



2025

**Sustainability Report Prepared In
Accordance With The TSRS**

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1.ABOUT THE REPORT

1.1. Scope of the Report and Purpose

Europower Enerji ve Otomasyon Teknolojileri Sanayi ve Ticaret A.Ş., presents this report to provide stakeholders with information on its sustainability performance for the reporting period from 1 January 2025 to 31 December 2025. Unless otherwise stated, references throughout this report to “Europower Enerji”, the “Company” and the “Group” refer to the reporting entity comprising Europower Enerji ve Otomasyon Teknolojileri Sanayi ve Ticaret A.Ş. and its subsidiaries, Peak PV Solar Teknolojileri A.Ş. (“Peak PV”), Europower World Enerji A.Ş. (“Europower World”), Euromek Elektrik Sanayi Taahhüt A.Ş. (“Euromek”), Peakesco A.Ş. (“Peakesco”), Kozok Enerji Elektrik Tedarik Toptan Satış A.Ş. (“Kozok”) and Madsoy Enerji Elektrik Tedarik Toptan Satış A.Ş. (“Madsoy”). The subsidiaries are referred to throughout the report by the abbreviated names indicated in parentheses. Where reference is made specifically to the parent company as a separate legal entity, the term “Parent Company” or its full legal name, “Europower Enerji ve Otomasyon Teknolojileri Sanayi ve Ticaret A.Ş.”, is used. The report has been prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), principally TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information and TSRS 2 Climate-related Disclosures.

The Company began its sustainability reporting journey with its first GRI-aligned report published in 2023 and, for the 2024 reporting period, presented its TSRS disclosures voluntarily as part of its integrated report. While this report covers the first reporting period in which the Company is subject to mandatory reporting

under the TSRS (2025), it represents the Company’s second report prepared in accordance with the TSRS framework.

The purpose of this report is to provide clear, consistent and comparable information on how climate-related risks and opportunities affect the Company’s business model, strategy, financial performance and ability to create value over the long term.

The disclosures are structured around the four core content areas of TSRS 2 (governance, strategy, risk management, and metrics and targets) and are designed to provide information useful to primary users of general purpose financial reports.

1.2. Connection to Financial Disclosures

The sustainability and climate-related disclosures in this report should be read together with and in conjunction with the Company’s consolidated financial statements for the same reporting period, prepared in accordance with Turkish Financial Reporting Standards (TFRS). The sustainability reporting period covers the twelve-month period ending on 31 December 2025, aligned with the financial reporting period. Monetary amounts are presented in Turkish Lira (TL).

Where the financial effects of climate-related matters are not separately identifiable or are subject to a high degree of measurement uncertainty, the relevant matters are addressed through qualitative disclosures. Disclosures relating to governance, strategy, risk management, and metrics and targets are presented consistently and in a connected manner throughout the report.

1.3. Reporting Framework

The sustainability reporting boundary has been determined on a financial control basis and is aligned with the scope of the Company’s consolidated financial statements as of 31 December 2025. All subsidiaries over which the Company has financial control and which are included in the consolidated financial statements are within the reporting boundary.

The standards and guidance considered in preparing the report are summarised below:

- TSRS 1 – General Requirements for Disclosure of Sustainability-related Financial Information
- TSRS 2 – Climate-related Disclosures
- Industry-based Guidance on Implementing TSRS 2 – Volume 49: Electrical & Electronic Equipment

The scope covers the manufacture of transformers and low-, medium- and high-voltage equipment, renewable energy products, automation and software solutions, as well as related testing and commissioning activities. The business activities of the subsidiaries have also been taken into consideration in determining the reporting boundary.

Under the financial control approach, Peak PV, Euromek, Europower World and Peakesco, which are included in the consolidated financial statements, fall within the reporting boundary. Peak PV, Euromek and Europower World are held through Europower, while Peakesco, Kozok and Madsoy are indirectly held through Peak PV. As Kozok, Madsoy and Peakesco are consolidated under Peak PV in the consolidated financial statements,

the reporting boundary has been defined consistently with this group structure. Europower World is included within the reporting boundary on the basis of financial control, although its investment in a manufacturing facility for power transformers was still underway during the reporting period. As Europower World had no production, energy consumption or fuel use during the reporting period, its Scope 1 and Scope 2 greenhouse gas emissions were zero. Similarly, Peakesco, which was established during the reporting period, had no operational activities during the period and therefore recorded zero Scope 1 and Scope 2 greenhouse gas emissions.

Further information on the greenhouse gas emissions calculation methodology, including the organisational and operational boundaries and emission sources, is provided in the Metrics and Targets section of this report.

1.4. Fair Presentation

Climate-related risk and opportunity disclosures have been prepared in accordance with the principle of fair presentation, with a focus on matters that could reasonably be expected to affect the Company's financial position, taking into account its activities, operating structure and value chain.

The information has been presented in a manner that is accurate, neutral, balanced, understandable and relevant. In assessing the effects of climate-related risks and opportunities, current operational data, industry dynamics, regulatory developments, internal analyses and forward-looking assumptions have been considered collectively.

1.5. Transition Reliefs

For Europower Enerji, 2025 represents the second annual reporting period in which the TSRS have been applied. The Company first applied the TSRS for the reporting period from 1 January to 31 December 2024 and published its first sustainability report prepared in accordance with TSRS covering that period in 2025.

In preparing its sustainability-related financial disclosures for 2025, the Company considered both the "Board Decision on the Scope of Application of the Türkiye Sustainability Reporting Standards", published in the Official Gazette No. 32414 (Repeated) dated 29 December 2023, and the Board Decision dated 25 December 2025, published in the Official Gazette No. 33123 dated 30 December 2025.

Pursuant to the Board Decision dated 30 December 2025, the application of the transition reliefs set out in paragraphs E4, E5 and E6(b) of TSRS 1 was extended for one additional year for entities that first prepared sustainability reports in accordance with the TSRS for the 2024 reporting period. Accordingly:

- The Company **continued to apply the transition relief for the timing of reporting provided in paragraph E4 of TSRS 1** for the 2025 reporting period and published its sustainability-related financial disclosures after the publication of the related financial statements, within the applicable reporting timeframe.
- In line with the **one-year extension of the transition relief in paragraph E5 of TSRS 1**, the Company disclosed information only on climate-related risks

and opportunities for the 2025 reporting period, rather than on all sustainability-related risks and opportunities. Accordingly, the Report focuses on climate-related disclosures concerning governance, strategy, risk management, and metrics and targets, as required by TSRS 2.

- The **relief from providing comparative information under paragraph E3 of TSRS 1 was not extended by the Board Decision published on 30 December 2025**. Accordingly, comparative climate-related information for 2024 has been presented alongside the 2025 climate-related disclosures to the extent applicable. However, in accordance with paragraph E6(b) of TSRS 1, comparative information for the preceding period is not required for sustainability-related matters other than climate-related risks and opportunities.
- **Under Provisional Article 3 of the Board Decision dated 29 December 2023**, entities are not required to disclose Scope 3 greenhouse gas emissions during their first two annual TSRS reporting periods. The Company continued to apply this relief in 2025, its second TSRS reporting period. Accordingly, Scope 1 and Scope 2 greenhouse gas emissions have been reported, while Scope 3 emissions have not been included in the disclosures. The Company is continuing to develop its value chain data collection, emission factor selection and internal control processes to support the measurement and disclosure of Scope 3 emissions in accordance with TSRS 2 in subsequent reporting periods.

Following the expiry of the transition reliefs, the Company intends to expand its reporting scope

to include other sustainability-related risks and opportunities, measure its Scope 3 greenhouse gas emissions, and publish its sustainability-related financial disclosures at the same time as its related financial statements.

1.6. Materiality Assessment

The Company has applied a financial materiality approach in determining the matters to be included in the Report. The requirements of the TSRS have been considered together with the Company's corporate risk management framework. The assessment considered the current and potential effects of climate-related risks and opportunities on the Company's operations, value chain, operating structure, financial performance, financial position, cash flows and strategic priorities.

For the 2025 reporting period, the double materiality approach applied alongside the GRI Standards in 2024 was replaced by the financial materiality approach required under the TSRS. This change reflects the Report's focus on the requirements of TSRS 1 and TSRS 2. The revenue-based classification methodology used to assess financial effects in 2024 has been retained to maintain comparability between the two reporting periods.

As the Company is primarily engaged in the manufacture of electrical equipment, the materiality assessment was shaped by the production processes for transformers and low-, medium- and high-voltage equipment, energy-intensive manufacturing operations, regulatory expectations in export markets and developments in demand for renewable energy products. The assessment considered physical and transition risks, as well as related opportunities, arising from

equipment manufacturing, energy infrastructure projects, automation solutions and international project activities. The matters identified through this process were considered by the relevant committees and senior management within the Company's sustainability governance structure.

In prioritising these matters, the Company considered their likelihood of occurrence, magnitude of impact, time horizon, operational implications, financial consequences and strategic significance. The financial effects of risks and opportunities were assessed in an integrated manner, taking into account their potential implications for revenue, profitability, capital expenditure, cash flows, financing structure and assets.

Revenue was used as the primary financial metric, with total assets and total equity used as supporting metrics.

▶ Revenue

TL 12,999,679 thousand
(2024: TL 10,758,973 thousand)

▶ Total Assets

TL 18,842,089 thousand
(2024: TL 15,330,751 thousand)

▶ Total Equity

TL 11,446,561 thousand
(2024: TL 10,613,192 thousand)

The financial effects of risks and opportunities were classified into three levels based on their potential effect on revenue: low (0–1%), medium (1–5%) and high (5% or above). Matters classified as high were presumed to be financially material and were therefore assigned a high priority.

Table 1 Levels of Financial Effect

Financial Effect Level	Effect on Revenue	Definition
Low	0%–1%	Immaterial or limited financial effect
Medium	1%–5%	Noticeable but manageable financial effect
High	5% or above	Effect is considered financially material

The quantitative classification serves as an initial screening tool. For matters classified as medium, materiality is determined by considering the nature of the effect, its strategic significance and its potential long-term consequences.

Consistent with the investor-focused materiality approach under the TSRS, a matter may be considered financially material even where no directly measurable financial effect has yet arisen, if it could reasonably be expected to have a significant effect on access to finance, regulatory compliance, business continuity, strategic investment decisions, competitiveness or long-term value creation.

The identified matters have been assessed over the short, medium and long term, considering not only current financial effects but also potential future

operational, strategic, financial and reputational effects. The Company regularly reviews its materiality approach in light of its operating structure, financial position and scale, investment plans, risk profile and developments in the external environment, and updates the approach where necessary.

1.7. Guidance Sources

In preparing its sustainability disclosures, the Company has primarily referred to TSRS 2 – Volume 49: Electrical & Electronic Equipment, the industry-based guidance most closely aligned with the nature of its operations. The guidance identifies industry-based disclosure topics and associated activity metrics for entities engaged in the development and production of electrical components, including power generation equipment, transformers, switchgear, automation equipment, meters and transmission cables.

Volume 49 identifies two principal disclosure topics that are directly relevant to the Company's business activities. The first is Energy Management, which covers total energy consumed, the percentage of grid electricity and the percentage of renewable energy. The second is Product Lifecycle Management, which addresses the percentage of revenue from products containing IEC 62474 declarable substances, the percentage of revenue from eligible products meeting energy efficiency certification requirements, and revenue from renewable energy-related and energy efficiency-related products.

Given the energy-intensive nature of the Company's manufacturing operations, energy management metrics are relevant to its cost structure and exposure to regulatory developments. Product lifecycle

management is relevant across the Company's value chain, particularly in relation to monitoring material content in transformers, switchgear and panel products, designing energy-efficient products, and maintaining a product portfolio serving renewable energy systems. The disclosure topics and metrics considered under Volume 49 are presented in further detail in the Metrics and Targets section.

In identifying climate-related risks and opportunities and developing its scenario analyses, the Company has also referred to the Intergovernmental Panel on Climate Change Sixth Assessment Report (IPCC AR6), climate projections published by the Turkish State Meteorological Service (MGM), and the World Resources Institute (WRI) Aqueduct Water Risk Atlas, within the framework of TSRS 2.

1.8. Judgements and Uncertainties

The disclosures in this report are intended to provide accurate, reliable, neutral and comparable information. During the preparation process, the provisions of TSRS, nationally and internationally recognized methodologies, and industry best practices were taken as the basis, and professional judgment was applied where necessary.

Climate-related risk and opportunity assessments are based on the most up-to-date data and information available as of the reporting date. The long-term effects of climate change are subject to measurement uncertainty arising from variability in climate scenarios, regulatory developments, the pace of technological change, market conditions and limitations in data availability.

Key areas of uncertainty include:

- The magnitude and timing of physical climate risks affecting projects and site activities across different geographical locations are inherently uncertain due to the nature of the projections used.
- The scope and timing of future developments in carbon pricing, emissions regulations and sustainability-related legislation cannot be predicted with certainty.
- The availability and scope of data on the carbon content of input materials used in exported products and compliance with carbon border adjustment requirements may vary due to uncertainties associated with supplier-provided information.
- Long-term economic, technological and industry assumptions used to assess climate-related financial effects may change over time.
- The pace of market developments in the energy transition, grid modernisation, renewable energy investment and automation technologies may affect the magnitude of future opportunities.

To support transparency, quantitative disclosures have been prioritised where data is available, while qualitative information has been provided for matters subject to data limitations or measurement uncertainty. The Company aims to improve data quality and reduce measurement uncertainty by further developing its data collection, monitoring and verification processes.

1.9. Limited Assurance Engagement

Under the Decision of the Public Oversight, Accounting and Auditing Standards Authority (KGK), published in the Official Gazette No. 32414 dated 29 December 2023, sustainability reporting became mandatory for entities within the scope of the TSRS for annual reporting periods beginning on or after 1 January 2024.

Following this regulation, the KGK Decision dated 2 September 2024 was published in the Official Gazette No. 32653 dated 5 September 2024, requiring sustainability reports prepared in accordance with the TSRS to be subject to independent assurance from the first reporting period in which they are prepared. Pursuant to the Decision, assurance engagements are expected to be conducted at a limited assurance level in the initial phase. In addition, the term “financial statements” in paragraph 84 of TSRS 1 has been replaced with “sustainability-related financial disclosures.”

The assurance engagement was performed by SG Bağımsız Denetim in accordance with:

- Standard on Assurance Engagements 3000 (GDS 3000) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information; and
- Standard on Assurance Engagements 3410 (GDS 3410) – Assurance Engagements on Greenhouse Gas Statements.

The procedures performed as part of the limited assurance engagement are designed to provide limited assurance as to whether the sustainability-related financial disclosures presented in the Report have been prepared in accordance with the Türkiye Sustainability Reporting Standards.

The independent assurance report, including further information on the subject matter and scope of the assurance engagement, the procedures performed and the conclusion reached, is presented in the Appendices section of this Report.



2.COMPANY PROFILE

2.1. About Europower Enerji

Established in Ankara on 18 July 2008, Europower Enerji ve Otomasyon Teknolojileri Sanayi ve Ticaret A.Ş. is an integrated energy technology company with the capability to manufacture a broad range of equipment used across the electricity value chain, from generation and transmission to distribution and control.

The Company manufactures transformers and low-, medium- and high-voltage products, while also providing engineering, project management, automation and Supervisory Control and Data Acquisition (SCADA) solutions, as well as testing and commissioning services.

In line with the growth strategy pursued since its establishment, the Company has expanded its operations across 80 countries on five continents. Building on more than 20 years of industry experience and thousands of completed projects, Europower Enerji continues to pursue its vision of becoming a Türkiye-based global brand.

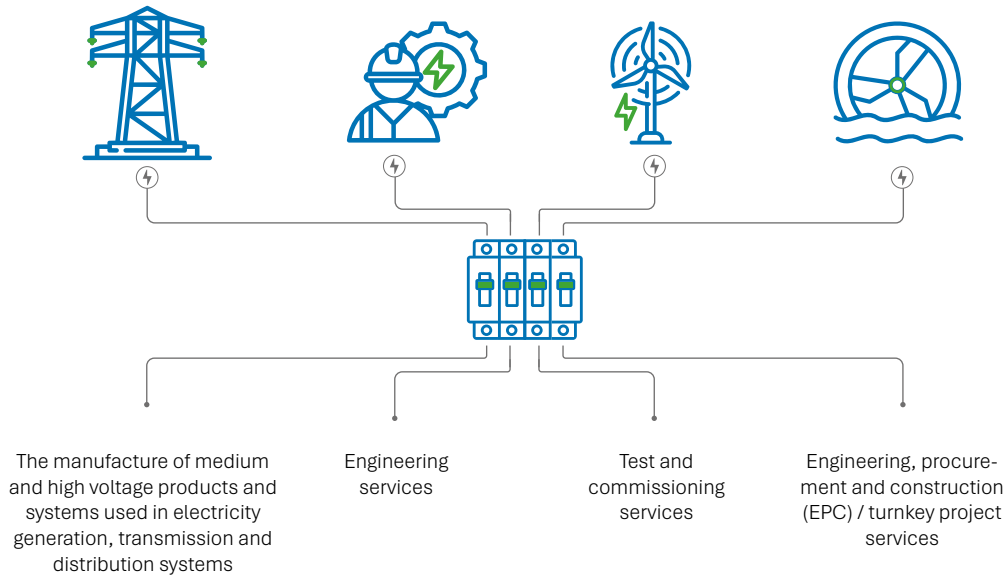


Figure 1 Scope of Operations of Europower Enerji



Figure 2 Scope of international market of Europower Enerji

The Parent Company's registered office is located at Saray Mahallesi, Atom Caddesi No:17, Kahramankazan/ Ankara. Operations are carried out at the Company's main campus in Ankara, which comprises office facilities and more than 180,000 square metres of production area across seven indoor and two outdoor facilities. The campus also houses the Company's Research and Development (R&D) Centre and internationally accredited test laboratory, where technological solutions are developed across the energy value chain, from power generation and transmission to distribution and smart grid systems.

Products are manufactured in accordance with international standards and undergo type testing at internationally accredited laboratories. The Company's high-voltage test laboratory, accredited by the Turkish Accreditation Agency (TÜRKAK), is equipped to perform a wide range of equipment tests, with more than 160 different test procedures available. Through advanced testing equipment and experienced field engineers, the Company also provides on-site inspection and system reliability services for transmission and distribution facilities worldwide.

Through its subsidiaries, the Parent Company extends its manufacturing and service capabilities across different areas of the energy transition. Peak PV operates in solar panel manufacturing and photovoltaic solutions, Europower World in power transformer manufacturing, and Euromek in the manufacture of high-voltage current and voltage transformers. Peakesco operates in electricity generation and distribution

and the installation of energy facilities, while Kozok and Madsoy engage in electricity trading and energy storage activities. Together, these businesses form an integrated operational ecosystem spanning equipment manufacturing, renewable energy technologies, energy storage and electricity trading. Further information on the subsidiaries is provided in Section 2.1.2. As of 31 December 2025, the Group has 1,875 employees¹

In addition to its domestic operations, the Company has an international presence through projects undertaken in various countries. Drawing on its experience in energy infrastructure development, renewable energy investments, grid modernisation, automation and digital energy solutions, the Company aims to contribute to the wider deployment of reliable energy systems.

2.1.1. Capital and Shareholding Structure

As of 31 December 2025, the Company's paid-in capital amounted to TL 660,000,000, with Girişim Elektrik Sanayi Taahhüt ve Ticaret A.Ş. as its controlling shareholder, holding a 52.71% interest. Further information on the Company's capital and shareholding structure is provided in the 2025 Annual Report. The respective shareholding percentages and amounts are presented in Table 2.

Table 2 The Company's Capital and Shareholding Structure

Shareholder	Shareholding (%)	Shareholding Amount (TL)
Girişim Elektrik A.Ş.	52.71	347,850,000
Muhittin Behiç Harmanlı	7.65	50,512,000
Ali Gökhan Öztürk	4.44	29,325,000
Ramin Malek	4.15	27,412,500
Mesut Baz	0.80	5,250,000
Publicly Held Shares	30.25	199,650,000

2.1.2. Subsidiaries and Affiliates

The consolidation scope of the Report is consistent with the reporting entity covered by the Company's audited consolidated financial statements for 2025. The organisational boundary of the greenhouse gas inventory has been defined on a financial control basis, and all subsidiaries within this boundary are included in this section. The subsidiaries included in the consolidation as of 31 December 2025 are presented in Table 3.

¹ Europower Enerji ve Otomasyon Teknolojileri Sanayi ve Ticaret A.Ş. (2026). Consolidated Financial Statements for the Year Ended 31 December 2025 and Independent Auditor's Report. Güncel Bağımsız Denetim Danışmanlık A.Ş.

Table 3 Europower Enerji Subsidiaries

Company Name	Principal Activity	Group Ownership Interest (%)	Nature of Relationship
Peak PV Solar Teknolojileri A.Ş.	Solar panel manufacturing and photovoltaic solutions	60	Subsidiary
Europower World Enerji A.Ş.	Power transformer manufacturing and energy technologies	100	Subsidiary
Euromek Elektrik Sanayi Taahhüt A.Ş.	Manufacturing of high-voltage current and voltage transformers	60	Subsidiary
Peakesco A.Ş.	Electricity generation and distribution and installation of energy facilities	60	Subsidiary
Kozok Enerji Elektrik Tedarik Toptan Satış A.Ş.	Electricity trading and energy storage activities	93	Subsidiary
Madsoy Enerji Elektrik Tedarik Toptan Satış A.Ş.	Electricity trading, wholesale electricity sales and energy storage activities	93	Subsidiary

Kozok and Madsoy have been consolidated under Peak PV Solar Teknolojileri A.Ş. following their registration on 10 June 2025 and are indirectly held by the Group through Peak PV.

The corporate structure of Europower Enerji's subsidiaries with operational activities during the reporting period is presented in Figure 3.

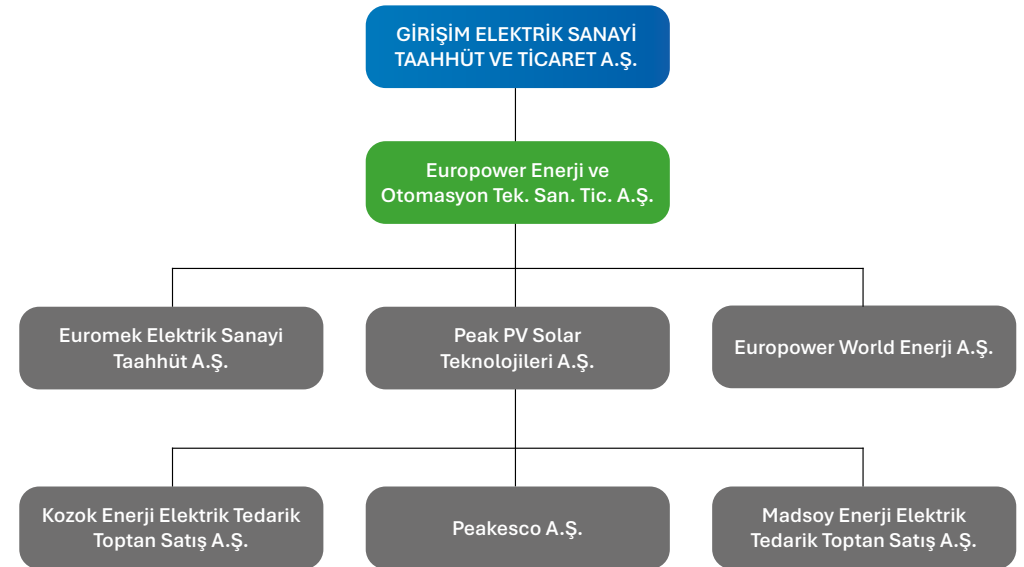


Figure 3 Group Structure

2.2. Value Chain and Business Model

Europower Enerji's value chain extends from the procurement of raw materials and technical equipment to R&D and product development, manufacturing, turnkey project delivery, testing and commissioning, and after-sales technical services. The Company brings together products, systems and services for power generation, transmission, distribution and control within an integrated business model.

The business model is built on R&D and engineering capabilities, manufacturing capacity supported by the Company's subsidiaries, accredited testing infrastructure, supply management and an international sales network. Through this structure, the Company provides end-to-end energy infrastructure solutions for public institutions, energy investors, industrial companies, contractors, financial institutions and international business partners.

The Company's project and engineering services are summarised in Figure 4.



Figure 4 Europower Enerji Project and Engineering Services

Within the TSRS framework, the value chain is considered one of the key areas in which sustainability- and climate-related risks and opportunities arise and are managed, and where their financial effects take shape. The Company monitors developments relating to supply continuity, operational resilience, energy efficiency, resource use, environmental performance, regulatory compliance and the transition to renewable energy from a value chain and business model perspective.

2.2.1. Concentration of Climate-Related Risks and Opportunities Across the Value Chain

Upstream value chain: The production of transformers, switchgear and panels requires copper, aluminium, steel, electrical steel, epoxy/composite materials and electronic components. As a significant proportion of these inputs is imported, the Carbon Border Adjustment Mechanism (CBAM) and fluctuations in commodity prices increase transition risk in relation to input costs and continuity of supply. Monitoring the carbon content of input materials is particularly relevant to compliance requirements in export markets.

Direct operations: The Company's manufacturing and testing facilities are concentrated in Ankara region. Energy-intensive processes, including high-voltage testing and transformer manufacturing, give rise to transition risks associated with grid electricity costs and security of energy supply. The geographical concentration of facilities also increases exposure to physical climate risks, including extreme temperatures and severe weather events.

Downstream value chain: Equipment for renewable energy systems, solar energy solutions, energy storage systems and grid modernisation products represent key areas in which climate-related opportunities are concentrated. The transition to a low-carbon economy is increasing demand for energy-efficient equipment and products that facilitate the integration of renewable energy, creating growth opportunities for the Company's product portfolio. Carbon-related regulations and energy efficiency standards in export markets also affect value creation, both through compliance requirements and the potential for competitive advantage.

The current and anticipated effects of these risks and opportunities on the Company's business model and value chain are discussed in detail in the **Strategy** section.



3. GOVERNANCE

Europower Enerji oversees sustainability-related and climate-related risks and opportunities through its corporate governance structure. Built around the ultimate oversight of the Board of Directors, the contribution of its committees and the operational coordination of senior management, this structure enables climate-related matters to be integrated into strategy, investment decisions and risk management processes. The following sections describe the bodies responsible for such oversight, how their responsibilities are reflected in their terms of reference, the frequency and manner in which the Board of Directors is informed, and how climate-related matters are incorporated into decision-making processes, in accordance with paragraph 6 of TSRS 2 Climate-related Disclosures. As oversight is exercised on an integrated basis, these disclosures also address the requirements of paragraph 27 of TSRS 1.

3.1. Europower Enerji Governance Structure

As of the 2025 reporting period, the Board of Directors comprises executive, non-executive and independent members, with its duties and authorities defined in accordance with the Turkish Commercial Code, capital markets legislation and the Company's Articles of Association. The Board consists of five members, two of whom are independent (Table 4).

Table 4 2025 Board of Directors

Europower Enerji Board of Directors Positions	
Chair of the Board of Directors	
Vice Chair of the Board of Directors	
Member of the Board of Directors	
Independent Member of the Board of Directors	
Independent Member of the Board of Directors	

The Board of Directors' responsibilities include setting strategic priorities, overseeing financial and operational performance, monitoring the effectiveness of risk management and internal control systems, and ensuring compliance with corporate governance principles. Through this committee-supported governance structure, the Company is able to consider not only financial performance but also sustainability-related risks and opportunities from an integrated perspective.

The Board comprises members with experience in engineering, finance, sales and marketing, risk management and corporate governance. This multidisciplinary composition supports the Company's strategic decision-making, risk management, sustainable growth and long-term value creation processes. Detailed biographies of the Board members are available in the [Board of Directors' Annual Report](#) for the period from 1 January 2025 to 31 December 2025.

The Company aims to embed sustainability as an integral component of its governance structure and risk management processes. To facilitate the effective and systematic management of sustainability matters, a corporate governance structure has been established under the oversight of the Board of Directors, with clearly defined roles and responsibilities. The integration of environmental, social and governance matters into corporate strategy and decision-making processes is overseen by the Board of Directors.



Europower Enerji's sustainability governance structure is presented in Figure 5.

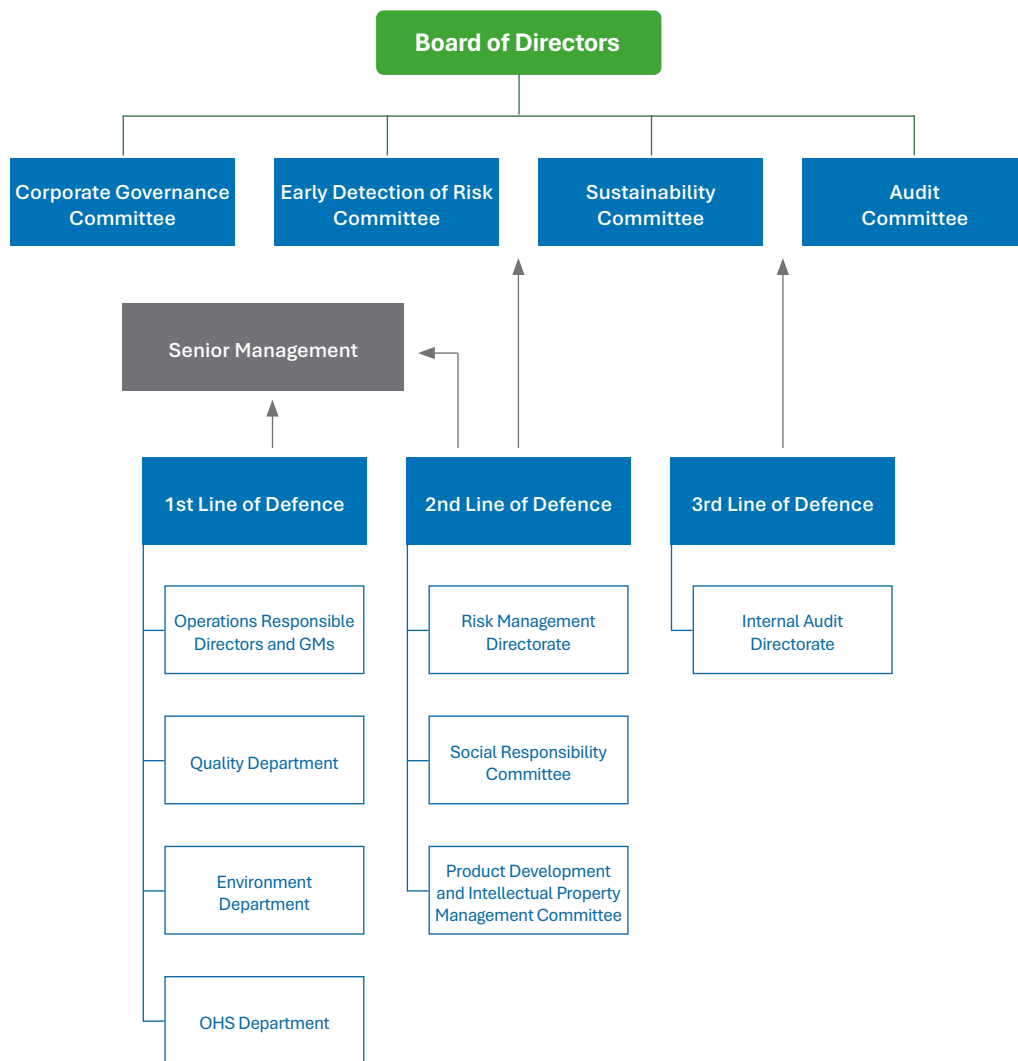


Figure 5 Europower Enerji Sustainability Governance Structure

3.2. The Board of Directors' Role in Sustainability

The Board of Directors has ultimate responsibility for defining, implementing and overseeing Europower Enerji's approach to sustainability. The integration of sustainability-related risks and opportunities into the Company's strategy, investment decisions, risk management processes and corporate reporting practices is carried out under the oversight of the Board of Directors.

Sustainability strategies, policies and targets are established in line with the Company's corporate objectives, long-term growth ambitions and approach to sustainable value creation. Targets developed on the basis of technical assessments and performance analyses prepared by senior management are reviewed and approved by the Board of Directors. Resource allocation, the determination of strategic priorities and the implementation of sustainability practices across the Company are also guided by the Board.

During the 2025 reporting period, matters considered by the Board of Directors included the review of sustainability reports prepared in accordance with TSRS, decisions concerning independent assurance engagements, renewable energy investments, energy efficiency projects, and the assessment of the financial effects of climate-related risks. Developments in sustainability performance were also monitored on a regular basis.

The Board of Directors is regularly informed of sustainability-related financial, operational and governance developments through reports submitted by the Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee and Sustainability Committee. At least annually, the Sustainability Committee and senior management provide the Board with detailed assessments covering climate-related developments, material risks and opportunities, and progress towards targets. Material developments or regulatory changes are reported to the Board outside this regular reporting cycle as necessary.

In overseeing the Company's strategy, major investment decisions and risk management processes, the Board of Directors considers climate-related risks and opportunities. Major decisions, including the power transformer manufacturing facility and renewable energy investments, are assessed in light of demand dynamics arising from the transition to a low-carbon economy. Developments in carbon-related regulations in the European market and restrictions on the use of SF6 gas in switchgear equipment inform product development

and R&D investment decisions. In making such decisions, the Board considers the balance between short-term costs and long-term competitive advantage.

3.2.1. Monitoring and Evaluation

The Board of Directors regularly assesses the implementation and effectiveness of the Company's sustainability strategies. Progress towards environmental, social and governance targets is monitored based on performance reports, key performance indicators, and risk and opportunity analyses presented by senior management. Risks that have materialised, performance results and deviations from targets are analysed, and additional measures, policy updates and strategic actions are determined where necessary. A comprehensive review is conducted at least annually, taking into account feedback from the Sustainability Committee and relevant functions. The sustainability report, including material environmental, social and governance matters, risks and opportunities, and performance indicators, is reviewed and approved by the Board of Directors regarding its content, consistency and alignment with the Company's strategy.

3.2.2. The Board of Directors' Engagement with Stakeholders

The Board of Directors adopts a transparent, continuous and structured approach to stakeholder engagement to support the effective management of the Company's sustainability strategies. Stakeholder expectations are regularly assessed through General Assembly meetings, investor relations meetings, senior-level review meetings and consultations with industry stakeholders.

Feedback received through these channels is

incorporated into strategic decision-making processes, with priorities relating particularly to environmental and social effects and stakeholder expectations shaped by these assessments. Committee reports, stakeholder analyses and assessments of sustainability performance are regularly brought to the attention of the Board of Directors.

3.2.3. Sustainability Competencies of the Board of Directors

Board members are expected to possess the knowledge and experience necessary to effectively fulfil their responsibilities for setting the Company's strategic direction and supporting long-term value creation. In determining the composition of the Board, complementary competencies in finance, law, risk management, corporate governance and industry expertise are taken into consideration. The multidisciplinary expertise of Board members supports strategic planning, investment decisions and sustainable growth objectives, while training and briefing activities are supported in response to evolving regulatory frameworks and industry developments.

The Board benefits from extensive experience in the energy sector and a strong R&D-oriented approach, supporting the integration of technology and innovation dimensions of sustainability into corporate strategy. Expertise in electrical and electronics engineering, combined with sales and marketing experience, contributes to the positioning of sustainable products and services and engagement with industry stakeholders. Operational experience gained through technical management and general management roles provides a strong foundation for improving efficiency

and developing sustainable production technologies. Management and audit experience in the banking and finance sectors further supports the incorporation of sustainability considerations into corporate governance, accountability, risk management and the assessment of the financial effects of environmental performance.

At Europower Enerji, sustainability is addressed with a high degree of discipline throughout all stages of operational processes. Reflecting this approach, the Quality, Environment and Occupational Health and Safety functions report directly within the senior management hierarchy, forming a management-level line of assurance. These functions continuously monitor compliance with mandatory requirements under national legislation and standards such as ISO 14001 and ISO 45001 through periodic audit and reporting processes.

3.3. Committee Structure

Sustainability governance at Europower Enerji is carried out through committees operating under the oversight of the Board of Directors and supporting management structures. The Audit Committee, Early Detection of Risk Committee and Corporate Governance Committee were established pursuant to Board of Directors Resolution No. 2023/18 dated 9 May 2023, in accordance with the Capital Markets Board's Corporate Governance Communiqué No. II-17.1. In addition to these three mandatory committees, a Sustainability Committee operates under the oversight of the Board of Directors.

Within their respective areas of responsibility, the committees carry out their activities in line with the Company's sustainability targets, risk management

approach, internal control mechanisms and stakeholder expectations. This structure enables sustainability-related risks and opportunities to be assessed from a multidisciplinary perspective and reported regularly to the Board of Directors.

The number of committee meetings held during the 2025 reporting period is presented in Table 5.

Table 5 Number of Committee Meetings in 2025

Committee	Number of Meetings in 2025
Audit Committee	4
Early Detection of Risk Committee	6
Corporate Governance Committee	4
Sustainability Committee	At least 2

3.3.1. Audit Committee

The Audit Committee oversees the effectiveness of financial reporting, internal control and independent audit processes. The Committee regularly reviews the operation of the financial reporting framework, the effectiveness of internal control mechanisms, the selection of the independent audit firm and the related contractual processes. By overseeing the preparation of financial statements in accordance with the principles of accuracy, reliability and transparency, the Committee contributes to strengthening the Company's approach to sustainable financial management. The Committee meets at least four times a year and submits the findings arising from its reviews to the Board of Directors for consideration.

3.3.2. Early Detection of Risk Committee

The Early Detection of Risk Committee is responsible for the early identification of risks that may affect the Company's operations, financial position and operational continuity, and for assessing the measures required to address such risks. Strategic, operational, financial and environmental risks are regularly assessed by the Committee, while the development of risk mitigation actions and the continued relevance and effectiveness of risk management systems are also reviewed. The transformation of the energy sector, physical and transition risks arising from climate change, and supply chain continuity are among the Committee's key areas of focus.

3.3.3. Corporate Governance Committee

The Corporate Governance Committee promotes and oversees the application of ethical principles, transparency and accountability across the Company. The Committee monitors compliance with corporate governance principles, assesses potential instances of non-compliance and reviews the effectiveness of mechanisms for preventing conflicts of interest. The Committee also oversees investor relations activities, periodically evaluates the governance structure against criteria including diversity, independence and competence, and develops recommendations for improvement. In addition, the Committee contributes to ensuring that nomination and remuneration processes are conducted in alignment with sustainability objectives.

3.3.4. Sustainability Committee

A Sustainability Committee has been established under the oversight of the Board of Directors to integrate sustainability management into the Company's corporate strategy. Acting on behalf of the Board, the Committee coordinates activities relating to sustainability and environmental, social and governance matters. The Committee oversees the development of sustainability strategies, the identification of material matters and the monitoring of performance indicators and regularly reports its findings to the Board of Directors. This structure supports the consistent and systematic implementation of sustainability practices across the organisation.

The Committee is coordinated by a Chair and a Vice Chair at senior management level. Its activities involve representatives from Quality Assurance, Human Resources, Finance, Accounting, Legal, Investor Relations, Procurement and Supply Chain Management, Information Technology, Environment and Occupational Health and Safety functions. This multidisciplinary participation enables sustainability matters to be considered in an integrated manner from financial, operational, legal, environmental and social perspectives.

Committee members are expected to have experience in sustainability, governance or environmental matters. Its multidisciplinary structure brings together the technical, legal, financial and operational competencies required to assess climate-related risks and opportunities. Training and briefing sessions are provided where necessary to further strengthen these competencies.

The Committee reports developments in sustainability performance, progress towards targets, risk and opportunity assessments, and required actions to senior management and the Board of Directors. The Committee meets at least twice a year, with additional meetings held where necessary. Meetings are held with a majority of members present, decisions are taken by majority vote, and the outcomes are formally recorded. The Committee's principal duties and responsibilities are to:

- contribute to the development of the corporate strategy in line with the Company's sustainability vision and guide its implementation;
- strengthen sustainability awareness across the organisation and support its integration into the corporate culture;
- develop policies, models and projects to integrate sustainability principles into business processes;
- identify material sustainability matters and define short-, medium- and long-term targets and roadmaps;
- monitor developments in national and international regulations and reporting standards and ensure that the Company's practices remain aligned with current frameworks;
- establish performance indicators in coordination with all relevant functions and regularly monitor sustainability performance; and
- maintain a regular flow of information to the Board of Directors and senior management.

The Committee contributes to setting climate-related targets and regularly monitors progress towards their achievement. The targets established and the progress made are submitted to the Board of Directors for oversight.

3.4. Coordination among Committees and Risk Management

Sustainability governance at Europower Enerji is carried out through an integrated structure that facilitates coordination between the committees and business units. While the Early Detection of Risk Committee assesses financial, operational, strategic and environmental risks within the corporate risk portfolio, the Sustainability Committee contributes to the assessment of climate-related risks and opportunities from technical and operational perspectives.

The Audit Committee oversees the effectiveness of the financial reporting and control environment through internal control and audit processes, while the Corporate Governance Committee supports the development of transparency, accountability, stakeholder relations and governance practices. Through this structure, sustainability matters are considered in conjunction with risk management, internal control, investment decisions, stakeholder engagement and corporate strategy.

3.5. Internal Control, Audit and Monitoring Mechanisms

Europower Enerji's internal control and audit processes are designed to ensure compliance with applicable laws and regulations, enhance operational effectiveness, manage risks and strengthen the corporate governance

structure. Internal audit activities are conducted within the Integrated Management System through a planned, systematic and risk-based approach.

Internal audits cover accounting, finance, human resources, sales, procurement, manufacturing and other operational activities, with the effectiveness, compliance and sustainability of these processes assessed on a regular basis. Audits are conducted in accordance with the annual Internal Audit Plan, with additional audits being carried out where necessary. Audit teams are formed in accordance with the principles of objectivity and independence and are independent of the areas they audit.

Corrective and improvement action plans are developed for identified non-conformities, with responsibilities, target completion dates and follow-up processes managed systematically. Where necessary, follow-up audits are conducted to assess the effectiveness of the actions implemented. The Company uses digital monitoring and management systems to support its risk management and internal control processes, through which corrective actions, stakeholder feedback and operational processes are monitored and documented.

Controls over sustainability- and climate-related information are integrated into the Company's existing internal control and corporate risk management systems. Sustainability data is collected and reported in a manner aligned with the control environment and management systems applied to financial reporting. No material non-compliance or critical findings requiring reporting were identified through the internal audit and control activities conducted during the reporting period.

3.5.1. Management Review Process

The Company holds Management Review meetings on a regular basis to assess the effectiveness of its quality management system and corporate processes. These meetings cover quality objectives, system performance, customer satisfaction results, internal audit findings, risk management processes and progress against previously defined action plans.

The process serves not only to monitor operational performance, but also as a strategic management tool for assessing sustainability targets, the Company's risk management approach and areas for corporate development. Based on the outcomes of these meetings, areas for improvement are identified and the necessary action plans are developed.

3.6. Three Lines of Defence Model

Europower Enerji's corporate risk management and internal control system is structured in accordance with the Three Lines of Defence Model to support the effective management of sustainability-related risks and opportunities, in line with the governance and risk disclosure requirements of TSRS. The model provides an integrated control and oversight mechanism that clearly allocates roles and responsibilities across the organisation for identifying, assessing, monitoring and reporting environmental, social and governance risks.

► First Line of Defence

The first line of defence comprises operational functions and process owners. It is responsible for integrating sustainability policies and practices into day-to-day

activities and managing risks at the operational level. The Director responsible for Operations, Deputy General Managers, and the Quality, Environment and Occupational Health and Safety departments operate within this line.

► Second Line of Defence

The second line of defence establishes policies and methodologies, monitors performance indicators and oversees the activities of the first line through risk management, internal control, compliance and sustainability functions. Risk management and sustainability functions, together with the relevant supporting functions, operate within this line.

► Third Line of Defence

The third line of defence provides independent and objective assurance on the effectiveness of risk management and control systems through the internal audit function. Internal Audit assesses the effectiveness of the first and second lines and communicates recommendations for improvement to the relevant levels of management and, where appropriate, to the Board of Directors and the Audit Committee. Senior management coordinates the three lines and supports the regular flow of information among committees, executive functions and audit mechanisms.

3.7. Sustainability Policy

At Europower Enerji, sustainability serves as a key reference framework for corporate decision-making. The Company recognises that long-term growth depends on maintaining a balanced approach to economic

performance, environmental responsibility and social contribution. The protection of natural resources, climate action and resource efficiency are embedded in the business model, while sustainability considerations are incorporated into strategic planning, investment decisions and operational processes.

In line with its vision of a sustainable future driven by clean energy, the Company prioritises renewable energy investments, operational efficiency, the monitoring and reduction of emissions, effective management of energy and water consumption, and the continuous improvement of occupational health and safety practices. Renewable energy investments contribute to security of energy supply while also supporting reduced dependence on external energy sources.

Ethical conduct, respect for human rights and equality are fundamental principles across all processes. The Company applies its sustainability approach in an integrated manner, from supply chain management to human resources practices, and remains committed to the principles of anti-bribery and anti-corruption. Supporting local employment, promoting equal opportunities and women's employment, and preventing discrimination are among its priorities. The policy is communicated transparently to stakeholders and regularly monitored through the Company's corporate governance mechanisms.

3.8. Remuneration and Performance Mechanism

At Europower Enerji, the remuneration policy is regarded as an integral component of the governance structure

and is applied as an incentive mechanism aligned with the Company's long-term strategic objectives. The remuneration principles are structured in accordance with applicable legislation and the Corporate Governance Principles. In determining the remuneration of Board members and executives with administrative responsibilities, factors such as the level of responsibility, contribution to decision-making processes, and relevant knowledge and expertise are taken into consideration.

Remuneration payable to members of the Board of Directors is determined by the General Assembly, with due consideration given to preserving the independence of independent Board members when determining their remuneration. Payments to executives with administrative responsibilities are subject to Board approval, while variable remuneration is determined based on corporate and individual performance indicators. Bonus payments are not guaranteed in advance and are made following approval by the Board of Directors. The total financial benefits provided to Board members and senior executives for the 2025 financial year amounted to TL 27,041,701 on a standalone basis.

The Board of Directors is responsible for the implementation and development of the remuneration policy, while the Corporate Governance Committee monitors and evaluates its implementation. In line with the Company's sustainability approach, the Company aims to strengthen the link between its remuneration system and environmental, social and governance performance indicators. Assessments are ongoing regarding the incorporation of environmental and social performance criteria into the variable remuneration structure for senior management.



4. STRATEGY

4.1. Identification of Climate-related Risks and Opportunities

Europower Enerji assesses the effects of climate change on its operations, value chain and financial performance in conjunction with corporate risk management, strategic planning and investment decision-making. The design and manufacture of transformers and low-, medium- and high-voltage equipment are central to this assessment. Energy-intensive manufacturing processes, automation and software solutions, accredited testing and commissioning activities, the procurement of raw materials and components, and regulatory developments in the international markets served by the Company are also considered within the scope of the assessment.

In accordance with the strategy disclosure requirements of TSRS 2, the resources required to manage climate-related risks and opportunities are considered as part of annual budgeting, investment planning, operational capacity development, R&D and technology investments, and workforce planning. Where additional resources are required, these needs are considered by the relevant levels of management in accordance with the Company's sustainability governance structure. The resulting assessments inform investment planning, capital allocation and corporate decision-making processes.

Climate-related risks and opportunities are analysed and prioritised by considering their effects across the value chain, potential financial consequences, likelihood and magnitude of impact, and short-, medium- and long-term horizons. The assessment considers both physical risks and transition risks arising from the shift towards a low-carbon economy. Increasing electrification, modernisation of energy infrastructure, smart grid applications, energy storage systems and increasing demand for sustainable energy equipment are considered strategic growth opportunities. The Company does not regard resource allocation as a one-off decision. Allocation decisions are reviewed periodically in response to developments in climate-related risks and opportunities, changes in the regulatory framework and the broader transformation of the industry.



The types and scope of climate-related risks are presented in Table 6.

Table 6 Risk Types

Risk Type	Description
Physical Risks	Physical risks comprise acute and chronic risks arising from the direct effects of climate change. For Europower Enerji, acute physical risks include those arising from extreme weather events such as floods, storms, hail, heavy precipitation, lightning and heatwaves. Chronic physical risks include the effects of long-term increases in temperature, drought, water stress and changing climatic conditions on manufacturing activities, equipment performance, project operations and the supply chain.
Transition Risks	Transition risks comprise regulatory, technological, market and reputational risks arising from the transition to a low-carbon economy. For Europower Enerji, these include carbon-related regulations, potential indirect cost effects associated with raw materials subject to the Carbon Border Adjustment Mechanism (CBAM), sustainability and climate-related reporting requirements, technological transformation in the energy sector, changing customer expectations and increasing demand for low-carbon products.

Alignment of Time Horizons with Strategic Planning

Europower Enerji assesses its climate-related risks and opportunities over short-, medium- and long-term time horizons in accordance with the requirements of TSRS 1 and TSRS 2. These assessments are aligned with the Company's strategic planning cycle, investment processes and operational risk management approach.

In defining these time horizons, the Company has considered the accelerating transition to a low-carbon economy in the energy sector, Türkiye's net-zero targets, the European Green Deal and the increasing need for climate resilience across energy infrastructure. The defined time horizons and corresponding strategic areas of focus are presented in Table 7.

Table 7 Time Horizons

Time Horizon	Timeframe	Related Planning Period	Definition and Strategic Focus
Short Term	0–1 year	Annual budgeting and operational business planning cycle	Aligned with the annual budgeting and operational planning cycle. During this period, priority is given to regulatory compliance, strengthening operational resilience and managing physical risks.
Medium Term	1–3 years	Investment planning and capacity development programme cycle	Investment plans, technological transformation, development of manufacturing capacity and energy efficiency initiatives constitute the key areas of focus during this period.
Long Term	3–10 years	Corporate growth strategy and long-term capital allocation planning	Opportunities arising from the energy transition, investments in low-carbon technologies, modernisation of energy infrastructure and strengthening climate resilience are among the strategic priorities.

These time horizons are consistent with those applied in the assessment of climate-related risks in the 2024 report and are directly aligned with the Company's budgeting, investment and strategic planning cycles.

4.2. Strategy and Decision-Making

Europower Enerji considers climate-related risks and opportunities as part of its strategic planning and decision-making processes. The approach developed in this context encompasses strengthening the resilience of the Company's business model and operations to climate conditions, pursuing emission reduction and adaptation measures across manufacturing and operational processes, and collaborating with stakeholders throughout the value chain.

4.2.1. Current and Anticipated Changes to the Business Model

Europower Enerji's business model is directly aligned with the products and services required by energy transition. In 2025, this strategic direction continued to be supported by investments in manufacturing capacity. Euromek has completed its machinery investments and type testing processes for the production of high-voltage current and voltage transformers as well as condenser bushings, and, as of 2025, has transitioned to the mass production phase. At Europower World, which was established for power transformer manufacturing, machinery purchases for the new manufacturing facility have been completed and construction has reached its final stage. Peakesco was established on 21 March 2025 to develop facilities required for electricity generation and distribution. The partnership with Kozok and Madsoy, which operate in electricity trading and the establishment of energy storage facilities, was registered on 10 June 2025.

These investments are expanding the Company's product portfolio into the areas of grid modernisation, energy storage and renewable energy integration. In 2025, cash outflows for the acquisition of property, plant and equipment and intangible assets amounted to TL 1,878,828 thousand, while the year-end balance of construction in progress stood at TL 1,644,911 thousand. Research and development expenses amounted to TL 137,907 thousand, while costs relating to ongoing development projects amounted to TL 490,383 thousand.

4.2.2. Direct Mitigation and Adaptation Efforts

Europower Enerji continues its direct mitigation efforts across its own operations by measuring and reporting greenhouse gas emissions, improving energy and resource efficiency, monitoring water consumption at its manufacturing facilities, and increasing the use of electricity from renewable energy sources. For adaptation, priority measures include keeping emergency response and business continuity plans for manufacturing facilities and test laboratories up to date, incorporating early meteorological warnings into production planning, and strengthening maintenance programmes for critical equipment.

4.2.3. Indirect Mitigation and Adaptation Efforts

Across its value chain, the Company aims to improve the availability of environmental and emissions data from suppliers, expand the assessment of suppliers against environmental, social and governance criteria, and provide customers with energy-efficient equipment and low-carbon technical solutions. Alternative sources of supply and logistics options for raw materials and components are also assessed to strengthen the resilience of the value chain to physical climate risks.

4.2.4. Climate-related Transition Plan

As of the reporting date, Europower Enerji does not have a formal climate-related transition plan, as defined in paragraph 14(a)(iv) of TSRS 2, with documented key assumptions and dependencies. The Company undertakes initiatives that support climate transition through the monitoring of greenhouse gas emissions, the establishment of climate-related targets, continued energy efficiency and renewable energy measures, and the development of low-carbon products and technologies. While these efforts demonstrate the Company's current approach to low-carbon transition, they do not constitute a comprehensive climate transition plan as of the reporting date.

4.2.5. Resourcing

Activities undertaken to manage climate-related risks and opportunities are funded through the Company's regular budgeting and investment planning processes. Funding requirements are identified as part of the annual budgeting cycle, while investment decisions are assessed through the Company's capital allocation processes. As of 31 December 2025, the Company reported total equity of TL 11,446,561 thousand, cash and cash equivalents of TL 446,291 thousand and net debt of TL 2,410,308 thousand. The debt-to-equity ratio stood at 0.17. The Company considers its existing equity base and financing capacity sufficient to fund its anticipated climate adaptation and growth investments. The Company is also considering access to green loans and sustainability-linked financing as a means of diversifying its sources of finance.

4.3. Risk and Opportunity Assessment Methodology

4.3.1. Assessment Methodology

Climate-related risks and opportunities are assessed against two primary criteria: likelihood of occurrence and magnitude of impact. The combination of these criteria informs the assessment of significance of each risk and opportunity, which is then used to establish their relative priority. The assessment scales applied are presented in Table 8.

Table 8 Assessment Scales

Criterion	Levels
Time Horizon	Short Term (0–1 year) Medium Term (1–3 years) Long Term (3–10 years)
Likelihood	Rare (1–1.5 points) Possible (1.5–2.5 points) Likely (2.5–3.5 points) Very Likely (3.5–4 points)
Magnitude of Impact	Low Medium High Very High
Assessment Rating	Determined by considering likelihood and magnitude together: Low Medium High Very High

These scales are consistent with those applied in the 2024 report, enabling climate-related risks and opportunities to be assessed on a comparable basis across reporting periods.

4.3.2. Explanation for Not Providing Quantitative Financial Effect Information

Europower Enerji does not provide quantitative information on the anticipated financial effects of climate-related risks and opportunities. This determination has been made in accordance with paragraphs 19 and 20 of TSRS 2, for the reasons set out below.

- The current and anticipated financial effects of climate-related risks and opportunities are not separately identifiable: The Company does not currently have disaggregated data at manufacturing facility or project level that would enable climate-related delays, efficiency losses and additional costs to be separately identified. Similarly, water and utility costs at manufacturing facilities are not tracked separately from overall production costs. The portion of supplier costs attributable to CBAM for raw materials used in production, such as steel and aluminium, also cannot be separately identified.
- High level of measurement uncertainty: Given these data limitations, the assumptions and rates required to estimate potential financial effects would need to rely extensively on management judgement. Under these circumstances, the resulting amounts could imply a degree of measurement precision that is not supported by the underlying data and may therefore not provide useful information to users of general purpose financial reports.
- Skills, capabilities and resources: The data infrastructure, monitoring processes and analytical capabilities required to model climate-related effects at facility level are currently being developed.

Accordingly, pursuant to paragraph 21(b) of TSRS 2, the Company identifies the financial statement line items that are likely to be affected by each climate-related risk and opportunity and provides qualitative information on those effects. Quantitative disclosures are expected to be introduced as the necessary data infrastructure becomes available.

4.4. Climate-related Physical Risks

Climate-related risks have been assessed by considering their time horizons, effects on the business model and value chain, management approach, potential financial effects and geographical concentrations. The results of the assessment are presented in Tables 9, 10 and 11.

Table 9 Acute Physical Risk: Extreme Weather Events, Lightning and Fire Risk

Area	Description
Risk Name / Title	Effect of Extreme Weather Events on Operations and Projects
Risk Type	Physical Risk (Acute)
Risk Description	The increasing frequency and magnitude of floods, storms, hail, lightning and fires due to climate change pose physical risks to Europower Enerji's manufacturing facilities, warehouses and test laboratories. Such events may damage equipment, inventories and critical infrastructure. Lightning may pose a particular risk to sensitive measurement and testing equipment. Extreme temperatures may increase fire risk and cooling requirements in energy-intensive manufacturing processes. Adverse weather conditions may also delay deliveries and on-site commissioning activities.
Time Horizon	Medium and Long Term (1–10 years)
Likelihood	Likely
Magnitude of Impact	Medium
Assessment Rating	Medium

Area	Description
Current and Anticipated Effects on the Business Model and Value Chain	Current Effects: Europower Enerji's business model encompasses the manufacture of electrical equipment, engineering, testing, commissioning and on-site activities. The continuity of these activities depends directly on the uninterrupted operation of manufacturing facilities, warehouses, test laboratories, project sites and logistics operations. The weather events described above therefore represent a direct physical risk exposure to the Company's key assets and operations. Losses specifically attributable to these risks are not systematically tracked on a separate basis for the current reporting period. The risks are managed through occupational health and safety, emergency management and maintenance activities. Anticipated Effects: An increase in the frequency and magnitude of extreme weather events could result in physical damage to manufacturing facilities, warehouses, test laboratories and EPC project sites, as well as temporary disruptions to manufacturing and project activities. Adverse weather conditions may restrict access to project sites and delay installation, testing, commissioning, maintenance and logistics activities. These disruptions could extend delivery schedules, increase operating costs and adversely affect supply chain continuity.
Management Strategy	Physical risks arising from extreme weather events are addressed through the Company's corporate risk management, occupational health and safety, maintenance and operational continuity practices. Relevant operational processes are reviewed to strengthen the resilience of manufacturing facilities, warehouses, test laboratories and project sites to climate-related physical risks and to identify necessary improvements. Preventive maintenance is performed to support the safe operation of facilities and critical equipment. The effectiveness of fire safety measures, electrical protection systems and emergency response arrangements is monitored in accordance with applicable regulatory and operational requirements.
Financial Statement Line Items Expected to Be Affected	The financial statement line item expected to be affected by this risk is cost of sales. Europower Enerji operates manufacturing facilities, warehouses and test laboratories while undertaking EPC-related engineering, testing, commissioning and on-site activities. The risk may therefore affect cost of sales through two channels simultaneously: manufacturing operations and on-site/project activities. Qualitative Description of Effects: Temporary shutdowns at manufacturing facilities due to extreme weather events, damage to equipment and inventories, and increased maintenance and repair requirements could place upward pressure on cost of sales. EPC projects may also be affected by extended project schedules, additional labour and equipment requirements, and logistics delays. As Europower may be exposed to both manufacturing- and project-related effects, the overall cost effect requires broader consideration than for subsidiaries exposed to only one type of activity. Temporary operational disruptions and extended project delivery schedules may also adversely affect operational efficiency.

Area	Description
Geographical Areas Where Risk is Concentrated	The risk is concentrated primarily in Kahramankazan/Ankara, where the Company's manufacturing facilities, test laboratories and R&D centre are located, as well as at domestic and international project sites. The magnitude of physical risk varies depending on regional climate conditions, the frequency of meteorological events and the geographical characteristics of individual project locations.

Table 10 Chronic Physical Risk: Drought and Rising Temperatures

Area	Description
Risk Name / Title	Effect of Drought and Rising Temperatures on Manufacturing, Equipment Performance and Energy Infrastructure
Risk Type	Chronic Physical Risk
Risk Description	Rising temperatures, changing precipitation patterns and prolonged drought conditions associated with climate change may affect Europower Enerji's operations at its manufacturing facilities, test laboratories and project sites. High temperatures may result in overheating, equipment failures, efficiency losses and higher maintenance costs for components such as transformers, inverters and outdoor panels. Electrical equipment manufactured by the Company and installed at project sites may be exposed to increased thermal loads under high-temperature conditions, potentially increasing the risk of expansion, sagging and equipment failure. Reduced access to water resources and constraints on water supply may disrupt installation, testing and commissioning activities at project sites. Prolonged periods of high temperatures may also make it more difficult for maintenance, repair and field teams to work safely outdoors.
Time Horizon	Long Term (3–10 years)
Likelihood	Possible
Magnitude of Impact	Medium
Assessment Rating	Medium

Area	Description
Current and Anticipated Effects on the Business Model and Value Chain	Current Effects: Europower Enerji's manufacturing activities and portfolio of products installed at project sites are exposed to chronic temperature-related risks, as equipment performance may be affected by environmental conditions. Losses specifically attributable to these risks are not systematically tracked on a separate basis for the current reporting period. Anticipated Effects: More severe global warming and drought conditions could reduce equipment performance, increase maintenance and repair requirements, and adversely affect manufacturing efficiency. Higher thermal loads on products and systems installed at project sites may increase the risk of equipment failure and associated maintenance costs. For subsidiaries engaged in electricity generation, trading and storage activities, changes in temperature and climatic conditions may adversely affect generation and storage capacity and efficiency over the long term.
Management Strategy	The effects of chronic climate risks are monitored through the Company's corporate risk management, maintenance planning and energy and environmental management systems (ISO 50001 and ISO 14001). Maintenance and improvement requirements aimed at strengthening the resilience of equipment and products to high-temperature conditions are assessed as part of operational processes.
Financial Statement Line Items Expected to Be Affected	The financial statement line item expected to be affected by this risk is cost of sales. Rising temperatures and drought may affect this line item through two distinct mechanisms. At manufacturing facilities and test laboratories, high temperatures may place upward pressure on production costs through reduced equipment performance, more frequent failures and increased maintenance and repair requirements. At project sites, water supply constraints and high-temperature conditions may delay site preparation, installation, testing and commissioning activities and require additional labour and equipment, thereby increasing project-related costs. Qualitative Description of Effects: Temperature- and drought-related effects may arise through two distinct channels. At manufacturing facilities, the impact may be relatively limited in scope, primarily through equipment performance and higher maintenance and repair costs. At project sites, water constraints and high-temperature conditions may have broader cost implications by affecting workforce productivity and project schedules. Where these effects occur concurrently, they may result in extended project delivery schedules and reduced operational efficiency.
Geographical Areas Where Risk is Concentrated	The Company's manufacturing facilities and test laboratories in Ankara; sites where Europower Enerji undertakes EPC, substation and renewable energy projects; and operational areas with elevated exposure to water stress and drought.

4.5. Climate-related Transition Risks

Table 11 Policy and Legal Transition Risk: Carbon Regulation Risk

Area	Description
Risk Name / Title	Operational and Financial Effects of Carbon Regulations
Risk Type / Category	Transition Risk – Policy and Legal Risk
Risk Description	The expanding scope of regulations aimed at reducing global carbon emissions may create additional compliance requirements and cost pressures for companies engaged in the manufacture and export of energy equipment. Developments relating to the European Green Deal, emissions trading systems and carbon pricing mechanisms may require Europower Enerji to adapt its manufacturing, procurement and export processes. Although the Company's products are not directly within the scope of the Carbon Border Adjustment Mechanism (CBAM), CBAM may indirectly affect the Company's supply chain by increasing the procurement costs of covered raw materials such as steel and aluminium. A continued increase in carbon-related costs could lead to higher operating expenses, greater competitive pressure and more challenging access to finance.
Time Horizon	Medium Term (1–3 years)
Likelihood	Likely
Magnitude of Impact	High
Assessment Rating	High

Area	Description
Current and Anticipated Effects on the Business Model and Value Chain	Current Effects: Europower Enerji's business model encompasses the design and manufacture of electrical equipment as well as engineering, testing, commissioning and export activities. Given the nature of these activities, energy and raw material consumption, supplier relationships, logistics processes and regulatory developments in the markets to which the Company exports represent the principal sources of its current exposure to carbon-related regulations. During the reporting period, developments in carbon and sustainability regulations increased the importance of processes for identifying, collecting, verifying and reporting emissions data from the Company's operations. No material operational disruption, loss of customers or direct carbon cost separately attributable to carbon regulations was identified during the current period. Anticipated Effects: The expansion of carbon pricing and emissions trading schemes may create additional data, compliance and cost requirements across Europower Enerji's production inputs, energy consumption, supply chain, logistics and export activities. Carbon costs incurred by suppliers in relation to CBAM-covered raw materials, including steel and aluminium, may be passed through to the prices of intermediate goods, indirectly affecting the Company's cost structure. Failure to respond adequately to evolving regulatory and commercial expectations in a timely manner could place pressure on existing customer relationships and the Company's ability to secure new orders in certain export markets.
Management Strategy	Transition risks arising from carbon regulations are monitored and assessed through corporate risk management, sustainability reporting and strategic planning processes. Key measures include calculating greenhouse gas emissions in accordance with applicable reporting standards, improving the traceability of emissions data, and enhancing the availability and quality of carbon and environmental data obtained from the supply chain. National and international carbon regulations and regulatory developments in export markets are monitored regularly. The Company is considering strengthening supplier-level cost and data monitoring for raw materials covered by CBAM in future periods.

Area	Description
Financial Statement Line Items Expected to Be Affected	The financial statement line items expected to be affected are cost of sales and general and administrative expenses, including compliance, consultancy, verification and reporting costs. Qualitative Description of Effects: Carbon regulations and pricing mechanisms primarily affect manufacturing activities that use imported steel, aluminium and electronic components. As Europower Enerji manufactures electrical equipment, these regulations may place upward pressure on cost of sales through higher supply chain costs. The transition towards low-carbon products and technologies may also require additional expenditure in manufacturing and quality processes. The wider adoption of carbon pricing mechanisms may place further pressure on production costs and export pricing. Compliance with TSRS, CBAM and other sustainability-related regulations may also increase general and administrative expenses associated with consultancy, verification, data management, reporting, digital infrastructure and internal control processes.
Geographical Areas Where Risk is Concentrated	The risk is concentrated in Türkiye, where Europower Enerji's manufacturing activities are located, and in its export markets, particularly European Union countries where carbon regulations and expectations for lower-emission products are more pronounced. For CBAM-covered raw materials such as steel and aluminium, exposure may also extend to the countries and regions from which these inputs are sourced.



4.6. Climate-related Opportunities

Climate-related opportunities have been assessed with regard to their time horizons, effects on the business model and value chain, management approach, potential financial effects and geographical concentrations. The results are presented in Tables 12 and 13.

Table 12 Growth Opportunity from Energy Transition and Grid Modernisation

Area	Description
Opportunity Name / Title	Growth Opportunity from Energy Transition and Grid Modernisation
Opportunity Description	Increasing electrification, investment in renewable energy and the modernisation of electricity transmission and distribution infrastructure represent three complementary growth drivers for Europower Enerji: - Growing demand for high-, medium- and low-voltage equipment, transformers, substations, automation systems and EPC solutions; - Growing demand for energy storage systems (ESS), battery management systems (BMS), power conversion systems (PCS), inverters, electric vehicle charging infrastructure and hybrid energy solutions as renewable electricity generation expands; - Increased investment in electricity infrastructure across international markets, driven by decarbonisation targets and energy security considerations, together with the resulting demand for turnkey projects. Europower's broad product portfolio, manufacturing infrastructure, R&D capabilities, and internationally accredited testing laboratory infrastructure provide a competitive advantage in capturing opportunities across all three growth drivers.
Time Horizon	Medium and Long Term (1–10 years)
Likelihood	Likely
Magnitude of Impact	High
Assessment Rating	High

Area	Description
Current and Anticipated Effects on the Business Model and Value Chain	Current Effects: Europower Enerji's business model combines a broad range of products and solutions—including LV, MV and HV systems, transformers and renewable energy products such as ESS, PCS and inverters—with its manufacturing, engineering and EPC capabilities. The Company's existing manufacturing capacity, R&D centre and accredited testing laboratory provide a strong platform from which to respond to growing demand arising from the energy transition. Anticipated Effects: As electrification and renewable energy investment accelerate globally, demand for Europower's product portfolio is expected to increase, particularly for ESS, PCS, inverters and hybrid energy solutions. This trend may contribute to the diversification of the Company's revenue base and increase the volume of turnkey projects undertaken in international markets.
Management Strategy	The Company supports its growth strategy by expanding manufacturing capacity, developing its product portfolio in line with the energy transition (particularly through continued R&D investment in ESS, PCS, inverters and hybrid energy solutions), maintaining compliance with international technical standards, and strengthening its sales and operational presence in target markets.
Financial Statement Line Items Expected to Be Affected	The financial statement line item expected to be most directly affected by this opportunity is revenue, as the principal indicator of the Company's level of business activity. Qualitative Effect Explanation The energy transition, electrification, modernisation of electricity grids and increasing investment in energy infrastructure are expected to drive demand for high-, medium- and low-voltage equipment, transformers, substations, automation systems and EPC solutions, which constitute Europower Enerji's core areas of activity. In parallel, the expansion of renewable electricity generation is expected to increase demand for ESS, BMS, PCS, inverters and electric vehicle charging infrastructure. These developments are expected to support product sales volumes, revenue from engineering, testing, commissioning and technical services, and turnkey project revenue in international markets. Positive effects on revenue, the order backlog and capacity utilisation are therefore anticipated. The extent to which additional revenue translates into operating profitability will depend on factors including product mix, contractual terms, commodity prices, procurement costs and changes in operating expenses.
Geographical Areas Where Opportunity is Concentrated	Türkiye (manufacturing and R&D centre), the European Union, Romania (through Peak PV's solar energy investments), the Middle East, North Africa, the Caucasus and other export markets.



Table 13 Opportunity to Access Green and Sustainability-linked Financing

Area	Description
Opportunity Name / Title	Access to Green and Sustainability-linked Financing
Opportunity Description	Stronger sustainability performance and transparent reporting in accordance with TSRS may improve Europower Enerji's access to green loans, sustainability-linked loans (SLLs) and similar financing instruments. Strong sustainability performance may contribute to more favourable financing terms, greater diversification of funding sources and an enhanced profile among investors and lenders. In addition to its existing equity and cash resources, the Company considers access to such financing as an option for diversifying the funding of investments in manufacturing capacity, energy efficiency, climate adaptation and growth.
Time Horizon	Short and Medium Term (0–3 years)
Likelihood	Possible
Magnitude of Impact	Medium
Assessment Rating	Medium
Current and Anticipated Effects on the Business Model and Value Chain	Current Position: Europower Enerji currently meets its financing requirements through its existing equity and cash resources. Measures taken to strengthen sustainability performance and reporting processes under TSRS may enhance the Company's potential access to green and sustainability-linked financing instruments. Anticipated Effects: As sustainability performance improves over time, the Company may benefit from greater diversification of its funding structure, potentially lower borrowing costs and additional funding capacity for investments in manufacturing capacity, climate adaptation and growth. Strong sustainability performance may also have a positive influence on how lenders and investors assess the Company's risk profile.
Management Strategy	The Company seeks to maintain high-quality sustainability reporting in accordance with TSRS 1 and TSRS 2, assess green loan and sustainability-linked financing opportunities as part of its financing strategy, and maintain transparent communication with relevant lenders and investors.

Area	Description
Financial Statement Line Items Expected to Be Affected	The component of finance costs expected to be most directly affected by this opportunity is interest and commission expenses on borrowings. Qualitative Description of Effects: Improved access to green loans, sustainability-linked loans and project financing may provide some potential for lower interest and commission expenses. Diversification of funding sources may also increase flexibility in financing investments and support funding for manufacturing capacity, low-carbon product development, R&D investments and energy infrastructure projects. These developments are expected to have a positive effect on capital allocation, investment capacity and long-term financial resilience.
Geographical Areas Where Opportunity is Concentrated	The opportunity is driven primarily by the structure of the Company's financing relationships rather than by a specific geographical concentration. Banking relationships in Türkiye, together with relationships with international lenders and investors, are particularly relevant.

4.7. Climate Resilience

Europower Enerji's climate resilience has been assessed regarding its operations, manufacturing activities, value chain, subsidiaries and the markets in which it operates. The assessment focuses on the climate-related risks identified as financially material to the Company, namely extreme weather events, drought and rising temperatures, as well as carbon regulations and pricing mechanisms.

The assessment has been conducted using qualitative scenario narratives in accordance with paragraphs B15 and B17 of TSRS 2. As the Company's data infrastructure and analytical capabilities for climate-related scenario analysis are still developing, an approach proportionate to its current circumstances has been applied. As these capabilities mature, the Company intends to progress towards a more advanced approach incorporating quantitative modelling.

The scenarios, inputs and time horizons applied in the resilience assessment are presented in Table 14.

Table 14 Scenarios and Inputs Used in the Resilience Assessment

Risk Assessed	Scenario and Source Used	Time Horizon Covered	Key Inputs and Assumptions
Extreme weather events, lightning and fire risk (acute physical risk)	IPCC AR6 SSP1-2.6 and SSP5-8.5; climate projections of the Turkish State Meteorological Service	Medium to Long Term (1–10 years)	Potential changes in the frequency and magnitude of extreme heat, heavy precipitation, storms, lightning and conditions conducive to fire; locations of manufacturing facilities and project sites; and potential effects on manufacturing, field activities, employee health and safety, equipment performance and operational continuity
Chronic Physical Risk: Drought and Rising Temperatures	IPCC AR6 SSP1-2.6, SSP2-4.5 and SSP5-8.5 scenarios; climate projections of the Turkish State Meteorological Service; WRI Aqueduct Water Risk Atlas	Long Term (3–10 years)	Potential changes in average temperatures and drought conditions; potential effects on equipment performance, thermal loads on transmission lines, maintenance requirements, and the generation efficiency of subsidiaries engaged in electricity generation and storage activities due to water availability and climatic conditions



Risk Assessed	Scenario and Source Used	Time Horizon Covered	Key Inputs and Assumptions
Carbon regulation risk (policy and legal transition risk)	IEA energy transition scenarios; projections relating to the EU Emissions Trading System and the Carbon Border Adjustment Mechanism (CBAM); national ETS regulations under Türkiye's Climate Law	Medium Term (1–3 years)	Developments in carbon pricing mechanisms and climate policies are giving rise to requirements for emissions monitoring and reporting. These regulations may have indirect effects on energy and input costs and may also affect supply chain costs through raw materials covered by CBAM. Regulatory and commercial requirements in international markets are also considered as part of the assessment.

4.7.1. Results of the Assessment

The Company's engineering and project management capabilities, its subsidiary structure spanning different areas of activity, and its diversified business model encompassing renewable energy, electrical equipment, automation and energy infrastructure solutions supports the resilience of its strategy and business model to climate-related changes. Growing demand associated with energy transition, electrification and grid modernisation also creates growth opportunities that may partially offset the adverse effects of the identified risks.

Across the scenarios assessed, the principal physical risks are expected to exert gradual pressure on manufacturing activities, project timelines and the cost structure, rather than resulting primarily in sudden, one-off asset losses. This allows such effects to be managed through production planning, project management, contract management and budgeting processes. Regarding transition risk, carbon regulations are expected to affect the Company predominantly indirectly through its supply chain rather than through direct exposure. Europower Enerji does not operate directly in carbon-intensive sectors.

The Company's principal areas of flexibility in adapting to climate-related changes include incorporating climate conditions into production and project planning, using alternative

procurement and logistics options, improving energy and water efficiency at manufacturing facilities, and expanding its product portfolio towards low-carbon solutions. As of 31 December 2025, the Company considers its total equity of TL 11,446,561 thousand and existing financing capacity sufficient to fund climate adaptation measures and anticipated investments.

The assessment is subject to several key limitations, including the absence of site- and production-level historical impact data, the lack of disaggregated internal data on water and utility costs, and the inability to separately identify the CBAM-related cost effects associated with raw materials used in production, such as steel and aluminium. Given these limitations, the assessment has been conducted on a qualitative basis. The Company intends to move towards a quantitative assessment as the relevant data becomes available.

4.8. Climate Scenarios

Europower Enerji's climate-related scenario analyses have been developed by considering the characteristics of the physical and transition risks assessed as financially material to the Company. Internationally recognised scenario frameworks appropriate to the nature of each risk have been used in selecting the scenarios. Physical risks have been assessed using the IPCC AR6 SSP scenarios, climate projections published by the Turkish State Meteorological Service and the WRI Aqueduct Water Risk Atlas, while transition risks have been assessed using IEA energy transition scenarios and projections relating to European Union carbon pricing mechanisms. Accordingly, each risk has been assessed using internationally recognised scientific and institutional references suited to its specific characteristics, with particular attention given to linking the scenario analyses to the Company's activities.

IPCC AR6 / SSP Scenarios

The Shared Socioeconomic Pathways (SSPs), developed by the Intergovernmental Panel on Climate Change (IPCC) as part of its Sixth Assessment Report (AR6), are scenarios that link socioeconomic factors such as population, economic growth, education, technological development, urbanisation and climate policies with different global warming pathways.

SSP1-2.6 (Sustainability Pathway): This scenario describes a world focused on sustainable development, with greater emphasis on environmental considerations. Greenhouse gas emissions are assumed to be very low, reaching net zero around or after 2050, followed by net negative CO₂ emissions. The pathway is designed to limit warming to below 2°C. Policies focus on optimising resource efficiency, supported by effective and sustained cooperation at local, national and international levels. Stricter environmental regulations are being implemented (IPCC, 2021a).

SSP2-4.5 (Intermediate Emissions Scenario): This scenario follows a “middle-of-the-road” socioeconomic development pathway in which social, economic and technological trends do not diverge significantly from historical patterns. Classified by the IPCC as an intermediate greenhouse gas emissions scenario, SSP2-4.5 assumes that emissions remain approximately at current levels until the middle of the century. According to the IPCC AR6 assessment, global surface temperature during 2081–2100 is projected to be approximately 2.7°C above the 1850–1900 average, based on the best estimate, with a very likely range of 2.1°C to 3.5°C (IPCC, 2021a).

SSP5-8.5 (Fossil-fuelled Development Pathway): This scenario assumes that rapid economic growth and technological progress remain key priorities, with development continuing to rely heavily on fossil fuels. Technological progress is concentrated in certain regions, contributing to an unequal development pathway characterised by high levels of inequality. The scenario represents a very high-emissions future associated with substantial warming, exceeding 4°C, and reflects a high-risk future in which the effects of climate change become increasingly pronounced (IPCC, 2021a).

Climate Projections of the Turkish State Meteorological Service

The Turkish State Meteorological Service publishes national and regional climate projections covering temperature, precipitation patterns and extreme weather events, including heatwaves, heavy precipitation and drought. These projections are based on national and regional climate models and provide information on projected trends in temperature increases and precipitation variability across different time horizons.

WRI Aqueduct Water Risk Atlas Scenarios

The Aqueduct Water Risk Atlas, developed by the World Resources Institute (WRI), is a platform for assessing water stress, water scarcity and drought risk globally. The Atlas provides future projections for 2030, 2050 and 2080 under three scenarios:

- **Optimistic Scenario:** Represents projected water stress under assumptions of lower growth in socioeconomic water demand and relatively more favourable climatic conditions.
- **Business-as-usual Scenario:** Assumes that population growth, economic growth and water-use trends continue broadly in line with historical trajectories.
- **Pessimistic Scenario:** Represents conditions in which high growth in water demand coincides with more pronounced adverse effects of climate change on the water cycle, resulting in the greatest pressure on water resources.



IEA Energy Transition Scenarios

The International Energy Agency (IEA) publishes scenarios modelling alternative pathways for the future development of the global energy system based on variables such as energy policies, technology costs, investment trends and the pace of transition towards a low-carbon economy. These scenarios provide global and regional projections for energy demand, the energy mix, carbon prices and technological transformation (IEA, 2024).

EU Carbon Pricing Mechanisms

Emissions Trading System (ETS): The European Union's market-based mechanism for pricing greenhouse gas emissions from carbon-intensive sectors. The system operates on a cap-and-trade basis.

Carbon Border Adjustment Mechanism (CBAM)

The Carbon Border Adjustment Mechanism applies a carbon price to the embedded emissions associated with the production of certain goods imported into the European Union, including steel, cement, aluminium, fertilisers, electricity and hydrogen, with the aim of accounting for differences between the carbon price paid in the country of production and the EU ETS carbon price.

Türkiye's Emerging Carbon Market Regulations

Türkiye has established the legal framework for the development of a domestic Emissions Trading System (ETS) through its Climate Law. Legislation governing the implementation of the ETS remains under development including the draft Emissions Trading System Regulation.

4.9. Scenario Analyses

The scenario analyses have been developed using the climate scenarios described in the Climate Scenarios section. These analyses assess Europower Enerji's operational resilience to its priority physical and transition risks under different climate conditions. In accordance with paragraphs B15 and B17 of TSRS 2, the analyses have been conducted using qualitative scenario narratives. Quantitative information on the financial effects of the scenarios is not provided for the reasons set out in Section 4.3. The assessments are based on scientific projections, regulatory developments and management assumptions available as of the reporting date and are therefore forward-looking in nature.

4.9.1. Scenario Analysis of Extreme Weather Events

Extreme weather events are considered among the priority physical climate risks that may affect Europower Enerji's manufacturing activities, engineering and EPC projects, and supply chain processes. The analysis is based on the SSP1-2.6 and SSP5-8.5 scenarios described in Section 4.8.

Under SSP1-2.6, the effects of extreme weather events are expected to remain limited and largely temporary. Any disruption to manufacturing activities, project execution and logistics processes is expected to be relatively short-lived and manageable, with existing operational planning, maintenance practices and emergency management arrangements supporting the Company's ability to manage these effects.

Under SSP5-8.5, the greater frequency and magnitude of physical climate hazards are expected to place

additional pressure on operational continuity, equipment performance, logistics processes and project execution schedules. Under this scenario, strengthening business continuity practices and adaptation measures becomes increasingly important.

The analysis indicates that an increase in the frequency and magnitude of extreme weather events could place pressure on operational continuity and project delivery performance. Europower Enerji therefore considers incorporating climate conditions into project planning, strengthening critical equipment and supply processes, enhancing business continuity practices and increasing operational flexibility among its priority adaptation measures. Accordingly, this risk is classified as one of the Company's priority physical climate risks.

4.9.2. Scenario Analysis of Drought and Rising Temperatures

Drought and rising temperatures are considered a priority chronic physical risk for Europower Enerji's manufacturing facilities and its subsidiaries that will engage in electricity generation and energy storage activities. The analysis is based on the SSP1-2.6, SSP2-4.5 and SSP5-8.5 scenarios. Climate projections published by the Turkish State Meteorological Service have been used for regional assessments relating to Türkiye.

The WRI Aqueduct Water Risk Atlas has been used as a supplementary source to assess the geographical characteristics of drought risk. Aqueduct applies its own projection framework independently of the SSP scenarios and assesses water stress under optimistic, business-as-usual and pessimistic scenarios. Accordingly, the Atlas findings have not been treated

as equivalents of the SSP scenarios, but rather as complementary inputs for identifying drought risk at the location level.

The Company's manufacturing processes have limited direct dependence on water. The effects of drought are therefore expected to arise primarily through energy costs, continuity of inputs sourced from water-intensive industries and general operating conditions at its facilities, rather than through direct water supply constraints. Rising temperatures, however, may directly affect equipment cooling requirements, the efficiency of energy-intensive manufacturing processes and maintenance requirements.

Under SSP1-2.6, the relatively limited increase in temperatures is expected to keep the effects on equipment performance and facility operating conditions at manageable levels.

Under SSP2-4.5, gradual temperature increases and regional drought conditions may have a more pronounced effect on equipment cooling efficiency, cooling loads at manufacturing facilities and maintenance requirements.

Under SSP5-8.5, higher long-term temperatures and intensifying water stress may reduce equipment performance, increase maintenance and cooling costs, and create operational constraints associated with employee exposure to high temperatures.

The effects of chronic climate risks are expected to remain relatively limited under lower-emissions scenarios. Under the high-emissions scenario, however, investment in equipment resilience and measures to improve water and energy efficiency becomes increasingly important.

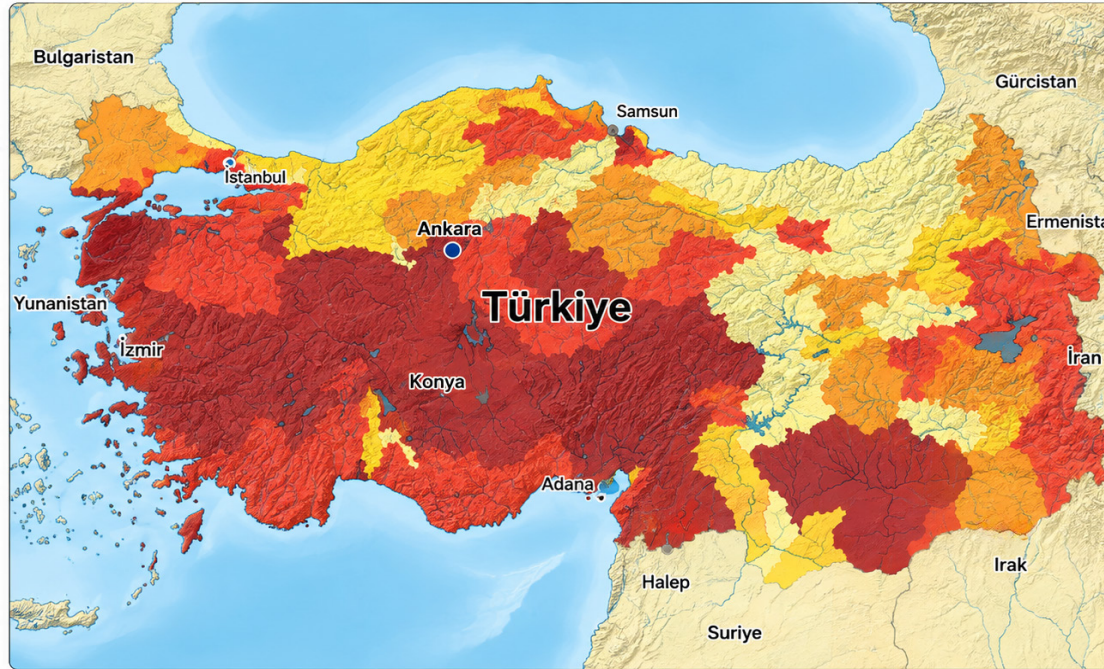
2030 WRI Aqueduct Findings

According to the 2030 projections of the WRI Aqueduct Water Risk Atlas, Ankara, where the Company's principal manufacturing activities are located, falls within the "Extremely High" (>80%) water stress category under the optimistic, business-as-usual and pessimistic scenarios. The ratio of total water withdrawals to available renewable water resources is projected to exceed 80% under all three scenarios.

Current-condition indicators for the Sakarya Basin, in which the Ankara site is situated, classify water stress as "Extremely High" and water depletion risk as "Medium-High" (25–50%). These findings indicate that water resources in the region are already under significant pressure and that this pressure may persist under different future conditions.

Groundwater and municipal water are used to meet the general needs of the facilities. Drought and increasing water stress may therefore affect manufacturing activities not only through water availability, but also through facility operating conditions, energy costs and the continuity of inputs sourced from water-intensive industries.

The results of the 2030 water stress analysis for the Ankara operations are presented in Figure 6. The location remaining within the "Extremely High" category under all three future scenarios indicates that pressure on water resources may remain elevated under different future conditions and that chronic physical risks associated with drought are likely to remain relevant over the medium and long term.



Ankara, Türkiye	
Aquifer	: -
Input address	: Ankara, Türkiye
Projected Water Stress (Value in Year To 2030)	: Extremely high (>80%)
Optimistic	: Extremely high (>80%)
Business as Usual	: Extremely high (>80%)
Pessimistic	: Extremely high (>80%)
Major Basin	: Black Sea, South Coast
Minor Basin	: Sakarya River
Country	: Türkiye
Province	: Ankara

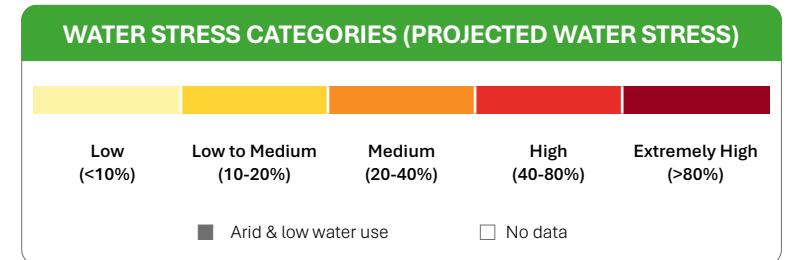


Figure 6 WRI Aqueduct 2030 Water Stress Analysis for the Ankara Operations

4.9.3. Scenario Analysis of Carbon Regulations

Transition risks associated with carbon regulations and carbon pricing have been assessed with reference to the IEA energy transition scenarios described in the Climate Scenarios section, the European Union Emissions Trading System (EU ETS), the Carbon Border Adjustment Mechanism (CBAM) and emerging carbon market regulations in Türkiye. The analysis considers the potential effects of changes in carbon costs, regulatory requirements, supply chain dynamics and market expectations on Europower Enerji's operations.

In this context, assessments published by the European Bank for Reconstruction and Development (EBRD) regarding Türkiye's alignment with CBAM have been considered as a supplementary source. These assessments indicate that the introduction of a national Emissions Trading System in Türkiye could result in carbon costs being gradually reflected across the economy and that carbon pricing mechanisms could create cost pressures, particularly within supply chains dependent on carbon-intensive inputs.

Although Europower Enerji does not operate directly in sectors with high carbon emissions, it may be indirectly exposed to carbon pricing mechanisms through CBAM-covered inputs such as steel and aluminium used in the manufacture of low-, medium- and high-voltage electrical equipment and electromechanical systems, as well as other energy-intensive metal inputs such as copper, electrical components, energy consumption, logistics activities and its international supply chain. These effects are expected to arise primarily through higher raw material and component costs, the pass-

through of suppliers' carbon compliance costs into product prices and resulting increases in procurement costs.

Under high-impact scenarios, customer expectations and sustainability requirements are expected to become more stringent, particularly in the European Union market, increasing the importance of product carbon footprints, supply chain transparency and environmental performance. These developments may have more pronounced implications for raw material sourcing, the Company's cost structure, product development processes and competitive positioning. Under scenarios involving higher carbon prices, indirect cost pressures may also have a greater effect on the Company's supply chain management and operating costs.

At the same time, the accelerating energy transition, modernisation of electricity grids, increasing investment in renewable energy and broader electrification are expected to drive demand for medium- and high-voltage electrical equipment, switchgear systems, compact substations and other electrical infrastructure solutions. These developments may support Europower Enerji's manufacturing activities, product portfolio and export potential, creating long-term growth opportunities for the Company.



5. RISK MANAGEMENT

5.1. Climate-related Risk and Opportunity Management

At Europower Enerji, climate-related risks and opportunities are managed as an integral part of the Company's corporate risk management approach and are assessed in conjunction with strategic planning, investment decisions, operational processes and sustainability management. Considering the Company's activities across electrical equipment manufacturing, engineering and contracting services, as well as the operations of its subsidiaries, physical and transition risks arising from climate change and opportunities associated with the transition to a low-carbon economy are systematically monitored.

The risk and opportunity management process considers manufacturing activities, the supply chain, energy use, project execution, financial performance and regulatory developments across the markets in which the Company operates. In addition to available operational data, assessments take into account national and international climate policies, regulatory requirements, scientific scenarios and sector trends to analyse the current and potential effects of climate-related developments on the Company.

Climate-related risks and opportunities are managed through a structured process comprising identification, assessment, materiality assessment and monitoring. Findings from this process are reported to the relevant governing and management bodies through the Company's corporate risk management mechanisms

and inform strategic decision-making. Risk and opportunity assessments are reviewed regularly throughout the reporting period and updated as necessary in response to material changes in the Company's activities or external environment.

5.2. Identifying Risks and Opportunities

Climate-related risks and opportunities are identified through a systematic process that takes into account Europower Enerji's operations, value chain and the characteristics of the markets in which it operates. The assessment covers the manufacture of transformers and low-, medium- and high-voltage equipment, the activities of subsidiaries, the supply chain, energy use and export activities.

The identification process draws on internationally recognised scientific climate projections and climate scenarios, national and international regulatory developments, sector-specific guidance and the Company's operational data. IPCC AR6 SSP scenarios and climate projections published by the Turkish State Meteorological Service are used, while the WRI Aqueduct Water Risk Atlas scenarios provide a supplementary source for identifying chronic physical risks. Climate policy developments in Türkiye, developments relating to the emissions trading system, sustainability reporting requirements and regulatory developments in the Company's export markets are also considered.

The Industry-based Guidance on Implementing TSRS 2 – Volume 49: Electrical & Electronic Equipment,

which is aligned with the nature of the Company's activities, is used in identifying risks and opportunities. The assessment is also informed by the greenhouse gas emissions inventory, energy consumption data, operational records relating to manufacturing processes, supply chain assessments, investment plans and information generated through internal control mechanisms.

The identified risks and opportunities are assessed in accordance with the financial materiality approach described in the Materiality Assessment section. Information determined to be financially material forms the basis for subsequent scenario analysis and resilience assessments.

5.3. Assessing of Risks and Opportunities

Identified climate-related risks and opportunities are assessed with regard to their current and potential effects on Europower Enerji's operations, value chain and financial performance. Each risk and opportunity is analysed based on its relevant time horizon, likelihood of occurrence and magnitude of impact. The assessment of significance considers both the likelihood and the magnitude of potential impacts. The methodology and assessment scales applied are set out in Table 8 under Section 4.3.1 Assessment Methodology.

Three time horizons are applied: short term (0–1 year), medium term (1–3 years) and long term (3–10 years). Likelihood represents the probability that a risk or opportunity will occur within the relevant time horizon and is assessed as Rare, Possible, Likely or Very Likely. The magnitude of impact is classified as Low, Medium, High or Very High.

The impact assessment considers potential effects on manufacturing activities, facilities and critical infrastructure, the supply chain, energy use, operational continuity, the cost structure, financial performance and strategic objectives. The financial statement line items expected to be affected if a risk or opportunity materialises are also identified as part of the assessment.

The resulting significance ratings provide the basis for prioritising climate-related risks and opportunities. Quantitative information on anticipated financial effects is not provided due to the data limitations, methodological constraints and measurement uncertainties described in Section 4.3.2 Explanation for Not Providing Quantitative Information on Financial Effects.

5.4. Use of Scenario Analysis in Risk Assessment

Europower Enerji uses scenario analysis to assess the potential effects of climate-related risks on its operations under different climate and transition conditions and to evaluate its resilience under such conditions. In accordance with paragraphs B15 and B17 of TSRS 2, the scenario analysis is conducted using qualitative scenario narratives. As the Group's data infrastructure and analytical capabilities for climate-related scenario analysis are still developing, an approach proportionate to its current circumstances has been adopted.

The scenarios used in the analysis, their sources, the time horizons covered, and the key inputs and assumptions are presented in Table 14 in Section 4.7. Findings from the scenario analysis are used as inputs in determining the likelihood and magnitude of risks and in assessing climate resilience.

As the Group's capabilities for scenario analysis develop, it intends to transition towards a more advanced approach incorporating quantitative modelling.

5.5. Prioritization of Risk and Opportunities

Climate-related risks and opportunities are prioritised based on the significance ratings determined through the assessment process. The materiality assessment process considers not only the significance rating, but also the relevant time horizon and the potential effects of each risk or opportunity on operational processes, the supply chain, financial performance and strategic objectives.

Under this approach, risks and opportunities considered to have a greater potential effect on the Company are treated as priority areas for management attention. The outcomes of the materiality analysis process serve as key inputs for risk management activities, the development of climate-related strategies, the preparation of action plans and management-level decision-making.

Materiality analysis outcomes are reviewed with new information obtained during subsequent reporting periods, changes in the Company's activities, updated climate projections and regulatory developments, and are revised where necessary.

Table 15 Likelihood and Impact Assessment Matrix

LIKELIHOOD	Very Likely	Medium	High	Very High	Very High
	Likely	Medium	Medium	High	Very High
	Possible	Low	Medium	Medium	High
	Rare	Low	Low	Medium	High
IMPACT		Low	Medium	High	Very High

5.6. Monitoring of Risks and Opportunities

Climate-related risks and opportunities are regularly monitored within Europower Enerji's corporate risk management and sustainability governance frameworks. The monitoring process is conducted in accordance with the Three Lines of Defence Model described in Section 3.6:

- First line of defence: Operational functions together with the Quality, Environment and Occupational Health and Safety units are responsible for monitoring and managing risks arising from the Company's activities.
- Second line of defence: The Risk Management Directorate supports the analysis of risks at the corporate level.

- Third line of defence: The Internal Audit Directorate provides independent assurance over the effectiveness of risk management and control processes.

Based on the findings from monitoring activities, existing risks and opportunities are regularly reviewed to ensure that assessments remain up to date. Where necessary, assessments are updated in response to material changes in the scope of operations, the value chain, climate conditions or the regulatory environment. Accordingly, the time horizons, likelihood, magnitude of impact and significance ratings assigned to risks and opportunities may be reassessed.

The Sustainability Committee coordinates the implementation of sustainability strategies and the monitoring of related performance. The Early Detection of Risk Committee reports to the Board of Directors on its assessments aimed at the early identification of risks that could affect the Group's existence, development and continuity of operations. Coordination between the two committees is described in Section 3.4.

5.7. Changes in Processes Compared with the Previous Reporting Period

During the 2025 reporting period, the overall approach to identifying, assessing and monitoring climate-related risks and opportunities remained unchanged. Accordingly, no material changes were made to the assessment methodology or the key stages of the risk management process compared with the previous reporting period. This continuity is intended to support consistent and comparable assessment of climate-related risks and opportunities across reporting periods.

However, the following updates were made to the implementation of these processes during the reporting period:

- In the 2024 report, a revenue-based approach was applied to assess the potential financial effects of risks and opportunities. For the 2025 reporting period, considering the existing data infrastructure and measurement uncertainty, quantitative information on anticipated financial effects has not been provided. Instead, in accordance with paragraph 21(b) of TSRS 2, the financial statement line items expected to be affected have been identified and qualitative information has been disclosed. The reasons for this approach are explained in Section 4.3.2.
- The reporting scope has been updated in line with the financial reporting boundary to include Peakesco, Kozok, Madsøy, Euromek and Europower World.
- For the 2025 reporting period, comparative climate-related disclosures relating to 2024 have been included in the report to the extent applicable.
- The assessment of climate-related risks and opportunities has been based on Industry-based Guidance on Implementing TSRS 2 – Volume 49: Electrical & Electronic Equipment, consistent with the nature of the Company's activities.

No changes were made to the key process steps for identifying and monitoring risks or to the assessment scales compared with the previous reporting period. Maintaining the same assessment scales supports

the consistent and comparable evaluation of climate-related risks and opportunities across reporting periods.

5.8. Integration into the Overall Risk Management Process

Climate-related risks and opportunities are considered alongside other strategic, operational, financial and compliance risks within Europower Enerji's corporate risk management framework. This approach enables the potential effects of climate change on the Company's operations, value chain and business model to be assessed from an integrated perspective.

Climate-related risks are not managed as a standalone category within the corporate risk management process but are integrated into the relevant risk categories. Accordingly, physical risks are assessed within the context of operational risk and business continuity, while transition risks are considered under compliance/regulatory risk and supply chain risk. This structure enables climate-related risks to be managed through the Company's existing risk management processes and tools.

The outcomes of climate-related risk and opportunity assessments inform strategic planning, investment decisions, operational processes and sustainability activities. As detailed in Section 4.2, these assessments also inform resource and capital allocation decisions.

The risk management approach is periodically reviewed and revised where necessary considering changes in the scope of operations, regulatory developments, updated scientific findings and the outcomes of climate-related assessments.

6. METRICS AND TARGETS

6.1. Key Climate-related Metrics

Europower Enerji uses the cross-industry climate-related metrics defined under TSRS 2 to monitor the effects of climate-related risks and opportunities on its performance and to assess its progress in the transition to a low-carbon economy.

In this context, the Company monitors greenhouse gas emissions, energy consumption, renewable energy use, and indicators related to climate-related risks and opportunities, taking into account the nature of its operations. For industry-based metrics, the Company applies Industry-based Guidance on Implementing TSRS 2 – Volume 49: Electrical & Electronic Equipment, which most closely aligns with its business activities.

6.1.1. Greenhouse Gas Emissions and Calculation Methodology

Europower Enerji's greenhouse gas emissions inventory has been prepared using the financial control approach, aligned with the Company's financial reporting boundary. Emissions arising from the activities of the Parent Company and subsidiaries under its financial control during the reporting period are included in the inventory. The financial control approach ensures that the emissions inventory follows the same reporting boundary as the consolidated financial statements and ensures consistency between sustainability-related financial disclosures and the financial statements.

As the inventory applies the same reporting boundary as the consolidated financial statements, all subsidiaries within the scope of consolidation are included. The Group comprises Peak PV, Europower World and Euromek, as well as Kozok, Peakesco and Madsoy, which are indirectly held through Peak PV. All subsidiaries are fully consolidated. There are no associates, joint ventures or unconsolidated subsidiaries excluded from the consolidation scope.

Emissions were generated only by subsidiaries that conducted operational activities during the reporting period. Although Europower World, Peakesco, Kozok and Madsoy are within the reporting boundary, they did not undertake activities giving rise to emissions from sources such as fuel and electricity consumption in 2025. Accordingly, their Scope 1 and Scope 2 emissions were assessed as zero. These entities remain within the reporting

boundary so that any emissions arising from future changes in their activities can be directly incorporated into the inventory. The reporting boundary and emissions status of the subsidiaries are presented in Table 16.

Table 16 Reporting Boundary and Emissions Status of Subsidiaries

Company	Ownership Interest (%)	Consolidation	2025 Emissions
Parent Company (Europower Enerji)	—	Full	Scope 1–2
Peak PV	60%	Full	Scope 1–2
Euromek	60%	Full	Scope 1–2
Europower World	100%	Full	Zero (no operations)
Peakesco	60%	Full	Zero (no operations)
Kozok (indirectly held through Peak PV)	93%	Full	Zero (no operations)
Madsoy (indirectly held through Peak PV)	93%	Full	Zero (no operations)

Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (GHG Protocol) and reported in tCO₂e. ISO 14064-1:2018 is also taken into consideration in the calculation process. In accordance with TSRS 2, Scope 1 and Scope 2 emissions are disclosed. For Scope 3 emissions, the Company applies the relief available for the first two reporting periods under Provisional Article 3 of TSRS. This relief is being applied for the final time for the 2025 reporting period, while work to develop the data infrastructure required to monitor Scope 3 emissions is ongoing.

An activity data-based approach has been applied in the calculations. Scope 1 emissions comprise direct emissions from fuel consumption, vehicle use, industrial processes and refrigerant gases. Scope 2 emissions comprise energy-related indirect emissions from purchased electricity. Direct emissions are calculated using the 2006 IPCC Guidelines

for National Greenhouse Gas Inventories, while emissions from purchased electricity are calculated using emission factors published by the Republic of Türkiye Ministry of Energy and Natural Resources.

Scope 2 emissions have been calculated using the location-based method. During the reporting period, there were no contractual instruments, such as renewable electricity procurement agreements, that would affect the calculation of Scope 2 emissions and require separate disclosure.

Emissions from refrigerant gases are calculated based on maintenance, refrigerant recharge and leakage records. Emissions are converted into CO₂e using the applicable global warming potential (GWP) values of the relevant gases. The emission factors, conversion factors and technical parameters used in the calculations are based on authoritative and publicly available sources. Further information on these sources is provided in the Appendices section of the report.

6.2. 2025 Greenhouse Gas Emissions

Europower Enerji's greenhouse gas emissions for 2025 were calculated for Scope 1 and Scope 2 in accordance with the GHG Protocol. The emissions results are presented in Table 17. For the reporting period, total Scope 1 emissions amounted to 2,555.90 tCO₂e, while total Scope 2 emissions amounted to 5,288.34 tCO₂e. Total Scope 1 and Scope 2 emissions across the Group amounted to 7,844.25 tCO₂e. The contribution of entities within the reporting boundary to total greenhouse gas emissions is presented in Figure 7.

Table 17 Greenhouse Gas Emissions in 2025

Scope	Emissions (tCO ₂ e)			
	Europower	Euromek	Peak PV	Group Total
Scope 1	1,943.22	295.32	317.36	2,555.91
Scope 2	2,406.60	337.69	2,544.06	5,288.34
Total	4,349.82	633.01	2,861.42	7,844.25

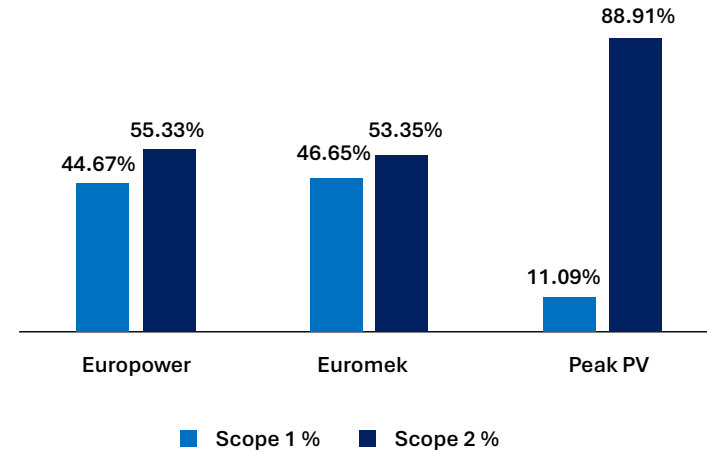


Figure 7 Distribution of Greenhouse Gas Emissions in 2025

6.2.1. Scope 1 Emissions

Europower Enerji's Scope 1 emissions arise from four categories of emission sources under the Company's direct control: stationary combustion, mobile combustion, process emissions, and fugitive emissions.

- Stationary combustion refers to direct emissions from fuels consumed for heating, production and other operational activities at the Company's facilities.
- Mobile combustion comprises emissions from fuel consumed by company vehicles and mobile equipment used in operations.
- Process emissions are direct greenhouse gas emissions arising from chemical or physical processes associated with production. During the reporting period, such emissions were observed solely from the Parent Company's operations.
- Fugitive emissions arise from refrigerant leakage associated with the operation, maintenance and recharging of air-conditioning and refrigeration systems.

The breakdown of direct greenhouse gas emissions by source under Scope 1 is presented in Table 18.

Table 18 Scope 1 Emissions in 2025

Metric	Parent Company (tCO ₂ e)	Euromek (tCO ₂ e)	Peak PV (tCO ₂ e)
Category 1.1 Direct emissions from stationary combustion	1,016.56	67.24	152.01
Category 1.2 Direct emissions from mobile combustion	886.31	108.80	159.18
Category 1.3 Direct process emissions and removals from industrial processes	0.43	- ³	- ³
Category 1.4 Direct fugitive emissions from greenhouse gases in anthropogenic systems	39.93	119.28	6.17
Category 1.5 Direct emissions and removals from land use, land-use change and forestry (LULUCF) activities	- ³	- ³	- ³
TOTAL	1,943.23	295.32	317.36



³ No greenhouse gas emissions were calculated for these categories, as there were no activities falling within the relevant categories during the reporting period.

6.2.2. Scope 2 Emissions

Scope 2 emissions comprise indirect greenhouse gas emissions arising from the consumption of electricity purchased from external sources as part of Europower Enerji's operations. The indirect greenhouse gas emissions calculated under Scope 2 are presented in Table 19.

Table 19 Scope 2 Emissions in 2025

Metric	Parent Company (tCO ₂ e)	Euromek (tCO ₂ e)	Peak PV (tCO ₂ e)
Scope 2 Indirect Energy Emissions (location-based)	2,406.60	337.69	2,544.06

6.2.3. Emissions Intensity

Emissions intensity is a key performance indicator calculated by relating greenhouse gas emissions to a specific activity metric, providing a measure of an entity's carbon efficiency. By accounting for changes in activity levels when assessing absolute emissions, emissions intensity metrics facilitate more meaningful comparisons of performance across reporting periods and entities.

Europower Enerji's Scope 1 and Scope 2 emissions intensity metrics for 2025 were calculated on a company-specific basis and are presented in Table 20. For the Parent Company and the manufacturing subsidiaries Euromek and Peak PV, emissions intensity was calculated based on the quantities of panels, transformers, reactors, switchgear units, kiosks, high-voltage equipment and photovoltaic modules produced during the reporting period. Europower World, Peakesco, Kozok and Madsoy, which had no emission-generating operational activities during the reporting period, were excluded from the emissions intensity calculation.

Table 20 2025 Greenhouse Gas Emissions Intensity

Emissions Intensity Metrics	Parent Company	Euromek	Peak PV
Production Volume (units)	16,562	726	339,245
Scope 1 Emissions Intensity (tCO ₂ e / unit produced)	0.12	0.41	0.001
Scope 2 Emissions Intensity (tCO ₂ e / unit produced)	0.15	0.47	0.01
TOTAL	0.27	0.88	0.011

6.2.4. Comparative Emissions Data

To track trends in Europower Enerji's climate-related performance, Scope 1 and Scope 2 emissions for 2024 and 2025 are presented on a comparative basis in Table 21. To ensure comparability based on a consistent reporting boundary, the 2024 base-year emissions have been restated to include Euromek.

In 2024, emissions were primarily attributable to the operations of the Parent Company and Peak PV. Euromek commenced operations in June 2024; however, its emissions data for the relevant period were not included in the 2024 Sustainability Report due to ongoing data compilation and infrastructure preparation. This omission has been addressed in the current report. The 2024 comparative information has been restated to reflect the inclusion of Euromek within the reporting boundary, considering its commencement date of operations and the level of activity during its initial operating period.

Europower World was included within the reporting boundary in 2024 and 2025; however, as the facility was under construction during these periods, it had no production activities and did not contribute to emissions. The company is expected to commence production in 2026. Similarly, Kozok, Peakesco and Madsoy, which are indirectly held through Peak PV, were included in the Group in 2025 but had no production activities during the period and therefore had no effect on Scope 1 or Scope 2 emissions.

⁴ The 2024 base-year emissions have been restated to include Euromek's operations. Euromek's emissions for 2024 (Scope 1: 118.13 tCO₂e; Scope 2: 135.08 tCO₂e) were calculated taking two factors into consideration. First, as the company commenced operations in June 2024 and its first month represented the commissioning phase, its effective operating period was assumed to be approximately six months, equivalent to half of the 2025 operating period. Second, as the number of employees and production level in 2024 were approximately 20% lower than in 2025, the activity level was assumed to be 80% of the 2025 level. This restatement was made in accordance with the GHG Protocol principles for base-year recalculation to enable comparison between the 2024 and 2025 reporting periods on a consistent reporting boundary. The consolidated emissions figure reported in the 2024 report was 7,365.86 tCO₂e, covering the subsidiaries excluding Euromek.

Based on the restated base year, Scope 1 and Scope 2 emissions remained broadly stable between 2024 and 2025, with total emissions increasing by approximately 3%. The increase was primarily attributable to Euromek being included in the 2024 base year for approximately six months of operations, compared with a full year of operations in 2025.

Table 21 2024–2025 Comparative Greenhouse Gas Emissions

Metric	2024 (tCO ₂ e)	2025 (tCO ₂ e)
Scope 1	2,627.49	2,555.91
Scope 2	4,991.57	5,288.35
Scope 1 + Scope 2	7,619.06 ⁴	7,844.25

6.3. Industry-based Metrics

Europower Enerji manufactures equipment used across the electricity value chain, from power generation and transmission to distribution and control. Manufacturing activities relating to transformers and low-, medium- and high-voltage product groups account for the majority of the Company's revenue and operational assets. Accordingly, TSRS 2 Appendix Volume 49 – Electrical & Electronic Equipment has been used as the basis for industry-based reporting.

6.3.1. Energy Management

As part of Europower Enerji's energy management efforts during the 2025 reporting period, energy consumption arising from all operational activities was systematically monitored, analyzed, and reported. Direct fuels consumed in manufacturing processes and purchased electricity were included in the calculation of total energy consumption. Energy consumption data were converted into gigajoules (GJ) and reported in accordance with metric RT-EE-130a.1 under TSRS 2 Appendix Volume 49.

The formula used to calculate energy consumption from fuels is as follows:

$$\text{Energy (GJ)} = \text{Consumption (Sm}^3 \text{ / litre / kg / kWh)} \times \text{NCV} \times \text{Density}$$

The formula used to calculate energy consumption from electricity is as follows:

$$\text{Energy (GJ)} = \text{Consumption (kWh)} \times 0.0036$$

The density values and net calorific values used in the energy calculations, together with their respective sources, are presented in the Appendices section. The data were verified against invoice records, meter readings and operational monitoring systems, and the scope includes only energy directly consumed by the Company during the reporting period. Total energy consumption for 2025 is presented in Table 22.

Table 22 Total Energy Consumption

Energy Source	2025 Consumption	Energy Equivalent
Natural Gas	676,154.16 m ³	21,745.12 GJ
Gasoline	282,956.60 L	9,213.21 GJ
Diesel	150,577.72 L	5,789.34 GJ
Electricity	12,185.13 MWh	43,866.45 GJ
Rooftop Solar Power Plant (SPP)	2,194.13 MWh	7,898.85 GJ
TOTAL		88,512.97 GJ

The grid electricity percentage was calculated by dividing purchased grid electricity consumption by total energy consumption and amounted to 49.56%. Table 23 presents the metrics relating to energy management, product lifecycle management and activity metrics, as set out in TSRS 2 Appendix Volume 49, together with the relevant metric categories, units of measure and reported data for 2025.



Table 23 Appendix Volume 49—Electrical and Electronic Equipment

Topic	Metric	Category	Unit of Measure	Code	2025 Data
Energy Management	(1) Total energy consumed,	Quantitative	Gigajoules (GJ), Percentage (%)	RT-EE-130a.1	(1) 88,512.97 GJ
	(2) percentage of grid electricity and				(2) 49.56%
	(3) percentage of renewable energy				(3) 0% ⁵
Product Lifecycle Management	Percentage of revenue from products containing IEC 62474 declarable substances	Quantitative	Percentage of revenue (%)	RT-EE-410a.1	Calculation of this metric requires product-level declarations of material content, for which the relevant data are obtained from suppliers. The infrastructure required to obtain and compile supplier declarations is still being established, with disclosure of the metric targeted for future reporting periods.
	Percentage of revenue from eligible products with an energy efficiency certification	Quantitative	Percentage of revenue (%)	RT-EE-410a.2	The Company's product portfolio comprises transformers, switchboards, switchgear, kiosks and high-voltage equipment, for which no third-party energy efficiency certification is available. As there is no product category eligible for the certification used as the denominator in calculating this metric, the metric is not applicable for the reporting period. The energy performance of these product groups is managed in accordance with the applicable minimum energy efficiency requirements.
	Revenue from renewable energy and energy efficiency-related products	Quantitative	Presentation currency	RT-EE-410a.3	TRY 8,083,000,000
Activity Metrics	Number of units produced by product category	Quantitative	Number	RT-EE-000.A	Energy distribution (transformers, switchboards, switchgear, kiosks, HV equipment and reactors): 17,288 units Energy generation (solar panel manufacturing): 339,245 units Total: 356,533 units
	Number of employees	Quantitative	Number	RT-EE-000.B	1,875

⁵ In 2025, the rooftop SPP installed at the Company's premises generated 2,194.13 MWh (7,898.85 GJ) of electricity, all of which was consumed on-site. This generation serves to reduce the amount of electricity drawn by the Company from the grid. However, metric RT-EE-130a.1 requires all renewable energy certificates and Guarantees of Origin associated with on-site electricity generation to be retained by the Company, rather than sold, and subsequently retired or cancelled for such generation to qualify as renewable energy under the metric. As these conditions were not met for the electricity generated during the reporting period, the associated electricity was excluded from renewable energy consumption for the purposes of the metric, and the renewable energy percentage was therefore reported as 0%. Once the applicable certification requirements are met, the relevant generation will be reflected in the renewable energy percentage in subsequent reporting periods.

6.4. Climate-related Targets

6.4.1. Target Setting Approach

Europower Enerji sets its climate-related targets with due consideration of its operating profile, growth plans, industry developments and national climate policies.

For the 2025 reporting period, the targets have been quantitatively defined to encompass all subsidiaries within the scope of consolidation and structured around three focus areas. The greenhouse gas emissions and decarbonisation focus seeks to reduce carbon intensity. The energy optimisation and renewable energy focus provides for the certification of renewable energy generated by the Company. The contribution to the circular economy focus seeks to institutionalise the environmental assessment process for suppliers.

6.4.2. Scope and Base Period of the Targets

Paragraph 33(e) of TSRS 2 requires disclosure of the base period against which progress is measured, while paragraph 34(d) requires any revisions to a target to be disclosed together with an explanation for those revisions. The 2024 report stated that emissions performance was monitored using emissions intensity and energy intensity metrics. However, the emissions data disclosed in that report covered the Parent Company only, with the other subsidiaries excluded from the emissions inventory.

Under TSRS 1, disclosures relating to targets are required to be prepared using the same reporting boundary as the sustainability-related financial disclosures. Accordingly, in the 2025 report, the targets have been established using a reporting boundary aligned with both the greenhouse gas emissions inventory and the consolidated financial statements. As 2025 represents the first reporting period in which all subsidiaries within the scope of consolidation are included in the inventory, the base period for the targets has been revised to 2025.

The 2025 reporting period therefore serves as the starting point against which progress towards the targets will be measured. In subsequent reporting periods, progress will be presented on a comparative basis against the 2025 base-period values.

6.4.3. Targets Established

Carbon intensity represents the greenhouse gas emissions generated during a given period relative to the level of activity over the same period. Unlike absolute emissions, it measures the amount of emissions generated per unit of activity. Where emissions increase at a slower rate than the underlying level of activity, carbon intensity decreases. The intensity metric therefore provides a basis for monitoring improvements in carbon efficiency as production capacity expands.

The emissions target is monitored at two levels. At the Company level, revenue is used as the activity metric, thereby reflecting the entire scope of consolidation. At the subsidiary level, the relevant product group of each company is used as the basis for measuring activity. Company-specific indicators are monitored separately.

The renewable energy target relates to the certification of electricity generated by rooftop SPPs installed at the manufacturing facilities. A Guarantee of Origin provides formal evidence that electricity has been generated from a renewable source. Although Europower Enerji generated 2,194.13 MWh of electricity from its rooftop solar photovoltaic systems in 2025, no Guarantees of Origin were held in respect of this generation. Under the requirements applicable to metric RT-EE-130a.1 of Appendix Volume 49, only certified generation is taken into account when reporting the renewable energy percentage. Consequently, renewable electricity physically consumed by the Company cannot currently be reflected in the industry-based metric. Obtaining the relevant certification will enable this generation to qualify for inclusion in the reported renewable energy percentage.

As the supplier environmental assessment target is designed to establish and embed a formal process, progress is monitored on a qualitative basis. Given that a significant proportion of input materials is imported, together with the compliance requirements arising from the Carbon Border Adjustment Mechanism (CBAM), monitoring suppliers' environmental performance has been identified as a priority. The degree to which this process has been institutionalised is assessed annually. Details of the targets established for 2025 are presented in Table 24.

Table 24 Targets

Target Focus Area	Target	Performance Indicator Monitored	Unit	Base Year	Target Year	2025 Actual	2030 Target
Greenhouse Gas Emissions and Decarbonisation	Reduce Group-wide carbon intensity by 10% by 2030 compared with 2025	Scope 1 + Scope 2 emissions / Revenue	tCO ₂ e / TRY ⁶	2025	2030	0.0006	0.00054
	Reduce company-specific carbon intensity by 10% by 2030 compared with 2025	Parent Company emissions per unit of product	tCO ₂ e / unit	2025	2030	0.26	0.24
		Euromek emissions per unit of product	tCO ₂ e / unit	2025	2030	0.87	0.78
		Peak PV emissions per unit of product	tCO ₂ e / unit	2025	2030	0.008	0.007
Energy Optimisation and Renewable Energy	Obtain Guarantees of Origin for all electricity generated by rooftop solar photovoltaic systems by 2030	Percentage of total rooftop solar PV generation covered by Guarantees of Origin	%	2025	2030	0	100
Contribution to the Circular Economy	Institutionalise the supplier environmental assessment process across the Group by 2030	Qualitative assessment of the degree to which the process has been institutionalised	Qualitative	2025	2030	Environmental criteria are partially applied in supplier selection and assessment processes; however, no systematic assessment framework is currently in place.	Environmental assessment criteria have been defined, incorporated into supplier contracts and implemented in a manner that covers all critical suppliers.

Significant Events after the Reporting Period

Following the end of the reporting period on 31 December 2025, there have been no events or developments that would materially affect Europower Enerji's sustainability governance structure, its assessment of climate-related risks and opportunities, or its disclosures under TSRS.

⁶ This amount ("TRY") is expressed in thousands of Turkish lira based on purchasing power as at 31 December 2025.

7. APPENDICES

7.1. References for Emissions Calculations

Net Calorific Values					
Fuel Type	Value	Unit	Reference		
Gasoline	10,400,000	kcal / tonne	Regulation on Increasing Efficiency in the Use of Energy Resources and Energy (Türkiye)		
Diesel	10,200,000	kcal / tonne			
Natural Gas	8,250,000	kcal / 1,000 m³ of natural gas			
Density					
Fuel Type	Value	Unit	Reference		
Gasoline	0.735	kg/L	Regulation on Increasing Efficiency in the Use of Energy Resources and Energy (Türkiye)		
Diesel	0.83	kg/L			
Natural Gas	0.67	kg/m³			
Net Calorific Values (NCV)					
Fuel Type	Value	Unit	Reference		
Gasoline	44.3	TJ/Gg	IPCC 2006 / Table 1.2 Default Net Calorific Values		
Diesel	43	TJ/Gg			
Natural Gas	48	TJ/Gg			
Emission Source		Default Emission Factors (kg/TJ, NCV)			Reference
		CO ₂	CH ₄	N ₂ O	
Stationary Combustion	Natural Gas	56,100	1	0.1	IPCC (2006), Vol. 2, Ch. 2, Table 2.3
	Gasoline	69,300	3.8	5.7	IPCC (2006), Vol. 2, Ch. 3, Tables 3.2.1 & 3.2.2
Mobile Combustion	Diesel	74,100	3.9	3.9	IPCC (2006), Vol. 2, Ch. 3, Tables 3.2.1 & 3.2.3

Fugitive Gases			
Refrigerant Gas	GWP	Reference	
CO ₂	1.00	IPCC (2021). Climate Change 2021: The Physical Science Basis – Chapter 7 Supplementary Material. Working Group I, Sixth Assessment Report (AR6).	
R410A	2,255.50	IPCC (2021). Climate Change 2021: The Physical Science Basis – Chapter 7 Supplementary Material. Working Group I, Sixth Assessment Report (AR6).	
R32	771.00	IPCC (2021). Climate Change 2021: The Physical Science Basis – Chapter 7 Supplementary Material. Working Group I, Sixth Assessment Report (AR6).	
SF ₆	25,200.00	IPCC (2021). Climate Change 2021: The Physical Science Basis – Chapter 7 Supplementary Material. Working Group I, Sixth Assessment Report (AR6).	
Leakage Amount			
Refrigerant Gas	Leakage Amount	Reference	
CO ₂	4	IPCC. (2019). IPCC Special Report on the Ocean and Cryosphere in a Changing Climate (SROCC). https://archive.ipcc.ch/pdf/special-reports/sroc/sroc09.pdf	
R410A	1	IPCC Volume 3 , Chapter 7, Table 7.9 (Estimates for Charge, Lifetime and Emission Factors For Refrigeration And Air-Conditioning Systems)	
R32	1	IPCC Volume 3 , Chapter 7, Table 7.9 (Estimates for Charge, Lifetime and Emission Factors For Refrigeration And Air-Conditioning Systems)	
SF ₆	2.60	IPCC Volume 3 , Chapter 8, Table 8.3 (Closed Pressure Electrical Equipment (HV Switchgear) Containing SF6: Default Emission Factors)	
Emission Source	Emission Factor		Reference
Türkiye-wide Electricity Generation (Grid Electricity)	0.434	tCO ₂ /MWh	Türkiye Electricity Generation and Electricity Consumption Point Emission Factors Information Form – 06.12.2024

7.2. TSRS Content Index

TSRS 2 Requirements		Relevant Source / Section
GOVERNANCE		
a) The governance body/bodies (which may include a board, committee or equivalent body charged with governance) or individual/individuals responsible for oversight of climate-related risks and opportunities	TSRS-2 6.a.i	Governance > Europower Enerji Governance Structure
	TSRS-2 6.a.ii	Governance > Europower Enerji Governance Structure
	TSRS-2 6.a.iii	Governance > Europower Enerji Governance Structure
	TSRS-2 6.a.iv	Governance > Europower Enerji Governance Structure
	TSRS-2 6.a.v	Governance > Remuneration and Performance Mechanism
b) Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	TSRS-2 6.b.i	Governance > Internal Control, Audit and Monitoring Mechanisms
	TSRS-2 6.b.ii	Governance > Internal Control, Audit and Monitoring Mechanisms
STRATEGY		
a) Climate-related risks and opportunities	TSRS-2 10.a	Strategy > Identification of Climate-related Risks and Opportunities
	TSRS-2 10.b	Strategy > Identification of Climate-related Risks and Opportunities
	TSRS-2 10.c	Strategy > Identification of Climate-related Risks and Opportunities
	TSRS-2 10.d	Strategy > Identification of Climate-related Risks and Opportunities
b) Business model and value chain	TSRS-2 13.a	Strategy > Effects on the Business Model, Products and Value Chain
	TSRS-2 13.b	Strategy > Effects on the Business Model, Products and Value Chain

c) Strategy and decision-making	TSRS-2 14.a.i	Strategy > Strategy and Decision-Making
	TSRS-2 14.a.ii	Strategy > Strategy and Decision-Making
	TSRS-2 14.a.iii	Strategy > Strategy and Decision-Making
	TSRS-2 14.a.iv	Strategy > Strategy and Decision-Making
	TSRS-2 14.a.v	Strategy > Strategy and Decision-Making
	TSRS-2 14.b	Strategy > Strategy and Decision-Making
	TSRS-2 14.c	Strategy > Strategy and Decision-Making
d) Financial position, financial performance and cash flows	TSRS-2 15.a	Strategy > Strategy and Decision-Making
	TSRS-2 15.b	Strategy > Strategy and Decision-Making
	TSRS-2 16.a	Strategy > Strategy and Decision-Making
	TSRS-2 16.b	Strategy > Strategy and Decision-Making
	TSRS-2 16.c.i	Strategy > Strategy and Decision-Making
	TSRS-2 16.c.ii	Strategy > Strategy and Decision-Making
	TSRS-2 16.d	Strategy > Strategy and Decision-Making

e) Climate resilience	TSRS-2 21	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.a.i	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.a.ii	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.a.iii.(1)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.a.iii.(2)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.a.iii.(3)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(1)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(2)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(3)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(4)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(5)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(6)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.i.(7)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.ii.(1)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.ii.(2)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.ii.(3)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.ii.(4)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.ii.(5)	Strategy > Scenario Analyses and Climate Resilience
	TSRS-2 22.b.iii	Strategy > Scenario Analyses and Climate Resilience

RISK MANAGEMENT

a) The processes and related policies used to identify, assess, prioritise and monitor climate-related risks	TSRS-2 25.a.i	Strategy > Identification of Climate-related Risks and Opportunities Strategy > Risk and Opportunity Assessment Methodology Risk Management > Climate-related Risk and Opportunity Management
	TSRS-2 25.a.ii	Strategy > Identification of Climate-related Risks and Opportunities Strategy > Risk and Opportunity Assessment Methodology Risk Management > Climate-related Risk and Opportunity Management
	TSRS-2 25.a.iii	Strategy > Identification of Climate-related Risks and Opportunities Strategy > Risk and Opportunity Assessment Methodology Risk Management > Climate-related Risk and Opportunity Management
	TSRS-2 25.a.iv	Strategy > Identification of Climate-related Risks and Opportunities Strategy > Risk and Opportunity Assessment Methodology Risk Management > Climate-related Risk and Opportunity Management
	TSRS-2 25.a.v	Strategy > Identification of Climate-related Risks and Opportunities Strategy > Risk and Opportunity Assessment Methodology Risk Management > Climate-related Risk and Opportunity Management
	TSRS-2 25.a.vi	Strategy > Identification of Climate-related Risks and Opportunities Strategy > Risk and Opportunity Assessment Methodology Risk Management > Climate-related Risk and Opportunity Management
b) The processes used to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how climate-related scenario analysis is used	TSRS-2 25.b	Strategy > Identification of Climate-related Risks and Opportunities Risk Management > Climate-related Risk and Opportunity Management

c) The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the Company's overall risk management process

TSRS-2 25.c

Risk Management > Climate-related Risk and Opportunity Management

METRICS AND TARGETS

a) Climate-related metrics

TSRS-2 29.a

Metrics and Targets > Key Climate-related Metrics Metrics and Targets > 2025 Greenhouse Gas Emissions

TSRS-2 29.b

Metrics and Targets > Key Climate-related Metrics Metrics and Targets > 2025 Greenhouse Gas Emissions

TSRS-2 29.c

Metrics and Targets > Key Climate-related Metrics

TSRS-2 29.d

Metrics and Targets > Key Climate-related Metrics

TSRS-2 29.e

Metrics and Targets > Key Climate-related Metrics

TSRS-2 29.f

Metrics and Targets > Key Climate-related Metrics

TSRS-2 29.g

Governance > Remuneration and Performance Mechanism

b) Industry-based metrics associated with particular business models, activities or other common features that characterise participation in an industry (TSRS 2 Industry-based Guidance)

TSRS-2 32

Metrics and Targets > Industry-based Metrics

c) Climate-related targets	TSRS-2 33.a	Metrics and Targets > Climate-related Targets
	TSRS-2 33.b	Metrics and Targets > Climate-related Targets
	TSRS-2 33.c	Metrics and Targets > Climate-related Targets
	TSRS-2 33.d	Metrics and Targets > Climate-related Targets
	TSRS-2 33.e	Metrics and Targets > Climate-related Targets
	TSRS-2 33.f	Metrics and Targets > Climate-related Targets
	TSRS-2 33.g	Metrics and Targets > Climate-related Targets
	TSRS-2 33.h	Metrics and Targets > Climate-related Targets
	TSRS-2 34.a	Metrics and Targets > Climate-related Targets
	TSRS-2 34.b	Metrics and Targets > Climate-related Targets
	TSRS-2 34.c	Metrics and Targets > Climate-related Targets
	TSRS-2 34.d	Metrics and Targets > Climate-related Targets
	TSRS-2 35	Metrics and Targets > Climate-related Targets
	TSRS-2 36.a	Metrics and Targets > Climate-related Targets
	TSRS-2 36.b	Metrics and Targets > Climate-related Targets
	TSRS-2 36.c	Metrics and Targets > Climate-related Targets
	TSRS-2 36.d	Metrics and Targets > Climate-related Targets
	TSRS-2 36.e.i	Metrics and Targets > Climate-related Targets
	TSRS-2 36.e.ii	Metrics and Targets > Climate-related Targets
	TSRS-2 36.e.iii	Metrics and Targets > Climate-related Targets
	TSRS-2 36.e.iv	Metrics and Targets > Climate-related Targets

Limited Assurance Report



SG Bağımsız Denetim Anonim Şirketi

INDEPENDENT AUDITOR'S LIMITED
ASSURANCE REPORT ON THE INFORMATION
OF EUROPOWER ENERJİ SANAYİ TAAHHÜT
VE TİCARET A.Ş. PRESENTED IN
ACCORDANCE WITH THE TÜRKİYE
SUSTAINABILITY REPORTING
STANDARDS-2025

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE INFORMATION OF EUROPOWER ENERJİ SANAYİ TAAHHÜT VE TİCARET A.Ş. PRESENTED IN ACCORDANCE WITH THE TÜRKİYE SUSTAINABILITY REPORTING STANDARDS

TO THE GENERAL ASSEMBLY OF EUROPOWER ENERJİ SANAYİ TAAHHÜT VE TİCARET A.Ş.

We have been assigned to perform limited assurance on the information ("Sustainability Information") presented in accordance with the Türkiye Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Türkiye Sustainability Reporting Standards 2 "Climate-Related Disclosures" of the Sustainability Report of EUROPOWER ENERJİ SANAYİ TAAHHÜT VE TİCARET A.Ş. for the year ended 31 December 2025.

Our assurance review does not cover information relating to prior periods, other information included in the 2025 Sustainability Report, or other information associated with the Sustainability Information or the 2025 Sustainability Report (including any images, audio files, documents linked to websites, or embedded videos).

Limited Assurance Conclusion

Based on the procedures we have performed as described under "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 **Company's Sustainability Report** for the year ended 31 December 2025, has not been prepared, in all material respects, in accordance with the Türkiye Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("KGK") in the Official Gazette dated 29 December 2023 and numbered 32414(M).

Information relating to previous periods and the 2025 Sustainability Report or Sustainability Information, or any other information associated with the 2025 Sustainability Report (including any images, audio files, documents linked to websites, or embedded videos), we do not make any representations or warranties

Structural Constraints in Preparing Sustainability Information

The Sustainability Information included in the Sustainability Report is subject to structural uncertainties arising from scientific and economic information gaps. Inadequate scientific knowledge in calculating greenhouse gas emissions leads to uncertainty. Furthermore, due to a lack of data on the likelihood, timing, and impacts of potential future physical and transitional climate risks, Sustainability Information contains uncertainties based on climate-related scenarios.

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Responsibilities of Management and Those Charged with Governance Regarding Sustainability Information

The Company's Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Türkiye 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;
- Additionally, the **Company Management** is responsible for selecting and implementing appropriate sustainability reporting methodologies as well as making reasonable assumptions and suitable estimates.

Those charged with Governance is responsible for overseeing the **Company's sustainability reporting process**.

Responsibilities of the Independent Auditor Regarding the Limited Assurance of Sustainability Information

We are responsible for the following:

- 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 inform the **Company management** of the conclusion we have reached.
- Performing risk assessment procedures to understand the **Company's internal control structure** and to identify and assess the risks of material misstatement of sustainability information, whether due to fraud or error, and not for the purpose of expressing an assurance conclusion on the effectiveness of the **Company'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 due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve collusive transactions, forgery, willful failure to record transactions or intentional misstatements to the auditor, or a violation of internal control. Misstatements may arise from fraud or error.

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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.

Since we are responsible for providing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation process 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 ("GDS") 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 Standard on Assurance Engagements ("GDS") 3410 Assurance Engagements on Greenhouse Gas Statements, issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("KGK").

Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors (including International Independence Standards) (Code of Ethics) which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ("KGK").

Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control 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 of auditors. We have used the work of our expert team to assess the reliability of the information and assumptions related to the Company's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.

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:

- Face to face interviews were conducted with the Company's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- The Company's internal documentation was used to assess and review sustainability-related information;

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- The disclosure and presentation of sustainability-related information was evaluated.
- Through inquiries, an understanding of the Company's control environment, processes and information systems relevant to the preparation of the Sustainability Information was obtained. However, the design of particular control activities was not evaluated and evidence about their implementation was not obtained or their operating effectiveness was not tested.
- It was evaluated whether the Company'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 the Company's estimates.
- The Company's sustainability reporting processes and the processes for identifying risks and opportunities that are identified as financially material are understood.

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



Muhammed ŞAHİN
Independent Auditor
17.08.2026, ANKARA

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