Türk Prysmian Kablo 2024 TSRS-Compliant Sustainability Report

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1. Purpose and Strategic Context of the Report

Türk Prysmian Kablo places sustainability at the heart of its mission of "Linking Türkiye to a Sustainable Future" and its vision of responsible production. This report is presented as part of the Company's commitment to transparency and accountability towards its stakeholders.

The main purpose of this report is to explain how Türk Prysmian Kablo ve Sistemleri A.Ş. (the "Company") manages the significant climate-related risks and opportunities it has identified and the current and expected impacts of these factors on the Company's financial position, financial performance, and cash flows.

This study, which reveals the Company's strategies aligned with Türkiye's 2053 Net Zero vision and its contribution to sustainable development goals through concrete, verifiable, and comparable data, addresses climate-related topics under four key components in accordance with the structure outlined by the Turkish Sustainability Reporting Standards (TSRS): **Governance, Strategy, Risk Management,** and **Metrics and Targets.**

2. Reporting Framework and Compliance with Standards

This report has been prepared in full compliance with the Turkish Sustainability Reporting Standards (TSRS) published by the Public Oversight, Accounting and Auditing Standards Authority (KGK), **TSRS 1 General Requirements for Disclosure of Sustainability-Related Financial Information** and **TSRS 2 Climate-Related Disclosures.** In addition, the report refers to sector-specific disclosure topics included in **TSRS 2 Supplementary Volume-49: Electrical and Electronic Equipment,** derived from the Sustainability Accounting Standards Board (SASB) Standards maintained by the International Sustainability Standards Board (ISSB).

The report meets the requirements of TSRS 1 and 2. However, in accordance with the transition reliefs offered by TSRS 1, TSRS 1 provisions were applied in this first reporting year only to the extent that they related to the disclosure of information on climate-related risks and opportunities.

3. Scope, Limits, and Period of the Report

The report covers the one-year accounting period from **January 1 to December 31, 2024.** Unless otherwise stated, the monetary values indicated in the report are in Turkish Lira (TL). The data and statements presented in the report cover the activities of Türk Prysmian Kablo ve Sistemleri A.Ş. **in Bursa, Mudanya,** and the Company has no consolidated subsidiaries or affiliates with operational emissions.

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4. Basic Principles of Reporting

- **Key Qualitative Characteristics:** In the preparation of this report, the qualitative characteristics defined in TSRS 1 (Fair Presentation, Comparability, Verifiability, Timeliness, and Understandability) have been strictly adhered to.

Financial Materiality Approach: Türk Prysmian Kablo uses both qualitative analyses and quantitative thresholds to classify the financial impact of a climate-related risk or opportunity as "material." Within this framework, a potential impact exceeding **1% of** the Company's **equity** has been set as a quantitative threshold. Considering the equity size of **TL 883.6 million** as of December 31, 2024, this threshold corresponds to approximately **TL 8.8 million** for 2024. In addition to this quantitative threshold, other potential non-financial impacts are also interpreted as qualitative and classified in decision-making processes as "low," "medium," or "high."

- **Related Information:** This report is part of the Company's integrated corporate reporting. Readers are advised to read this report together with the Company's **Annual Report 2024,** financial statements for the relevant period, and disclosures on **the Public Disclosure Platform (KAP)** to be able to assess the impacts of climate-related topics on the Company's overall performance from a holistic perspective.
- **Forward-Looking Statements:** This report may contain forward-looking statements regarding the Company's plans, targets, and expectations for future periods. Such statements are based on current circumstances and assumptions as of the report's publication date and may differ from actual results due to future risks and uncertainties.

5. Transition Exemptions

As this is the first reporting period, the following transition exemptions provided by the TSRS were utilized:

- **No Comparative Information (TSRS 1 E3):** This report for the year 2024, the first reporting period, does not contain information for comparison with previous period(s).
- **Climate-first Reporting (TSRS 1 E5):** In the first annual reporting period, the focus is solely on disclosing information related to climate-related risks and opportunities.
- **Scope 3 Exemption:** Regarding the exemption stated in the Board Decision published by the KGK, Scope 3 greenhouse gas emissions are not being disclosed in the 2024 TSRS reporting.

6. Data Accuracy and Independent Assurance

Türk Prysmian Kablo attaches great importance to the reliability, accuracy, and compliance with standards of the information contained in this report. In line with this approach, whether this report as a whole was prepared in accordance with the Turkish Sustainability Reporting Standards (TSRS 2) and the key performance indicators presented in the report (primarily the 2024 Scope 1 and Scope 2 greenhouse gas emission data) were subject to a limited assurance audit by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in accordance with Assurance Engagement Standards (GDS) 3000 and 3410.

As a result of the audit, it was concluded that this report was prepared in accordance with TSRS 2 without any material misstatement. The independent assurance report has been disclosed to the public along with the final version of this report.

7. Contact

- For questions, comments, and suggestions regarding the report, please contact us at sustainability.tr@prysmian.com.

TÜRK PRYSMIAN KABLO AT A GLANCE

TÜRK PRYSMIAN KABLO AT A GLANCE

About Türk Prysmian Kablo

Founded in 1964, Türk Prysmian Kablo ve Sistemleri A.Ş. ("Türk Prysmian Kablo" or the "Company") is the Turkish operation of Prysmian, the global leader in the energy and telecommunications cable systems industry, with a 60-year history and technological leadership. The Company manufactures a wide range of cable and system solutions from energy transmission to telecommunication infrastructures, at its state-of-the-art factory located in Mudanya, Bursa, spanning an area of 180,000 m². This facility, which stands out as a center of excellence among Prysmian's 108 factories in 50 countries, also houses one of the group's major R&D centers.

Beyond standard cable production, Türk Prysmian Kablo is a solution partner providing critical infrastructure for Türkiye's strategic transformation areas, such as renewable energy, electrification, grid modernization, and digitalization. Ranked among Türkiye's top 500 industrial companies, the Company exports a substantial share of its production to more than 50 countries. Traded on the Borsa Istanbul (BIST), the Company seeks to create sustainable value for its stakeholders through transparency and corporate governance principles.

Shareholding Structure

Shareholder	Share Ratio (%)
Draka Holding B.V.*	83.75
Public**	16.25
TOTAL	**100.00**

*Draka Holding B.V. is the parent company of Türk Prysmian Kablo with an 83.75% share. 100% of Draka Holding B.V. belongs to the ultimate parent company, Prysmian S.p.A. 100% of Prysmian S.p.A. is traded on the Milan Stock Exchange.

**There are no persons/institutions holding 5% or more shares within the publicly traded 16.25% share.

Organizational Structure

Türk Prysmian Kablo's organizational structure is centered on the principles of strategic leadership, effective audits, and operational efficiency. The **Board of Directors** is at the top of the organization, determining the Company's vision and long-term strategies. Committees reporting to the Board of Directors, such as the **Audit Committee** and the **Corporate Governance Committee,** audit the implementation of corporate governance principles, transparency, and proactive risk management.

TÜRK PRYSMIAN KABLO AT A GLANCE

The Sustainability Committee, led by the CEO, directs the management of climate-related topics as well as the operational implementation of strategy. This committee works with an interdisciplinary approach, involving unit managers from different departments such as human resources, corporate communications, operations, and finance. The operational structure consists of functional departments managed by Directors reporting to the CEO and **Sustainability Ambassadors** who support this structure.

Business Model

Türk Prysmian Kablo's business model is based on creating value by designing, manufacturing, and supplying high-tech, innovative and sustainable cable systems to meet Türkiye's energy and telecommunications infrastructure needs and those of its export markets.

- **Value Creation:** Beyond standard products, the Company offers holistic solutions that enhance energy efficiency, ensure operational reliability, reduce environmental impact, and meet future technological requirements for its customers. This positions it as a solution partner at the heart of Türkiye's energy transformation and digitalization goals.
- **Core Activities:**
  - **Power Cables:** Design and production of low, medium, high, and extra-high voltage underground and submarine power cables.
  - **Telecommunications Cables:** Design and production of copper and fiber optic cables, data and multimedia solutions.
  - **Industrial Applications:** Developing custom cable solutions for a wide range of industries, including construction, transportation (railways, automotive), mining, shipbuilding, and renewable energy (solar and wind power plants).
  - **R&D and Innovation:** Through its R&D center, developing more sustainable, high-performance, and innovative products such as P-Laser and ensuring transparency with green labeling systems such as "E-Path."
- **Target Customer Segments:** The business model is focused on a broad and diverse customer base, covering all areas of infrastructure and industry. These segments include energy distribution companies, grid operators (TEİAŞ, etc.), telecommunications operators, construction and contracting firms, industrial facilities, transportation infrastructure projects (TOGG, 1915 Çanakkale Bridge, etc.), and renewable energy investors (YEKA projects, etc.).

The operational structure consists of functional departments managed by Directors reporting to the CEO and Sustainability Ambassadors who support this structure.

TÜRK PRYSMIAN KABLO AT A GLANCE

Value Chain

Upstream Value Chain: Suppliers and Business Partners

- **Raw Material Suppliers**
  - **Metal Suppliers:** Global and local suppliers providing basic inputs for cable conductors (Copper, Aluminum).
  - **Polymer and Chemical Suppliers:** Manufacturers supplying petroleum-derived polymer materials and chemicals used for cable insulation, fillers, and outer sheathing (PVC, Polyethylene, etc.).
  - **Wooden and Metal Reel Manufacturers:** Firms supplying wooden and metal reels on which finished products are wound and shipped.
- **Machinery, Equipment, and Technology Providers**
  - **Production Machinery Manufacturers:** Companies that supply machinery and equipment for cable production processes such as wire drawing, twisting, insulation, outer sheathing, and packaging lines.
  - **Automation and Software Providers:** Technology and software firms that optimize production and logistics processes, such as ERP, RFID Warehouse Management, and Digital Maintenance systems.
  - **Laboratory and Test Equipment Providers:** Companies that supply specialized testing and measurement equipment used in R&D and quality control processes.
- **Energy and Infrastructure Suppliers**
  - **Electricity Suppliers:** National grid operators that meet the energy needs of the production facility.
  - **Natural Gas and Water Service Providers:** Local infrastructure providers supplying the natural gas and water required for the facility's heating and production processes (Bursa, Mudanya).
- **Logistics and Professional Service Providers**
  - **Logistics and Transportation Companies:** Companies offering land, sea, and rail transportation services for raw material imports, domestic distribution, and export operations to over 50 countries.
  - **Independent Audit and Consulting Firms:** Institutions providing financial auditing, sustainability assurance (PwC), and other consulting services.
  - **Academic and Technical Business Partners:** Collaborating institutions in programs such as the Sustainability Academy to increase employee competence (Politecnico di Milano).

TÜRK PRYSMIAN KABLO AT A GLANCE

Direct Operations: Main Activities (Mudanya Facility)

- **R&D and Innovation**
  - As one of Prysmian's 26 global R&D centers, developing sustainable and high-performance products ("E-Path" green labeling system, P-Laser, etc.).
  - Conducting research on material technologies, combustion performance (CPR), and product efficiency.
  - Testing and certification activities at TÜRKAK-accredited Material Technologies and Combustion Testing Laboratories.
- **Production Operations**
  - **Power Cables:** Design and production of low, medium, high, and extra high voltage (up to 220 kV) underground and submarine power cables.
  - **Telecommunications Cables:** Design and production of copper conducted (up to 3,600 pairs) and fiber optic cables.
  - **Industrial and Specialty Cables:** Developing and producing solutions for specialized industries such as renewable energy (solar, wind), transportation (railway, automotive), shipbuilding, mining, and defense industries.
- **Quality Control and Assurance**
  - Quality control and testing activities throughout all processes, from raw material input to final product output.
  - Compliance with international management system standards such as ISO 9001, ISO 14001, ISO 50001, and ISO 45001.
- **Supply Chain and Logistics Management**
  - Raw material purchasing, inventory management, and supplier evaluation processes.
  - Production planning, storage (warehouse), and domestic/international shipment operations.
- **Sales, Marketing, and Project Management**
  - Customer relationship management and market strategy development.
  - Providing "Turnkey" project design, engineering, and implementation services for high voltage and submarine cable projects.

Downstream Value Chain: Customers and Stakeholders

- **Customers and Markets**
  - **Energy Sector:** Energy production and distribution companies, national grid operators (TEİAŞ, etc.).
  - **Renewable Energy Sector:** Solar and wind power plant investors and contractors (YEKA RES-2, YEKA GES-4, Karapınar YEKA-1 GES Projects, etc.).
  - **Industry and Infrastructure Sector:** Construction and contracting companies, industrial facilities, transportation infrastructure projects (TOGG Factory, 1915 Çanakkale Bridge, Istanbul Airport, Marmaray, etc.).
  - **Telecommunications Sector:** Telecom operators and infrastructure providers.
  - **Export Markets:** Exports to more than 50 countries, primarily the Turkic Republics, the Middle East, and Europe (approximately 29% of total turnover).
- **Investors and Financial Institutions**
  - Individual and Institutional Investors (Company shares are traded on Borsa Istanbul (BIST)).
  - Banks and Financing Providers.
- **Regulatory Authorities and Other Stakeholders**
  - **End Consumers:** The entire community that benefits from the energy and data transmitted through the cables.
  - **Regulatory and Supervisory Authorities:** Capital Markets Board of Türkiye (SPK), Public Oversight, Accounting and Auditing Standards Authority (KGK), Ministry of Environment, Urbanization and Climate Change.
  - **Standardization and Accreditation Organizations:** Turkish Standards Institution (TSE), Turkish Accreditation Agency (TÜRKAK).
  - **Sectoral Associations and NGOs:** Sectoral associations and non-governmental organizations.
  - **Local Community:** The public in Mudanya and the surrounding areas where the Company operates.

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Sustainability Governance Structure

Management at Türk Prysmian Kablo plays a central role in the processes established for the management and audit of sustainability and climate-related risks and opportunities. This role is primarily focused on monitoring and controlling performance and ensuring that necessary actions are taken. The most basic duty of management is to ensure the periodic monitoring of sustainability and climate-related developments and measurable key performance indicators (KPIs).

In this scope, the task of monitoring, managing, and auditing has been delegated to management-level committees and positions at specific management levels. The primary structure to which this task is delegated is handled within the mandate of the Sustainability Committee and is managed through the Company's existing core policies.

The Committee operates with an interdisciplinary approach, engaging unit managers from different departments such as human resources, corporate communications, operations,

and finance. The Committee's main tasks are to follow the Prysmian sustainability strategy, manage the Company's sustainability agenda, monitor performance towards climate-related targets set by the Group (especially emission reduction), and manage and supervise projects developed in this direction.

The Sustainability Manager, who holds a specific managerial position, is responsible for coordinating sustainability and climate-related policies, strategies, and reporting and plays a key role in implementing the Committee's decisions at the operational level. Sustainability Ambassadors support this governance structure by tracking and reporting on projects at the operational level. This structured approach ensures that responsibilities are clearly defined and that the process is executed effectively.

At the operational level, responsibilities are directly reflected in specific job descriptions. The Production, Technical Services, and Industrial Improvements units carry out tasks such as increasing energy efficiency and reducing carbon emissions. These tasks are among the main responsibilities of managers and employees in the relevant units and included in performance tracking.

While the Company does not yet have a specific "Sustainability Policy", "Climate Change Policy", or a dedicated "Risk Management Policy" for sustainability and climate risks, these topics are managed through existing corporate policies and regulations. The "Prysmian Health, Safety, Environment, and Energy Policy" includes the Group's commitment to identify, monitor, and reduce the environmental impact of processes and products, in line with Net Zero goals. This policy provides a basic framework for managing environmental impacts at the operational level. For example, topics such as tracking carbon emissions, energy management, and reducing environmental impacts are addressed within this framework. General principles regarding corporate responsibility and transparency are included in the Company's publicly available Ethical Values statement.

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The competence of governance bodies is ensured through a model that prioritizes collective development and expertise sharing. The foundation of this model is the Sustainability Academy established within the Prysmian MEART Region, which collaborates with world-renowned academic institutions such as Politecnico di Milano. Through the Academy, members of the Company's Sustainability Committee and key managers access the most up-to-date and in-depth knowledge on new dynamics, risks, and reporting standards brought about by climate change.

The Company believes that building a collective body of knowledge by ensuring its best talents are trained by international experts facilitates a more agile and effective response to the rapidly changing sustainability agenda. The current approach does not yet encompass a formal process involving the periodic assessment of individual competencies against a pre-defined matrix, and thus full compliance with the process stipulated by TSRS 2 has not been achieved at this stage.

Aiming to track the gains achieved from the Sustainability Academy programs and individual competency development more systematically, the Company is working on a mechanism that will link these training processes with individual performance evaluation targets starting from 2026. This work aims to achieve full compliance with this clause of the standard.

Monitoring Process and Reporting to Management

The primary recipients of information on sustainability and climate-related topics are the Sustainability Committee, Senior Management, and the Board of Directors. The Sustainability Committee is responsible for coordinating and executing the information process, which is tied to a regular schedule. Information is provided through activity and follow-up reports, and information flow is also ensured through seminars with the participation of experts on topics such as current developments and legal regulations.

The Sustainability Manager monthly monitors KPIs covering tangible metrics such as defined greenhouse gas emission reduction amounts (ton CO_2e), recycled material usage rates (especially copper), number of supplier audits, and female employee ratio for each target and reports the target achievement status to the Sustainability Committee on a monthly, quarterly, and annual basis.

The Sustainability Committee meets internally on a monthly basis to track these KPIs, particularly carbon footprint and energy consumption, and progress towards targets. It presents performance reports including its analyses to the Board of Directors on a quarterly basis, regularly informing the highest-level governance body about strategic progress regarding this process and ensuring that information activities are recorded and the process is transparent. Progress made is disclosed transparently to the public through the Company's annual activity and sustainability reports.

Through these reports, the Company management monitors progress towards the key strategic targets set by Prysmian (especially emission reduction and energy efficiency) and guides the preparation and implementation of operational action plans necessary to achieve the targets.

Following monitoring activities, the management operates a control and feedback mechanism. If any deviation from target achievement is detected, the root causes of the deviation are analyzed by the relevant units, and corrective action plans are prepared accordingly. The Sustainability Committee closely monitors the implementation of these action plans, evaluates updating current projects or operational targets when necessary, and plays an active role in the revision process.

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Audit Function

The monitoring of progress is assured through a multi-layered, regular audit mechanism. At the center of this process are the Sustainability Committee, which conducts strategic monitoring, and the Sustainability Ambassadors and regional Working Groups, which ensure operational implementation.

Audit of the Sustainability Committee and related managerial positions is performed at the highest level by the Board of Directors and is based primarily on regular reporting, performance evaluation, and independent internal audit processes.

The most fundamental audit mechanism is the established reporting line. The periodic reports presented by the Sustainability Manager and the Sustainability Committee he/she chairs to the CEO and ultimately to the Board of Directors enable the Board to transparently monitor the Committee's work and the level of achievement of strategic goals.

The Board of Directors conducts a strategic audit by reviewing the performance of the Sustainability Committee and the set targets on an annual basis. Additionally, the Company's Global Internal Audit Unit also plays a significant role in the process, independently evaluating the effectiveness and adequacy of sustainability and climate-related processes at least once a year. Findings from audits that could impact sustainability performance and areas for improvement, along with prepared corrective and preventive action plans, are shared with Senior Management, ensuring that operational improvement decisions are made accordingly. This ensures the continuous improvement and control of the process.

The audit function is supported through existing operational control mechanisms and management systems. The Company's core data, such as carbon emissions and energy consumption, are tracked within the framework of ISO 14001 and ISO 50001 standards and are regularly reviewed by the Sustainability Committee.

Integration of Sustainability and Climate Risks into Management and Decision-Making Processes

Specific procedures and risk assessment guidelines that provide a holistic framework for identifying, measuring, managing, and reporting sustainability and climate-related risks have not yet been fully developed. Existing controls primarily focus on operational efficiency and emission tracking and do not yet achieve full, systematic integration with strategic planning, financial analysis, or investment evaluation processes. This is regarded as an area for development to achieve full compliance with this clause of the standard. To address this gap, the Company aims to develop more detailed implementation procedures and guidelines, by the end of 2026,

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building on existing management systems but focusing on managing sustainability and climate risks. This work will ensure full compliance with the standard by clearly setting out how risks are to be identified, assessed, and integrated into strategic decision-making processes.

The integration of sustainability and climate-related controls with internal functions is currently focused on specific operational areas. The Human Resources function has integrated ESG metrics into training and performance evaluations. The Operations and Technical Services units form the basis of this integration by incorporating energy consumption and carbon emission reduction targets into their processes.

Sustainability and climate-related topics are considered indirectly in large-scale transaction and investment decision processes, through operational efficiency and compliance with the Group's decarbonization goals, rather than as a formal risk assessment criterion. For instance, the project's potential contribution to energy consumption and emission reduction targets is considered a significant factor in the decision-making process for investments in new machinery or equipment.

However, the integration has not yet resulted in a holistic structure that encompasses all of the Company's key functions. Since there is currently no formal Risk Management function, the full integration of sustainability and climate-related risks and opportunities into the Company's corporate risk framework, as a systematic criterion in investment decisions or financial planning for the Finance function, and as a primary factor in new business development or strategic investment decisions reviewed at the CEO level, is an ongoing process. These areas are considered areas for development for full compliance with the standard's expectations. The Company intends to improve the integration of sustainability and climate-related controls with all internal functions starting in 2026. Within the framework of the new sustainability and risk management policies planned to be established, procedures for how these controls will be incorporated into the decision-making processes of functions such as Finance and Strategy are planned to be defined. This will enable a transition to an integrated structure where sustainability performance is managed holistically.

Sustainability and Climate-Related Targets, Trade-Offs, and Incentives

Türk Prysmian Kablo's sustainability and climate-related targets are not set from scratch based on local risk and opportunity analyses. The Company's strategy is based on adopting the global climate targets of its parent company, Prysmian, which are aligned with the Paris Agreement targets and approved by the Science Based Targets Initiative (SBTi), and contributing to these targets at the local level. Therefore, the role of local governance bodies is to adapt these global targets to local operations and oversee progress towards them, rather than to set the targets themselves.

In this framework, the Sustainability Committee determines the annual operational KPIs and projects necessary to achieve the targets, based on the main targets set by the Group (e.g., the 2035 Net Zero target). The Board of Directors oversees whether these local implementation targets are aligned with the Company's overall strategy and capacity. Consequently, the oversight of an independent target-setting process based on a local risk and opportunity analysis, as envisaged by the TSRS 2 standard, is not fully implemented at this stage.

While maintaining its commitment to global targets, the Company plans to analyze sustainability and climate-related risks and opportunities specific to its local operations in more detail from 2026 onward and to establish more specific, local sub-targets supporting the global targets based on these analyses. This work will align the governance bodies' oversight role in the target-setting process more closely with the expectations of the standard.

Although the Sustainability Committee and Company Management consider sustainability and climate-related targets in their decision-making processes, there is not yet a formal mechanism for the systematic analysis, documentation, and reporting of trade-offs between financial returns and environmental/social impacts.

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A multi-criteria decision-making process that evaluates trade-offs under different scenarios (e.g., choosing between a highly profitable but carbon-intensive investment and a less profitable but green investment) is not yet applied in the Company. This is acknowledged as an area for development to achieve full compliance with this clause of the standard.

The Company aims to enhance its strategic decision-making and investment evaluation processes by 2026. In this scope, a "project feasibility methodology", which would quantitatively and qualitatively assess sustainability and climate-related risks and opportunities alongside financial returns for significant investment decisions, is planned to be developed. This methodology will allow for the transparent presentation of potential trade-offs and enable governance bodies to make decisions while considering this balance.

Sustainability and climate-related performance has been integrated into remuneration policies. This integration covers relevant department managers and employees, primarily senior management and managers responsible for sustainability and environmental risks. The Environmental, Social, and Governance (ESG) targets set by Prysmian and adopted by the Company are reflected in the employees' performance bonus model.

This integration is carried out through specific KPIs. Metrics such as the Group Occupational Health and Safety (OHS) assessment report result, female employee hiring rate, polyethylene sheath recycling percentage, and copper recycling rate are included in the annual target scorecards of relevant managers and units. Success in these indicators directly impacts year-end performance evaluations.

The performance evaluation process involves analyzing the achievement levels of climate-related KPIs assigned at the beginning of each year and including this result in the total performance scoring. Achieving these set targets directly reflects in the bonus system and, for eligible positions, long-term incentive plans. This practice is clearly stated in our Company's "Remuneration Policy" document and is shared with the public in broad terms in annual activity and sustainability reports.

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Türk Prysmian Kablo, as the Turkish operation of Prysmian, the global leader in the energy and telecommunications cable systems sector, aims to contribute to the country's sustainable development and green transformation. In line with this vision, the Company assesses the increasingly significant impacts of climate change on a global and national scale from a strategic perspective and integrates these impacts into all corporate governance and business processes.

Within its role of designing and producing cables critical for energy and telecommunication infrastructures, the Company is aware of the potential impacts of climate change on its operations. With this understanding, it aims to lead its sector by providing the infrastructure solutions necessary for a low-carbon and climate-resilient future.

The purpose of climate-related financial disclosures related to strategy is to enable users of general-purpose financial reports to understand the business' strategy for managing climate-related risks and opportunities.

IDENTIFICATION OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

Methodology and Strategic Framework

Türk Prysmian Kablo conducts its analyses of climate-related risks and opportunities using all reasonable and supportable information that is available without undue cost or effort at the reporting date. This approach is based on a holistic methodology including past events, current conditions, and future projections. For future projections, the internationally accepted IPCC (RCP 4.5 and RCP 8.5) and NGFS (Orderly Transition, Disorderly Transition, and Hot House World) scenario frameworks are used as references.

All risks and opportunities detailed in this report are directly related to topics considered material for this sector, such as greenhouse gas emissions, energy management, supply chain management, and product innovation.

While preparing these disclosures, seven cross-industry metric categories were considered: Greenhouse Gas Emissions, Transition Risks, Physical Risks, Climate-Related Opportunities, Capital Allocation, Internal Carbon Pricing, and Remuneration.

Quantitative Information Provision Approach and Assessment of Exceptions:

Türk Prysmian Kablo uses both individual (single) amounts and amount ranges when disclosing quantitative climate-related information, depending on the nature of the information and the certainty level of its underlying assumptions. Individual amounts are used for actual and verifiable data for 2024, while amount ranges are preferred for forward-looking and inherently uncertain scenario analysis results (e.g., Potential revenue loss under RCP 4.5: TL 0 - 95.4 million). The level of financial materiality is determined based on equity size, a key indicator reflecting the Company's financial resilience. Within this framework, a potential impact exceeding 1% of the Company's equity, which was TL 883.6 million as of 31.12.2024, is considered a quantitative materiality threshold. This calculation corresponds to a financial impact threshold of approximately TL 8.8 million for 2024.

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Table 1: Risk Assessment Criteria

Level	Impact Criteria	Probability Criteria
High	**Financial:** Financial impact exceeding 5% of equity (> TL 44.2 million for 2024). **Operational:** Production downtime for more than 1 week. **Reputation:** Negative news in national media.	Expected to occur within the next 0-3 years (Short-Term).
Medium	**Financial:** Financial impact between 1% and 5% of equity (TL 8.8 - 44.2 million for 2024). **Operational:** Production downtime for 1-7 days. **Reputation:** Negative news in local media or industry.	Likely to occur within the next 3-10 years (Medium-Term).
Low	**Financial:** Financial impact below 1% of equity (<TL 8.8 million for 2024). **Operational:** Short-term disruptions (less than 1 day). **Reputation:** Limited and controllable negative feedback.	Could occur in more than 10 years (Long-Term).

Table 2: Risk Prioritization Matrix

	Impact: Low	Impact: Medium	Impact: High
Probability: High	Medium Risk	High Risk	High Risk
Probability: Medium	Low Risk	Medium Risk	High Risk
Probability: Low	Low Risk	Low Risk	Medium Risk

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For this reporting period, the exceptional circumstances allowed by the TSRS-2 standard for not providing quantitative information (such as inability to separately identify impacts, very high measurement uncertainty, or lack of skill/resource) have not been utilized. The Company has determined that it has the capability to provide quantitative information for all material impacts and that the quantitative information presented was useful for stakeholders despite their inherent uncertainties.

Time Horizons and Impact Assessment

Türk Prysmian Kablo uses time frames aligned with the Company's strategic, financial, and operational planning processes when assessing the time horizon of climate-related risks and opportunities.

Time Horizon	Definition	Link to Strategic Planning
Short-Term (0-3 Years):	Covers urgent compliance measures, compliance with existing regulations, and fluctuations in energy and raw material costs.	Directly overlaps with the Company's operational planning and annual budgeting cycles. This period is used to assess the impacts of operational risks and sudden climate events.
Medium-Term (3-10 Years):	The period when the effects of structural policy transformations (e.g., CBAM), technological innovations (e.g., P-Laser), and shifts in market demand (e.g., green products) will become apparent.	Aligned with the Company's medium-term strategic plans and investment projections. This period is used to analyze strategic transformation processes and the financial impacts of transition risks.
Long-Term (10+ Years):	The perspective addressing the profound physical effects of climate change and the Company's long-term resilience strategies (e.g., compliance to the 2053 Net Zero target).	Directly related to the Company's sustainable growth vision and carbon-neutral goals. This period is prominent in the analysis of topics such as asset management and long-term infrastructure resilience.

The potential impacts of climate-related risks and opportunities are classified as "low", "medium", and "high". This classification is based on potential consequences in areas such as Financial Performance and Asset Value, Operational Continuity and Production Quality, Strategic Objectives and Market Positioning, as well as Reputation and Stakeholder Trust.

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Climate-Related Main Risks

Risk Category	Main Risks	Estimated Impact Magnitude (Financial, Operational, Strategic, Reputation)	Estimated Occurrence Probability / Time Horizon
Physical Risk (Acute)	**Extreme Weather Events and Operational Disruptions:** Increased frequency and intensity of storms, excessive precipitation, and floods affecting production facilities, raw material and finished product storage areas, especially those located along the coast. These events causing physical damage to production lines, equipment, and stock. Operations halting due to severe weather conditions, disruptions in port and road logistics, causing delays in product shipments for critical projects.	**High** **Financial:** Repair/refurbishment costs for damaged facilities, machinery, and stock; revenue loss due to business interruption; potential penalties for project delivery delays; increase in insurance premiums and costs. **Quantitative Impact:** This risk is expected to have multifaceted impacts on the financial statements. A potential event may trigger the recognition of an impairment loss in accordance with TFRS (TMS 36) on tangible fixed assets included in the Balance Sheet with an insured value of TL 4,237,070,160. Operational disruptions may impact the Income Statement with a potential daily revenue loss of approximately TL 47.7 million. Additionally, repair/refurbishment costs and revenue loss may put negative pressure on the Cash Flow Statement. (For a detailed financial impact analysis, see Strategy > Impacts and Assessment of Physical Risks section). **Operational:** Unplanned shut-downs in production, disruptions in supply chain and logistics processes, increased OHS risks for employees. **Strategic:** Risk of failing to meet critical customer commitments on time, especially for major infrastructure projects. **Reputation:** Damage to reliable supplier image and customer satisfaction.	**Probability:** High **Time Horizon:** Short - Medium-Term
Physical Risk (Chronic)	**Rising Average Temperatures and Heatwaves:** Increase in average annual temperatures and rise in the frequency/ intensity of heatwaves that occur especially in summer months. In cable manufacturing, an energy-intensive industry, this increases the load on the facility's cooling systems, raising energy consumption and operational costs. It has a negative impact on employee health and productivity, and causes performance declines, especially in field and warehouse areas.	**Medium** **Financial:** Increased electricity consumption and energy expenses (OPEX) due to higher cooling demand. Potential need for additional capital expenditure (CAPEX) to strengthen existing cooling infrastructure. **Quantitative Impact:** This risk creates direct pressure on the Income Statement's operating expenses (OPEX) and, consequently, on the Cash Flow Statement due to the increased cooling need. In 2024, the current annual energy cost (OPEX) incurred solely for this purpose was TL 7,400,418. Additional capital expenditure (CAPEX) is also anticipated in the future to strengthen the cooling infrastructure. (For a detailed financial impact analysis, see Strategy > Impacts and Assessment of Physical Risks section). **Operational:** Increased risk of production equipment failure due to overheating. Decreased employee productivity and increased risk of heat-related work accidents. **Strategic:** Potential long-term negative impact on operational cost structure competitiveness. **Reputation:** Risk of stakeholder questioning employee health and well-being practices.	**Probability:** Very High **Time Horizon:** Medium - Long-Term

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Risk Category	Main Risks	Estimated Impact Magnitude (Financial, Operational, Strategic, Reputation)	Estimated Occurrence Probability / Time Horizon
Physical Risk (Acute)	**Climate-Related Vulnerabilities in the Supply Chain:** Climate events such as droughts, water scarcity, floods, severe storms to occur in regions where metals critical to production, such as copper and aluminum, or petroleum-derived polymer materials are sourced. These events may halt suppliers' operations, disrupt their mining or refining operations, and lead to shortages and sudden price increases in raw material supply by causing interruptions in global logistics chains.	**High** **Financial:** Sudden and unpredictable raw material price increases, rising freight costs, necessity to turn to alternative and more expensive suppliers, increased production costs, and contracted profit margins. **Quantitative Impact:** As raw materials account for approximately 90% of the cost of goods sold (COGS), this risk has a critical impact on the financial statements. It is anticipated that a 10% increase in raw material prices will increase the Cost of Goods Sold item in the Income Statement by approximately TL 39.6 million in one quarter, and that a 5-business-day supply disruption will also result in a revenue loss of approximately TL 238.7 million in the Income Statement. This situation has the potential to directly negatively impact the Cash Flow Statement by narrowing profit margins. (For a detailed financial impact analysis, see Strategy > Impacts and Assessment of Physical Risks section). **Operational:** Risk of production slowdown or halt due to lack of raw materials, inventory management challenges. **Strategic:** Dependence on specific geographies or suppliers becoming a strategic vulnerability. **Reputation:** Erosion of customer trust due to disruptions in production and delivery processes.	**Probability:** Medium **Time Horizon:** Medium - Long-Term
Transition Risk (Policy & Legal)	**Carbon Pricing and Emission Regulations:** Full implementation of the Carbon Border Adjustment Mechanism (CBAM) by the European Union, Türk Prysmian Kablo's main export market, and potential introduction of an Emission Trading System (ETS) or carbon tax in Türkiye. Scope 1 and Scope 2 emissions arising from energy-intensive production processes becoming a direct cost factor.	**High** **Financial:** Increase in production costs due to carbon tax, decline in profit margins, reduced price competitiveness in the EU market, mandatory capital expenditures (CAPEX) for emission reduction technologies. **Quantitative Impact:** This risk may lead to annual increases in operating costs in the Income Statement in the future through potential carbon taxes; this impact is projected to exceed TL 55 million annually under the NGFS Disorderly Transition scenario. To proactively manage this risk, a total capital expenditure (CAPEX) of EUR 750,000 (approximately TL 27.6 million) has been planned over the next 5 years for emission reduction projects. This investment will affect cash outflows from investment activities in the Cash Flow Statement and tangible fixed assets in the Balance Sheet. (For a detailed financial impact analysis, see Strategy > Impacts and Assessment of Transition Risks section). **Operational:** Necessity to establish new processes and systems for the detailed and verifiable monitoring, reporting, and management of greenhouse gas emissions. **Strategic:** Decarbonization strategies becoming one of the top priorities to maintain market share and profitability. **Reputation:** Risk of investors and customers negatively evaluating low carbon performance.	**Probability:** High **Time Horizon:** Medium-Term

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Risk Category	Main Risks	Estimated Impact Magnitude (Financial, Operational, Strategic, Reputation)	Estimated Occurrence Probability / Time Horizon
Transition Risk (Market)	**Green Product Demand and Shifting Customer Expectations:** Growing demand in markets like renewable energy, e-mobility, smart cities, and data centers for products with documented environmental performance (low carbon footprint, recyclability, EPD, etc.). Standard products losing market share if they fail to meet market expectations, despite Prysmian's green labeling initiatives.	**High** **Financial:** Revenue loss in key growth areas if sustainable product portfolio is inadequate. Increased R&D and innovation spending for next-generation products. **Quantitative Impact:** This risk directly threatens the Revenue item on the Income Statement through loss of market share. Under the NGFS Disorderly Transition scenario, this impact is expected to lead to an annual potential revenue loss between TL 480 million and 960 million. In order to manage this risk and maintain market leadership, TL 15,574,271 was spent on R&D for sustainable product development in 2024. This expenditure directly affects the Income Statement and Cash Flow Statement. (For a detailed financial impact analysis, see Strategy > Impacts and Assessment of Transition Risks section). **Operational:** Adaptation of production and quality control processes to new "green" standards and certifications. **Strategic:** Risk of losing leadership in sustainable product innovation to competitors. This risk also forms the basis for the "market share increase with low-carbon products" opportunity. **Reputation:** The perception that the Company is lagging behind in sustainability, particularly in conflict with its mission of "Linking Türkiye to a Sustainable Future".	**Probability:** Very High **Time Horizon:** Short - Medium-Term

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Climate-Related Main Opportunities

Risk Category	Main Risks	Estimated Impact Magnitude (Financial, Operational, Strategic, Reputation)	Estimated Occurrence Probability / Time Horizon
Products and Services	**Renewable Energy Infrastructure Solutions:** Becoming a critical supplier for the rapidly growing solar and wind energy market, aligned with Türkiye's and the world's "net zero" goals. Strengthening market leadership with high-performance, durable, and efficient specialty cables for photovoltaic and wind turbines. Participating as a supplier in Türkiye's largest wind and solar power plant projects (YEKA RES-2, YEKA GES-4) to increase its expertise and market share in this field.	**High** **Financial:** Increase in sales revenue and profitability from the rapidly growing renewable energy sector. Achieving better margins thanks to high value-added, specialized products. **Quantitative Impact:** This opportunity is already having a significant and positive impact on the Company's financial performance. Revenue generated from this field in 2024 amounted to TL 999.2 million and had a direct positive impact on the Income Statement. To maintain leadership in this segment, an annual modernization investment (CAPEX) of approximately TL 5.5 - 7.4 million is predicted, which will affect the Cash Flow Statement and Balance Sheet. Looking ahead, this market has the potential to generate additional annual revenue between TL 60 million and TL 90 million. (For a detailed financial impact analysis, see Strategy > Assessment of Climate-Related Opportunities section). **Operational:** Increasing production capacity and expertise in specific product groups (solar, wind cables). **Strategic:** Positioning the Company as a key player in Türkiye's energy transition and investing in long-term growth areas. **Reputation:** Being perceived as a "partner in green transformation" and strengthening the brand image as a sustainability-focused technology leader.	**Probability:** Very High **Time Horizon:** Short - Medium - Long-Term
Products and Services	**Electrification and Grid Modernization:** Electrification of the transportation sector (projects for domestic electric vehicles like TOGG), reduction of fossil fuel use in industry, and infrastructure modernization required for the integration of renewable energy into the grid. Meeting the increased demand arising from this process for e-mobility charging infrastructure, data centers, smart buildings, and high-voltage underground/submarine connection cables.	**High** **Financial:** Entering new markets with high growth potential, such as e-mobility. Gaining share in large-scale public and private sector infrastructure projects (e.g., the 1915 Çanakkale Bridge, etc.) and diversifying revenue stream. **Quantitative Impact:** This opportunity area is already having a strong positive impact on the Company's financial performance. Revenue generated from these segments in 2024 amounted to TL 2.5 billion and had a direct positive impact on the Income Statement. To maintain technological leadership in this area, R&D investments totaling TL 3,577,587 were made in 2024; this expenditure impacted the Income Statement and Cash Flow Statement. Looking ahead, the data center segment alone has the potential to generate an additional annual revenue between TL 11.6 million and TL 14.9 million. (For a detailed financial impact analysis, see Strategy > Assessment of Climate-Related Opportunities section). **Operational:** Increasing the production of high-tech and high-value-added products by leveraging the R&D center's capabilities. **Strategic:** Strengthening its strategic position as an indispensable part of the country's digital and green infrastructure goals. **Reputation:** Being recognized as a reliable solution partner for critical projects that shape Türkiye's future.	**Probability:** Very High **Time Horizon:** Short - Medium-Term

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ASSESSMENT OF RISKS AND OPPORTUNITIES

According to Türk Prysmian Kablo climate-related risks and opportunities it identified are concentrated in specific geographical areas, facilities, asset types, and value chain segments. Understanding these concentration areas is crucial for the effectiveness of risk management and strategic planning processes.

	Category	Concentration Area	Description
Concentration Areas for Climate-Related Risks	Geographical Area and Facilities	Production Facility (Bursa, Mudanya), Export Markets (European Union)	Physical risks are concentrated at the facility which is the Company's sole main production, R&D, and logistics hub. Transition risks are concentrated in European Union markets, which account for a significant portion of total exports and where regulations such as CBAM are applied.
	Value Chain	Supply Chain (Raw Materials), Markets (Europe), Customers (Green Sectors)	Physical risks are concentrated in the supply chain of critical raw materials sourced globally. Market risks are concentrated in the export network, primarily in Europe, and among customers in sectors such as renewable energy and e-mobility, where sustainability commitments are increasing.
	Asset Types	Production Lines, Open-Area Storage, Energy-Intensive Equipment	The asset types most exposed to physical risks are the production lines, sensitive equipment, and high-value raw materials, as well as finished cable reels stored in open areas at the facility.
Concentration Areas for Climate-Related Opportunities	Markets and Product Types	Renewable Energy Sector, Electrification Market, High-Tech Cables	Opportunities are concentrated in markets where energy transformation and electrification projects accelerate, and in the high-performance, high value-added product groups developed for these markets (solar, wind, e-mobility, high-voltage cables).

Impacts and Assessment of Physical Risks

Extreme Weather Events and Operational Disruptions are a concrete threat to the Company, more than a theoretical possibility, having caused financial consequences in the past. The Mudanya facility's location on the coast makes it naturally more vulnerable to acute climate events like excessive rainfall and floods. The impacts on the value chain are far-reaching, including unscheduled production stoppages in its own operations, disruption of critical raw material flows upstream, and failure to timely meet customer orders downstream.

Emergency procedures and insurance policies are currently in place under ISO 45001 to manage this risk. For the future, the plan is to conduct a detailed "Location-Based Physical Risk and Vulnerability Analysis" specific to the facility and evaluate adaptation investments to strengthen the infrastructure based on the results of this analysis.

The current financial impact of this risk consists of a realized loss and the risk of potential future losses. A flood event on August 31, 2022, resulted in direct material damage amounting to TL 147,000. More importantly, the insurance value of the assets at the factory, representing the total asset value at risk in a catastrophic climate event scenario, is TL 4,237,070,160. The potential revenue loss from one day of production halt has been calculated at approximately TL 47.7 million. Under a pessimistic climate scenario (RCP 8.5), this risk is projected to cause a revenue loss exceeding TL 333.9 million with a one-week production halt.

This risk also carries a significant potential that could require a material correction to the carrying amounts of assets in the next financial reporting period.

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A single acute weather event, such as a severe flood or storm, may cause serious physical damage to assets included in the Tangible Fixed Assets item, which had a net carrying value of TL 602,572,051 as of December 31, 2024. Such an event may trigger an impairment test in accordance with TFRS (TMS 36 Impairment of Assets) and carries the risk of resulting in a significant downward adjustment (impairment loss) to the carrying value of the assets.

The risk of Average Temperature Increase and Heatwaves is a direct and continuous pressure on operational expenses (OPEX) due to energy-intensive production processes. The current financial impact of this chronic risk is a regular operational cost incurred each year to ensure operational continuity. In 2024, the annual energy cost incurred for cooling production processes and facilities is TL 7,400,418. Under a pessimistic climate scenario (RCP 8.5), it is projected that this risk may increase annual additional operational cooling costs by up to TL 7.4 million, and that critical equipment failures may lead to a production halt of up to 5 days, resulting in a revenue loss of TL 238.5 million.

Climate-related vulnerabilities in the supply chain targets the most fundamental and sensitive aspect of the Company's business model. The fact that raw materials account for a very large proportion (90%) of the cost of goods sold (COGS) makes the Company extremely vulnerable to any disruptions in global commodity markets. It has been calculated that a 10% increase in raw material prices due to a climate-related supply shortage would increase the Cost of Goods Sold by approximately TL 39.6 million in just one quarter. A 5-business-day disruption in access to a critical raw material is projected to result in a revenue loss of approximately TL 238.7 million. Under a pessimistic scenario (NGFS Hot House), this risk is estimated to cause a revenue loss exceeding TL 477.5 million with a production halt of up to 10 business days.

Impacts and Assessment of Transition Risks

Carbon Pricing and Emissions Regulations are the most significant transition risks that will substantially affect the Company's profitability in the future. The current financial impact of this risk materializes as the proactive preparation for future costs and hedging cost. The Company plans to invest a total of EUR 750,000 (approximately TL 27.6 million) over the next 5 years to reduce emissions, which will form the basis for future carbon costs as of 2024. Under the NGFS Disorderly Transition (shock) scenario, the Company's annual additional cost is projected to exceed TL 55 million (approximately EUR 1.5 million). This analysis demonstrates that the planned decarbonization investments are a strategic move to prevent much larger potential operational costs in the future.

Green Product Demand and Changing Customer Expectations have now transformed from a market risk into a concrete business reality at the core of operational and commercial activities. The fact that 67% of the Company's total revenue (approximately TL 9.6 billion) is generated directly from sustainability-focused products and projects confirms that this market is now its main area of activity. In order to maintain leadership in this main market and manage the risk of market share loss, an R&D expenditure of TL 15,574,271 was made in 2024 for sustainable product development. Under the NGFS Disorderly Transition (shock) scenario, the risk of losing 5% to 10% of the current sustainability-focused revenue base has been modeled in case of a failure to respond quickly to a sudden regulatory change, which implies a potential revenue loss of between TL 480 million and TL 960 million annually.

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Assessment of Climate-Related Opportunities

Renewable Energy Infrastructure Solutions have moved beyond being a future potential and already become one of the Company's most important and profitable areas of activity. The current financial impact of this opportunity has materialized in the form of TL 999.2 million in revenue generated from renewable energy projects in 2024. The fact that the gross profit margin in this segment is above the Company average proves that focusing on green transformation is a financially sound strategy. Under the NGFS Orderly Transition (stable growth) scenario, this segment is expected to generate an additional annual revenue of between TL 60 million and TL 90 million. The annual modernization investment (CAPEX) of approximately TL 5.5 to 7.4 million allocated to maintain leadership in this area is a high-return investment made to preserve and grow this massive and profitable revenue stream.

Electrification and Grid Modernization constitute one of the strongest and largest segments of the Company's current business model. The current financial impact of this opportunity area is the total revenue of TL 2.5 billion generated from the data center and grid modernization segments in 2024. This accounts for approximately 17.5% of total revenue. The total volume of active projects being tracked in the short term is between TL 552 million and TL 588 million, indicating that growth in this area will continue strongly. Under the NGFS Orderly Transition scenario, the data center segment alone is expected to generate an additional annual revenue of TL 11.6 million to TL 14.9 million. The R&D investment of TL 3,577,587 made in 2024 to secure this multi-billion lira business line is a critical investment for the Company to maintain its technological leadership.

CLIMATE RESILIENCE: SCENARIO ANALYSIS AND FUTURE OUTLOOK

Türk Prysmian Kablo considers managing the multidimensional impacts of climate change on its operations and value chain from a strategic perspective among its top priorities. In this regard, climate scenario analyses are being used as a critical tool to be better prepared for this complex and uncertain future, increase strategic resilience, better understand risks, and proactively assess new opportunities. This section details the methodology of the scenario analysis conducted, the potential impacts on Türk Prysmian Kablo's business model and financial performance under different future pathways, and the strategic implications arising from these analyses.

Approach and Scope of Scenario Analysis

The Company's climate scenario analysis was completed in March 2024, following a structured methodology aligned with international best practices. The analysis is based on financial and operational data finalized as of December 31, 2024. The analysis has referenced the IPCC RCP 4.5 and RCP 8.5 scenarios for physical risks and the NGFS' Orderly Transition, Disorderly Transition, and Hot House World scenarios for transition risks and opportunities. This approach aims to test the Company's resilience against a wide range of climate-related potential futures, from scenarios aligned with the Paris Agreement targets (e.g., NGFS Orderly Transition) to the most pessimistic pathways.

Scenario diversity has been achieved by covering different warming levels (from 1.5°C to above 4°C), different policy roadmaps (early and orderly, late and sudden, inaction), and different time horizons (short, medium, long-term). The primary purpose in selecting the scenarios is to holistically test the Company's physical resilience (with RCP 8.5), its capacity to adapt to the pace of transition (with NGFS Orderly/Disorderly Transition), and its resilience to the inaction scenario (with NGFS Hot House World).

The scope of this analysis primarily addresses the impacts on Türk Prysmian Kablo's operations, global supply chain (raw material procurement), and markets (particularly the EU) and was conducted with the participation of all relevant business units, including Operations, Purchasing, Sales and Marketing, and R&D.

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Holistic Scenario Analysis Results

Impact Category	RCP 4.5 (Moderate Physical Impact)	RCP 8.5 (Severe Physical Impact)	NGFS Orderly Transition	NGFS Disorderly Transition	NGFS Hot House World
ANNUAL COST OF PHYSICAL RISKS					
1. Extreme Weather Events (Flood, etc.)	Up to TL -95.4 million	More than TL -333.9 million	Limited Impact	Limited Impact	Catastrophic Impact
2. Average Temperature Increase	Up to TL -50.7 million	More than TL -245.9 million	Limited Impact	Limited Impact	Catastrophic Impact
3. Physical Vulnerability in Supply Chain	Up to TL -143.2 million	More than TL -477.5 million	Limited Impact	Limited Impact	Catastrophic Impact
TOTAL PHYSICAL RISK (Approx. Annual Impact):	**TL -289.3 million**	**> TL -1.05 billion**	**Low**	**Low**	**VERY HIGH**
ANNUAL COST OF TRANSITION RISKS					
4. Carbon Pricing and CBAM	Limited Impact	Limited Impact	TL -16.5 to -27.5 million	TL -38.5 to -55.0 million	Low Impact
5. Green Product Demand (Market Share Loss)	Limited Impact	Limited Impact	TL -96 to -288 million	TL -480 to -960 million	TL -393 to -786 million
TOTAL TRANSITION RISK (Approx. Annual Impact):	**Medium**	**Medium**	**Up to TL -315.5 million**	**> TL -1.01 billion**	**> TL -786 million**
ANNUAL NET POSITIVE CONTRIBUTION OF OPPORTUNITIES					
6. Renewable Energy Solutions	Potential Available	Potential Available	TL +60 to +90 million	TL +100 to +150 million	TL +20 to +40 million
7. Electrification and Grid Modernization	Potential Available	Potential Available	TL +11.6 to +14.9 million	TL +16.5 to +19.8 million	TL +4.9 to +8.3 million
NET CONTRIBUTION OF TOTAL OPPORTUNITIES (Approx. Annual Impact):	**High**	**High**	**Up to TL +104.9 million**	**Up to TL +169.8 million**	**Up to TL +48.3 million**
TOTAL ANNUAL NET FINANCIAL IMPACT (Approx.)	**More than TL -289 million**	**More than TL -1.05 billion**	**Approx. TL -211 million**	**Approx. TL -845 million**	**Approx. more than TL -1.8 billion**

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Scenario Analysis Results and Strategic Implications

The climate scenario analysis conducted serves as a fundamental strategic input shaping the future roadmap of Türk Prysmian Kablo. The analyses confirmed the strengths and weaknesses of the Company's current strategy, provided important clues about the future evolution of its business model, and clarified the strategic responses required to address the identified impacts. Three fundamental strategic implications drawn from this analysis form the basis of the Company's future planning:

Priority of Physical Risks: The analysis clearly reveals that Türk Prysmian Kablo's most fundamental vulnerability is the direct exposure of its single main production operation to physical climate impacts. The RCP 8.5 (Severe Impact) scenario poses a very serious threat to the Company, with annual revenues exceeding TL 1 billion and potential asset losses. This finding highlights that operational resilience and adaptation must be the top priority component of the Company's strategy. In the long-term and under pessimistic scenarios, it is anticipated that the inadequacy of the infrastructure at the Mudanya facility could necessitate unscheduled and large-scale new adaptation investments which will negatively impact the balance sheet and cash flow.

Critical Role of Transition Strategy: The net financial impact is approximately TL -211 million annually under the Orderly Transition scenario, while it reaches TL -845 million under the Disorderly Transition scenario, revealing the overwhelming potential of transition risks on profitability. This shows how critical current decarbonization efforts and sustainable product strategies are from a financial perspective, but also that more needs to be done to offset future costs. However, in the short and medium-term, growth in the renewable energy and electrification markets is expected to offset these risks and have a net positive impact on revenue.

Heavy Price of Climate Inaction: The Hot House World scenario is the scenario in which the heaviest price of "inaction" is paid. In this scenario, transition opportunities almost completely disappear, and the overall financial impact presents an unsustainable picture when physical risks reaching catastrophic levels combine with transition risks such as the erosion of green brand value.

As a result, Türk Prysmian Kablo's strategy is quite compatible with seizing opportunities in both the Orderly and Disorderly Transition scenarios. However, the Company's geographical dependence on a single location constitutes its greatest vulnerability to severe physical risk scenarios.

CLIMATE STRATEGY AND FUTURE ACTION PLAN

Türk Prysmian Kablo views its strategy for combating climate change and adapting to a low-carbon economy transition as an integral part of its corporate strategy, risk management processes and investment planning, with guidance of the Sustainability Committee and the ownership of the Senior Management. This strategy is based on specific assumptions and external dependencies that affect its success.

Türk Prysmian Kablo has integrated the identified climate-related risks and opportunities into the core of its corporate strategy and decision-making mechanisms. This integration reflects a proactive stance aimed at creating long-term sustainable value by managing risks and seizing opportunities, rather than a reactive approach.

The foundation of this strategy consists of a comprehensive transition plan that aims to ensure the Company's adaptation to a low-carbon future and its leadership role in this process.

Impacts on Strategy

- **Eliminating the Carbon Footprint:** This strategy is a direct response to transition risks such as carbon pricing. The main goal is to contribute to global climate targets at the local level. The strategy also includes evaluating options such as sourcing electricity from renewable sources in the future.
- **Circular Use of Resources:** This strategy aims to manage climate-related vulnerability risks in raw material supply. The Company plans to reduce its dependence on primary raw materials by achieving a waste recovery rate of 91% and increasing the use of recycled raw materials. Increasing the efficiency of existing circular business models, such as the reuse of reels (22% reuse rate), is also part of this strategy.

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- **Enhancing the Business Model:** This strategy focuses on turning the "green product demand" risk into an opportunity. The Company utilizes its R&D and innovation capabilities to meet the growing demand in the renewable energy and electrification markets. The development of the "E-Path" green labeling system, which transparently declares the environmental impact of products, is a concrete outcome of this strategy. This positions the Company as a "green transformation partner" for its customers.
- **Ensuring the Development of Employees and Society:** The successful implementation of the strategy depends on organizational competence. In this scope, the competencies of key managers and employees on climate change, risks, and reporting standards are being enhanced through the Sustainability Academy, established within the Prysmian MEART Region in cooperation with a prestigious academic institution such as Politecnico di Milano.

Impacts on Decision-Making Mechanisms

Climate-related topics are integrated into the Company's operational and strategic decision-making processes through the following mechanisms:

Enterprise Risk Management (ERM) Integration: Climate and sustainability risks are integrated into Prysmian's "Enterprise Risk Management (ERM)" model, assessed through probability and impact analyses, and reported directly to senior management.

Investment Decisions: In large-scale investment decisions, climate-related topics are considered indirectly through operational efficiency and alignment with the Group's decarbonization goals. For example, in new equipment investments, the project's potential contribution to energy consumption and emission reduction targets is considered a significant factor.

Oversight and Monitoring: The implementation of the strategy and progress towards targets are monitored monthly by the Sustainability Committee, and performance reports are submitted to the Board of Directors on a quarterly basis. If any deviation from the targets is identified, root cause analyses are carried, corrective action plans are prepared, and these plans are closely followed by the Committee.

Climate-Related Transition Plan

Türk Prysmian Kablo's climate strategy is based on adopting the global climate targets of Prysmian, to which it is affiliated, and contributing to these targets at the local level, rather than setting targets from scratch. This strategy is implemented through a concrete transition plan based on Prysmian's Net Zero targets.

Türk Prysmian Kablo's role in this plan is to ensure the adaptation of these global targets to local operations and to monitor progress. Within this framework, the Sustainability Committee determines and implements **annual operational KPIs and projects** for local operations based on the main targets set by the Group.

The global goals to which Türk Prysmian Kablo contributes are as follows:

Key Assumptions and Dependencies: The transition plan is based on a series of key assumptions, including climate policies (Türkiye's 2053 target, Climate Law, CBAM), macroeconomic trends (growth, inflation, exchange rates, energy prices), regional variables (local weather events, infrastructure), energy use (fossil fuel intensity, transition to renewable energy), and technological developments (low-carbon technologies, electrification, digitalization). The plan's success depends on the capacity to invest in low-carbon technologies and customers' sustainability commitments.

Investment and Divestment Plans: Under this transition plan, there is no concrete and finalized plan for the decommissioning or divestment of a specific asset due to climate-related reasons. The strategy is focused on increasing the resilience of its factory and modernizing it technologically.

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Action Plan, Resource Allocation, and Progress

The action plan developed within this framework directly responds to the findings of the scenario analyses. Türk Prysmian Kablo has been undertaking existing and anticipated direct mitigation and adaptation efforts across a wide range of areas, from production processes to product design, facility infrastructure, and logistics, in order to manage climate-related risks and evaluate opportunities.

Production Processes and Equipment Changes (Reduction): Focus has been placed on energy-intensive processes to reduce greenhouse gas emissions and operational costs. Current efforts include recovering waste heat from compressors, completing the conversion to LED lighting, replacing old motors with next-generation high-efficiency motors, automation projects such as RFID Warehouse Management and Digital Maintenance Systems, and optimization applications such as 6 Sigma.

Facility and Infrastructure Adaptations: Efforts to increase operational resilience against physical climate risks include both current and planned steps. Currently, rainwater and domestic wastewater are recovered and used in irrigation systems. For the future, it is planned to conduct a "Location-Based Physical Risk and Vulnerability Analysis" specific to the Mudanya facility and to strengthen infrastructure based on the results. In addition, automatic irrigation systems that save water have been installed in green areas.

Changes in Product Characteristics (Reduction and Adaptation to Opportunities): The "Design for Sustainability" approach has been adopted to respond to changing market demands; products are designed with criteria such as carbon footprint, recyclability, and non-toxicity (REACH and RoHS compliant). In this context, the use of more environmentally friendly halogen-free materials has been expanded, and special cable solutions for green sectors have been developed.

Logistics and Supply Chain Optimization (Reduction): Steps have been taken to increase efficiency in logistics processes to reduce Scope 3 emissions. In this context, a 53% emission reduction was achieved through route planning for truck shipments, and transport efficiency was increased through tonnage optimization in vehicle loading. Intermodal transport, which includes lower-carbon transport methods such as rail instead of road, has been adopted.

Workforce and Organizational Adaptation (Capacity Building): Focus is placed on increasing workforce competencies to ensure the effectiveness of reduction and adaptation efforts. Workforce efficiency was increased, waste reduced, and quality improved through applications such as 6S and 6 Sigma.

Collaboration with the Value Chain (Indirect Reduction and Adaptation): Climate efforts are spread across the entire value chain.

- **Upstream (Suppliers):** In order to manage Scope 3 emissions and supply chain risks, suppliers are evaluated according to sustainability criteria and audited periodically. In the future, these programs are planned to be deepened to include climate risks in greater detail.
- **Downstream (Customers and Dealers):** More environmentally friendly cable solutions are developed in collaboration with customers ("Design for Sustainability"), and dealers are being incentivized through programs such as "Most Sustainable Dealer".

Stakeholder Engagement and Organizational Adaptation: To ensure the effectiveness of reduction and adaptation efforts, employee competencies are being enhanced, and stakeholder engagement is being fostered through events like "Sustainability Day" to raise climate awareness.

Resource allocation for the implementation of these plans will be provided through internal resources (annual CAPEX and OPEX budgets), savings from operational efficiency, and national/international green financing, grants, and incentive mechanisms planned to be evaluated in the medium/long-term.

The Company made significant progress in 2024 toward the targets it set in the previous period. For example, emissions, which were 18,630 tCO_2e in 2019, were reduced to 14,970 tCO_2e by the end of 2024, achieving a 19.65% reduction. A total of 2,450 tons of CO_2 emissions were saved through projects carried out in 2024. In 2024, 1,737,992 kWh of electricity, 174,994 m^3 of natural gas, and 21,064 liters of diesel fuel were saved. These advancements demonstrate the Company's capacity to effectively implement its climate strategy.

RISK MANAGEMENT

RISK MANAGEMENT

The primary purpose of climate-related financial disclosures on risk management is to enable users of general-purpose financial reports to understand Türk Prysmian Kablo's processes for identifying, analyzing, prioritizing, and monitoring climate-related risks and opportunities. These disclosures demonstrate how and to what extent these processes are incorporated into the Company's overall risk management framework and how they inform the functioning of this framework.

Türk Prysmian Kablo has integrated the management of climate-related risks into the Group's overall Enterprise Risk Management (ERM) model. This model provides a structured framework for the systematic identification, assessment, prioritization, and monitoring of risks. The process is managed at Group level by the Chief Risk Officer (CRO) and overseen by the Risk Management Committee.

Management of Climate-Related Risks

The Company follows a systematic process consisting of four key steps to manage climate-related risks:

1. **Identification:** Potential climate-related risks are identified with a broad perspective covering the Company's entire value chain. These risks are classified as physical (acute and chronic) and transition (policy, legal, technology, and market) risks in line with the TCFD (Task Force on Climate-Related Financial Disclosures) framework. Risk identification activities focus particularly on the following areas:

Product Portfolio and R&D Activities: Transition risks arising from market expectations and new technologies.

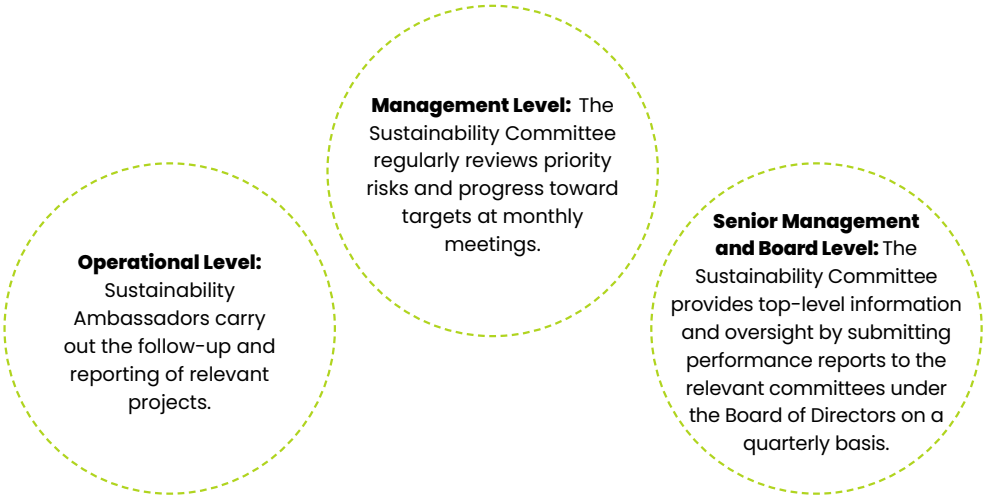
Supply Chain: Physical risks such as climate-related disruptions in raw material supply and transition risks such as cost increases due to new regulations.

Operational Processes and Infrastructure: Physical and transition risks to which the production facility may be exposed.

Markets and Customers: Regulatory and market-focused risks, especially in export markets.

RISK MANAGEMENT

2. **Assessment:** Each identified risk is analyzed using both qualitative and quantitative methodologies. The assessment is based on two main dimensions of a risk: the potential impact magnitude (classified as "low", "medium", or "high") and the probability of occurrence in the short, medium, or long-term. This assessment process is enriched with climate scenario analyses developed by the IPCC and NGFS to gain a deeper understanding of the potential consequences of risks.
3. **Prioritization:** The impact and probability scores obtained during the assessment phase are used to rank risks according to their strategic importance. Risks with the highest impact and probability scores are defined as "highest priority risks." The development of mitigation and adaptation strategies for these risks is addressed as a priority.
4. **Monitoring:** Prioritized risks and the performance of the action plans created for them are continuously monitored in a multi-layered structure:



The Company does not yet have a specific "Climate Change Policy" or a "Risk Management Policy" dedicated to climate risks. Climate-related topics are managed through existing corporate policies, such as the current "Prysmian Health, Safety, Environment, and Energy Policy," which includes a commitment to identify, monitor, and reduce the environmental impacts of processes and products in line with the Group's Net Zero targets. The Company aims to develop more detailed implementation procedures and guidelines focused on managing sustainability and climate risks by the end of 2026 to address this gap and ensure full compliance with the standard.

Inputs, Parameters, and Scope Used in Processes

Türk Prysmian Kablo's risk management process draws on various internal and external inputs and parameters to ensure the reliability and comprehensiveness of the analyses:

- **External Sources and Scientific Data:** The risk assessment process is based on internationally recognized scientific models. In addition, national and international regulations, such as Türkiye's 2053 Net Zero Target and the European Union's Carbon Border Adjustment Mechanism (CBAM), are taken into account, particularly in identifying transition risks.
- **Internal Operational and Financial Data:** In quantitative risk modeling, specific financial parameters such as daily revenue risk (~TL 47.7 million) obtained from the Company's financial statements are used. Furthermore, verified operational data such as energy consumption, GHG emission quantities, and waste data obtained from management systems like ISO 14001 and ISO 50001 are fundamental inputs for both risk assessment and monitoring processes.
- **Stakeholder Feedback:** The results of the materiality analysis conducted are considered a critical input in the process of risk identification and prioritization process.
- **Scope of Processes:** Risk management processes cover the entire value chain, including the Company's direct operations centered on its production, R&D, and logistics facilities, as well as upstream (global supply chain) and downstream (markets and customers) activities.

RISK MANAGEMENT

Use of Scenario Analysis in Risk Identification

Türk Prysmian Kablo uses climate-related scenario analysis as a key component to proactively identify climate-related risks and understand their potential impacts. This approach allows the Company to identify risks that are not apparent in the current situation or that may intensify over time by testing its business model and strategy against different climate pathways:

- **Identification of Physical Risks:** The Company identifies the potential impacts and new risks of extreme weather events or chronic temperature increases under different warming levels, particularly on critical assets such as its main production facility in Mudanya.
- **Identification of Transition Risks:** NGFS scenarios such as "Orderly," "Disorderly," and "Hot House World" are used to identify risks that may arise if the transition to a low-carbon economy occurs at different speeds and in different ways. This analysis helps define the potential costs of a future carbon pricing mechanism, the pace of market shift towards low-carbon products, and the impact of technological changes on the business model.

Method for Assessing the Impacts of Risks

Türk Prysmian Kablo assesses the impacts of identified climate-related risks using a systematic methodology that considers both qualitative factors and quantitative data. This three-dimensional process ensures a holistic understanding of the risks:

1. **Nature of the Impact:** The nature of a risk's potential impact is assessed in a multi-faceted manner by considering its possible consequences on the Company's four key areas: Financial Performance and Asset Value, Operational Continuity, Strategic Objectives, and Reputation.
2. **Magnitude of the Impact:** The potential magnitude of impact on the areas mentioned above is classified into three levels: "low" (manageable consequences), "medium" (changes requiring proactive measures), and "high" (severe consequences on core objectives, financial health, and operational continuity).
3. **Probability:** The likelihood of a risk's impacts materializing is assessed based on the probability of occurrence in the short (0-3 years), medium (3-10 years), or long (10+ years) term. This assessment is based on projections derived from scientific climate scenarios and policy analyses.

Prioritization of Risks Relative to Other Risk Types

Türk Prysmian Kablo manages climate-related risks by integrating them into its existing Enterprise Risk Management (ERM) model, rather than treating them as a separate category from other risk types. Prioritization is based entirely on the potential impact on the business, not on the type of risk. When a climate-related risk (physical or transitional) is identified in this process, its potential impacts are linked to the Company's established main risk categories. These categories are Strategic Risks, Financial Risks, Operational Risks, Legal and Compliance Risks, and Planning and Reporting Risks.

For example, a physical risk such as an extreme weather event that may affect the Mudanya facility is primarily assessed under the Operational Risk category; whereas a policy change such as the Carbon Border Adjustment Mechanism (CBAM) is addressed as both a Financial Risk (due to increased costs) and a Legal and Compliance Risk. This classification allows risks to be prioritized holistically, along with all other corporate risks, using the same criteria based on potential impact magnitude and probability of occurrence. Although this integrated approach has been adopted, the process of fully integrating climate risks into all elements of the Company's corporate risk framework and formalizing specific procedures to manage this process is ongoing.

Monitoring of Risks

Türk Prysmian Kablo monitors climate-related risks and action plans through a multi-layered process involving different management levels:

- At the operational level, Sustainability Ambassadors track the progress of projects in the field.
- At the managerial level, the Sustainability Manager monitors key performance indicators (KPIs) such as GHG emission reduction amounts (tons of CO_2e), recycled material usage rates, and energy consumption on a monthly basis and reports to the Committee.
- At the Committee Level, the Sustainability Committee meets monthly to track progress toward targets and the current status of risks.
- At the Board of Directors Level, the Sustainability Manager ensures oversight at the highest level by submitting reports containing analyses and performance evaluations to the Board of Directors on a quarterly basis.

If any deviation in achieving the targets is detected, root causes are analyzed, corrective action plans are prepared, and the implementation of these plans is closely followed by the Sustainability Committee.

RISK MANAGEMENT

Changes in Processes Compared to the Previous Period

As this report belongs to the first reporting period prepared by Türk Prysmian Kablo within the framework of the Turkish Sustainability Reporting Standards (TSRS), there is no established process that can be compared to a previous reporting period. Therefore, the processes established for this period may be described not as a "change" but as the "establishment" of new, more comprehensive and structured processes to comply with the new standards. Unlike the previous mostly qualitative assessments, the most fundamental development in the processes established for this first reporting period is the adoption of a detailed quantitative scenario analysis to measure the potential financial impacts of risks and opportunities.

Management of Climate-Related Opportunities

Türk Prysmian Kablo manages climate-related opportunities in an integrated manner with risk management processes and integrated strategic planning.

1. **Identification:** Opportunities are identified by analyzing market dynamics, technological developments, and policy changes created by the transition to a low-carbon economy. In this process, the Company proactively identifies the potential magnitude and timing of the increase in demand it will create in markets such as renewable energy and electrification by using scenarios such as "Orderly" and "Disorderly Transition" from the Network for Greening the Financial System (NGFS).
2. **Assessment:** Each identified opportunity is analyzed in terms of potential impact magnitude (financial, operational, strategic) and probability of occurrence (short, medium, long-term).
3. **Prioritization:** Opportunities with the highest impact and probability (e.g., Renewable Energy Infrastructure Solutions and Electrification and Grid Modernization) are identified as strategic priorities and incorporated into R&D and business development roadmaps.
4. **Monitoring:** The performance of projects related to opportunities is tracked by the Sustainability Manager through key performance indicators such as revenue generated from sustainability-focused products, reviewed monthly by the Sustainability Committee, and progress recorded is reported to the Board of Directors on a quarterly basis.

Integration of Processes into the Overall Risk Management Process

Türk Prysmian Kablo is integrating its climate-related risk and opportunity management processes into the Company's overall Enterprise Risk Management (ERM) framework. This integration ensures that climate-related topics are addressed not as a separate category, but as a factor that horizontally cuts across all existing risk categories. The outputs of climate-related risk and opportunity assessments are presented as a primary input to the annual ERM process and are specifically linked to non-financial risk categories such as Operational Risk.

As of the reporting period, this integration has been established at a strategic level. However, specific procedures and risk assessment guidelines that provide a holistic framework for identifying, measuring, and managing climate-related risks have not yet been fully developed. The systematic integration of existing controls into the decision-making processes of all key functions, such as strategic planning, financial analysis, or investment evaluation, has not yet been fully achieved. The Company aims to develop more detailed implementation procedures by the end of 2026 to strengthen this integration.

Avoidance of Unnecessary Duplication

In line with the relevant principle of the TSRS 2 standard, Türk Prysmian Kablo has prepared its disclosures on climate-related risk and opportunity management processes in a manner that avoids unnecessary duplication under TSRS 1. Since the same integrated processes (identification, assessment, prioritization, monitoring) and the same governance mechanisms (Sustainability Committee) are used for all climate-related risks and opportunities (physical and transitional), the information presented in this section has been presented as a whole to reflect the Company's general approach, rather than being repeated for each risk or opportunity. This ensures that the disclosures are more understandable and consistent.

METRICS AND TARGETS

METRICS AND TARGETS

Türk Prysmian Kablo uses a holistic set of metrics and targets, aligned with Turkish Sustainability Reporting Standards (TSRS) 2, to measure, manage, and transparently present its performance regarding climate-related risks and opportunities to its stakeholders. Within this framework, the quantitative metrics presented are consistent with reasonable and supportable information based on the Company's own verifiable financial and operational records, such as audited sales records, insurance policies, and internal revenue records, which are used by management in its decision-making processes.

Metrics	Relevant Report Sections
Greenhouse Gas Emissions	Metrics and Targets > Greenhouse Gas (GHG) Emissions Metrics and Targets > Climate Strategy Targets and Details
Climate-Related Transition Risks	Strategy > Climate-Related Main Risks Strategy > Impacts and Assessment of Transition Risks Metrics and Targets > Financial Dimension of Climate-Related Risks and Opportunities
Climate-Related Physical Risks	Strategy > Climate-Related Main Risks Strategy > Impacts and Assessment of Physical Risks Metrics and Targets > Financial Dimension of Climate-Related Risks and Opportunities
Climate-Related Opportunities	Strategy > Climate-Related Main Opportunities Strategy > Assessment of Climate-Related Opportunities Metrics and Targets > Financial Dimension of Climate-Related Risks and Opportunities
Capital Allocation	Metrics and Targets > Climate-Focused Capital Allocation and Carbon Pricing
Internal Carbon Prices	Metrics and Targets > Climate-Focused Capital Allocation and Carbon Pricing
Remuneration	Governance > Sustainability and Climate-Related Targets, Trade-Offs, and Incentives Metrics and Targets > Governance, Methodology, and Assurance

Sector-Specific Metrics (SASB Standards)

Türk Prysmian Kablo discloses metrics relevant to its operations as referenced by the Sustainability Accounting Standards Board (SASB) for the "Electrical and Electronic Equipment" sector in which it operates. Summary results for the 2024 reporting period are presented in the tables below. Detailed information on the calculation methodologies for these metrics can be found in the "Supplementary Volume 49: Electrical and Electronic Equipment" section of the report.

Sustainability Disclosure Topics and Metrics (2024)

Topic	Metric	Code	Value
Energy Management	(1) Total energy consumed (2) Percentage of grid electricity (3) Percentage of renewable energy	RT-EE-130a.1	(1) 151,457 GJ (2) 100% (3) 100% (Electricity) / 72.8% (Total)
Product Life Cycle Management	Percentage of products containing declarable substances according to IEC 62474 based on revenue	RT-EE-410a.1	21.0%
Product Life Cycle Management	Percentage of eligible products with energy efficiency certification based on revenue	RT-EE-410a.2	72%
Product Life Cycle Management	Revenue generated from products related to renewable energy and energy efficiency	RT-EE-410a.3	TL 9,606,820,466.12

Activity Metrics (2024)

Activity Metric	Code	Value
Number of Units Produced by Product Category	RT-EE-000.A	Not disclosed[1]
Number of Employees	RT-EE-000.B	464

[1] Note: Production quantities were not disclosed by category during the relevant reporting period.

METRICS AND TARGETS

Greenhouse Gas (GHG) Emissions

The Company measures its greenhouse gas emissions in accordance with the GHG Protocol methodology. Scope 1 and Scope 2 emissions for 2024 are summarized in the table below.

Scope 1 and Scope 2 Greenhouse Gas Emissions (2024)

Emission Scope	Absolute Gross Emissions (tons of CO_2e)	Description
Scope 1 (Direct Emissions)	2,263	A significant portion of these emissions, released from sources under the Company's control, comes from natural gas used in production facilities and fuel consumed by company-owned vehicles.
Scope 2 (Indirect Emissions - Location-Based)	12,707	It reflects emissions arising from the production of electricity purchased from the national grid. This calculation has been made using the average emission factor of the grid in the geographical location (Türkiye) where the consumed electricity originated.
Scope 2 (Indirect Emissions - Market-Based)	0	It reflects the Company's choices regarding energy procurement. The entire 30,619 MWh of electricity consumed in 2024 was covered by internationally recognized Renewable Energy Certificates (I-REC) (H1: 15,331 MWh SOCAR REC, H2: 15,288 MWh AXPO REC). Therefore, the market-based Scope 2 emissions were calculated as zero.
TOTAL (Scope 1 + 2) - Location-Based	**14,970**	
TOTAL (Scope 1 + 2) - Market-Based	**2,263**	

Although there is a reduction target for Scope 3 at the Prysmian level, the calculation of emissions specific to the Türk Prysmian Kablo's value chain is ongoing. For this reason, quantitative data on Scope 3 emissions is not provided in this first reporting period, taking advantage of the temporary exemption provided by TSRS 2. As the Company's activities do not include asset management or commercial banking, there are no financed emissions to report under Category 15 (Investments).

Greenhouse Gas Emissions Inventory for 2024

The Company's greenhouse gas emissions for 2024 have been calculated in accordance with the GHG Protocol methodology by using the activity data and emission factors detailed below.

Scope	Emission Source	Data Source	Activity Data	Unit	Emission Factor and Source	Total Emissions (tCO_2e)
Scope 1	Natural Gas (Fixed Consumption)	Natural Gas Distribution Company Invoices	942,865	m^3	DEFRA 2022	1,901
Scope 1	Diesel (Mobile Consumption - Company Vehicles)	Fuel Purchase Invoices/ Receipts	130,263	liter	DEFRA 2022	334
Scope 1	LPG (Mobile Consumption - Forklifts, etc.)	Fuel Purchase Invoices/ Receipts	9,711	kg	DEFRA 2022	28
Scope 1	Refrigerant Gases (Fugitive Emissions)	Technical Maintenance Records	Below Reporting Threshold*	kg	DEFRA 2022	-
TOTAL SCOPE 1						**2,263**
Scope 2	Purchased Electricity (Location-Based)	Electricity Supply Company Invoices	30,619,813	kWh	DEFRA 2022 (Türkiye Grid Factor)	12,707
TOTAL (SCOPE 1 + 2)						**14,970**

** Indicates that the amount is below the reporting threshold due to its very small share in total emissions.*

METRICS AND TARGETS

Significant Judgments and Measurement Uncertainties

The preparation of this report required management to make certain assumptions and estimates in assessing climate-related risks, opportunities, and their potential financial impacts. This section aims to provide transparency to stakeholders regarding the significant judgments and measurement uncertainties underlying the report.

Significant Judgments

- **Identification and Financial Quantification of Risks and Opportunities:**
  - **Determination of Materiality Threshold:** A fundamental judgment has been made to classify the financial impact of a climate-related risk or opportunity as "material". Accordingly, a potential impact **exceeding 1% of** the Company's **equity,** an indicator reflecting its financial resilience, was determined as a quantitative materiality threshold. This judgment directly affects the focus of the analysis and the scope of the quantitative information reported.
  - **Calculation of Financial Impacts:** The financial impact ranges presented in the report for risks (revenue loss due to operational disruption, future carbon costs, etc.) and opportunities (additional revenue from the renewable energy market, etc.) contain significant estimates. For example, operational disruption scenarios are based on current average daily revenue data, while carbon pricing scenarios are based on assumptions about future potential tax rates and emission levels. These calculations reflect the management's judgment based on the best available information.
- **Greenhouse Gas (GHG) Emission Calculations:**
  - **Methodology and Emission Factors:** The decision to use the **GHG Protocol methodology** and internationally recognized **DEFRA 2022 emission factors** (including Türkiye-specific grid factors) in calculating Scope 1 and 2 emissions is a significant judgment. This choice is critical in terms of the comparability and reliability of the results.
  - **Measurement Uncertainty:** Although activity data (natural gas and electricity consumed, etc.) are measured with high accuracy, the emission factors used represent national or regional averages. This creates a statistical measurement uncertainty in the final emission figures. In addition, the non-disclosure of **Scope 3 emissions** in this initial reporting period due to ongoing calculation efforts is the result of a judgment based on current data maturity and methodological complexity.
- **Climate Scenario Analysis:**
  - **Scenario Selection:** The selection of **IPCC RCP 4.5 and 8.5** scenarios for physical risks and NGFS scenarios (Orderly Transition, Disorderly Transition, Hot House World) for transition risks and opportunities in the report's climate resilience analysis is a conscious judgment. This selection aims to test the Company's resilience across a broad spectrum, from scenarios aligned with the Paris Agreement targets to the most pessimistic pathways.
  - **Estimation and Uncertainty:** The results of the scenario analysis are not estimations, but **reasonable projections** for the future under certain assumptions. The conversion of high-level scenario narratives (e.g., Disorderly Transition) into concrete financial impacts (e.g., a specific carbon price or market share loss) involves significant assumptions and modeling. Therefore, the financial impact ranges presented for the short, medium, and long-term inherently involve a high degree of uncertainty and do not guarantee the Company's future absolute financial performance. These analyses are used as tools to inform strategic decision-making processes.

METRICS AND TARGETS

Financial Dimension of Climate-Related Risks and Opportunities

Transition Risk Exposure:

Policy Risk: Carbon Pricing and Emission Regulations (CBAM) The most significant policy risk is posed by the European Union's Carbon Border Adjustment Mechanism (CBAM), which directly affects 64% of the Company's 2024 export revenues. This percentage represents the proportion of business activities directly exposed to policy risks.

- **Potential Financial Impacts and Affected Financial Statement Items:** Carbon pricing mechanisms such as the CBAM will directly transform greenhouse gas emissions from production processes into a cost element. The most significant potential impacts of this situation on the financial statements will be seen in the **Cost of Sales** and **Gross Profit** items. Emission costs (carbon taxes or certificate purchase costs) will raise the **Cost of Sales** by directly increasing production costs. If this cost increase cannot be fully reflected in sales prices due to competitive market conditions, the **Gross Profit Margin** will shrink. Furthermore, mandatory decarbonization investments to be made to manage this risk will increase "Cash Outflows from Investment Activities" in the **Cash Flow Statement.**

Market Risk: Green Product Demand and Shifting Customer Expectations Approximately TL 4.7 billion, constituting about 33% of total revenue for 2024, comes from sales of products not yet classified as "sustainable". The rapid shift in market expectations towards sustainable products puts this segment at risk of losing market share in the long-term.

- **Potential Financial Impacts and Affected Financial Statement Items:** Changes in market expectations have the potential to have the most direct impact on the **Revenue** item. Declining demand for products that are not classified as sustainable may lead to a decrease in sales revenue for this product group. This situation may also necessitate the recognition of an impairment loss on the **Inventories** item for non-salable or depreciated products (due to a slowdown in inventory turnover and potential scrap costs). While **Research and Development Expenses** to be increased to eliminate this risk will affect profitability, a fundamental change in market demand may lead to the inefficiency of existing production lines and trigger impairment tests in the **Tangible Fixed Assets** item.

Physical Risk Exposure:

The Company's assets that are vulnerable to climate-related physical risks are concentrated in its facility in Mudanya, where its main production and R&D activities are carried out. The total insured value of the buildings, machinery, equipment, and inventory located at this facility is TL 4,237,070,160. This amount represents the size of assets exposed to acute physical risks such as extreme weather events and corresponds to approximately 77% of the Company's total assets.

- **Potential Financial Impacts and Affected Financial Statement Items:** Physical risks have the potential to impact financial statements in multiple ways, both through direct asset values and operational results:
- **Direct Asset Damage:** Extreme weather events (floods, storms, etc.) may cause physical damage to machinery, equipment, and buildings at the facility. This may lead to a decrease in the carrying value of the **Tangible Fixed Assets** item and may require the recognition of an "impairment loss" in accordance with TFRS (TMS 36). Similarly, damaged raw materials or finished goods create an impairment in the **Inventories** item, and this loss is reflected in the Cost of Sales or other operating expenses.
- **Operational Interruption:** Production downtime negatively impact the Revenue item by causing direct sales losses. Repair and cleaning costs increase "Cash Outflows from Operating Activities" in the **Cash Flow Statement.**
- **Cost Increases:** Chronic risks such as average temperature increases lead to higher energy consumption for cooling, directly increasing production costs and, consequently, **the Cost of Sales** item. Adaptation measures to be taken against these risks in the future (e.g., infrastructure reinforcement) may cause an increase in capital expenditure (CAPEX) in the **Tangible Fixed Assets** item and "Cash Outflows from Investing Activities".

METRICS AND TARGETS

Climate-Related Opportunities: The Company's business model is highly compatible with the opportunities offered by the transition to a low-carbon economy. Approximately TL 9.6 billion, representing 67% of total revenue for 2024, was generated directly from sustainability-focused products and projects such as renewable energy, electrification, and grid modernization. This high rate demonstrates how closely commercial success is intertwined with the capacity to capture climate opportunities.

Climate-Focused Capital Allocation and Carbon Pricing

Significant capital allocation was made in 2024 for climate-related risks and opportunities.

Investment Realized (R&D): To capitalize on market demand for green products, R&D expenditures of TL 15.6 million were made in 2024 for sustainable product development.

Planned Investments (CAPEX):

- **Mitigation:** To manage future carbon pricing risk, a total capital expenditure of EUR 750,000, or an average of EUR 150,000 per year (approximately TL 5.5 million), has been planned to be spent on decarbonization projects over the next 5 years.
- **Opportunity:** To capture growth opportunities in the renewable energy market, an investment of between EUR 150,000 and EUR 200,000 (approximately TL 5.5 million - TL 7.4 million) per year is anticipated for the modernization of relevant production lines.

Internal Carbon Pricing: As of the reporting period, there is no internal carbon price applied in investment decisions or other processes. This situation is also stated in the Company's Sustainability Principles Compliance Statement in its Annual Report 2024 as follows: "No incentive mechanisms, such as internal carbon pricing, have been established to mitigate the impacts of climate change." The establishment of such mechanisms is considered an area for future development.

Climate-Related Targets

Türk Prysmian Kablo's climate targets are based on adopting Prysmian's Science-Based Targets initiative (SBTi) approved global commitments and ensuring full compliance with legislation.

Progress towards these targets is regularly monitored by the Sustainability Committee. No changes have been made to the previously disclosed climate-related targets during the reporting period (2024).

Strategic Climate Targets and Priorities for 2025

Target Area	Metric / Target	2025 Target
Climate Change	Scope 1 & 2 emissions reduction rate (compared to 2019 base year)	-21%
Energy Management	Reduction rate in total energy consumption (compared to 2019 base year)	-12%
Circular Economy	Total recycled waste rate	>91%
Circular Economy	Reel recovery rate from customers	30%
Value Chain	Number of suppliers audited on sustainability topics	10 Suppliers

METRICS AND TARGETS

Climate Strategy Targets and Details

	Attribute and Purpose	Metric and Scope	Applicable Period and Interim Targets	Performance (2024)	Carbon Credit Usage
1. Target: Science-Based Greenhouse Gas Emission Reduction	These reduction targets, approved by SBTi and aligned with the Paris Agreement's 1.5°C goal, shape the Company's decarbonization roadmap.	The targets are absolute reduction targets covering Scope 1, 2, and 3 emissions. Progress is tracked by the percentage reduction in absolute emissions (tCO_2e) compared to the base year 2019.	• **2030 Interim Target:** 55-60% reduction in Scope 1 and 2 emissions, 28% reduction in Scope 3. • **2035 Net Zero Target:** Achieving net zero in Scope 1 and 2 emissions. This target will be achieved by reducing emissions by at least 90% in absolute terms and neutralizing the remaining residual emissions through high-quality carbon removal projects. • **2050 Net Zero Target:** Achieving net zero across the entire value chain (Scopes 1, 2, and 3).	A 19.65% reduction in Scope 1 and 2 emissions was achieved compared to the 2019 base year. There has been a steady downward trend in emissions since the base year, and the Company has made significant progress towards its 2025 interim target.	Short- and medium-term targets are planned to be achieved through direct reduction activities. The detailed strategy regarding carbon credits to be used for neutralizing residual emissions towards the 2035 Net Zero target will be developed as the target date approaches.
2. Target: Legal and Operational Excellence	These targets aim to indirectly reduce emissions by ensuring full compliance with legislation and increasing resource efficiency.	Legal compliance is monitored through ISO 14001 and ISO 50001 management systems, ensuring zero non-compliance issues identified in internal and external audits. Energy and waste targets are tracked through percentage reductions in total consumption and recycling rate, respectively.	The legal compliance target is perpetual, while other operational targets are valid until the end of 2025.	• **Legal Compliance:** No material non-compliance with environmental legislation has been recorded, and full compliance has been achieved. The Company consistently maintains this performance. • **Energy Management:** Significant savings in energy consumption have been achieved, demonstrating a positive trend towards the target and capturing a continuous downward trend. (In 2024, 1,737,992 kWh of electricity, 174,994 m^3 of natural gas, and 21,064 liters of diesel fuel were saved.) • **Waste Management:** The waste recovery rate was 91%, and performance remains close to the target and stable.	

METRICS AND TARGETS

Events After the Reporting Period

Following the reporting period ending December 31, 2024, no significant events occurred between then and the date of approval of this report, that could affect the information presented herein or require a correction to the financial statements.

Target Setting Approach and Scope

The reduction targets cover all gases defined by the GHG Protocol: Carbon Dioxide (CO_2), Methane (CH_2), Nitrous Oxide (N_2O), and fluorinated gases (HFCs, PFCs, SF_2, NF_2). The targets have been set according to the SBTi's Absolute Reduction Approach methodology, rather than a sectoral decarbonization approach.

Governance, Methodology, and Assurance

Climate-related performance has been integrated into the remuneration policies of senior executives. Sustainability metrics such as the Group Occupational Health and Safety (OHS) assessment report result, female employee hiring rate, polyethylene and copper recycling rates are included in the annual target scorecards of relevant managers, and success in these indicators directly impacts year-end performance bonuses and long-term incentive plans for eligible positions. In the current structure, as these metrics are part of a holistic target scorecard, a specific percentage allocated to them within bonuses is not separately identified and reported. In future periods, assigning a more direct and measurable financial weight to climate-related targets will be evaluated. Progress towards targets is reviewed monthly and quarterly by Sustainability Ambassadors at the operational level, by the Sustainability Manager at the managerial level, and by the Sustainability Committee at the strategic level, and reported to the Board of Directors.

The emissions inventory was prepared using the formula "Activity Data x Emission Factor". To the Company's knowledge, there is no different methodology mandated by local authorities. The calculations used auditable primary activity data such as 30,619,813 kWh of electricity, 942,865 m³ of natural gas, 130,263 liters of diesel and 9,710 kg of LPG consumption, along with internationally recognized DEFRA 2022 emission factors (including Türkiye-specific grid factor). As this is the first report prepared under TSRS, this comprehensive methodology presented here establishes a baseline for future periods. All reported emissions originate entirely from the operations of Türk Prysmian Kablo ve Sistemleri A.Ş., as there are no consolidated subsidiaries.

Progress towards local targets is planned to be verified by independent auditors starting from the next reporting period.

CALCULATION PRINCIPLES FOR METRICS

CALCULATION PRINCIPLES FOR METRICS

The information contained in this guide covers the fiscal year ended December 31, 2024, and the relevant operations at facilities under the responsibility of Türk Prysmian A.Ş. and its subsidiaries, as detailed in the "Key Definitions and Reporting Scope" section.

Subsidiaries:

- Türk Prysmian – Pyrsmian Powerlink DB.KAB. 19 Business Ordinary Partnership

General Reporting Principles

The following principles have been observed in preparing this guidance document:

- In the preparation of information- emphasizing the basic principles of relevance and reliability of the information for its users,
- In the reporting of information- emphasizing the principles of comparability/consistency of information to other data including the previous year, and principles of intelligibility/transparency that provide clarity to users.

Key Definitions and Reporting Scope

For the purpose of this report, the Company makes the following definitions:

Capital	Indicator	Scope
Environmental	Türk Prysmian A.Ş. and Subsidiaries Scope 1 Emissions (tCO_2e)	It represent the direct GHG emissions, expressed in tons of CO_2 equivalent, arising from stationary combustion sources at the specified locations of Türk Prysmian and its subsidiaries, tracked via invoices for natural gas consumption, and diesel and LPG consumption tracked via invoices, during the reporting period. The Company calculates GHG emissions according to the "Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004)". Biogenic emissions are not included in total Scope 1 emissions.
Environmental	Türk Prysmian A.Ş. and Subsidiaries Scope 2 Emissions - Market-Based (tCO_2e)	It represents the indirect GHG emissions, expressed in tons of CO_2 equivalent, arising from natural gas, diesel, LPG, and electricity consumption, tracked via invoices, of Türk Prysmian and its subsidiaries at the specified locations with the deduction of the amount of purchased renewable energy (I-REC), during the reporting period. The Company calculates GHG emissions according to the "Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004)".
Environmental	Türk Prysmian A.Ş. and Subsidiaries Scope 2 Emissions - Location-Based (tCO_2e)	It represents the indirect GHG emissions, expressed in tons of CO_2 equivalent, arising from electricity consumption tracked via invoices and imported natural gas and electricity consumption tracked via invoices, of Türk Prysmian and its subsidiaries at the specified locations, during the reporting period. The Company calculates GHG emissions according to the "Greenhouse Gas Protocol Corporate Accounting and Reporting Standards (GHG Protocol, 2004)".
Environmental	Total Energy Consumption (GJ)	It represents the value in Gigajoules (GJ), after conversion, of the consumption of energy sources constituting Scope 1 and Scope 2 as mentioned above, of Türk Prysmian and its subsidiaries at the specified locations during the reporting period.

CALCULATION PRINCIPLES FOR METRICS

Preparation of Data

1. Environmental Indicators

Total Energy Consumption (GJ)
Primary fuel sources consisting of natural gas, LPG, diesel, and electricity consumption within the scope of direct energy consumption of Türk Prysmian A.Ş. and its subsidiaries are reported.

Energy conversions used have been performed using the following calculations:

The references used in the calculation are listed in the table below:

Energy Source	Net Calorific Value	Unit	Reference
Natural Gas	35.88	GJ/m^3	DEFRA Fuel Properties 2022
LPG	45.94	GJ/ton	DEFRA Fuel Properties 2022
Diesel	42.88	GJ/ton	DEFRA Fuel Properties 2022

Scope 1 Greenhouse Gas Emissions (tCO_2e)
Scope 1 emissions have been calculated in accordance with the TSRS, using the operational control approach under the "GHG Protocol: Corporate Accounting and Reporting Standard".

Emissions were converted into CO_2 equivalents using conversion factors. The emission factors used are quoted from the UK Department for Environment, Food & Rural Affairs (DEFRA) Guidance (2022). Global Warming Potential (GWP) coefficients have been taken from the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report.

Formula:
Emission Amount (tCO_2e) = Activity Data (lt-m^3-ton) * Emission Factor (CO_2-CH_4-N_2O) (Kg/TJ)

The energy sources constituting Scope 1 are natural gas consumption and LPG and diesel usage.

Natural gas:
Natural gas consumption is tracked in m^3 using invoices provided by service providers at the respective locations of consumption.

Diesel:
It is used for mobile consumption and refueling company vehicles and tracked via fuel purchase invoices/receipts.

LPG:
It is used to refuel forklifts and company vehicles within the facility and tracked via fuel purchase invoices/receipts.

Emission Source – Scope 1	CO_2 (M^3/TCO_2)	Reference
Natural gas (stationary combustion)	2.02	DEFRA Fuel Properties 2022
LPG	2939.29 (ton/ton)	DEFRA Fuel Properties 2022
Diesel	3208.76 (ton/ton)	DEFRA Fuel Properties 2022

CALCULATION PRINCIPLES FOR METRICS

Scope 2 Greenhouse Gas Emissions (tCO_2e)
Scope 2 emissions have been calculated in accordance with the TSRS, using the operational control approach under the "GHG Protocol: Corporate Accounting and Reporting Standard".

The emission factors used have been quoted from the UK Department for Environment, Food & Rural Affairs (DEFRA) Guidance (2022), and Global Warming Potential (GWP) coefficients have been taken from the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report.

Formula:
Emission Amount (tCO_2e) = Activity Data (kWh-h) * Emission Factor (CO_2-CH_4-N_2O) (Kg/TJ)

The energy sources constituting Scope 2 include electricity consumption. These calculations are carried out according to the following formulations:

Electricity:
Electricity consumption is tracked in kWh using invoices provided by service providers at the respective locations of consumption.

Emission Source – Scope 2	Emission Factor (tCO_2e/MWh)	Reference
Türkiye's Electrical Energy (Grid Source)	0.415	Terna "Confronti Internazionali 2020"- data 2019

Significant Judgments and Measurement Uncertainties
The process of identifying the Company's financially material risks and opportunities related to sustainability and determining material information to be reported is based on estimates and forward-looking information that include short-, medium-, and long-term expectations regarding Total Assets and Period Profit, which are important performance indicators for the sector. However, these assessments require the use of estimates for certain amounts that cannot be directly measured. Assumptions regarding operational limits and emissions calculations are provided under the heading "Calculation of Financial Impacts," while information on metrics is explained on pages 37-43 of this Report.

The Company uses transition and global climate scenarios (IPCC, SSP1-2.6, SSP5-4.5-8.5 RCP, and NGFS) to estimate the financial and physical impacts of its sustainability-related risks and opportunities. These scenarios contain uncertainties regarding how climate change will affect the frequency and intensity of climate events that the Company may encounter, including the impact of transition risks and increases/decreases in greenhouse gas emissions. These uncertainties stem from variability in climate projections and from potential unexpected changes in the behavior of natural and abnormal weather events due to changing weather patterns and evolving climate conditions.

The changes in the financial performance of the Company that may be affected by the transition to a lower-carbon economy mechanism and the additional financial obligations that may arise within the scope of this mechanism, as described on pages 35-41 of this Report, are based on estimates and forward-looking information encompassing short-, medium-, and long-term expectations.

The calculation steps of the financial impacts of global warming and the potential changes in the Company's financial performance resulting from these impacts, as described on pages 17-28 of this Report, are based on estimates and forward-looking information encompassing short, medium, and long-term expectations.

Re-Statement of Opinion
The measurement and reporting of validated data inevitably involves a degree of estimation. A re-statement may be considered if there is a change of more than 5% in the data at the group level.

TSRS 2 SUPPLEMENTARY VOLUME 49 - ELECTRICAL AND ELECTRONIC EQUIPMENT

49 Sustainability Disclosure Topics and Metrics

TSRS 2 SUPPLEMENTARY VOLUME 49 - ELECTRICAL AND ELECTRONIC EQUIPMENT

Sustainability Disclosure Topics and Metrics

Table 1. Sustainability Disclosure Topics and Metrics

TOPIC	METRIC	CATEGORY	MEASUREMENT UNIT	CODE	PRYSMIAN KABLO'S RESPONSE
Energy management	(1) Total energy consumed, (2) percentage of grid electricity and (3) percentage of renewable energy	Quantitative	Gigajoule (GJ), Percentage (%)	RT-EE-130a.1	Türk Prysmian Kablo's net electricity consumption from the grid in 2024 was 30,619,813 kWh. All of this consumption (100%) has been certified with internationally valid Renewable Energy Certificates (I-REC). The calculations for this metric are as follows: (1) Total energy consumed: The Company's total energy consumption in 2024 includes electricity, natural gas, diesel, and LPG consumptions. The total of these consumptions converted to GJ is 151,457 GJ. (2) Percentage of grid electricity: The Company's electricity consumption in 2024 was entirely supplied from the national grid. (3) Percentage of renewable energy: Since all purchased electricity is covered by I-REC certificates, the percentage of renewable energy in total electricity consumption is 100%. When natural gas and other fossil fuels are included, the percentage of renewable energy in total energy consumption is approximately 72.8%.
Product Life Cycle Management	Percentage of products containing declarable substances according to IEC 62474 based on revenue[84]	Quantitative	Percentage based on revenue (%)	RT-EE-410a.1As	As of 2024, Prysmian has included the list of Substances of Very High Concern (SVHC) updated by the European Chemicals Agency (ECHA) in its analysis processes. It was stated that this update had significant implications for the entire cable industry, and its effect were observed in revenue compliance rates as well. The revenue compliance rate, which was 28.8% in 2023, decreased to 21.0% in 2024, and one of the main reasons for this decline was the efforts to comply with the updates in the SVHC list. The Company continues its environmentally friendly product development efforts by making changes to product specifications. In this scope, products that are more environmentally friendly and recyclable are being designed using halogen-free materials, aiming to develop products according to criteria such as carbon footprint, recyclability, and non-toxic substances. This approach is being carried out in line with the "Design for Sustainability" strategy. Prysmian applies a KPI called "Share of revenues linked to Sustainable Products" to measure the proportion of revenue from sustainable products. As of 2024, this KPI value was 72%. Revenue from renewable energy projects and products with the E-Path label, in particular, constitutes approximately 67% of total revenue. E-Path is a classification system developed by the Company that includes strict sustainability criteria. However, this KPI does not directly cover declarable substances according to the IEC 62474 standard but focuses more on general sustainable product revenues. The Company has integrated the Prysmian Health, Safety, Environment, and Energy Policy into its processes to identify, monitor, and reduce environmental impacts. Tracking carbon emissions and energy management are carried out under this policy. In addition, the rate of facilities certified with the ISO 14001 Environmental Management System is 100%.

[84]*Note for RT-EE-410a.1 – The disclosure includes a discussion of the approach to managing the use of IEC 62474 declarable substances.*

TSRS 2 SUPPLEMENTARY VOLUME 49 - ELECTRICAL AND ELECTRONIC EQUIPMENT

TOPIC	METRIC	CATEGORY	MEASUREMENT UNIT	CODE	PRYSMIAN KABLO'S RESPONSE
Product Life Cycle Management	Percentage of eligible products with energy efficiency certification based on revenue	Quantitative	Percentage based on revenue (%)	RT-EE-410a.2	For 2024, Türk Prysmian Kablo's KPI value for "Share of revenues linked to Sustainable Products" was 72%. E-Path is a classification system developed by Prysmian that includes strict sustainability criteria, with scoring criteria including elements such as recycled input rate and recyclability potential. It is stated that Prysmian products are designed with criteria such as carbon footprint, recyclability, and non-toxic substances, and this approach is carried out within the framework of the "Design for Sustainability" strategy. Additionally, it is stated that power transmission and distribution cables inherently increase energy efficiency.
	Revenue generated from products related to renewable energy and energy efficiency	Quantitative	Reporting currency	RT-EE-410a.3	As of 2024, Türk Prysmian Kablo's total revenue was TL 14,323,612,636. Approximately 67% of this revenue was obtained directly from renewable energy projects and products with the E-Path label. Accordingly, for 2024, the revenue from products related to renewable energy and energy efficiency has been calculated as approximately TL 9,606,820,466.12 in the reporting currency. E-Path, developed by Prysmian, is a classification system that includes strict sustainability criteria. Products with the E-Path label constitute a significant portion of the Company's total sustainable product revenue, and this ratio was approximately 65% of the total KPI in 2024. Products within the E-Path scope are designed considering criteria such as carbon footprint, recyclability, and non-toxic substances, following the "Design for Sustainability" approach. Furthermore, it is stated that power transmission and distribution cables reduce power losses by replacing aging systems and increase energy efficiency by connecting renewable energy capacity to the grid. Türk Prysmian Kablo's overall "Share of revenues linked to Sustainable Products" KPI was 72.0% for 2024. This ratio reflects the share of revenue from renewable energy projects and E-Path labeled products under a broader sustainability umbrella. At the group level, Prysmian's "Share of revenues linked to Sustainable Products" for 2024 was reported as 43.1%. This indicates that Türk Prysmian Kablo has a higher performance compared to the group average.

ACTIVITY METRIC	CATEGORY	MEASUREMENT UNIT	CODE	PRYSMIAN KABLO'S RESPONSE
Number of units produced by product category[85]	Quantitative	Number	RT-EE-000.A	
Number of Employees	Quantitative	Number	RT-EE-000.B	Prysmian has over 33,000 employees worldwide. Specifically for Türk Prysmian Kablo ve Sistemleri A.Ş., the total number of employees as of December 31, 2024, was 464. This number was recorded as 440 as of December 31, 2023. As of 2024, 422 of the employees are management/deskbound staff, and 42 are non-deskbound.

[85]*Note for RT-EE-000.A – Production is reported as the number of units produced by relevant product category, including power generation, power distribution and lighting, and indoor climate control electronics.*