoring solutions. Where regulator-led initiatives are already in place, priority is given to integration into operational planning and field prioritisation processes rather than duplicative developments, thereby strengthening situational awareness and response timing.
	Development of R&D projects within OEDAŞ addressing wildfire-related risks
Financial Impact of the Risk	An increase in operating expenses is expected.



Sustainability and Climate-Related Risks

Sustainability- and Climate-Related Opportunities

As of the reporting date, it has been determined that the opportunities considered do not exceed the materiality threshold.

Summary Information

The table below has been prepared to provide summary information related to the Company's sustainability- and climate-related risks.

Risk Code	Risk Title	Financial Impact
S1	Impact of Global Geopolitical Developments on Energy Supply Security	Could not be determined due to uncertainty
S2	Supply Chain and Cost Inflation	Could not be determined due to uncertainty
S3	Uncertainties in the Turkish Energy Market	Short Term: < 2.1% × Revenue Medium Term: Could not be determined due to uncertainty. Long Term: Could not be determined due to uncertainty
S4	Battery Energy Storage Systems	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: < 2.1% × Revenue
i1	Failure of Zorlu Enerji to Achieve Its SBTi Targets	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: < 2.1% × Revenue
i2	Obligations from the Turkish Emissions Trading System	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: < 2.1% × Revenue
i3	Regulatory Restrictions on SF ₆ -Related Emissions	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: < 2.1% × Revenue
i4	Decline in Electricity Sales Due to Distributed Energy Systems	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: 2.1%–4.99% × Revenue
i5	Disruptions to Electricity Generation Caused by Extreme Weather Events	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: < 2.1% × Revenue
i6	Impacts of Wildfires Resulting from Extreme Weather Events on Transmission and Distribution Operations	Short Term: < 2.1% × Revenue Medium Term: < 2.1% × Revenue Long Term: < 2.1% × Revenue

Transition Plan and Assumptions

(TSRS 2: Articles 14 (a)(iv))

Zorlu Enerji has established a long-term decarbonisation strategy as part of the transition to a low-carbon economy and has identified 2030 and 2040 as strategic milestones. To manage climate-related transition risks, maintain its competitive advantage, and ensure compliance with international regulations, the Company is implementing a comprehensive transition plan across both operational activities and the value chain.

Scope and Phases of the Transition Plan

Phase One: Reduction of Operational Emissions

- Zorlu Enerji is implementing the following strategic actions to reduce its carbon footprint across its energy generation and distribution activities:
- Exit from thermal operations: The Company aims to exit carbon-intensive thermal investments by 2027. The termination of operations in Israel and the exit from the gas distribution business form part of this process.
 - Energy efficiency projects: A target has been established to reduce energy consumption by 10% annually. In this context, modernisation and optimisation projects are being implemented in accordance with the ISO 50001 framework.
 - Carbon Capture and Storage (CCS): Through the GECO Project implemented at the Kizildere Geothermal Power Plant, the Company aims to reduce CO₂ emissions at pilot scale through reinjection.
 - Electric vehicle transition: The complete electrification of the Company's vehicle fleet is planned, and the transition process commenced in 2024.
 - OEDAŞ investments: Investments are ongoing in solutions aimed at reducing the impact of SF₆ gas, rooftop solar power installations, and infrastructure improvements designed to reduce the carbon intensity of the electricity grid.
 - Renewable energy use: Investments aimed at increasing the use of renewable energy for internal consumption, together with the I-REC/ YEK-G certification process, are ongoing. As of 2025, 8% of the Company's total 72 MW solar power plant (SPP) portfolio has been completed

Phase Two: Emissions Reduction Across the Value Chain

- Zorlu Enerji is implementing the following strategies to reduce Scope 3 emissions throughout its value chain:
- Environmental criteria in supplier selection: Priority is given to suppliers that operate with low-carbon production processes, demonstrate energy efficiency, and adopt sustainable business practices.
 - Logistics optimisation: Emissions are reduced through measures such as route optimisation, modal shifts in transportation (e.g., Ro-Ro and rail transport), and reductions in fuel consumption.
 - Circular economy practices: Natural resource consumption and emissions are reduced through waste minimisation and reuse initiatives.
 - Hybrid transportation models: Business travel-related emissions are reduced through the optimisation of employee transportation routes and the implementation of hybrid working models.

- Investment-related emissions: A significant reduction has been achieved in emissions under Scope 3 Category 15 following the exit from investments in Israel. Zorlu Enerji plans to continue implementing its strategy of exiting thermal businesses.

Performance Targets

The key emissions reduction targets established under the transition plan for 2030 and 2040 are as follows:

- Electricity Generation Emissions Intensity:

2030

0.105 tCO₂e/MWh

2040

0.009 tCO₂e/MWh
- Scope 2 Emissions:

2030

87,739 tCO₂e

2040

15,127 tCO₂e
- Scope 1 and Scope 3 Emissions Intensity for Electricity Generation and Electricity Trading:

2030

0.071 tCO₂e/MWh

2040

0.006 tCO₂e/MWh
- Other Scope 3 Emissions:

2030

144,033 tCO₂e

2040

0 tCO₂e

Key Assumptions

The principal assumptions considered in the development of the transition plan are as follows:

- Carbon Pricing: It is assumed that carbon pricing will be implemented in Türkiye as of 2027, with carbon prices projected to increase from EUR 11.6/tCO₂e in 2027 to EUR 254.9/tCO₂e by 2040.
- Regulatory Developments: The Climate Law, which entered into force in 2025, and the Emissions Trading System, expected to be implemented on a pilot basis in 2026, are assumed to progressively align with the EU ETS under various scenarios.
- Policy Alignment: Full alignment with the European Green Deal, the Carbon Border Adjustment Mechanism (CBAM), and energy transition policies has been adopted as a fundamental assumption.
- Investment Environment: It is assumed that the financing, technology, and infrastructure conditions required for renewable energy investments will remain accessible.
- Supply Chain Transformation: It is anticipated that the availability of sustainable products and services that contribute to emissions reduction will increase over time.



Climate Resilience

(TSRS 2: Articles 22 - 23)

Scope of the Resilience Analysis

(TSRS 2: Articles 22 (a)(i))

Zorlu Enerji systematically analyses transition and physical climate risks through a structured and comprehensive approach in order to assess the current and potential impacts of climate change on the Company's strategy, business model, and operations. These analyses are conducted not only to ensure compliance with regulatory requirements but also as a fundamental management tool for safeguarding the Company's long-term value creation capacity, financial sustainability, and operational resilience.

The holistic assessment of climate-related risks and opportunities constitutes an integral part of Zorlu Enerji's vision of "leadership in sustainable energy solutions" and ensures that the impacts of climate change on the business model are integrated into strategic decision-making processes.

(TSRS 2: Articles 22 (a)(ii))

Within the scope of climate resilience analyses, the principal areas of uncertainty that may affect the Company's operations and value chain have been identified and incorporated into the assessment. These uncertainties include the scope and level of carbon pricing mechanisms, potential changes in national and international regulatory frameworks, the scale and pace of technological transformation, the structural transformation of energy markets, the direction of climate policies at regional and global levels, and increases in the frequency and severity of extreme weather events.

These uncertainties are addressed through scenario analyses based on different climate and socioeconomic assumptions, and the outputs of these assessments provide input into investment planning, risk management, and strategic decision-making processes.

(TSRS 2: Articles 22 (a)(iii))

Zorlu Enerji's resilience to climate change is evaluated within the framework of the following elements:

Transition Risks:

Regulatory, technological, and market-based risks arising from the global transition to a low-carbon economy are monitored on a regular basis, and strategies supporting financial and operational flexibility are developed accordingly. (TSRS 2: Articles 22 (a)(iii)(1))

Physical Risks:

The potential impacts of extreme weather events and long-term climatic changes on generation facilities and infrastructure are analysed, and risk mitigation measures together with adaptation-focused investments are planned. (TSRS 2: Articles 22 (a)(iii)(2))

The Company's business model is being enhanced to improve resilience to climate change through investments in renewable energy, energy efficiency initiatives, e-mobility solutions, and energy storage technologies. This approach also enables the Company to capitalise on climate-related opportunities. (TSRS 2: Articles 22 (a)(iii)(3))

Scenario Analyses

To better understand the potential impacts of climate change on its operations and to test its resilience under conditions of uncertainty, Zorlu Enerji has considered the NGFS (Network for Greening the Financial System) Phase IV scenarios. NGFS scenarios provide a critical foundation for analysing the financial impacts of climate-related risks and opportunities.

The NGFS scenario analyses aim to assess the potential impacts of transition and physical risks on Zorlu Enerji's asset portfolio, operations, and value chain over the short, medium, and long term under different temperature pathways and socioeconomic assumptions. In this context, short-term (0-1 year), medium-term (1-5 years), and long-term (more than 5 years) maturities have been considered. These analyses test the resilience of the Company's strategy, business model, and investment priorities under selected scenarios, and the findings are integrated into decision-making processes.

NGFS Climate Scenarios Framework (Phase IV) Analysis ²

- The scenarios developed by the NGFS evaluate the **Physical Risks** and **Transition Risks** that may arise in the pursuit of global climate goals across four principal quadrants.

1. Scenario Categories and Definitions

Climate strategies are categorized into the following four main groups based on the timing and effectiveness of policies:

 - Orderly Transition:** A scenario in which climate policies are implemented immediately and decisively, keeping both physical and transition risks at relatively low levels.
 - Net Zero 2050:** Assumes that global net-zero CO₂ emissions are achieved by 2050 in order to limit global warming to 1.5°C.
 - Below 2°C:** Includes progressively strengthening policies designed to provide a 67% probability of limiting global warming to below 2°C.
 - Low Demand:** A scenario characterised by significant behavioural changes leading to lower energy demand, in addition to the application of carbon pricing mechanisms.
 - Disorderly Transition:** A scenario in which climate policies are delayed until 2030 and subsequently implemented through abrupt and stringent measures to achieve climate objectives. This results in elevated transition risks.
 - (Delayed Transition):** Assumes that emissions do not decline until 2030, after which very strong policy measures are introduced to keep global warming below 2°C.
- Hot House World:** A scenario in which climate policies remain insufficient, emissions continue to rise, and, as a result, physical risks (including extreme weather events) reach their highest levels.
 - Nationally Determined Contributions (NDCs):** Includes all climate commitments pledged by countries, although these targets have not yet been fully implemented.
 - Current Policies:** Assumes that only currently enacted policies remain in force, resulting in an expected global temperature increase of approximately 2.8°C by the end of the century.
 - Too Little, Too Late:** A scenario in which climate policies are both delayed and fragmented across countries, leading to elevated levels of both physical and transition risks.
 - Fragmented World:** Assumes that countries achieve their net-zero commitments only partially and that significant regional differences in climate policy persist.

² https://www.ngfs.net/system/files/import/ngfs/medias/documents/ngfs_climate_scenarios_for_central_banks_and_supervisors_phase_iv.pdf



Climate Resilience

2. Comparison of Technical Parameters

The table below presents a comparison of the scenarios in terms of projected end-of-century temperature increases and policy responses:

Scenario Group	Scenario Name	Temperature Rise (Projections for 2100)	Political Reaction	Technological Change	Impact on Risks
Orderly	Net Zero 2050	1.4 °C (1.6 °C peak)	Immediate	Fast	Physical Risks: Low Transition Risks: Low
Disorderly	Delayed Transition	1.7 °C (1.8 °C peak)	Delayed	Slow/Fast	Physical Risks: Low Transition Risks: High
Hot House	Current Policies	2.9 °C (2.9 °C peak)	No increase under current policies	Slow	Physical Risks: High Transition Risks: Low
Too Little, Too Late	A Fragmented World	2.3 °C (2.3 °C peak)	Delayed and Fragmented	Slow/Intermittent	Physical Risks: High Transition Risks: High

(Source: NGFS Phase IV Data)



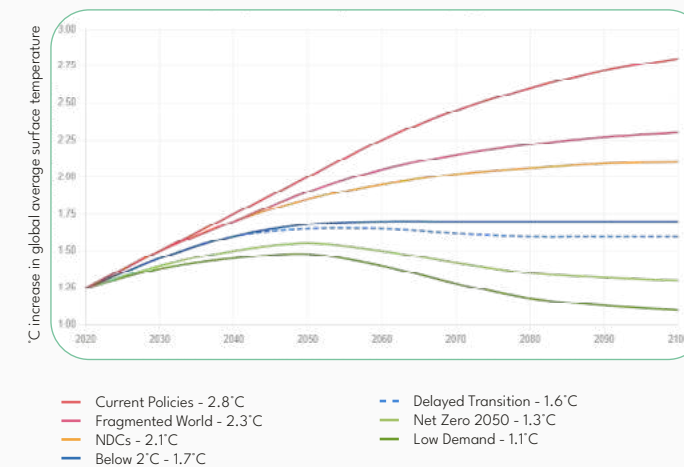
3. Emissions and Carbon Pricing Projections

The **Shadow Carbon Price**, which serves as a key driver of the climate transition, reflects the ambition and effectiveness of climate policies.

- Emissions Pathways:** Under the Net Zero 2050 and Low Demand scenarios, annual global CO₂ emissions are required to decline towards net zero by 2050.
- Carbon Pricing:** In scenarios with a high risk of transition, it is projected that shadow carbon prices could rise from \$200/tCO₂e to \$600 by 2050 to reduce emissions. In contrast, under the Current Policies scenario, carbon prices remain close to zero.
- Temperature Outcomes:** By 2100, the Low Demand scenario could limit global warming to approximately 1.1°C, whereas the Current Policies scenario is associated with an increase of approximately 2.8°C, creating the potential for severe physical impacts on ecosystems and financial assets.

Temperature evolution according to the scenario

AR6 Surface Temperature (GSAT) increase (50th percentile), with REMIND emission inputs and MAGICC

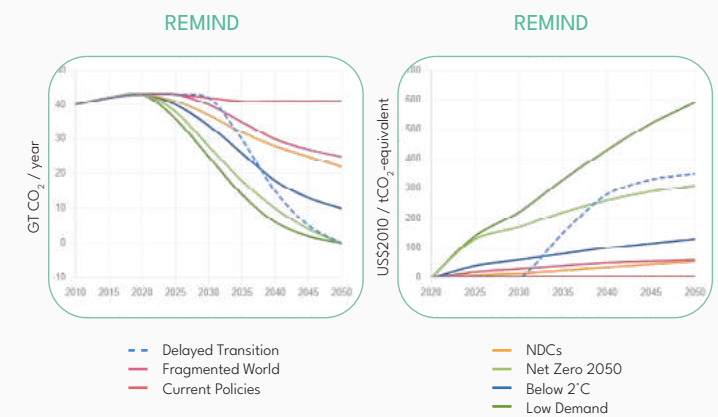


Sources: IIASA NGFS Climate Scenarios Database, MAGICC model (with REMIND emission inputs). MAGICC provides a range of temperature increase compared to pre-industrial levels. The opening paths shown here follow the 50th percentile.

Note: The table in the previous slide shows the average temperature between three IAMs (Integrated Assessment Models).

Carbon emissions and (shadow) carbon price according to the scenario

In NGFS scenarios, the primary policy tool driving the transition is the **shadow carbon price**. This price represents (i) the marginal cost of reducing carbon emissions and (ii) serves as an **indicator reflecting** various real-world climate policies such as carbon taxes, subsidies, environmental standards, etc.



Source: IIASA NGFS Climate Scenarios Database, REMIND model. World totals correct for minor differences between sectoral and local areas. Detailed regional and sectoral information is available via the IIASA Portal. End-of-century warming results are shown. 5-year time step data.



Climate Resilience

NGFS Phase IV Scenarios and Zorlu Enerji Analysis

NGFS Phase IV Scenario	Temperature Alignment	Zorlu Enerji's Rationale / Approach
Net Zero 2050 (Orderly)	1,5°C	Zorlu Enerji has identified the "Net Zero 2050 (Orderly Transition)" scenario, which is aligned with its long-term strategic direction towards renewable energy, electrification and clean energy solutions, as the primary reference point for assessing its resilience along the global decarbonisation pathway. This framework enables the allocation of capital towards low-carbon assets by analysing the impacts of increasingly stringent climate policies, carbon pricing mechanisms and transparency expectations on operating costs and investment priorities. Through this scenario, the Company aims to effectively manage transition risks, including carbon costs and regulatory compliance requirements, while at the same time capturing growth opportunities related to green energy demand, EV infrastructure and sustainable finance through disciplined governance.
Delayed Transition (Disorderly)	1,6°C	Zorlu Enerji considers the "Delayed Transition (Disorderly Transition)" scenario as a stress test for a "late and abrupt adjustment" environment in which policy actions and market pricing mechanisms are postponed and subsequently accelerate rapidly. This scenario, which is critical for the Company's operational performance and investment timing, assesses its level of preparedness for sharp increases in carbon costs, sudden regulatory tightening and rapid technological change. Within the scope of the analysis, risks such as supply chain disruptions and pressures on financing are evaluated, while the strategic advantages and financing opportunities associated with being an early mover in renewable energy capacity and electrification solutions are also identified. The primary objective is to test the Company's financial and operational resilience during a highly volatile transition process.
A Fragmented World (Too Little, Too Late)	2,3°C	Zorlu Enerji has selected the "Fragmented World" scenario to reflect the complex operating environment created by geopolitical fragmentation, regulatory differences across markets and inconsistent climate policies. This scenario provides a critical perspective for analysing strategic uncertainties arising from regional differences in the pace of transition, market volatility and inequalities in access to finance. Within this context, the Company evaluates commercial risks related to energy security and regionalised supply chains, while also identifying opportunities associated with localised solutions such as distributed energy, grid resilience and digitalisation. The primary objective is to preserve the resilience of the Company's climate strategy even in circumstances where the global transition process is neither coordinated nor linear.
Current Policies (Hot House World)	2,8°C	Zorlu Enerji uses the "Current Policies" scenario as a baseline case to assess its resilience against a future in which climate policies are insufficient to achieve global targets and physical impacts intensify. This scenario enables the systematic assessment of the impacts of acute and chronic climate hazards, including extreme weather events, heat stress and flooding, on operations, asset reliability and business continuity. Within this framework, the Company analyses the strategic importance of adaptation planning and resilience investments, particularly for the protection of energy infrastructure, while also focusing on opportunity-driven investments such as system modernisation and efficiency improvements. The ultimate objective is to ensure the reliability and sustainability of the Company's risk management and investment planning in a future characterised by elevated physical risks.

Results of the Resilience Analysis

The climate resilience analysis conducted by Zorlu Enerji has been structured to cover all critical operational areas in which the Company operates, primarily including its generation and distribution facilities in Türkiye. During the analysis process, not only direct operational assets but also supporting business functions such as energy supply, logistics, maintenance and technical services were included in the assessment. This approach enabled the impacts of climate-related risks and opportunities across Zorlu Enerji's entire value chain to be evaluated from a holistic perspective.

Within the scope of the study, the regulatory frameworks and policy environments of the countries in which Zorlu Enerji operates were also integrated into the analyses. In the case of Türkiye, developments in carbon pricing mechanisms, renewable energy incentives and transformations in energy policies were closely monitored, while at the international level, carbon markets, sustainable finance practices and circular economy policies in the countries where operations are located were assessed. Accordingly, climate-related risks and opportunities were evaluated not only from the perspective of physical impacts but also within the context of regulatory and market dynamics.

As the datasets and projections used in the analyses are based on existing climate models, they contain certain uncertainties, particularly with respect to the estimation of long-term impacts. Limitations relating to the spatial resolution of local climate models and the variability of projections concerning regional policy developments were among the factors constraining the assessment. Accordingly, the results of the analysis were interpreted using a probability- and scenario-based approach.

Nevertheless, the multi-layered analytical approach adopted has not been limited to assessing Zorlu Enerji's resilience against current climate risks; it has also provided a foundation for the Company to develop flexible and long-term strategies aligned with national and international climate objectives across all regions in which it operates.

The findings obtained from the analyses are directly integrated into Zorlu Enerji's strategic planning cycles, capital allocation processes and investment priorities. Through this approach, the impacts of climate-related risks and opportunities on the Company's long-term value creation capacity are systematically assessed and incorporated into decision-making processes.

In this context, the resilience analysis performed indicates that Zorlu Enerji's current strategy and business model are generally resilient under the selected climate scenarios. Nevertheless, it has been assessed that, under certain scenarios, additional adaptation measures become increasingly important for specific assets and areas of operation, and these considerations are incorporated as inputs into investment planning and risk management processes.

Transition Risks

Transition risks and opportunities constitute an integral part of Zorlu Enerji's business models relating to new assets, technologies and operational investments. In this context, market dynamics are monitored on a regular basis, relevant business cases are updated in line with emerging developments, and risk mitigation approaches are adapted in accordance with changing conditions. This approach supports the consideration of climate-related strategic decisions from a long-term value creation perspective.

The Company anticipates that changes in the regulatory environments of the countries in which it operates may have a direct impact on renewable energy policies and investment conditions. Accordingly, policy developments and legal frameworks are systematically monitored, and close collaboration with stakeholders is maintained in order to enhance strategic flexibility. Through its diversified asset portfolio and geographical presence, the Company strengthens its organisational resilience against transition processes, while prioritising renewable energy investments and developing new business areas focused on low-carbon technologies. This approach supports Zorlu Enerji's strategic position under evolving political and economic conditions.



Climate Resilience

Carbon Pricing

The projected carbon pricing trajectory (EUR/tCO₂e), taking into consideration the Turkish Emissions Trading System (ETS), is expected to develop under the relevant scenario as presented below.

Zorlu Enerji TSRS Base Assumption: Under the NZE scenario, the carbon price is projected to increase from EUR 11.6/tCO₂e in 2027 to EUR 254.9/tCO₂e in 2040. In its risk assessments, Zorlu Enerji has utilised differentiated carbon pricing projections for four distinct climate scenarios covering the period from 2026 to 2040. As the Turkish ETS had not entered into force as a mechanism generating actual compliance costs as of the 2025 reporting period, no realised carbon cost arising from regulatory requirements was incurred during 2025. With the commencement of the pilot implementation of the ETS in 2026, carbon price formation is expected to emerge.

Scenario	2026	2027	2030	2035	2040
NZE (Net Zero)	5.80	11.60	67.70	161.30	254.90
Delayed Transition	4.00	8.00	20.00	60.00	150.00
Fragmented World	8.00	16.00	40.00	80.00	120.00
Current Policies	1.00	2.00	5.00	10.00	15.00

Physical Climate Risks

The resilience analysis relating to physical climate risks has been conducted by considering the Net Zero 2050 (Orderly Transition), Delayed Transition (Disorderly Transition), Fragmented World and Current Policies (Hot House World) climate scenarios.

The physical climate risk assessment is intended to analyse the extent to which all of Zorlu Enerji’s assets are protected against climate change from both structural and operational perspectives. In this context, resilience is addressed through the combined implementation of design safety measures and risk mitigation and adaptation actions. Measures such as collaborating with wind turbine manufacturers to design equipment taking into account the climate conditions specific to the regions in which the facilities are located, and regularly analysing the resilience of equipment and infrastructure through stress testing against extreme weather events, aim to reduce the impacts of acute physical risks, including heatwaves, cold spells, frost, storms and snow. As of the current reporting period, no asset relocation or decommissioning has been required within the scope of these measures.

In addition, chronic and acute climate risks specific to the location of each energy facility are identified, and preventive action plans are developed to address such risks. Turbine orientation and operational optimisation measures are implemented in response to changes in wind regimes, while active cooling systems are deployed at solar power facilities to address temperature stress. Within the grid infrastructure, strategies aimed at load balancing and enhancing operational flexibility are utilised.

From an operational perspective, the physical risks with the most significant impact on Zorlu Enerji’s activities are considered to be changes in wind patterns and increases in temperature. These factors may directly affect energy generation capacity and generation profiles. The analyses conducted generally indicate limited deviations when compared with projections based on historical climate data. Nevertheless, due to the long-tail distribution characteristics of climate risks, the assessment incorporates the potential impacts of low-frequency but high-consequence events that could result in significant operational and financial outcomes.

In this context, the regular review and continuous improvement of physical climate risk assessment methodologies are considered important for enabling the more accurate and comprehensive quantification of potential losses. In future periods, more comprehensive studies are planned to enhance the spatial resolution of climate data and deepen asset-level analyses.

In managing climate risks, Zorlu Enerji adopts a holistic approach that considers not only physical design and operational measures but also the potential impacts of climate-related events on operations and financial performance. In this regard, probable maximum loss assessments are conducted, and insurance coverage for critical assets is regularly reviewed to enhance protection levels against climate-related risks. All such practices are periodically reviewed and updated under the oversight of the Sustainability Committee.

The material physical risks considered within the scope of the analysis are presented below:

Scenario	Situation Assessed Within the Scenario	Compliance / Resilience Measures Implemented	Resilience Assessment
Net Zero 2050 (Orderly Transition) – 1.3°C	The vulnerability of the energy generation and distribution infrastructure to extreme weather events has been assessed.	- Investment in wind, solar and hybrid energy sources - Accelerating the transition to a distributed generation model in energy production - Development of battery systems and energy storage solutions - Enhancement of the efficiency of energy systems through the KEDEP Project	The aim is to support the operational continuity of the energy generation and distribution infrastructure within the scope of existing investments and initiatives.
Delayed Transition (Disorderly Transition) – 1.6°C	The impacts of extreme weather events on energy generation facilities and electricity distribution infrastructure have been assessed. During the reporting period, a unit outage occurred at the Kizildere III Geothermal Power Plant due to lightning-related weather conditions.	- SLF: Spatial Load Forecasting Tool Project - Next-Generation Grid Development Project - Development of Solutions to Prevent Long-Duration Outages Caused by Ice Loading in Electricity Distribution Networks	The projects aimed at grid planning and system management are intended to support the operational continuity of energy infrastructure.
Fragmented World (Too little, too late) – 2.3°C	The exposure of energy generation facilities and electricity distribution infrastructure to extreme weather events has been assessed.	Energy Storage Systems Project for the centralised monitoring of storage systems and the establishment of an information-sharing platform	The studies relating to disaster management and energy storage systems are intended to enhance the manageability of electricity infrastructure.
Current Policies (Hot House World) – 2.8°C	The potential impacts of extreme weather conditions on energy transmission lines and infrastructure have been evaluated.	- Reinforcement of transmission lines - Replacement of wooden poles - Upgrading of transformer substations and electrical equipment - Undergrounding of distribution lines - Deployment of backup generators - Infrastructure Development and Pilot Implementation Project for Independent Installation Electricity Distribution Services	Infrastructure modernisation and reinforcement activities are intended to support the operational continuity of energy distribution systems.
Preventive Maintenance Activities Implemented Across All Scenarios	Maintenance activities are carried out on energy transmission and distribution lines.	- Pruning branches that come into contact with line routes or felling trees where necessary - Replacement of insulators and provision of insulation for conductors - Clearance of trees within a minimum 15-metre corridor along energy transmission line routes - Application of lean concrete (grobeton) in accordance with the EKAT Regulation on energy transmission lines passing through forested areas	Line safety and maintenance activities are intended to preserve the operational continuity of energy transmission and distribution infrastructure.



RISK MANAGEMENT

60 Climate Risk Identification and Assessment Processes

60 Inputs, Parameters and Operational Scope

61 Assessment of Risks in terms of Impact, Probability and Magnitude

62 Methods of Prioritisation of Risks

62 Monitoring and Early Warning Mechanisms

63 Process Updates and Historical Period Comparisons

63 Integration of Risk and Opportunity Processes into Enterprise Risk Management





Risk Management

(TSRS 1: Articles 44) (TSRS 2: Articles 24 - 26)

Processes for Identifying and Assessing Sustainability and Climate-Related Risks

(TSRS 1: Articles 44(a), TSRS 2: Articles 25(a))

Zorlu Enerji conducts the identification, assessment and management of sustainability- and climate-related risks and opportunities within the framework of a structured enterprise risk management approach. The Company regularly analyses environmental, social and governance (ESG)-related risks to which its activities may be exposed, as well as physical and transition risks associated with climate change, and evaluates the potential impacts of these risks in accordance with methodologies aligned with international standards. In this context, the processes have been structured in alignment with the requirements of TSRS 1 and TSRS 2.

Risk identification activities are carried out by interdisciplinary internal working groups. During this process, environmental impacts, occupational health and safety, supply chain practices, social impacts and governance-related indicators are considered alongside climate-related regulatory developments, market trends, technological transformations and stakeholder feedback.

Inputs, Parameters and Operational Scope

(TSRS 1: Articles 44(a)(i), TSRS 2: Articles 25(a)(i))

Zorlu Enerji utilises multi-source datasets and various analytical parameters in the processes for identifying and assessing sustainability- and climate-related risks and opportunities. The inputs used within this scope include the Company’s operational activities, geographical footprint, environmental and social impacts, regulatory developments and sectoral market dynamics. All business lines of the Company, including energy generation, distribution, trading, renewable energy projects and electric vehicle infrastructure solutions, are included within the operational scope of the risk assessment process.

Both internal and external data sources are utilised in risk analyses. Internal operational data include parameters such as energy consumption, water use, greenhouse gas emissions, generation capacity, infrastructure resilience and operational performance indicators. These data are assessed together with sustainability performance indicators and operational datasets incorporated within the enterprise risk management system.

Physical risks, including rising temperatures, water stress and extreme weather events in the geographies where the Company operates, together with transition risks such as carbon regulations, emissions trading systems, and policy and market developments relating to the energy transition, are assessed concurrently and classified according to relevant maturities together with other sustainability-related operational and strategic risks.

In the assessment of identified sustainability- and climate-related risks, potential financial and operational impacts, together with the probability, are taken into consideration. As a result of these assessments, priority risks are identified and reported periodically to senior management. Where necessary, the relevant risks are linked to control mechanisms and action plans and monitored within the scope of the enterprise risk management system. Through this process, sustainability- and climate-related risks are addressed within the Company’s overall risk profile through a holistic approach.

In addition, global and national data sources are utilised in the assessment of physical and transition risks. Climate projections published by the NGFS, national meteorological data and other scientific datasets are used in the analysis of physical climate risks. For transition risks, regulatory developments, carbon pricing mechanisms, transformation trends in energy markets, technological developments and market expectations are taken into consideration.

These analyses are conducted under the coordination of the Sustainability, Enterprise Risk Management and Finance departments, and the identified risk factors are assessed across all locations in which the Company operates. Accordingly, sustainability- and climate-related risks can be analysed on both a project-specific and Group-wide comparative basis and are systematically integrated into enterprise risk management processes.

Assessment of Risks in Terms of Impact, Probability and Magnitude

(TSRS 1: Articles 44(a)(iii), TSRS 2: Articles 25(a)(iii))

Zorlu Enerji considers impact, probability and potential magnitude criteria within the scope of its enterprise risk management methodology when assessing sustainability- and climate-related risks. This assessment process is conducted in an integrated manner with the Company’s Enterprise Risk Management System, and sustainability- and climate-related risks are analysed together with other financial, operational and strategic risks.

The probability of risks is classified using established risk assessment matrices, and likelihood levels are evaluated under predefined categories. Similarly, the potential impacts of risks are analysed in terms of their financial and operational consequences. Within the scope of impact assessments, various dimensions are considered, including potential changes in revenue and cost structures, operational disruption risk, infrastructure damage, regulatory sanctions and reputational impacts.

Risk Assessment Matrix

Risk magnitude is determined through the combined evaluation of likelihood and impact scores. The impacts reflected in the risk assessment matrix correspond to the impacts assessed for the year 2025.

		Probability				
		1 Rare	2 Possible	3 Likely	4 High	5 Almost Certain
Potential Impact	5 Very High					
	4 High					
	3 Medium					
	2 Low					
	1 Very Low	S4, i1, i2, i3, i4	i6	S1,S2,S3,i5		

 The legend indicates the level of risk.

Sustainability Risks (S) Included in the Matrix

1. Supply Chain and Cost Inflation
2. Impact of Global Geopolitical Developments on Energy Supply Security
3. Uncertainties in the Turkish Energy Market
4. Battery Energy Storage Systems

Other sustainability risks have not been included in the matrix, as they could not be quantified financially.

Climate Risks (C) Included in the Matrix

1. Failure of Zorlu Enerji to Achieve Its SBTi Targets
2. Obligations Arising from the Turkish Emissions Trading System
3. Regulatory Restrictions on SF₆-Related Emissions
4. Decline in Electricity Sales Due to Distributed Energy Systems
5. Disruptions to Electricity Generation Caused by Extreme Weather Events
6. Impacts of Wildfires Resulting from Extreme Weather Events on Transmission and Distribution Operations



Processes for Identifying and Assessing Sustainability and Climate-Related Risks

Both qualitative and quantitative criteria are utilised during the assessment process. In determining financial impacts, measurable indicators such as potential cost increases, investment requirements and production losses are taken into consideration, while qualitative factors including operational resilience, regulatory compliance requirements and stakeholder expectations are also incorporated into the analyses. In addition, risks are assessed separately across short-, medium- and long-term maturities and are linked to the Company’s strategic planning processes.

The risk scores derived from these assessments are incorporated into the corporate risk inventory and are used in prioritisation processes based on risk magnitude. Accordingly, the potential impacts of sustainability- and climate-related risks on business activities are systematically analysed and provide the basis for determining the necessary risk management actions.

Methods for Prioritising Risks

(TSRS 1: Articles 44(a)(iv), TSRS 2: Articles 25(a)(iv))

Zorlu Enerji applies a multidimensional assessment approach in the prioritisation of sustainability- and climate-related risks. Within the prioritisation process, the probability, the magnitude of potential impact and the relevant maturity are evaluated collectively. In this context, risks are analysed by considering their short-, medium- and long-term impacts.

The risk matrix developed within the scope of the Enterprise Risk Management methodology is used for risk prioritisation. Within this matrix, the overall risk magnitude is determined by considering the likelihood and impact scores of risks, and risks are classified as low, medium, high or very high priority based on these scores.

The financial impacts of risks are assessed against a threshold of 2.1% of the Company’s annual revenue. Where this threshold is exceeded, the relevant risks are classified as material, and risk mitigation and management plans are implemented accordingly.

In addition, qualitative factors such as regulatory developments, stakeholder expectations, impacts on operational continuity and the Company’s long-term sustainability objectives are also taken into consideration during the prioritisation process.

Monitoring and Early Warning Mechanisms

(TSRS 1: Articles 44(a)(v), TSRS 2: Articles 25(a)(v))

Zorlu Enerji regularly monitors sustainability- and climate-related risks and tracks them through corporate monitoring mechanisms in order to ensure their effective management. These monitoring activities are conducted within the scope of the Enterprise Risk Management system, and sustainability- and climate-related risk indicators are reviewed periodically.

Within the scope of monitoring physical risks, meteorological data, hydrological indicators and environmental variables in the regions where the Company operates are tracked, and the potential impacts of climate change-related factors, including extreme weather events, rising temperatures, drought and water stress, on operations are assessed. These analyses are reviewed regularly from the perspective of operational continuity and asset resilience, and risk mitigation measures are developed where necessary.

With respect to transition risks, developments in carbon pricing mechanisms, national and international climate policies, transformation trends in energy markets and technological developments are monitored on a regular basis. These developments are assessed in relation to the Company’s investment planning processes, emissions reduction strategies and operational activities.

Monitoring activities are carried out by the relevant functions operating under the Enterprise Risk Management structure, and periodic reporting is provided to the Sustainability Committee. In addition, where a significant change in the severity or frequency of a risk is identified, the Early Detection of Risk Committee is activated and a prompt assessment is conducted at the Board of Directors level. Through this structure, both the timely management of risks with significant financial impacts and the continuity of resilience-enhancing measures are ensured.

Process Updates and Historical Period Comparisons

(TSRS 1: Articles 44(a)(vi), TSRS 2: Articles 25(a)(vi))

Zorlu Enerji reviews its processes for the identification, assessment and management of sustainability- and climate-related risks on a regular basis and updates them where necessary. In this context, the data sources, analytical methodologies, assessment criteria and scenario sets used are reassessed during each reporting period in light of national and international developments, regulatory changes and sectoral transformations.

Within the scope of the TSRS alignment studies initiated in 2024, the Company’s sustainability- and climate-related risk management processes were reviewed in accordance with the requirements of TSRS 1 and TSRS 2, and their integration with the Enterprise Risk Management system was further strengthened.

During this process, the methodological framework for the identification, assessment and reporting of sustainability- and climate-related risks was enhanced through a more systematic structure, and the datasets and analytical methodologies utilised were further developed.

As a result of these updates, it has become possible to analyse the operational and financial impacts of sustainability- and climate-related risks in a more comprehensive manner, while increasing the visibility of such risks within enterprise risk management processes. This approach contributes to the Company’s ability to manage sustainability- and climate-related risks more effectively and to support decision-making processes through more robust data-driven analyses.

Integration of Risk and Opportunity Processes into Enterprise Risk Management

(TSRS 1: Articles 44(c), TSRS 2: Articles 25(c))

Zorlu Enerji’s processes relating to sustainability- and climate-related risks and opportunities are conducted in an integrated manner within the Company’s Enterprise Risk Management (ERM) system. Through this integration, environmental, social and governance (ESG)-related risks, together with physical and transition risks arising from climate change, are addressed not only from an operational or environmental perspective, but also through a holistic approach encompassing strategic, financial and governance dimensions.

At the core of this integration is the corporate risk awareness culture embedded within the ERM structure and extending across all business units. Sustainability- and climate-related risks and opportunities identified by business units are assessed within the framework of predefined methodologies, analysed according to likelihood, impact and maturity criteria, and incorporated into the ERM system. This information is recorded within the central risk inventory and reported periodically to the Sustainability Committee and the Early Detection of Risk Committee.

Sustainability- and climate-related risks and opportunities are not addressed solely within the scope of the risk matrix and internal control mechanisms; they are also linked to long-term scenarios and the Company’s strategic objectives and brought to the attention of the Board of Directors. Accordingly, strategic decisions relating to the transition to a low-carbon economy, adaptation to regulatory changes, resource efficiency and investments aimed at enhancing operational resilience are evaluated in an integrated manner with risk management processes.

In addition, sustainability-focused risk indicators are integrated into management processes through their linkage with internal audit activities, budget planning processes and corporate performance monitoring systems. Through this holistic structure, the early identification of sustainability- and climate-related risks, the timely implementation of necessary actions and the conversion of emerging opportunities into strategic value creation become possible.



METRICS AND TARGETS

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Metrics and Targets

(TSRS 1: Articles 45 – 53) (TSRS 2: Articles 27 - 37)

Mandatory Metrics under TSRS

(TSRS 1: Articles 46(a))

Within the scope of the Guidance on the Industry-Based Application of TSRS 2, the disclosure topics and activity metrics included in Volume 32 – Electric Utilities and Power Generators, Volume 44 – Solar Technology and Project Developers, and Volume 45 – Wind Technology and Project Developers are presented in the tables below.

Metrics Guidance

The table below shows the assets on the basis of which the industry-specific metrics disclosed have been calculated within Zorlu Enerji Elektrik Üretim A.Ş.

SASB Code	Relevant Company / Unit	SASB Code	Relevant Company / Unit
IF-EU-110a.1	Zorlu Enerji Elektrik Üretim A.Ş.	RR-ST-130a.1	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-110a.2	Osmangazi Elektrik Dağıtım A.Ş.	RR-ST-140a.1	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-110a.3	Zorlu Enerji Elektrik Üretim A.Ş.	RR-ST-140a.2	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-140a.1	Zorlu Enerji Elektrik Üretim A.Ş.	RR-ST-410a.1	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-140a.2	Zorlu Enerji Elektrik Üretim A.Ş.	RR-ST-410a.2	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-140a.3	Zorlu Enerji Elektrik Üretim A.Ş.	RR-ST-000.A	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-420a.2	Osmangazi Elektrik Dağıtım A.Ş.	RR-ST-000.B	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-420a.3	Osmangazi Elektrik Dağıtım A.Ş.	RR-ST-000.C	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-540a.1	Zorlu Enerji Elektrik Üretim A.Ş.	RR-WT-440b.1	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-540a.2	Zorlu Enerji Elektrik Üretim A.Ş.	RR-WT-440b.2	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-550a.1	Osmangazi Elektrik Dağıtım A.Ş.	RR-WT-440b.3	Zorlu Enerji Elektrik Üretim A.Ş.
IF-EU-550a.2	Osmangazi Elektrik Dağıtım A.Ş.	RR-WT-000.A	ZES Dijital Ticaret A.Ş.
IF-EU-000.A	Osmangazi Elektrik Perakende Satış A.Ş.	RR-WT-000.B	ZES Dijital Ticaret A.Ş.
IF-EU-000.B	Osmangazi Elektrik Dağıtım A.Ş.	RR-WT-000.C	2024: Zorlu Yenilenebilir Enerji A.Ş., Zorlu Enerji Pakistan Ltd. 2025: Zorlu Enerji Pakistan Ltd.
IF-EU-000.C	Osmangazi Elektrik Dağıtım A.Ş.		
IF-EU-000.D	Zorlu Enerji Elektrik Üretim A.Ş.	RR-WT-000.D	2024: Zorlu Yenilenebilir Enerji A.Ş., Zorlu Enerji Pakistan Ltd. 2025: Zorlu Enerji Pakistan Ltd.
IF-EU-000.E	Zorlu Enerji Elektrik Üretim A.Ş.		

Volume 32 – Electric Utilities and Power Generators

Table 1. Sustainability Disclosure Topics and Metrics

Subject	Calculation Metric	Category	Measurement Unit	Code	2024	2025	Description
Greenhouse Gas Emissions and Energy Source Planning	(1) Gross total Scope 1 emissions, (2) the percentage covered by emission-limiting regulations, and (3) the percentage covered by emission reporting regulations	Quantitative	Metric tons (t) of CO ₂ -eq, Percentage (%)	IF-EU-110a.1	(1) 714,385 tCO ₂ e	(1) 709,340	(2) Not available. (3) Not available.
	Greenhouse gas (GHG) emissions associated with power distribution	Quantitative	Metric tons (t) of CO ₂	IF-EU-110a.2	244,758.17	153,900.69	
	Discussion of the long- and short-term strategy or plan for managing Scope 1 emissions and emission reduction targets, and analysis of performance against these targets	Discussion and Analysis	None	IF-EU-110a.3	Reduce Scope 1 greenhouse gas emissions intensity by 73.71% per MWh by 2030 and by 97.7% per MWh by 2040.	Reduce Scope 1 greenhouse gas emissions intensity by 73.71% per MWh by 2030 and by 97.7% per MWh by 2040.	
Water Management	(1) Total water withdrawal (2) Total water consumption (3) Percentage of each in regions with high or extremely high groundwater stress	Quantitative	Thousand cubic meters (m³), Percent (%)	IF-EU-140a.1	(1) 2,124,329,952 tons (2) 110,644,987 tons (3) Water consumption rate in regions experiencing water stress: 50%	(1) 1,875,274,921 tons (2) 86,835,586 tons (3) Water consumption rate in regions experiencing water stress: 58%	
	The number of non-compliance incidents related to water quality permits, standards, and regulations	Quantitative	Number	IF-EU-140a.2	0	0	
	Defining water management risks and discussing strategies and practices to mitigate these risks	Discussion and Analysis	None	IF-EU-140a.3	Water Risk and Management	Water Risk and Management	
End-of-Life Efficiency and Demand	The percentage of electricity supply provided by smart grid technology (Note for IF-EU-420a.2 – The course discusses the opportunities and challenges associated with the development and operation of smart grids.)	Quantitative	Megawatt-hours (MWh) as a percentage (%)	IF-EU-420a.2	65% (According to data from the end of 2024, 7.2 billion kWh of electricity was distributed in the region within OEDAŞ's service area, and 65% of this consumption can be monitored in real time via smart meters installed at 35,000 locations.)	63% (According to data from the end of 2025, 7.5 billion kWh of electricity was distributed in the region within OEDAŞ's service area, and 76% of this consumption can be monitored in real time via smart meters installed at 35,000 locations.)	
	Customer electricity savings resulting from efficiency measures, by market	Quantitative	Megawatt-hour (MWh)	IF-EU-420a.3			Not available.
Nuclear Safety and Emergency Management	Total number of nuclear power units decommissioned based on the results of the latest independent safety review	Quantitative	Number	IF-EU-540a.1			Not available.
	Definition of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	None	IF-EU-540a.2			Not available.



Mandatory Metrics under TSRS

Volume 32 – Electric Utilities and Power Generators

Table 1. Sustainability Disclosure Topics and Metrics

Subject	Calculation Metric	Category	Measurement Unit	Code	2024	2025	Description
Network Resilience	Number of incidents involving non-compliance with physical or cybersecurity standards or regulations	Quantitative	Number	IF-EU-550a.1	0	0	
	Including significant event days: (1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI)	Quantitative	Hour, Minute, Number	IF-EU-550a.2	(1) SAIDI: 15.5 hours (2) SAIFI: 23.6 (3) CAIDI: 39.45 minutes	(1) SAIDI: 18.5 hours (2) SAIFI: 25.2 (3) CAIDI: 44 minutes	

Table 2. Performance Metrics

Activity Metric	Category	Measurement Unit	Code	2024	2025	Description
Number of (1) residential, (2) commercial, and (3) industrial customers served ¹	Quantitative	Number	IF-EU-000.A ³	(1) Residential: 1,687,879 (2) Commercial and government: 319,487 (3) Agricultural irrigation: 37,486	(1) Residential: 1,726,047 (2) Commercial and government: 326,289 (3) Agricultural irrigation: 38,628	
(1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Quantitative	Megawatt-hour (MWh)	IF-EU-000.B ⁴	Net electricity distributed: 7,242,972,000 kWh (1) Residential: 41% (2) Commercial: 33% (3) Industrial: 26%	Net electricity distributed: 7,504,356,535 kWh (1) Residential: 31% (2) Commercial: 27% (3) Industrial: 42%	
Length of transmission and distribution lines	Quantitative	Kilometer (km)	IF-EU-000.C	Power Transmission Lines: 22,480 Rural Networks: 12,790 Urban Networks (Overhead Lines): 9,087 Urban Networks (Underground Lines): 9,659 Total: 54,017	Power Transmission Lines: 23,184 Rural Networks: 13,159 Urban Networks (Overhead Lines): 9,300 Urban Networks (Underground Lines): 10,141 Total: 55,784	
(1) Total electricity generated (2) Percentage by primary energy source (3) Percentage in regulated markets	Quantitative	Megawatt-hour (MWh), Percent (%)	IF-EU-000.D	(1) 2,704,212,190 kWh (2) - Geothermal: 67.52% - Solar: 0.09% - Hydroelectric: 14.54% - Wind: 17.86% (3) 83%	(1) 2,584,402,066 kWh (2) - Geothermal: 72.78% - Solar: 0.14% - Hydroelectric: 12.48% - Wind: 14.60% (3) 100%	
Total wholesale electricity purchased	Quantitative	Megawatt-hour (MWh)	IF-EU-000.E	Electricity (commercial): 6,984,058,988 kWh	Electricity (commercial): 6,706,277,549 kWh	

³ The subscriber figures provided belong to OEPSAŞ. In this context, the data for 2024 has been updated.
⁴ The data provided belongs to OEDAŞ.

Volume 44 - Solar Technology and Project Developers

Table 1. Sustainability Disclosure Topics and Metrics

Subject	Calculation Metric	Category	Measurement Unit	Code	2024	2025	Description
Energy Management in Manufacturing	(1) Total energy consumed, (2) Percentage of grid electricity	Quantitative	Gigajoule (GJ), Percent (%)	RR-ST-130a.1	(1) Direct Energy Consumption (Natural Gas, Diesel, Gasoline, LPG, Coal): 2,153,500.71 Indirect Energy Consumption (Electricity, Heating, Cooling, Steam): 91,335.50 (2) 12.7%	(1) Direct Energy Consumption (Natural Gas, Diesel, Gasoline, LPG, Coal): 2,138,460 Indirect Energy Consumption (Electricity, Heating, Cooling, Steam): 74,260 (2) 3.50%	
	(1) Total water withdrawal, (2) Total water consumption, (3) Percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m³), Percent (%)	RR-ST-140a.1	(1) 2,124,329,952 tons (2) 110,644,987 tons (3) Water consumption rate in regions experiencing water stress: 50%	(1) 1,875,274,921 tons (2) 86,835,586 tons (3) Water consumption rate in regions experiencing water stress: 58%	
Water Management in Manufacturing	Definition of water management risks and discussion of strategies and practices to mitigate these risks	Discussion and Analysis	None	RR-ST-140a.2	Water Risk and Management	Water Risk and Management	
	Identifying the risks associated with the integration of solar energy into the existing energy infrastructure and discussing efforts to manage these risks	Discussion and Analysis	None	RR-ST-410a.1	Water Risk and Management	Water Risk and Management	
Management of Energy Infrastructure Integration and Related Regulations	Defining the risks and opportunities related to energy policy and their impact on the integration of solar energy into the existing energy infrastructure	Discussion and Analysis	None	RR-ST-410a.2	Water Risk and Management	Water Risk and Management	

Table 2. Operation Metrics

Operation Metric	Category	Measurement Unit	Code	2024	2025	Description
Total Capacity of Photovoltaic (PV) Solar Modules Manufactured	Quantitative	Megawatt (MW)	RR-ST-000.A			Not available.
Total Capacity of Completed Solar Energy Systems	Quantitative	Megawatt (MW)	RR-ST-000.B	3.75 MWp	6 MWp	
Total Project Development Assets	Quantitative	Presentation currency	RR-ST-000.C	R&D and Innovation Budget (TL): 54,099,382 Budget Allocated for the Development of Low-Carbon Products and Services (TL): 4,000,000	R&D and Innovation Budget (TL): 154,448,717 Budget Allocated for the Development of Low-Carbon Products and Services (TL): 808,428	



Mandatory Metrics under TSRS

Volume 45 - Wind Technology and Project Developers

Table 1. Sustainability Disclosure Topics and Metrics

Topic	Calculation Metric	Category	Measurement Unit	Code	2024	2025	Description
Material Efficiency	Top Five Materials Consumed by Weight	Quantitative	Metric ton (t)	RR-WT-440b.1			Not available.
	Average Nacelle Mass per Unit of Turbine Capacity, by Wind Turbine Class	Quantitative	Metric tons per megawatt (t/MW)	RR-WT-440b.2			Not available.
	Description of the Approach to Optimising Material Efficiency in Wind Turbine Design	Discussion and Analysis	None	RR-WT-440b.3			Not available.

Table 2. Operation Metrics ⁵

	Calculation Metric	Category	Measurement Unit	Code	2024	2025	Description
	Number of wind turbines delivered by class	Quantitative	Number	RR-WT-000.A	28	10	
	Total capacity of wind turbines delivered by class	Quantitative	Megawatts (MW)	RR-WT-000.B	68.085 MW	30.2 MW	
	Total turbine backlog volume ⁵	Quantitative	Presentation currency	RR-WT-000.C	36,925,562 TL	33,046 TL	
	Total capacity of turbine backlog ⁶	Quantitative	Megawatts (MW)	RR-WT-000.D	15,699.23 MWh	12 MWh	

⁵ Our Company does not engage in wind turbine manufacturing, design or project development activities and only provides operation and maintenance services. Although the requirements coded RR-WT-000.A and RR-WT-000.B under TSRS 2 Appendix Volume-45 are not directly relevant to our scope of activities, operational performance information relating to the turbines for which we provide maintenance services is presented below for transparency purposes.

⁶ Due to the sale of the Gökçedağ Wind Power Plant, unlike in 2024, only metrics relating to the Pakistan Wind Power Plant are presented for 2025.

Sustainability Metrics and Targets

The metrics and targets of Zorlu Enerji, together with the baseline year, progress achieved and the 2025 assessment, are presented in the table below in association with the relevant sustainability risks:

Objectives	Base Year	Progress			2025 Assessment
		2023	2024	2025	
To achieve net zero by 2040 ⁷	2021	6,993,614 tCO ₂ e	3,443,899 tCO ₂ e	2,432,139 tCO ₂ e	↑
To reduce the amount of water used per unit of energy generated annually by 2030	2025	5.1 m ³ /MWh	3.9 m ³ /MWh	5.0 m ³ /MWh	↓
To become a net positive impact (NPI) company by 2035	2025		-2650	-2645	↑
To increase the proportion of women at Director and Assistant General Manager level and above to 30% by 2030	2020	25%	14%	27%	↑
To increase the overall proportion of female employees to 25% by 2030	2020	19%	20%	21%	↑
To achieve a zero lost-time injury frequency rate by 2030	2020	2.74	4.14	5.22	↓
To ensure that all critical and strategic suppliers in the supply chain are aligned with ESG standards by 2030, and that all suppliers are aligned with ESG standards by 2035	2025	-	-	-	-
To allocate 1% of EBITDA to social investment projects	2025	-	0.4%	0.6%	↑
To become an industry leader in ESG ratings, particularly LSEG and S&P ratings	2024	-	LSEG:88 S&P: 77	LSEG*: 93 S&P: 85	↑
To increase portfolio diversification	2025	-	-	Collector's License included	↑
To make investments aligned with the green taxonomy	2025	-	-	Regulations Pending	-

↑ Progress ↓ Decline

^{*} The highest score of the year is shown.

⁷ The SBTi targets will be tracked as sub-targets. They are included in the Climate-Related Targets section.



Climate-Related Metrics and Targets

(TSRS 2: Articles 29 – 37)

Climate-Related Metrics

(TSRS 2: Articles 29 – 32)

Zorlu Enerji’s Scope 1 emissions were calculated as 709,340 tCO₂e in 2025. Scope 2 emissions were calculated as 162,558 tCO₂e on a Location-based basis and 159,348 tCO₂e on a Market-based basis. Scope 3 emissions were calculated as 1,563,451 tCO₂e. Total emissions for 2025 amounted to 2,432,139 tCO₂e.

(TSRS – 2: 29(a)(i)(1) – 29(a)(i)(2) – 29(a)(i)(3))

Gross Emissions (tCO ₂ e)	2024	2025
Scope 1	714,385	709,340
Scope 2 (Location-Based)	252,576	162,558
Scope 2 (Market-Based)	252,576	159,348
Scope 3	2,476,938	1,563,451
Total	3,443,899	2,432,139

Scope 3 Category Breakdowns (tCO ₂ e)	2024	2025
3.1 Purchased goods and services	35,123	53,158
3.2 Capital goods	3,044	- ⁸
3.3 Fuel- and energy-related indirect emissions	2,420,733	1,459,752
3.4 Upstream transportation and distribution	93	16,364
3.5 Waste	14	183
3.6 Business travel	863	346
3.7 Employee commuting	4,731	6,494
3.8 Upstream leased assets	0	0
3.9 Downstream transportation and distribution	0	0
3.10 Processing of sold products	0	0
3.11 Use of sold products ⁹	10,431	0
3.12 End-of-life treatment of sold products	0	0
3.13 Downstream leased assets	0	0
3.14 Franchises	0	0
3.15 Investments ¹⁰	1,906	27,154

⁸ All purchases have been included in the calculation under Scope 3.1.
⁹ Zorlu Enerji does not have operational control over its affiliate in which it holds a 49.90% ownership interest. Therefore, greenhouse gas emissions arising from the activities of the relevant affiliate have not been included within Scope 1 and Scope 2 emissions. Emissions relating to ZES have been calculated under Category 3.15.
¹⁰ The calculation was performed by estimating the 12-month revenue based on ZES’s actual 9-month revenue data.

Measurement Approach, Inputs, and Assumptions

Zorlu Enerji calculates and reports its greenhouse gas emissions in accordance with The Greenhouse Gas Protocol: A Revised Corporate Accounting and Reporting Standard (2004). (TSRS 2: 29(a)(iii))
In emissions calculations, organisational and operational boundaries are clearly defined, and a comprehensive inventory is established by taking into consideration the principal activities across the value chain.

The Company uses the operational control approach to determine its organisational boundaries when measuring greenhouse gas emissions. Within this scope, Zorlu Enerji reports only emissions arising from activities over which it has operational control under Scope 1 and Scope 2. (TSRS 2: 29(a)(iii)(1)–(2))
During the reporting period, the effects of remote working practices on resource consumption and emissions calculations were not included. (TSRS 2: 29(a)(iv)(1)–(2))
In determining emission factors, internationally recognised data sources were used, primarily the 2006 Guidelines for National Greenhouse Gas Inventories published by the Intergovernmental Panel on Climate Change (IPCC).

The following emission sources giving rise to carbon emissions were taken into consideration in the calculation of greenhouse gas emissions:

- **Scope 1 emissions:** Natural gas and coal consumption for heating purposes, fuel consumption of company vehicles (diesel and gasoline), and refrigerant gases (leakages reported during installation and maintenance activities) were taken into consideration.
- **Scope 2 emissions:** Electricity consumption and electricity transmission and distribution losses were taken into consideration. Scope 2 greenhouse gas emissions are reported solely in accordance with the market-based approach. Within this scope, emissions were calculated based on the average emission factors of the electricity grid, and renewable energy certificates used were included in the calculations.
- **Scope 3 emissions:** Emission categories 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.11 and 3.15 defined under The Greenhouse Gas Protocol: A Revised Corporate Accounting and Reporting Standard (2004) published within the scope of the GHG Protocol were taken into consideration. (TSRS – 2: 29(a)(vi)(1))

Calculations were performed in accordance with the GHG Protocol. The categories included in the calculations are as follows:

- 3.1 Purchased goods and services
- 3.2 Capital goods
- 3.3 Fuel- and energy-related indirect emissions
- 3.4 Upstream transportation and distribution
- 3.5 Waste
- 3.6 Business travel
- 3.7 Employee commuting
- 3.11 Use of sold products
- 3.15 Investments

The activity data and emission factors used in the calculations are obtained from internationally recognised sources, and the assumptions and methodological choices applied are clearly defined. In calculating uncertainties related to the greenhouse gas inventory, uncertainty factors associated with both activity data and emission factors were taken into consideration. The uncertainty analyses were based on the calculation methodologies published by the IPCC and the calculation tools and tables provided under the GHG Protocol: A Revised Corporate Accounting and Reporting Standard (2004).

No changes were made during the reporting period to the methodology, datasets or key assumptions used in the measurement of greenhouse gas emissions. Within the scope of reporting conducted in alignment with TSRS as of 2025, the calculation approach used in previous years was maintained, thereby ensuring consistency and comparability.



Climate-Related Metrics and Targets

Vulnerable Assets

The financial impacts calculated for physical and transition risks were analysed, and it was determined that these impacts remained below the financial materiality thresholds established by the Company. The vulnerability analysis examined lightning-related generation losses attributable to atmospheric conditions for wind power plants, generation losses resulting from extreme weather events for geothermal power plants, generation losses arising from precipitation regime changes for hydroelectric power plants, and changes in SAIDI and SAIFI performance metrics resulting from wildfires affecting the distribution infrastructure. Accordingly, as of the reporting period, there are no assets classified as financially vulnerable within the scope of climate-related risks. Nevertheless, climate-related risk indicators are monitored regularly, scenario analyses are updated, and any emerging changes are integrated into risk management processes.

Internal Carbon Pricing

In determining the internal carbon price, four different carbon pricing scenarios published by Bloomberg NEF were evaluated: the SBTi Scenario, the Hybrid Market Scenario, the Voluntary Carbon Market Scenario and the Renewable Energy-Focused Market Representation Scenario. As a result of these analyses, Zorlu Enerji established its initial internal carbon price within the range of USD 70–110 per tonne. This range was developed with reference to European Emissions Trading System (ETS) prices and is intended to support alignment with a potential ETS implementation in Türkiye. (TSRS – 2: 29(f)(i))

The internal carbon price established has been integrated into operational planning, investment feasibility analyses, financial modelling and strategic decision-making processes. This pricing mechanism is used as a reference point in evaluating the cost-effectiveness of emissions reduction strategies. (TSRS 2 – 29(f)(ii))

Climate-related targets

(TSRS 2: Articles 33 – 37)

The targets of Zorlu Enerji, together with the baseline year, progress achieved and the 2025 assessment, are presented in the table below in association with the relevant climate-related risks:

Topic of the Relevant Risk	Goals	Base Year	Progress			2025 Assessment
			2023	2024	2025	
Adaptation to Climate Change ¹¹	To reduce Scope 1 greenhouse gas emissions intensity by 73.71% per MWh by 2030 and by 97.7% per MWh by 2040	2021	0.277	0.264	0.270	↓
Adaptation to Climate Change ¹²	To reduce Scope 2 absolute greenhouse gas emissions by 42% per MWh by 2030 and by 90% per MWh by 2040, using 2021 as the baseline	2021	233,941	252,576	159,348	↑
Adaptation to Climate Change ¹³	To reduce Scope 1 and Scope 3 greenhouse gas emissions intensity from fuel- and energy-related activities per MWh by 73.71% by 2030 and by 97.8% by 2040	2021	0.4	0.45	0.26	↑
Adaptation to Climate Change ¹⁴	To reduce all other Scope 3 greenhouse gas emissions by 25% by 2030 and by 90% by 2040, using 2021 as the baseline year	2021	576,312	56,205	103,699	↓

¹¹ This target is based on the ratio of Scope 1 emissions of Zorlu Enerji Elektrik Üretim A.Ş. to the gross amount of electricity generated and is an intensity target (tCO₂e/MWh).
¹² This target is based on the Scope 2 emissions of Zorlu Enerji Elektrik Üretim A.Ş. and is an absolute reduction target (tCO₂e).
¹³ This target is based on the ratio of Scope 1 and Scope 3.3 emissions of Zorlu Enerji Elektrik Üretim A.Ş. to the volume of commercial electricity sold by Zorlu Enerji through OEPSAŞ and is an intensity target (tCO₂e/MWh).
¹⁴ This target is based on the Scope 3 emissions of Zorlu Enerji Elektrik Üretim A.Ş., excluding Scope 3.3 emissions, and is an absolute reduction target (tCO₂e).

Zorlu Enerji determines its climate-related targets based on the methodology of the Science Based Targets initiative (SBTi).

(TSRS 2 – 33(a))

The greenhouse gas emissions reduction targets established by the Company are presented in the table together with the baseline year, progress status and assessments relating to the reporting period, and are linked to the relevant climate-related risks.

The primary objective of Zorlu Enerji's climate targets is to contribute to the goal of limiting global temperature increase to 1.5°C, reduce transition risks, ensure compliance with regulatory requirements and enhance operational resilience throughout the transition to a low-carbon energy system. (TSRS 2 – 33(b))

Within this scope, the Company has established interim reduction targets for 2030 and a Net Zero Emissions target for 2040.

The established targets cover all operations across the Zorlu Enerji Group as well as value chain emissions considered material.

(TSRS 2 – 33(c))

The targets apply to Scope 1, Scope 2 and relevant Scope 3 emissions categories and encompass both domestic and international operations.

The Company has designated 2040 as its long-term target year. (TSRS 2 – 33(d))

The year 2021 is used as the baseline year for measuring progress. (TSRS 2 – 33(e))

The year 2030 has been defined as an interim target and strategic milestone. (TSRS 2 – 33(f))

All reduction rates and performance assessments are calculated within this reference framework.

Zorlu Enerji has defined its climate targets on both an absolute and emissions intensity basis. (TSRS 2 – 33(g))

This approach enables the reduction of total emissions while also reducing emissions per unit of output, thereby allowing operational performance to be monitored independently of production volumes.

As of 2024, the targets have been developed in alignment with the 1.5°C objective of the Paris Agreement and are based on the International Energy Agency's Net Zero Emissions by 2050 (NZE 2050) scenario. (TSRS 2 – 33(h))

This scenario is founded on reducing fossil fuel use within the energy sector, increasing renewable energy investments and transitioning to low-carbon technologies.

The climate targets have been validated by the SBTi. (TSRS 2 – 34(a))

This validation demonstrates that the targets are science-based and aligned with a 1.5°C pathway. Greenhouse gas emissions data are subject to independent third-party verification.

The targets are monitored regularly and reviewed as part of the annual strategic planning process. (TSRS 2 – 34(b))

Performance data are publicly disclosed through the Integrated Annual Report and CDP reporting. (TSRS 2 – 34(c))

In 2024, the target structure was updated in line with the SBTi validation and aligned with the net zero pathway. (TSRS 2 – 34(d))

Performance against climate targets is monitored through a three-year trend analysis. (TSRS 2 – 35)

Performance assessments take into consideration changes in the generation portfolio, increases in the share of renewable energy, fuel switching and the impacts of energy efficiency investments. Increases or decreases in emissions are analysed together with the relevant transition risks and operational factors.

The targets cover greenhouse gases defined under the Kyoto Protocol, primarily CO₂, CH₄ and N₂O. (TSRS 2 – 36(a))

Pollutants such as NO_x, SO₂, mercury and particulate matter are monitored separately under environmental performance indicators.

The climate targets include Scope 1, Scope 2 and material Scope 3 emissions. (TSRS 2 – 36(b))

A Net Zero Emissions target has been established for 2040, and within the scope of this net target, priority is given to direct gross emissions reductions. (TSRS 2 – 36(c))

Where necessary, offsetting mechanisms may be considered for residual emissions.

The targets have been established in alignment with the sectoral decarbonisation approach developed for the energy sector. (TSRS 2 – 36(d))

The Company considers renewable energy investments, energy storage, green hydrogen and carbon capture technologies as strategic transformation priorities.

The Company generates carbon credits from its renewable energy generation facilities and sells them in voluntary carbon markets. (TSRS 2 – 36(e))

During the reporting period, no carbon credits were purchased for emissions offsetting purposes; only Renewable Energy Certificates were used for Scope 2 emissions.



APPENDIX

- 78 Statement of Responsibility from the Sustainability Committee
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Statement of Responsibility from the Sustainability Committee

Sürdürülebilirlik Komitesi Sorumluluk Beyanı

SERMAYE PİYASASI KURULU VE TÜRKİYE SÜRDÜRÜLEBİLİRLİK RAPORLAMA STANDARTLARI (TSRS) GEREĞİNCE HAZIRLANAN SORUMLULUK BEYANI

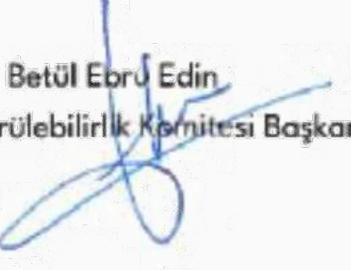
Şirketimizce hazırlanan ve bağımsız denetimden geçmiş 01.01.2025 – 31.12.2025 dönemine ait, SPK düzenlemeleri ve TSRS 1 ile TSRS 2 standartları uyarınca hazırlanan Sürdürülebilirlik Raporu'nun

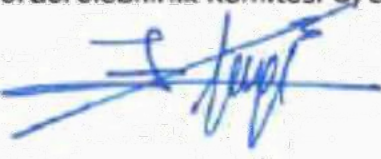
Tarafımızca incelendiğini,

Şirketteki görev ve sorumluluk alanımızda sahip olduğumuz bilgiler çerçevesinde, raporun önemli konularda gerçeğe aykırı bir açıklama veya yanıltıcı olması sonucunu doğurabilecek herhangi bir eksiklik içermediğini,

Şirketteki görev ve sorumluluk alanımızda sahip olduğumuz bilgiler çerçevesinde, TSRS uyarınca hazırlanmış raporun; şirketin aktifleri, pasifleri, finansal durumu ile sürdürülebilirlik risklerini ve performansını dürüstçe yansıttığını beyan ederiz. 11.03.2026

Saygılarımızla,


Betül Ebru Edin
Sürdürülebilirlik Komitesi Başkanı


Cem Mengi
Sürdürülebilirlik Komitesi Üyesi


Elif Yener
Sürdürülebilirlik Komitesi Üyesi

Greenhouse Gas Emissions Reporting Guide

Greenhouse Gas Emissions (tCO ₂ e)	
Scope 1 Emissions	
When calculating Scope 1 emissions, Zorlu Enerji considers natural gas and coal consumption for heating purposes, fuel consumption of company vehicles (diesel and gasoline), and refrigerants, including leaks reported during installation and maintenance activities.	
Internationally recognized emission factors from the International Panel on Climate Change (IPCC) 2006 Guidelines for National Greenhouse Gas Inventories have been used in the calculations.	
Scope 2 Emissions	
Scope 2 emissions are calculated based on electricity consumption and electricity losses, using a location-based approach.	
Scope 2 emissions are calculated using both the location-based and market-based methods. In the location-based calculations, national grid average emission factors were used, while renewable energy certificates utilised were taken into consideration in the market-based calculations.	
For emission factors, the factors set out in the document titled Ministry of Energy and Natural Resources, Türkiye Electricity Generation and Electricity Consumption Point Emission Factors Information Form, ETKB-EVÇED-FRM-042 Rev.0 were used.	
Scope 3 Emissions	
The emission categories defined in the GHG Protocol have been taken into account.	
Scope 3, Category 1 Purchased Goods and Services	All relevant upstream emissions from the production of products purchased or acquired by the Company during the reporting period ("cradle-to-gate") are included. Emission factors are obtained from suppliers and the DEFRA 2024 guidance.
Scope 3, Category 2 Capital Goods	All purchases made during the reporting period were assessed under Scope 3 – Category 1 (Purchased Goods and Services) in accordance with the adopted methodological approach, and no separate calculation was performed under Category 2 (Capital Goods).
Scope 3, Category 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	Emissions arising from fuel- and energy-related activities that are not included in Scope 1 or Scope 2. Emission factors were obtained from the DEFRA 2025 guidance, and a regional emission factor calculation was used for OEDAŞ.
Scope 3, Category 4 Upstream Transportation and Distribution	In the reporting year, emissions arise from the transportation and distribution of purchased products between suppliers and the Company's operations using vehicles not owned or operated by the Company. Emission factors were sourced from the DEFRA 2025 guidance.
Scope 3, Category 5 Waste Generated from Operations	Emissions from waste generated in the Company's owned or controlled operations during the reporting year were calculated based on disposal methods. Emission factors were sourced from the DEFRA 2025 guidance.
Scope 3, Category 6 Business Travel	Indirect greenhouse gas emissions from business travel include emissions from employee transportation for domestic and international work-related travel, as well as hotel stays. Emission factors were sourced from the DEFRA 2025 guidance.
Scope 3, Category 7 Employee Commuting	The sources of employee commuting emissions are the greenhouse gas emissions generated during employees' travel between their homes and workplaces.
Scope 3, Category 11 Use of Sold Products	As of 2025, this category has been excluded from the reporting scope due to Zorlu Enerji no longer having operational control over ZES.
Scope 3, Category 15 Investments	Emissions from investments include Scope 3 emissions related to the reporting company's investments during the reporting year that have not yet been included in Scope 1 or Scope 2. These emissions are calculated using financial data in accordance with international emission factors and methodologies. Calculation method: GHG Protocol Emission factor: EXIOBASE 3.8.2, "Distribution and trade of electricity (services)", 2019.
Total Indirect Scope 3 Greenhouse Gas Emissions (tCO₂e)	The total emissions calculated under Scope 3 categories represent the sum of all emissions.
Total Scope 1, 2 & 3 Greenhouse Gas Emissions	Scope 1 (direct emissions), Scope 2 (indirect emissions from energy consumption), and Scope 3 (other indirect emissions including value chain activities) collectively represent the total greenhouse gas emissions (tCO₂e).



TSRS Compliance Statement

TSRS 1 Core Content	TSRS 1 Standard	Related TSRS 1 Standard	Explanation Relevant Section in the Report / Explanation
Governance	27 (a): Governance body/bodies (which may include the board, a committee, or an equivalent entity responsible for senior management) or the individual(s) responsible for overseeing sustainability-related risks and opportunities	TSRS 1 27 (a)(i)	Roles and Responsibilities of the Board of Directors and Committees
		TSRS 1 27(a)(ii)	The Board of Directors' Sustainability and Climate Competencies
		TSRS 1 27(a)(iii)	Informing the Board of Directors About Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 27(a)(iv)	Strategic Management of Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 27(a)(v)	Integrating Sustainability and Climate Goals into Compensation Policies
	27 (b): The management's role in governance processes, controls, and procedures used to monitor, manage, and oversee sustainability-related risks and opportunities	TSRS 1 27(b)(i)	Oversight by the Board of Directors and Committees
		TSRS 1 27(b)(ii)	Controls and Procedures Related to Sustainability and Climate-Related Risks and Opportunities
Strategy	29: The impacts of sustainability-related risks and opportunities on the Company's strategy and decision-making processes	TSRS 1 29(c)	Sustainability Related Risks
	30: Sustainability-related risks and opportunities	TSRS 1 30(c)	Sustainability Related Risks
	33: Strategy and decision-making	TSRS 1 33(c)	Sustainability Related Risks
Risk Management	44 (a): Processes and policies implemented to identify, assess, prioritize, and monitor sustainability-related risks	TSRS 1 44(a)(i)	Inputs, Parameters, and Operational Scope
		TSRS 1 44(a)(ii)	Inputs, Parameters, and Operational Scope
		TSRS 1 44(a)(iii)	Assessment of Risks in Terms of Impact, Probability, and Severity
		TSRS 1 44(a)(iv)	Risk Prioritization Methods
		TSRS 1 44(a)(v)	Monitoring and Early Warning Mechanisms
	44 (b): Processes implemented by the Company to identify, assess, prioritize, and monitor sustainability-related opportunities	TSRS 1 44(b)	RISK MANAGEMENT
Metrics and Targets	46(b): Sustainability performance related to the relevant risk or opportunity, including progress toward the Company's internally set targets as well as targets required by applicable regulations	TSRS 1 46(a)	Sustainability Metrics and Targets
		TSRS 1 46(b)	Sustainability Metrics and Targets
	51: The Company discloses information on its targets and the progress made toward achieving them, including both strategic objectives and targets mandated by regulations.	TSRS 1 51(c)	Sustainability Metrics and Targets
		TSRS 1 51(d)	Sustainability Metrics and Targets
		TSRS 1 51(e)	Sustainability Metrics and Targets
		TSRS 1 51(g)	Sustainability Metrics and Targets

TSRS 1 Core Content	TSRS 1 Standard	Related TSRS 1 Standard	Explanation Relevant Section in the Report / Explanation
General Provisions	Sources of Guidance	TSRS 1 54	Compliance with the Turkish Sustainability Reporting Standards
		TSRS 1 55(a)	Compliance with the Turkish Sustainability Reporting Standards
		TSRS 1 56	Compliance with the Turkish Sustainability Reporting Standards
		TSRS 1 59(a)	Compliance with the Turkish Sustainability Reporting Standards
		TSRS 1 59(b)	Compliance with the Turkish Sustainability Reporting Standards
	Location of Disclosure	TSRS 1 60	Accurate Presentation
		TSRS 1 61	Accurate Presentation
	Reporting Period	TSRS 1 64	Reporting Period and Frequency
Judgments, Uncertainties, and Errors	Comparative Information	TSRS 1 70	In the first year of implementation, no comparative information for prior periods is provided for the disclosures specified under the TSRS, and therefore no comparative disclosures are made.
	Statement of Compliance	TSRS 1 72	Accurate Presentation
	Judgments	TSRS 1 74	Judgments and Uncertainties
	Measurement Uncertainty	TSRS 1 77	Judgments and Uncertainties
	Errors	TSRS 1 83	Judgments and Uncertainties

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Governance	6(a): The governance body or bodies responsible for overseeing climate-related risks and opportunities (including the board of directors, a committee, or an equivalent body) or the relevant individual or individuals	TSRS 2 6(a)(i)	Roles and Responsibilities of the Board of Directors and Committees
		TSRS 2 6(a)(ii)	The Board of Directors' Sustainability and Climate Competencies
		TSRS 2 6(a)(iii)	Informing the Board of Directors About Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 6(a)(iv)	Strategic Management of Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 6(a)(v)	Integrating Sustainability and Climate Goals into Compensation Policies
	6(b): Management's roles and responsibilities related to governance processes, controls, and procedures for monitoring, managing, and overseeing climate-related risks and opportunities	TSRS 2 6(b)(i)	Oversight of the Board of Directors and Committees
		TSRS 2 6(b)(ii)	Controls and Procedures Related to Sustainability and Climate-Related Risks and Opportunities



TSRS Compliance Statement

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Strategy	9: The entity discloses information that enables users of general-purpose financial reports to understand the entity's strategic disclosures related to climate	TSRS 2 9(a)	Climate-Related Risks
		TSRS 2 9(b)	Climate-Related Risks
		TSRS 2 9(c)	Climate-Related Risks
		TSRS 2 9(d)	Climate-Related Risks
		TSRS 2 9(e)	Climate-Related Risks
	10: Climate-Related Risks and Opportunities	TSRS 2 10(a)	Climate-Related Risks
		TSRS 2 10(b)	Climate-Related Risks
		TSRS 2 10(c)	Climate-Related Risks
		TSRS 2 10(d)	Climate-Related Risks
	13: Business Model and Value Chain	TSRS 2 13(a)	Business Model and Value Chain Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 13(b)	Business Model and Value Chain Climate-Related Transition Risks Climate-Related Physical Risks
	14: Strategy and Decision-Making	TSRS 2 14(a)(i)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 14(a)(ii)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 14(a)(iii)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 14(a)(iv)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 14(a)(v)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 14(b)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 14(c)	Climate-Related Transition Risks Climate-Related Physical Risks
	15 & 16: Financial position, financial performance, and cash flows	TSRS 2 15(a)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 15(b)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 16(a)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 16(c)	Climate-Related Transition Risks Climate-Related Physical Risks

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Strategy	22: Climate resilience	TSRS 2 22(a)(i)	Scope of Resilience Analysis
		TSRS 2 22(a)(ii)	Scope of Resilience Analysis
		TSRS 2 22(a)(iii)(1)	Scope of Resilience Analysis
		TSRS 2 22(a)(iii)(2)	Scope of Resilience Analysis
		TSRS 2 22(a)(iii)(3)	Scope of Resilience Analysis
		TSRS 2 22(b)(i)(1)	Scenario Analyses
		TSRS 2 22(b)(i)(2)	Scenario Analyses
		TSRS 2 22(b)(i)(3)	Scenario Analyses
		TSRS 2 22(b)(i)(4)	Scenario Analyses
		TSRS 2 22(b)(i)(5)	Scenario Analyses
		TSRS 2 22(b)(i)(6)	Scenario Analyses
		TSRS 2 22(b)(i)(7)	Scenario Analyses
		TSRS 2 22(b)(ii)(1)	Scenario Analyses
		TSRS 2 22(b)(ii)(2)	Scenario Analyses
		TSRS 2 22(b)(ii)(3)	Scenario Analyses
		TSRS 2 22(b)(ii)(4)	Scenario Analyses
		TSRS 2 22(b)(ii)(5)	Scenario Analyses
		TSRS 2 22(b)(iii)	Scenario Analyses
Risk Management	25(a): The processes and related policies the company uses to identify, assess, prioritize, and monitor climate-related risks	TSRS 2 25(a)(i)	Inputs, Parameters, and Operational Scope
		TSRS 2 25(a)(ii)	Inputs, Parameters, and Operational Scope
		TSRS 2 25(a)(iii)	Assessment of Risks in Terms of Impact, Probability, and Severity
		TSRS 2 25(a)(iv)	Risk Prioritization Methods
		TSRS 2 25(a)(v)	Monitoring and Early Warning Mechanisms
		TSRS 2 25(a)(vi)	Process Updates and Historical Comparisons
	25(b): The processes the company uses to identify, assess, prioritize, and monitor climate-related risks and opportunities, including information on whether and how it uses climate-related scenario analysis	TSRS 2 25(b)	RISK MANAGEMENT
	25(c): The extent to which and the manner in which processes for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities are integrated into the organization's overall risk management process, and the extent to which and the manner in which they inform the organization's overall risk management process	TSRS 2 25(c)	Integration of Risk and Opportunity Processes into Enterprise Risk Management



TSRS Compliance Statement

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Metrics and Targets	29: Climate-related metrics	TSRS 2 29(a)(i)	Climate-Related Metrics
		TSRS 2 29(a)(ii)	Climate-Related Metrics
		TSRS 2 29(a)(iii)	Measurement Approach, Inputs, and Assumptions
		TSRS 2 29(a)(iv)	Measurement Approach, Inputs, and Assumptions
		TSRS 2 29(a)(v)	Measurement Approach, Inputs, and Assumptions
		TSRS 2 29(a)(vi)	Measurement Approach, Inputs, and Assumptions
		TSRS 2 29(g)(i)	Integrating Sustainability and Climate Goals into Compensation Policies
		TSRS 2 29(g)(ii)	Integrating Sustainability and Climate Goals into Compensation Policies
	33: Climate-related goals	TSRS 2 33(a)	Climate-Related Goals
		TSRS 2 33(b)	Climate-Related Goals
		TSRS 2 33(d)	Climate-Related Goals
		TSRS 2 33(e)	Climate-Related Goals
		TSRS 2 33(g)	Climate-Related Goals
		TSRS 2 34(a)	Climate-Related Goals
		TSRS 2 34(b)	Climate-Related Goals
		TSRS 2 34(c)	Climate-Related Goals
		TSRS 2 34(d)	Climate-Related Goals
		TSRS 2 35	Climate-Related Goals
		TSRS 2 36(a)	Climate-Related Goals
		TSRS 2 36(b)	Climate-Related Goals
		TSRS 2 36(c)	Climate-Related Goals
		TSRS 2 36(e)	Climate-Related Goals

Limited Assurance Report within the scope of TSRS



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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE INFORMATION PRESENTED BY ZORLU ENERJİ ELEKTRİK ÜRETİM A.Ş. IN ACCORDANCE WITH THE TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Zorlu Enerji Elektrik Üretim Anonim Şirketi

We were engaged by Zorlu Enerji Elektrik Üretim Anonim Şirketi (the “Company” or “Zorlu Enerji”) and its subsidiaries (collectively referred to as the “Group”) to provide limited assurance on the information (“Sustainability Information”) presented in the TSRS-Compliant sustainability report for the year ended 31 December 2025 has been prepared in accordance with TSRS 1 General Requirements for Disclosure of Sustainability Related Financial Information and TSRS 2 Climate-related Disclosures (collectively referred to as “TSRS”), as published by the Public Oversight Accounting and Auditing Standards Authority (“POA”).

Our assurance engagement does not cover any information relating to previous periods other than climate-related risks and opportunities, nor other information linked to the Sustainability Information (including any images, audio files, website links, or embedded videos).

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, as summarized under the heading “Summary of Work Performed as a Basis for the Assurance Conclusion,” nothing has come to our attention that causes us to believe that the Company’s Sustainability Information for the year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the TSRS.

Our limited assurance engagement does not cover prior-period information or other information associated with the Sustainability Information (including any images, audio files, website links, or embedded videos), except for climate-related risks and opportunities.



Inherent limitations in the preparation of the Sustainability Information

Sustainability Information contains climate-related scenario-based information that is subject to inherent uncertainty due to incomplete scientific and economic knowledge regarding the likelihood, timing, or effects of possible future physical and transitional climate-related events.

In addition, the quantification of greenhouse gas is also subject to inherent uncertainty due to the lack of sufficient scientific knowledge required to determine the values used for emission factors and to combine different gas emissions.

Responsibilities of Management and Those Charged with Governance for the Sustainability Information

The Group's management is responsible for the following:

- The preparation of the Sustainability Information in accordance with the TSRS;
- The design, implementation, and maintenance of internal control as deemed necessary to ensure that the Sustainability Information is prepared free from material misstatement, whether due to fraud or error;
- Additionally, the Group's management is also responsible for selecting and applying appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate to the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Auditor's Responsibilities for the Limited Assurance Engagement on the Sustainability Information

We are responsible for the following:

- To plan and perform the engagement to obtain limited assurance about whether the Sustainability Information contains material misstatements, whether due to fraud or error.
- To reach an independent conclusion based on the evidence obtained and the procedures performed; and
- To communicate our conclusion to the Group management.

As we are responsible for expressing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information, as such involvement could compromise our independence.

Application of Professional Standards

Our limited assurance engagement was conducted in accordance with Assurance Engagement Standard 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and Assurance Engagement Standard 3410 "Assurance Engagements on Greenhouse Gas Statements" as issued by the Public Oversight, Accounting and Auditing Standards Authority ("POA"). Our responsibilities under these assurance standards are described in detail in the *Auditor's Responsibilities for the Limited Assurance Engagement on the Sustainability Information* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



Independence and Quality Management

We have complied with the independence requirements and other ethical provisions of the Code of Ethics for Independent Auditors (including Independence Standards) issued by POA, which is built upon the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

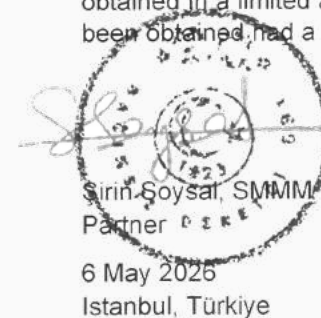
KPMG is responsible for implementing the provisions of Standard on Quality Management 1 ("SoQM 1") *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and for maintaining a comprehensive quality management system, including written policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Summary of Work Performed as a Basis for the Assurance Conclusion

We are required to plan and perform our work to address areas where we have identified a higher risk of material misstatement in the Sustainability Information. The procedures we apply are based on our professional judgment. In conducting our limited assurance engagement on the Sustainability Information:

- Interviews were conducted with key senior personnel of the Group to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- The Group's internal documentation was used to evaluate and review the sustainability-related information.
- An evaluation of the disclosure and presentation of the sustainability-related information was performed.
- Through inquiries, an understanding was obtained regarding the Group's control environment and information systems related to the preparation of the Sustainability Information. However, the design of specific control activities was not evaluated, no evidence was obtained regarding their implementation, and their operating effectiveness was not tested.
- The appropriateness of the Group's estimation methodologies and their consistent application were evaluated. However, our procedures do not include testing the data on which the estimates are based or developing our own estimates to evaluate the Group's estimates.
- The selection of quantification methodologies and reporting policies for greenhouse gases was evaluated.
- We have understood the Group's processes for identifying risks and opportunities that are financially material, together with its sustainability reporting processes.
- We performed analytical assurance procedures and related inquiries on a sample basis, recalculated figures, reviewed documentation, and tested data collections processes to assess the accuracy of the Group sustainability statement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.





Glossary of Technical Terms

B

BESS: Battery Energy Storage Systems

BIST: Borsa Istanbul

C

CAIDI: Customer Average Interruption Duration Index

CAPEX: Capital Expenditures

CBAM: Carbon Border Adjustment Mechanism

CCS: Carbon Capture and Storage

CDP: Carbon Disclosure Project

CMB: Capital Markets Board of Türkiye

D

DER: Distributed Energy Resources

E

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization

ERM: Enterprise Risk Management

ESG: Environmental, Social, and Governance

ETS: Emissions Trading System

EU: European Union

G

GECO: Geothermal Gas Emission Control

GHG: Greenhouse Gas Emissions

GPP: Geothermal Power Plant

Greenium: Green Premium

GWP: Global Warming Potential

I

IPCC: Intergovernmental Panel on Climate Change

I-REC: International Renewable Energy Certificate

ISSB: International Sustainability Standards Board

M

MWh: Megawatt-hour

MCP: Market Clearing Price

N

NCG: Non-Condensable Gases

NGFS: Network for Greening the Financial System

NZE: Net Zero Emissions

O

OEDAŞ: Osmangazi Electricity Distribution Inc.

OEPSAŞ: Osmangazi Electricity Retail Sales Inc.

OPEX: Operating Expenditures

P

POA: Public Oversight, Accounting and Auditing Standards Authority

PPA: Power Purchase Agreement

PV: Photovoltaic

S

SAIFI: System Average Interruption Frequency Index

SAIDI: System Average Interruption Duration Index

SASB: Sustainability Accounting Standards Board

SBTi: Science Based Targets initiative

SPP: Solar Power Plant

SF₆: Sulfur Hexafluoride

SLB: Sustainability-Linked Bond

T

TSRS: Türkiye Sustainability Reporting Standards

W

WPP: Wind Power Plant

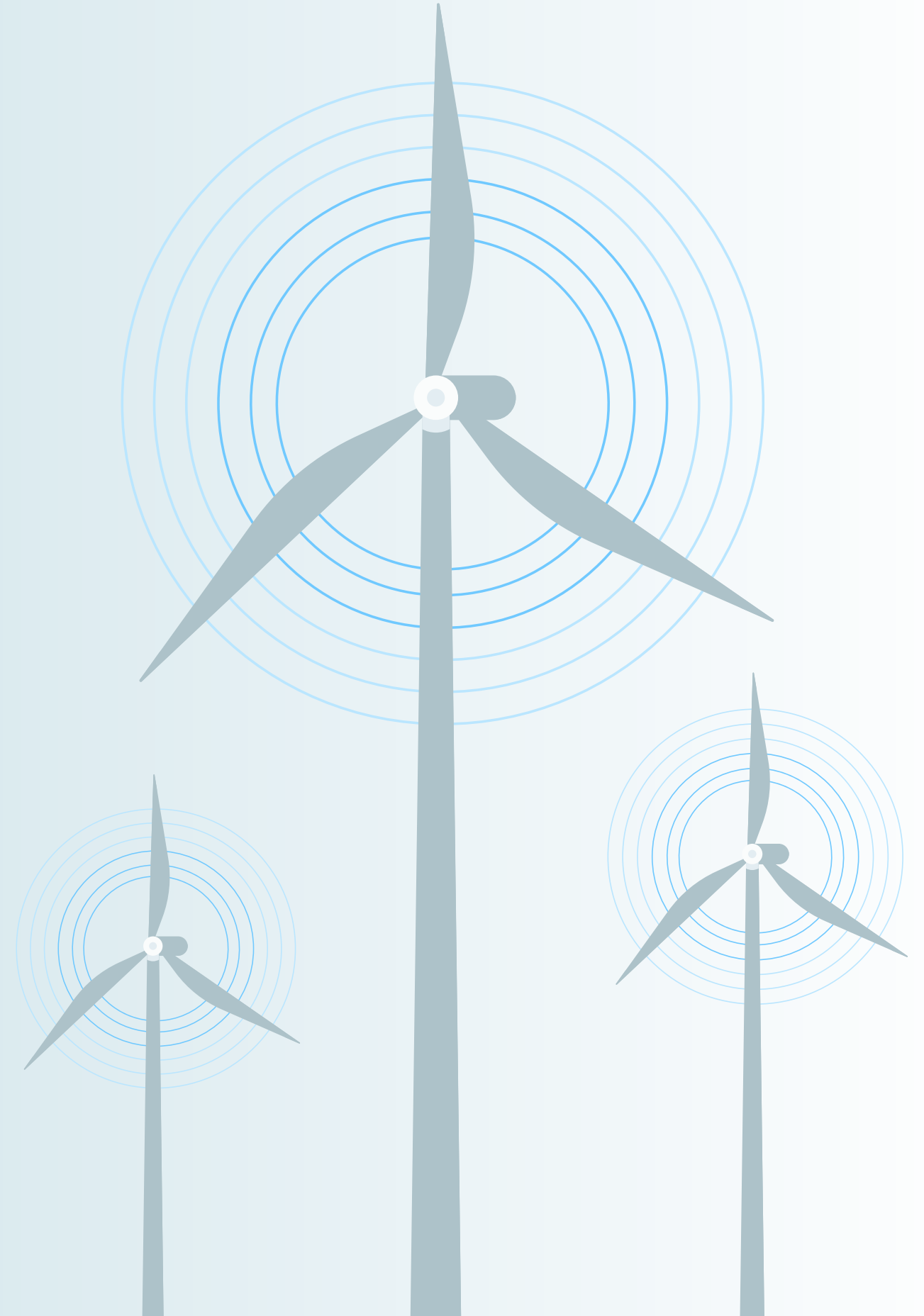
Y

YEK-G: Renewable Energy Certificate Guarantee System

YEKDEM: Renewable Energy Resources Support Mechanism

Z

ZES: Zorlu Enerji Solutions





ZORLUENERJİ



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