

ZORLUENERJİ

TOMORROW'S ENERGY

TSRS Compliant
Sustainability Report 2024

INDEX

CEO Message	3	STRATEGY	16
		• Climate-Related Risks and Opportunities	17
		• Risk and Opportunity Definitions	17
		• Climate Related Transition Risks	19
		• Climate Related Physical Risks	22
		• Climate Resilience	26
		• Scope of Resilience Analysis	26
		• Scenario Analyses	27
INTRODUCTION	5	RISK MANAGEMENT	33
• Compliance with the Türkiye Sustainability Reporting Standards	6	• Identification and Assessment Processes of Climate Risks	34
• Related Information	6	• Inputs, Parameters, and Operational Scope Used	34
• Reporting Period and Frequency	6	• Scenario Analysis Approach and Application	34
• Judgements and Uncertainties	6	• Evaluation of Risks in Terms of Impact, Probability, and Magnitude	35
• Fair Presentation	6	• Methods for Prioritizing Risks	35
• Materiality	7	• Monitoring and Early Warning Mechanisms	35
• Use of Transitional Reliefs	7	• Process Updates and Historical Period Comparisons	35
• Audit	7	• Integration of Risk and Opportunity Processes into Corporate Risk Management	36
• Events After the Reporting Period	8		
• About Zorlu Enerji	8	METRICS AND TARGETS	37
• Organization Structure and Fields of Activity	9	• Metrics Mandated under the TSRS Framework	38
• Zorlu Enerji Business Model and Value Chain		• Water Risk and Management	42
		• Risks and Mitigation Measures in the Energy Sector	43
		• Battery Energy Storage Systems and Energy Market Uncertainties	43
GOVERNANCE	10	• Climate-Related Metrics and Targets	44
• Management Body or Individuals Responsible for Oversight of Sustainability and Climate Risks and Opportunities	11	• Climate-Related Metrics	44
• Definition of Sustainability and Climate Responsibilities within Governing Bodies	11	• Climate-Related Targets	46
• Competencies and Development Plans of Governing Bodies on Sustainability and Climate Issues	12		
• Process of Informing Governing Bodies about Sustainability and Climate Risks	13	APPENDIX	48
• Assessment of Sustainability and Climate Risks within the Scope of Strategy, Major Transactions and Risk Management	13	• Greenhouse Gas Emissions Reporting Guide	49
• Determination of Sustainability and Climate Targets and Integration of Performance Targets into Remuneration Policies	13	• TSRS Compliance Statement	51
• Oversight Process of Governing Bodies, Controls and Procedures	14	• Glossary of Technical Terms	57
• Management Level Breakdown of Role in Sustainability and Climate Risk Oversight	14	• Limited Assurance Report within the scope of TSRS	58
• Controls and Procedures Used to Monitor Sustainability and Climate Risks	15		

CEO MESSAGE

CEO Message

Dear Stakeholders,

The intensifying impacts of the climate crisis, global concerns about energy supply security and the accelerating pace of technological transformation make a radical change in the energy sector inevitable. Today, it is no longer sufficient to merely generate energy; how that energy is produced, how it is managed and how it is delivered to the society have all become core areas of responsibility.

At Zorlu Enerji, we are taking our vision of ‘smart, clean and accessible energy for all’ that we have been pursuing for years one step further and reconstructing all our activities within the framework of sustainability. We do not limit our approach to environmental goals; we approach it with a multidimensional transformation perspective that includes economic resilience, social inclusion and technological competence.

The year 2024 marked a critical turning point in which we concretely experienced the effects of the climate crisis. Compared to pre-industrial levels, global temperatures exceeded the +1.5°C threshold for a year for the first time, which is considered by scientific community as a sign of irreversible changes in climate systems. Increasing heat waves, droughts, energy supply risks and ecosystem losses show that the climate crisis has become a global problem that threatens development rather than an environmental

risk that needs to be managed. These developments reveal the urgency of transition to low-carbon, resilient and equitable energy systems.

As Zorlu Enerji, with this awareness; we have identified as our priority investment areas:

- Further increasing the share of renewable resources in our electricity generation,
- Expanding our hybrid and storage-based power plant solutions to strengthen system flexibility,
- Accelerating digitalization in our distribution infrastructure to reduce losses,
- Growing our user-oriented clean energy solutions through our electric vehicle charging network.

All these steps are being taken as part of **our firm commitment to achieving net-zero emissions by 2040**. In line with our targets approved by the Science Based Targets initiative (SBTi), we aim to reach the following milestones by 2040;

- Reducing emissions from electricity and heat generation by 97.7% per MWh,
- Reducing emissions from indirect energy consumption by 90%,
- Reducing emissions from fuel- and energy-related activities by 97.8% per MWh,
- Reducing all other Scope 3 emissions by 90%,

With this first report, prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), we have initiated a systematic assessment of climate-related risks and opportunities, embraced transparent reporting practices, and begun responding to stakeholder expectations in a more holistic manner. We present this report to our stakeholders as a concrete reflection of our corporate responsibility and our unwavering commitment to being part of the solution to the climate crisis.

As one of the players shaping the future of the energy sector, we will resolutely continue to play an active role in our country’s green transformation, create value for society through innovation, and lead a transformation that extends beyond environmental boundaries to encompass social responsibility as well.

Empowered by our stakeholders, we will continue to remain strong, resilient, and responsible in the face of a changing world.

Best Regards,

Elif Yener
Sector President



INTRODUCTION

Compliance with the Türkiye Sustainability Reporting Standards

- Related Information
- Reporting Period and Frequency
- Judgements and Uncertainties
- Fair Presentation
- Materiality
- Use of Transitional Reliefs
- Audit
- Events After the Reporting Period

About Zorlu Enerji

- Organization Structure and Fields of Activity
- Zorlu Enerji Business Model and Value Chain

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 the report, the Sustainability Accounting Standards Board (SASB) standards under the International Sustainability Standards Board (ISSB), as well as the sectoral implementation guides of TSRS 2, have been utilized. In this context, the documents “Volume 32 – Electric Utilities and Power Generators,” “Volume 44 – Solar Technology and Project Developers,” and “Volume 45 – Wind Technology and Project Developers” have been referenced.

Related Information

The sustainability and climate-related information presented in this report has been prepared specifically for Zorlu Enerji Elektrik Üretim A.Ş. and its subsidiaries, 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 2024 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 time horizons regarding 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 under TSRS for the first time for the annual reporting period

ending on 31 December 2024. The Company will continue to report each year starting from 1 January 2024 by jointly applying the TSRS 1 and TSRS 2 standards.

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 2024 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.

Materiality

In the evaluations carried out, the Company’s consolidated financial statements are taken as the basis. In the financial materiality analysis, annual net revenue is used as the primary indicator; it is observed that changes in this item also create significant effects on other key financial indicators such as EBITDA and gross profit.

Accordingly, the financial materiality threshold for the Company has been determined as 2.1% of consolidated annual revenue. This threshold has been used as a reference in the evaluation of the financial impacts of climate-related risks and opportunities.

Use of Transitional Reliefs

The following transitional exemptions specified in TSRS 1 Appendix E – Effective Date and Transition and TSRS 2 Appendix C – Effective Date and Transition have been utilized:

• TSRS 1 - Appendix E3

In the first year of application, no comparative information for prior periods is presented for the disclosures specified under TSRS, and no comparative disclosure is provided in this scope.

• TSRS 1 - Appendix E4 (a)

In the first year of application, sustainability-related financial disclosures are reported after the financial statements are published, and in cases where interim financial reporting is conducted, they are published at the same time as this report.

• TSRS 1 - Appendix E5

In the first year of application, only disclosures regarding climate-related risks and opportunities are provided, while the provisions related to other matters are not applied. This report states that this transitional relief has been used.

• TSRS 1 - Appendix E6 (a)

Under E5, no comparative information is presented in the disclosure of climate-related risks and opportunities.

• TSRS 2 - Appendix C3

In the first year of application, no comparative information for prior periods is presented for the disclosures specified under TSRS 2, and no comparative disclosure is provided in this scope.

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, following the sale of all shares in Dorad, the Group has ceased all activities related to electricity generation and sales in Israel.

About Zorlu Enerji

Organization Structure and Fields of Activity

As of 31 December 2024, 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 2024, 37.40% of the Company’s shares are publicly traded (31 December 2023: 37.40%).

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
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

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
Dorad Energy Ltd. (“Dorad”)*	25%	Electric power generation and other	Israel

*Pursuant to the material event disclosure dated July 14, 2025, the sale of 10% of the Company’s shares in Dorad, corresponding to a total of 1,064 shares each with a nominal value of 1 New Israeli Shekel (“NIS”), which were not subject to the pre-emptive rights of Dorad’s existing shareholders, was completed to Phoenix Group for a consideration of NIS 282,941,776 under the signed share purchase agreement. Pursuant to the material event disclosure dated July 22, 2025, the sale of the remaining 15% of the Company’s shares in Dorad, corresponding to a total of 1,596 shares each with a nominal value of 1 NIS, which were subject to the pre-emptive rights of Dorad’s existing shareholders, was completed to Ellomay Luzon Energy Infrastructures Ltd. for a consideration of NIS 424,412,664 at the same share value as the sale to Phoenix Group, due to Edelcom Ltd.’s failure to obtain the required legal permits within the prescribed period under the signed share purchase agreement. With the sale of all our shares in Dorad, the Group has ceased all activities related to electricity generation and sales in Israel.

Zorlu Enerji

Business Model and Value Chain

Zorlu Enerji, in preparing its climate-related financial disclosures, takes into account not only its own operational activities but also its subsidiaries, its associates and the impacts arising across the entire value chain. Zorlu Enerji depends on a range of resources and different stakeholders in order to deliver its products and services. These stakeholders consist of key elements such as raw material suppliers who directly contribute to the production process, equipment providers responsible for the installation and maintenance of facilities, employees and consultants involved in the production process. In addition, logistics companies responsible for the distribution of the products produced, and customers who purchase and demand these products are also among the critical stakeholders of the value chain. Therefore, the value chain of Zorlu Enerji, which interacts with many stakeholders both upstream and downstream, is shaped through this multifaceted network of relationships.

The upstream and downstream value chain relationships of Zorlu Enerji are shown below:

Upstream

Decarbonization



☆ ☆

Divestment from High-Emission Assets



☆ △

Carbon Credit Sales



☆

Electricity Trading



☆

I-REC and YEK-G Certificate Sales

Corporate Compliance and Stakeholder Management



☆

Compliance with Agreements Made with Partners

Geographical Area

☆ Türkiye

△ Pakistan

○ Europe

☆ Israel

□ Palestine

Internal Operations

Production



☆

Thermal Power Plant



☆

Hydroelectric Power Plant



☆

Geothermal Power Plant



☆ △

Wind Power Plant



☆ □

Solar Power Plant

Technological Systems



☆

Electrical Panel Factory



☆

Geothermal Drilling Operations



☆

CO₂ Sales

Management Processes



☆

Waste Disposal



☆

Supplier Management

Supporting and Integrated Activities



☆

Thermal Tourism



☆

Agriculture



☆

Textile Factory

Corporate Compliance



☆

Relations with Official Institutions

Distribution



☆

Transmission Line



☆

Transmission/ Distribution Station



☆

Distribution Line

Downstream

Raw material and resource supply



☆

Fuel and Energy Products



☆

Raw Material Extraction for Renewable Energy Assets



☆

Mineral and Metal Mining



☆

Resource Extraction and Processing

Logistics and Transportation



☆

Transportation Vehicles

Natural Resources and Resource Procurement



☆

Settlement



☆

Zero Carbon Footprint Forests



☆

Ecosystem



☆

Agriculture

Equipment Manufacturing



☆

Renewable Energy Equipment Manufacturing

ZORLU ENERJİ | TSRS Compliant Sustainability Report 2024

9

GOVERNANCE

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

Management Body or Individuals Responsible for Oversight of Sustainability and Climate Risks and Opportunities

Definition of Sustainability and Climate Responsibilities within Governing Bodies

Competencies and Development Plans of Governing Bodies on Sustainability and Climate Issues

Process of Informing Governing Bodies about Sustainability and Climate Risks

Assessment of Sustainability and Climate Risks within the Scope of Strategy, Major Transactions and Risk Management

Determination of Sustainability and Climate Targets and Integration of Performance Targets into Remuneration Policies

Oversight Process of Governing Bodies, Controls and Procedures

Management Level Breakdown of Role in Sustainability and Climate Risk Oversight

Controls and Procedures Used to Monitor Sustainability and Climate Risks

Management Body or Individuals Responsible for Oversight of Sustainability and Climate Risks and Opportunities

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

Definition of Sustainability and Climate Responsibilities within Governing Bodies

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

Within the Zorlu Enerji Group, the corporate risk management function is conducted by the Corporate Risk Management Department, which is organized under the Internal Control and Corporate Risk Management General Directorate, reporting to the Zorlu Holding CEO as of January 2023. The Zorlu Holding Corporate Risk Management Department performs its duties in collaboration with the Sector Corporate Risk Management Coordinator assigned within the Zorlu Enerji Group and the relevant departments.

In order to ensure the effective execution of corporate risk management processes throughout 2024, main risks, emerging risks, risk appetite, risk culture, risk assessment results, determined risk mitigation actions, and the implementation status of these actions were regularly reviewed. Within this scope, the Early Detection of Risk Committee (EDRC), composed of independent Board members, held regular meetings according to the planned schedule and conducted comprehensive oversight and guidance activities within the corporate risk management framework. Decisions taken as a result of the Committee’s reviews, along with risk-related matters and reporting, are submitted to the Board of Directors. The

preparation of agenda, reporting, and action tracking for Committee meetings is carried out by the Internal Control and Corporate Risk Management General Directorate; while the Sector President is a permanent invitee, company general managers and function leaders may participate in the meetings on a topic-specific basis. In addition, the Corporate Risk Management Department is a permanent member of the Sustainability Coordination Committee.

The management of sustainability and climate-related risks and opportunities within Zorlu Enerji falls under the responsibility of the Sustainability Committee, which operates under the Board of Directors and is chaired by an Independent Board Member. The Sustainability Committee systematically evaluates sustainability and climate-related risks and opportunities and directs the company’s strategic objectives based on these evaluations. The Working Groups under the Committee conduct analyses of both physical and transition risks, perform scenario analyses, and report the findings directly to the Sustainability Committee.

The ultimate decision-making authority for managing sustainability strategies is the Board of Directors. The Board holds ultimate responsibility for establishing the company strategy and managing critical sustainability and climate-related risks. The Chairman of the Board assumes the leadership role in managing high-level risks.

Competencies and Development Plans of Governing Bodies on Sustainability and Climate Issues

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

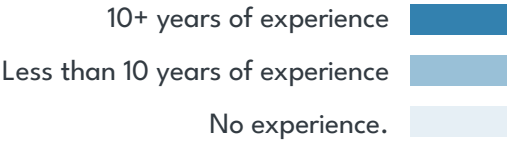
The performance of the Board of Directors is evaluated annually at Zorlu Enerji, supporting the identification of areas where the Board should enhance its focus. Various development initiatives have been planned to strengthen the competencies of the Board and to make risk management processes more effective. 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.

In 2023, the performance evaluation of the Board of Directors was conducted in-house, based on the a methodology previously developed by an external consultancy firm. The 2024 performance evaluation will similarly be carried out using the internal assessment method. Through these steps, Zorlu Enerji aims to strengthen the risk management competencies of the Board and continuously enhance corporate governance processes.

The integration of sustainability criteria into corporate strategy and management processes is supported through the Balanced Scorecard methodology. For employees at the manager level and above, performance objectives are clearly defined in Strategic, Functional, and financial areas in accordance with sustainability criteria; in this way, the company’s sustainability targets are integrated into individual objectives across all organizational levels, particularly at senior management. This structure contributes to aligning employees’ personal career development with organizational goals and ensures that sustainability strategies are effectively adopted throughout the company.

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

(*) 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.



Process of Informing Governing Bodies about Sustainability and Climate Risks

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

At Zorlu Enerji, information regarding sustainability and climate-related risks is presented to the Board of Directors through the Corporate Governance Committee and the Sustainability Committee. The Corporate Governance Committee evaluates the reports prepared by the Sustainability Committee and provides strategic recommendations to the Board of Directors. In 2024, the Corporate Governance Committee met twice, and the Sustainability Committee met once, with both committees having 100% attendance.

Within the scope of Zorlu Enerji’s Integrated Risk Management, sustainability and climate-related risks were assessed by the Early Detection of Risk Committee. The Committee convened six times in 2024, with 100% attendance.

Assessment of Sustainability and Climate Risks within the Scope of Strategy, Major Transactions and Risk Management

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

At Zorlu Enerji, sustainability and climate change-related risks and opportunities are systematically integrated into operational processes, investment planning, and all stages of the value chain. The long-term targets determined based on 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.

Within the scope of Zorlu Enerji’s Decarbonization Strategy, all initiatives are carried out with a holistic approach that acknowledges the impacts of climate change not only on the company’s own operations but also across the entire value chain, including the supply chain, distribution processes, and end-user activities. In this context, comprehensive risk and opportunity assessments are conducted. Based on the outcomes of these assessments, both preventive and corrective actions are developed to manage existing risks and to enable the early identification and mitigation of emerging risks.

To ensure the effective execution of corporate risk management processes, key risks, emerging risks, risk appetite, and risk culture are regularly reviewed by the Early Detection of Risk Committee (EDRC). Decisions and evaluations made during the Committee meetings are presented to the Board of Directors to ensure comprehensive risk coverage and oversight at the Board level. In this way, risk management and performance monitoring processes are regularly tracked by senior management, ensuring transparency across the organization.

Additionally, in accordance with the corporate risk management framework, all employees within the Zorlu Enerji Group are expected to consider the company’s risk appetite and tolerance while managing their processes and to contribute to decision-making mechanisms within the scope of sustainability principles.

Determination of Sustainability and Climate Targets and Integration of Performance 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 participate in a variable short-term incentive plan composed of 90% ESG KPIs and 10% financial targets. aligned with our strategic objectives, in addition to a fixed salary. The key targets defined in this context are as follows:

1. Financial targets: EBITDA and debt ratios, interest expenses, investment ratios (10%)
2. ESG targets: 90%
 - 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 described above. These incentives are integrated into 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))

Management Level Breakdown of Role in Sustainability and Climate Risk Oversight

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

At Zorlu Enerji, the responsibility for the oversight of sustainability and climate-related risks and opportunities lies with the Sustainability Committee, which operates directly under the Board of Directors. Information on sustainability and climate risks is presented to the Board of Directors through the Corporate Governance Committee and the Sustainability Committee. The Sustainability Committee, chaired by an Independent Board Member, is responsible for the assessment of climate change and other sustainability-related risks and opportunities. The Committee’s work is directly monitored and evaluated by the Board of Directors, thereby ensuring effective oversight through management-level decision-making mechanisms. The Board of Directors evaluates the recommendations of the Committee, provides strategic guidance, and takes the necessary actions.

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

Sustainability Committee

The Sustainability Committee consists of at least two members. The Committee Chairperson is Ms. Betül Ebru Edin, and its member is Ms. Elif Yener. In line with the decision taken at the Board of Directors meeting dated 27 May 2024, the Committee’s distribution of duties is as follows:

Committee Members	Duty	Qualifications
Betül Ebru Edin	Chair of the Committee	Independent Board Member
Sinan Ak*	Committee Member	Sector President

* Sinan Ak was replaced by Elif Yener, who was appointed as Committee Member on 3 February 2025.

Corporate Governance Committee

The Corporate Governance Committee consists of at least three members, including two non-executive Board Members and the Head of Investor Relations. The Committee Chairpersonship is undertaken by Ms. Betül Ebru Edin, who was elected among the independent members. The distribution of duties within the Committee is as follows:

Committee Members	Duty	Qualifications
Betül Ebru Edin	Chair of the Committee	Independent Board Member
Cem Mengi	Committee Member	Independent Board Member
Burak Şimşek	Committee Member	Investor Relations Manager

Early Detection of Risk Committee

The Early Detection of Risk Committee consists of at least two members of the Board of Directors. In the case of two members, both are non-executive Board Members; in the case of more than two members, the majority are non-executive Board Members. In line with the decision taken at the Board of Directors meeting dated 27 May 2024, the Committee’s distribution of duties is as follows:

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.

You may access the relevant policies and procedures through the following link.

- [Zorlu Enerji Integrated Risk Management](#)
- [Zorlu Enerji Sustainability Policy](#)

STRATEGY

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

Climate-Related Risks and Opportunities

Risk and Opportunity Definitions

Climate Related Transition Risks

Climate Related Physical Risks

Climate Resilience

Scope of Resilience Analysis

Scenario Analyses

Climate-Related Risks and Opportunities

Zorlu Enerji addresses the impacts of climate change on its business model, operational activities, and value chain at a strategic level; and integrates risks and opportunities into financial and managerial decision-making processes. In this section, prepared in line with TSRS, it is aimed to contribute to enabling general-purpose financial reporting users to understand how the company manages climate-related risks and opportunities at a strategic level.

The potential impacts of climate-related risks on the company’s long-term financial viability are evaluated; and the reflections of these elements on the business model, value chain, decision-making mechanisms, and financial planning are addressed. In addition, the company’s climate-related transition plans, strategic orientation, and adaptation capacity in the face of uncertainties are also detailed in the relevant sub-sections.

Risk and Opportunity Definitions

In order to define Zorlu Enerji’s climate-related risks and opportunities, categories classified within the scope of TSRS 2 standard are provided. The tables below present key definitions explaining the nature of risk types in the climatic context, their maturity, probability, position within the value chain, and potential financial impact. These classifications aim to support a more systematic assessment and management of climate-related uncertainties.

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	Regulatory and Legal Risks	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 regarding 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 / Revenue (%)
Very Low	< 2.1%
Low	2.1% –4.99%
Medium	5.0% –9.99%
High	10.0% –14.99%
Very High	≥ 15.0%

Climate Related Transition Risks

	Risk Subject	Adaptation to Climate Change
	Risk Title	Risks of Regulation and Transition to a Low-Carbon Economy
TSRS 2: Article 10 (a)	Risk Definition	Rapidly changing regulations and policies in the energy sector can affect the feasibility and costs of projects. Failure to comply with new regulations may result in legal sanctions and increased costs. The lack of market conditions and financial instruments in the field of low-carbon technologies may hinder the adoption of these technologies and their contribution to sustainable development. Failure to reduce Scope 1, 2, and 3 emissions increases the risk of regulatory non-compliance and penalties, while the lack of government support for renewable energy investments and an inadequate regulatory framework may create transition climate risks.
TSRS 2: Article 10 (b)	Connection Between Risk and Climate	Transition Risk – Policy and Legal
TSRS 2 Article 22	Scenario Analysis	Bloomberg NEF SBTi Scenario, Bloomberg NEF Hybrid Market Scenario, Bloomberg NEF Voluntary Carbon Market Scenario, and Renewable Energy-Focused Market Representation Scenario
TSRS 2: Article 10 (d)	Risk Maturity	Short
	Risk Probability	Likely
TSRS 2: Article 13 (b)	Impact of Risk on the Business Model and Value Chain	Geographical Area: Denizli, Manisa, Aegean Region, where geothermal plants are located, and the OEDAŞ distribution area, where the electricity distribution network is located Value Chain Stage: Internal Operations Focus Area: Electricity Generation, Electricity Trading, and Electricity Distribution
TSRS 2: Article 13 (a)	Current and anticipated impacts of risk on the business model and value chain	Current Impacts: No direct impact on the business model and value chain was observed during the reporting year. Anticipated Impacts: Should the Climate Act and SKDM come into effect, significant impacts on compliance processes and cost structures are anticipated.

Climate Related Transition Risks (continued)

TSRS 2: Article 14 (a)	Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on strategic structure: The impact of the current risk on Zorlu Enerji’s SBTi targets has been assessed with the CEO of Zorlu Enerji and the CEO of Zorlu Holding, and investment decisions and project portfolios have been reviewed. Impact on decision-making processes: It has been decided that internal and external impacts on Zorlu Enerji’s decarbonization journey will be routinely reviewed and monitored at Sustainability Committee meetings.
TSRS 2: Article 14	Actions Related to Risk Management	- Investments are made in low-carbon energy technologies and innovative solutions. - Priority is given to investments that increase energy efficiency in operational processes and to renewable energy projects. - Legal monitoring and compliance processes are strengthened to ensure rapid adaptation to changing regulations. - Legislative changes in the energy sector are regularly analyzed to ensure early identification of risks. - With the GEKO Project, the implementation of carbon capture technologies in geothermal power plants is planned. - The transition to low-carbon transportation is accelerated by increasing electric vehicle transformation and ZES charging station investments. - Innovative storage and grid management solutions are developed within the scope of FLEXIGRID and SEHRENE projects. - ISO 50001 Energy Management System is implemented. - Sustainable supplier policies are applied to reduce Scope 3 emissions, and cooperation with suppliers not complying with environmental criteria is limited. - Carbon emissions in logistics processes are minimized through supply chain optimization. - Government supports and incentive mechanisms are closely monitored, and funding and investment opportunities for renewable energy projects are evaluated. - Financial sustainability for renewable energy projects is ensured by increasing integration with green financing and carbon markets. - The use of renewable energy in operations is certified through YEK-G and I-REC certificates. With the increase of ZES Solar investments, the carbon intensity of the electricity offered to consumers is reduced. - With rooftop SPP (Solar Power Plant) installations, internal consumption is met from renewable energy sources.
TSRS 2: Article 16 (c)(i)	Investments for Risk Management	- R&D and innovation projects - (SEHRENE project budget) (~EUR 162,000) - (GEKO project budget) (~EUR 900,000) - (FLEXIGRID project budget) (~EUR 850,000)

Climate Related Transition Risks (continued)

TSRS 2: Article 14 (a)	Objectives Regarding Risk Management	Goals: Zorlu Enerji has set targets for 2030 and 2040 in line with its net-zero emissions goal for 2040. - Emission intensity from electricity generation: ** (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
TSRS 2: Article 15	Current and Anticipated Effects of Risk on Financial Position and Performance	Current Financial Impact: There is no financial impact in the current reporting year. Projected Financial Impact: Potential Carbon Cost of Planned Investments Short-Term: 2,103,707,431 TL Medium-Term: 3,248,009,697 TL Long-Term: 3,908,131,982 TL
TSRS 2: Article 10 (a)	Opportunity Created by Risk	• By increasing investments in low-carbon technologies, companies can improve their environmental performance and gain a competitive advantage by reducing carbon emissions and complying with regulations. At the same time, they can enhance their long-term sustainability and create new revenue streams by taking advantage of incentives for renewable energy investments. • Accelerating the transition away from coal can reduce the company’s carbon footprint and reinforce its environmental responsibility.

Climate Related Physical Risks

	Risk Subject	Adaptation to Climate Change
	Risk Title	Physical Risks of Climate Change and Extreme Weather Conditions on Energy Infrastructure
TSRS 2: Article 10 (a)	Risk Definition	Extreme weather conditions caused by climate change pose significant risks to the existing energy infrastructure. Floods, storms, and extreme temperatures can increase maintenance costs and lead to service interruptions. Energy transmission lines and infrastructure can be damaged, especially during extreme weather events, causing power outages and failures. Furthermore, heavy rainfall and temperature fluctuations can cause structural damage to administrative buildings, which can damage equipment and negatively impact business continuity.
TSRS 2: Article 10 (b)	Connection Between Risk and Climate	Physical Risk – Acute/Chronic
TSRS 2 Article 22	Scenario Analysis	RCP4.5
TSRS 2: Article 10 (d)	Risk Maturity	Medium
	Risk Probability	Likely
TSRS 2: Article 13 (b)	Impact of Risk on the Business Model and Value Chain	Geographical Area: The Black Sea region, Central Anatolia region, Anatolia region, and Northeast Anatolia region, where hydroelectric power plants are located; Denizli and Manisa in the Aegean region, where geothermal facilities are located; and the OEDAŞ distribution region, where the electricity distribution network is located Value Chain Stage: Internal Operations Focus Area: Electricity Generation and Electricity Distribution
TSRS 2: Article 13 (a)	Current and anticipated impacts of risk on the business model and value chain	Current Impacts: No direct impact on the business model and value chain was observed during the reporting year.ü Anticipated Impacts: Production losses at hydroelectric power plants (HES), increases in insurance policy premiums, and higher maintenance and operating costs for distribution lines and infrastructure are expected.

Climate Related Physical Risks (continued)

TSRS 2: Article 14 (a)	Impact of Risk on the Strategic Structure and Decision-Making Processes of the Business	Impact on strategic structure: The impact of the current risk on Zorlu Enerji’s SBTi targets has been assessed with the CEO of Zorlu Enerji and the CEO of Zorlu Holding, and investment decisions and project portfolios have been reviewed. Impact on decision-making processes: It was decided that internal and external impacts on Zorlu Enerji’s decarbonization journey would be routinely reviewed and monitored at Sustainability Committee meetings.
TSRS 2: Article 14	Actions Related to Risk Management	• By investing in wind, solar, and hybrid energy sources, the impacts of extreme weather events are reduced. • The transition to a distributed generation model in energy production is accelerated, reducing dependency on centralized production facilities. • Battery systems and other energy storage solutions are being developed to ensure the sustainability of energy supply during outages caused by extreme weather conditions. • The Chemical Energy Storage Technologies Investigation and Pilot Project Studies in Distribution Networks (KEDEP) Project increases the efficiency of energy systems and reduces potential faults in power lines. • Investments are made in smart grid technologies within the scope of digitalization and modernization of grids. • SLF: The Spatial Load Forecasting Tool Project optimizes infrastructure by increasing the long-term utilization rates of network facilities. • The Next Generation Grid Development Project enables grid planning in line with new energy technologies. • The Development of Solutions to Prevent Long-Term Outages Due to Ice Load on Electricity Distribution Networks Project aims to minimize long-term outages caused by ice load. • Within the scope of the “Project for Examination of Türkiye’s Electricity Distribution Grid Against Earthquakes and Natural Disasters and Development of Emergency Action Plans,” local software is being developed to provide users with automatic planning during and after disasters, and emergency action plans are prepared for high-risk distribution centers. • The Energy Storage Systems Project aims to effectively manage implementation processes, monitor storage systems nationwide from central locations, and establish a platform for sharing information about storage systems. • Within the scope of the “Infrastructure Development and Pilot Implementation Project for Independent Installation Electricity Distribution Service,” it is aimed to strengthen the infrastructure of the distribution company. Accordingly, it is intended to expand mobile payment systems in public areas with high energy demand, such as electric vehicle charging stations; establish a shared electricity and technology infrastructure for different service providers; and enable electricity distribution processes to become more efficient, accessible, and integrated. In electricity distribution infrastructure applications, investments are made in addressing climate risks, including strengthening transmission lines, renewing wooden poles, elevating electrical equipment such as substations, placing distribution lines underground, and commissioning backup generators.

Climate Related Physical Risks (continued)

TSRS 2: Article 16 (c)(i)	Investments for Risk Management	• R&D and innovation investments • (KEDEP project budget) (~ TL 3,000,000) - (SLF project budget) (~ TL 1,300,000) • (Next Generation Grid Development project budget) (~TL 300,000) • (Development of Solutions to Prevent Long-Term Outages in Electricity Distribution Networks Due to Ice Load project budget) (~TL 470,000) • (Project budget for the Examination of Türkiye’s Electricity Distribution Network Against Earthquakes and Natural Disasters and the Development of Emergency Action Plans) (~TL 520,000) • (Energy Storage Systems project budget) (~TL 1,530,000) • (Infrastructure Development and Pilot Application for Independent Installation Electricity Distribution Service project budget) (~TL 420,000) • Infrastructure investments • (OEDAŞ infrastructure investments for physical risks) (~TL 460,000,000)
TSRS 2: Article 14 (a)	Objectives Regarding Risk Management	• Invest TL 192,000,000 in maintenance activities against climate risk in 2025 (OEDAŞ)
TSRS 2: Article 15	Current and Anticipated Effects of Risk on Financial Position and Performance	Current Financial Impact: TL 78,823,547* Projected Financial Impact: • Short-Term: TL 206,869,986 • Medium-Term: TL 130,914,852 • Long-Term: TL 131,006,063
TSRS 2: Article 10 (a)	Opportunity Created by Risk	• Developing climate change adaptation strategies can increase the company's operational flexibility and ensure long-term business continuity. Strengthening the energy infrastructure against climate change risks can increase service continuity and reduce maintenance costs.

*The monetary equivalent of the lost energy causes a decrease in the Net Sales/Revenue item in the income statement.

Transition Plan and Assumptions

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

Zorlu Enerji has established its long-term decarbonization strategy within the scope of the transition to a low-carbon economy and has designated the years 2030 and 2040 as strategic milestones. Within this framework, the company is implementing a comprehensive transition plan at both operational and value chain levels in order to manage climate-related transition risks, maintain its competitive advantage, and ensure compliance with international regulations.

Scope and Phases of the Transition Plan
Phase One: Reduction of Operational Emissions

Zorlu Enerji is implementing the following strategic steps to reduce its carbon footprint in energy generation and distribution processes:

- **Exit from thermal operations:** The company aims to exit carbon-intensive thermal investments by 2027. The termination of operations in Israel and exit from the natural gas distribution business are also part of this process.
- **Energy efficiency projects:** An annual 10% reduction in energy consumption is targeted, and modernization and optimization projects are implemented within the framework of ISO 50001.
- **Carbon Capture (CCS):** With the GECO Project carried out at the Kızildere Geothermal Power Plant, it is aimed to reduce CO₂ emissions on a pilot scale through reinjection.

- **Electric vehicle transition:** The company plans to fully electrify its vehicle fleet, and the transition process has started as of 2024.
- **OEDAŞ investments:** Ongoing investments include solutions to mitigate the impact of SF₆ gas, rooftop solar power systems, and infrastructure upgrades aimed at reducing the carbon intensity of the electricity grid.
- **Use of renewable energy:** Investments are carried out to increase the use of renewable energy in internal consumption, along with I-REC/YEK-G certification processes. As of November 2024, the installation of a solar power plant at the Kızildere-3 Geothermal Power Plant has been completed.

Phase Two: Emission Reduction in the Value Chain

Zorlu Enerji is implementing the following strategies to reduce Scope 3 emissions across the value chain:

- **Environmental criteria in supplier selection:** Suppliers with low-carbon production, energy efficiency, and sustainable practices are prioritized.
- **Logistics optimization:** Emissions are reduced through route planning, changes in transportation modes (Ro-Ro, railway), and reduction of fuel consumption.
- **Circular economy practices:** Reduction and reuse of waste contribute to decreasing natural resource consumption and emissions.

- **ZES Solar collaboration:** Through solar energy investments in regions where electricity trading is conducted, grid emission factors are reduced, and clean electricity supply is ensured.
- **Hybrid models in transportation:** Optimization of service routes and hybrid working models reduce business-related transportation emissions.
- **Investment-related emissions:** With the exit from Israel investments, a significant decrease is foreseen in emissions under Scope 3.15 category.

Performance Targets

Key emission reduction targets for 2030 and 2040 under the transition plan:

- **Emissions intensity from electricity generation:**
 - 2030: 0.105 tCO₂e/MWh
 - 2040: 0.009 tCO₂e/MWh
- **Scope 2 emissions:**
 - 2030: 87,739 tCO₂e
 - 2040: 15,127 tCO₂e
- **Scope 1+3 emissions intensity for electricity generation and 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 main assumptions considered in the preparation of the transition plan are as follows:

- **Carbon pricing:** It is projected that carbon pricing will be implemented in Türkiye as of 2027; prices are expected to start at 11.6 EUR/tCO₂e in 2027 and reach 254.9 EUR/tCO₂e in 2040.
- **Regulatory developments:** The Climate Law is expected to enter into force by 2027, and the domestic ETS is anticipated to be aligned with the EU ETS under different scenarios.
- **Policy alignment:** Full compliance with the European Green Deal, CBAM, and energy transition policies is taken as a fundamental assumption.
- **Investment environment:** It is assumed that the necessary financing, technology, and infrastructure conditions for renewable energy investments will be accessible.
- **Supply chain transformation:** The availability of sustainable products and services contributing to emission reduction is projected to increase.

Climate Resilience

(TSRS 2: Article 22 - 23)

Scope of Resilience Analysis

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

Zorlu Enerji systematically analyzes transition and physical risks in order to assess the impacts of climate change on the company’s strategy, business model, and operations. These analyses constitute a fundamental approach not only for ensuring compliance with regulatory developments but also for safeguarding the company’s long-term resilience. The holistic consideration of climate-related risks and opportunities is one of the cornerstones of the company’s vision of “leadership in sustainable energy solutions.”

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

The main areas of uncertainty considered in climate resilience analyses include potential changes in carbon pricing mechanisms, the course of national and international regulatory frameworks, the extent and pace of technological transformation, structural changes in energy markets, the direction of climate policies at regional and global levels, and the increasing frequency and severity of extreme weather events. These uncertainties are systematically addressed through scenario analyses and stress tests and are integrated into decision-making processes accordingly.

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

The resilience of Zorlu Enerji against climate change is assessed within the framework of the following elements:

- Regulatory, technological, and market-based risks and opportunities arising in the context of the global transition to a low-carbon economy are monitored; strategies are developed to support financial and operational flexibility in this regard.

(TSRS 2: Article 22 (a)(iii)(1))

- The potential impacts of extreme weather events and long-term climate changes on production facilities are analyzed; in this respect, risk mitigation measures and infrastructural adaptation efforts are planned.

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

- The company’s business model is being made more resilient to climate change by focusing on areas such as green energy investments, energy efficiency practices, e-mobility solutions, and energy storage technologies. These investments also enable the company to benefit from climate-related opportunities.

(TSRS 2: Article 22 (a)(iii)(3))

Scenario Analyses

Zorlu Enerji updated the comprehensive climate risk analysis it launched in 2023 under the guidance of the Task Force on Climate-related Financial Disclosures (TCFD) in 2024, aligning it with current climate data and projections.

Scenario Analysis	Scenario Description	Risks Used
SSP1-1.9 / RCP 1.9	The SSP-RCP system of scenarios provides valuable guidance across a wide range of areas, from the sustainable management of water resources to energy production processes. These scenarios address the regional impacts of changing climate conditions in detail, offering critical insights for local-scale strategic planning and risk management. The projections under these scenarios are based on a 2021 reference year and extend to 2030, 2050, and 2100. Zorlu Enerji uses these scenarios particularly in the assessment of physical risks in hydroelectric and geothermal energy operations. Risks such as hydrological droughts, extreme weather events, and rising temperatures have been analyzed in line with these projections. The RCP 1.9, or in its combined socio-economic form SSP1-1.9, represents the most optimistic and sustainable future among climate change scenarios. It is the only SSP-RCP pathway that is fully aligned with the Paris Agreement’s climate targets, aiming to limit the rise in global average temperature to 1.5°C. This scenario is directly aligned with Zorlu Enerji’s strategies. SSP1 is called “Sustainable Path” (Sustainability) and represents a vision of the future where social equality is achieved worldwide, environmentally friendly technologies are rapidly adopted, international cooperation is strengthened, and economic growth is sustained while taking environmental impacts into account. Within this context, SSP1-1.9 describes a world where greenhouse gas emissions are drastically reduced by 2030, and net-zero carbon balance is achieved around 2050. By 2100, the radiative forcing level is projected at only 1.9 W/m², meaning the impacts of climate change would be felt at their lowest levels. In this scenario, energy systems rely heavily on renewable sources, carbon capture and storage (CCS) technologies become widespread, nature-based solutions (such as afforestation) are promoted, and environmental awareness increasingly shapes lifestyle choices. Social indicators, such as education, healthcare, and income distribution, improve, thereby enhancing societies’ resilience to the climate crisis. SSP1-1.9 calls for strong global solidarity and commitment to minimize the impacts of climate change. However, according to scientists, this scenario is the most challenging in terms of both timing and policymaking, as it demands radical and simultaneous transformations on a global scale.	Physical Risks
SSP2-4.5 / RCP 4.5	RCP 4.5, or in its combined socio-economic form SSP2-4.5, is a medium-emission scenario used in the climate change projections published by the IPCC and belongs to the SSP-RCP system, which models the future of the world based on both socio-economic and climatic factors. This scenario, also known as the “Fragmented Pathway”, assumes a future where the radiative forcing level reaches 4.5 W/m² by 2100. At its core, SSP2-4.5 envisions a world characterized by weak global cooperation, increasing regional conflicts, closed borders, and the rise of nationalist policies. In this scenario, sustainable development is not a priority; environmental policies are implemented regionally, and global climate agreements remain ineffective. This situation leads to slow technological progress, a decline in social indicators such as education and health in some regions, and the inability to produce effective global solutions to environmental problems. From a climate perspective, SSP2-4.5 projects a future where carbon emissions continue to rise up to a certain point and then stabilize, leading to an increase in global average temperatures of approximately 2.5°C to 3°C by the end of the 21st century. This pathway is neither fully pessimistic (like SSP5-8.5) nor optimistic (like SSP1-2.6). However, in a fragmented and conflict-driven world, where collective responses to environmental threats are absent, climate-related risks continue to grow. Ultimately, SSP2-4.5 highlights the critical importance of sustainable development and international cooperation in tackling climate change. It shows that even under a medium-emission trajectory, the lack of global coordination can still result in serious environmental and societal consequences.	Physical Risks

Scenario Analyses (continued)

Scenario Analysis	Scenario Description	Risks Used
SSP5-8.5 / RCP 8.5	CP 8.5, or in its socio-economic equivalent SSP5-8.5, represents the most pessimistic scenario published by the IPCC. It envisions a future where greenhouse gas emissions remain uncontrolled and fossil fuel consumption continues unabated throughout the century. The “8.5” in the term refers to an increase in radiative forcing of 8.5 W/m² by the year 2100. According to this scenario, global average temperatures could rise by approximately 4.3°C above pre-industrial levels. In SSP5-8.5, population growth continues rapidly, the transition to clean energy remains limited, and climate policies prove ineffective. As a result, greenhouse gas emissions keep increasing throughout the century. The projected consequences of this scenario are particularly severe: significant sea level rises, more frequent heat waves and droughts, biodiversity losses, crises in agriculture and water resources, and climate-induced mass migrations are among the possible consequences of this future. Although current policies have reduced the likelihood of SSP5-8.5 materializing, it is still widely used in the scientific community as a “warning scenario”. This underscores that without effective and decisive action against climate change, the risks outlined in SSP5-8.5 cannot be entirely ruled out.	Physical Risks
WWF Water Risk Filter scenarios	Water resource management is one of Zorlu Enerji’s key guiding principles. The dependence of geothermal and hydroelectric energy production processes on water increases the strategic importance of these scenarios. WWF scenarios contribute to shaping the company’s water management strategies by assessing issues such as water scarcity, water quality, and regulatory risks, providing a risk assessment not only for the company’s direct operations but also for all stages of the supply chain and production processes. In addition, the WWF Water Risk Filter supports strategic decisions such as the location selection of renewable energy projects by identifying water risks early on.	Physical Risks
IEA NZE 2050	The International Energy Agency’s Net Zero Emissions Scenario by 2050 is a global roadmap that details how energy systems can be transformed in a climate-friendly manner. It also serves as a key reference point in Zorlu Enerji’s long-term strategy. This scenario aims to reduce net greenhouse gas emissions from the global energy sector to zero by 2050 and limit global temperature increase to 1.5°C. NZE2050 presents a multidimensional transformation scenario that considers not only climate targets but also issues such as energy security, economic development, and universal energy access. In this context, critical steps such as sharply reducing the use of fossil fuels, increasing energy efficiency, rapidly expanding renewable energy sources (especially solar and wind energy), widespread use of electric vehicles, developing the hydrogen economy, and implementing carbon capture technologies are highlighted. The scenario structure allows for the strategic assessment of both transition risks and opportunities in the short, medium, and long term. The assessment was conducted using projections extending from the reference year 2021 to the periods 2025, 2030, 2040, and 2050. Transition risks (carbon pricing, regulatory changes, market transformation) and physical risks (extreme weather events, water scarcity) were analyzed holistically, including all operational areas. NZE2050 envisions a reduction of approximately 45% in global emissions by 2030 and a complete halt to new coal-fired power plant investments by the same date. Furthermore, this scenario emphasizes that approximately 70% of energy investments must be directed towards clean energy. While this scenario, which requires coordinated and decisive action by societies, businesses, and governments, shows the safest path against the climate crisis, it presents significant structural, financial, and political obstacles in terms of its feasibility. Nevertheless, IEA NZE 2050 is one of the most comprehensive “net zero” plans specifically designed for the energy sector and serves as a science-based, actionable, and guiding framework for governments, companies, and investors.	Transition Risks

Scenario Analyses (continued)

Scenario Analysis	Scenario Description	Risks Used
BloombergNEF SBTi Scenario	In this scenario, carbon credits are used to meet typical emission targets in accordance with SBTi (Science Based Targets initiative) rules. Organizations, especially in sectors with limited emission reduction options, value carbon credits, but quality criteria have been tightened. This scenario is characterized by a medium-to-low supply environment where credits are subject to strict oversight. A wide price range of \$11–\$215 per ton is projected for 2030 and \$47–\$120 for 2050, with the market shifting toward sustainability in the long term.	Transition Risks
BloombergNEF Voluntary Carbon Market Scenario	This scenario, reflecting today’s voluntary carbon market, envisions a structure with weak quality control and high supply. All carbon credits (whether capture-based or avoidance-based) are accepted. Therefore, in 2030, demand amounts to only 25% of supply, and by 2050, 70% of supply. Due to low quality and significant oversupply, carbon credit prices remain at \$11/ton (2030) and \$47/ton (2050). While this provides flexibility for companies, it carries the risk of limiting the actual climate impact.	Transition Risks
BloombergNEF Hybrit Market Scenario	In this scenario, based on the Article 6 proposals of the Paris Agreement at COP26, both emission avoidance and active carbon removal are taken as the foundation. Initially, companies act as the primary demand drivers, while over time, countries assume a dominant role in the market. The price is approximately \$48/ton in 2030, but as demand increases, it rises to \$217/ton in 2029, then declines to around \$99/ton by 2050. A balanced structure between supply and demand is targeted.	Transition Risks
BloombergNEF Renewable Energy-Oriented Market Representation Scenario	This scenario is not a direct carbon market scenario; rather, it is part of scenarios developed with a focus on the new energy economy. According to BNEF’s New Energy Outlook projections, global installed renewable capacity is expected to triple by 2030, with a rapid increase in the share of renewables in electricity generation. This transformation indirectly affects carbon prices: the rise in clean energy investments plays a significant role in emission reduction, and therefore strong demand pressure may create upward price pressure in carbon markets.	Transition Risks

Results of the Resilience Analysis

The climate resilience analysis conducted by Zorlu Enerji encompasses all critical operational areas of the Company, with a primary focus on production and distribution facilities in Türkiye. The analysis includes not only direct operational assets but also supporting business units such as energy supply, logistics, maintenance, and technical services. This comprehensive approach enables the evaluation of climate-related risks and opportunities across the Company’s entire value chain.

Within the scope of the study, regulatory frameworks and policy environments in the countries where Zorlu Enerji operates were also considered. Specifically for Türkiye, developments in carbon pricing mechanisms, incentives for renewable energy, and transformations in energy policies were closely monitored. At the international level, carbon markets, sustainable finance practices, and circular economy policies where the Company has operations were analyzed.

Due to the data sources being based on existing projections, the long-term impacts cannot be fully predicted. Additionally, limitations in the spatial resolution of local climate models create uncertainties, particularly for small-scale facilities. Regional policy developments and data gaps also represent additional constraints to the assessment.

This multi-layered approach not only enhances Zorlu Enerji’s resilience to current climate risks but also enables the Company to develop flexible, long-term strategies that are aligned with national and international climate objectives across all regions where it operates.

The findings from the analysis are directly integrated into the Company’s long-term strategic cycles, capital allocation, and investment priorities. This ensures that the impacts of climate-related risks and opportunities on the Company’s strategy are systematically assessed and guide decision-making processes.

Transition Risks

Transition risks and opportunities constitute an integral part of Zorlu Enerji’s business models for new assets, technologies, and operational investments. Market dynamics are monitored regularly, business cases are updated in accordance with these changes, and risk mitigation strategies are developed to adapt to evolving conditions. This approach contributes to structuring climate-related strategic decisions in a way that creates value for investors.

The Company anticipates that changes in the regulatory environment of the countries where it operates may directly impact renewable energy policies and systematically monitors policy developments and legal frameworks to manage this risk. To enhance strategic flexibility, close collaboration with stakeholders is maintained, and corporate resilience to transition processes is ensured through a diversified asset portfolio and geographical distribution. In this context, priority is given to renewable energy investments, and new business areas focused on low-carbon technologies are developed. This proactive approach strengthens the Company’s position against variable political and economic conditions.

Internal Carbon Pricing

To effectively respond to the risks and opportunities identified in climate-related scenario analyses, the Company’s availability and flexibility of existing financial resources are regularly assessed. Ensuring that financial resources are sufficient and adaptable to uncertainties arising from climate change supports long-term resilience and strategic decision-making processes.

Zorlu Enerji has integrated an internal carbon pricing mechanism into its business processes to accelerate the transition to a low-carbon economy and enhance financial resilience. This mechanism enables more accurate assessment of the carbon costs of investments while helping anticipate the financial impacts of regulatory risks and market changes.

In determining the internal carbon price, four different carbon price scenarios were utilized: the Bloomberg NEF SBTi Scenario, the Bloomberg NEF Hybrid Market Scenario, the Bloomberg NEF Voluntary Carbon Market Scenario, and the Renewable Energy-Oriented Market Representation Scenario. Based on the evaluation of all scenarios, the Company initially set its internal carbon price in the range of USD 70–110 per ton. This pricing is based on European Emissions Trading System (ETS) prices and aims to align with potential ETS implementations in Türkiye.

The established internal carbon price **has been integrated into all operational, financial, and strategic decision-making processes.** Its application areas can be summarized as follows:

- **Capital Investments and Cost Analyses:**
The carbon costs of investment projects are analyzed using this price, promoting low-carbon alternatives.

The impacts of the mechanism are regularly analyzed by our Investments, Executive Management, and Sustainability units and presented to the Sustainability Committee. The effectiveness of the mechanism is continuously monitored by the Sustainability Committee, thereby optimizing the effects of carbon costs on business processes.

Risk Area	Potential Effect	Current/Applied Measures	Resilience Approach
Regulatory Changes (carbon pricing, renewable incentives, energy policies)	May directly impact renewable energy investments, the business model, and cost structure	Systematic monitoring of policy developments and close collaboration with stakeholders	Flexibility against regulatory changes through a diversified asset portfolio and geographical distribution
Market dynamics and technology transition	Transition costs to low-carbon technologies and changes in competitive conditions	Regular monitoring of market dynamics and updating of business models	Investment priority in renewable energy and low-carbon technologies
Internal carbon pricing	Reflection of carbon costs on projects and changes in investment feasibility	Establishment of an internal carbon price of USD 70–110/tCO ₂ e (ETS-referenced) and integration into financial decision-making processes	Promotion of low-carbon investments and strengthening of financial risk projections

Physical Climate Risks

The resilience analysis of physical risks was conducted considering the SSP1-1.9 / RCP 1.9, SSP2-4.5 / RCP 4.5, SSP5-8.5 / RCP 8.5 climate scenarios, as well as the WWF Water Risk Filter scenarios.

The physical climate risk assessment aims to analyze whether all of Zorlu Enerji’s assets are structurally protected against climate change. This protection is achieved through the combined application of design safety measures and risk mitigation actions. For example, equipment is designed according to local conditions in collaboration with wind turbine manufacturers, and resilience analyses are conducted through stress tests against extreme weather events. These measures provide protection against acute risks such as heat and cold waves, frost, storms, and snow. Currently, these precautions ensure that no asset needs to be relocated or decommissioned.

In addition, chronic and acute climate risks are identified for each energy facility based on its specific location, and preventive action plans are developed to address these risks. For instance, turbine orientation optimizations are implemented to address changes in wind patterns, active cooling systems are deployed on solar panels to mitigate temperature stress, and grid load balancing strategies are applied.

From an operational perspective, the most significant physical risks are changes in wind patterns and, to some extent, temperature increases. These factors can directly affect energy production capacity. Analyses conducted show only limited deviations when compared with projections based on historical climate data. However, due to the long-tail distribution of climate risks, rare but high-impact events carry potential for material financial effects.

Therefore, regular review and continuous improvement of assessment methodologies are essential for more accurate estimation of potential losses. Comprehensive analyses are planned to evaluate these risks with higher precision in the future.

Zorlu Enerji’s climate risk management strategy is not limited to design measures; it also includes maximum loss assessments that quantitatively analyze potential financial exposures. Alongside these evaluations, insurance coverage for the Company’s critical assets has been restructured, and coverage levels for climate-related events have been increased. All risk management practices are periodically reviewed and updated under the oversight of the Sustainability Committee.

Risk Parameter	Related Business Area	Risk Type	Potential Effect	Current/Applied Measures	Resilience Approach
Temperature change	Geothermal power stations, hydroelectric power stations, solar energy, electricity distribution, wind power stations	Chronic	Long-term temperature increases leading to reduced production efficiency and equipment wear	Adaptation of equipment designs to local conditions and temperature stress testing	Active cooling systems, grid load balancing, and temperature monitoring
Temperature stress (heat/cold waves, icing, fire)	Geothermal, hydroelectric, solar, electricity distribution, wind	Acute	Sudden capacity loss, increased maintenance costs, operational shutdown risk	Enhanced resilience in turbine and panel designs, cooling systems, and ice prevention	Early warning systems and crisis plans for extreme weather events
Changes in precipitation patterns / hydrological variability	Hydroelectric, electricity distribution	Chronic	Changes in water regimes, fluctuations in hydroelectric production	Hydrological modeling, reservoir management optimization	Water resource management strategy, drought scenario planning
Drought	Hydroelectric, solar	Acute	Production loss, cost increase, energy supply security risk	Water recycling, storage solutions	Adaptation plan for water stress, use of alternative sources
Heavy rainfall / floods / inundation	Hydroelectric, electricity distribution, solar	Acute	Infrastructure damage, power outages, production loss	Flood barriers, relocation of critical infrastructure to higher elevations	Regional risk mapping, increased insurance coverage
Changes in wind patterns	Wind power plants, electricity distribution	Chronic	Changes in production profile, efficiency loss	Turbine orientation optimization, performance monitoring	Investment planning based on long-term wind projections
Severe winds and storms	Wind power plants, electricity distribution	Acute	Equipment damage, increased maintenance costs, operational interruptions	Turbine structural reinforcements, storm monitoring systems	Early warning systems, emergency response plans

RISK MANAGEMENT

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

Identification and Assessment Processes of Climate Risks

Inputs, Parameters, and Operational Scope Used

Scenario Analysis Approach and Application

Evaluation of Risks in Terms of Impact, Probability, and Magnitude

Methods for Prioritizing Risks

Monitoring and Early Warning Mechanisms

Process Updates and Historical Period Comparisons

Integration of Risk and Opportunity Processes into Corporate Risk Management

Identification and Assessment Processes of Climate Risks

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

Zorlu Enerji structures its processes for identifying, analyzing, and managing climate risks—one of the core elements of its sustainability strategy—on a systematic framework. The Company regularly identifies the physical and transition risks to which its operations may be exposed and adopts internationally aligned approaches to assess these risks. In this context, processes are shaped in accordance with the World Economic Forum’s Global Risks Report, TCFD (Task Force on Climate-related Financial Disclosures), SASB (Sustainability Accounting Standards Board), and IFRS S1 and S2 frameworks.

Risk identification activities are conducted by internal interdisciplinary working groups and are informed by climate-related events with potential financial impacts, climate policies and regulations, market trends, technological developments, and feedback from corporate stakeholders. Physical risks—such as rising temperatures, water stress, and extreme weather events—and transition risks—such as carbon regulations, emissions trading, and taxation—are evaluated concurrently and classified within an impact-time framework.

In evaluating identified climate risks, potential impacts on the business, the likelihood of their

occurrence, and the magnitude of those impacts are taken into account. The prioritized risks resulting from these assessments are reported periodically to the Sustainability Committee at the Board of Directors level and are linked to internal controls and action plans.

Furthermore, this system operates in integration with the corporate risk management structure and is aligned with other types of organizational risks. As a result, climate risks are managed comprehensively, covering not only environmental but also financial, operational, and strategic impacts.

Inputs, Parameters, and Operational Scope Used

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

Zorlu Enerji utilizes multi-source and multi-level datasets in the identification and assessment of climate-related risks. The inputs considered within this framework include operational areas, geographic distribution, climate-related environmental variables, regulatory developments, and market dynamics. All business lines, particularly energy generation, distribution, trading, and electric vehicle infrastructure solutions, are included within the operational scope of this process.

To quantify climate impacts and model potential risks, the Company relies on publicly available global databases (e.g., IPCC, NOAA, Copernicus), regional climate projections, and national meteorological data. This is complemented by internal operational data, including indicators such as water usage, energy consumption, emission levels, and infrastructure sensitivity analyses. For physical risks, meteorological factors such as temperature increases, droughts, heavy precipitation, floods, and wind are monitored; for transition risks, analyses include regulatory frameworks, carbon price scenarios, energy efficiency indicators, and changes in consumer preferences.

All analyses are conducted collaboratively by the Sustainability, Corporate Risk Management, and Finance departments, and the identified risk factors are operationally considered at each location where the Company operates. This approach enables both project-level and group-wide comparative analyses, allowing proactive management of climate risks at the corporate level.

Scenario Analysis Approach and Application

(TSRS 1: Article 44(a)(ii), TSRS 2: Article 25(a)(ii) - 25(b))

Zorlu Enerji integrates scenario analyses into its decision-support processes to systematically manage climate-related uncertainties. The scenarios used aim to anticipate the potential impacts of physical and transition risks on the business across different time horizons. Analyses are structured for short-, medium-, and long-term periods and are based on various global warming scenarios, including 1.5°C, 2°C, and 4°C pathways.

Internationally recognized sources and frameworks form the foundation of the scenario analyses. Approaches developed in line with the IPCC climate projections, IEA’s Net Zero Emissions by 2050 roadmap, TCFD recommendations, and IFRS S2 guidance serve as primary references for evaluating both physical and transition risk impacts. Additionally, carbon pricing projections, border regulations, and energy supply-demand scenarios are incorporated within the analyses.

Within Zorlu Enerji, specialized technical working groups are responsible for updating these analyses annually. The results are reported to the Sustainability Committee, which assesses the findings and ensures their integration into financial planning, investment prioritization, and the determination of operational strategies.

Furthermore, scenario outputs are used in opportunity analysis processes, enabling assessments of the potential for transition to low-carbon technologies, renewable energy investments, and energy efficiency solutions.

Through this approach, the Company not only strengthens its resilience to systemic climate-related risks but also strategically positions itself to capture potential transformation opportunities.

Evaluation of Risks in Terms of Impact, Probability, and Magnitude

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

When evaluating climate-related risks, Zorlu Enerji applies a corporate methodology that considers multidimensional factors such as the nature, probability, and magnitude of impacts. This assessment process is conducted within the framework of the Corporate Risk Management System (CRMS), with sustainability-related risks integrated alongside other financial and operational risks.

A five-level matrix is used to assess probability, scoring the likelihood of risks from “very low” to “almost certain.” Potential impacts are similarly classified in terms of both financial and operational vulnerabilities. Impact assessments cover various dimensions, including deviations in revenue and cost elements, risk of operational interruptions, regulatory sanctions, infrastructure damage, and reputational effects.

Both qualitative and quantitative thresholds are applied during the evaluation; for example, the effects

of carbon price increase scenarios on the Company’s financial statements or the impact of physical events such as droughts on production capacity are considered. In line with TSRS and TCFD-aligned approaches, these risks are analyzed across short-, medium-, and long-term time horizons to ensure consistency with strategic planning processes.

The resulting scores are mapped to prioritization matrices based on risk magnitude, and risk response strategies are developed accordingly. Risk magnitude serves as a key determinant for both the intensity of internal control plans and the prioritization of investments.

Methods for Prioritizing Risks

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

Zorlu Enerji adopts a multidimensional and phased approach for prioritizing climate-related risks. In the first phase, each identified risk is preliminarily assessed based on its time horizon (short-, medium-, or long-term) and likelihood of occurrence. This assessment involves an initial ranking of potential impact levels by considering when the risk may materialize and its corresponding position in the probability matrix.

In the second phase, the financial impacts of the risk on the business are analyzed and compared against Zorlu Enerji’s internally defined materiality threshold (2% of revenue). This threshold is determined by taking into account potential financial deviations, operational interruptions, effects on investment decisions, and regulatory obligations. Risks exceeding this threshold are classified as high-priority and linked to more detailed intervention plans.

The prioritization process relies not only on numerical risk scores but also on qualitative factors such as strategic impacts, regulatory compliance requirements, stakeholder sensitivities, and long-term sustainability objectives. This ensures that climate risks posing systemic and structural threats—rather than temporary or superficial effects—are identified and prioritized within resource planning and governance mechanisms.

Monitoring and Early Warning Mechanisms

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

Zorlu Enerji has structured corporate-level monitoring and early warning mechanisms to ensure continuous tracking and timely intervention for climate-related risks. For physical risks, tools such as meteorological data monitoring, hydrological analyses, disaster vulnerability maps, and geographic information systems (GIS) are employed. Key factors—including extreme weather events, heat waves, droughts, and flood risks—are tracked against predefined threshold values.

Regarding transition risks, developments in carbon market prices, regulatory and legislative changes, energy technology transformation trends, and sustainability-oriented expectations in financial markets are regularly monitored. This information is integrated into both investment and operational planning processes, with updates applied particularly to emission reduction, energy efficiency, and digital infrastructure projects.

Monitoring activities are conducted by relevant units operating under the Corporate Risk Management

structure, with periodic reporting to the Sustainability Committee. Additionally, if significant changes in the severity or frequency of a risk are detected, the Risk Early Detection Committee is activated, and rapid evaluations are conducted at the Board of Directors level. This structure ensures timely management of financially significant risks and the continuity of resilience-enhancing measures.

Process Updates and Historical Period Comparisons

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

Zorlu Enerji regularly reviews and updates its processes for identifying and managing sustainability- and climate-related risks. In this context, the data sources, analytical methods, and scenario sets used for climate risk assessments are revised each reporting period in light of national and international developments.

In the most recent reporting period, methodologies integrated into scenario analyses were updated, and the physical and transition risk indicators employed were supported with a broader dataset. Furthermore, the integration of climate-related risks into the Corporate Risk Management processes was strengthened, and reporting structures were restructured to achieve higher alignment with TSRS.

These changes provide a more comprehensive visibility of climate risks and better support the decision-making processes of the relevant governance bodies.

Integration of Risk and Opportunity Processes into Corporate Risk Management

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

Zorlu Enerji’s sustainability and climate-related risk and opportunity management processes are fully integrated into the company’s holistic Enterprise Risk Management (ERM) system. Through this integration, uncertainties stemming from sustainability are addressed not only from operational or environmental standpoints, but also through a strategic, financial, and governance-oriented lens, ensuring a comprehensive and multidimensional approach to risk management.

At the core of this integration is a risk-aware culture across all business units under the CRM framework. Climate risks and opportunities identified by business units are evaluated using predefined methodologies and analyzed according to probability, impact, and timing criteria before being incorporated into the CRM system. This information is recorded in a centralized risk inventory and reported periodically to the Sustainability Committee and the Risk Early Detection Committee.

Climate-related risks and opportunities are linked not only to the risk matrix and internal controls but also to long-term scenarios and strategic objectives and are presented to the Board of Directors. Consequently, decisions related to the transition to a low-carbon economy, adaptation to regulatory

changes, and resilience-enhancing investments are shaped directly within the risk management framework.

Moreover, this holistic structure allows sustainability-focused risk indicators to be integrated with internal audit, budget planning, and corporate performance monitoring systems, providing systematic support to decision-making processes. This enables early identification of risks and the strategic conversion of opportunities into tangible benefits.

METRICS AND TARGETS

(TSRS 1: Article 45 - 53) (TSRS 2: Article 27 - 37)

Metrics Mandated under the TSRS Framework

- Water Risk and Management
- Risks and Mitigation Measures in the Energy Sector
- Battery Energy Storage Systems and Energy Market Uncertainties

Climate-Related Metrics and Targets

- Climate-Related Metrics
- Climate-Related Targets

Metrics Mandated under the TSRS Framework

(TSRS 1: Article 46(a))

Volume 32 - Electric Facilities and Power Generators						
Table 1. Sustainability Disclosure Topics and Metrics						
Topic	Calculation Metric	Category	Measurement Unit	Code	Data	Description
Greenhouse Gas Emissions and Energy Source Planning	(1) Gross total Scope 1 emissions, (2) percentage covered by emission-limiting regulations, and (3) percentage covered by emission reporting regulations	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	IF-EU-110a.1	(1) 714,385 tCO ₂ e	(2) N/A (3) N/A
	Greenhouse gas (GHG) emissions associated with power distribution	Quantitative	Metric tons (t) CO ₂ -e	IF-EU-110a.2	244,758.17	
	Discussion of Scope 1 emissions, including the long- and short-term strategy or plan for managing emission reduction targets, and analysis of performance against these targets	Discussion and Analysis	N/A	IF-EU-110a.3	Reduce Scope 1 greenhouse gas emission intensity by 73.71% per MWh by 2030 and by 97.7% per MWh by 2040.	
Water Management	(1) Total water withdrawn (2) Total water consumed (3) Percentage in areas of High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m³), Percentage (%)	IF-EU-140a.1	(1) 2,124,329,952 tons (2) 110,644,987 tons (3) Percentage of water consumption in areas experiencing water stress: 50%	
	Number of incidents of non-compliance with water quality permits, standards, and regulations	Quantitative	Numbers	IF-EU-140a.2	0	
	Discussion of identified water management risks and strategies and practices to mitigate these risks	Discussion and Analysis	N/A	IF-EU-140a.3	Water Risk and Management	

Volume 32 - Electric Facilities and Power Generators						
Table 1. Sustainability Disclosure Topics and Metrics						
Topic	Calculation Metric	Category	Measurement Unit	Code	Data	Description
End-Use Efficiency and Demand	Percentage of electricity load served by smart grid technology (IF-EU-420a.2 Note – The entity discusses opportunities and challenges related to the development and operation of the smart grid.)	Quantitative	Megawatt-hours (MWh) as a percentage (%)	IF-EU-420a.2	65% (According to end-of-2024 data for the OEDAŞ service area, 7.2 billion kWh of energy was distributed in the region, of which 65% can be monitored in real time through smart meters installed at 35,000 points.)	
	Customer electricity savings resulting from efficiency measures, by market	Quantitative	Megawatt-hours (MWh)	IF-EU-420a.3		N/A
Nuclear Safety and Emergency Management	Total number of nuclear power units allocated according to the most recent independent safety review	Quantitative	Numbers	IF-EU-540a.1		N/A
	Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	N/A	IF-EU-540a.2		N/A
Grid Resilience	Number of incidents of non-compliance with physical or cyber security standards or regulations	Quantitative	Numbers	IF-EU-550a.1	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	Minutes, Numbers	IF-EU-550a.2	(1) SAIDI: 15.5 hours (2) SAIFI: 23.6 (3) CAIDI: 39.45 minutes	

Volume 32 - Electric Facilities and Power Generators						
Table 2. Operation Metrics						
	Operation Metric	Category	Measurement Unit	Code	Data	Description
	Number of customers served: (1) residential, (2) commercial, and (3) industrial	Quantitative	Numbers	IF-EU-000.A	Residential: 3,389,817 Commercial and public institutions: 325,000 Agricultural irrigation: 37,673	
	Total electricity delivered to (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Quantitative	Megawatt-hours (MWh)	IF-EU-000.B	Net electricity distributed: 7,242,972,000 kWh 1) Residential: 41% 2) Commercial: 33% 3) Industrial: 26%	
	Length of transmission and distribution lines	Quantitative	Kilometers (km)	IF-EU-000.C	Energy transmission lines: 22,480 km Village networks: 12,790 km Urban networks (overhead lines): 9,087 km Urban networks (underground lines): 9,659 km Total: 54,017 km	
	(1) Total electricity generated (2) Percentage by primary energy source (3) Percentage in regulated markets	Quantitative	Megawatt-hours (MWh), Percentage (%)	IF-EU-000.D	(1) 2,704,212,190 kWh (2) - Geothermal: 67,52% - Solar: 0,09% - Hydro: 14,54% - Wind: 17,86% (3) 83%	
	Total wholesale electricity purchased	Quantitative	Megawatt-hours (MWh)	IF-EU-000.E	Electricity (commercial): 6,984,058,988 kWh	

Volume 44 - Solar Technology and Project Developers						
Table 1. Sustainability Disclosure Topics and Metrics						
Topic	Calculation Metric	Category	Measurement Unit	Code	Data	Description
Energy Management in Production	(1) Total energy consumed, (2) percentage from grid electricity	Quantitative	Gigajoule (GJ), Percentage (%)	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%	
Water Management in Production	(1) Total water withdrawn, (2) total water consumed, (3) percentage in areas of High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m³), Percentage (%)	RR-ST-140a.1	(1) 2,124,329,952 tons (2) 110,644,987 tons (3) Percentage of water consumption in areas experiencing water stress: 50%	
	Discussion of identified water management risks and strategies and practices to mitigate these risks	Discussion and Analysis	N/A	RR-ST-140a.2	Water Risk and Management	
Management of Energy Infrastructure Integration and Related Regulations	Identification of risks related to the integration of solar energy into existing energy infrastructure and discussion of efforts to manage these risks	Negotiation and Analysis	N/A	RR-ST-410a.1	Risks and Mitigation Measures in the Energy Sector	
	Description of energy policy-related risks and opportunities and their impact on the integration of solar energy into existing energy infrastructure	Negotiation and Analysis	N/A	RR-ST-410a.2	Battery Energy Storage Systems and Energy Market Uncertainties	
Table 2. Operation Metrics						
	Operation Metric	Category	Measurement Unit	Code	Data	Description
	Total capacity of photovoltaic (PV) solar modules produced	Quantitative	Megawatts (MW)	RR-ST-000.A		N/A
	Total capacity of completed solar energy systems	Quantitative	Megawatts (MW)	RR-ST-000.B	3.75 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	

Volume 45 - Wind Technology and Project Developers						
Table 1. Sustainability Disclosure Topics and Metrics						
Topic	Calculation Metric	Category	Measurement Unit	Code	Data	Description
Material Efficiency	Top five materials consumed by weight	Quantitative	Metric tons (t)	RR-WT-440b.1		N/A
	Average nacelle mass per turbine capacity, by wind turbine class	Quantitative	Megawatts per Metric tons (t/MW)	RR-WT-440b.2		N/A
	Description of the approach to optimizing material efficiency in wind turbine design	Negotiation and Analysis	N/A	RR-WT-440b.3		N/A
Table 2. Operation Metrics						
	Operation Metric	Category	Measurement Unit	Code	Data	Description
	Number of wind turbines delivered, by wind turbine class	Quantitative	Numbers	RR-WT-000.A	28	
	Total capacity of wind turbines delivered, by wind turbine class	Quantitative	Megawatts (MW)	RR-WT-000.B	68.085 MW	
	Accumulated turbine workload volume	Quantitative	Presentation currency	RR-WT-000.C	TL 36,925,562	
	Total accumulated turbine workload capacity	Quantitative	Megawatts (MW)	RR-WT-000.D	15,699.23 MWh	

Water Risk and Management

The majority of Zorlu Enerji’s operational regions are classified as high-water risk areas by organizations such as WRI and WWF. Geothermal and hydroelectric power plants in the Aegean, Southeastern Anatolia, and Central Anatolia regions have the potential to significantly impact water resources. Geothermal energy production can disrupt regional water balance by overexploiting groundwater sources, while hydroelectric plants may threaten aquatic ecosystems.

Water-related risks and opportunities are regularly assessed and integrated into business plans, taking into account water stress factors in the regions where operations are located. Global databases, such as the Water Risk Atlas by the World Resources Institute (WRI) and the WWF Water Risk Filter, are used to monitor water stress levels in the geographies of the plants, and the potential impacts of operations on water resources are managed proactively. In the areas of water withdrawal, discharge, and consumption, water quality parameters such as BOD, COD, TSS, and pH are regularly monitored in accordance with the Turkish Water Pollution Control Regulation, and analyses are conducted by independent third-party laboratories.

Risks and Mitigation Measures in the Energy Sector

Uncertainties in the Turkish energy market, including price volatility, challenges in permitting procedures, ambiguities in the allocation of generation licenses, the suspension of pre-license applications for electricity generation facilities with storage capabilities, and regulatory uncertainties, pose significant risks to the sector. High costs arising from tenders and difficulties in accessing financing may limit additional capacity investments, potentially jeopardizing Türkiye’s renewable energy growth targets for 2035. Moreover, the underutilization of existing installed capacity, delays in new investments, and impacts on supply security and market stability can negatively affect both investor confidence and long-term energy transition plans.

For some time now, Zorlu Enerji has been reporting climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This year, the climate change section in the new sustainability disclosures, along with the strategy and governance sections in management reviews, covers all relevant elements of TCFD disclosures. A full overview of TCFD disclosures can be found in the 2023 TCFD Report. Additionally, sustainability disclosures include a Double Materiality Assessment (DMA). Mitigation actions for impacts deemed significant or critical are disclosed, with detailed information available in the Double Materiality Analysis section of the Zorlu Enerji 2024 Integrated Annual Report. Sustainability and ESG risks have been assessed within the DMA framework, guided by TSRS 1-2 standards.

Partnerships are established with international investors and sector players, and collaborations are diversified. Revenue-generating business diversification is being expanded through innovative business models, and R&D and innovation activities are conducted in electricity generation, distribution, solar energy, and e-mobility. The portfolio of physical assets and licenses/pre-licenses is diversified, and feasibility studies are carried out through Zes Solar for energy storage and flexibility capacities. Regulatory developments are closely monitored, potential opportunities are evaluated considering financial incentives, and lobbying efforts are undertaken to facilitate sectoral support through regulatory engagement.

Battery Energy Storage Systems and Energy Market Uncertainties

Battery energy storage systems play a critical role in integrating renewable energy sources. However, the high costs, environmental impacts, safety risks, and long-term efficiency of these technologies create uncertainties for sector stakeholders. Lifecycle management, recycling processes, and environmental considerations of battery technologies also present significant challenges. Investment costs in battery energy storage systems, along with system efficiency and long-term sustainability, can negatively affect investment return rates. Safety risks, including potential fires or malfunctions, may lead to operational interruptions, threatening business continuity. Collaborations with potential international partners aim to mitigate technology-related constraints and costs.

Increasing R&D investments in energy storage targets cost reduction and enhanced grid flexibility through large-scale storage systems. Efforts to improve battery usage efficiency are underway, alongside research into new technologies for recycling end-of-life batteries. Battery safety systems and fire prevention mechanisms are being implemented to enhance field safety. Work is ongoing to reduce carbon emissions through next-generation low-carbon batteries. Projects such as FLEXIGRID and SEHRENE aim to optimize renewable energy integration via energy storage systems, while V2G technologies increase bidirectional battery usage. Additionally, monitoring platforms are being developed for the effective management of energy storage systems. Potential investments in countries with advanced energy storage technologies, such as China, can strengthen integration with the global market and contribute to more efficient solutions.

Uncertainties in Türkiye’s energy market, including fluctuations in energy prices, challenges in permitting processes, ambiguities in production license allocations, suspension of pre-license applications for storage-enabled electricity generation facilities, and regulatory uncertainties, pose significant sector risks. High costs in tenders and financing difficulties may limit additional capacity investments, threatening Türkiye’s renewable energy growth targets for 2035. Inefficient utilization of existing installed capacity or delays in new investments can negatively impact supply security and market stability, undermining investor confidence and long-term energy transition plans.

Delays in new investments or underutilization of current capacity may lead to power outages and energy supply instability during peak demand periods. Market uncertainties, extended pre-license periods, operational suspensions, and high costs can erode investor confidence, potentially increasing the attractiveness of alternative markets in the long term.

Partnerships with international investors and sector players are being established, and collaborations diversified. R&D and innovation activities are conducted in electricity generation, distribution, solar energy, and e-mobility. Feasibility studies for energy storage and flexibility capacities are carried out via Zes Solar. Regulatory developments are closely monitored, financial incentives are considered, opportunities are evaluated, and lobbying efforts are undertaken to facilitate sectoral support and regulatory engagement.

Climate-Related Metrics and Targets

(TSRS 2: Article 29 - 37)

Climate-Related Metrics

(TSRS 2: Article 29 - 32)

Zorlu Enerji’s Scope 1 emissions were calculated as 714,385 tCO₂e in 2024. Scope 2 emissions amounted to 252,576 tCO₂e, and Scope 3 emissions were 2,476,938 tCO₂e. The total emissions for 2024 thus amounted to 3,443,899 tCO₂e.

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

Emissions (tCO ₂ e)	2024
Scope 1	714,385
Scope 2 (Location Based)	252,576
Scope 3	2,476,938
Total	3,443,899

Greenhouse gas emissions are measured in accordance with the GHG Protocol. (TSRS – 2: 29(a)(ii))

Scope 3 Category Fractions (tCO ₂ e)	2024
3.1 Purchased Goods and Services	35,123
3.2 Capital Goods	3,044
3.3 Fuel and Energy Indirect Emissions	2,420,733
3.4 Upstream Transportation and Distribution	93
3.5 Waste	14
3.6 Business Travel	863
3.7 Employee Commuting	4,731
3.8 Upstream Leased Assets	0
3.9 Downstream Transportation and Distribution	0
3.10 Processing of Sold Products	-
3.11 Use of Sold Products	10,431
3.12 End of Use of Sold Products	0
3.13 Downstream Leased Assets	0
3.14 Dealers	0
3.15 Investments	1,906

Measurement Approach, Inputs, and Assumptions

Zorlu Enerji takes into account the main operational areas within the value chain Scope in its sustainability reporting and calculates greenhouse gas (GHG) emissions within defined operational and organizational boundaries. The measurement of greenhouse gas emissions has been carried out in accordance with the Corporate Greenhouse Gas Accounting and Reporting Protocol (The Greenhouse Gas Protocol: A Revised Corporate Accounting and Reporting Standard).

Zorlu Enerji adopts the equity share approach in determining organizational boundaries. Accordingly, greenhouse gas emissions from its subsidiaries are reported based on the proportion of equity held. The effects of remote work have not been included in resource consumption and emission calculations during the reporting period. (TSRS – 2: 29(a)(iii)(1))- 29(a)(iii)(2)) (TSRS 2 - 29(a)(iv)(1) + TSRS 2 - 29(a)(iv)(2))

There are Scope 3 Category 15 emissions from the Company’s operations in Israel. These emissions are calculated using financial data in line with international emission factors (OECD 2021) and methodologies. These emissions are reflected in the Company’s financial performance and are evaluated in alignment with climate-related performance metrics. (TSRS 2 - 29(a)(vi)(2))

For emission factors, internationally recognized standards such as the “Intergovernmental Panel on Climate Change (IPCC)” and the “2006 Guidelines for National Greenhouse Gas Inventories” have been used.

The following sources contributing to carbon emissions have been considered in the calculation of greenhouse gas (GHG) emissions:

- **Scope 1 emissions:** Consumption of natural gas and coal for heating purposes, fuel consumption of company vehicles (diesel, gasoline), and refrigerants (leakages reported during installation and maintenance are taken into account).
- **Scope 2 emissions:** Electricity consumption and electricity losses are considered. Scope 2 greenhouse gas emissions are reported exclusively using the market-based approach. Within this Scope, emissions were calculated based on the average emission factors of the grid, and the 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, as defined by the GHG Protocol, have been considered. (TSRS – 2: 29(a)(vi)(1))

CEO Message	Introduction	Governance	Strategy	Risk Management	Metrics and Targets	Appendix
Calculations have been carried out in accordance with the GHG Protocol. The emission categories included in the calculations are as follows: 3.1 Purchased Goods and Services 3.2 Capital Goods 3.3 Fuel and Energy 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 sourced from internationally recognized references, and all assumptions related to these data are explicitly defined. When calculating the uncertainties of the greenhouse gas (GHG) emissions inventory, the uncertainty factors of both emission factors and activity data were taken into account. The IPCC calculation methods and the calculation tables prepared by the GHG Protocol were used in the uncertainty calculations. During the reporting period, no changes were made to the approach, inputs, or assumptions used to measure greenhouse gas emissions. For the 2024 TSRS-compliant first reporting Scope, the calculation methodology applied in previous years has been maintained.	In line with climate-related Transition Risks, the vulnerability of business operations and assets was assessed. Particularly within the scope of geothermal (JES) projects, assets and operations sensitive to the energy transition and decarbonization process were examined. These vulnerable assets were evaluated within the scope of capital expenditures (CAPEX), and the necessary measures and potential impacts against Transition Risks were reported. (TSRS 2 - 29(b)) The quantity and percentage of assets and operational activities vulnerable to physical climate risks were determined specifically for OEDAŞ projects. Within these projects, the potential impacts of extreme weather events or long-term environmental changes resulting from climate change on operations were evaluated, and appropriate mitigation measures and capital expenditures (CAPEX) were identified. (TSRS 2 - 29(c)) In line with climate-related opportunities, the quantity and percentage of assets and operations aligned with renewable energy projects were determined. Renewable energy investments and projects in this domain contribute to the Company’s future growth objectives, representing a significant portion of total capital expenditures (CAPEX). This demonstrates that the Company is pursuing a climate-aligned transition process and actively capitalizing on opportunities. (TSRS 2 - 29(d)) As of 2024, the funding allocated for renewable energy projects constitutes a significant portion of total capital expenditures (CAPEX). This investment	is allocated to support the financing of infrastructure and projects necessary to achieve the Company’s sustainable energy production targets. Capital allocation reflects a strategic financial plan directed according to climate-related risks and opportunities. (TSRS 2 - 29(e)) When determining the internal carbon price, four different carbon price scenarios were used: Bloomberg NEF SBTi Scenario, Bloomberg NEF Hybrid Market Scenario, Bloomberg NEF Voluntary Carbon Market Scenario, and the Renewable Energy-Focused Market Representation Scenario. Based on the evaluation of all these scenarios, Zorlu Enerji decided to initially adopt an internal carbon price range of USD 70–110 per ton. This pricing is based on the European Emissions Trading System (ETS) prices and aims to align with potential ETS applications in Türkiye. The determined internal carbon price has been integrated into all operational, financial, and strategic decision-making processes. (TSRS – 2: 29(f)(i)) The internal carbon price has been set at a minimum of USD 70 and a maximum of USD 110 per metric ton. This range is used as a model to internally evaluate the Company’s greenhouse gas emissions and understand the financial impacts of its carbon footprint. It serves as a reference point for assessing the effectiveness and cost of emission reduction strategies. (TSRS 2 - 29(f)(ii)) Climate-related considerations are included in executive remuneration. Executive performance evaluations incorporate climate-related targets and sustainability criteria. This encourages executives to contribute to climate strategies and supports the	Company in achieving its sustainability goals. Further details on this topic are provided in the governance section. (TSRS 2 - 29(g)(i)) In addition to a fixed salary, senior executives participate in a variable short-term incentive plan that covers 90% of financial and ESG KPIs aligned with the Company’s strategic objectives. Within this scope, the defined core targets consist of financial targets (EBITDA, leverage ratios, interest expenses, and investment rates) accounting for 10%, and ESG targets accounting for 90%. ESG targets are divided into three categories: strategic targets, functional targets, and organizational targets. Strategic targets include ESG index scores, representing 20% of the ESG goals; functional targets include Scope 1, 2, and 3 emissions, representing 50%; and organizational targets include the retention of high-performing employees and overall employee engagement, representing 20% of the ESG goals. (TSRS - 2:29 (g)(ii))			

Climate-Related Targets

(TSRS 2: Article 33 - 37)

Zorlu Enerji utilizes the SBTi (Science-Based Targets initiative) criteria for target setting. (TSRS - 2: 33(a)) The Company’s targets, including the base year, progress, and the 2024 assessment, have been integrated with the relevant risks and are presented in the table below:

Zorlu Enerji has approved its 2030 and 2040 targets under the Science Based Targets initiative (SBTi), fully aligned with a 1.5°C scenario. Accordingly, the Company is committed to significantly reducing carbon intensity by 2030 and achieving Net Zero Emissions by 2040. These targets represent a tangible demonstration of Zorlu Enerji’s commitment to building a sustainable energy future. Zorlu Enerji aims to reduce Scope 1 greenhouse gas (GHG) emission intensity by 73.71% per MWh by 2030 and by 97.7% per MWh by

2040. Additionally, it targets a reduction in absolute Scope 2 GHG emissions per MWh by 42% by 2030 and by 90% by 2040, using 2021 as the base year; a reduction in Scope 1 and 3 GHG emission intensity from fuel- and energy-related activities by 73.71% per MWh by 2030 and by 97.8% per MWh by 2040; and a reduction of all other Scope 3 GHG emissions by 25% by 2030 and by 90% by 2040, also using 2021 as the base year. Furthermore, Zorlu Enerji aims to increase the share of renewable energy to 100% of total

production in its Turkish operations by 2030. (TSRS -2: 33 (b))

Zorlu Enerji is working decisively to achieve net-zero carbon emissions across all operations and its value chain by 2040. (TSRS -2: 33 (c))

The Company has selected 2040 as the target year, using 2021 as the baseline for measuring progress, and 2030 as the milestone year for interim targets. (TSRS -2: 33 (d) – 33(e) – 33(f))

Climate targets have been set as both absolute and intensity-based, reflecting a strategy to reduce emissions both in total (absolute targets) and relative to production or operational intensity (intensity targets). (TSRS -2: 33 (g))

As of 2024, the climate targets were aligned with a scenario aiming for net-zero emissions, based on the IEA NZE 2050 scenario. This scenario provides a scientific framework for the transformations required in the global energy sector to meet the Paris Agreement’s 1.5°C objective. It guides strategic steps in the energy transition and aligns carbon reduction and renewable energy adoption with international best practices. (TSRS 2 - 33(h))

The climate targets have been approved by the Science Based Targets initiative (SBTi), verifying that they are science-based and contribute to limiting global warming to 1.5°C. (TSRS 2 - 34(a))

Topic of the Relevant Risk	Targets	Base Year	Progress			2024 Assessment
			2022	2023	2024	
Climate Change Adaptation	Reduce Scope 1 greenhouse gas (GHG) emission intensity by 73.71% per MWh by 2030 and by 97.7% per MWh by 2040	2021	0.385	0.277	0.264	↑
Climate Change Adaptation	Reduce absolute Scope 2 GHG emissions per MWh by 42% by 2030 and by 90% by 2040, using 2021 as the base year	2021	231,565	233,941	252,576	↓
Climate Change Adaptation	Reduce Scope 1 and 3 GHG emission intensity from fuel and energy-related activities by 73.71% per MWh by 2030 and by 97.8% per MWh by 2040	2021	0.4	0.4	0.45	↓
Climate Change Adaptation	Reduce all other Scope 3 GHG emissions by 25% by 2030 and by 90% by 2040, using 2021 as the base year	2021	782,414	576,312	56,205	↑
Energy Management	Increase the share of renewable energy in total production to 100% by 2030*	2020	99.90%	99.90%	100%	↑

Environmental targets are monitored regularly and reported annually to ensure their achievement and to update strategies as necessary. (TSRS 2 - 34(b))

Annual environmental data are publicly disclosed through reports such as the Integrated Annual Report and CDP reports, providing transparent monitoring of progress toward climate targets. (TSRS 2 - 34(c))

In 2024, climate targets were updated in line with SBTi targets to support reaching net-zero emissions, with revised timeframes for interim milestones. (TSRS 2 - 34(d))

Progress toward climate targets is tracked and shared as three-year trends, indicating increases or decreases, clearly highlighting areas of advancement. (TSRS 2 - 35)

Zorlu Enerji aims to reduce NO_x, SO₂, mercury, and particulate matter emissions by 10% annually compared to the previous year. (TSRS -2: 36 (a))

Climate targets cover Scope 1, Scope 2, and Scope 3 GHG emissions, demonstrating that all operational emissions are included and managed. (TSRS 2 - 36(b))

A net GHG emission target has been established, with a gross GHG emissions target also disclosed. Carbon credit use is considered within the net-zero scope. (TSRS 2 - 36(c))

As a company driving energy sector transformation in response to the climate crisis, Zorlu Enerji contributes to Türkiye’s and the world’s decarbonization goals. Emerging trends in innovative

energy sources, including green hydrogen, energy storage, and CCS technologies, are accelerating the sector’s progress toward decarbonization. (TSRS -2: 36 (d))

The Company is also engaged in generating carbon credits from its renewable energy facilities, intending to offer these credits in voluntary and compliance carbon markets, supporting both environmental and economic sustainability. From the Gökçedağ Wind Power Plant (RES), 60 tCO₂e were sold to Electrip Global BV, 680 tCO₂e to İş Leasing, and 208 tCO₂e to Dalyan Lokantası, totaling 948 tCO₂e in carbon credit sales. (TSRS -2: 36 (e)(i)) In Türkiye, clean energy consumption is certified through YEK-G (Renewable Energy Guarantees of Origin) and internationally via I-REC (International Renewable Energy Certificate) certificates, helping stakeholders achieve their carbon reduction targets. (TSRS -2: 36 (e)(ii))

Carbon credits have been sold; however, in the reporting year, no carbon credits were purchased to offset emissions. Only Renewable Energy Certificates (YEK-G) were acquired for Scope 2, serving as a step to document renewable energy use and offset emissions. (TSRS 2 - 36(e)(iii))

No carbon credits were purchased or used during the reporting period, indicating that there is no risk associated with the reliability and integrity of carbon credits. (TSRS 2 - 36(e)(iv))

APPENDIX

Greenhouse Gas Emissions Reporting Guide
TSRS Compliance Statement
Glossary of Technical Terms
Limited Assurance Report within the scope of TSRS

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 Intergovernmental 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. These calculations rely on average energy production emission factors for defined geographic regions (local, regional, or national boundaries). Emission factors are sourced from the Ministry of Energy and Natural Resources, Türkiye – Electricity Generation and Consumption Point Emission Factors Information Form, ETKB-EVÇED-FRM-042 Rev.0.
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	During the reporting period, the Company’s purchased goods included equipment, machinery, buildings, facilities, and vehicles, among others. The associated emission factors were obtained from the DEFRA 2024 Guidance.
Scope 3, Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	These emissions arise from fuel- and energy-related activities that are not included in Scope 1 or Scope 2.
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 2024 guidance.

Greenhouse Gas Emissions (tCO ₂ e)	
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 2024 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 2024 guidance.
Scope 3, Category 7: Employee Commuting	Employee commuting emissions are generated from transportation between employees’ homes and workplaces.
Scope 3, Category 11: Use of Sold Products	Emissions from the use of solar panels sold by the Company in the reporting year are included. Calculation method: 1 solar panel = (50 gCO ₂ e/kWh) × 460 kWh.
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: OECD 2021 Input-Output Tables (IOTs) – Israel – Metric Tons of CO ₂ Emissions per \$1 million USD of output – Electricity, Gas, Steam, and Air Conditioning Supply. It has been agreed that the emission factor data provided in the relevant source pertains to the year 2018.
Total Indirect Scope 3 Greenhouse Gas Emissions (tCO ₂ e)	The total emissions calculated under Scope 3 categories represent the sum of all Scope 3 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 (tCO ₂ e).

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)	Definition of Sustainability and Climate Responsibilities within the Governance Bodies
		TSRS 1 27(a)(ii)	Competencies and Development Plans of Governance Bodies on Sustainability and Climate Topics
		TSRS 1 27(a)(iii)	Process for Informing Governance Bodies about Sustainability and Climate Risks
		TSRS 1 27(a)(iv)	Assessment of Sustainability and Climate Risks in Strategy, Major Transactions, and Risk Management Scope
		TSRS 1 27(a)(v)	Setting Sustainability and Climate Targets and Integrating Performance Targets 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)	Distribution of Responsibility at the Management Level for Oversight of Sustainability and Climate Risks
		TSRS 1 27(b)(ii)	Controls and Procedures Used to Monitor Sustainability and Climate Risks

TSRS 1 Core Content	TSRS 1 Standard	Related TSRS 1 Standard	Explanation Relevant Section in the Report / Explanation
Strategy	29: The impacts of sustainability-related risks and opportunities on the Company’s strategy and decision-making processes	TSRS 1 29(c)	-
	30: Sustainability-related risks and opportunities	TSRS 1 30(c)	-
	33: Strategy and decision-making	TSRS 1 33(c)	-
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 Used*
		TSRS 1 44(a)(ii)	Scenario Analysis Approach and Its Application*
		TSRS 1 44(a)(iii)	Assessment of Risks in Terms of Impact, Likelihood, and Magnitude*
		TSRS 1 44(a)(iv)	Methods for Prioritizing Risks*
		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*

* Transition exemptions have been applied, and climate-related risks and opportunities have been specifically addressed.

TSRS 1 Core Content	TSRS 1 Standard	Related TSRS 1 Standard	Explanation Relevant Section in the Report / Explanation
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(b)	METRICS AND TARGETS Water Risk and Management Risks and Mitigation Measures in the Energy Sector
	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)	Climate Related Targets
		TSRS 1 51(d)	Climate Related Targets
		TSRS 1 51(e)	Climate Related Targets
General Provisions	Guidance Sources	TSRS 1 51(g)	Climate Related Targets
		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

TSRS 1 Core Content	TSRS 1 Standard	Related TSRS 1 Standard	Explanation Relevant Section in the Report / Explanation
General Provisions	Location of Disclosure	TSRS 1 60	Faithful Representation
		TSRS 1 61	Faithful Representation
	Reporting Period	TSRS 1 64	Reporting Period and Frequency
	Comparative Information	TSRS 1 70	In the first year of implementation, comparative information from previous periods is not provided for disclosures specified in the TSRS scope; no comparative disclosure is made in this context. Use of Transitional Reliefs
	Statement of Compliance	TSRS 1 72	Faithful Representation
Judgments, Uncertainties, and Errors	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 accountable for senior management, committees, or equivalent structures, or the designated individual(s)	TSRS 2 6(a)(i)	Definition of Sustainability and Climate Responsibilities within Governance Bodies
		TSRS 2 6(a)(ii)	Competencies and Development Plans of Governance Bodies on Sustainability and Climate Issues
		TSRS 2 6(a)(iii)	Process for Informing Governance Bodies about Sustainability and Climate Risks
		TSRS 2 6(a)(iv)	Assessment of Sustainability and Climate Risks in Strategy, Major Transactions, and Risk Management
		TSRS 2 6(a)(v)	Setting Sustainability and Climate Targets and Integrating Performance into Compensation Policies
	6(b): Management’s roles and responsibilities in the governance processes, controls, and procedures used to monitor, manage, and oversee climate-related risks and opportunities	TSRS 2 6(b)(i)	Distribution of Governance Roles in Overseeing Sustainability and Climate Risks
		TSRS 2 6(b)(ii)	Controls and Procedures Used to Monitor Sustainability and Climate Risks

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Strategy	9: The Company discloses information that enables users of general-purpose financial reports to understand its climate-related strategic disclosures	TSRS 2 9(a)	Descriptions of Risks and Opportunities
		TSRS 2 9(b)	Descriptions of Risks and Opportunities
		TSRS 2 9(c)	Climate-Related Risks and Opportunities
		TSRS 2 9(d)	Climate-Related Risks and Opportunities
		TSRS 2 9(e)	Climate Resilience
	10: Climate-Related Risks and Opportunities	TSRS 2 10(a)	Descriptions of Risks and Opportunities
		TSRS 2 10(b)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 10(c)	Descriptions of Risks and Opportunities Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 10(d)	Descriptions of Risks and Opportunities
	13: Business Model and Value Chain	TSRS 2 13(a)	Climate-Related Transition Risks Climate-Related Physical Risks
		TSRS 2 13(b)	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	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 the Resilience Analysis
		TSRS 2 22(a)(ii)	Scope of the Resilience Analysis
		TSRS 2 22(a)(iii)(1)	Scope of the Resilience Analysis
		TSRS 2 22(a)(iii)(2)	Scope of the Resilience Analysis
		TSRS 2 22(a)(iii)(3)	Scope of the 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

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Risk Management	25(a): Processes and policies used by the Company to identify, assess, prioritize, and monitor climate-related risks	TSRS 2 25(a)(i)	Inputs, Parameters and Operational Scope Used
		TSRS 2 25(a)(ii)	Scenario Analysis Approach and Application
		TSRS 2 25(a)(iii)	Assessment of Risks in Terms of Impact, Likelihood and Magnitude
		TSRS 2 25(a)(iv)	Methods for Prioritizing Risks
		TSRS 2 25(a)(v)	Monitoring and Early Warning Mechanisms
		TSRS 2 25(a)(vi)	Process Updates and Historical Period Comparisons
	25(b): Processes used by the Company to identify, assess, prioritize, and monitor climate-related risks and opportunities, including whether and how climate-related scenario analysis is applied	TSRS 2 25(b)	Scenario Analysis Approach and Usage
	25(c): The extent to which the processes for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities are integrated into the Company’s overall risk management framework, and how these processes inform the Company’s broader risk management system	TSRS 2 25(c)	Integration of Risk and Opportunity Processes into Enterprise Risk Management

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)	Measurement Approach, Inputs, and Assumptions Setting Sustainability and Climate Targets and Integrating Performance Targets into Compensation Policies
		TSRS 2 29(g)(ii)	Measurement Approach, Inputs, and Assumptions Setting Sustainability and Climate Targets and Integrating Performance Targets into Compensation Policies

TSRS 2 Core Content	TSRS 2 Standard	Related TSRS 2 Standard	Explanation Relevant Section in the Report / Explanation
Metrics and Targets	33: Climate related targets	TSRS 2 33(a)	Climate-Related Targets
		TSRS 2 33(b)	Climate-Related Targets
		TSRS 2 33(d)	Climate-Related Targets
		TSRS 2 33(e)	Climate-Related Targets
		TSRS 2 33(g)	Climate-Related Targets
		TSRS 2 34(a)	Climate-Related Targets
		TSRS 2 34(b)	Climate-Related Targets
		TSRS 2 34(c)	Climate-Related Targets
		TSRS 2 34(d)	Climate-Related Targets
		TSRS 2 35	Climate-Related Targets
		TSRS 2 36(a)	Climate-Related Targets
		TSRS 2 36(b)	Climate-Related Targets
		TSRS 2 36(c)	Climate-Related Targets
		TSRS 2 36(e)	Climate-Related Targets

Glossary of Technical Terms

BOD	: Biochemical Oxygen Demand	POA	: Public Oversight Authority
CAIDI	: Customer Average Interruption Duration Index	SAIDI	: System Average Interruption Duration Index
COD	: Chemical Oxygen Demand	SAIFI	: System Average Interruption Frequency Index
CMB	: Capital Markets Board of Türkiye	SASB	: Sustainability Accounting Standards Board
EBITDA	: Earnings Before Interest, Taxes, Depreciation and Amortization	SBTi	: Science Based Targets initiative
ESG	: Environmental, Social, and Corporate Governance	SS	: Suspended Solids
ERM	: Enterprise Risk Management	TCFD	: Task Force on Climate-related Financial Disclosures
EU	: European Union	TSRS	: Turkish Sustainability Reporting Standards
ETS	: Emissions Trading System	YEK-G	: Renewable Energy Guarantee of Origin
GHG	: Greenhouse Gas Emissions	ZES	: Zorlu Enerji Solutions
IPCC	: Intergovernmental Panel on Climate Change		
I-REC	: International Renewable Energy Certificate		
ISSB	: International Sustainability Standards Board		
MWh	: Megawatt-hour		
OEDAŞ	: Osmangazi Elektrik Dağıtım A.Ş.		

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. AND ITS SUBSIDIARY IN ACCORDANCE WITH THE TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Zorlu Enerji Elektrik Üretim A.Ş.

We were engaged by Zorlu Enerji Elektrik Üretim AŞ (“the Company”) and its subsidiary (together will be 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 2024 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 related to prior periods or any other information associated with 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 Group’s Sustainability Information for the year ended 31 December 2024 has not been prepared, in all material respects, in accordance with the TSRS.

Emphasis of Matters

As disclosed in the “Transition Exemption Use” section of the TSRS-Compliant Sustainability Report, in its first annual reporting period in which the Company has applied the TSRS, the Company has disclosed only information related to climate-related risks and opportunities in accordance with TSRS 1, and has not presented information for the previous period as comparative information. However, our conclusion is not modified in respect of this matter.



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 gases 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;
- Interviews were conducted with those responsible for the Sustainability Information.
- 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 accuracy of the Sustainability Information was tested, on a sample basis, by comparing it with the Group’s supporting documentation.
- The appropriateness of the Group’s estimation methodologies and their consistent application were evaluated. However, our procedures did not include testing the data on which the estimates are based or developing our own estimates to assess those made by the Group.
- The selection of quantification methodologies and reporting policies for greenhouse gases was evaluated.



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.



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Partner
19 August 2025
İstanbul, Türkiye

TSRS Compliant Sustainability Report 2024

The reporting structure, content, and design were prepared under the management of Zorlu Enerji Sustainability Department.

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