Alarko Holding

2024 TSRS* COMPLIANT SUSTAINABILITY REPORT

**Türkiye Sustainability Reporting Standards*

ALARKO

Table of Contents

Reporting Approach

ALARKO

Compliance with Türkiye Sustainability Reporting Standards

The Türkiye Sustainability Reporting Standards (TSRS) were developed by the Public Oversight, Accounting and Auditing Standards Authority (KGK) and published in the Official Gazette on December 29, 2023. These standards mandate the preparation of a TSRS Report for reporting periods beginning on or after January 1, 2024.

Alarko Holding A.Ş. (“Alarko Holding” or “the Parent Company”) and its subsidiaries, joint ventures, and jointly controlled operations included in the consolidated financial statements are subject to reporting under the TSRS, as they have met at least two of the criteria set by the Capital Markets Board (CMB) for two consecutive reporting periods.

This report, prepared within this framework, is based on the financial reporting period from January 1, 2024, to December 31, 2024, and has been developed in accordance with TSRS 1: General Requirements for Disclosure of Sustainability-Related Financial Information and TSRS 2: Climate-Related Disclosures and this report has been prepared by utilizing certain transitional exemptions. These exemptions are considered as facilitative provisions specific to the initial implementation period of the standards and detailed in the “Transitional Provisions” section of the report. Throughout the report, Alarko Holding and all subsidiaries and joint ventures included in the consolidation will be referred to as the “Alarko Group of Companies.”

In the preparation of this report, guidance documents published by the Sustainability Accounting Standards Board (SASB), which include sector-specific disclosures and are issued by the International Sustainability Standards Board (ISSB), have also been utilized.

Connections with Financial Disclosures

The sustainability and climate-related information presented in this report covers not only Alarko Holding but also its consolidated subsidiaries and jointly controlled entities. The scope of the report is limited to the 12-month accounting period ending on December 31, 2024, and is aligned with the consolidated financial statements of the Alarko Group of Companies for the same period. Relevant financial statement information is shared through the official website under the sections “Annual Reports” and “Financial Statements and Notes.”

The policies, practices, estimates, and presentation currency used in the preparation of our financial reports are based on the Turkish Lira (TRY). Therefore, the sustainability and climate-related disclosures should be considered in conjunction with the relevant financial information as an integrated whole.

Reporting Period

This report represents Alarko Holding’s first report prepared in compliance with the TSRS. Unless otherwise stated, it covers the annual accounting period from January 1, 2024 to December 31, 2024.

Transition Provisions

Under the TSRS framework, Alarko Holding has benefited from transitional provisions specific to the initial implementation year of TSRS 1 and TSRS 2 standards. The transitional provisions utilized are explained below:

- In the first year of implementation, it is not mandatory to present comparative disclosures for previous reporting periods. In this context, Alarko Holding has reported data only for the period of January 1 – December 31, 2024, and has not included comparative information for prior periods, thereby utilizing this exemption.
- During the initial implementation period, TSRS allows for the reporting of sustainability-related disclosures after the publication of the relevant financial statements. Accordingly, this report has been published following the release of Alarko Holding’s consolidated financial statements, thereby utilizing this exemption.
- In the first reporting period, it is considered sufficient to disclose only climate-related risks and opportunities under TSRS 2, and to apply the provisions of TSRS 1 solely in relation to climate matters. Alarko Holding has utilized this transitional right by focusing exclusively on climate-related risk and opportunity disclosures during this period.
- In the first year of implementation, disclosures related to Scope 3 greenhouse gas emissions are not mandatory. Accordingly, Alarko Holding has reported only Scope 1 and Scope 2 greenhouse gas emission data for the year 2024. These emissions have been calculated on a consolidated basis, covering subsidiaries, jointly controlled entities, and joint operations included within the reporting scope. Furthermore, when the exemption regarding Scope 3 emissions is utilized, it is not required to present these data comparatively in subsequent reporting periods. Therefore, this report does not include comparative data related to emissions.

This report adopts a holistic approach in presenting Alarko Holding’s sustainability and climate-related governance structure, strategic orientation, risk and opportunity assessment mechanisms, performance indicators, and targets.

Judgements and Uncertainties

The emission factors used in the emission calculations were derived from the IPCC and DEFRA 2024 sources. For Scope 2 emission calculations, the electricity emission factor was obtained from the National Inventory. The emission factors used in the calculation of emission intensities, lower heating values, and indirect emissions were compiled from internationally recognized sources.

As part of the planned implementation of a Carbon Pricing Mechanism and Emissions Trading System (ETS) in Türkiye, no definitive price per ton of carbon has yet been announced. In this context, the absence of parameters that would enable reliable, consistent, and reasonably measurable information sharing leads to measurement uncertainty.

Reporting Boundaries and Measurement Approach

This report includes disclosures related to Alarko Holding's climate performance, and covers subsidiaries, jointly controlled entities, and joint operations with total assets exceeding TRY 1 billion. In addition, Mosalarko OJSC has been included in the reporting scope despite falling below the financial materiality threshold, due to its full ownership by Alarko Real Estate Investment Company and the large-scale sales activities of Meram Electricity Wholesale Company. The consolidation applied in this report has been carried out within the framework of TSRS materiality assessment, and only activities whose climate-related risks and opportunities could reasonably impact Alarko Holding's financial position have been included in the scope.

Scope 1 and Scope 2 emissions of the companies owned by Alarko Holding, including its subsidiaries, jointly controlled entities, and joint operations, have been calculated in accordance with the Greenhouse Gas Protocol Corporate Standard (GHG Protocol). Information regarding these emissions is presented in the "Metrics and Targets" section of the report.

Alarko Group of Companies at a Glance

ALARKO

As a portfolio company, Alarko Holding derives its strength from its consistency, reliability, pioneering identity, and its human- and nature-centered approach. It is understanding of success is directly linked to the well-being of its stakeholders and the sustainability of the planet it inhabits.

As a parent portfolio company operating in key development areas, Alarko Holding maintains a broad network of operations and investments ranging from contracting to energy, industry to tourism, agriculture to land development, and investment, and digital technologies to infrastructure projects. Through it is large-scale investments and strong presence across various geographies, it continues to generate value for the national economy.

Alarko Contracting Group

Alarko Contracting Group successfully carries out public-private partnerships, build-operate-transfer, and turnkey projects both domestically and internationally. The Group places great importance on implementing measures to prevent air, water, soil, and noise pollution in its operations.

Alarko Energy Group

Alarko Energy Group creates value across multiple areas from source to end-user, including electricity generation, distribution, wholesale and retail sales, as well as renewable energy solutions. All new investments in this sector are made in the field of renewable energy. Within its operations, the Group continues to generate additional value by producing renewable energy certificates through its Hydroelectric Power Plant activities.

Alarko Industry and Trade Group

Alarko Industry and Trade Group operates in the fields of heating, cooling, ventilation, and water pressurization, engaging in the production and import of these products, as well as providing sales and after-sales services. In addition to expanding, it is product range related to Renewable Energy System Products, the Group invests in the development of environmentally friendly production techniques.

Alarko Tourism Group

Alarko Tourism Group, one of the well-established leaders in the tourism sector, has pioneered the introduction of the “leisure” concept in Türkiye through its operations such as Hillside Beach Club, Hillside City Club, Cinecity Cinemas, and Sanda Spa, in line with its “Feel Good” approach. Focusing on sustainability and high-quality standards in its facilities, Alarko Tourism Group holds numerous international certificates and awards. The Group also prioritizes environmentally friendly facility design in its new hotel investments.

Alarko Land Development Group

The Land Development Group manages the Community’s real estate portfolio in accordance with current conditions through best-use analyses. In line with Alarko Holding’s sustainability vision, the Group places great emphasis on implementing ongoing projects in compliance with sustainable building standards and minimizing the carbon footprint of existing structures.

Alarko Agriculture Group

The Alarko Agriculture Group operates in the sectors of modern greenhouse cultivation, specialty fertilizers, seed breeding, and the food industry. Aiming to produce clean and safe food, the Group also undertakes various projects and investments to achieve high resource efficiency through technology and innovation. It conducts production in high-tech greenhouses across different regions of Türkiye, supports soilless farming practices, and promotes sustainable food production. Prioritizing systems that minimize carbon and water footprints, the Group heats its greenhouses in Türkiye using geothermal energy and effectively utilizes solar energy at its in-house facility, which is Europe’s largest hybrid microgranule factory.

Alarko Investment Group

The Alarko Investment Group invests in promising early-stage ventures and publicly traded companies that contribute to the development of the Community. With a medium- to long-term perspective, the Group aims to build a dynamic, flexible, and high-yield portfolio, while also prioritizing environmental and social impacts in its investment decisions.

About Alarko Holding and Group Companies

Among Alarko Holding's subsidiaries and jointly controlled entities are companies operating in the fields of industry and trade, tourism, agriculture, energy, contracting, land development, aviation, investment, and information technologies.

Alarko Holding A.Ş., which began its journey in the Turkish economy in 1954, has been publicly traded on Istanbul Stock Exchange (BIST) since May 24, 1989. As of December 31, 2024, the Company's free float rate stands at 37.12%. Among the jointly controlled entities, Alarko Carrier Sanayi ve Ticaret A.Ş. is registered with the Capital Markets Board (CMB) and has been listed on BIST since January 27, 1992, with 15.94% of its shares publicly traded. Among the subsidiaries, Alarko Real Estate Investment Company is also registered with the CMB. Listed on BIST since 1996, 48.77% of its shares are publicly traded.

The address of Alarko Holding's headquarters is Muallim Naci Street No: 69, Ortaköy / Istanbul. As of December 31, 2024, the Company's shareholding structure is presented below:

Name	Shareholding Ratio as of 31 December 2024
Alaton Family	29.04%
Garih Family	30.72%
Other (*)	40.24%
Total	**100.00%**

* Represents the total shareholders holding less than 10% of the capital.

The countries in which the consolidated subsidiaries and jointly controlled entities operate, their fields of activity, and their direct and indirect ownership shares are presented below.

Company Name	Region of Operation	Field of Activity	Shareholding Ratio as of December 31, 2024 (%)
Subsidiaries			
Alarko Gayrimenkul Yatırım Ort. A.Ş*	Türkiye	Purchase and Sale of Real Estate and Real Estate-Based Market Instruments	51.23
AO Mosalarko	Rusia	Russia – Real Estate Project, Construction, and Operation	51.23
Alarko Dijital Teknoloji Çözümleri A.Ş.**	Türkiye	Information Technologies	100.00
Altek Alarko Elektrik Sant. Tes. İşl. ve Tic. A.Ş.	Türkiye	Electricity Generation	100.00
Alser Alarko Sermaye Yatırımları Holding A.Ş.	Türkiye	Financial Holding	100.00
Alyat Teknoloji Yatırımları Holding A.Ş.	Türkiye	Financial Holding	99.88
Alarko Havacılık Endüstri Yatırımları A.Ş.	Türkiye	Aviation and Aircraft Technical Maintenance	100.00
Alsim Alarko San. Tes. ve Tic. A.Ş.	Türkiye	Contracting and Construction	99.99
Alsim Alarko San. Tes. ve Ticaret Bükreş Şubesi	Romania	Highway Construction Project	99.99
Bozshakol Bakır Tesisi Projesi	Kazakhstan	Copper Plant Project	99.99
Alarko Tarım Sanayi ve Ticaret A.Ş.	Türkiye	Agriculture and Food Production, Processing, and Trading Services	100.00
Alarko Gıda Sanayi ve Ticaret A.Ş.	Türkiye	Food and Food Services Management	100.00
Alarko Gübre Fabrikaları Sanayi ve Ticaret A.Ş.	Türkiye	Fertilizer Production and Marketing	100.00
Beybur Tarım ve Hayvancılık A.Ş.***	Türkiye	Agriculture	100.00
Genseed Tohum Islah ve Üretim A.Ş.	Türkiye	Seed Breeding and Production	80.00
Palmira Agro Gübre Sanayi ve Ticaret A.Ş.	Türkiye	Micro Granular Fertilizer Production	80.00
Seraf Tarım ve Hayvancılık A.Ş.****	Türkiye	Agriculture	100.00
Nata Tarım Üretim ve Ticaret A.Ş.***	Türkiye	Geothermal Energy-Based Greenhouse Cultivation	100.00
Jedi Tarım Üretim ve Ticaret A.Ş.***	Türkiye	Geothermal Energy-Based Greenhouse Cultivation	100.00
Mekredi Tarım Üretim ve Ticaret A.Ş. ***	Türkiye	Geothermal Energy-Based Greenhouse Cultivation	100.00
Samdi Tarım Üretim ve Ticaret A.Ş.***	Türkiye	Geothermal Energy-Based Greenhouse Cultivation	100.00
Alsera Jeotermal Tarım Gıda San.ve Tic. A.Ş.	Türkiye	Geothermal Energy-Based Greenhouse Cultivation	100.00
Camser Tarım Gıda A.Ş. ****	Türkiye	Agriculture, Greenhouse Cultivation	51.00
Too Alsera KZ****	Kazakhstan	Agriculture, Greenhouse Cultivation	100.00
Albi Bitkisel İlaç Ham Maddeleri Üretim Sanayi ve Ticaret A.Ş.	Türkiye	Herbal Medicine Raw Materials	100.00
Attaş Alarko Turistik Tesisler A.Ş.	Türkiye	Touristic Facility Management	99.99
Joint Ventures Controlled Entities			
Alarko Carrier Sanayi ve Ticaret A.Ş.*	Türkiye	Manufacturing Heating, Cooling, and Air Conditioning Devices	42.03
Alcen Enerji Dağıtım ve Perakende Satış Hiz. A.Ş.	Türkiye	Establishment, Transfer, or Operation of Energy Distribution Facilities	50.00
Meram Elektrik Dağıtım A.Ş.	Türkiye	Electricity Distribution	50.00
Meram Elektrik Enerjisi Toptan Satış A.Ş.	Türkiye	Electricity Sales	50.00
Cenal Elektrik Üretim A.Ş.	Türkiye	Establishment and Operation of Electricity Generation Facilities	50.00
Meram Elektrik Perakende Satış A.Ş.	Türkiye	Electricity Sales	50.00
Utilitek Bilgi Teknolojileri A.Ş.	Türkiye	Computer Programming Activities	50.00
Bakad Investment & Operation LLP	Kazakhstan	Construction Works	33.30
Barr Operation and Maintenance LLP	Kazakhstan	Highway Maintenance and Operation	25.00
Sanrose Tarım Sanayi ve Ticaret A.Ş.***	Türkiye	Production, Purchase, and Marketing of Flower Greenhouse Cultivation	25.00
İpeks Jeotermal Enerji Tarım Sanayi Ticaret A.Ş.***	Türkiye	Geothermal Energy-Based Greenhouse Cultivation	49.00
Joint Venture Activities			
Bükreş Uluslararası Havalimanı Demiryolu Bağlantısı 6. Metro Kesimi	Romania	Metro Construction Project	49.99

* It is a publicly held company listed on Borsa İstanbul Inc.

**Included in consolidation as of March 31, 2024.

***As of 30 June 2024, it has been included in the scope of consolidation.

****As of 30 September 2024, it has been included in the scope of consolidation.

Alarko Holding
Value Chain and Business Model

Alarko Holding has reviewed not only its own operational activities but also the value chain encompassing all subsidiaries and jointly controlled entities in the assessment of climate-related risks and the preparation of this report. In this context, the operational value chain adopted in the company's business model and the relevant stakeholders are presented in the adjacent table.

Alarko Holding Value Chain

			Explanation and Definition	Geographical Location
UPSTREAM VALUE CHAIN	**Alarko Energy**	Suppliers	Provision of equipment required for energy generation (such as turbines, generators, etc.), fuel (natural gas, coal), and maintenance-repair services, as well as companies that supply software, hardware, and communication infrastructure supporting the operations of the enterprises.	Türkiye
		Regulatory Authorities	Public institutions that regulate energy market activities, issue licenses and permits and set environmental standards.	
		Financial Institutions	Institutions that provide loans and investments for project financing.	
		Energy Suppliers	Electricity producers and wholesalers.	
		Logistic Firms	Companies that ensure the safe and timely transportation of energy equipment and fuels to power plants.	
	Alarko Land Development	Suppliers and Business Partners	Companies providing construction materials (such as cement, iron, bricks, etc.), architectural and engineering services, subcontractors, and project management offices.	Türkiye
		Regulatory Authorities	Public institutions that regulate and supervise zoning plans and construction permits.	
		Logistic Firms	Companies responsible for transporting construction materials to the site, storing them, and ensuring on-site coordination.	
		Financial Institutions	Banks and other financial institutions that provide project financing.	
	Alarko Tourism	Suppliers	Companies that supply food and beverages, cleaning materials, hotel equipment, and other consumables required for the facilities.	Türkiye
		Regulatory Authorities	Public institutions that regulate and supervise tourism activities, and issue licenses and permits.	

Alarko Holding
Value Chain and Business Model

			Explanation and Definition	Geographical Location
UPSTREAM VALUE CHAIN	**Alarko Contracting**	Suppliers and Business Partners	Companies that supply necessary materials for construction projects (such as cement, iron, etc.), construction machinery, and engineering services, as well as other construction firms and subcontractors involved in joint project execution.	Türkiye, International
		Regulatory Authorities	Public institutions that regulate and supervise the construction sector, and issue permits and licenses.	
		Logistic Firms	Companies that provide on-site logistics for specialized equipment, materials, and machinery required for large-scale projects.	
	Alarko Agriculture	Suppliers	Companies that supply inputs required for agricultural production (such as seeds, fertilizers, pesticides, agricultural machinery, etc.).	Türkiye
		Regulatory Authorities	Public institutions that determine agricultural policies and subsidies, and issue permits and licenses.	
		Financial Institutions	Banks and other financial institutions that provide financing.	
		R&D Institutions / Universities	Universities and institutes conduct research and development activities in the agricultural sector.	
	Alarko Industry and Trade	Suppliers	Companies that supply steel, aluminum, sheet metal, plastic, copper, electronic components, motors, compressors, fans, filters, valves, and other mechanical/electrical components, insulation materials, and packaging materials.	Türkiye
		Regulatory Authorities	Public institutions that determine, supervise, and support industrial, environmental, and energy efficiency policies, and issue the necessary permits and licenses.	
		Logistic Firms	Transportation companies that ensure the delivery of products from factories to dealers and customers.	
		Technology Providers	Technology companies that automate production processes and provide data analytics and ERP software.	
		R&D Institutions / Universities	Universities and research institutions conduct research and development activities in advanced materials, energy efficiency, and renewable energy.	
	Alarko Investment	Data Providers	Organizations providing financial data and analyses for investment decisions.	Türkiye, International
		Law and Consultancy Firms.	Firms provide services such as legal consultancy, due diligence processes, and contract management.	
		Regulatory Authorities	Public institutions that regulate and supervise capital markets, and issue licenses and permits.	
		Research Companies	Companies provide sector analyses, company evaluations, and investment recommendations.	

Alarko Holding
Value Chain and Business Model

			Explanation and Definition	Geographical Location
DIRECT OPERATIONS	**Alarko Energy**	Energy Production	Electricity generation in hydroelectric, thermal, and solar power plants.	Türkiye
		Power Plant Operation	Operation, maintenance, repair, and efficiency management of power plants.	
		Electricity Distribution	Transmission and distribution of electricity in specific regions, including grid management and development.	
		Retail Sales	Electricity sales to individual and corporate customers, including billing and customer services.	
		Wholesale Sales	Wholesale electricity sales and energy trading to large consumers and energy companies.	
		Energy Trade	Energy trading, portfolio management, energy market analysis, and risk management.	
	Alarko Land Development	Project Development	Land acquisition, development, construction, sales, and marketing of residential, commercial, and industrial projects.	Türkiye
	Alarko Tourism	Facility Operation	Provision of services including accommodation, food and beverage, entertainment, concierge, sports club, cinema, and other amenities.	Türkiye
	Alarko Contracting	Construction & Contracting	Management and implementation of infrastructure, residential, industrial, and other construction projects for the public and private sectors.	Türkiye, International
	Alarko Agriculture	Agricultural Production	Cultivation, harvesting, processing, packaging, storage, and distribution of agricultural products.	Türkiye, International
		Modern Green housing	High-tech, efficiency-oriented, soilless good agricultural practices in greenhouses heated by geothermal energy.	
		Fertilizer	Production of next-generation micro granular fertilizers in an environmentally friendly manufacturing facility.	
		Seed Breeding	Seed breeding involves R&D activities aimed at producing resilient and sustainable seeds, improving seed varieties, and enhancing productivity.	
		Food Processing	Production of high-quality dried fruits and vegetables.	
		Distribution and Logistics	Shipment of products to customers and storage processes.	
		Marketing and Sales	Management of marketing processes for the produced products and customer relations.	
	Alarko Industry and Trade	Product Design and Development	Design and development of new products for heating, cooling, ventilation, and water pressurization systems, including R&D activities.	Türkiye
		Manufacturing and Assembly	Manufacturing products in factories, quality control processes, and the assembly of components to create finished products.	
		Distribution and Logistics	Shipment of products to dealers and customers, storage, and inventory management.	
		Marketing and Sales	Product marketing, development of sales strategies, and customer relationship management.	

Alarko Holding
Value Chain and Business Model

			Explanation and Definition	Geographical Location
DIRECT OPERATIONS	**Alarko Investment**	Portfolio Management	Investing in venture capital and private equity with the aim of diversifying the portfolio and increasing the weight of international investments.	Türkiye, International
			Investing in publicly traded companies that create value through their operations, with a medium- to long-term investment perspective.	
DOWNSTREAM VALUE CHAIN	**Alarko Energy**	Energy Market	Wholesale sale of generated electricity.	Türkiye
		Individual and Corporate Clients	Retail sale of electricity to residential, commercial, and industrial customers in specific regions.	
		Industrial Enterprises and Energy Companies	Wholesale sale of electricity to energy companies and large industrial enterprises.	
		Recycling Companies	Recycling end-of-life products and waste management.	
	Alarko Land Development	Individual and Corporate Clients	Sale and leasing of developed residential, office, commercial, and other real estate properties.	Türkiye
	Alarko Tourism	Individual Tourists, Corporate Clients	Provision of hotel accommodation, food and beverage services, sports club facilities, cinema halls, entertainment, and other services to individual tourists, tour operators, corporate and individual clients.	Türkiye
	Alarko Contracting	Public Institutions, Private Companies	Delivery of completed construction projects to public institutions and private companies, including warranty and after-sales services.	Türkiye, International
	Alarko Agriculture	Retailers, Wholesalers, Food Businesses	Sale of agricultural products to retailers, wholesalers, and food businesses.	Türkiye, International
	Alarko Industry and Trade	Dealers and Service Network	Authorized dealers responsible for the sales of Alarko industrial products. Authorized service providers deliver installation, maintenance, and repair services.	Türkiye, International
		Customers	Residential, Commercial, and Industrial Customers	
		Recycling Companies	Recycling of end-of-life products and waste management.	
		After-Sales Services	Customer support, maintenance, repair, and provision of spare parts.	
	Alarko Investment	Alarko Holding	Contributing to the overall performance and growth of Alarko Holding through investments in venture capital, private companies, and publicly traded companies.	Türkiye, International

Governance

ALARKO

Alarko Holding
Sustainability and Climate Governance Structure

Sustainability and climate governance within Alarko Holding is carried out under the authority and responsibility of the Corporate Communications and Sustainability Directorate and the Sustainability Committee, which report directly to the CEO of Alarko Group of Companies. The Holding's governance structure ensures an effective oversight mechanism for environmental, social, and governance (ESG) issues that may arise across the value chain. This structure manages the identification of sustainability and climate-related risks and opportunities, the development of strategies, and accountability throughout these processes.

The general sustainability governance structure of Alarko Holding, presented in Figure 1, contributes to the decision-making processes related to the Group's sustainability and climate-related activities. The diagram also illustrates the unit's operation at both the management and operational levels, as well as the working groups involved.

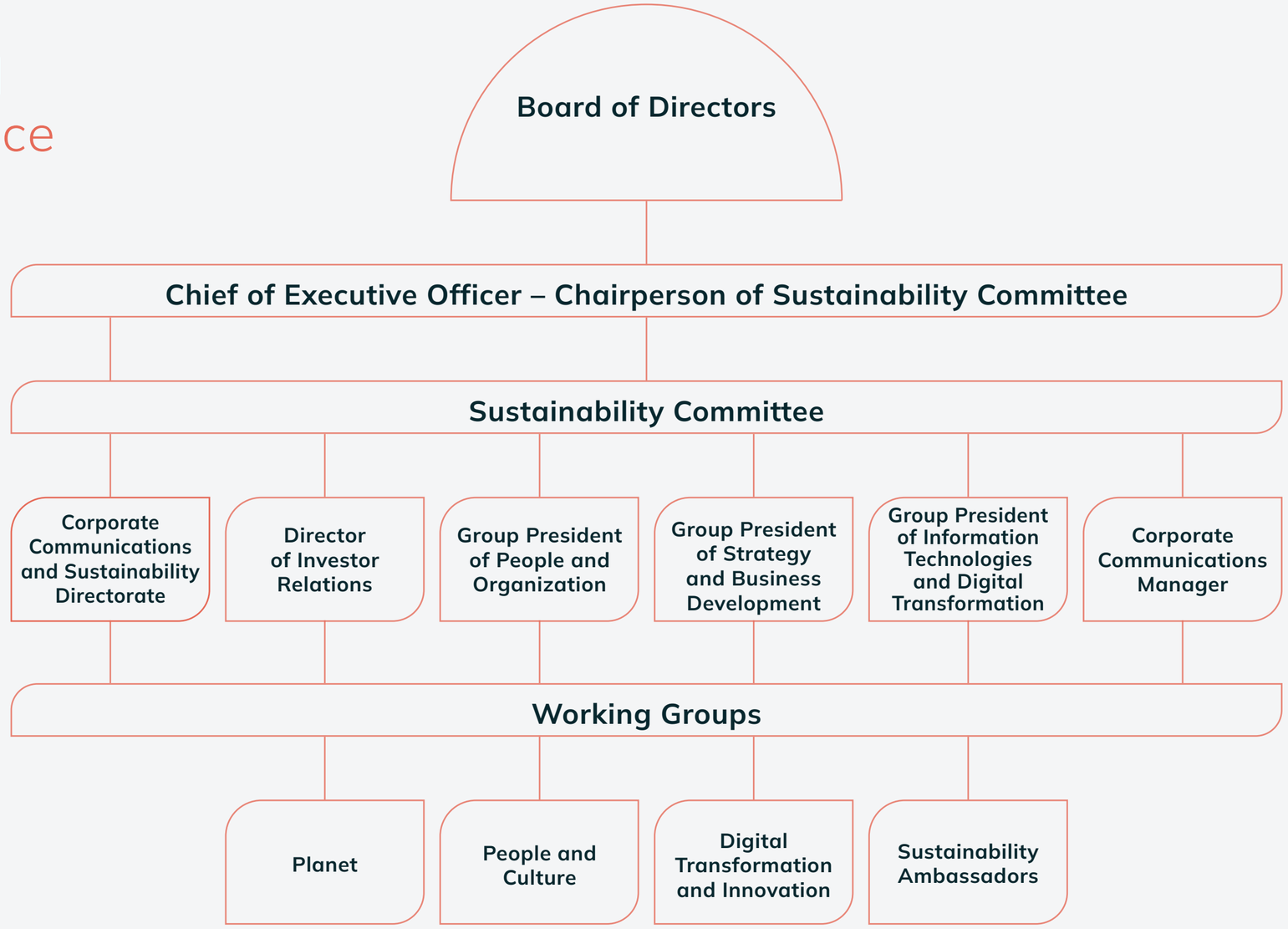

Figure 1: Alarko Holding Sustainability Governance Structure

Board of Directors

The Board of Directors holds ultimate responsibility for overseeing Alarko Holding's overall strategy, business plans, annual budgets, and risk management framework. Additionally, the Board has established a risk management and internal control mechanism. Managerial risks are periodically reviewed by the Audit Advisory and Approval Board (AAAB), the Corporate Governance Committee, and the Early Detection of Risk Committee, all composed of members of the Holding's Board of Directors.

To advise the Board on the early identification of potential risks and the establishment of an effective risk management system, a three-member Early Detection of Risk Committee has been formed, with its working principles approved by the Board. The AAAB, the Early Detection of Risk Committee, and the Audit Committee determine necessary measures and issue instructions to company executives through the Group Executive Committee President.

Within this scope, the Board of Directors closely monitors the activities of the Hedging Operations and the Early Detection of Risk Committee, ensuring the continuous improvement of risk management processes.

Reporting directly to the Group CEO, the Corporate Communications and Sustainability Directorate plays an active role in shaping, guiding, supporting, and monitoring the sustainability transformation journey of all group companies. Climate- and sustainability-related risks and opportunities are assessed by the Corporate Communications and Sustainability Directorate, with additional support provided by the Sustainability Committee.

Chaired by the Group CEO, the Sustainability Committee ensures that the Board of Directors is directly informed and advised when necessary. Through this systematic flow of information, the Board is able to effectively monitor climate and sustainability-related risks and opportunities, contribute to strategic decision-making, and observe progress toward sustainability targets.

One of the key elements under the supervision of the Board of Directors is the internal control system. To ensure the effective operation of this system within Alarko Holding, the Audit Advisory and Approval Board and the Group Audit Unit are actively engaged. The Group Audit Unit conducts internal control processes at regular intervals based on approved annual audit plans and reports its findings directly to Senior Management.

These audit activities primarily ensure the continuity of financial controls. In this context, the integration of sustainability and climate-related risks and opportunities into audit processes is also planned. Furthermore, members of the audit unit are structured with the necessary knowledge, skills, and sectoral expertise to perform their duties effectively and reliably.

The Board of Directors' level of knowledge regarding sustainability and climate-related matters is regularly updated through structured information mechanisms. Throughout 2024, the Board addressed sustainability and climate-related topics in two separate meetings. During these sessions, the progress toward the Group's sustainability and climate targets was evaluated, and targets related to the integration of relevant risks and opportunities into the business model were shared.

Additionally, supplementary educational briefings were provided to enhance the Board's competence in sustainability and climate-related decision-making and to strengthen institutional capacity.

Impact of Sustainability on Remuneration Policy

Alarko Holding adopts a performance-based remuneration policy for the CEO, General Managers, non-board executives, and other management bodies. This policy is structured to incentivize not only the achievement of financial targets but also contributions to strategic sustainability and climate-related targets. In line with this approach, ESG criteria have been integrated into the performance evaluation system. For the CEO, who is also a member of the Board of Directors, this ratio is set at 10%.

Under this system, the ESG performance score is directly incorporated into annual evaluation results and is used in determining financial incentives such as bonuses and salary increases. In this way, managerial performance in environmental and social responsibility areas is tangibly rewarded.

Sustainability Committee

Sustainability and climate governance within Alarko Holding is carried out by the Corporate Communications and Sustainability Directorate, which reports directly to the Group CEO, and the Sustainability Committee, chaired by the CEO. This structure is responsible for defining the Group's sustainability strategies, monitoring implementation and performance, and evaluating sustainability and climate-related risks and opportunities. Within this framework, working groups and sustainability ambassadors have been established to facilitate information flow across companies.

Depending on each company's internal operations, the working groups and/or sustainability ambassadors play a role in setting and implementing sustainability targets aligned with their respective business areas. Additionally, the monitoring and evaluation of sustainability and climate-related risks and opportunities fall under the responsibility of each company's senior sustainability management.

The outcomes of sustainability efforts, including contributions from the Working Groups and Sustainability Ambassadors, are shared annually with the Holding's Sustainability Committee through company presentations held during the Common Impact Day.

The Alarko Holding Sustainability Committee operates under the direct authority of the Group CEO and convenes periodically. Decisions and evaluations made during each meeting are reported to the Group CEO. The Committee is composed of senior executives representing various functions related to sustainability and climate, including the Head of Strategy and Business Development, Head of People and Organization, Head of Information Technologies and Digital Transformation, Director of Corporate Communications and Sustainability, Director of Investor Relations, and Corporate Communications Manager.

This structure enables a holistic approach to sustainability through diverse disciplinary perspectives. Committee meetings are conducted based on pre-defined agenda items, during which progress toward the Holding's sustainability and climate targets, priority issues, and the sustainability performance of Group Companies are thoroughly assessed. When deemed necessary, the Committee Chair shares these evaluations directly with the Board of Directors, contributing to strategic decision-making processes.

Additionally, during the Alarko Common Impact Day held to review the Group's 2024 sustainability achievements, group companies presented their sustainability and climate performance, as well as their work on related risks and opportunities. The active participation of the Sustainability Committee Chair and members in this event also facilitated experience sharing among companies.

During the reporting period, the Positive Impact Program was launched to promote sustainability awareness and green-collar competencies across the Group. As part of this initiative, individuals contributing to sustainability efforts within Alarko Group Companies received both theoretical and practical insights from experts in regenerative leadership.

The program, delivered through both online and in-person modules, covered critical topics such as the fundamentals of sustainability, behavioral economics, and gender equality.

Strategy

ALARKO

Strategic Approach to Sustainability at Alarko

Climate change, whose global impacts are increasingly being felt, is driving multifaceted transformations across economic, social, and environmental dimensions. Rising temperatures, shifting precipitation patterns, extreme weather events, and the loss of natural resources and biodiversity pose threats to all forms of life and create significant risks to economic and social sustainability.

Alarko Holding considers Türkiye's 2053 Net Zero Emission Target a strategic priority across its entire value chain. The Holding conducts studies to identify climate-related risks and opportunities, addressing the impacts of climate change through both physical and transition risk dimensions. Where necessary, scientific scenario analyses are adopted for potential risks, and operational forecasts are evaluated within the framework of sectoral policies.

In the process of identifying climate-related physical and transition risks, as well as climate-related opportunities, Alarko Holding has conducted a comprehensive risk and opportunity assessment guided by sector peers, industry and global trends, and the internationally recognized Sustainability Accounting Standards Board (SASB). During this evaluation, qualitative data was used to assess the financial materiality of each identified risk and opportunity.

In this context, Alarko Holding's Group Companies were evaluated based on the magnitude of financial impact across the current period, and short-, medium-, and long-term horizons. For the companies included in the assessment, climate risks were classified in line with the Task Force on Climate-related Financial Disclosures (TCFD) framework and further analyzed under relevant subcategories. Each risk was assessed in terms of probability and financial impact, with detailed analyses conducted based on criteria such as the affected stage of the value chain and geographical location.

As a result of financial impact analyses conducted to identify climate-related physical and transition risks, Alarko Holding has determined that total assets play a primary role in shaping the company's main strategy and decision-making processes. Accordingly, risks with a potential financial impact equal to or greater than 2% of total assets, which is defined as the financial materiality threshold, are included in this report.

The time horizons have been aligned with Alarko Holding's financial reporting periods and maintained as short-term (0–1 year), medium-term (1–3 years), and long-term (3–10 years). During the evaluation of relevant risks, meetings were held with participants from various areas of expertise across business lines, and final assessments were approved by the Group CEO, who is also a member of the Board of Directors, along with relevant members of the Sustainability Committee.

It has been determined that Cenal Elektrik Üretim A.Ş. is the company with the highest impact in terms of total assets in Alarko Holding's financial statements. Therefore, as a result of the materiality assessment, Cenal Elektrik Üretim A.Ş. has been selected as the focal company for climate-related risks included in this report. This risk is presented under the heading 3.1 Climate-Related Physical and Transition Risks, specifically as 3.1.1 Carbon Pricing Mechanism Risk.

To support the development of future strategies and the implementation of appropriate preventive or proactive actions, short-, medium-, and long-term scenario evaluations have been conducted. The impact and probability dimensions of the risk addressed in this report are shared based on long-term assessments.

Considering the practices of the sector in which Cenal operates, the facility manages its energy production processes with high efficiency and minimal environmental impact, thanks to its state-of-the-art design. By systematically monitoring, reporting, and effectively managing its environmental impacts, the facility maintains its leading position in the industry.

Climate-Related Physical and Transition Risks

Carbon Pricing Mechanism Risks

In the context of combating climate change, it is anticipated that carbon pricing mechanisms planned for implementation at national and international levels—such as carbon taxes and emissions trading systems—may lead to increased operational costs in the energy production sector over the long term. Although the legal framework for carbon pricing in Türkiye has not yet been finalized, it is expected that carbon allocations will be priced in TL/ton under the Emissions Trading System (ETS) planned to be established via Energy Exchange Istanbul (EXIST) or Enerji Piyasaları İşletme A.Ş. (EPİAŞ) by its Turkish name.

Within this scope, the potential impacts on Cenal Thermal Power Plant, which operates under Alarko Holding, have been evaluated.

With the implementation of carbon pricing and the ETS, the impact on the facility is expected to remain significantly limited due to its technological advantages, investments made during the installation phase to reduce environmental impacts, low-emission equipment, ongoing periodic maintenance and improvements, and the commissioning of solar power investments.

Additionally, in line with EPİAŞ policies, it is anticipated that carbon costs will be reflected in electricity sales prices, which carries the potential to indirectly alleviate direct cost pressures.

Due to current uncertainties regarding the effective date and pricing structure of the ETS, the financial impact of this risk cannot be quantified for the current reporting period. However, the transition to carbon pricing is expected to occur gradually. In this process, the Company continues to monitor sources related to current emission costs, strengthen its reporting infrastructure, and prepare to minimize uncertainties. Nonetheless, the absence of an official announcement regarding the per-ton carbon price increases measurement uncertainties in the short term.

Scenario Analysis

The framework for the carbon pricing mechanism to be developed under Türkiye's Climate Law has not yet been finalized. Uncertainties regarding allocation methods, carbon pricing, and sectoral obligations make it difficult to provide a clear projection.

To assess the potential impacts of climate-related legal and regulatory risks that Alarko Holding may be exposed to, international scenario-based analysis studies have been reviewed.

Considering the scenarios of the International Energy Agency (IEA), regulations related to carbon pricing mechanisms pose a significant transition risk for companies with high emission intensity, such as thermal power plant operators. The IEA's *World Energy Outlook 2024* report indicates that coal-based energy production has been in global decline since 2008, and this trend is expected to continue under various scenarios outlined in the 2050 Global Energy Mix projections.

According to the IEA's *Stated Policies Scenario (STEPS)*, which assumes current policy settings, coal-based energy production is expected to continue until 2030. However, starting from 2030, the demand for coal-based energy is projected to decrease as the share of clean energy in the global energy mix increases.

According to the International Energy Agency's (IEA) other transition scenarios—Announced Pledges Scenario (APS) and Net Zero Emissions by 2050 Scenario (NZE)—clean energy sources are projected to constitute the majority of the global energy mix by 2050. In these scenarios, the use of all fossil fuels, particularly coal, is expected to decline significantly.

The IEA's *Stated Policies Scenario (STEPS)* includes an analysis of current and planned carbon pricing initiatives across countries and regions (such as the European Union). STEPS anticipates a gradual increase in market-based carbon pricing mechanisms and projects that, by 2050, the carbon emission price under the EU Emissions Trading System for electricity generation activities will rise to approximately 160 USD per ton.

Under the *Announced Pledges Scenario (APS)*, which reflects net zero emission targets, higher carbon pricing is expected, with projections reaching around 200 USD per ton by 2050. In the *Net Zero Emissions by 2050 Scenario (NZE)*, the carbon price is anticipated to climb to approximately 250 USD per ton by 2050.

Cost projection scenarios related to carbon pricing remain uncertain. Türkiye, as evaluated among OECD countries, is categorized by the IEA under "Advanced Economies" with Net Zero Emission Targets.

Equipped with ultra-supercritical technology, Cenal's power plant enables more efficient fuel use and maximum energy production efficiency through its ability to operate at high steam pressure and temperature. The equipment used at the facility effectively captures fly ash and sulfur compounds in flue gas, significantly reducing emissions. Additionally, advanced combustion techniques are employed to reduce nitrogen oxide (NO_2) emissions. With minimal ammonia consumption, nitrogen oxide compounds in the flue gas are neutralized, resulting in emissions well below legal limits.

Cenal, recognized as one of the most efficient coal-fired power plants in Türkiye, has not only focused on emission control but has also initiated renewable energy investments (solar power plants) to offset carbon costs and ensure regulatory compliance. Currently, the company offsets a portion of its carbon emissions through a 50.3 MW installed capacity solar power plant located in Türkiye's Central Anatolia Region, along with a planned Hybrid Solar Power Project under the Auxiliary Resource Regulation.

To limit carbon emissions, the Company has implemented AI-supported applications that continuously monitor and improve unit efficiency. It has completed investments that enhance operational flexibility and has integrated continuous improvement projects into its daily operations.

Based on conducted analyses, the impacts within the scope of this risk are considered to be limited. Cenal treats this issue as a strategic priority and, in its long-term decision-making processes, prioritizes investments in digital technologies that enhance energy efficiency, equipment that supports flexible operations, and renewable energy projects to reduce carbon-related impacts.

Risk Management

ALARKO

Assessment Process for Sustainability and Climate-Related Risks and Opportunities

Alarko Holding considers the integration of sustainability and climate-related risks and opportunities into strategic decision-making processes a corporate priority. In this regard, Holding conducts a comprehensive evaluation process that considers environmental impacts and evolving regulations. This process analyzes both physical and transition risks by considering the dynamics of the sectors in which Group Companies operate, regional vulnerabilities, and global climate scenarios, identifying factors that may affect long-term value creation.

These comprehensive analyses enable systematic identification, prioritization, and management of risks and opportunities, while also laying the groundwork for the development of action plans aligned with the Holding's sustainability strategies.

Risk Appetite and Tolerance

Alarko Holding considers climate-related risks and opportunities financially material if their impact exceeds 2% of total assets.

Within the scope of TSRS, a probability-impact methodology has been applied specifically to climate-related risks. Accordingly, the likelihood and impact levels of these risks have been presented as shown alongside.

The time horizons for sustainability and climate-related risks have been determined in alignment with the time horizons disclosed in financial reporting, as illustrated:

Probability

Low	This risk **has not been previously encountered** and is **not anticipated** to occur within a five-year time horizon.
Medium	This risk **has not been previously encountered;** however, it is **anticipated** to occur within a five-year time horizon.
High	This risk **has been previously encountered** and is **anticipated** to occur within a five-year or shorter time horizon.

Financial Impact Level

Negligible	It does not cause significant harm to the organization's operations or objectives. The impact is not noticeable.
Low	The impact is felt in limited areas; however, it does not significantly affect overall performance or objectives.
Medium	The impact leads to noticeable effects in limited areas; however, it does not affect the organization's overall performance.
Signifi-cant	It may significantly affect the organization's strategic objectives and performance outcomes; intervention is required.
High	It creates a severe impact on the organization's financial sustainability.

Short Term	0-1 year
Medium Term	1-3 years
Long Term	3-10 years

Identification and Prioritization of Risks and Opportunities

Alarko Holding adopts a structured and holistic risk management approach to effectively manage strategic, operational, sustainability, and climate-related risks. Within this framework, risks that may affect Holding's strategic objectives are regularly reviewed, and the risk inventory is updated considering current developments. Each identified risk is subjected to a probability-impact analysis and prioritized accordingly.
The Board of Directors of the Holding closely monitors the periodic activities of the Hedging Transactions and Early Detection of Risk Committee and supports the continuous improvement of risk management practices.

Sustainability and climate-related risks and opportunities are addressed as an integral part of this overarching risk management approach.
As a result of analyses conducted for each Group Company, sustainability and climate-focused risks have been identified, and a climate risk inventory covering the entire Group has been established. Currently, climate-related risks and opportunities are assessed based on sector-specific analyses and recent policy developments. The primary data sources used in this process include sectoral reports, industry analyses, and SASB standards under the ISSB framework. Additionally, the identified risks and opportunities are categorized in accordance with the TCFD (Task Force on Climate-related Financial Disclosures) framework. Alarko Holding recognizes that scenario analyses can contribute to strategic decision-making processes in this area and aims to integrate these methods into future risk and opportunity assessment processes.

The list of potential climate risks identified through the analysis has been thoroughly evaluated in meetings held with the relevant Group Companies. The potential impact, likelihood, and financial materiality of each risk were discussed in detail. Risks that may affect 2% or more of Alarko Holding's total assets have been planned for inclusion in this report. Although no risk was identified that is expected to have an impact close to the defined threshold value, one climate-related risk of strategic importance at the Holding level has been addressed in accordance with our Responsible Communication Principles, based on available data and existing uncertainties.

In recent years, Alarko Holding has committed to implementing all new investments through a sustainability lens. Under this new strategy, the Holding continues to grow in the energy segment through renewable energy investments, while expanding its tourism portfolio with environmentally friendly facilities.
In 2023, Alarko Holding made a rapid entry into the agriculture sector, offering products grown in modern, geothermal-powered greenhouses using soilless and residue-free methods to both domestic and international markets. As a fast-growing Group still in the investment phase, it aims to reach a total greenhouse area of 10,000 decares in the long term and become a major global player in the supply of safe and healthy food.

Within the scope of the Sustainability Transformation Project initiated across the Group, climate and sustainability targets are also prioritized in existing business lines. In this context, the Industry and Trade Group conducts R&D activities focused on energy and resource efficiency and has started to include renewable energy system products in its portfolio. Sales opportunities arising from rising temperatures due to climate change, particularly in the air conditioning segment of the Industry and Trade Group, are also being closely monitored.

In future reporting periods, information on measurable opportunities that become more evident in these business areas will be shared.

Determination and Implementation of Control Activities

To effectively manage potential risks arising from climate-related factors, particularly the Emissions Trading System (ETS) and carbon pricing mechanisms, Alarko Holding is working to establish an internal assessment infrastructure that includes regulatory monitoring and scenario analyses. To control these risks, carbon emission reporting is conducted regularly and individually across all companies within Alarko Group, with Alarko Holding leading the process.

In particular, the Cenal Thermal Power Plant prevents high emission levels through its advanced technological design, minimizing environmental impacts. The ESP (Electrostatic Precipitator) and SWFGD (Seawater Flue Gas Desulfurization) systems used at the facility effectively capture fly ash and sulfur compounds in flue gases, significantly reducing emissions. While the ESP system captures fly ash through electrostatic methods, the FGD system removes sulfur oxides from flue gases, ensuring the release of clean gas into the environment.

The power plant is equipped with ultra-supercritical technology, enabling operation at high steam pressure and temperature, which allows for more efficient fuel use and maximum energy production efficiency. Advanced combustion techniques are employed to reduce nitrogen oxide (NOx) emissions, and the facility is capable of operating below legal emission limits through the use of a Selective Catalytic Reduction (SCR) DeNOx system. This system neutralizes nitrogen oxide compounds in the flue gas with minimal ammonia consumption.

Cenal, recognized as one of the most efficient coal-fired power plants in Türkiye, has not only focused on emission control but has also commissioned renewable energy investments (solar power plants) to offset carbon costs and ensure regulatory compliance.

Monitoring and Reporting Risks

Alarko Holding regularly monitors and reports its risks and opportunities in line with corporate strategy. As part of this process, risks and opportunities are evaluated annually during the Alarko Leaders' Summit, with the participation of senior management from all Group Companies and the Board of Directors. During the Alarko Collective Impact Day, which brings together companies with sustainability targets, sustainability performance presentations are delivered in alignment with the defined goals. With the active involvement of senior executives serving in the Corporate Communications and Sustainability Directorate and the Sustainability Committee, risks in relevant areas are assessed considering strategic priorities, management actions are determined, and contributions are made to continuous improvement efforts.

Metrics and Targets

ALARKO

Climate-Related Metrics

Greenhouse Gas Emissions Metrics

Alarko Holding's greenhouse gas emissions for the year 2024 have been calculated in full alignment with TSRS 2 and the Greenhouse Gas Protocol Corporate Standard (GHG Protocol). The capital share approach has been adopted as the basis for compiling the emissions inventory.

Emissions (ton CO_2e)	**2024**
Scope 1	3,569,935.77
Scope 2 – Location Based	7,627.56
Total Emissions (Scope1-Scope2)	3,577,563.33

Companies Included in Consolidation and Emission Data

Company	**Total Emissions (Scope 1+2) *(ton CO_2 equivalent)***
Alarko Holding	207.49
Alarko Agriculture Group	4,623.28
Alarko Tourism Group	3,548.05
Cenal Elektrik Üretim A.Ş.	3,557,966.11
Altek Alarko Elektrik Sant. Tes. İşl. ve Tic. A.Ş	719.39
Meram Elektrik Dağıtım A.Ş.	1,624.46
Meram Elektrik Perakende Satış A.Ş.	186.10
Alarko Land Development Group	492.92
Alarko Contracting Group	2,143.91
Alarko Industry and Trade Group	6,027.35
Alarko Dijital Teknoloji Dijital A.Ş.	24.28

Cross-Industry Metrics

Metric	Explanation
Climate-Related Transition Risks — Amount and Percentage of Assets or Business Activities Vulnerable to Climate-Related Transition Risks	Climate-related transition risk is disclosed under Section 3.1.1 Carbon Pricing Mechanism Risk and the “Potential Financial Impact” subsections.
Climate-related Physical Risks — Amount and Percentage of Assets or Business Activities Vulnerable to Climate-related Physical Risks	No physical risks were reported during the reporting year within the scope of climate-related risks assessed by the company.
Climate-related Opportunities — Amount and Percentage of Assets or Business Activities Aligned with Climate-related Opportunities	No opportunities were reported during the reporting year within the scope of climate-related risks assessed by the company.
Capital Allocation — Amount of Capital Expenditure, Financing, or Investment Allocated to Climate-related Risks and Opportunities	Capital expenditures allocated to climate-related risks are disclosed under Risk 3.1.1 Carbon Pricing Mechanisms and “Potential Financial Impact.” No climate-related opportunities are disclosed in the relevant report.

Metric	Explanation
Internal Carbon Pricing: • The company does not currently apply an internal carbon price in its decision-making processes (e.g., investment decisions, transfer pricing, or scenario analysis). • No specific carbon price per metric ton of greenhouse gas emissions is used to value the cost of emissions.	There is currently no officially declared carbon pricing mechanism in Türkiye. Therefore, this information cannot be disclosed.
Remuneration: • Climate-related matters are not currently included in executive remuneration policies or practices. • The percentage of executive remuneration recognized in the financial statements for the current period in connection with climate-related matters is not disclosed.	A disclosure regarding the impact of sustainability on the remuneration policy is provided under Section 2.1.4 “Impact of Sustainability on the Remuneration Policy.”

Industry-Based Indicators

Alarko Holding reports the sustainability metrics specified in the sectoral guide defined under TSRS 2 – 32 Electricity Utilities and Power Generators Volume, in alignment with the sectoral structure described for Cenal. However, due to the specific characteristics of its operational field, certain metrics are not directly applicable. Therefore, no disclosures have been provided for these metrics in the 2024 reporting period. TSRS 2 – 32 Electricity Utilities and Power Generators Volume has been shared with the following definition:

The electricity utilities and power generators sector include companies that generate electricity; construct, own, and operate transmission and distribution (T&D) lines; and sell electricity. Companies in this sector typically generate electricity from a variety of sources, including coal, natural gas, nuclear energy, hydroelectric, solar, wind, and other renewable and fossil fuel-based energy sources. The sector comprises companies operating in both regulated and unregulated business structures.

This definition aligns with the activities of Cenal Elektrik Üretim A.Ş. The operational control of the climate-related risk disclosed in the report is also monitored and reported through the relevant metrics included in Volume 32.

Activity Metrics

Metric Code*	Activity Metrics	Unit	Explanation
IF-EU-000.B	Total Electricity Delivered to Wholesale Customers Served	Megawatt-hours (MWh)	3,498,884
IF-EU-000.D	Total Electricity Generated	Megawatt-hours (MWh)	9,660,523
IF-EU-000.D	Percentage of Total Electricity Generated by Primary Energy Source	Percentage (%)	100% Thermal Power Plant
IF-EU-000.D	Percentage of Total Electricity Generated in Regulated Markets	Percentage (%)	2.82%

Sustainability and Climate-Related Targets

Alarko Holding determines its climate-related targets by evaluating globally recognized frameworks and sector standards. In its target-setting approach, key factors such as current operational data, risk analyses, and strategic priorities are taken into consideration. Alarko Holding continues its activities in line with its commitment to achieve Net Zero Emissions by 2050 as part of its journey to combat climate change. This commitment has been shared with Alarko Group of Companies, and based on the year 2024, a comprehensive roadmap for reducing greenhouse gas emissions across the Group is planned to be developed.

The Holding and Group Companies conduct their emission management processes in compliance with TSRS requirements and international standards. As of 2024, Alarko Holding has adopted an auditable and transparent emission data management approach and discloses Scope 1 and Scope 2 emissions in this report.

Subject to TSRS-compliant sustainability reporting, Alarko Holding has carried out all necessary infrastructure work during the two-year exemption period and has initiated Scope 3 calculation efforts to provide disclosures in priority categories aligned with its areas of activity in future reporting periods.

Alarko Group of Companies operates in the energy sector through generation, distribution, and sales activities. Its energy production mix includes thermal, hydroelectric, and solar power. In this context, the increasing prevalence of carbon pricing mechanisms—particularly the European Union's Carbon Border Adjustment Mechanism (CBAM)—and the establishment of an Emissions Trading System in Türkiye are expected to lead to regulation-driven cost increases and changes in market dynamics for carbon-intensive operations.

In line with its growth strategy through renewable energy investments in the energy sector, Alarko Holding continues to develop new projects in addition to its existing investments. Target-setting efforts are ongoing to reduce carbon intensity within its generation portfolio.

In its non-energy business areas, Alarko Holding implements all new investments from a sustainability perspective, aiming to build a more balanced, low-carbon, and long-term resilient portfolio structure.

Altek, operating within the energy group, manages energy generation facilities based on renewable energy sources and continues to develop new projects in this field. In addition, Cenal has investments in solar power plants. Through these efforts, it is aimed to partially offset thermal power plant emissions in the long term.

In line with these targets, the reduction of greenhouse gas emissions, the increase of clean energy and sustainability investments, and the systematic monitoring of Scope 1, 2, and 3 emissions are among the core priorities. Alarko Holding continues its infrastructure efforts in close collaboration with all Group Companies to support its net zero emission target with concrete actions and is decisively planning a transformation process aligned with the 2050 Net Zero Emission targets.

Performance Indicator	Base Year	Interim Target	2050
Scope 1-2 Total Greenhouse Emissions	2024	Target-oriented efforts are ongoing, and it is planned to disclose the progress in upcoming reporting periods.	Net Zero

Appendixes

ALARKO

Reporting Guide for Greenhouse Gas Emissions

The information included in this reporting guide covers the fiscal year ending on December 31, 2024, and pertains to the relevant operations within the offices and facilities under the responsibility of Alarko Holding and its subsidiaries, as detailed in the **“Reporting Boundaries and Measurement Approach”** section.

Subsidiaries:

- Alarko Holding
- Alarko Agriculture Group
- Alarko Tourism Group
- Cenal Elektrik Üretim A.Ş.
- Altek Alarko Elektrik Sant. Tes. İşl. ve Tic. A.Ş
- Meram Elektrik Dağıtım A.Ş.
- Meram Elektrik Perakende Satış A.Ş.
- Alarko Land Development Group
- Alarko Contracting Group
- Alarko Industry and Trade Group
- Alarko Dijital Teknoloji Dijital A.Ş.

Scope 1 Emissions (tCO_2e)

During the reporting period, the direct greenhouse gas emissions expressed in metric tons of carbon dioxide equivalent (tCO_2e) stem from stationary combustion sources at the specified locations of Alarko Holding and its subsidiaries. These include natural gas consumption, diesel and gasoline used in generators, fuel consumption of leased and company-owned vehicles tracked via invoices, and refrigerant gas refills for fire extinguishers and cooling devices monitored through service forms provided by the maintenance company. The company calculates its greenhouse gas emissions in accordance with the “Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004).”

Scope 1 calculation methodology: Emission Amount (tCO_2e) = Activity Data (liters–m^3–tons) × Emission Factor (CO_2–CH_4–N_2O) (Kg/TJ).

Scope 2 Emissions (tCO_2e)

During the reporting period, the indirect greenhouse gas emissions expressed in metric tons of carbon dioxide equivalent (tCO_2e) are derived from electricity consumption tracked via invoices at the specified locations of Alarko Holding and its subsidiaries. The company calculates its greenhouse gas emissions in accordance with the “Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004).”

Scope 2 calculation methodology: Scope 2 Location-Based Emissions (tCO_2e) = Annual Purchased Electricity Consumption (kWh) × Electricity Emission Factor (tCO_2e/kWh)

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
(Constant) Fuel	Natural Gas	1	m^3	0.00003454	TJ/m^3	-	-	-	0.00003454	1	27.9	273	56,100	1	0.1	1.937694	0.000963666	0.000942942	1.940	$kgCO_2e/m^3$	0.001940	tCO_2e/m^3
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory						IPCC Table 7.SM7			IPCC Table 2.2 & Table 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
(Constant) Fuel – Countries Outside of Türkiye	Natural Gas	1	m^3	48	TJ/Gg	0.62	kg/m^3	0.000001	0.0000298	1	27.9	273	56,100	1	0.1	1.669536	0.00083	0.000812	1.671	$kgCO_2e/m^3$	0.001671	tCO_2e/m^3
References				IPCC Table 1.2		Socal Gas				IPCC Table 7.SM7			IPCC Table 2.2 & Table 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
(Constant) Fuel	Imported Hard Coal	1	kg	25.80	TJ/Gg	-	-	0.000001	0.0000258	1	27.9	273	94,600	1	1.5	2.44068	0.00071982	0.0105651	2.452	$kgCO_2e/kg$	0.002452	tCO_2e/kg
References				IPCC Table 1.3						IPCC Table 7.SM7			IPCC Volume.2 Section.2 Table 2.2									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
(Constant) Fuel	LNG	1	kg	44.2	TJ/Gg	-	-	0.000001	0.0000442	1	27.9	273	64,200	3	0.6	2.83764	0.0037	0.00724	2.849	$kgCO_2e/kg$	0.002849	tCO_2e/kg
References				IPCC Table 1.2						IPCC Table 7.SM7			IPCC Volume.2 Section.2 Table 2.2 & 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
(Constant) Fuel	LPG	1	kg	47.31	TJ/kton	-	-	0.000001	0.00004731	1	27.9	273	63,100	1	0.1	2.985261	0.00132	0.001292	2.988	$kgCO_2e/kg$	0.002988	tCO_2e/kg
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory						IPCC Table 7.SM7			IPCC Table 2.2 & Table 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
(Constant) Fuel	Wood	1	kg	12.56	TJ/kton	-	-	0.000001	0.00001256	1	27.9	273	112,000	30	4	1.40672	0.010513	0.013716	1.431	$kgCO_2e/kg$	0.001431	tCO_2e/kg
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory						IPCC Table 7.SM7			IPCC Table 2.2 & Table 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	*Activity Source*	*Activity Data*	Unit	Lower Heating Value	Unit	Density	Unit	Conversion Factor	TJ/unit	CO_2 ($kgCO_2e/kgCO_2$)	CH_4 ($kgCO_2e/kgCH_4$)	N_2O ($kgCO_2e/kgN_2O$)	CO_2 ($kgCO_2/TJ$)	CH_4 ($kgCH_4/TJ$)	N_2O (kgN_2O/TJ)	CO_2	CH_4	N_2O	Total EF	Unit	Total EF	Unit
(Constant) Fuel	Charcoal	1	kg	29.5	TJ/Gg	-	-	0.000001	0.000029500	1	27.9	273	112,000	200	4	3.304	0.16461	0.032214	3.501	$kgCO_2e/kg$	0.003501	tCO_2e/kg
References				IPCC Table 1.2						IPCC Table 7.SM7			IPCC Table 2.2 & Table 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	Activity Source	Activity Data	Unit	Lower Heating Value	Unit	Density	Unit	Conversion Factor	TJ/unit	CO_2 ($kgCO_2e/kgCO_2$)	CH_4 ($kgCO_2e/kgCH_4$)	N_2O ($kgCO_2e/kgN_2O$)	CO_2 ($kgCO_2/TJ$)	CH_4 ($kgCH_4/TJ$)	N_2O (kgN_2O/TJ)	CO_2	CH_4	N_2O	Total EF	Unit	Total EF	Unit
(Constant) Fuel	Diezel	1	L	43.33	TJ/kton	0.845	kg/lt	0.000001	0.000036614	1	27.9	273	74,100	3	0.6	2.713086285	0.0030645792	0.0059973486	2.722	$kgCO_2e/L$	0.002722	tCO_2e/L
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory		Luk Oil				GHG Protocol Table 7.SM7			IPCC Table 2.2 & Table 2.3									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	Activity Source	Activity Data	Unit	Lower Heating Value	Unit	Density	Unit	Conversion Factor	TJ/unit	CO_2 ($kgCO_2e/kgCO_2$)	CH_4 ($kgCO_2e/kgCH_4$)	N_2O ($kgCO_2e/kgN_2O$)	CO_2 ($kgCO_2/TJ$)	CH_4 ($kgCH_4/TJ$)	N_2O (kgN_2O/TJ)	CO_2	CH_4	N_2O	Total EF	Unit	Total EF	Unit
Hareketli Yakma-Ulaşım Amaçlı	Benzin	1	L	44.8	TJ/kton	0.775	kg/lt	0.000001	0.000034720	1	27.9	273	69,300	25	8	2.406096	0.0242172	0.07582848	2.506	$kgCO_2e/L$	0.002506	tCO_2e/L
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory		Luk Oil				IPCC Table 7.SM7			IPCC Tablo 3.2.1 & Tablo 3.2.2 (Oxidation Catalyst)									

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
Mobile Combustion – For Transportation Purposes	Diezel	1	L	43.33	TJ/kton	0.845	kg/lt	0.000001	0.000036614	1	27.9	273	74,100	3.9	3.9	2.713086285	0.003983953	0.0389827661	2.756	$kgCO_2e/L$	0.002756	tCO_2e/L
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory		Luk Oil				IPCC Table 7.SM7			IPCC Table 3.2.1 & Table 3.2.2 (Diesel Oil)									

Activity Type	**Activity Source**	**Activity Data**	**Unit**	**AdBlue Rate**	**Purity**	**Unit**	**Density**	**Unit**	**Conversion ($kg\ CO_2/kg$ Adblue)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
Company Vehicles for Transportation Purposes	AdBlue Fuel Additive	1	L		0.325		1.090	kg/lt	0.733	0.25978			0.25978	$kgCO_2e/L$	0.000260	tCO_2e/L
References																

										Global Warming Potential			Default Emission Factors			Emissions Factor						
Activity Type	**Activity Source**	**Activity Data**	**Unit**	**Lower Heating Value**	**Unit**	**Density**	**Unit**	**Conversion Factor**	**TJ/unit**	**CO_2 ($kgCO_2e/kgCO_2$)**	**CH_4 ($kgCO_2e/kgCH_4$)**	**N_2O ($kgCO_2e/kgN_2O$)**	**CO_2 ($kgCO_2/TJ$)**	**CH_4 ($kgCH_4/TJ$)**	**N_2O (kgN_2O/TJ)**	**CO_2**	**CH_4**	**N_2O**	**Total EF**	**Unit**	**Total EF**	**Unit**
Operational Tools	Diezel	1	L	43.33	TJ/kton	0.845	kg/lt	0.000001	0.000036614	1	27.9	273	74,100	4.15	28.6	2.713086285	0.0042393346	0.285873618	3.00	$kgCO_2e/L$	0.00300	tCO_2e/L
References				Ministry of Energy and Natural Resources – Türkiye Greenhouse Gas Inventory		Luk Oil				IPCC Table 7.SM7			IPCC Table 3.3.1 (Diesel: Industry)									

Activity Type	Activity Source	Gas Component	Unit	Total EF	Unit	Total EF	Unit	Source
Refrigerant Gases	R410A	HFC-32/HFC-125	kg	2,256	$kgCO_2e/kg$	2.2555	tCO_2e/kg	IPCC AR6
Refrigerant Gases	R134A		kg	1,530	$kgCO_2e/kg$	1.53	tCO_2e/kg	IPCC AR6
Refrigerant Gases	R32	HFC-32:100%	kg	771	$kgCO_2e/kg$	0.771	tCO_2e/kg	IPCC AR6
Refrigerant Gases	R1234yf		kg	4	$kgCO_2e/kg$	0.004	tCO_2e/kg	IPCC AR6
Refrigerant Gases	R417A	R-125 (%46.6) R-134a (%50.0) R-600 (%3.4) (isobutene)	kg	2,508	$kgCO_2e/kg$	2.508	tCO_2e/kg	IPCC AR6
								Tables of greenhouse gas lifetimes. radiative efficiencies and metrics

Activity Type	Activity Source	Gases Components	Unit	Total EF	Unit	Total EF	Unit
Fire suppression gases	CO_2	CO_2	kg	1	$kgCO_2e/kg$	0.001	tCO_2e/kg
Fire suppression gases	FM200	HFC227ea	kg	3,600	$kgCO_2e/kg$	3.6	tCO_2e/kg
Fire suppression gases	Halon 1201	Halon 1201	kg	380	$kgCO_2e/kg$	0.38	tCO_2e/kg
Fire suppression gases	Novec 1230	Novec 1230	kg	0.556	$kgCO_2e/kg$	0.000556	tCO_2e/kg
References				IPCC AR6: Table 7.SM.7			

Activity Type	Activity Source	Gases Components	Unit	Total EF	Unit	Total EF	Unit
Transformer gases	SF6	SF6	kg	25,200	$kgCO_2e/kg$	25.2	tCO_2e/kg
References				IPCC AR6: Table 7.SM.7			

Activity Type	Unit	Total EF	Unit	Total EF	Unit
Elektric	kWh	0.442	$kgCO_2e/kWh$	0.000442	tCO_2e/kWh
GES	kWh	0.000	$kgCO_2e/kWh$	0	tCO_2e/kWh
References	Türkiye Electricity Generation and Consumption Location Emission Factors – Information Form				

Activity Type	Type of fertilizer used	Unit (Kg)	N_2O-N Factor	Reference
Fertilizer usage	AGRİFOS	Lt	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MANGANESE	GR	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MANGANESE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	ALEXİN K	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	AMONNUIUM SÜLFATE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	COPPER	GR	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	COPPER	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	Bİ-UREA	-	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	BORAX	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	BORAX	GR	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	ZINK	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	ZINK	GR	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	LIQUID IRON	Lt	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	POWDERED IRON	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	KALSİYUM NİTRAR	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1

Activity Type	Type of fertilizer used	Unit (Kg)	N_2O-N Factor	Reference
Fertilizer usage	CALSIUM NİTRATE	Lt	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MAGNESIUM NİTRATE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MAGNESIUM SULFATE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MKP	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MOLYBDENUM	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MOLYBDENUM	GR	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	MONO AMONIUM SULFATE	-	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	NPK	-	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	PETERS 12-0-43-TE	-	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	PETERS 17-7-27+MgO-TE	-	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	PETERS 20-10-20-TE	-	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	POTASIUM CHLORIDE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	POTASIUM NITRATE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1
Fertilizer usage	POTASIUM SULFATE	Kg	0.01	2019 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 4 (Agriculture. Forestry and Other Land Use). Chapter 11. Table 11.1

Limited Assurance
Report under TSRS

KPMG Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
İş Kuleleri Kule 3 Kat:2-9
Levent 34330 İstanbul
Tel +90 212 316 6000
Fax +90 212 316 6060
www.kpmg.com.tr

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE INFORMATION PRESENTED BY ALARKO HOLDİNG AŞ IN ACCORDANCE WITH THE TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Alarko Holding A.Ş.

We were engaged by Alarko Holding A.Ş. ("the Company") 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 other than the Sustainability Information provided in the website links included in the TSRS Compliant Sustainability Report.

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, as summarized under the heading "Summary of Work Performed as a Basis for the Assurance Conclusion," nothing has come to our attention that causes us to believe that the Company's Sustainability Information for the year ended 31 December 2024 has not been prepared, in all material respects, in accordance with the TSRS.

Emphasis of Matters

In the About the Report 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 information for the previous period has not been presented as comparative information. However, our conclusion is not modified in respect of this matter.

In the About the Report section of the TSRS-Compliant sustainability report, the Company has utilized the exemption from disclosing Scope 3 greenhouse gas emissions, which is valid for the first two years, in accordance with Provisional Article 3 of the Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS) published in the Official Gazette dated 29 December 2023 and numbered 32414. Therefore, as the accompanying TSRS-Compliant sustainability report is the Company's first TSRS-Compliant sustainability report prepared in accordance with the TSRS, Scope 3 greenhouse gas emissions have not been disclosed. 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 Company's management is responsible for the following:

- 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;
- The preparation of the Sustainability Information in accordance with the TSRS;
- Additionally, the Company'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 Company'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 Company 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 Company 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 Company'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 Company'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 Company's supporting documentation.
- The appropriateness of the Company'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 Company.
- 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.

Şirin Soysal, SMMM
Partner

14 August 2025
İstanbul, Türkiye


ALARKO