



Türkiye Sustainability Reporting Standards Compliant Sustainability Report

2025

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About The Report

ABOUT THE REPORT

This report has been prepared in accordance with Turkish Sustainability Reporting Standards (“TSRS”), specifically TSRS 1 and TSRS 2, as published in the Official Gazette dated 29 December 2023 and numbered 32414 (Repeated). In preparing the report, sector-specific disclosure topics published by the Sustainability Accounting Standards Board (“SASB”) have also been taken into consideration to ensure alignment with TSRS requirements.

This report covers Hacı Ömer Sabancı Holding A.Ş. (“Sabancı Holding” or “the Holding”) and its subsidiaries, joint ventures, and associates (collectively, “the Group”). The scope of sustainability-related financial disclosures has been determined in accordance with the reporting entity approach under TSRS 1 and is aligned with the Group’s consolidated financial statements prepared in accordance with the Turkish Financial Reporting Standards (“TFRS”). Accordingly, subsidiaries are included using the full consolidation method, while joint ventures and associates are accounted for using the equity method.

The reporting period covers the 12-month fiscal year from 1 January 2025 to 31 December 2025, and is aligned with the Group’s financial reporting period. The currency used in sustainability-related financial disclosures is consistent with the presentation currency of the consolidated financial statements.

The Group is undertaking its TSRS reporting for the second time and has applied both TSRS 1 and TSRS 2 standards for the 2025 reporting period. The time horizons used in assessing sustainability- and climate-related risks and opportunities are considered within short-, medium-, and long-term perspectives, in alignment with the Group’s strategic planning and decision-making processes.

Through its Board Resolution dated 25 December 2025, the Public Oversight, Accounting and Auditing Standards Authority (“KGK”) extended for one additional year the scope of the reliefs granted to entities preparing sustainability reports in accordance with the TSRS for the first time in the 2024 reporting period, thereby also covering 2025 reports within the relief framework.

Accordingly, the transition reliefs applied by Sabancı Holding in this report for its second reporting year are presented below:

The relief under TSRS 1, paragraph E4, which permits sustainability-related financial disclosures to be reported after the publication of the related financial statements,

The relief under TSRS 1, paragraph E5, which allows an entity to disclose information only on climate-related risks and opportunities and to apply the requirements of TSRS 1 solely within this scope,

The relief under TSRS 1, paragraph E6(a), which exempts entities applying the relief in TSRS 1 paragraph E5 from presenting comparative information for climate-related risks and opportunities. The relief under TSRS 1, paragraph E6(b), which exempts entities from presenting comparative information for sustainability-related risks and opportunities other than climate in the second annual reporting period,

The relief under TSRS 2, paragraph C3, which permits entities not to provide comparative information for the period in which TSRS 2 is first applied,

The transition reliefs under TSRS 2, paragraphs C4(a) and C4(b) regarding the methodology for measuring greenhouse gas emissions and certain disclosures related to Scope 3 emissions,

The provisions under TSRS 2, paragraph C5, which allow the aforementioned reliefs to continue to be applied in subsequent periods with respect to the presentation of comparative information.

In applying these reliefs, the Group has taken due care, in accordance with the general principles set out under the TSRS, to ensure that its disclosures are relevant, provide a faithful representation, and support users’ decision-making processes.

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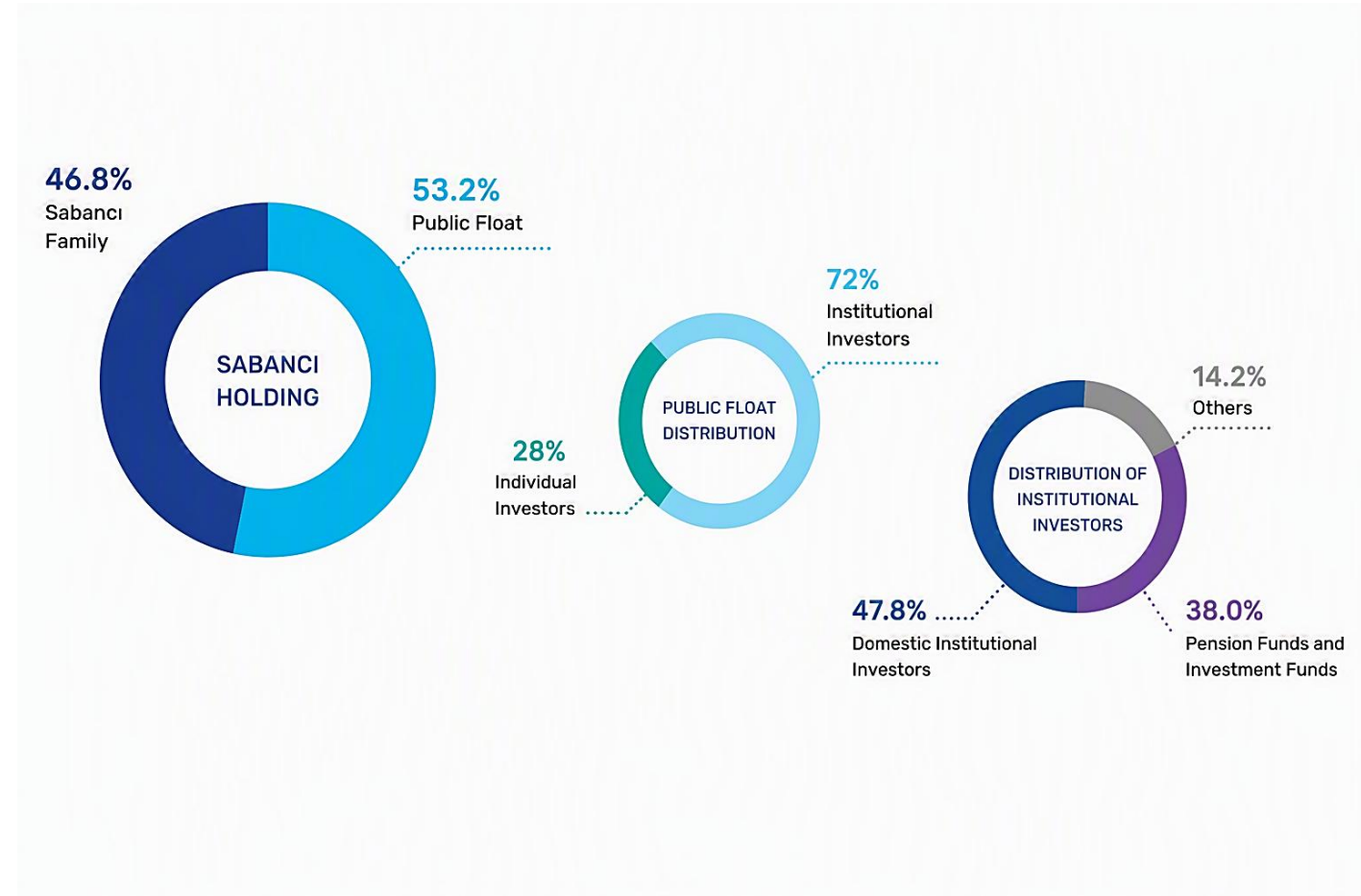
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ABOUT SABANCI HOLDING

Organization and Field of Activity of Sabancı Holding

Hacı Ömer Sabancı Holding A.Ş. is a Türkiye-based, multi-sector investment holding company with roots dating back to 1925. What began as an entrepreneurial venture in the cotton trade has evolved over the past century into a diversified portfolio encompassing financial services, energy, industrial businesses, digital technologies, and consumer-oriented operations. As of 31 December 2025, the Holding operates across various industries through its subsidiaries, joint ventures, and associates. The portfolio structure of the Sabancı Group creates a broad sphere of economic impact derived from both its operating activities and its presence in capital markets.

Sabancı Holding's activities are structured under the business areas of Banking and Financial Services, Energy and Climate Technologies, Material Technologies, Digital Technologies, and Other Businesses. As of year-end 2025, the Group represents a large-scale investment and operating platform, comprising 15 Group companies, 12 publicly listed companies, 6 global strategic partners, operations in 18 countries, and a workforce of more than 63,000 employees. Within Sabancı Holding's shareholder structure, the Sabancı Family holds a 46.8% stake, while the free-float ratio stands at 53.2%.



ABOUT SABANCI HOLDING

Strategic Business Segments and Companies Within Scope

Sabancı Holding's portfolio structure is built on the aggregation of the financial, operational, and strategic contributions of companies operating across diverse industries at the portfolio level. This structure supports the Group in creating a more balanced and resilient value creation profile, reducing dependence on any single sector or line of business and enhancing its ability to withstand economic cycles.

Strategic Business Unit	Companies in Scope	Operational Focus
Banking and Financial Services	Akbank T.A.Ş.; Aksigorta A.Ş.; Agesa Hayat and Emeklilik A.Ş.	Banking, insurance, private pension, and financial services
Energy and Climate Technologies	Enerjisa Enerji A.Ş.; Enerjisa Üretim Santralleri A.Ş.; Sabancı İklim Teknolojileri	Electricity generation and distribution, renewable energy, climate technologies, and low-carbon mobility solutions
Material Technologies	Akçansa Çimento Sanayi and Ticaret A.Ş.; Çimsa Çimento Sanayi and Ticaret A.Ş.; Çimsa Building Solutions B.V.; Kordsa Teknik Tekstil A.Ş.; Brisa Bridgestone Sabancı Lastik Sanayi and Ticaret A.Ş.	Cement, building materials, tire, composite, and advanced material technologies
Digital Technologies	Dx Technology Services and Investment B.V.	Cloud solutions, digital infrastructure, data analytics, artificial intelligence, and technology services
Other	Teknosa İç and Dış Ticaret A.Ş.; Carrefoursa Carrefour Sabancı Ticaret Merkezi A.Ş.; Tursa Sabancı Turizm and Yatırım İşletmeleri A.Ş.; Temsa Skoda Sabancı Ulaşım Araçları A.Ş.	Technology retail, food retail, and consumer-oriented commercial activities

Banking and Financial Services and Energy are the sectors with the highest financial share in Sabancı Holding's portfolio. Material Technologies, Digital Technologies, and Other Businesses further support the Group's diversification across industrial, technology-driven, and consumer-focused markets. This portfolio composition necessitates the assessment of sustainability- and climate-related risks and opportunities across different sectors, geographies, customer groups, supply chains, and capital allocation decisions.

Business Model and Value Chain Context

Sabancı Holding's diversified, multi-sector structure requires consideration of varying operational dynamics across the portfolio when assessing sustainability- and climate-related risks and opportunities. At the Holding level, value creation is primarily driven by portfolio management, capital allocation, strategy development, and performance monitoring activities. At the portfolio company level, value creation is generated through operations in financial services, energy and climate technologies, material technologies, digital technologies, and retail businesses.

ABOUT SABANCI HOLDING

Banking and Financial Services activities create value through financing, customer relationships, insurance, and private pension products, while Energy and Climate Technologies operations shape the Group's climate-related risk and opportunity profile through electricity generation, distribution infrastructure, renewable energy investments, and climate technology solutions. The Group focuses on mobility operations and low-carbon mobility solutions.

Companies operating in the Material Technologies segment have significant impacts across the value chain through their manufacturing processes, raw material and energy consumption, product portfolios, and international customer relationships. The Digital Technologies segment contributes to the Group's operational efficiency, service continuity, and digital transformation capabilities through cloud solutions, digital infrastructure, data analytics, and artificial intelligence applications. Retail and consumer-focused businesses within Other Businesses play a distinct role in the Group's value creation model through direct customer access, supply chain management, and service continuity.

This value chain approach supports the preparation of Sabancı Holding's sustainability- and climate-related financial disclosures in a manner that considers not only the environmental and social performance of a single business activity, but also the risks and opportunities that may affect the value creation capacity of the entire portfolio—spanning financial services, energy and climate technologies, industrial operations, and digital technologies—over the short, medium, and long term.

Within the scope of the TSRS, this approach provides the foundation for understanding the interconnections between the Group's business model, value chain, financial performance, and capital allocation decisions. The Group's value chain can be summarized as follows within the context of upstream activities, its own operations, and downstream relationships:

The Value Chain of the Group

Business Unit	Upstream	Own Operations	Downstream
Sabancı Holding	Access to financial resources, consulting, audit, legal services, market data, technology infrastructure, and other corporate support services	Portfolio management, capital allocation, strategy and business planning, performance monitoring, investor relations, risk management, human resources processes, sustainability management, and intra-group compliance processes	Strategic guidance to portfolio companies, implementation of group decisions, shareholder returns, corporate reputation, and stakeholder relations
Banking	Deposit funding sources, money markets, interbank funding, technology infrastructure, payment systems, and regulatory information sources	Deposits, lending, payment transactions, card services, digital banking services, credit limit allocation, risk management, and banking operations	Provision of banking products and services to retail, commercial, SME, and corporate customers
Financial Services	Actuarial services, reinsurance, product advisory, risk modeling, financial data, and sales channel support services	Design and pricing of insurance and pension products, management of policy and contract processes	Claims management, payment and benefit processes, and delivery of insurance and pension services to customers
Energy and Climate Technologies	Grid equipment, transformers, cables, meters, solar panels, turbines, inverters, EPC contractors, maintenance providers, and technology suppliers	Electricity generation, distribution, and retail sales; renewable energy investments; energy efficiency; e-mobility; and climate technologies investment activities.	Provision of electricity and energy solutions to market participants, households, commercial and industrial customers; grid connection and energy services
Material Technologies	Raw materials, clinker, mineral additives, rubber, cord chemicals, resins, binders, and mechanical and electronic components	Production of cement, building materials, tire reinforcement materials, composites, and advanced materials; operation of production lines and resource management	Provision of value-added material solutions to construction, automotive, mobility, aerospace, and industrial customers
Digital Technologies	Hardware, software, cloud services, data centers, network connectivity, cybersecurity, and technology suppliers	Cloud services, data center services, managed technology solutions, digital infrastructure, data analytics, and artificial intelligence applications	Integration of digital solutions for corporate customers, technical support, service continuity, and maintenance processes
Other Activities	Retail product sourcing, store equipment, payment infrastructure, logistics, packaging, labeling, and inventory management solutions	Technology and food retailing, store operations, product sales, e-commerce, logistics, and customer services	Provision of retail products to end users, dealer networks, distributors, and e-commerce customers, as well as the delivery of after-sales support services

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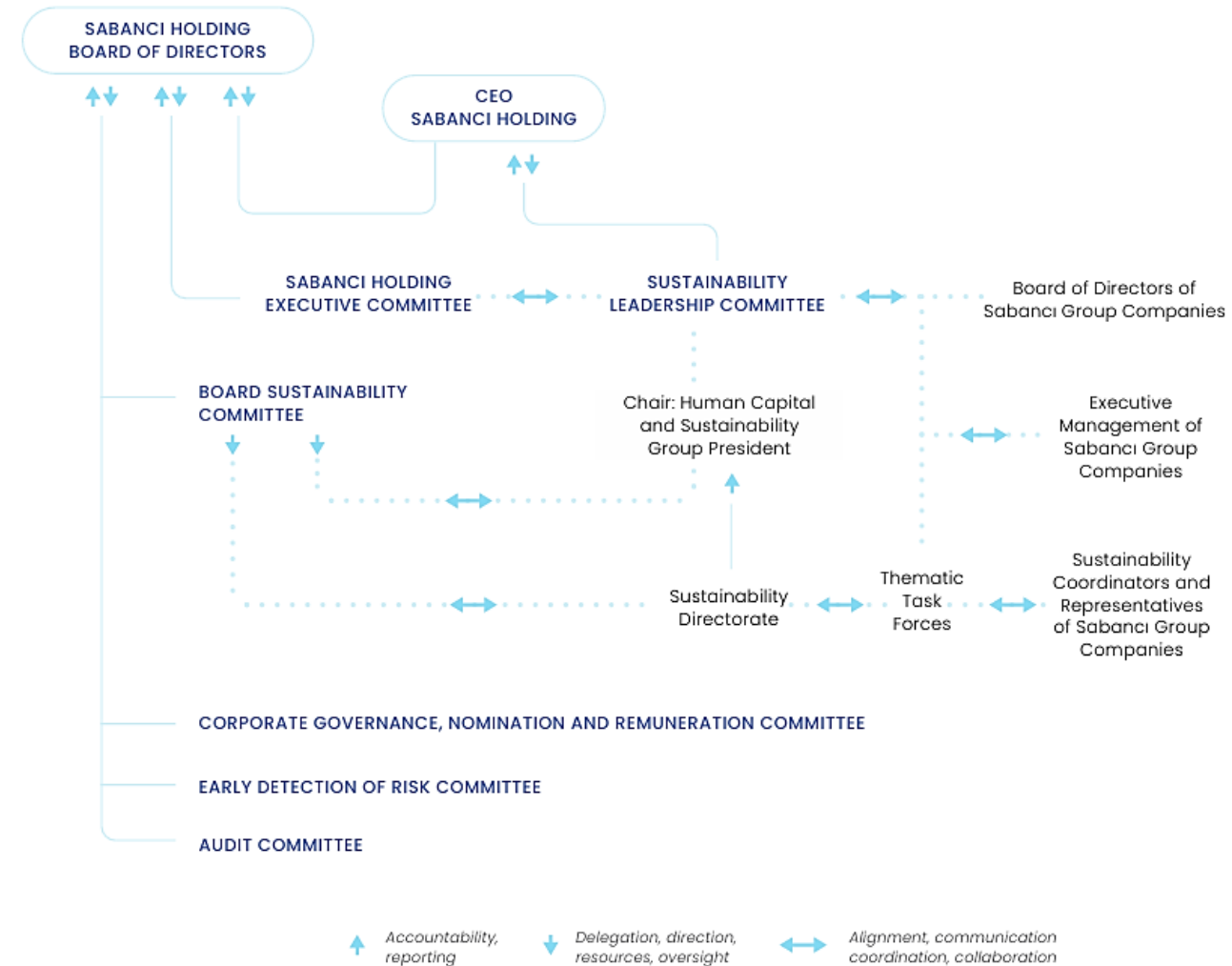
SUSTAINABILITY GOVERNANCE

Acting in line with its purpose of “to unite Türkiye and the World for a sustainable life with leading enterprises,” Sabancı Holding positions sustainability as one of the fundamental pillars of its long-term value creation approach and corporate strategy. By integrating Environmental, Social, and Governance (“ESG”) considerations into its strategic decision-making processes, the Holding aims to create sustainable value for its stakeholders.

As the Holding’s highest decision-making body, the Board of Directors addresses sustainability in an integrated manner alongside the Company’s strategic priorities. Through its relevant committees, the Board regularly oversees the implementation of the sustainability strategy, monitors performance, and evaluates progress. The Board also ensures that sustainability-related risks and opportunities are incorporated into the corporate risk management framework, while overseeing that decisions in these areas contribute to the Group’s long-term financial resilience.

Sabancı Holding analyzes sustainability-related risks and opportunities through a multidimensional approach across various functions and integrates these considerations into investment decisions and due diligence processes for mergers and acquisitions in line with the Group’s capital allocation framework. Processes for the identification, assessment, and reporting of sustainability-related risks and opportunities are carried out in an integrated manner with the Holding’s enterprise risk management approach. In this context, the Risk Directorate conducts an annual, comprehensive assessment of existing and emerging sustainability risks through workshops held across the Group with the participation of sustainability teams from relevant companies, and incorporates material issues into the corporate risk universe where necessary.

Climate-related physical and transition risks are reviewed regularly within the framework of the Risk Management Procedure. Their significance, threshold levels, and time horizons (short-, medium-, and long-term) are defined in a manner consistent with the enterprise risk management framework. These assessments are conducted in consideration of the materiality requirements under the TSRS, ensuring alignment with financial statement audit processes.



SUSTAINABILITY GOVERNANCE

Potential risks and opportunities are identified through assessments supported by scenario-based comparisons, benchmarking studies, and both qualitative and quantitative analyses. These analyses also include the evaluation of the potential impacts of investments in new technologies or production facilities, as well as the sustainability dimensions associated with such investments.

Throughout this process, the Sustainability Directorate provides subject-matter methodological expertise to ensure that analyses are aligned with sustainability considerations and that risk assessments are conducted consistently. Working in close collaboration with the Risk Directorate, these efforts encompass the consolidation of risk and opportunity data across the Group, the preparation of scenario analyses, the definition of materiality thresholds, and the development of relevant management disclosures.

The findings generated through these processes are presented to the Sustainability Leadership Committee, which includes members of the Holding Executive Committee. Matters of strategic significance are jointly evaluated through the coordination mechanism established between the Board Sustainability Committee and the Early Detection of Risk Committee ("EDRC"). This governance structure ensures that sustainability-related risks and opportunities are addressed holistically at the Holding level and are systematically integrated into strategic decision-making processes.

Committee Structure at Sabancı Holding

Early Detection of Risk Committee (EDRC)

The Early Detection of Risk Committee (EDRC) regularly reviews Sabancı Holding's exposure to strategic, operational, financial, and compliance risks that may affect the Group's sustainable development and long-term value creation capacity. The Committee aims to ensure the early identification of risks, the assessment of their potential impacts, and the implementation of appropriate risk management mechanisms.

In this context, the EDRC oversees the monitoring and prioritization of significant risks, as well as the determination of necessary risk mitigation measures, based on the enterprise risk management framework implemented across the Holding. It also evaluates the effectiveness of risk management policies, provides guidance on areas requiring improvement, and regularly informs the Board of Directors about critical risks. In doing so, the Committee supports the proactive management of potential risks and ensures that mitigation measures are implemented in a coordinated and integrated manner.

The EDRC convenes six times per year, and accordingly held six meetings in 2025. During these meetings, the Committee reviews the current risk landscape, developments relating to key risks, the progress of risk mitigation plans, and findings from independent reviews conducted by external auditors. Where relevant to agenda items, business unit managers or subject-matter experts are invited to participate as guest attendees, ensuring that risk management processes are considered holistically from multiple perspectives.

Audit Committee

The Audit Committee is responsible, on behalf of Sabancı Holding's Board of Directors, for overseeing the Company's accounting system, financial reporting processes, the accuracy and integrity of publicly disclosed financial statements, independent audit activities, and the effectiveness of the internal control system. Within this scope, the Committee regularly submits its findings, evaluations, and recommendations to the Board of Directors in writing.

The Chairperson and members of the Committee are appointed by the Board of Directors from among its Independent Board Members and perform their duties in accordance with applicable national regulations, international auditing principles, and Sabancı Holding's Corporate Governance Principles.

During 2025, the Audit Committee convened three times. The meeting agendas primarily focused on the review of independent audit reports, the evaluation of presentations and assessments provided by the Internal Audit Department, the monitoring of the reliability of financial reporting processes, and assessments regarding the effectiveness of internal control systems.

SUSTAINABILITY GOVERNANCE

Board Sustainability Committee

The Board Sustainability Committee performs the strategic guidance and oversight function on behalf of Sabancı Holding's Board of Directors with respect to ESG matters. By monitoring local and international sustainability developments, the Committee ensures that the Holding's long-term value creation strategies progress in alignment with sustainability principles.

The Committee is responsible for overseeing policy development, sustainability reporting, the monitoring of environmental and social performance, and the enhancement of transparency and accountability in line with stakeholder expectations. It regularly evaluates the effectiveness of the sustainability governance framework and oversees, in coordination with the Early Detection of Risk Committee (EDRC), the comprehensive management of financial and reputational risks arising from environmental and social issues.

The Committee consists of up to three Board Members and one Rapporteur, all appointed by the Board of Directors. The Committee Chair is selected from among the Independent Board Members. Meeting at least twice a year, the Committee convened two times in 2025 to review sustainability performance, targets, policy updates, and reporting processes.

The Committee works closely with the Sabancı Holding Human Resources and Sustainability Group Presidency and presents to the Board of Directors its assessments and recommendations regarding matters brought forward by the Sustainability Leadership Committee or the Sustainability Directorate. In addition, it supports initiatives aimed at enhancing the sustainability-related knowledge and capabilities of the management team.

The currency, relevance, and ambition of the Sabancı Group's sustainability performance indicators and targets are among the Committee's key priorities. The Committee oversees the transparent disclosure of the sustainability report, as well as environmental and social performance data, through the Investor Relations website and other relevant digital platforms. In addition, it reviews at the Board level the development of environmental and social policy documents—particularly the Responsible Investments Policy—and the periodic updating of existing policies to ensure their continued effectiveness and alignment with evolving expectations.

Sustainability Leadership Committee

Chaired by the Human Resources and Sustainability Group President, the Sustainability Leadership Committee serves as a senior management body that guides the Sabancı Group's sustainability strategy, monitors the progress of sustainability initiatives, and leads the Group's strategic transformation in this area.

The Committee includes all Strategic Business Unit Group Presidents who serve on the Boards of Directors of Group companies within their respective areas of responsibility, thereby ensuring that the sustainability agenda is managed in a holistic and coordinated manner across the Group.

Its core responsibilities include the development, monitoring, and evaluation of targets and performance outcomes relating to greenhouse gas emissions reduction, nature- and social-related performance indicators, responsible investment commitments, and other strategic sustainability metrics

The Committee oversees consolidated sustainability performance data and primarily reviews progress reports prepared by the Sustainability Directorate. These findings are presented regularly to the Board Sustainability Committee, ensuring that strategic guidance and ultimate oversight are integrated into the process. This governance structure helps ensure that target setting and performance monitoring are both operationally robust and fully aligned with the Holding's long-term strategic objectives.

The Committee continuously monitors international developments, regulations, and sectoral trends related to sustainability.

The Committee Chair reports directly to the CEO on the Committee's activities and outcomes and provides briefings to the Board Sustainability Committee twice a year, obtaining the necessary guidance and approvals. The Sustainability Leadership Committee convened twice during 2025 to evaluate performance outcomes, strategic priorities, and compliance processes related to emerging regulations in line with the Sabancı Group's sustainability objectives.

SUSTAINABILITY GOVERNANCE

Thematic Task Forces (TTF)

The Thematic Task Forces (TTF) consist of sustainability coordinators and representatives from Sabancı Group companies. The TTFs support the implementation of priorities defined in the sustainability action plan and facilitate the agile execution of sustainability programs and projects.

The Task Forces report progress and implementation outcomes to the Sustainability Leadership Committee through the Sustainability Directorate. This structure helps ensure the consistent execution of sustainability objectives, initiatives, and reporting processes across the Group.

The TTFs convened seven times during 2025 to assess and discuss priority issues on the sustainability agenda.

Role of the Sustainability Directorate

The Sustainability Directorate plays a central role in the execution of Sabancı Holding's sustainability agenda. The Directorate is responsible for implementing the sustainability strategy and coordinating related initiatives, while facilitating interaction and information flow between the Board Sustainability Committee and the Sustainability Leadership Committee.

The Directorate is responsible for organizing committee meetings, setting agenda items, and coordinating the participation of relevant stakeholders whenever required. In this way, it supports the effective management of sustainability matters across the Group and their holistic integration into decision-making processes.

The Sustainability Directorate is responsible for integrating sustainability principles into the corporate strategy. Within this scope, it works closely with senior management and relevant stakeholders to ensure that sustainability objectives are aligned with business strategies. Key elements of this process include identifying priority topics, establishing measurable targets in areas such as carbon emissions, resource efficiency, diversity, and community engagement, assessing potential risks through scenario analysis, and ensuring compliance with emerging regulations.

The Directorate also promotes the development of innovative and resilient business models and supports shared value creation through collaboration with international organizations and industry stakeholders. In addition, it implements corporate awareness programs aimed at increasing employee awareness and strengthening participation in sustainability objectives.

Reporting directly to the Human Resources and Sustainability Group President, the Sustainability Directorate ensures that all sustainability-related activities are aligned with Sabancı Holding's strategic priorities. It also regularly reports on developments and performance, upholding the principles of transparency and accountability.

SUSTAINABILITY GOVERNANCE

Board of Directors Skill Matrix

Sabancı Holding ensures the continuity of the knowledge, skills, and competencies required for the Board of Directors to effectively oversee strategies addressing sustainability-related risks and opportunities. Accordingly, the Board's competency profile is regularly reviewed and enhanced in alignment with strategic priorities.

Nomination and appointment processes are conducted within the framework of diversity and inclusion principles, taking into account qualifications such as sector expertise, management experience, knowledge of sustainability, crisis management experience, and strategic thinking skills.

If assessments indicate a need to enhance the Board's existing competencies, tailored training and development programs are implemented in those areas. The Sabancı Holding Board of Directors comprises members with diverse expertise and experience in fields such as corporate governance, sustainability, social impact, energy and climate technologies, and strategic transformation. 89% of our Board members possess direct experience across various dimensions of the sustainability and ESG agenda. This experience includes serving on the Sabancı Holding Board Sustainability Committee, leading social investment programs within the Sabancı Foundation Board of Trustees, and playing active roles in established organizations dedicated to corporate governance, women's entrepreneurship, climate and energy policies, and social responsibility. The diverse management, governance, and leadership experiences of our members strengthen the Board's capacity to effectively evaluate and provide direction on environmental, social, and governance (ESG) matters. You may access the biographies of the relevant Board members via [the provided link](#). You can also review our Board of Directors competency matrix in our [Integrated Annual Report](#).

Sabancı Holding ensures equal opportunities for all candidates and adopts a fair and inclusive appointment policy that guarantees no individual is subjected to discrimination based on gender, age, ethnic origin, religion, language, race, or other personal characteristics.

Sustainability Performance-Based Remuneration

At Sabancı Holding, sustainability indicators—including climate change performance metrics—have been integrated into the remuneration policies of Group Presidents and the CEOs of Group companies. These indicators account for up to 10% of total variable compensation, ensuring that sustainability performance is directly reflected in the Company's reward and incentive framework. Through this approach, Sabancı Holding promotes the integration of sustainability objectives and performance considerations into the management practices of its Group companies. At the same time, it supports the alignment of the companies' operations and strategic decisions with the Holding's long-term sustainability ambitions and overall strategic objectives.

Composition of the Board Members

33%

Female

67%

Male

33%

Independent Directors

Terms of Office of Board Members

22%

Board Members with a Tenure of 15 Years or More

~11.51 years

Average Board Tenure

Board Meeting Attendance

83%

Average Board meeting attendance rate in 2025

67%

Minimum required attendance rate for all Board members

Board Experience Composition

56%

Audit Experience

56%

Financial Services Experience

89%

Environmental, Social, and Governance (ESG) Experience

67%

Risk Management Experience

67%

Non-Financial Sector Experience

78%

International / Multi-Geography Experience

Strategy

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STRATEGY

Macroeconomic, technological, environmental, and societal developments across the geographies in which Sabancı Holding operates have the potential to create a range of risks and opportunities over different time horizons. In today's business environment, the impacts of climate change are becoming increasingly evident within the context of evolving regulatory frameworks, generating lasting and transformative effects on markets, societies, and business models. This transition requires climate change to be addressed through a holistic perspective within the Holding's strategic planning, risk management, and capital allocation processes.

Sabancı Holding does not regard climate change merely as an external constraint to be managed; rather, it considers it a strategic factor that shapes risk governance, investment decisions, and portfolio transformation. Climate-related risks and opportunities are assessed through an integrated approach that takes into account their potential impacts on Sabancı Holding's business model, investment portfolio, operating sectors, value chain, and the operational structures of Group companies. The analyses conducted to identify and assess climate-related risks and opportunities provide key inputs into the Holding's strategic planning, capital allocation, portfolio management, and risk management processes.

Time Horizon Definitions

The short-, medium-, and long-term time horizons used by Sabancı Holding in assessing climate-related risks and opportunities are directly aligned with the corporate planning periods applied in its strategic decision-making processes. Budgeting activities, risk management practices, and sustainability policies are structured in accordance with these time horizons, while business processes are developed and managed based on the priorities relevant to each period.

Risk and Opportunity Time Horizon

Time Horizon	Year	Explanation
Short Term	0–1	This period reflects Sabancı Holding's focus on annual budgeting, business planning, and ongoing operations. Key priorities during this time horizon include monitoring operational targets, managing cash flow, controlling costs, and responding swiftly to regulatory developments.
Medium Term	1–5	During this period, Sabancı Holding implements its strategic plans. Key focus areas include the execution of investments, as well as growth and transformation initiatives across existing and emerging business segments.
Long Term	5+	This period represents the time horizon in which Sabancı Holding shapes its future vision, completes large-scale transformation projects, and translates its long-term value creation objectives into tangible outcomes.

STRATEGY

Financial Materiality

Risks and opportunities that are highly likely to occur and may exceed the defined financial threshold values are assessed as financially material and are reflected in the relevant disclosures accordingly. In the assessment of climate-related risks and opportunities, quantitative threshold values were used, taking into account the consolidated financial statements. Unlike the previous year, it was assessed that the use of a single threshold value in financial impact analyses could be limited, considering that the Group operates across different business lines and various geographies, and particularly in view of the differences in financial structures among sectors. In this context, the differing financial structures and financial performance dynamics of the business areas were taken into account in the preparation of the Group's consolidated financial statements. Accordingly, the financial indicators used as the basis for the financial materiality assessment were differentiated according to the nature of the business areas. For banking activities, changes in equity were used as the basis for assessing financial impacts, whereas changes in consolidated revenue were considered for the Materials Technologies, Energy, Financial Services, Digital Technologies, Energy and Climate Technologies, and Other business segments. In this way, the aim was to assess the potential financial impacts of sustainability- and climate-related risks and opportunities through indicators that reflect the Group's diverse business activities and financial structure. Within the financial materiality assessment, two separate thresholds were established: 0.8% of consolidated total revenue and 1.5% of equity. Exceeding either of these thresholds was considered sufficient for the relevant risk or opportunity to be assessed as financially material.

In addition, matters that may remain below the established thresholds in the short term but have the potential to exceed them in the medium and long term, or that create widespread and measurable impacts within the relevant sector, are also assessed qualitatively. This includes topics for which investors and shareholders particularly demand transparency, even where they do not exceed Sabancı-specific materiality thresholds. Where deemed necessary, such matters are included in the disclosures.

For all monetary disclosures relating to sustainability- and climate-related financial impacts and estimates, the Turkish Lira (TL), which is the presentation currency used in Sabancı Holding's consolidated financial statements, has been adopted as the basis for reporting.

Disclosures Regarding Climate-Related Risks and Opportunities

During the reporting period, Sabancı Holding assessed its climate-related risks and opportunities in the context of their current and potential impacts on the Group's business model, strategy, financial planning processes, and value chain across the short, medium, and long term. Based on these assessments, the current and potential financial impacts associated with climate-related risks were determined to remain below the financial materiality thresholds established by the Group.

However, the financial implications of climate-related factors were evaluated not only from a risk perspective but also through the lens of long-term growth potential, competitive advantage, and organizational resilience arising from the transition to a low-carbon economy.

Sabancı Holding Financial Materiality Threshold

Threshold Base Metric	Threshold Ratio (%)
Consolidated Total Revenue	0.8%
Equity	1.5%

Climate-Related Risks

During the reporting period, Sabancı Holding reviewed the physical and transition risks disclosed in its 2024 TSRS-Compliant Sustainability Report and reassessed them in the context of the Group's long-term growth strategy, growth potential, competitive advantage, and organizational resilience. As a result of this assessment, it was determined that the carbon pricing risk among the transition risks disclosed in the 2024 TSRS-Compliant Sustainability Report, as well as the identified physical climate risks, continue to remain relevant in terms of their current and potential impacts. Although these risks were not classified as financially material under the Group's materiality assessment criteria, they are considered strategically important by the Holding. Accordingly, Sabancı Holding has decided to continue disclosing these risks in this report in recognition of their significance for long-term strategic planning, resilience, and value creation.

STRATEGY

Risk 1. Carbon Pricing Risk

Risk Definition	Carbon Pricing Risk		
Risk Category	Transition / Policy Risk and Market Risk	Place in the Value Chain	• Own Operations • Downstream
		Area of Concentration of Risk	Europe and Türkiye
Time Horizon	Medium, Long		
Likelihood	High		
Magnitude of Impact	Medium		
Risk Disclosure	The increasing adoption of carbon pricing mechanisms at both global and national levels, together with the expansion of regulatory frameworks, creates a significant transition risk for Sabancı Holding. In line with the European Union Carbon Border Adjustment Mechanism (CBAM), regulatory developments under the EU Emissions Trading System (EU ETS), and the anticipated implementation of carbon market mechanisms in Türkiye, carbon costs are expected to increase, free emission allowances are expected to decline, and additional sectors are expected to be brought within the scope of regulation. These developments may lead to higher production and operating costs, additional reporting and compliance requirements, and changes in competitive dynamics in international markets, particularly for Group companies operating in carbon-intensive sectors. In addition, capital expenditures required for the transition to a low-carbon economy—including investments in energy efficiency, alternative fuel utilization, process transformation, and other decarbonization initiatives—as well as potential increases in the costs of alternative fuels and low-carbon technologies, are considered among the significant transition risks that may place additional pressure on the financial performance and competitiveness of Group companies.		
The Impact of Risk on the Value Chain	Upstream: CBAM, EU ETS, and similar carbon regulations may increase compliance obligations for suppliers, potentially leading to constraints in access to certain raw materials and inputs, as well as higher procurement costs. Own Operations: In the energy and material technologies sectors, increasing carbon costs associated with energy-intensive activities may require new investments to be planned in alignment with low-carbon technologies. This may create additional pressure on operating and capital expenditure requirements. In the banking sector, the exposure of customers operating in carbon-intensive industries to these risks may lead to an increased risk of default. Downstream: In the energy and material technologies sectors, carbon-related additional costs may result in reduced profitability, weakened competitiveness, and the risk of losing market share in certain markets.		

STRATEGY

Risk 1. Carbon Pricing Risk

Effect on Business Model	Current Impact	The gradual pricing of carbon costs under regulatory frameworks such as Emissions Trading Systems (“ETS”) and the Carbon Border Adjustment Mechanism (“CBAM”) is reshaping cost structures in carbon-intensive operations. Nevertheless, the Group’s diversified portfolio structure spanning multiple sectors and geographies, together with operational efficiency initiatives and investments in low-carbon technologies, is considered to have helped maintain the current financial impact at manageable levels. Furthermore, sustainability-focused transformation initiatives contribute to strengthening competitiveness in international markets and supporting access to sustainable finance.
	Potential Impact	The global expansion of carbon pricing mechanisms and the increase in carbon-related costs may create pressure on compliance obligations and investment requirements, particularly in carbon-intensive and export-oriented activities. Rising costs associated with ETS and CBAM implementation may affect competitiveness, profitability, supply chains, and capital allocation decisions. At the same time, strengthening strategic alignment with the transition to a low-carbon economy may support operational resilience and access to sustainable finance, thereby contributing to long-term value creation.
Scenario Analysis and Climate Resilience		To assess the potential financial and operational implications of carbon market dynamics, regulatory developments related to the introduction of emissions trading system (ETS)-type mechanisms in Türkiye, as well as the scope and implementation timeline of the Carbon Border Adjustment Mechanism (CBAM), are closely monitored. In Türkiye, the introduction of the Climate Law and the initiation of ETS-related preparations, together with the publication of draft ETS regulations, are incorporated into medium-term scenario assumptions. With respect to CBAM, developments relating to the transition from the 2023–2025 transitional phase to the definitive regime as of 2026, including the gradual implementation of compliance obligations, are taken into consideration. These developments are reflected in assumptions regarding supply chain-related carbon costs, data collection requirements, reporting obligations, and compliance-related expenditures. In developing carbon price projections, climate and transition scenarios published by NGFS, IEA, and IIASA, together with analyses of international ETS implementations, have been taken into consideration. In addition, China ETS price pathways, EU ETS price forecasts, and internal company analyses have been utilized. Based on this approach, the Sabancı Group has developed its own carbon price projection model by leveraging the knowledge, experience, and expertise gained across its diverse sectors of operation. Through this model, the potential impacts of carbon pricing mechanisms and the possible financial implications of transition risks on the Group’s operations are assessed and analyzed. The results of these analyses are integrated into the strategic planning cycle to assess the potential implications of carbon pricing risk on operating expenses, supply chain costs, customer portfolios, data and reporting requirements, and long-term investment decisions. The Group evaluates strategic transformation initiatives aligned with a 1.5°C scenario to mitigate the impacts of risks arising from ETS and CBAM and implements projects focused on energy efficiency and sustainability. In line with the science-based emission reduction targets established under its Net Zero commitments, relevant processes are monitored and managed with the objective of strengthening adaptation capacity throughout the transition to a low-carbon economy.

STRATEGY

Risk 1. Carbon Pricing Risk

Vulnerable Asset/Activity Disclosure	Under carbon pricing mechanisms, facilities with energy-intensive production processes and operations exporting to the European Union are considered among potentially vulnerable assets and activities. In particular, mechanisms such as emissions trading systems (ETS), carbon taxes, and the Carbon Border Adjustment Mechanism (CBAM) may have implications for operating costs, competitiveness, supply chain expenses, and overall financial performance. The carbon pricing risks that companies operating in the materials technologies sector may face during the export process, the implementation of carbon taxes on greenhouse gas emissions including those related to construction and building materials, and the potential impacts of the ETS system to be established in Türkiye on the cement sector have been assessed, and no vulnerable assets/activities have been identified with respect to the relevant risk. Within the banking sector, loans extended to customers operating in the cement, iron and steel, fertilizer, aluminum and electricity sectors account for approximately 3.78% of the Bank's standalone performing cash loan portfolio. In this context, it is assumed that the outstanding loan balances of these customers may be affected to varying degrees, depending on the sectors in which they operate and their respective carbon efficiency levels.				
Method for Calculating the Expected Financial Impact	The expected financial impacts associated with carbon pricing risk have been assessed based on carbon price projections developed for the Türkiye ETS, EU ETS, and CBAM mechanisms. The assessment incorporates current and projected emission levels of carbon-intensive business activities, free allocation eates, the extent to which additional costs can be passed through to product prices, sector-specific transition risks, and operational emission reduction potentials. The Türkiye ETS price curve has been designed to reflect a meaningful discount relative to EU ETS prices, based on the assumption that emissions in Türkiye will continue to increase until 2038. The projections are based on the average of NGFS scenario outputs for China and two separate datasets for the EU ETS and have been validated through internal analyses. Account has been taken of the expected price increase in 2035—following the phase-out of free allocations under the EU ETS in 2034—and the subsequent stabilization of prices. For the Türkiye ETS, a free allocation period of approximately 10 years is assumed to support industrial competitiveness, with benchmark values expected to be based on the most efficient facilities within each sector. The carbon price curve developed accordingly serves as a reference for analyzing the financial implications of transition risks and informing investment decisions. As part of the analysis, the potential impacts of carbon costs on operating expenses, production costs, profit margins, cash flows, and capital expenditures have been assessed through a scenario-based approach. Particular consideration has been given to additional carbon costs and compliance-related investments that may arise in business activities where carbon abatement options are limited in the short and medium term. At the same time, operational efficiency initiatives, investments in low-carbon technologies, and the benefits of portfolio diversification have been evaluated as mitigating factors that may help offset these impacts.				
Financial Impact	<table> <tr> <td data-bbox="242 1115 369 1253">Current Impact</td><td data-bbox="369 1115 2479 1253">In addition, long-term assessments have incorporated the positive effects of access to sustainable finance opportunities, investments supporting the low carbon transition, and strategic adaptation capacity on financial resilience. Based on the analyses conducted, the overall impact of this risk was determined to remain below the materiality threshold for the consolidated financial statements.</td></tr> <tr> <td data-bbox="242 1253 369 1320">Potential Impact</td><td data-bbox="369 1253 2479 1320">Based on the financial impact assessment conducted as part of the scenario analyses, it is not expected that the relevant risk would have a significant impact on Sabancı Holding's financial performance, financial position, or cash flows when compared against the Company's financial materiality threshold.</td></tr> </table>	Current Impact	In addition, long-term assessments have incorporated the positive effects of access to sustainable finance opportunities, investments supporting the low carbon transition, and strategic adaptation capacity on financial resilience. Based on the analyses conducted, the overall impact of this risk was determined to remain below the materiality threshold for the consolidated financial statements.	Potential Impact	Based on the financial impact assessment conducted as part of the scenario analyses, it is not expected that the relevant risk would have a significant impact on Sabancı Holding's financial performance, financial position, or cash flows when compared against the Company's financial materiality threshold.
Current Impact	In addition, long-term assessments have incorporated the positive effects of access to sustainable finance opportunities, investments supporting the low carbon transition, and strategic adaptation capacity on financial resilience. Based on the analyses conducted, the overall impact of this risk was determined to remain below the materiality threshold for the consolidated financial statements.				
Potential Impact	Based on the financial impact assessment conducted as part of the scenario analyses, it is not expected that the relevant risk would have a significant impact on Sabancı Holding's financial performance, financial position, or cash flows when compared against the Company's financial materiality threshold.				

STRATEGY

Risk 1. Carbon Pricing Risk

Risk Mitigation Measures, Current and Planned Actions	To mitigate transition risks associated with carbon pricing mechanisms, the Group is implementing a range of actions across operational processes, supply chain management, digitalization initiatives, energy efficiency investments, and low-carbon transformation programs. These measures are aimed at enhancing operational resilience, improving resource efficiency, reducing carbon intensity, and strengthening the Group's capacity to adapt to evolving regulatory and market conditions throughout the transition to a low-carbon economy. Within the banking sector, costs and transition risks that may arise from customers operating in sectors covered by the Carbon Border Adjustment Mechanism (CBAM) are taken into consideration during credit assessment and approval processes. In this context, for banking activities, customers operating in sectors with a significant impact on climate change and high greenhouse gas emissions are assessed under the Environmental and Social Impact Assessment (ESIA) framework. The assessment covers climate change commitments, senior management accountability, short-, medium-, and long-term emission reduction targets, emissions data for the previous three years, and emission control mechanisms. In addition, risk concentrations and exposure limits are monitored in climate-sensitive sectors such as petrochemicals, cement, non-renewable energy, natural resources, metals and mining, and agriculture and food. During the credit allocation process for carbon-intensive sectors, the existence of customers' climate risk management plans and emission reduction investment plans is evaluated. To support customers in managing CBAM-related risks and facilitating their transition to a low-carbon economy, the Bank offers sustainable finance products as well as digital solutions for carbon footprint measurement, reporting, and transformation processes through its business partners. Within the scope of material technologies operations, emissions levels of facilities covered by the EU ETS are regularly monitored and tracked in alignment with the ETS implementation timeline. In addition, under the Carbon Border Adjustment Mechanism (CBAM), product carbon intensity analyses are conducted for products exported to the European Union or those that may potentially fall within the scope of future exports, and product-level embedded carbon calculations are verified. Furthermore, facility-specific decarbonization plans are being developed in line with Science Based Targets initiative (SBTi) targets. Investment requirements related to energy efficiency, alternative fuel utilization, renewable energy consumption, emissions reduction, and the transition to low-carbon products are systematically assessed. Research and development projects are also being carried out to support product transformation, while efforts are underway to integrate carbon costs into daily sales and operations planning (S&OP) processes in line with carbon pricing scenarios. For energy sector operations, it is planned to strengthen sales strategies and hedging approaches in order to create a more predictable revenue profile against market price pressures and associated revenue fluctuations resulting from the increase in installed renewable energy capacity. To monitor the impacts of carbon costs on operational processes, efforts are ongoing to enhance digital infrastructure, track carbon intensity throughout the supply chain, and evaluate the transition to alternative low-carbon technologies. In addition, the development of customer solutions focused on energy efficiency, renewable energy, and emissions reduction is intended to enable the Group to capture opportunities arising from the transition to a low-carbon economy. Furthermore, to mitigate the impacts of transition risks arising from emissions trading systems (ETS), strategic transformation initiatives aligned with a 1.5°C scenario are being evaluated, and energy efficiency and sustainability-focused projects are being implemented. In line with the Science Based Targets established under the Group's Net Zero commitments, emission reduction processes are closely monitored, and ongoing efforts are undertaken to strengthen both operational and financial resilience. The Group continues to strengthen its carbon data infrastructure and reporting capabilities to ensure compliance with reporting requirements arising from national and international carbon pricing regulations.
Measurement Uncertainties	As the Turkish ETS has not yet been implemented as of the reporting period, the official carbon price, free allocation rates, sectoral benchmarks, and implementation timeline have not yet been finalized. Consequently, financial impact calculations are based on assumptions regarding NGFS scenarios and price trajectories from the EU and Chinese ETS, as well as the premises that the Turkish ETS will be priced at a discount relative to the EU ETS and will feature a free allocation period of approximately 10 years. Any deviation of final regulations, realized carbon prices, emission levels, or the extent to which costs are passed on to product prices from these assumptions could alter the calculated financial impact.

STRATEGY

Risk 2. Water Stress

Risk Definition	Impact of Water Stress Events on Operations		
Risk Category	Physical Risk / Chronic	Place in the Value Chain	• Upstream • Own Operations • Downstream
		Area of Concentration of Risk	Europe and Türkiye
Time Horizon	Medium, Long		
Likelihood	Medium		
Magnitude of Impact	Medium, High		
Risk Disclosure	Water stress—resulting from rising temperatures, altered precipitation patterns, and drought conditions associated with climate change—can negatively impact business continuity, production capacity, supply chains, and financial performance across the energy, materials technology, and retail sectors in which the Group operates. In the banking and financial services sector, it can have adverse effects on clients operating in water-dependent industries. Disruptions to production and operations in water-dependent regions, increased physical risks to energy delivery, and financial deterioration can lead to revenue losses and heightened credit risks. Furthermore, water scarcity places pressure on supply chain continuity and customer service, posing risks to the Group's long-term viability and business continuity.		
The Impact of Risk on the Value Chain	Upstream: Disruptions to raw material production processes that rely heavily on water due to drought, water stress, and changing climate conditions may lead to interruptions in supply continuity, fluctuations in input quality, and increases in supply costs. Own Operations: Changes in water regimes and reduced water availability may decrease production efficiency at hydroelectric power plants. Similarly, in materials technologies production processes that are sensitive to water availability or climate conditions, the risk of operational disruptions and productivity losses may increase. In the banking and financial services sectors, impacts on customers may result in increased default risk. Downstream: The adverse effects of water stress on customers' operations and financial resilience may lead to changes in energy demand, customer demand, and consumption patterns. In banking and financial services, it may also weaken the payment performance of customers operating in water-dependent sectors and increase the risk of default.		

STRATEGY

Risk 2. Water Stress

Effect on Business Model	Current Impact	Water stress may exert pressure on operating expenses and electricity generation volumes in energy generation and distribution activities due to significant changes in the hydrological cycle and precipitation patterns. It may also affect energy demand as a result of production declines among water-dependent industrial customers. In addition, it may cause disruptions in raw material production and logistics operations, creating adverse impacts on supply chain continuity, operational efficiency, production activities, and cost structures.
	Potential Impact	Increasing water stress may create operational and financial pressures on energy and raw material production, industrial operations, supply chains, and customer portfolios, particularly in the materials technologies and energy sectors. Due to drought and water scarcity, disruptions in production processes, decreases in capacity utilization, the need for investments in alternative water resources, and increases in operational costs may arise. In the banking and financial services sectors, the weakening of the financial resilience of customers operating in sectors affected by water stress may lead to deterioration in loan repayment performance, an increase in the probability of default, and a decline in the quality of loan portfolios. Accordingly, there may be a risk of increases in expected credit losses and provisioning expenses. In addition, disruptions that may occur in logistics processes may adversely affect product availability, supply lead times, cost structures, and customer demand.
Scenario Analysis and Climate Resilience		Sabancı Holding uses the Moody's Climate on Demand Pro tool to assess physical risks associated with climate change. Under the modeling approach employed, the current and future exposure of facilities to physical climate hazards—including heavy precipitation, flooding, storms, extreme temperatures, drought, sea level rise, and wildfires—is analyzed. In addition, physical climate risks associated with water stress are assessed under IPCC scenarios that incorporate different assumptions regarding temperature increases, emissions pathways, and socioeconomic development trajectories. The analyses evaluate the potential impacts of drought, water scarcity, and increasing pressure on water resources on operations, supply chains, customer portfolios, critical assets, and financial performance.

STRATEGY

Risk 2. Water Stress

Vulnerable Asset/Activity Disclosure	Production facilities and operations located in Türkiye (Çanakkale, İstanbul (Büyükçekmece), Samsun (Ladik), and Aksaray) and Spain are considered among the assets and activities for which the implementation of mitigation and adaptation measures against drought, water stress, and extreme heat risks would be beneficial. In the energy sector, the generation capacity of hydroelectric power plants is highly dependent on the hydrological conditions of the regions in which they operate, and changes in these conditions may lead to significant fluctuations in generation levels. Climate change-induced shifts in precipitation patterns and structural changes in the hydrological cycle, together with drought, irregular rainfall, and alterations in river flow regimes that contribute to water stress, may result in reduced hydroelectric generation and associated revenue volatility. Accordingly, hydroelectric generation activities are considered among the operations that are vulnerable to climate-related physical risks. In addition, water losses resulting from the opening of spillway gates during periods of excessive water flow, which prevent the effective utilization of available water for generation, together with increased turbine wear and maintenance requirements caused by sediment transport, may reduce generation volumes while placing additional pressure on operational efficiency. In this context, declining water availability and uncertainties in flow regimes have the potential to limit the predictability of hydroelectric generation and exert downward pressure on revenues, EBITDA, and cash flows. Accordingly, these factors are considered to constitute structural physical risk elements that may lead to increased volatility in financial performance. For the banking and financial services sectors, loans extended to customers operating in drought-prone regions of Türkiye and in sectors with a high dependence on water resources, such as agriculture, food, and textiles, are considered among vulnerable activities.				
Method for Calculating the Expected Financial Impact	In the calculation process, international climate projections and regional climate scenarios are utilized to assess the frequency and severity of physical climate hazards expected to occur at specific locations. The assessments are supported by statistical modeling techniques and location-specific climate data. In addition, qualitative and quantitative analyses are conducted to evaluate the potential impacts of extreme weather events on operations, infrastructure, and financial performance, taking into consideration the sectoral characteristics, operational sensitivities, and adaptation capacities of the relevant assets.				
Financial Impact	<table> <tr> <td data-bbox="242 1120 364 1196">Current Impact</td><td data-bbox="364 1120 2474 1196">Based on the analyses performed, the overall impact of the risk was determined to remain below the materiality threshold for the consolidated financial statements.</td></tr> <tr> <td data-bbox="242 1196 364 1260">Potential Impact</td><td data-bbox="364 1196 2474 1260">When compared against Sabancı Holding's financial materiality threshold, the risk is not expected to have a significant impact on financial performance, financial position, or cash flows over the relevant reporting periods.</td></tr> </table>	Current Impact	Based on the analyses performed, the overall impact of the risk was determined to remain below the materiality threshold for the consolidated financial statements.	Potential Impact	When compared against Sabancı Holding's financial materiality threshold, the risk is not expected to have a significant impact on financial performance, financial position, or cash flows over the relevant reporting periods.
Current Impact	Based on the analyses performed, the overall impact of the risk was determined to remain below the materiality threshold for the consolidated financial statements.				
Potential Impact	When compared against Sabancı Holding's financial materiality threshold, the risk is not expected to have a significant impact on financial performance, financial position, or cash flows over the relevant reporting periods.				

STRATEGY

Risk 2. Water Stress

Risk Mitigation Measures, Current and Planned Actions	The Group companies implement various measures tailored to their respective lines of business to mitigate the potential impacts of water stress and physical climate risks on operations and to enhance operational resilience. Within the scope of energy operations, the focus is placed on infrastructure resilience investments, technological modernization initiatives, R&D applications, the positioning and maintenance of emergency generators, and strengthening insurance coverage. These efforts aim to support operational continuity against extreme weather events and water-related disruptions. Considering the current structure of the energy generation portfolio and the risk mitigation mechanisms in place, the financial impact of these risks is assessed to be significantly limited. The presence of reservoir-based hydroelectric power plants within the portfolio, the diversification of different generation technologies in a manner that balances one another, and the offsetting effect of increased market prices during drought periods on the operational profitability of non-hydroelectric generation assets are among the key factors reducing fluctuations in total revenue. In addition, floating solar energy applications aimed at reducing evaporation losses, the operational flexibility provided by cascade structures located within the same river basins, and the geographical diversification of assets across Türkiye further mitigate the impact of the risk. Scenario analyses indicate that, particularly under the high-emissions scenario (RCP 8.5), the realization of this risk over the next decade is expected to remain more limited compared to the Turkish average. Impact calculations were based on deviations from long-term averages, and annual volatility was not directly reflected in the analysis. Furthermore, climate model outputs and key assumptions are updated regularly, and the magnitude of the risk is reassessed periodically accordingly. Taking into account the existing mitigation mechanisms and portfolio structure, the residual financial impact of the relevant risk is considered to remain below the materiality threshold. For materials technologies operations, Water Master Plans are implemented to improve water efficiency and expand the use of alternative water sources. In this context, rainwater harvesting, the use of grey water and treated wastewater, and closed-loop cooling and water recovery systems are being deployed. In addition, digital water monitoring practices are carried out through Supervisory Control and Data Acquisition (SCADA) systems, and efforts are ongoing to reduce water losses and leakages. Water risk is also considered one of the key evaluation criteria in new investment and capacity expansion decisions. Within retail operations, water risk mapping studies are conducted, supplier diversity is supported to enhance supply chain resilience, and alternative sourcing options are assessed. Furthermore, risk monitoring mechanisms are implemented for water-intensive product groups, and collaborations aimed at mitigating the potential impacts of drought and yield losses are being evaluated. As part of financial services activities, analyses are conducted for customer segments with a high likelihood of being affected by water stress. In accordance with TFRS 9, increases in credit risk and expected credit losses as of the reporting date are assessed, and the necessary provisions are recognized. In this way, the potential impacts of water stress-related physical risks on the credit portfolio are incorporated into credit risk assessment processes.
Measurement Uncertainties	Considering the Group's business model, which spans multiple geographies and operational business lines, the financial impact assessment performed for the relevant risk involves significant measurement uncertainties arising from the climate models and scenario assumptions used in the analysis.

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Risk 3. Impact of Extreme Weather Events on Operations

Risk Definition	Impact of Extreme Weather Events on Operations		
Risk Category	Physical Risk / Acute	Place in the Value Chain	• Upstream • Own operations • Downstream
		Area of Concentration of Risk	Asia, United States, Europe, and Türkiye
Time Horizon	Short, Medium		
Likelihood	High		
Magnitude of Impact	High		
Risk Disclosure	The frequency and severity of climate change-related disasters and extreme weather events, including floods, storms, heatwaves, heavy precipitation, droughts, and wildfires, are increasing. This creates risks of physical damage and operational disruption for energy infrastructure, production facilities, logistics networks, real estate assets, and critical operations. Severe weather events may lead to disruptions in generation and distribution activities, supply chain interruptions, infrastructure damage, and increased operating costs. Within the financial services and banking sectors, depreciation of physical assets, rising claims volumes, and changing regional weather conditions may place pressure on insurance premiums and credit risks.		
The Impact of Risk on the Value Chain	Upstream: Extreme weather events may cause delays in the procurement of raw materials and critical inputs, increase logistics costs, and disrupt supply continuity.		
	Own Operations: Floods, storms, heatwaves, and similar extreme weather events may lead to temporary operational disruptions, infrastructure damage, equipment failures, and additional maintenance and repair requirements across Sabancı Holding's energy and climate technologies, material technologies, and other business operations. These impacts may also exert upward pressure on insurance premiums and risk management costs.		
	Downstream: The impact of extreme weather conditions on transportation, distribution, and service infrastructure may result in longer delivery times, reduced service continuity and quality, and lower customer satisfaction. In addition, physical conditions associated with climate change may lead to changes in customer demand and behavior.		

STRATEGY

Risk 3. Impact of Extreme Weather Events on Operations

Effect on Business Model	Current Impact	Extreme weather events have led to operational disruptions, particularly across energy distribution infrastructure, production facilities, and logistics operations. In electricity distribution activities, service interruptions, increases in the number of faults, and delays in field interventions may occur; this can place pressure on customer satisfaction and operational continuity costs. In manufacturing operations, drought-induced hydrological imbalances may result in production losses within the hydropower portfolio, while extreme temperatures may adversely affect machine performance and operational efficiency, leading to unplanned shutdowns and production interruptions. In the Materials Technologies sector, extreme weather events may lead to operational disruptions across production, shipment, field operations, and raw material procurement activities. In addition, disruptions in logistics and the supply chain may affect product and raw material delivery processes, resulting in increased operational costs. Within banking activities, such events may also affect business models, primarily through collateral management processes, including impacts on collateral values; in this context, they may create indirect effects on credit risk and portfolio quality. At the same time, an increase in claims arising from extreme weather events may place pressure on the claims-to-premium balance and operational costs.
	Potential Impact	The increasing frequency and severity of extreme weather events driven by climate change may heighten physical risks across energy, manufacturing, mobility, retail, logistics, banking, and financial services operations. Physical damage to energy infrastructure and prolonged service disruptions may result in revenue losses, regulatory penalties, and increased capital investment requirements, while rising temperatures and drought-related impacts at production facilities may lead to reduced production capacity, disruptions in raw material flows, and higher unit costs. In addition, disruptions to supply chains and transportation infrastructure may hinder delivery processes, creating risks of lost sales, increased working capital requirements, and fluctuations in cash flows. The financial impacts of physical climate risks may also extend to the banking and financial services sectors. In particular, the reduced liquidity of real estate collateral damaged by extreme weather events such as floods, together with prolonged disposal processes, may limit the effectiveness of recovery procedures in the event of default and lead to downward revisions in collateral values. Similarly, in the financial services sector, increases in the frequency and severity of insured loss events may result in higher claims costs and reinsurance expenses, increased insurance premiums, and changes in insurability conditions in certain regions. These impacts are considered among the factors that may affect the Group's operational resilience, financial performance, and business model continuity throughout its value chain.
Scenario Analysis and Climate Resilience		Sabancı Holding uses Moody's Climate on Demand Pro tool to assess physical risks associated with climate change. Under the modeling approach applied, the current and future exposure of facilities to risks such as heavy precipitation, flooding, storms, extreme heat, drought, sea level rise, and wildfires is analyzed.

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Risk 3. Impact of Extreme Weather Events on Operations

Vulnerable Asset/Activity Disclosure	As part of the physical climate risk assessments conducted across the Group, critical assets and operational areas that may be exposed to extreme weather events such as flooding, wildfires, extreme heat, and tropical storms have been identified. Within banking operations, real estate collateral included in the loan portfolio and located in areas with a high risk of flooding is considered among vulnerable assets. These assets, which are exposed to physical damage risk, may place pressure on collateral values and recovery processes. Within the Materials Technologies segment, the facilities in Indonesia, Thailand, and Chattanooga (United States) are considered among the critical operations exposed to flood risk. In addition, the Chattanooga facility in the United States is assessed to be exposed to wildfire risk, the Thai Indo facility to extreme heat risk, and the Laurel Hill facility in the United States to cyclone (tropical storm) risk. Furthermore, certain production facilities located in Çanakkale Province and in the Marmara and Black Sea regions are exposed to wildfire risk due to their proximity to forested areas. It is considered that operations within the Materials Technologies segment located in Çanakkale and the Marmara–Aegean regions may be exposed to wildfire risk, and that potential wildfires could affect production processes, raw material supply, logistics continuity, and operational costs. Within energy operations, power generation and distribution infrastructure, substations, transmission lines, and field operations are considered among the assets with the potential for physical damage and operational disruption risks, particularly due to flooding and extreme weather events, as well as the potential risk of production losses within the hydropower portfolio as a result of drought conditions. In the retail sector, the impacts of drought, flooding, storms, and extreme heat on supply chains, as well as on supplied products and raw materials, are considered vulnerable activities.
Method for Calculating the Expected Financial Impact	Sabancı Holding uses Moody's Climate on Demand Pro tool to assess the potential financial impacts of physical climate risks associated with climate change. Under the modeling approach applied, the current and future exposure of facilities to physical climate risks such as heavy precipitation, flooding, storms, extreme heat, drought, sea level rise, and wildfires is analyzed. During the assessment process, international climate projections and regional climate scenarios are used to estimate the expected frequency and severity of events at specific locations, and the potential impacts of the relevant risks on operations, infrastructure, supply chains, and assets are analyzed. In addition, qualitative and quantitative assessments are conducted to evaluate the potential financial impacts of physical climate risks on revenue loss, increased operational costs, asset damage, investment requirements, and cash flows, taking into account the sector-specific characteristics of assets, operational sensitivities, and adaptation capacity.

STRATEGY

Risk 3. Impact of Extreme Weather Events on Operations

Financial Impact	Current Impact	Based on the analyses conducted, it was concluded that the overall impact of the risk remained below the materiality threshold for the financial statements.
	Potential Impact	When compared with Sabancı Holding's financial materiality threshold, it is projected that the risk is not expected to have a significant impact on financial performance, financial position, or cash flows during the relevant reporting periods.
Risk Mitigation Measures, Current and Planned Actions		Sabancı Holding adopts an integrated risk management approach across the Group in order to manage the impacts of extreme weather events and other physical climate risks. Within this framework, physical risk assessments are conducted with a focus on operational continuity, employee health and safety, and the resilience of critical infrastructure. Disaster and emergency preparedness plans are developed by taking into account location-specific climate hazards, and business continuity plans are regularly updated based on the insights generated. In particular, maintenance, modernization, and investment initiatives are carried out to enhance infrastructure resilience across energy and industrial operations. To better assess the long-term impacts of physical climate risks, data collection processes, climate modeling studies, and scenario analyses are being further developed. In addition, supply chains and critical raw materials are evaluated in terms of climate-sensitive dependencies. Additional measures and investment plans are being established to enhance the resilience of logistics operations against extreme weather events. Climate risk assessments are being integrated into standard due diligence processes for new investments and asset acquisitions. Operations located in high flood-risk areas, coastal zones, and climate-sensitive locations are being reviewed from an adaptation and resilience perspective. Through these efforts, it is planned to strengthen operational resilience and reduce long-term risk exposure.
Measurement Uncertainties		The results used in climate scenario analyses involve certain measurement uncertainties that depend on the climate models, emissions scenarios, regional projections, and datasets applied. The resolution of the climate data used, location-based mapping processes, operational boundaries, and differences in the scope of asset-related data may affect the sensitivity of the analysis results. In addition, the assessment of the impacts of physical climate risks on operations, supply chains, infrastructure, and financial performance relies on various assumptions regarding asset resilience, the duration of operational disruptions, demand fluctuations, cost increases, and adaptation capacity. Accordingly, the current analysis results have been developed based on the methodologies and scenario assumptions applied and may vary depending on improvements in data quality and future economic and operational conditions.

STRATEGY

Climate-Related Opportunities

Sabancı Holding approached the opportunities disclosed in its 2024 TSRS-Compliant Sustainability Report from a holistic perspective, considering their impacts on the Group's long-term growth potential, competitive advantage, and corporate resilience during the reporting period. In this context, the current and potential effects of these opportunities on the Holding's financial position, financial performance, and cash flows were also assessed.

As a result of these assessments, it was concluded that the opportunities disclosed in the 2024 TSRS-Compliant Sustainability Report remain valid and continue to represent opportunities for the Group.

The "New Market Development through Sustainable Products and Services" opportunity included in the 2024 TSRS Report has been updated and is presented in this report as "Rising Demand for Renewable Energy and New Market Development."

Opportunity 1. Increasing Demand for Sustainable Products in the Transition to a Low-Carbon Economy

Opportunity		Increasing Demand for Sustainable Products in the Transition to a Low-Carbon Economy	
Opportunity Category	Products and Services	Place in the Value Chain	Own Operations
		Area of Concentration of Opportunity	Asia, United States, Europe and Türkiye
Opportunity Description		The increasing demand for sustainable products in the transition to a low-carbon economy may create new revenue opportunities and contribute to market share growth for Group companies	
The Impact of Opportunity on the Value Chain		Upstream Impact: In line with the growing demand for low-carbon and sustainable inputs, collaboration with suppliers of low-emission raw materials and technologies across the supply chain is being strengthened.	
		Own Operations: In response to the increasing demand for sustainable products, the transition to low-carbon technologies within operational processes is being accelerated, efficiency is being enhanced, and priority is being given to R&D and investment activities that support this transformation.	
		Downstream Impact: By meeting growing expectations from customers and the public for low-carbon business practices, the Group is expected to enhance its corporate reputation, strengthen customer loyalty, and gain a competitive advantage.	
Effect on Business Model	Current Impact	In response to the increasing demand for low-carbon and sustainable products, Group companies are transforming their product and service portfolios to meet evolving market expectations, with a focus on developing energy-efficient, low-emission products and solutions with reduced environmental impacts	
	Potential Impact	With the continued growth in demand for sustainable products, the Group is expected to increase revenues generated from low-carbon products and services, while also benefiting from the emergence of new business models and market opportunities. In addition, the acceleration of sustainability-focused innovation and product development activities is expected to strengthen the Group's competitive advantage and enhance its long-term growth potential.	

STRATEGY

Opportunity 1. Increased Demand for Sustainable Products in the Transition to a Low-Carbon Economy

Methodology for Calculating the Expected Financial Impact	Sabancı Holding has developed its own internal taxonomy approach, inspired by the EU Taxonomy, to classify products and services linked to the Sustainable Development Goals (SDGs) and to monitor revenues generated from sustainable products and services. Within this framework, revenues collected annually from Group companies are classified under four main categories: “Mitigation”, “Transition”, “Enabling”, and “Positive Social Impact”. The total financial impact has been calculated by consolidating revenues generated from SDG-linked products and services, taking into account Sabancı Holding’s effective ownership interests in its Group companies.
Impact on Financial Position, Financial Performance, and Cash Flows	Growing demand for sustainable products and services is creating new growth opportunities in sectors in which the Group operates, including energy and climate technologies, materials technologies, and digital technologies, with companies offering SDG-linked products and services to their customers. In this context, while total revenues generated from SDG-linked products and services by Group companies, excluding the banking business, amounted to TL 37.8 billion in 2024, this figure reached TL 50.2 billion in 2025.
Strategy	Sabancı Holding positions R&D, innovation, and digitalization as strategic enablers of its business model transformation in order to accelerate the transition to a low-carbon economy and expand its sustainable products and services portfolio. In this context, investments in R&D aimed at scaling up SDG-linked products and services are being increased, sustainability-focused business models are being promoted, and performance in this area is monitored through senior executive scorecards in the relevant sectors where deemed necessary during applicable reporting periods. This strategic approach, which takes into account changing consumer preferences and the growing sustainability-driven market trend, enhances the competitiveness of the Sabancı Group and supports long-term value creation.

STRATEGY

Opportunity 2. Growing Demand for Renewable Energy and New Market Development

Opportunity		Growing Demand for Renewable Energy and New Market Development	
Opportunity Category	Market	Place in the Value Chain	Own Operations
		Area of Concentration of Opportunity	United States, Türkiye
Opportunity Description		In line with increasing demand for renewable energy and evolving market dynamics, the Group is expanding its renewable energy investments, while clean energy generation and energy efficiency solutions may enable access to new markets and support long-term revenue diversification.	
The Impact of Opportunity on the Value Chain		Upstream Impact: Growing demand for renewable energy is encouraging a shift within the supply chain towards more environmentally sustainable, technologically innovative, and lower-carbon inputs. Own Operations: To support the expansion of clean energy investments, R&D investments are being made in innovative fields such as green hydrogen, and investment and capital allocation processes are being transformed in favour of renewable energy. Downstream Impact: With changing customer expectations, the growing demand for renewable energy increases the Group’s ability to access new markets and strengthens its market position.	
Methodology for Calculating the Expected Financial Impact	Current Impact	In line with the implementation of growth strategies in renewable energy and sustainable products and services, companies operating within the Energy and Climate Technologies business segment continue to pursue initiatives aimed at capacity expansion, portfolio diversification, and the wider deployment of sustainable solutions.	
	Potential Impact	With increasing demand for renewable energy and sustainable products, Group companies are expected to generate new revenue streams, strengthen their positions in existing markets, and gain access to new markets.	

STRATEGY

Opportunity 2. Growing Demand for Renewable Energy and New Market Development

Methodology for Calculating the Expected Financial Impact	Sabancı Renewables Inc., a wholly-owned subsidiary of Sabancı Climate Technologies Inc., was established to carry out renewable energy power plant investments. Under this corporate structure, Sabancı Holding is the indirect owner of the investments in question. As of the end of 2025, the total installed capacity of Sabancı Climate Technologies Inc. in operation in the USA stands at 504 MW. Additionally, with the inclusion of the Pepper Solar (McLennan County, Texas) project—with a capacity of 156 MWdc—and the Lucky 7 Solar (Hopkins County, Texas) project—with a capacity of 130 MWdc—acquired from OCI Energy in 2025, the company's total renewable energy portfolio is projected to reach 790 MW. Both projects are scheduled to commence commercial operations in the third quarter of 2027. Total annual revenue estimates have been calculated based on the Cutlass II and Oriana Solar projects, the two major solar energy investments the company is undertaking in the USA.
Impact on Financial Position, Financial Performance, and Cash Flows	Sabancı Holding is capitalizing on opportunities for market expansion and revenue diversification through its investments in renewable energy and climate technologies as part of the transition to a low-carbon economy. This strategy enhances the Holding's financial resilience while contributing to long-term value creation. In this context, the Cutlass II project (272 MWdc) and the Oriana Solar project (232 MWdc + 60 MW of energy storage) became operational in 2025. In addition, through two consecutive acquisitions from OCI Energy completed during 2025, the Pepper Solar project with a capacity of 156 MWdc and the Lucky 7 Solar project with a capacity of approximately 130 MWdc were added to the portfolio.
Strategy	Sabancı Holding closely monitors evolving market dynamics shaped by climate policies, changing customer preferences, and technological developments, and evaluates selective growth opportunities in sectors aligned with the low-carbon transition. In this context, Enerjisa Üretim has reached an installed wind power capacity of 1,000 MW across its plants—aided by investments under the YEKA-2 scheme—becoming the first private sector company in Türkiye to surpass this threshold. The company aims to reach a total installed capacity of at least 6,250 MW by the end of 2028 through ongoing investments and new capacity expansions.

STRATEGY

Opportunity 3. Access to Sustainable Finance and Incentive Mechanisms

Opportunity		Access to Sustainable Finance and Incentive Mechanisms		
Opportunity Category		Market	Place in the Value Chain	Own Operations
			Area of Concentration of Opportunity	Asia, United States, Europe and Türkiye
Opportunity Description		The transition to a low-carbon economy may enable companies to benefit from green bonds, sustainability-linked loans, and similar sustainable finance mechanisms offered by financial institutions to support initiatives aimed at improving sustainability performance and achieving carbon reduction targets.		
The Impact of Opportunity on the Value Chain		Upstream Impact: In line with investors' and financial institutions' expectations regarding ESG performance, Group companies gain easier access to financing sources. This contributes positively to cash flows and capital structure. Impact on Own Operations: Financing structures increasingly incorporate sustainability-based mechanisms, while internal control and reporting processes are designed and managed in accordance with sustainability-related criteria.		
		Downstream Impact: As access to sustainable financing sources increases, the alignment of products and services offered to customers and business partners with sustainability criteria that support the transition to a low-carbon economy is strengthened. This contributes to the wider adoption of sustainable solutions and accelerates transformation across the value chain.		
Effect on Business Model	Current Impact	For Group companies operating outside the Banking and Financial Services business segment, alignment with net-zero targets facilitates access to sustainability-linked loans and financing instruments on more favorable terms. These financing opportunities can support investments in energy efficiency projects, process improvement initiatives, clean production practices, as well as research, development, and innovation activities aimed at reducing operational emissions. Within the Banking and Financial Services business segment, the increasing financing needs of customers arising from the transition to a low-carbon economy may facilitate access for companies operating in these sectors to longer-term funding sources, including sustainable debt instruments and other sustainability-linked financing mechanisms. This enhanced access to funding can support the expansion of sustainable finance activities while strengthening the companies' funding structure and long-term growth potential.		
	Potential Impact	Access to cost-effective financing sources and more efficient management of capital expenditures during the transition to a low-carbon economy can enhance the Group's financial resilience, facilitate the implementation of sustainability-focused investments, and increase investment capacity by providing strategic flexibility throughout the low-carbon transition process.		

STRATEGY

Opportunity 3. Access to Sustainable Finance and Incentive Mechanisms

Methodology for Calculating the Expected Financial Impact	Utilizing sustainability-focused incentive mechanisms and favorable financing opportunities linked to sustainability criteria enables the Group to finance its climate transition investments at lower costs and enhances efficiency in capital allocation. The disclosure of financial impact information related to this opportunity is considered commercially sensitive for the Group. Therefore, in accordance with the exemption provisions set out in TSRS 1 paragraphs B34–B36, the quantitative financial effects of this opportunity are not disclosed.
Impact on Financial Position, Financial Performance, and Cash Flows	Access to green bonds, sustainability-linked loans, and sustainability-focused incentive-based financing instruments has the potential to positively impact Sabancı Holding's financial position in the short and medium term by reducing the cost of capital and diversifying funding sources. The use of sustainable financing instruments contributes to a more balanced debt structure, enhanced financial flexibility, and improved borrowing conditions. Furthermore, these financing mechanisms support the Group's transition to a low-carbon economy by facilitating the funding of sustainability-related investments under more favorable conditions, thereby strengthening financial resilience and supporting long-term value creation. From a cash flow perspective, sustainable financing instruments provide more predictable and advantageous financing opportunities for sustainability- and climate-related capital expenditures, enabling more effective management of investment spending timelines without creating short-term liquidity pressures. This supports a reduced reliance on traditional borrowing instruments while strengthening long-term investment capacity.
Strategy	Sabancı Holding considers sustainable finance to be a strategic tool for aligning its capital structure and financing decisions with its climate transition priorities. In line with its net-zero commitment and decarbonization roadmap, the Holding is shaping its sustainable finance approach to support the transformation needs of the Group's businesses across energy, materials technologies, digital technologies, and other areas of operation. Accordingly, Sabancı Holding is undertaking initiatives to establish a consistent framework for the eligibility assessment of projects that may qualify for sustainable financing instruments, impact reporting, and the monitoring of ESG performance. At the same time, it is enhancing its internal capabilities and governance mechanisms related to the use of sustainable financing instruments. Sustainable finance solutions are being developed in line with the climate transition needs and investment priorities specific to each business unit and sector. The Holding aims to make effective use of sustainable financing sources, including green bonds, sustainability-linked loans, and social finance instruments, to fund transformation projects across the Group's industrial, technology, and consumer-focused businesses. Through this approach, it seeks to transparently communicate the Group's sustainability performance to financial markets in a consistent manner and strengthen engagement with investors.

STRATEGY

Strategy and Decision-Making Approach

Sabancı Holding regularly reviews the risks and opportunities associated with climate change to understand the resilience of its business model and strategy in the face of these factors, and assesses its climate resilience through scenario analyses across short, medium, and long-term horizons. Sabancı Holding views climate-related risks and opportunities not merely as environmental considerations, but as fundamental factors influencing its strategic direction, investment preferences, portfolio composition, and long-term value creation capacity.

Sabancı Holding's sustainability vision is centered on achieving growth while taking into account environmental and social impacts across all business segments, accelerating the transition to a low-carbon and inclusive economy, and building stakeholder value creation on sustainable foundations. In line with this vision, the Holding directs its investment portfolio toward business areas aligned with the United Nations Sustainable Development Goals (UN SDGs) as part of its long-term strategic plans across all business lines. Furthermore, its activities are shaped in full alignment with national and international policy frameworks, including Türkiye's 2053 Net Zero Emissions Target, the Paris Agreement, and the European Green Deal.

Sabancı Holding structures its capital allocation processes in alignment with its sustainability strategy, taking into account not only financial returns but also sustainability impacts, long-term resilience, and transformation potential. The Holding prioritizes climate action and the transition to a low-carbon economy as key enablers of long-term value creation.

Accordingly, in order to achieve the climate-related goals it has set, it is following a multi-dimensional roadmap ranging from operational excellence to portfolio transformation, from technology investments to supply chain interactions.

To mitigate the impacts of climate-related risks and respond effectively to emerging opportunities, Sabancı Holding incorporates transformation objectives into its resource allocation processes. In this context, the Holding prioritizes investments linked to the United Nations Sustainable Development Goals (SDGs) that support the reduction of carbon-intensive activities in relevant sectors and facilitate the transition toward business models based on digital, green, and circular solutions.

To enable this transition, resource allocation processes are structured in alignment with the Holding's climate objectives. Transformation initiatives across the Group are financed through a combination of capital expenditures, operational expenditures, and sustainable financing instruments.

Investments in research and development (R&D), innovation, and the entrepreneurship ecosystem are among the key components of Sabancı Holding's low-carbon transition strategy. Beyond the implementation of existing technologies and solutions, the Holding promotes the development of business models and innovations that support climate technologies, resource efficiency, the circular economy, and the low-carbon economy. Investments within the entrepreneurial ecosystem and R&D expenditures are likewise directed in line with these objectives.

Progress against targets and plans is monitored annually in accordance with the principles of transparency and accountability and is disclosed publicly. Indicators such as emissions reduction, renewable energy use, sustainable product portfolio development, and sustainable R&D performance are reported through both quantitative and qualitative analyses. Detailed information regarding these targets is provided in the Targets and Metrics section of this Report.

By incorporating climate-related risks and opportunities into its business model, supporting them through clearly defined targets, and monitoring progress on a regular basis, Sabancı Holding demonstrates that sustainability is integrated into its long-term growth strategy and embedded within its strategic decision-making processes.

STRATEGY

Scenario Analysis Studies and Basic Assumptions

Climate-Related Physical Risks

Moody's proprietary tool, Climate on Demand Pro (CoD Pro), was utilized to assess the forward-looking impacts of climate-related physical risks. In this context, analyses specific to certain geographic locations were conducted, and the potential impacts of climate change under various emission scenarios over time were quantified.

In 2025, the Moody's scenario analysis findings were shared with Sabancı Group companies as reference documents; furthermore, the scenario analysis methodology was explained to Group companies during a workshop held as part of the "Sabancı Group Climate Risk Management" project. Group companies may also employ additional methods and tools in their own assessments, taking into account sectoral dynamics, operational structures, and data availability.

Additionally, all climate-related physical risk assessments were consolidated at the Holding level within a common methodological framework, aiming to ensure consistency and comparability across the Group. Accordingly, the approach to assessing climate-related physical risks has been transformed into a more holistic and consistent structure across the Group compared to the previous reporting period.

Due to the nature of the measurements, if there are changes over time in the estimates and parameters used, the potential financial effects of such changes will be transparently disclosed to stakeholders in the relevant reporting period.

The analyses were carried out in accordance with the Representative Concentration Pathways (RCPs) developed by the Intergovernmental Panel on Climate Change (IPCC). The following four scenarios were evaluated:

RCP 2.6: An aggressive mitigation scenario aimed at limiting global warming to below 2°C.

RCP 4.5: A moderate mitigation scenario in which greenhouse gas emissions are stabilized over time.

RCP 6.0: A sustainable emissions scenario characterized by more limited policy intervention.

RCP 8.5: A "business-as-usual" scenario representing a high-emissions pathway.

Based on these scenarios, projections were developed for the years 2030, 2040, 2050, 2075, and 2100, and the potential impacts of key physical climate risks—including heatwaves, droughts, wildfires, floods, hurricanes, and sea level rise—were assessed.

The tool provides location-specific risk analyses, enabling the evaluation of how individual assets or operational areas may be affected by climate change from a long-term perspective. These analyses serve as key inputs in assessing the operational, financial, and strategic implications of climate scenarios and contribute to the development of the Company's climate resilience strategy.

The scenarios used in the analysis were selected in alignment with the Paris Agreement and are intended to support the Holding's assessment of its resilience to climate change.

The key assumptions applied in the analyses include the following: Risk assessments are conducted on a location-specific basis, taking into account the geographic coordinates (latitude and longitude) of the relevant assets. The analyses incorporate regional climate projections and macroeconomic indicators based on the IPCC's Representative Concentration Pathway (RCP) scenarios. The datasets used are based on climate data published by internationally recognized institutions, including the Intergovernmental Panel on Climate Change (IPCC), CMIP6 (Coupled Model Intercomparison Project Phase 6), Copernicus, and NOAA (National Oceanic and Atmospheric Administration).

Regional risk projections are developed through the application of statistical analyses, data interpolation techniques, and advanced climate modeling methodologies. These approaches enable the generation of location-specific estimates and support the assessment of potential climate related impacts across different time horizons and emissions scenarios.

STRATEGY

Climate-Related Transition Risks

As Türkiye's national Emissions Trading System (ETS) has not yet been fully implemented, there is currently no established market data or historical pricing information available to support carbon price forecasting. Accordingly, a scenario-based approach has been adopted, relying on a set of forward-looking assumptions. Within this framework, consideration has been given to the current context specific to Türkiye, trends observed in voluntary carbon markets, and lessons learned from ETS mechanisms implemented in other jurisdictions.

In addition, the potential relationship between EU Carbon Border Adjustment Mechanism (CBAM) requirements and future carbon prices under a Turkish ETS has been assessed. In this regard, the possibility of price linkage with the EU ETS market and insights derived from the China ETS system have been analyzed. In developing these scenarios, global carbon pricing databases and climate target-based projections were utilized.

In particular, carbon price forecasts based on below-2°C scenarios published by the following organizations were taken into consideration:

- The Network of Central Banks and Supervisors for Greening the Financial System (NGFS);
- The International Energy Agency (IEA);
- and The International Institute for Applied Systems Analysis (IIASA).

Furthermore, given that compliance credits within emissions trading systems (ETs) generally trade at a premium relative to voluntary carbon market credits, an uncertainty range associated with the projected carbon price levels for Türkiye was also incorporated into the assessment. This approach allows for a more robust evaluation of potential transition risks by reflecting a range of plausible carbon pricing outcomes under different regulatory and market conditions.

Risk Management

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RISK MANAGEMENT

The Sabancı Group is committed to strong risk management practices to ensure the continuity of its operations, safeguard stakeholder interests, and support sustainable growth. Sabancı Holding's risk management approach is shaped by the Sabancı Group Enterprise Risk Management Policy, which is designed to effectively identify, assess, and mitigate potential threats. By integrating risk management processes into corporate governance and strategic decision-making mechanisms across Sabancı Holding and the broader Sabancı Group, this Policy serves as the foundation for fostering a robust risk management culture throughout the Group. The Sabancı Group Enterprise Risk Management Guide, prepared in accordance with the Policy, sets out the fundamental principles and implementation framework governing risk management across the Group.

Through its holistic risk management approach encompassing financial, strategic, operational, and compliance risks, the Sabancı Group ensures that risks are managed within defined tolerance levels through the prioritization of risks, the regular conduct of risk perception surveys involving employees, benchmarking against international best practices, and the effective monitoring and control of processes. By addressing all risk categories in alignment with its long-term strategic objectives, the Group systematically implements preventive, monitoring, and corrective measures that support strong financial and operational performance.

Within this framework, the Sabancı Group adopts the Three Lines Model, which clearly defines processes and responsibilities in order to support effective governance, risk management, and internal control practices across the organization. In promoting sustainability considerations, all roles within the model work closely together to ensure effective feedback loops and collectively contribute to the creation and preservation of value while taking into account the priority interests of stakeholders. In doing so, the Group strengthens the resilience of its business model and enhances its preparedness for future challenges.

First Line of Defense: The First Line of Defense consists of the Strategic Business Units (SBUs) and support functions such as Human Resources and Finance. The primary responsibility of the First Line is to make decisions based on Sabancı Holding's strategy and to assess risks identified within the framework of the Enterprise Risk Management System.

The First Line plays a critical role in identifying and mitigating risks during day-to-day operations and is directly responsible for managing sustainability-related risks within the context of business decisions. Strategic business units and operational support functions carrying out First Line responsibilities establish the link between risk management and performance management, analyzing and reporting deviations from targets. Oversight bodies such as the Sustainability Leadership Committee and the Legal and Compliance Department evaluate decisions taken by the First Line within their respective areas of responsibility and report their findings to the Board Sustainability Committee and the Early Detection of Risk Committee (EDRC).

The Sustainability Directorate serves a supporting role in the identification, assessment, and integration of sustainability-related risks into relevant processes, helping ensure that sustainability considerations are embedded within the Group's overall risk management framework.

Second Line of Defense: The Second Line of Defense supports the First Line by independently reviewing decisions and identifying additional risks. It is responsible for ensuring that Enterprise Risk Management (ERM) practices are implemented consistently, coherently, and in alignment with the Group's strategy, from the policy level through to operational execution. The Second Line also facilitates the integration of risk management with strategic planning, performance monitoring, and internal control processes.

Positioned within the Second Line of Defense, the Risk Directorate is responsible for the identification, monitoring, and reporting of all financial and non-financial risks at the corporate level through the relevant governance and management mechanisms. Through these activities, the Directorate helps ensure that risks are systematically assessed, appropriately managed, and incorporated into the Group's decision-making and oversight processes.

RISK MANAGEMENT

Third Line of Defense: The Third Line of Defense is represented by Sabancı Holding's Internal Audit Department, which provides independent assurance regarding the effectiveness of the Group's control, governance, and risk management practices. Audits are conducted using a risk-based approach aligned with the Holding's strategic objectives, and the results are reported to senior management and the Audit Committee. The Internal Audit Department independently evaluates whether governance, risk management, and internal control processes are designed and operating effectively, and identifies opportunities for improvement where necessary. The findings and recommendations stemming from audit activities support the continuous enhancement of the Group's governance and risk management framework.

Sabancı Holding Three Lines of Defense Model



RISK MANAGEMENT

Process for Identifying and Assessing Sustainability- Related Risks and Opportunities

The Sabancı Group's forward-looking perspective, which seeks to anticipate sustainability-related risks that may arise in the future, is regarded as a fundamental element of its risk management approach. Physical and transition risks associated with climate change are closely monitored, and proactive measures are developed through the use of a range of analytical and stakeholder engagement tools.

These include statistical analyses based on historical data, scenario analyses and stress testing, quantitative and qualitative assessments that support Sabancı Holding's strategic direction and financial objectives, Monte Carlo simulations, and stakeholder engagement mechanisms. Through these practices, the Group enhances its organizational resilience against unforeseen threats while simultaneously identifying new areas of opportunity that can support sustainable growth.

At Sabancı Holding, the processes for identifying and assessing climate-related risks and opportunities are carried out through close coordination between the Risk Directorate and the Sustainability Directorate. In evaluating climate-related risks and opportunities, the Sustainability Directorate works closely with a broad network of internal and external stakeholders, including the sustainability teams of Group companies, risk professionals participating in Thematic Task Force (TTF) meetings, senior executives through the Sustainability Leadership Committee, governance bodies such as the Board Sustainability Committee and the Early Detection of Risk Committee (EDRC), as well as external stakeholders.

To identify climate-related risks and opportunities, Sabancı Holding has developed inventories of potential risks and opportunities categorized according to the sectors in which its Group companies operate, based on the "Guidance for the Industry-Based Application of TSRS 2." To evaluate these risks and opportunities, the Holding regularly conducts joint workshops with the participation of various stakeholder groups.

During these workshops, inventories containing potential risks and opportunities, together with risk topics identified by the sustainability teams of Group companies, are reviewed to ensure the systematic identification, prioritization, and integration of risks into the corporate risk management framework. The Risk Directorate leads these workshops and, together with relevant process owners, manages the identification of climate-related physical and transition risks, as well as the determination of their significance levels and time horizons.

The Sustainability Directorate contributes methodological and technical expertise throughout the workshops, supporting the implementation of a comprehensive assessment process from a sustainability perspective. These workshops help ensure the consistent management of climate-related risks and opportunities across the Group and their integration into strategic decision-making processes. Once priority risks and opportunities have been identified across the Group, detailed analyses are conducted in coordination with the Risk Directorate and subsequently reviewed and approved at the Executive Committee level.

RISK MANAGEMENT

Use of Scenario Analysis for the Identification of Sustainability-Related Risks

To comprehensively assess the forward-looking impacts of climate change-related physical and transition risks, Sabancı Holding utilizes scenario analyses, stress testing, quantitative and qualitative assessments aligned with its strategic direction and financial objectives, and internationally recognized methodologies. Within this framework, an analytical tool developed by Moody's is used to measure the potential impacts of physical climate risks across the short, medium, and long term under different climate scenarios.

The scenario-based approach supports the identification of vulnerabilities, the evaluation of resilience under alternative climate pathways, and the integration of climate-related considerations into strategic planning and risk management processes. By combining scenario analysis with broader quantitative and qualitative evaluations, Sabancı Holding strengthens its ability to anticipate potential climate-related impacts, enhance organizational resilience, and support long-term sustainable value creation.

In assessing physical climate risks, the Representative Concentration Pathway ("RCP") scenarios developed by the Intergovernmental Panel on Climate Change ("IPCC"). Within this scope, the potential impacts of key risk types such as temperature increase, drought, floods, wildfires, and hurricanes on operational assets are analyzed for the short, medium, and long term.

Through the scenario analyses employed in these assessments, climate risks that may affect the geographies in which the Holding operates are identified by taking into account existing and potential climate policies, carbon regulations, regional macroeconomic dynamics, and technological transition projections in the relevant countries. These evaluations contribute to the comprehensive identification of risks while also providing a guiding framework for the development of long-term resilience and adaptation strategies.

With respect to transition risks, assumption-based modeling is performed to estimate carbon pricing risks under Türkiye's Emissions Trading System ("ETS"), which is currently under development and not yet in operation. Due to the absence of an established domestic dataset, these models draw upon both international market experience and Türkiye's evolving policy landscape. In particular, price scenarios linked to the European Union Carbon Border Adjustment Mechanism ("CBAM") and the China ETS have been evaluated. Carbon price projections have been developed based on internationally recognized sources and methodologies, including those published by the Network for Greening the Financial System ("NGFS") and the International Energy Agency ("IEA"), as well as other globally accepted reference frameworks.

Through this scenario-based approach, potential cost pressures, market dynamics, and regulatory impacts that may arise during the transition process can be analyzed more effectively. The insights generated from these analyses are used as an integral component of sustainability strategies, investment plans, and financial risk assessments.

Classification and Prioritization of Sustainability-Related Risks

At Sabancı Holding, risk management is addressed at both the Holding and Group levels. Risk exposure is assessed through a framework that combines quantitative and qualitative criteria, and risks are prioritized according to their potential impact and likelihood of occurrence. The prioritization process considers not only financial risks but also sustainability-related risks that have the potential to generate financial impacts through operational channels.

Sustainability-related risks are classified by the Sabancı Holding Risk Directorate based on criteria such as time horizon (short, medium, and long term), magnitude of impact, and probability of occurrence..

RISK MANAGEMENT

Sabancı Holding Impact Magnitude

Impact Level	Impact Description
Low	If the risk materializes, it is expected to have a limited and manageable impact on the financial performance, operational continuity, or strategic objectives of the Holding or the relevant Group company. The impact is expected to be absorbed through existing control mechanisms and routine management actions.
Medium	If the risk materializes, it is expected to have a significant but manageable impact on the Holding's financial results, operational efficiency, or strategic priorities. Managing the impact may require additional actions, resource allocation, or revisions to existing plans.
High	If the risk materializes, it is expected to have significant and lasting effects on the Holding's financial resilience, strategic objectives, operating licenses, or reputation. Such risks are addressed at the senior management and Board of Directors level and may directly influence strategic decision-making processes.

Sabancı Holding Probability Scale

Likelihood	Description
Low (0%–33%)	The risk is considered unlikely to materialize within the relevant time horizon. Based on current conditions, historical data, and existing control mechanisms, the occurrence of the risk is not expected; however, the possibility cannot be entirely ruled out should certain circumstances arise. The risk is managed through routine monitoring and existing management practices.
Medium (34%–65%)	The risk has a reasonable possibility of materializing within the relevant time horizon. Depending on internal and external developments, the likelihood of occurrence is assessed as moderate. The risk is closely monitored, and additional preventive or mitigating actions are planned where necessary.
High (66%–100%)	The risk is likely or expected to materialize within the relevant time horizon. Current trends, indicators, and external developments suggest a high probability of occurrence. Accordingly, the risk is prioritized by senior management and relevant committees, and proactive measures are implemented to mitigate its potential impacts.

The risks and opportunities identified during the workshops were analyzed and classified by the Risk Directorate in accordance with established risk assessment thresholds. Subsequently, based on the financial prioritization assessments provided by the Group Financial Control Directorate, the sustainability-related risks to be addressed within the scope of reporting were determined. Detailed information regarding Sabancı Holding's financial materiality assessment is provided in the Strategy section of this Report.

In this process, the Sustainability Directorate and the Risk Directorate work in close collaboration, ensuring that risks deemed to be of priority significance are escalated to the relevant committees operating at the Board of Directors and Executive Committee levels.

Throughout the process, the Group Financial Control Directorate, which operates under the supervision of the Chief Financial Officer (CFO), is regularly informed and provides technical support for the assessment and quantification of the potential financial impacts of sustainability-related risks. This integrated approach helps ensure that sustainability considerations are effectively incorporated into financial evaluations, risk management processes, and strategic decision-making.

RISK MANAGEMENT

Mitigation of Climate-Related Risks and Opportunities

Comprehensive roadmaps are being developed for the priority climate risks identified, with the active participation of sustainability teams across the Group companies. These efforts are carried out through a strategic, multi-stakeholder approach aimed at mitigating risks and capturing opportunities. As part of this process, scenario analyses, impact and dependency assessments, operational benchmarking, and roadmap development activities are undertaken. Themes such as decarbonization, biodiversity, circular economy, and water management are integrated into opportunity planning. Monitoring activities are conducted through internal policies and systems, investment decision-making processes, stakeholder engagement mechanisms, and Investment Committee review processes. While strengthening risk mitigation and opportunity planning, these monitoring mechanisms are supported by tools such as the Sabancı Holding Responsible Investment Policy and the integration of climate scenarios into investment, merger, and acquisition processes through Investment Committee oversight.

As part of compliance with evolving international sustainability regulations, one of the key outcomes of this process is the identification of transition risks in core sectors such as energy and materials technologies, together with the development of strategic decarbonization roadmaps covering the short, medium, and long term.

Sabancı Holding implements measures aimed at enhancing infrastructure resilience in order to mitigate physical risks associated with natural disasters, water stress, and increasingly severe weather events.

Through sector-specific practices and robust supply chain management, Group companies are strengthening their preparedness against climate-related hazards such as wildfires, storms, extreme temperatures, and water stress. In this context, water efficiency measures, biodiversity conservation, and the protection of ecosystem integrity are treated as priority intervention areas, thereby supporting sustainable growth in harmony with nature.

Mitigating Physical Risks: Operational resilience is enhanced against physical risks such as natural disasters, extreme weather events, and resource scarcity through sector-specific practices and strong supply chain management. While efforts focus on increasing the resilience of infrastructure to climate-related threats, sustainable growth aligned with nature is supported through water efficiency initiatives, biodiversity conservation, and the protection of ecosystem integrity.

Addressing Compliance Risks: Full compliance is maintained with evolving local and international regulations as well as ethical standards. Through greenhouse gas management regulations, human rights principles, digitalization initiatives, and continuous monitoring practices, risks related to legal sanctions, reputational damage, and operating permits are proactively managed.

Managing Transition Risks: During the transition to a low-carbon economy, priority is given to investments in green technologies, innovation, and talent development. Transition risks are mitigated through circular economy initiatives, decarbonization efforts, and sustainable supply chain strategies, while emerging market opportunities are actively pursued.

Addressing Emerging Sustainability Risks: Emerging risks, including climate-related litigation, social instability, and technological transformation, are closely monitored through scenario analysis, stakeholder engagement, and horizon-scanning approaches. Strategies developed in response to these risks aim to strengthen resilience and support sustainable long-term growth.

Risk Management Across the Group

Sabancı Holding's banking subsidiary Akbank carries out risk management, regulatory compliance and environmental and social impact assessments in key operational areas such as balance sheet management, capital allocation and product development through a multidimensional approach. Through prudent risk management practices, Akbank contributes to Sabancı Holding's long-term strategies and objectives.

In Sabancı Group subsidiaries other than the Bank, enterprise risk management processes are carried out under the oversight of senior management and senior executives. Risks are identified and prioritised according to their likelihood of occurrence and potential impacts under the guidance of the relevant boards of directors and affiliated risk committees. The identified risks are systematically monitored and regularly reported to the Early Detection of Risk Committee ("EDRC") and the Board of Directors to ensure transparency and accountability.

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TARGETS AND METRICS

In line with its sustainability strategy, Sabancı Holding adopts a comprehensive set of targets designed to support long-term value creation. The Holding systematically monitors the performance of these targets through a structured management framework.

These targets are intended to enhance the Holding's resilience to climate-related risks and opportunities while supporting the integrated management of sustainability performance and financial outcomes. The sustainability performance monitored under this framework is used to evaluate the Group's progress in the transition to a low-carbon economy, its resource utilization and impacts on nature, and its capital allocation approach.

Climate-Related Targets

Considering climate-related risks and opportunities that may affect its current and future operations, Sabancı Holding has established medium- and long-term emissions reduction targets to support the transition to a low-carbon economy and reduce greenhouse gas emissions across its portfolio. Sabancı Holding's target-setting process is based on consolidated approach that encompasses not only the Holding itself but also all Group companies. In this context, a comprehensive Decarbonization Project covering the entire portfolio was launched in 2022. During the first phase of the project, medium- and long-term emissions reduction targets were established for each Group company through customized initiatives designed to reflect their sector-specific operational characteristics. In the second phase, the decarbonization approach was expanded beyond emissions management, and a nature-focused perspective centered on resource efficiency across operations was transformed into a comprehensive "Nature Agenda."

As part of the project, 2021 was selected as the base year for Sabancı Holding's greenhouse gas emissions targets. The Holding subsequently established interim reduction targets for 2030 and announced its commitment to achieve net zero emissions by 2050.

Under its net zero commitment, Sabancı Holding has set its interim emissions targets in alignment with the 1.5°C goal of the Paris Agreement and the methodologies of the Science Based Targets initiative (SBTi). For its 2030 interim target, the Holding aims to reduce its Scope 1 and Scope 2 greenhouse gas emissions by 42%, bringing them down to 6.49 million tCO₂e, while reducing Scope 3 greenhouse gas emissions to 6.72 million tCO₂e. During the reporting period, Sabancı Holding's total Scope 1 and Scope 2 greenhouse gas emissions decreased by 11% compared to the 2021 base year, and decarbonization efforts continue to support achievement of the 2030 interim target.

Sabancı Holding Net Zero Target

Target	Base Year	2030 Target (million tCO ₂ e)	2050 Target	Performance (million tCO ₂ e)		
				Base Year	2024	2025
Greenhouse Gas Emissions (Scope 1 + 2)	2021	6.49	Net Zero	11.20	9.68	9.91
Greenhouse Gas Emissions (Scope 3)	2021	6.72	Net Zero	11.59	10.07	10.32

Sabancı Holding's interim targets are designed to achieve carbon reductions primarily through direct emissions reduction initiatives, energy efficiency improvements, the increased use of renewable energy, low-carbon production practices, and portfolio transformation.

TARGETS AND METRICS

Climate-Related Metrics

Sabancı Holding monitors progress toward its climate-related targets through Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, as well as indicators related to energy consumption and renewable energy use. These indicators constitute the core dataset used to track the Group's performance in the transition to a low-carbon economy, assess progress toward emissions reduction targets, and evaluate the impact of renewable energy certificates used in Scope 2 market-based calculations.

Sabancı Holding's greenhouse gas emissions for 2025 are presented in the table below. For comparability purposes, 2024 figures are presented based on consolidated environmental performance indicators at the Group level. Unless otherwise stated, the reported data represent gross emissions. In calculating the combined total of Scope 1 and Scope 2 emissions, as well as total greenhouse gas emissions, the market-based Scope 2 value has been used.

Scope 3 emissions are monitored in accordance with the category structure defined by the Greenhouse Gas Protocol. In this context, indirect greenhouse gas emissions arising from Category 6 – Business Travel, Category 7 – Employee Commuting, and Category 15 – Investments are tracked and reported. As of the reporting period, the Scope 3 emissions categories being monitored remain consistent with those covered in the previous reporting period, and no changes or updates have been made to the relevant categories.

Sabancı Holding Greenhouse Gas Emissions

Greenhouse Gas Emissions (tCO ₂ e)	2024	2025
Scope 1	8,845,242	9,171,252
Scope 2 (Location-Based)	1,223,959	1,090,353
Scope 2 (Market-Based)	842,520	743,709
Scope 3	10,073,041	10,326,491
Scope 1 + Scope 2 (Market-Based)	9,687,762	9,914,61
Scope 1 + Scope 2 + Scope 3	19,760,803	20,241,451

TARGETS AND METRICS

In addition to greenhouse gas emissions, Sabancı Holding monitors indicators related to energy consumption, electricity consumption, renewable energy consumption, and the use of certified electricity. These indicators support the market-based calculation of Scope 2 emissions. During the reporting period, electricity consumption certified under I-REC, YEK-G, GoO, and other relevant country- or market-specific certification schemes was taken into account in the market-based Scope 2 emissions calculations.

The 2024 energy metrics are presented based on consolidated environmental performance indicators at the Group level. Certified renewable electricity consumption represents the total electricity consumption purchased through I-REC certificates and electricity consumption certified under the YEK-G system or other applicable national certification schemes. Non-certified electricity consumption refers to electricity purchased from third parties that is not supported by a renewable energy certificate or an equivalent contractual instrument.

Greenhouse Gas Emissions Accounting

Sabancı Holding calculates its greenhouse gas emissions annually across Scope 1, Scope 2, and Scope 3 categories and subjects the related data to limited assurance reviews. In line with the methodology set out in Sabancı Holding's Nature Commitment, greenhouse gas calculations are based on the Greenhouse Gas Protocol, and emissions are consolidated by taking into account the Group's equity ownership share in the relevant operations. Under this approach, Sabancı Holding accounts for greenhouse gas emissions arising from operations in proportion to its ownership interest in those operations.

Scope 1 emissions represent direct greenhouse gas emissions generated from the operations of Group companies. Scope 2 emissions represent indirect emissions associated with the consumption of purchased or acquired electricity, heat, steam, and cooling. Scope 3 emissions represent other indirect emissions occurring across the Group's value chain.

Scope 2 emissions are calculated using both the location-based and market-based methodologies.

Sabancı Holding calculates and reports greenhouse gas emissions in accordance with the following fundamental methodology, whereby activity data are multiplied by the relevant emission factors and necessary conversion coefficients to determine emissions in tons of carbon dioxide equivalent (tCO₂e):

$$\text{Emissions} = \text{Activity Data} \times \text{Emission Factor}$$

Sabancı Holding Energy Consumption Indicators

Energy Index (MWh)	2024	2025
Total Energy Consumption	36,681,225	44,672,041
Total Electricity Consumption	3,025,634	3,317,972
Renewable Energy Consumption	1,822,402	1,686,547
Certified Renewable Electricity Consumption	1,610,999	1,481,778
Non-Certified Electricity Consumption	626,512	737,239

TARGETS AND METRICS

Greenhouse gas calculations take into account CO₂ (carbon dioxide), CH₄ (methane), N₂O (nitrous oxide), and fluorinated gases (R22, R410A, HFC227, HCFC123 and SF₆). The emission factors used in the calculations are sourced from internationally recognized references, primarily the DEFRA / UK Government GHG Conversion Factors, depending on the type of activity being assessed.

For emissions arising from fuel consumption, the calculations are based on the net calorific values and relevant emission factors set out in the IPCC 2006 Guidelines for National Greenhouse Gas Inventories. The conversion of greenhouse gases into carbon dioxide equivalent is performed using the 100-year Global Warming Potential (GWP) values published in the IPCC Sixth Assessment Report (AR6).

For emissions associated with electricity consumption, country- or region-specific grid emission factors are applied. For operations in Türkiye, the electricity generation and electricity consumption point emission factors published by the Republic of Türkiye Ministry of Energy and Natural Resources are used as the basis for the calculations.

Within Scope 1, emissions from stationary combustion, mobile combustion, process emissions, and fugitive emissions are taken into account. Stationary combustion emissions include the consumption of fuels such as natural gas, coal, fuel oil, LPG, and similar fuels. Mobile combustion emissions cover the use of diesel, gasoline, and other transportation fuels, while fugitive emissions include the use or leakage of refrigerant gases, SF₆, and gases associated with fire suppression systems.

For energy-based calculations of fuel consumption, net calorific values (NCVs) are used. The NCVs applied are based on the IPCC 2006 Guidelines for National Greenhouse Gas Inventories, Volume 2 (Energy), specifically Chapter 1, with Chapter 2 applied for stationary combustion and Chapter 3 for mobile combustion. Depending on the activity type, emission factors are sourced from internationally recognized references (e.g., DEFRA / UK Government GHG Conversion Factors) and are applied in accordance with the GHG Protocol.

Within Scope 2, emissions arising from electricity consumption are tracked using both the location-based and market-based methodologies in accordance with the GHG Protocol Scope 2 Guidance. Under the location-based approach, electricity grid emission factors applicable to the country or region in which operations are located are used.

For operations in Türkiye, the electricity generation and electricity consumption point emission factors published by the Republic of Türkiye Ministry of Energy and Natural Resources are applied. According to these factors, the average greenhouse gas emissions associated with 1 MWh of gross electricity generation in Türkiye amount to 0.436 tCO₂e, while electricity consumption point emission factors are published separately based on the relevant grid connection level.

In market-based Scope 2 calculations, I-REC, YEK-G (Renewable Energy Resource Guarantee System), Guarantees of Origin (GoO), and other renewable energy certificates and contractual instruments recognized in the relevant markets are taken into consideration.

Group companies operating within the European Union may document their procurement of electricity from renewable sources through Guarantees of Origin (GoO) certificates, in accordance with applicable regulatory requirements.

TARGETS AND METRICS

Carbon Credits and Internal Carbon Pricing

Sabancı Holding's interim emissions reduction targets are designed to be achieved primarily through direct emissions reduction initiatives. Accordingly, the use of voluntary carbon markets is not envisaged as a means of achieving the Holding's interim emissions reduction targets. Under its long-term net-zero commitment, however, Sabancı Holding may consider the use of verified carbon removal projects, developed in accordance with internationally recognized standards, solely for the purpose of compensating for unavoidable residual emissions.

Sabancı Holding applies an internal carbon pricing approach to assess the financial impacts of climate-related risks and opportunities. Within this framework, the carbon emissions generated by Group companies over time are compared against available free allowances and carbon credits. The resulting deficit or surplus position is then multiplied by relevant carbon price assumptions to estimate the annual financial impact associated with carbon emissions exposure.

Sabancı Holding's internal carbon pricing model has been designed to assess the impacts of the European Union Emissions Trading System (EU ETS), the Türkiye Emissions Trading System (Türkiye ETS), and the Carbon Border Adjustment Mechanism (CBAM) within a single integrated framework. The objective of the model is to analyze the net financial impact of these regulatory mechanisms on the Group while preventing the same emissions from being priced more than once.

Sabancı Holding's internal carbon price has been developed based on Türkiye ETS and international ETS scenarios. Under the assumptions used for climate-related risk assessments, the internal carbon price is expected to range between USD 8/tCO₂e and USD 12/tCO₂e by 2030.

Appendix

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- 55 Events Occurring After the Reporting Period
- 56 Independent Audit Limited Assurance Report

Türkiye Sustainability Reporting Standards Index – 1

TSRS 1 Compliance Report

TSRS 1 Main Heading	Standard Description	Indicator Code	Description / Relevant Report Section	Page
Governance	Governance body/bodies or person(s) responsible for the oversight of climate-related risks and opportunities	TSRS-1 27.a.i–v	Sustainability Governance	10
Governance	The role of management in management processes	TSRS-1 27.b.i–iii	Sustainability Governance	11-14
Strategy	Sustainability-related risks and opportunities	TSRS-1 30.a–c	Under paragraph E5 of IFRS S1, the exemption allowing the entity to disclose information solely regarding climate-related risks and opportunities—and to apply the provisions of IFRS S1 only within that scope—has been utilized. Sustainability-related risks and opportunities are not included in this report.	-
Strategy	Business model and value chain	TSRS-1 32.a–b	Strategy / Business Model	7-8
Strategy	Strategy and decision making	TSRS-1 33.a–b	Strategy / Decision-Making	36
Strategy	Financial position, performance, and cash flows	TSRS-1 34–35	Under paragraph E5 of IFRS S1, the exemption allowing the entity to disclose information solely regarding climate-related risks and opportunities—and to apply the provisions of IFRS S1 only within that scope—has been utilized. Sustainability-related risks and opportunities are not included in this report.	-
Strategy	Resilience	TSRS-1 41	Under paragraph E5 of IFRS S1, the exemption allowing the entity to disclose information solely regarding climate-related risks and opportunities—and to apply the provisions of IFRS S1 only within that scope—has been utilized. Sustainability-related risks and opportunities are not included in this report.	-
Risk Management	Processes used to identify risks and opportunities	TSRS-1 44.a–c	Risk Management	43
Targets and Metrics	Metrics mandated by the relevant TFRS	TSRS-1 46.a, 48, 49	Targets and Metrics	47
Targets and Metrics	Progress and performance	TSRS-1 51.a–g, 53	Targets and Metrics	48
General Provisions	Guidance, reporting period, declaration of conformity	TSRS-1 54–72	Report Scope	4
Deliberations	Deliberations and uncertainties	TSRS-1 74–75	Metrics and Targets / Assessments	4

Türkiye Sustainability Reporting Standards Index – 2

TSRS 2 Compliance Report

TSRS 2 Main Heading	Standard Description	Indicator Code	Description / Relevant Report Section	Page
Governance	Governance body/bodies – climate-related risks and opportunities	TSRS-2 6.a.i–v	Sustainability Governance	10
Governance	The role of management in management processes	TSRS-2 6.b.i–ii	Sustainability Governance	11–13
Strategy	Climate-related risks and opportunities	TSRS-2 10.a–d	Strategy / Risks and Opportunities	18–35
Strategy	Business model and value chain	TSRS-2 13.a–b	Strategy / Business Model	7–8
Strategy	Strategy and decision making	TSRS-2 14.a–c	Strategy / Decision-Making	36
Strategy	Financial position, performance, and cash flows	TSRS-2 15–16	Strategy / Risk and Opportunities	17–36
Strategy	Resilience – scenario analysis	TSRS-2 22.a–b	Strategy / Scenario Analysis	43
Risk Management	Processes used to identify climate-related risks	TSRS-2 25.a–c	Risk Management	44
Targets and Metrics	Climate-related metrics (Scope 1, 2, 3)	TSRS-2 29.a–g	Targets and Metrics	48
Targets and Metrics	Climate-related goals	TSRS-2 33–36	Targets and Metrics	47

Events Occurring After the Reporting Period

Subsequent to the reporting period, the following changes occurred in the shareholding structures of Group companies within the scope of Sabancı Holding's portfolio management:

Akçansa: The transfer of the entirety of Sabancı Holding's 39.72% stake in Akçansa's share capital to Heidelberg Materials AG was completed on June 18, 2026, following the receipt of necessary regulatory approvals. As a result of the transaction, Sabancı Holding's stake in Akçansa's share capital fell to 0%.

(KAP, June 18, 2026, Notification No. 1618435)

CarrefourSA: The Share Transfer Agreement regarding the transfer of Sabancı Holding's 57.12% stake in CarrefourSA's share capital to Yeni Mağazacılık A.Ş. was signed on April 17, 2026.

(KAP, April 17, 2026, Notification No. 1595018)

The share transfer was completed on July 31, 2026, following the Competition Authority's approval of the transaction subject to certain conditions and the fulfillment of all closing conditions stipulated in the Share Transfer Agreement. As a result of the transaction, Sabancı Holding's stake in CarrefourSA's share capital fell to 0%.

(KAP, July 31, 2026, Notification No. 1641761)

Furthermore, subsequent to the reporting period, changes occurred in the board of directors compositions of Sabancı Holding and certain Group companies. Detailed information regarding these changes is available in the material event disclosures and corporate general information forms published on KAP by Sabancı Holding and the relevant Group companies.

These developments do not have a significant impact on the sustainability-related financial disclosures for the 2025 fiscal year. The potential impacts of the portfolio changes in question on the Group's business model, value chain, and sustainability performance will be assessed during the 2026 reporting period.

CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER'S LIMITED ASSURANCE REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY INFORMATION PRESENTED BY HACI ÖMER SABANCI HOLDİNG A.Ş. AND ITS SUBSIDIARIES IN ACCORDANCE WITH TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Hacı Ömer Sabancı Holding A.Ş.,

We have undertaken a limited assurance engagement on Sustainability Information of Hacı Ömer Sabancı Holding A.Ş. and its subsidiaries ("the Group") for the year ended 31 December 2025 in accordance with Turkish Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkish Sustainability Reporting Standards 2 "Climate-Related Disclosures".

Our assurance engagement does not extend to any other information included in the 2025 Integrated Annual Report or linked to from the Sustainability Information or from the 2025 Integrated Annual Report (including any images, audio files, documents embedded in a website or embedded videos).

Limited Assurance Conclusion

Based on the procedures we have performed as described under the "Summary of the work we performed as the basis for our assurance conclusion" and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information of the Group for the year ended 31 December 2025, is not prepared, in all material respects, in accordance with Turkish Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("POA") in the Official Gazette dated 29 December 2023 and numbered 32414(M).

We do not express an assurance conclusion on any other information included in the 2025 Integrated Annual Report or linked to from the Sustainability Information or from the 2025 Integrated Annual Report (including any images, audio files, documents embedded in a website or embedded videos).

Inherent Limitations in Preparing the Sustainability Information

Sustainability Information is subject to inherent uncertainty due to incomplete scientific and economic knowledge. Greenhouse gas emission quantification is subject to inherent uncertainty due to incomplete scientific knowledge. Additionally, the Sustainability Information includes information based on climate-related scenarios that is subject to inherent uncertainty due to incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future physical and transitional climate-related impacts.

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

The Group Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Turkish Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- In addition, the Group Management is responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate in the circumstances.

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

CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER'S LIMITED ASSURANCE REPORT ORIGINALLY ISSUED IN TURKISH

Practitioner's Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained and informing the Group management of the conclusion we have reached.
- Performing risk assessment procedures to obtain an understanding of the Group's internal control structure and to identify and assess the risks of material misstatement of sustainability information, whether due to fraud or error, but not for the purpose of expressing an assurance conclusion on the effectiveness of the Group's internal control.
- Designing and implementing procedures to identify and address areas of the Sustainability Information that may contain material misstatements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements may arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users of Sustainability Information.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information in order to ensure that our independence is not compromised.

Professional Standards Applied

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with the Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors (Including Independence Standards) ("Code of Ethics") issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the work of experts to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER'S LIMITED ASSURANCE REPORT ORIGINALLY ISSUED IN TURKISH

Summary of the Work We Performed as the Basis for Our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information, we:

- Conducted inquiries with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- Used the Group's internal documentation to assess and review sustainability-related information;
- Evaluated the disclosure and presentation of sustainability-related information.
- Through inquiries, obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.

- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates.
- Obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.

The procedures 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.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

Member of **DELOITTE TOUCHE TOHMATSU LIMITED**



Sunay Anıktar

Partner

İstanbul, 12 August 2026

**Trade Name**

Hacı Ömer Sabancı Holding A.Ş.

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This report has been produced exclusively in digital format, with all content developed in-house by Sabancı Holding.