Our Nature Agenda

Building a Nature-Positive Ecosystem

Nature has a way of **illuminating itself even in the darkest environments**— *from bioluminescent organisms in the deep sea to fireflies lighting up the night. Similarly, Sabancı Holding is committed to* **nature-positive investments** *that* **restore, regenerate, and protect ecosystems.** *By i*ntegrating biodiversity protection, water stewardship, and circular economy principles, *we ensure that businesses* **enhance, rather than deplete, natural resources.** *Our focus is on* **creating a thriving, self-sustaining balance between industry and nature.**

Our Nature Agenda

In recent years, the global sustainability agenda has expanded from a primary focus on decarbonization to a broader "nature agenda", reflecting a more holistic understanding of environmental challenges. While the reduction of greenhouse gas emissions continues to be a key priority, it is now widely recognized that climate and nature are part of an interconnected system. Issues such as biodiversity loss, freshwater scarcity, and land degradation are not only environmental concerns but also critical factors influencing long-term business resilience and value creation.

As many regulatory frameworks with nature-related disclosure requirements, such as *the EU's Corporate Sustainability Reporting Directive (CSRD)* and *the Taskforce on Nature-related Financial Disclosures (TNFD)*, gain prominence, companies are expected to assess and disclose their broader impacts and dependencies on nature. In this context, **embedding nature into corporate strategy** is not only about managing risk; it is also about identifying **new opportunities for innovation, resilience, and future-fit growth** in a rapidly changing operating environment.

At Sabancı Holding, we approach sustainability through a **holistic lens** and are committed to advancing a broader Nature Agenda. By integrating **climate efforts with nature-positive actions,** we aim to contribute to a more balanced and thriving future for both our business and society as a whole.

In this regard, our efforts have expanded from decarbonization to a comprehensive nature program, employing both an outside-in and inside-out perspective in line with the double materiality approach.

Sabancı Holding's Nature Agenda includes our efforts in four key areas: Decarbonization Initiatives, Water Management, Biodiversity and Circular Economy

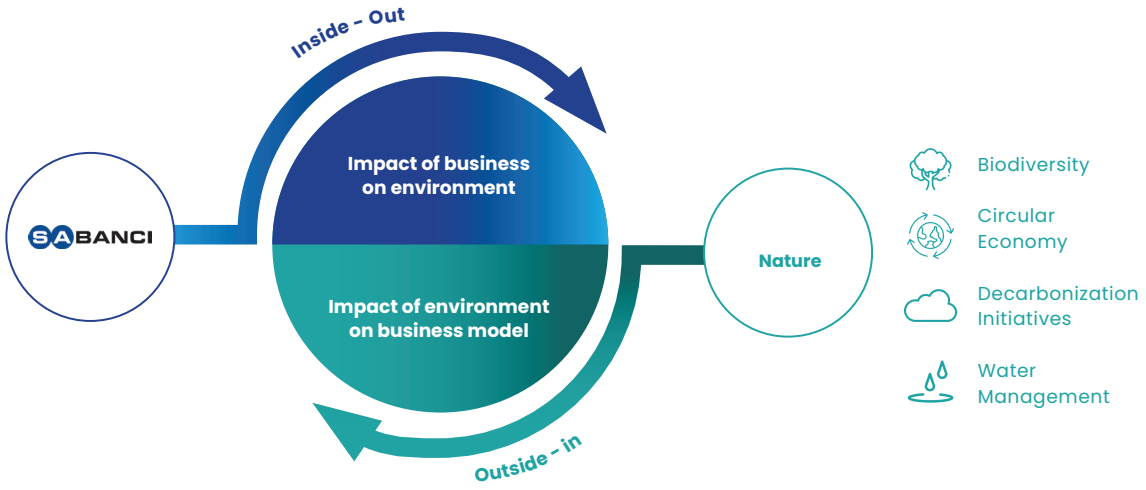
Through these pillars, we aim to support the resilience of natural systems while also strengthening long-term value creation for our stakeholders.

In 2024, building on the outcomes of our nature-focused initiatives, we became the first company in Türkiye to publish a Nature Pledge outlining our future goals.

This marked a significant evolution in our sustainability journey—expanding beyond decarbonization to embrace a broader, more impactful Nature Agenda. By doing so, we reaffirmed our commitment to driving transformation within our business while creating positive value for our stakeholders.

For further details, please read our Nature Pledge available at the Download Center of the Report's website.

The Efforts Extended from Focusing on the Impact of the Operations to the Impact on The Business Model



Decarbonization Initiatives

According to the latest *WEF Global Risk Report*, our world is facing major global challenges that matter to our future both in the short and long term. In a 10-year period, four of the five major global risks are related to climate and environmental issues: extreme weather events, biodiversity loss and ecosystem collapse, critical change to Earth systems, and natural resource shortages.

The year 2024 marked a critical turning point in the global climate crisis, as it became the first calendar year during which global average temperature exceeded 1.5°C above pre-industrial levels. According to the *Copernicus Climate Change Service Global Climate Highlights Report*, the global average temperature reached approximately 1.6°C, crossing a key threshold identified in the Paris Agreement. This milestone signals not only the pace at which human-induced climate change is accelerating but also the growing urgency for coordinated global climate action.

Throughout 2024, virtually every month recorded temperatures above the 1.5°C limit, with extreme heat observed across most regions of the world. Sea surface temperatures reached record highs, further intensifying the frequency and severity of extreme weather events. Europe experienced its hottest spring and summer on record. Türkiye also experienced its hottest year on record, with an average temperature of 15.6°C, which is 1.7°C above the 1991–2020 average of 13.9°C. Remarkably, new monthly temperature records were observed in January, April, June, and July. Both the winter and summer seasons were the warmest ever recorded, highlighting the intensifying impacts of climate change at the national level.[37]

In parallel with these critical insights, the climate emergency has also been determined as one of the most material issues for our business.

To respond to this emergency, we advanced in the course defined by our comprehensive decarbonization strategy, which focuses on growing our business in sustainable areas while reducing our negative impact on the planet.

In alignment with our strategic framework, we addressed potential risks to achieving the 1.5°C goal and identified key areas for improvement on our path toward Net Zero Emissions. Specific measures and actions have been outlined for both Sabancı Holding and its Group companies to help mitigate their environmental impact.

We are implementing our set of 15 Decarbonization Levers, which serve as a structured roadmap to accelerate the transition process and decarbonize the diverse industries in which Sabancı Group is actively engaged.

List of Decarbonization Levers

- Renewable Electricity Usage/ Generation
- Switching away from CO_2 Intensive Fuels
- Electrification of Kiln/Boiler
- Theft & Loss Reduction
- Alternative Cooling Gas
- Bio Diesel Blend
- SF6 Recovery
- Blending of Renewable Natural Gas (RNG)
- Grid Decarbonization
- Raw Material Substitution
- Fleet EV Transformation
- Clinker Substitution
- Alternative Fuels
- Heat Pumps
- Product/Network Optimization

[37] *http://www.emcc.mgm.gov.tr/files/State_of_the_Climate_in_Turkey_in_2024.pdf*

Decarbonization Initiatives

Building on the journey we started in 2021, we further elevated our commitment by introducing **interim GHG emissions reduction targets** within the scope of our Nature Agenda starting in 2023.

Committed to 2050 Net Zero goals, Sabancı Group has set ambitious science-based targets.
As an investment holding, we have committed to a 15% reduction in Scope 1 & 2 GHG emissions by 2025 and a 42% reduction in Scope 1 & 2 GHG emissions by 2030 versus 2021 baseline, without using carbon offsets, based on the equity share approach.

Our targets align with the 1.5°C pathway of the globally recognized *Science Based Targets initiative (SBTi).*

Group companies have begun establishing their Scope 3 GHG emissions targets and are actively engaging in the SBTi approval process.

100% of our financial services companies have set portfolio decarbonization targets, while the rest have Scope 1 and 2 decarbonization plans, some of which are based on SBTi methodologies.

7 Sabancı Group Companies Take Action on Climate Goals.
4 of our Group companies — Brisa, Çimsa, Kordsa, and Temsa — have officially set science-based targets aligned with the SBTi's 1.5°C scenario. Meanwhile, Aksigorta, Agesa, and Teknosa have formally committed to the SBTi and are currently undergoing the approval process.

Akbank's commitment to becoming a Net Zero Bank by 2050, in accordance with the guidelines of the Net-Zero Banking Alliance, marks a significant milestone in its Scope 3 decarbonization journey.

ENERGY AND GHG EMISSIONS MANAGEMENT

At Sabancı Group, energy and emission management means reducing the impact of Group companies from different industries by taking various initiatives and innovative actions to support the Group's interim GHG reduction and ultimate Net Zero targets. In parallel with this understanding, our **energy intensity decreased by 12%** in 2024. Our **Scope 1 and 2 GHG emissions increased by 8%** during the reporting year compared to 2023, due to the expanded reporting boundaries covering all operations, including global activities, and the full-capacity operation of natural gas plants that had been under maintenance in the previous year. The full-capacity operation was driven by higher energy demand to ensure supply security.

The reduction was mainly driven by energy efficiency, increased use of renewable electricity across all our businesses, **increased use of alternative raw materials and fuel** in material technologies, and the **decrease of natural gas use** in the energy business.

We achieved 31 thousand MWh of energy savings[38] with efficiency projects implemented.

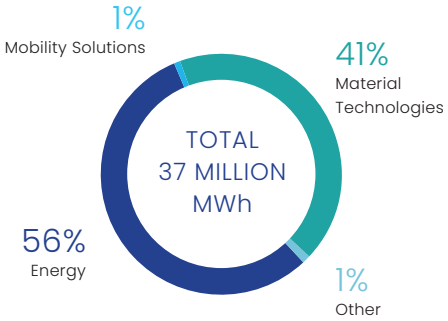
As a result of carbon emission reduction projects, **we prevented approximately 77 thousand of tCO_2 equivalent GHG emissions.**

In addition, we procured nearly 1.8 million MWh of our electricity from renewable sources.[39]

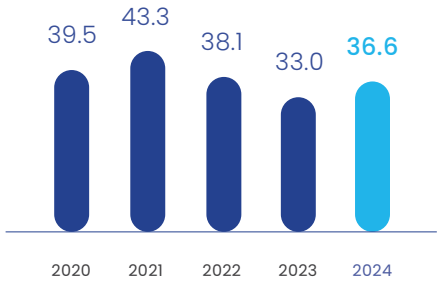
38 Includes Akçansa, Brisa, Carrefoursa, Kordsa, Teknosa, Temsa, Enerjisa Enerji, and SabancıDx.
39 Includes Holding, Aksigorta, Akçansa, Brisa, Çimsa, Kordsa, Teknosa, Temsa, Enerjisa Enerji.

Decarbonization Initiatives

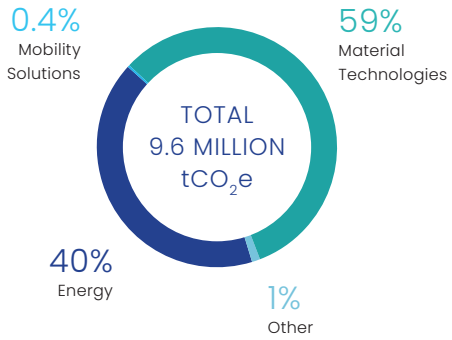
Energy Consumption by Sector



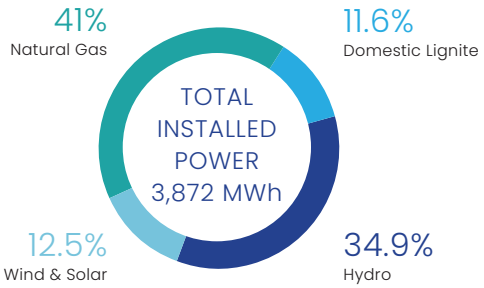
Energy Consumption by Year (MWh, million)



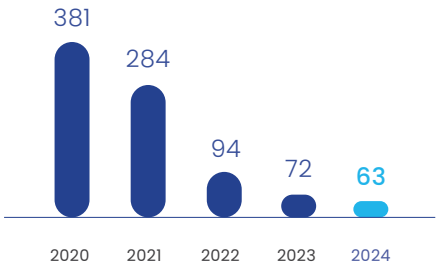
Total Scope 1 and Scope 2 GHG Emissions by Sector



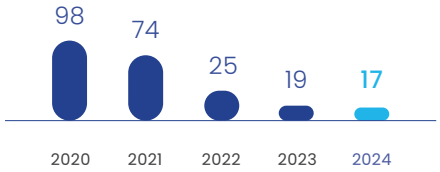
Enerjisa Üretim Portfolio[42]



Energy Intensity by Year (MWh/million TL)



Emission Intensity by Year (tCO_2e/million TL)



GHG Emissions by Scope[40]

Our Scope 1 & 2 GHG emissions increased by 8% during the reporting year compared to 2023.

	2024	2023	2022	2021[41]	2020[41]
Scope 1	45%	44%	45%	44%	43%
Scope 2	4%	5%	4%	5%	4%
Scope 3	51%	51%	51%	51%	53%
Total (tCO_2e)	19.7 million	18.3 million	21.3 million	22.7 million	20.2 million

40 In accordance with the Equity Share Approach defined in the Greenhouse Gas Protocol, Sabancı Holding accounts for GHG emissions from operations according to its share of equity in the operation.
41 The GHG emissions of the Group for the year 2020 and 2021 have been restated due to the change in consolidation approach.
42 YEKA-2 and capacity increase projects under construction have been included in Wind & Solar.

Decarbonization Initiatives

Sabancı Group aims to reach its decarbonization targets through a variety of technological levers and strategic initiatives, including **renewable electricity use, grid modernization, alternative raw materials and fuel use, process changes, and product and network optimization** in carbon-intensive businesses.

In our Material Technologies companies, 84% of cement is manufactured at CSC Gold certified plants.

According to International Energy Agency (IEA) data, *if the Net Zero scenario is applied successfully, renewables' share of power generation is expected to increase by almost 90% by 2050.* It is indicated that related activities need to increase rapidly to meet the requirements for the Net Zero scenario and to achieve the required percentage. Both wind and solar PV are expected to play significant roles in renewable power generation by 2030, followed by hydropower, bioenergy, and other sources.

In Türkiye, Sabancı Group operates in every aspect of the electricity value chain open to the private sector, from electricity generation to trade, distribution, and retail.

Enerjisa Üretim strengthens its commitment to tackle the climate emergency by:

- Investing in renewable energy, thereby pledging to fight against the climate emergency.
- Supporting its existing facilities with renewable technologies.
- Leading the industry in low-carbon alternatives through research and development investments, such as green hydrogen.
- Reducing its carbon footprint by embracing digitalization in its operations as much as possible and directing the sector towards this direction.

OUR GROUP'S TRANSITION TO CLEAN ENERGY

In 2024, our Group companies, including **Akbank, Aksigorta, Akçansa, Çimsa, Brisa, Kordsa, Temsa, Enerjisa Enerji, Enerjisa Üretim, and Teknosa, continued to obtain their electricity from renewable sources.**

Our Group's renewable energy transition plans include both the purchase of renewable energy certificates and on-site renewable energy installations where technically feasible.

For the Sabancı Group facilities certified with ISO 50001, please refer to the ISO Certifications Document available in the Download Center section of the Report's website.

HIGHLIGHTS FROM SABANCI GROUP COMPANIES

Çimsa

Çimsa has committed to **reducing its gross Scope 1 and 2 GHG emissions by 42.1%** per ton of cementitious product by 2033, compared to the 2021 baseline. Additionally, the company has committed to **reducing gross Scope 3 GHG emissions from purchased clinker and cement by 43.4%** per ton purchased by 2033, using 2022 as the base year. In April 2024, Çimsa's near-term emission reduction targets were officially validated by the SBTi, confirming its alignment with the 1.5°C pathway.

Çimsa achieved a 73% reduction in Scope 2 emissions and targets 80% renewable electricity by 2030.

As of 2024, Çimsa has already achieved a 4.8% reduction in total Scope 1 emissions and a 73% reduction in Scope 2 emissions. The company has also achieved a 14.5% decrease in Scope 1 and 2 emission intensity per ton of cementitious product.

As part of its transformation from gray to green, Çimsa advanced its renewable energy strategy through on-site generation and the use of certified renewable electricity. The company sourced I-REC and Guarantee

Decarbonization Initiatives

of Origin certified electricity for its operations in Türkiye and Spain, significantly reducing market-based Scope 2 emissions. Through solar power and waste heat recovery investments at key facilities, Çimsa reinforced its commitment to climate action and remains on track to reach its goal of 80% renewable electricity consumption by 2030.

Akçansa

In 2024, Akçansa advanced its decarbonization strategy focused on reducing fossil fuel use, lowering clinker ratios, and investing in low-carbon cement production. **The clinker ratio dropped to 85.5%, down 1.7 percentage points from the previous year.**

The company continued to neutralize Scope 2 market-based emissions through I-REC and YEK-G certificates and is exploring Carbon Capture, Utilization, and Storage (CCUS) technologies while expanding the use of alternative fuels and renewable energy across its operations. **Its 2030 GHG emission reduction roadmap has been revised to fully reflect SBTi expectations and the Paris Agreement.**

Kordsa

Kordsa has committed to achieving Net Zero emissions by 2050 and aligning with the 1.5°C target. The company's **mid-term targets were approved by the SBTi in June 2023,** followed by the approval of its **long-term targets in July 2024.** By 2030, Kordsa aims to reduce absolute **Scope 1 and 2 GHG emissions by 46.2%** from a 2019 baseline.

For Scope 3, Kordsa targets that by 2027, 64% of "Purchased Goods and Services" (Category 1) will be covered by SBTi-aligned targets. Additionally, the company aims to reduce absolute Scope 3 GHG emissions from "Fuel- and Energy-Related Activities" (Category 3) and the "Processing of Sold Products" (Category 10) by 25% by 2030, using 2021 as the baseline. In 2024, Kordsa achieved a **21% reduction in Scope 1 and 2 GHG emissions** compared to 2019.

Brisa

Brisa has committed to **reducing its GHG emissions by 56% by 2030** in line with the 1.5°C pathway, compared to 2020 baseline.

In 2024, Brisa achieved a 33% reduction in absolute Scope 1 and 2 GHG emissions.

With over 60% of the emissions stemming from Scope 2 electricity use, Brisa focuses on transitioning away from natural gas by investing in renewable energy and has completed major projects at both of its factories. The company sources IREC-certified renewable electricity to support this shift.

Brisa also published a **TCFD-aligned Climate Transition Plan** in 2024. In Scope 3, "Use of Sold Products" (Category 11) represents 87% and "Purchased Goods and Services" (Category 1) accounts for 11% of emissions. While the former requires collaboration with automotive customers, Brisa focuses on supplier engagement for the latter. Through **the SUSPRO program,** launched in 2023 with Bridgestone, 45% of Scope 3 GHG emissions under supplier responsibility were covered by science-based targets by the end of 2024, progressing toward the 2028 target of 79% coverage.

Temsa

Temsa's decarbonization planning is aligned with the SBTi. The company's target-setting process was affected by the temporary pause on SBTi validations for automakers due to the lack of a defined pathway for Scope 3 Category 11 emissions. **With the release of the updated Land Transport Guidance by SBTi in March 2024, Temsa has resumed work on aligning its near- and long-term targets with the 1.5°C pathway.** The company is currently revising its climate targets in line with this updated framework.

Decarbonization Initiatives

Enerjisa Enerji

Enerjisa Enerji aims to achieve a **10% reduction in absolute Scope 1 and 2 GHG emissions by 2025, progressing toward a 30% reduction by 2030** compared to the 2021 baseline and covering all operational buildings.

Enerjisa Enerji sets first Scope 3 target.

In 2024, Enerjisa Enerji established its first Scope 3 emissions reduction target, adopting a more comprehensive approach that encompasses all GHG emission scopes. Based on the 2021 baseline, the company targets a 40% reduction in total GHG emissions by 2030 and a 25% reduction in Scope 3 emission intensity by 2025, reinforcing its dedication to building a sustainable and responsible value chain.

Enerjisa Üretim

Enerjisa Üretim advanced Net Zero target to 2040.

Enerjisa Üretim advanced its decarbonization journey in 2024 by revising its Net Zero carbon target from 2045 to 2040, following a strategic reassessment of its thermal power plant operations. This updated goal reflects the company's increased commitment to sustainability, while allowing flexibility in response to energy security needs and evolving transition mechanisms.

In line with its new growth strategy, the company raised its **Scope 1 and 2 emission intensity reduction target from 18% to 23% by 2026.** Enerjisa Üretim also took a significant step in emissions transparency by obtaining third-party assurance for nine subcategories of its 2023 Scope 3 emissions. These categories now include purchased goods and services, capital goods, electricity sales, and natural gas sales.

Building on these efforts, the company updated its Scope 3 baseline using 2022 as the reference year and **committed to a 30% reduction in Scope 3 emissions by 2035.**

Akbank

In 2024, Akbank strengthened its climate strategy by launching the Akbank Net Zero Strategy, reaffirming its **Net Zero by 2050** commitment and becoming a member of the Net-Zero Banking Alliance.

Akbank became the first deposit bank in Türkiye to announce a sectoral decarbonization strategy, with 2030 interim targets and roadmaps aligned with the 1.5°C scenario.

Key carbon-intensive sectors include cement, iron and steel, real estate, and energy. This strategy addresses climate risks in the loan portfolio and supports clients' low-carbon transitions through Akbank's **Sustainable Finance Ecosystem.**

For operational emissions, the bank aims to **reduce Scope 1 and 2 GHG emissions by 90% by 2030,** using 2019 as the base year, in alignment with SBTi methodologies. Akbank transitioned to **100% renewable electricity** in 2023, effectively eliminating Scope 2 GHG emissions, and is advancing energy efficiency initiatives to address Scope 1.

While Scope 3 GHG emissions remain a measurement and impact challenge in the financial sector, Akbank continues to make progress through green investments and sustainable finance mechanisms, reinforcing its role in Türkiye's **low-carbon transformation.**

Decarbonization Initiatives

Aksigorta

Aksigorta has committed to achieving **Net Zero emissions by 2050,** with a near-term target of reducing **combined Scope 1 and 2 GHG emissions by 65% by 2030,** using 2019 as the base year. The company is in the process of finalizing its commitment and target submission to the SBTi by the end of 2025.

For Scope 3 GHG emissions from its investment portfolio, Aksigorta follows the Portfolio Coverage methodology recommended for the financial services sector. The company aims for **40% of its portfolio to consist of firms with SBTi-aligned targets by 2030, and 100% by 2040.** Starting in 2025, Aksigorta will work with key portfolio companies on SBTi alignment and, from 2027, give investment preference to those with validated targets, while considering phasing out support for those that do not commit.

These steps reinforce Aksigorta's commitment to integrating climate considerations into investment decisions and supporting a science-based transition to a low-carbon economy.

Agesa

Agesa has committed to achieving **Net Zero emissions by 2050** and aligned its near-term climate ambition with the SBTi. To support this goal, the company aims to **reduce total operational GHG emissions by 75% by 2030,** using 2019 as the base year. These targets are currently under evaluation by SBTi for alignment with the Paris Climate Agreement.

Recognizing that over 90% of its total GHG emissions come from its investment portfolio, Agesa is implementing the Portfolio Coverage methodology recommended by SBTi for financial institutions. Under this approach, **47% of the portfolio is expected to be composed of companies with science-based targets by 2030, increasing to 100% by 2040.** This aligns with the company's commitment to a low-carbon and stakeholder-focused growth model.

Teknosa

Teknosa published Climate Transition Plan.

In 2024, Teknosa published its *Climate Transition Plan* for its comprehensive commitment to combat climate change and building a sustainable future. Accordingly, the company committed to r**educe Scope 1 and 2 GHG emissions by 42% by 2030** compared to the 2021 baseline in line with the SBTi 1.5°C pathway.

In addition, Teknosa aims to **reduce Scope 3 GHG emissions in its supply chain by 67%, including a 52% cut in emissions intensity by 2030.** This focuses specifically on high emission sources such as "Purchased Goods and Services" (Category 1) and the "Use of Products Sold" (Category 11). Finally, Teknosa aims to switch to **80% renewable energy use by 2025 and 100% by 2030.**

Carrefoursa

In 2024, Carrefoursa sourced 100% of its electricity from renewable sources, certified through the YEK-G Renewable Resource Guarantee System, thereby eliminating all Scope 2 emissions from electricity consumption. This initiative led to a **40.5% reduction in operational carbon emissions,** covering all stores, warehouses, and headquarters.

Aligned with Sabancı Holding's Net Zero by 2050 goal, the company continues to scale up solar energy investments and implement energy efficiency projects, including a high-efficiency solar panel installation. Carrefoursa has also committed to **reducing GHG emissions by 5% per unit sales area annually.**

Water Management

Climate change and water are closely interconnected. Rising global temperatures lead to more frequent and severe water-related challenges such as droughts, floods, and water scarcity. At the same time, inadequate water management can make the effects of climate change worse. This two-way relationship can create growing environmental, social, and economic risks, highlighting the need for coordinated action on both climate and water issues.

According to the latest *United Nations World Water Development Report*, by 2025, 25 countries representing one quarter of the global population will face extremely high water stress. In addition, around 4 billion people, half of the world's population, are already experiencing severe water scarcity during at least part of the year. Although water covers 71% of the Earth's surface, only 1% is accessible for human use, and not all of it is safe or clean. *Every 10 seconds, a person dies from lack of access to clean water.* Many communities continue to suffer from waterborne diseases, dehydration, and poor sanitation.

The *2024 Global Water Monitor Report* also highlights the escalating risk, reporting that water-related disasters caused more than 8,700 deaths, displaced 40 million people, and resulted in over USD 550 billion in economic losses. Flash floods, landslides, and tropical cyclones were among the most devastating events in terms of both human impact and financial cost.

These findings highlight the rising materiality of water-related risks for businesses. Effectively addressing water and climate challenges in a coordinated and integrated way is essential to ensure long-term business resilience, operational continuity, and sustainable growth.

At Sabancı Group, we approach water as a core element of natural capital. It is essential not only for the continuity of our business operations, but also for the well-being of the communities we serve. We recognize that water supply disruption can adversely affect every part of our value chain and society at large.

To proactively address these risks and strengthen our Group-wide water management practices, we completed a comprehensive water stewardship project. This initiative was designed to establish consistent definitions, methodologies, and performance metrics across all Group companies, aligned with each sector's specific water-related realities.

As a first step, we worked with each company to clarify key concepts and define relevant indicators. This enabled us to establish a consistent and reliable baseline for water consumption, and to set realistic, measurable reduction targets.

Following this, we introduced a Group-wide medium-term water reduction target and updated our baseline figures to reflect refined boundaries and definitions. This alignment ensures data accuracy and consistency across reporting periods.

For existing assets, we have established the following roadmap for water[43]:

- Reduce freshwater withdrawal of the 2024 portfolio[44] by 10% by 2030
- Reduce water consumption of the 2024 portfolio[44] by 15% by 2030
- Integrate water management into investment due diligence and prioritize efficiency after acquisition

43 Following the completion of Sabancı Holding's Water Ambition Project in 2023, the water consumption and withdrawal figures for 2022 and 2023 have been restated due to a change in scope. The revised scope now includes all global operations. The base year for target-setting purposes is 2022. 44 The 2024 portfolio refers to the operations of Sabancı Group companies as of year-end 2024. It excludes future organic growth not planned during 2024, as well as any inorganic growth expected from 2025 onward. Including these would require recalculating baselines and targets. The current targets reflect how Sabancı Group companies are proactively enhancing efficiency within their existing operations.

Water Management

In parallel, Sabancı Holding is exploring the expansion of water-related risk quantification practices to all relevant Group companies, starting with the material technologies and energy sectors.

By consolidating water data and targets at the Holding level, we have gained valuable insights that inform strategic decision-making for new investments and enable more effective resource allocation.

We also recognize the critical role of governance in driving performance toward our water targets. Progress is tracked across the organization, and incentive mechanisms are aligned to reinforce action and accountability.

By integrating scenario thinking into our approach, we are better prepared to anticipate future risks and opportunities. The financial quantification of top climate risks, including water, enables us to prioritize investments and allocate resources more effectively.

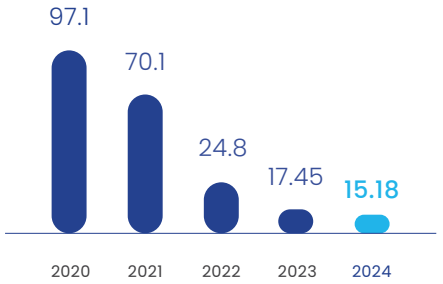
In 2024, our total water consumption increased to 8.9 million m³ due to the expanded reporting boundaries covering all operations, including global activities. The percentage of water recycled and reused across the Group reached 26%. Going forward, we will continue to focus on increasing water efficiency, especially in sectors with high water use and emission intensity.

Double A from CDP for Climate and Water

Sabancı Holding and six Group companies were featured on the CDP Global Leadership list with a prestigious "Double A" score for excellence in Climate Change and Water Security reporting.

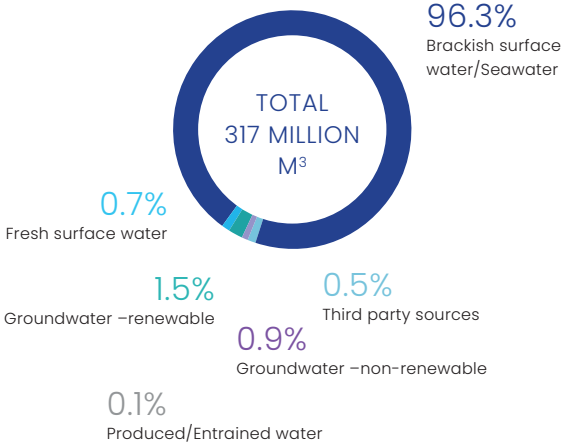
This recognition reflects our strong environmental disclosure performance and the high governance standards embedded across the Group's sustainability practices.

Water Consumption Intensity by Year (m³/million TL)

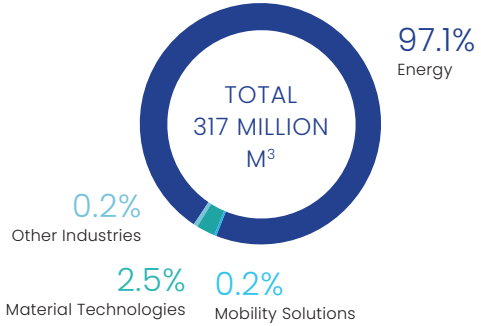


26% ✓
Water recycled and reintroduced to the economy.

Water Withdrawal by Source ✓



Water Withdrawal by Sector ✓



Water Management

HIGHLIGHTS FROM SABANCI GROUP COMPANIES

Çimsa

Çimsa cuts water use by 31% with Strategic Water Project.

In 2024, Çimsa launched its **Strategic Water Management Project,** developed in alignment with global reporting standards, WASH principles, and Global Cement and Concrete Association (GCCA) Water Guidelines. This initiative enabled a comprehensive assessment of water use across its operations, supported by real-time data from digital meters, leading to the identification of efficiency opportunities and the setting of strategic goals to reduce environmental impact.

As part of its water strategy, Çimsa **invested TL 13 million in the modernization of wastewater treatment plants,** aiming to improve discharge quality and explore reuse potential. It also developed rainwater harvesting projects tailored to site-specific conditions in Afyon, Eskişehir, Mersin, and Adana. In high water stress areas, Çimsa **reduced freshwater withdrawal by 17%** in 2024, building on a 98% reduction achieved in 2022. Çimsa achieved a **31% reduction in total water consumption** and a **41% decrease in specific water consumption** compared to the 2022 baseline.

Akçansa

Akçansa leads with CEO Water Mandate

Akçansa integrates water management into corporate risk processes to protect water and marine resources across operations. In 2024, it **became the first company in Türkiye's building materials sector to sign the CEO Water Mandate, a UN Global Compact initiative.**

Water-related risks are assessed in line with ISO 14001 and TCFD recommendations, with proactive measures implemented to address risks such as water stress, drought, and scarcity at facilities located in the Marmara, Northern Aegean, and Yeşilırmak basins. The Water Management Plan and Water Master Plan, approved by the Board in 2024, guide facility-level optimization based on local conditions.

A **digital monitoring system** launched at the Çanakkale plant enables real-time tracking, with expansion planned for all cement plants by 2026. Water efficiency continues to improve through closed-loop systems and targeted projects, including **a surface water recycling system at Ladik, treatment plant modernization at Çanakkale, and rainwater reuse at Büyükçekmece,** where 81 thousand tons of water are repurposed annually for dust suppression.

Brisa

Brisa achieves 95% water recovery and leads with ISO 14046 Water Footprint Reporting.

Brisa supports international water initiatives and actively monitors its water footprint. It is one of only 19 companies in Türkiye to sign the **CEO Water Mandate,** and the **first company** in both Bridgestone Global and Europe to report and verify its performance under the **ISO 14046 Water Footprint Standard.**

Comprehensive water management practices are in place across its plants, including **real-time monitoring systems, loss and leakage analysis, wastewater recovery, gray water reuse, and rainwater collection.** The company uses MBR membrane filter technology to achieve 95% recovery efficiency from its well water filtration system.

Temsa

The company has set a target to **reduce water consumption per vehicle by 42% by 2030,** using 2022 as the baseline, and achieved a **14% reduction per equivalent bus** in 2024. Guided by strong governance and a comprehensive water policy, Temsa implemented several efficiency initiatives across its operations.

Water Management

Key projects included optimizing the Shower Test Unit, reusing reverse osmosis wastewater in the power plant and for garden irrigation, improving boiler feedwater recovery, and installing smart water fixtures. Together, these efforts resulted in a **total annual water saving of 14.8 thousand m³,** supporting both operational efficiency and long-term sustainability goals.

Enerjisa Üretim

Enerjisa Üretim adopts a holistic and proactive approach to water management as a key component of its sustainability strategy. Recognizing the important role water plays in its operations and ecosystems, the company ensures **full compliance** with local regulatory requirements in water management, while continuously enhancing its practices in line with international standards.

In its water management processes, Enerjisa Üretim **considers the characteristics of each receiving water body,** such as, sea, river, or lake and **applies source-specific standards** accordingly. Beyond regulatory compliance, the company prioritizes responsible water use through **risk-based assessments and adaptive management practices** to minimize environmental impact and ensure long-term water availability.

To effectively manage wastewater resulting from its operations, Enerjisa Üretim **implements a robust discharge management system** in alignment with **the Water Pollution Control Regulation (WPCR)** and internationally recognized environmental standards. This system is designed to ensure the quality of discharged water and protect surrounding ecosystems. In addition to meeting regulatory thresholds, the company adopts **enhanced environmental safeguards aligned with global best practices, including the IFC Performance Standards and the EBRD Environmental and Social Performance Requirements.**

Complementing these efforts, Enerjisa Üretim has **established its own internal environmental standards,** developed in accordance with both the sustainability criteria of financial institutions and the company's long-term environmental commitments. These internal standards enable consistent implementation and performance tracking across all operational sites.

To ensure effective implementation, wastewater treatment plants at relevant facilities are subject to regular monitoring and analysis based on defined environmental parameters. The company performs regular checks to verify that discharge levels remain well within the limits.

As part of its forward-looking strategy, Enerjisa Üretim has also initiated alignment efforts with **the EU Taxonomy and the EU Water Framework Directive (WFD).** The alignment process enables Enerjisa Üretim to further integrate water efficiency, circularity, and resource protection into its core operations, ensuring its water management practices remain resilient, compliant, and future-ready.

Akbank

Akbank approaches water management through both operational efficiency and sustainable finance. In its operations, the bank focuses on reducing water consumption and preventing waste by using sensor-type faucets, storing rainwater at its Data Center for reuse, and monitoring daily faults to quickly address leakages. In 2024, **total water withdrawal was approximately 168 million liters,** tracked through monthly and annual monitoring systems to ensure accuracy.

On the portfolio side, Akbank offers **Blue Finance products** including Blue Tourism, Blue Port, and Blue Transportation Loans, aimed at reducing the environmental impact of marine and tourism activities and promoting sustainable water use. The bank also finances sustainable water and wastewater management projects under its **Sustainable Finance Framework,** which references the EU Taxonomy.

Biodiversity

According to the World Wildlife Fund's (WWF) 2024 Living Planet Report, 55% of global GDP—estimated at US$ 58 trillion—is moderately or highly dependent on nature and its ecosystem services. The report also highlights a 73% decline in the Living Planet Index (LPI) between 1970 and 2020, reflecting a significant reduction in monitored animal populations. This alarming trend signals the increasing risk of species extinction and the potential loss of ecosystem functionality and resilience.

Over the past 50 years, monitored wildlife populations covered by the LPI have declined on average by nearly three quarters. When disaggregated by ecosystem, the decline is most severe in freshwater species at 85%, followed by terrestrial species at 69% and marine species at 56%.

These figures highlight the urgent need for coordinated global efforts to preserve and restore biodiversity. Among the most critical drivers of biodiversity loss is habitat degradation and destruction. Businesses have a significant role to play and can take bold, proactive steps to lead efforts in habitat restoration and biodiversity conservation.

From a business standpoint, biodiversity loss also poses material risks to operations and finance, stemming from both the impacts companies have on natural resources and their direct or indirect dependency on them.

Sabancı Group launched group-wide Biodiversity Program aligned with TNFD.

In this context, in 2023, Sabancı Group launched a comprehensive biodiversity project across the entire organization to address the risks involved and mitigate their potential impact. Sabancı Group companies are continuing to embed biodiversity preservation into their operational frameworks.

Recognizing that the journey to establish biodiversity targets is not a one-size-fits-all process, Group companies have undertaken a tailored approach to align their activities with nature-related standards.

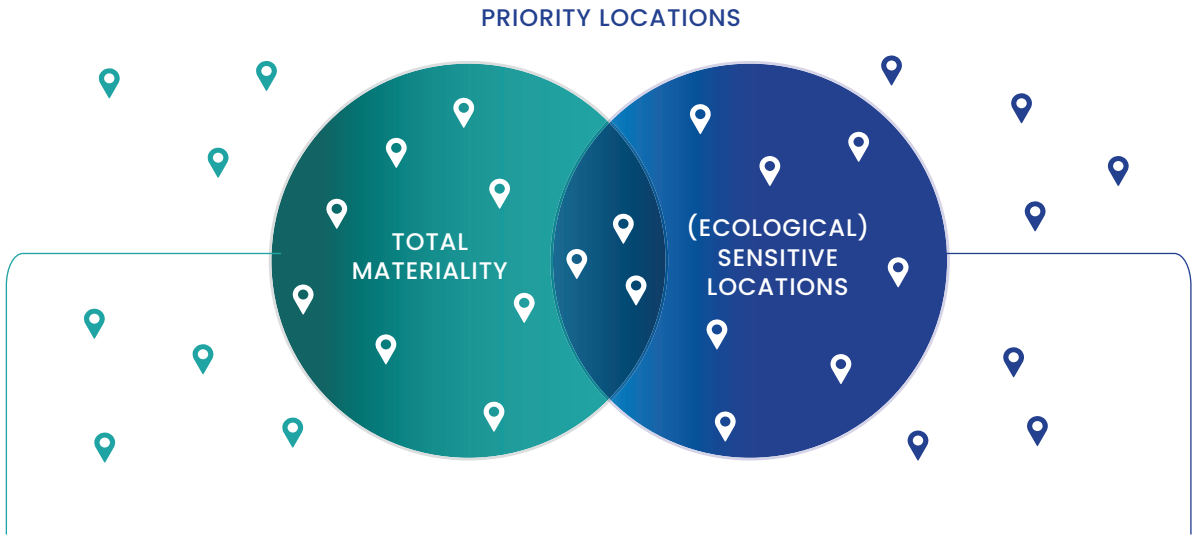
The project began with comprehensive training and alignment programs to ensure that employees across relevant departments understand the critical importance of biodiversity preservation. Building on this foundation, prioritized Group companies systematically identified priority areas and locations where their operations intersect with sensitive ecosystems, in line with the Taskforce on Nature-related Financial Disclosures (TNFD) Guidance for assessing priority locations.

Through this process, we evaluated the potential impacts and dependencies of our activities on biodiversity across relevant geographies, enabling us to better understand the risks and opportunities associated with our operations. In this way, we have taken our management of biodiversity and nature-positive actions to the next level.

Biodiversity

Locations are prioritized according to their materiality and ecological sensitivity

TNFD Guidance on the assessment of priority locations:



SECTOR MATERIALITY: Sectors where the organization has identified material nature-related dependencies and impacts.

CAPACITY MATERIALITY: Level of production capacity of each site

Locations where the assets and/or activities in the organization's direct interface with nature in areas deemed to be ecologically sensitive.

TOTAL MATERIALITY IS DEFINED BY SECTOR AND CAPACITY MATERIALITY

IMPACTS
Level in which an organization changes the state of nature (divided by the 5 IPBES impact driver categories).

DEPENDENCIES
Degree to which an organization relies on aspects of ecosystem services to function.

CAPACITY
Normalized production capacity levels

SENSITIVITY IS DEFINED BY

ECOSYSTEM INTEGRITY
Degree in which areas intersect with natural surfaces, meaning undisturbed areas

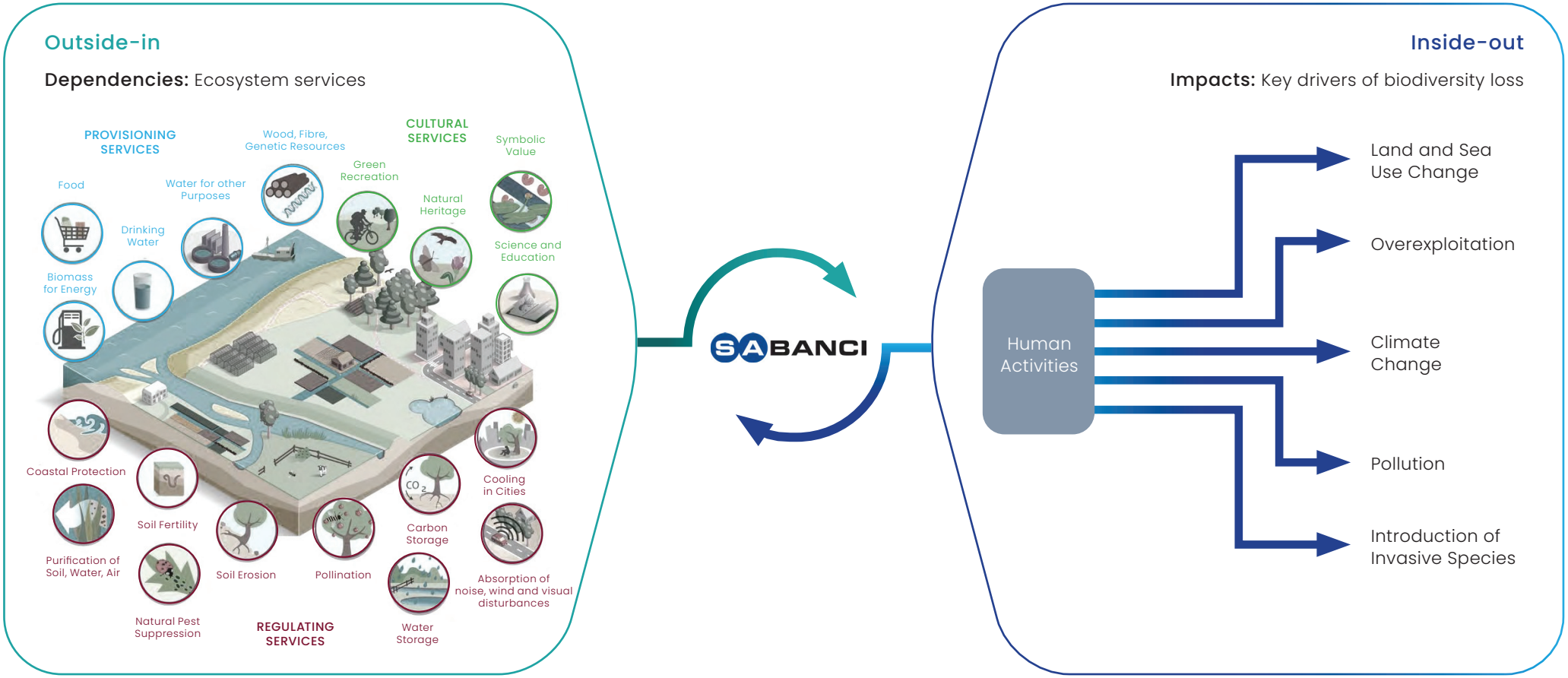
BIODIVERSITY IMPORTANCE
Extent to which locations overlap with scientifically recognized areas of importance for biodiversity

PHYSICAL WATER RISK
Areas of known physical water risk (limited water availability, flooding and poor water quality)

Biodiversity

We looked into impact and dependencies of biodiversity for Sabancı Holding and its Group companies.

With a comprehensive understanding of their impacts and dependencies on biodiversity, Group companies then mapped out their value chain to identify areas where interventions can be most effective. This holistic approach ensures that efforts to preserve and restore biodiversity are integrated into their operations.



Biodiversity

As these efforts persist, the implementation of our policies focused on biodiversity and nature further enable impactful outcomes. Our **Responsible Investment Policy** establishes an exclusion list based on various biodiversity standards. These standards apply to all investments, regardless of size. Additionally, evaluating large-scale investments exceeding **USD 10 million,** incorporating production activities that could pose significant environmental or social risks if not managed properly, we meticulously consider the **IFC Performance Standards** or **EBRD Performance Requirements.** Moreover, our Policy outlines how ESG due diligence, including biodiversity criteria, will be implemented across the Sabancı Group value chain.

Material investments screened for biodiversity risks using Global ESG and Performance Standards.

In parallel with our strategic efforts, we actively engage in biodiversity conservation programs and collaborate with local public and non-governmental organizations.

Throughout 2024, relevant Sabancı Group companies advanced comprehensive biodiversity management by identifying their most impacted operational locations and conducting in-depth assessments of local **water resources** and **ecosystems.** These studies included **flora and fauna assessments** and **field observations** supported by experts such as ecologists, wetland specialists, forest biodiversity experts, and botanists. Based on these site-specific studies, detailed reports were developed to inform targeted conservation and restoration actions.

Field-based ecosystem assessments guide site-specific conservation and restoration actions.

The next phase of our biodiversity journey will focus on implementing conservation and restoration actions, with continuous support from field-based assessments. Group companies will explore full alignment with the Taskforce on Nature-related Financial Disclosures (TNFD) by assessing ecosystem services at selected sites and embedding related actions into their operational models.

Additionally, companies will evaluate opportunities to establish carbon sink areas in alignment with their biodiversity ambitions, ensuring these actions complement one another. Together, these steps will support the advancement of **nature-positive outcomes** across the Sabancı Group.

HIGHLIGHTS FROM SABANCI GROUP COMPANIES

Çimsa

Based on 2022 as the reference year, Çimsa has committed to **halting and reversing biodiversity loss by 2030** across high-impact areas in its value chain, including raw material quarry operations, suppliers, and direct operations. The long-term goal is to achieve **full ecosystem recovery by 2050.** The company finalized and officially published its *Biodiversity Management Policy* positioning biodiversity as a strategic priority and initiating long-term plans to protect and sustain the ecosystems in which it operates.

To support this strategy, Çimsa partnered with **the Nature Conservation Centre (DKM)** to prepare **site-specific Biodiversity Management Plans** for its locations in Türkiye. In 2024, extensive ecological fieldwork was conducted around factory vicinities and material sourcing regions, including forest and steppe ecosystems. These studies, led by expert teams, provided in-depth analyses of local biodiversity and the impact of human activity, forming the scientific basis for future action plans.

Building on the results of a Materiality Analysis completed in 2023, which evaluated sectoral impact,

Biodiversity

operational dependency, and ecosystem value, Çimsa identified 13 candidate sites. A follow-up **Sensitivity Analysis** prioritized 6 locations based on ecological importance and water-related risks. Biodiversity Management Plans for two of these priority areas were initiated, outlining science-based actions for species and habitat protection, sustainable water use, and ecosystem restoration. These plans aim to integrate biodiversity into day-to-day operational management and guide long-term sustainability.

Çimsa prioritizes 6 biodiversity sites and protects thriving wetland ecosystem in Eskişehir.

The ecological transformation observed at a former quarry site in Eskişehir stands as a striking example of **natural regeneration.** Following the end of operations, natural rainwater accumulation led to the formation of an artificial lake, which has since evolved into a thriving wetland ecosystem. The area now supports diverse species of amphibians, waterfowl, insects, and aquatic plants. **This site has been formally included in Çimsa's Biodiversity Management Plans to ensure its continued protection and ecological enrichment.**

Çimsa continues to develop its biodiversity roadmap through collaboration with stakeholders, local communities, suppliers, and ecosystem experts—shifting from a mindset of managing impact to taking nature-positive action.

Akçansa

Akçansa considers biodiversity management a core element of its business strategy and works within the framework of clearly defined goals to prevent biodiversity loss and protect ecosystems. In line with this commitment, the company published its *Biodiversity Policy* in 2024.

In the same year, Akçansa initiated the development of **Biodiversity Management Plans (BMPs)** for two active quarry sites, Çamtepe and Bozalan. These efforts mark the beginning of a broader commitment to **cover all active quarries with BMPs by 2030,** as part of the company's long-term sustainability targets. To minimize the ecological impacts of mining operations, Akçansa also advances site rehabilitation projects. In 2024, an additional **0.5 hectares of land were rehabilitated, bringing the total restored area to 29 hectares. The goal is to reach 50 hectares of rehabilitated mining sites by 2030.**

Akçansa restores marine life with reef project and scales quarry biodiversity plans.

The Marmara Islands Artificial Reef Project, launched in 2023, continues to show promising results in restoring marine biodiversity. Within the first year of implementation, monitoring activities recorded 33 distinct marine species, including 10 fish species. Notable population increases were observed in economically significant fish such as the Common Two-Banded Seabream (Diplodus vulgaris) and the Brown Meagre (Sciaena umbra). The reefs have also become habitats for protected species like the European Spider Crab (Maja squinado) and the Noble Pen Shell (Pinna nobilis), the latter classified as critically endangered by the **International Union for Conservation of Nature (IUCN).**

Through this project, Akçansa aims to contribute to the sustainability of the Marmara Sea's marine ecosystems, enhance local marine habitats, and actively support the regeneration of underwater biodiversity in the region.

Brisa

Brisa recognizes biodiversity as an integral part of its sustainability strategy and a key enabler in the global transition toward both a **carbon-neutral** and **nature-positive future.** The company strictly avoids operational processes that may harm biodiversity and ensures that all new investments comply with **the Environmental Impact Assessment (EIA) Regulation.**

Biodiversity

Brisa's commitment to biodiversity dates back to 2013, when it launched its first conservation initiative in collaboration with WWF-Türkiye, focusing on the protection of cranes. This early leadership in nature stewardship earned the company **five Gold Awards under the Bridgestone Global Biodiversity Recognition Program.**

Brisa adopts impact-based biodiversity strategy and turns organic waste into forest fertilizer.

In 2024, Brisa transitioned from an activity-based to an impact-based biodiversity strategy, aligned with emerging global guidelines. The company began systematically analyzing both the pressures of its manufacturing activities on natural ecosystems and its operational dependency on nature. This assessment focused initially on production-related impacts in cities where its factories operate, identifying water, pollution, and carbon emissions as the most critical pressure points.

As regulatory authorities continue to release subsequent phases of biodiversity guidelines, Brisa plans to set science-based targets and develop a comprehensive roadmap for nature-positive action.

In practice, Brisa's 2024 initiatives reflect a strong commitment to circularity and ecological restoration. **Approximately 1,000 kilograms of daily cafeteria organic waste are composted and converted into 200 kilograms of fertilizer—amounting to 60 tons of fertilizer annually.** This nutrient-rich product is used in afforestation projects to enhance soil quality. In parallel, the company has maintained its support for reforestation efforts since 2021 by donating **18 thousand saplings annually** to the TEMA Foundation, contributing to forest regeneration following fire damage.

Temsa

Temsa is committed to advancing nature-positive business practices by assessing and mitigating the environmental impact of its industrial activities through science-based methodologies. In 2024, the company implemented its **Carbon Footprint Reduction and Carbon Sink Analysis Project,** designed to quantify emissions and evaluate their effects on local ecosystems with precision. As part of this initiative, **the Gauss Dispersion Model** was used to simulate the spatial distribution of industrial emissions from the Adana Campus. The analysis enabled the company to visualize pollutant concentration zones and understand their cumulative environmental effects.

Temsa Uses Remote-Sensing and Spatial Mapping to Guide Local Ecosystem Safeguards.

To further enhance its impact assessment capabilities, Temsa developed **high-resolution spatial emissions maps** (10m x 10m grid scale) across its industrial zones. This granular approach facilitates detailed monitoring of pollutant distribution and provides a robust foundation for implementing localized environmental interventions. In parallel, **remote-sensing technologies** are being deployed to evaluate how emissions influence surrounding ecosystems, offering a dynamic, data-driven perspective on the relationship between operations and biodiversity health.

These scientific evaluations not only support regulatory compliance but also enable Temsa to design forward-looking mitigation strategies. By integrating geospatial insights into its decision-making processes, the company is enhancing its ability to protect biodiversity, improve air quality, and align with its long-term sustainability and decarbonization goals.

Enerjisa Enerji

In 2024, Enerjisa Enerji published its **biodiversity strategy and ambition statement,** reinforcing its commitment to preserving ecosystems across its operations and value

Biodiversity

chains. Recognizing both its dependencies and impacts, the company considers biodiversity a strategic priority in daily operations and long-term planning.

Despite challenges such as limited data and the lack of standard biodiversity metrics, Enerjisa Enerji aims to support the global goal of reversing biodiversity loss. **Over the next two years, it will establish a baseline across all business units, reassess its Biodiversity Action Plans, and update them with science-based and measurable targets.** These efforts will be carried out in collaboration with stakeholders, ensuring alignment with its nature-related priorities.

Enerjisa Üretim

Throughout 2024, extensive biodiversity monitoring efforts were conducted across **Renewable Energy Resources Zone (YEKA)** investment sites and extension projects financed by the **IFC** and **EBRD.** These studies assessed birds, bats, terrestrial fauna, and flora, and were expanded to include additional endemic invertebrate species. Construction managers and project directors received **biodiversity and topsoil management training to preserve critical habitats during site preparation.** Enerjisa Üretim actively collaborates with **the Directorate of Nature Conservation and National Parks (DKMP)** at every stage of project implementation.

The alignment of Enerjisa Üretim with **the Taskforce on Nature-related Financial Disclosures (TNFD)** further demonstrates its nature-positive approach. YEKA investments are currently being assessed under TNFD's **LEAP (Locate, Evaluate, Assess, Prepare) framework,** ensuring that biodiversity considerations are embedded into long-term financial and operational planning.

To reinforce biodiversity-conscious practices across the company, **biodiversity awareness training programs** have been developed for Enerjisa Üretim's workforce. **Post-Construction Fatality Monitoring (PCFM) programs** were launched in February 2025 at operational YEKA sites to assess bird and bat mortality related to wind turbine operations. **Biodiversity Management Plans (BMPs)** and an **Invasive Species Management Plan** have been developed for these sites, with external consultants overseeing implementation in line with international conservation standards. **Biodiversity Action Plans (BAPs)** were also prepared for extension projects to address site-specific ecological risks and strengthen restoration efforts.

Enerjisa Üretim is further advancing regulatory compliance and sustainability leadership **by aligning its hydropower operations with the EU Taxonomy for Sustainable Activities.** New monitoring and data collection programs are being planned for aquatic organisms, expanding ecological oversight beyond national regulations. As part of its broader sustainability strategy, the company is extending biodiversity-related expectations to its supply chain by developing standards and evaluation questions to guide conservation-minded procurement practices.

These collective efforts underscore Enerjisa Üretim's commitment to integrating biodiversity into its sustainability strategy and contributing to Türkiye's nature-positive energy transition.

Akbank

In 2024, Akbank advanced its **nature-positive finance approach by integrating biodiversity considerations into its lending practices and sustainable finance strategy.** Biodiversity risk is systematically evaluated during En**vironmental and Social Impact Assessments (ESIA).** Akbank does not finance projects located in **Alliance for Zero Extinction (AZE)** areas and requires biodiversity action plans for high-risk projects. These plans must be prepared and implemented by qualified experts when not already available. The bank also assesses impacts on terrestrial, aquatic, and aerial species to ensure that appropriate mitigation and monitoring measures are in place.

These practices are guided by Akbank's **Environmental and Social Risk Framework** and **Sustainable Finance Framework**, reinforcing the bank's commitment to biodiversity preservation across its portfolio.

Circular Economy

According to the recent *Circularity Gap Report*, without profoundly rewiring systems of production and consumption and applying structural changes across key systems—from housing and food to mobility and manufacturing—we will not be able to close the loop on material consumption. As of 2023, we've also surpassed six of the nine planetary boundaries vital to life on this planet. Within this context, businesses have a clear responsibility to transform these systems by embracing circularity and promoting the sustainable use of natural resources within planetary limits.

Recent findings show that the global circularity rate has stagnated at 6.9%, declining from 8.6% in 2021. This means that, of the approximately 100 billion tons of materials consumed globally each year, only 6.9% are reused as secondary raw materials, highlighting a significant gap in circular resource flows.

At Sabancı Holding, we are committed to strategically investing in a sustainable future strengthened by our circular economy framework. Recognizing the urgent need to address material scarcity, we focus on enhancing resource productivity across both our existing operations and new investments. Our goal is to minimize reliance on landfilling and incineration, ultimately targeting Zero Waste by 2050.

Circular practices are essential to future-proof business as they address major environmental and societal challenges.

There are 3 major environmental and societal challenges of our current time, Circular Economy can help address these

CLIMATE CHANGE

ECOSYSTEMS DEGRADATIONS & BIODIVERSITY LOSS

SOCIAL INEQUALITY

A SYSTEMIC CHANGE IS REQUIRED MOVING FROM OUR CURRENT LINEAR ECONOMY TOWARDS A CIRCULAR ECONOMY.

To become future-proof, businesses need to move from linear towards circular business practices. 3 factors are moving the needle.

REGULATORY PRESSURE

INCREASED RESOURCE SCARCITY & PRICE VOLATILITY

CHANGING STAKEHOLDER DEMAND

Businesses to rethink their end-to-end value chain approach:

- Procurement criteria
- Design-criteria of goods and services
- Business model innovation
- Address waste and recovering materials

The aim is to:

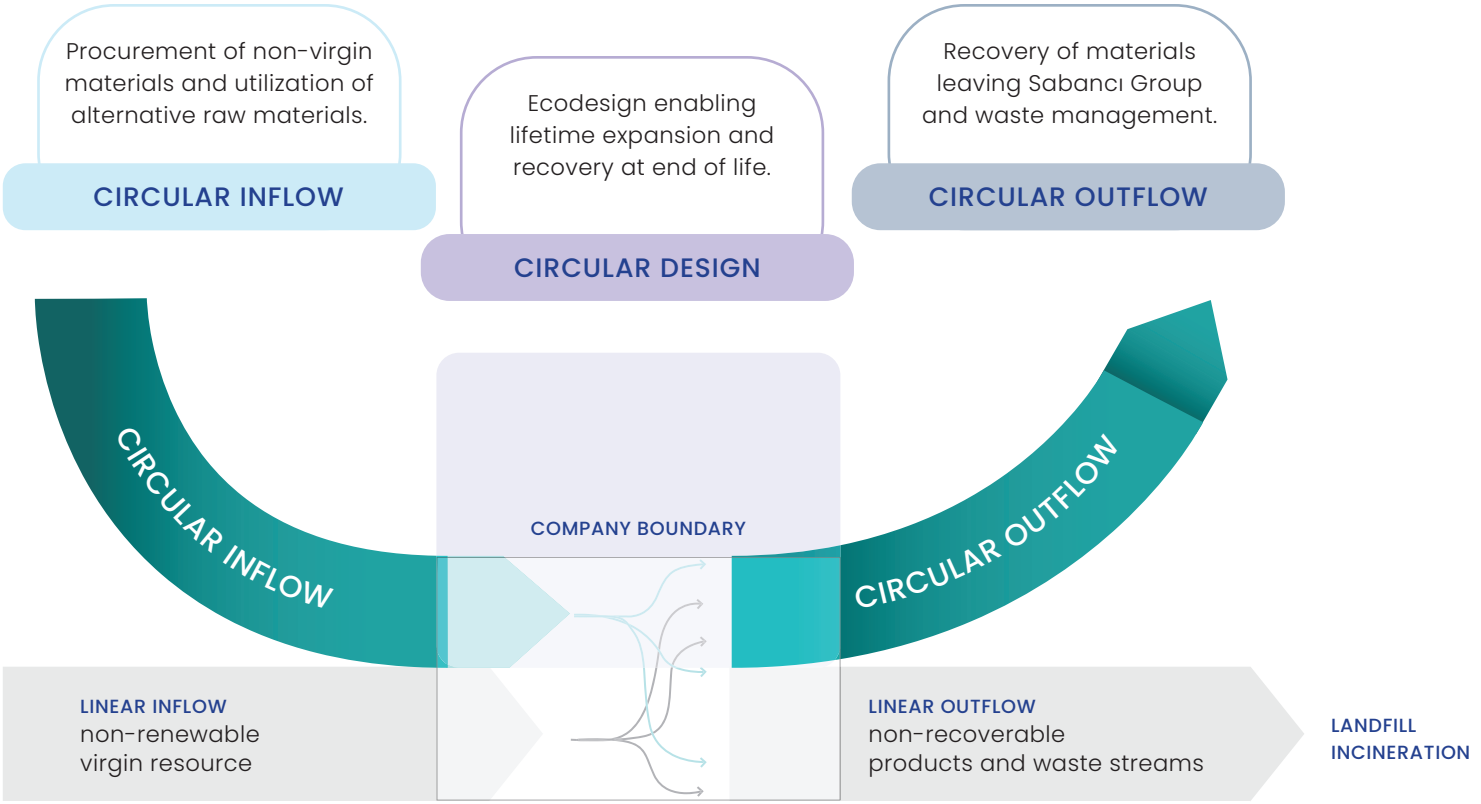
- Decouple revenue growth from virgin non-renewable material use
- Secure tomorrow's resources for today's prices
- Sell functionality over ownership

Circular Economy

At Sabancı Group, embedding the circular economy principles is one of the core ambitions for each Group company based on their specific stage of circularity maturity.

Three circular economy pillars; Circular Inflow, Circular Design and Circular Outflow, based on the *Circular Transition Indicators (CTI) framework* helped us to dive into circularity at Sabancı Holding.

Circular Economy pillars based on the CTI framework with definitions



Circular Economy

In 2024, Sabancı Holding and our Group companies actively implemented strategies to support the circular economy, achieving tangible and long-lasting impacts. We built upon the groundwork laid in 2023 by exploring circular opportunities across our portfolio, including material technologies, mobility solutions, energy sectors, and other key industries. Dedicated workshops equipped our Group companies with the tools to develop circular strategies tailored to their operational realities.

This journey led to the formalization and execution of Sabancı Holding's Circular Economy Strategy, which defines our ambition, strategic pillars, and targets. Throughout the year, several **Group companies established quantitative targets aligned with our circular objectives,** while others advanced circular practices through **stronger supplier engagement and innovation efforts.** This Group-wide commitment continues to shape our circularity strategy, built around the following three core pillars:

- Circular Materials & Partnerships
- Circular Design Principles
- Enhanced Recovery Routes

AMBITION

Sabancı Holding's Circular Ambition
'At Sabancı Holding, we strategically invest into a circular future, anchored by our pillars of the circular economy. Acknowledging the pressing need to address material scarcity, we emphasize enhancing resource productivity in our existing operations and new investments, while transitioning away from landfills and incineration on our path to Zero Waste by 2050.'

To succeed in our ambition we will focus on our 3 pillars **'Circular Materials and Partnerships'**, **'Circular Design Principles'** and **'Enhanced Recovery Routes'** to improve our circularity performance and grasp new opportunities.

PILLARS

CIRCULAR MATERIALS & PARTNERSHIPS	CIRCULAR DESIGN PRINCIPLES	ENHANCED RECOVERY ROUTES
↓	↓	↓
TARGETS		
By 2030, Sabancı Holding aims to achieve the Circular Inflow[46] targets and milestones for relevant Group companies[45].	By 2050, Sabancı Holding aspires for relevant Group companies[45] to design all key products[47] with the Circular Principles.	By 2050, Sabancı Holding aspires to eliminate landfill and incineration[48], across relevant Group companies.[45]

45 Relevant Group companies refer to Akçansa, Çimsa, Temsa, Tekno sa, Enerjisa Enerji and Enerjisa Üretim which are in scope of the Circular Economy Project.
46 Further analysis needed to understand current % circular inflow.
47 Key products are identified at the company level. Principles are durability, repairability and circular composition.
48 Incineration of hazardous waste is out of scope.

Circular Economy

CIRCULAR MATERIALS & PARTNERSHIP

The primary objective under this pillar is to achieve circular inflow targets and milestones, which will **increase the percentage of circular inputs such as recycled or reused inputs rather than virgin resources**. This ambition is crucial, as it demonstrates companies' efficiency in resource utilization and their commitment to mitigating the negative impact on nature by reducing the demand for extracting raw materials. For this pillar, Sabancı Group will focus on analyzing the weight of material flows sourced from recycled or other types of circular content and reused from other processes, seeking ways to increase overall consumption through this approach. **By 2030, Sabancı Holding aims to achieve the Circular Inflow targets and milestones which were set in 2024 by relevant Group companies.** Some of these targets are quantitative whereas the others are qualitative milestones since some of our Group companies' value chains are extensive and more complex to transform. We expect to increase the maturity of our supply chain on circular economy practices as we engage with them in the coming years.

CIRCULAR DESIGN PRINCIPLES

Circular design principles are fundamental to creating products, services and systems that support the requirements of circular economy. During the implementation of circular design principles, specific pillars such as **longevity and durability, safe and circular material choices, modularity and flexibility, and designs with circular end-of-life cycles** will be considered in production facilities of Sabancı Group companies. Circular design principles deliver tangible benefits for nature by maximizing resource use and product quality, while simultaneously generating economic benefits through optimizations. Sabancı Group will analyze the entire lifecycle of products from beginning to the end-of-life processing to improve the circularity of design. **By 2050, Sabancı Holding aspires for relevant Group companies to design all key products with Circular Principles.** Group companies will implement their interim targets and milestones towards 2050 with different speeds based on their level of maturity and the nature of their industries, while working with suppliers and other stakeholders to enhance the mapping and circular performance of their supply chains.

ENHANCED RECOVERY ROUTES

Enhanced recovery routes aim to implement advanced strategies in **improving the efficiency and effectiveness of resource recovery at the end of product lifecycles.** Through improved recovery routes, it is possible to maximize the value retained from products at the end of their life cycle, transforming them back to valuable materials or energy through innovative and efficient recycling and reuse processes. The goal is to recover high- value materials from waste materials such as plastics at the end of the process. Through these recovered routes, it is possible to close the loop on material use and ensure sustainable resource management by integrating advanced technological and process innovations. **By 2050, Sabancı Holding aspires to eliminate landfill and incineration across relevant Group companies.**

Circular Economy

Classification of Group Companies Based on the Nature of Their Operations[49]

With Production Facilities

In service, Utility or Retail Sectors

Bigger influence to implement the circular pillars

Lower influence on the circular pillars and need for supplier engagement

Mature Value Chain in implementing circular pillars into their processes

Less Mature Value Chain in implementing circular pillars on inflow and design into their processes

Quantitative targets

Qualitative actions and milestones

GROUP COMPANIES WITH PRODUCTION FACILITIES

AKÇANSA

Targets[49]

- **2030**
  - 10% Alternative Raw Material use in cement (Inflow)
  - 10% Alternative Raw Material use in concrete (Inflow)
- **2050**
  - Become a Zero Waste company [50] (Outflow)

ÇİMSA

- **2025**
  - Innovate on CDW (Design)
  - in concrete
  - powder as cementitious material.
- **2030**
  - 10-15% Alternative Raw Material use Grey cement (Inflow)
  - 10% Alternative Raw Material use White cement (Inflow)
- **2050**
  - Become a Zero Waste company [50] (Outflow)

TEMSA

- **2030**
  - Design all key products with the Circular Principles (Design)
- **2045**
  - Become a Zero Waste company [50] (Outflow)
- **2050**
  - Achieve 50% circular inflow (Inflow)

GROUP COMPANIES IN SERVICE, UTILITY OR RETAIL SECTORS

ENERJİSA ÜRETİM

ENERJİSA Energy of Türkiye

TEKNOSA

Key Actions & Targets[49]

- **2025**
  - Engage with suppliers to gather data on circular inflow.
  - Explore opportunities to increase circular inflow and design.
  - Calculate quantitative Circular Economy baselines for business units.
- **2030**
  - Set quantitative Circular Economy target for 2050.
  - Start tracking performance improvement on Circular Economy KPIs towards the 2050 targets.
- **2050**
  - Be a Zero Waste company.[50] (Outflow)

49 The targets have been abbreviated, a summary of key actions and milestones have been provided.
50 Incineration of hazardous waste is not part of the Zero Waste target scope.

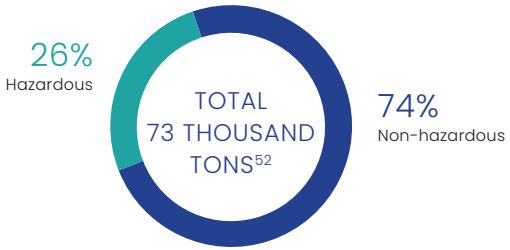
Circular Economy

WASTE MANAGEMENT (MATERIAL OUTFLOW)

For Sabancı Group, waste management means **treating the materials outflow as an opportunity in terms of a new resource** of materials. Decreasing the number of single-use materials and providing innovative and unique solutions to materials outflow as a new alternative resource like energy are among our enhanced recovery route initiatives.

In addition to these measures, we aim to **reduce our customers' waste generation** through effective maintenance and repair services and by offering sustainable, resource-efficient, and durable products.

Materials Outflow by Type



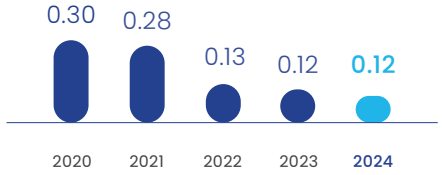
51 Waste recycled and reintroduced to the economy without ash waste. Although it is difficult to recycle given the composition of the waste, Enerjisa Üretim is still working on h ow to repurpose/reuse the ash waste in other sectors.
52 Total waste without Enerjisa Üretim ash waste.
53 Total materials outflow intensity without Enerjisa Üretim ash waste.

57% of total waste was recycled and reintroduced to the economy[51] in 2024, supporting our circularity goals.

As Sabancı Holding, we **began tracking new circularity KPIs in 2024** to monitor how Group companies are progressing toward their circular economy targets and milestones. In the initial phase, we focused on monitoring circular inflow and circular design objectives, including supplier collaboration, the quantification of circularity targets and baselines, and the development of qualitative roadmaps and milestones.

In the next phase, we will continue to monitor these metrics while **expanding our KPI framework** to establish a **robust follow-up and monitoring system** that ensures the achievement of our circularity goals within the set timelines.

Materials Outflow Intensity by Year[53] (ton)



HIGHLIGHTS FROM SABANCI GROUP COMPANIES

ÇİMSA

Circular Materials & Partnerships

Çimsa is reshaping its raw material strategy by **increasing the use of secondary materials** to reduce environmental impact and accelerate its contribution to the circular economy. The company is steadily **increasing the use of alternative raw materials** in its cement production, advancing both circularity and decarbonization goals. This approach enhances resource conservation, operational efficiency, and long-term environmental stewardship under the company's circular economy vision.

Performance milestones also include a **progressive reduction in clinker usage in gray cement from 84% in 2023 to 80% in 2024, with a target to reach 75% by 2025 and maintain it through 2030.**

Circular Design Principles

Adopting the **Butterfly Model,** Çimsa has established a holistic framework to transform its processes from linear to circular. This model emphasizes strategies such as

Circular Economy

repair, reuse, recycling, and recovery across input and output flows. By embedding this model in daily operations, Çimsa aims to strengthen its circularity practices and reduce dependency on virgin resources.

Enhanced Recovery Routes

The company aims to **achieve zero waste across all operations and the value chain by 2050, and has set intermediate targets to develop construction and demolition waste reuse projects by 2025, and to increase alternative raw material usage to 15% in gray cement and 10% in white cement by 2030.**

Çimsa manages production waste in alignment with the Butterfly Model, prioritizing **process efficiency, environmental protection, and internal material circularity.** The company is implementing **advanced separation and recovery systems** that match waste types with appropriate reuse solutions, reducing reliance on external waste services and enabling the transformation of waste into valuable inputs.

The company also continues to invest in innovative technologies and explore solutions for reintroducing construction and demolition waste into the production cycle.

AKÇANSA

Circular Materials and Partnership

In 2024, Akçansa established a major collaboration with **ODAŞ Energy,** integrating **fly ash from the Çan2 Thermal Power Plant into cement production.** This initiative aims to reduce the consumption of virgin resources and promote circularity. Within the scope of this collaboration, Akçansa plans to utilize approximately 2 million tons of fly ash.

In 2024, compared to the previous year, the use of **alternative raw materials increased by 21% in cement and 12% in concrete.** The company targets a **10% alternative raw material share** in both product groups by 2030.

Enhanced Recovery Routes

Akçansa continues to improve its waste management processes by **increasing the use of alternative raw materials and fuels** in both cement and ready-mixed concrete production. The company applies **effective waste reduction strategies and recycling initiatives** to support its broader circular economy goals.

In 2024, **680 thousand tons of waste were diverted from landfills and repurposed as alternative resources.** Akçansa also continued to reduce reliance on fossil fuels by **utilizing industrial waste, sewage sludge, ship-collected liquid waste, and end-of-life tires as alternative fuels.** A total of **248 thousand tons of waste were used as alternative fuel** in 2024.

At the Çanakkale plant, **22 thousand tons of biomass waste were converted into energy,** contributing to both fossil fuel substitution and carbon emissions reduction. The company aims to **increase its alternative fuel usage rate to 35% by 2030.**

Through recovery units installed at ready-mixed concrete facilities, **31 thousand tons of aggregate were reclaimed** in 2024. Akçansa achieved a **total waste recovery rate of 95%**, reinforcing its commitment to circularity and sustainable resource use.

KORDSA

Circular Materials and Partnerships

Kordsa is a core partner of the **WhiteCycle project,** funded by the European Commission, developing **biotechnology-based polyester recycling technologies** from tire and textile waste. **Kordsa's R&D teams explore potential applications for these recycled materials across industries, promoting sustainable material use, enhancing resource efficiency, and supporting industrial decarbonization.**

Circular Economy

Aligned with the automotive industry's target of **40% sustainable material use by 2030 and 100% by 2050,** Kordsa continued its efforts to develop PET tire cord fabric using recycled and bio-based materials.

In 2024, Kordsa achieved pilot and industrial-scale production using 100% chemically recycled PET yarn in its Indonesian facility, followed by production in other plants. **In Brazil, 100% mechanically recycled yarn production was successfully completed.**

Circular Design Principles

Through its R&D Center, Kordsa continues product development to reduce rolling resistance and fuel consumption, with a focus on mechanical recycling and bio-based materials, contributing to long-term circular innovation in the mobility sector.

Enhanced Recovery Routes

In collaboration with Sabancı University, Kordsa developed a **Solvent-Based Polyolefin Recycling Pilot Line,** enabling the recovery of high-quality polyolefins from waste materials that are difficult to recycle mechanically. This innovative process uses **eco-friendly solvents to recover polyolefins from complex waste types** such as composite, laminated, and additive-containing materials, significantly contributing to circularity and advanced waste management.

BRISA

Circular Materials and Partnership

Brisa supports the circular economy by applying sustainable production models across the entire product lifecycle. The company takes action at every stage, **from responsible raw material sourcing and efficient manufacturing to eco-conscious distribution, maintenance services that extend product life, and the recycling of end-of-life tires into energy, oil, and granules for reuse in other sectors.**

Circular Design Principles

Brisa continues to develop new-generation tires with reduced rolling resistance, emissions, noise, and weight. Its strategy to expand the sustainable product portfolio is monitored through key performance indicators such as the weighted average rolling resistance of products sold and the share of sustainable products.

Enhanced Recovery Routes

To further promote circularity, Brisa offers **tire retreading services that extend tire life up to three times, reducing waste and lowering fleet costs by up to 40%.** The use of high-quality materials and controlled production processes ensures resource conservation and supports the national economy.

In a major step forward, Brisa launched **Veloxia,** its dedicated retreading brand, and introduced **Carcas World,** a digital platform for managing the collection, reuse, and reintegration of used tires, thereby closing the loop in tire lifecycle management.

In 2024, Brisa enhanced its circularity measurement systems, calculating its **material circularity rate at 40%,** marking an important milestone in embedding circular economy principles into its core operations.

TEMSA

Temsa integrates circular economy principles across its R&D, manufacturing, and waste management processes to minimize environmental impact and optimize resource efficiency.

Circular Materials and Partnership

The company prioritizes **eco-design and material sustainability** by using lighter and more environmentally friendly materials without compromising safety or performance. To promote **battery circularity,** Temsa develops systems that reuse electric bus batteries in secondary applications, such as energy storage projects.

In 2024, it became **the first Turkish bus manufacturer and the sixth globally to receive an Environmental**

Circular Economy

Product Declaration (EPD) certificate, demonstrating its commitment to transparent lifecycle impact assessments.

Circular Design Principles

Temsa targets **50% circular flow by 2050,** with a roadmap focused on circular design principles, expanding supplier engagement on material sustainability, and d**eveloping innovative end-of-life applications for EV batteries** through strategic R&D collaborations.

By prioritizing design for circularity, zero waste, and material efficiency, Temsa continues to lead the sustainable transformation of the mobility sector.

Enhanced Recovery Routes

In line with its **2045 Zero Waste Vision,** Temsa aims to eliminate landfill and incineration waste entirely. A **comprehensive waste segregation system** has been implemented at its facilities, identifying 27 waste types (13 non-hazardous, 14 hazardous), and installing 600 bins for separate collection. Ten licensed facilities are engaged for the recycling and recovery of waste. Temsa also received a **Basic Level Zero Waste Certificate** from the Ministry of Environment, Urbanization, and Climate Change of Türkiye.

Spare parts packaging waste is minimized by repurposing production boxes and crates for outbound shipments, contributing to **broader waste reduction across the logistics chain.**

ENERJİSA ENERJİ

In 2024, Enerjisa Enerji established its **circularity strategy** to consolidate ongoing efforts under a unified framework and define a clear roadmap. Alongside this development, the company published a formal **ambition statement,** reinforcing its long-term commitment to sustainable resource management. Recognizing that the **circular economy supports both zero-waste targets and 2050 decarbonization goals,** Enerjisa aims to increase circular inflow usage, focus on circular design of assets, and enhance outflow efficiency across all operations in collaboration with value chain partners.

Circular economy principles have been embedded into business operations by launching initiatives that minimize waste, improve material efficiency, and extend product lifecycles.

Circular Material & Partnerships

E-Waste Recycling with Köstebek: A strategic partnership that ensures proper recycling and safe disposal of electronic components, mitigating environmental harm while repurposing valuable materials.

Wastepresso – Upcycling Coffee Waste: A circular initiative that transforms coffee waste into biofuel or agricultural inputs, turning a common byproduct into a sustainable resource.

Circular Design Principles

Battery Lifecycle Optimization (VoVo): Extends battery use by applying AI and predictive maintenance, reducing premature battery disposal and advancing energy storage sustainability.

Enhanced Recovery Routes

Carb-Zero – Decarbonization and Resource Optimization: Provides an integrated carbon management platform that helps organizations track and reduce emissions, while promoting efficient resource use across sectors.

Scope 2 and 3 Emissions Reduction Initiatives: Projects like **Buradayım** and **EDAS** deploy digital solutions to optimize field operations and logistics, reducing unnecessary energy use and indirect emissions.

Circular Economy

ENERJİSA ÜRETİM

Integrating **circular economy principles** is a core pillar of Enerjisa Üretim's sustainability strategy. The company focuses on **maximizing resource efficiency** and **minimizing environmental impact** across all operational processes.

Enhanced Recovery Routes

At the **Tufanbeyli Power Plant,** a dedicated **Water Treatment Unit (WTU)** and **waste tracking system** have been established to reduce hazardous waste generation and ensure proper disposal of industrial by-products. A **waste compaction system** has also been implemented to reduce the frequency of transportation trips, thereby lowering carbon emissions from waste logistics.

Enerjisa Üretim has evaluated nine subcategories of its Scope 3 carbon footprint to identify and minimize indirect emissions linked to its supply chain. Across all facilities, the company conducts **systematic monitoring of hazardous and non-hazardous waste,** aligning its practices with international environmental standards including **the IFC guidelines, EU Waste Framework Directive (WFD), and EU Taxonomy regulations.**

TEKNOSA

Enhanced Recovery Routes

In 2024, Teknosa advanced its circular economy approach by installing **e-waste and waste battery collection stations** across all stores, supporting responsible disposal and recycling. The transition to biodegradable shopping bags led to a significant reduction in plastic use. Additionally, **buyback and reuse campaigns** were launched to encourage resource efficiency and consumer participation in circular practices.

CARREFOURSA

Enhanced Recovery Routes

Carrefoursa collaborates with **Fazla** and **the Food Rescue Association** to ensure that food losses are **analyzed, categorized, and repurposed** before becoming idle. Through **Food Banking,** losses suitable for consumption are **re-evaluated and delivered to those in need.**

In 2024, the company made **29,626 donations, totaling 8,685 tons of food valued at 38 million TL.**

As a food retailer, Carrefoursa places strong emphasis on **managing global food scarcity and preventing food waste.** The company aims to **minimize waste generation** across all stores and warehouses, embracing a "Zero Waste" approach and continuously improving recycling and recovery performance.

As part of this effort, **95% of Carrefoursa stores received Basic Level Zero Waste Certificates** in 2024. Valuable waste materials such as paper, metal, glass, plastic, vegetable oil, and batteries are separated at store level and forwarded to licensed recycling firms.

In 2025, Carrefoursa began implementing **the deposit return system introduced by the Türkiye Environment Agency,** covering glass, PET, and aluminum beverage containers. This initiative plays a key role in promoting **waste reprocessing** and significantly contributes to r**educing waste leakage into the natural environment,** reinforcing the company's commitment to circular economy and environmental sustainability.