AKÇANSA ÇİMENTO SANAYİ VE TİCARET A.Ş.

2025 CDP Corporate Questionnaire

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:
☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:
☑ TRY

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:
☑ Publicly traded organization

(1.3.3) Description of organization

Akçansa commenced its operations in 1996 through the merger of Akçimento and Çanakkale Cement. As a joint venture between Sabancı Holding and Heidelberg Materials, Akçansa is one of Turkey's leading cement producers. The company is listed on Borsa Istanbul, with 39.72% of its shares owned by Hacı Ömer Sabancı Holding A.Ş., another 39.72% by Heidelberg Materials, and the remaining 20.56% publicly traded. Operating across the Marmara, Aegean, and Black Sea regions, Akçansa produces cement and clinker at its three integrated production facilities located in Büyükçekmece (Istanbul), Çanakkale, and Ladik (Samsun). The company also owns two ports and four cement terminals in Çanakkale, Ambarlı (Istanbul), Aliağa (Izmir), and Yalova. Under the Betonsa brand, Akçansa operates 26 ready-mixed concrete plants, and under the Agregasa brand, it runs 3 aggregate facilities. With a commitment to delivering "the highest quality in production and service," Akçansa focuses on offering value beyond price competition, addressing the needs of both domestic and international customers. Known for its environmentally friendly approach, innovative and sustainable products, advanced technology, and superior service, Akçansa aligns its production with global quality standards and is recognized by the Istanbul Chamber of Industry (ISO). Guided by its vision of "Being the sustainable building materials company with the highest stakeholder value in Turkey," Akçansa integrates sustainability and stakeholder engagement at the core of its business strategy. This journey began in 2009 with the establishment of its Sustainability Committee and the formulation of its 2020 Sustainability Goals. The company continues to pursue its mission of becoming a leading building materials company by enhancing quality of life through a culture grounded in environmental, legal, and ethical values. Furthermore, Akçansa is a member of the United Nations Global Compact (UNGC), Integrated Reporting Türkiye (ERTA), signatory of a UNGC initiative CEO Water Mandate, and member of the UN Women's Empowerment Principles and the World Business Council for Sustainable Development (WBCSD) Turkey. Since 2013, it has been disclosing its environmental performance through the CDP Climate Change and Water Security programs.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:
☑ Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:
☑ Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:
☑ 2 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:
☑ 2 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:
☑ 1 year
[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

21614189000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

AKCNS

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Turkey

(1.12) Which part of the concrete value chain does your organization operate in?

Select all that apply

☑ Blended cement manufacturing

☑ Clinker production

☑ Portland cement

☑ Alternative 'low CO2' cementitious materials production

☑ Limestone quarrying

☑ Concrete production

☑ Aggregates production

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 4+ suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ All supplier tiers known have been mapped

(1.24.7) Description of mapping process and coverage

Akçansa considers environmental and ethical standards a top priority in its supply chain. It expects suppliers to adopt responsible sourcing practices, monitor and manage carbon emissions and pollutants, use eco-friendly production and distribution methods, and prioritize energy and resource efficiency. Suppliers are also required to handle hazardous waste according to international standards and prevent chemical releases into the environment. Supplier selection is based on environmental management, quality, occupational health and safety, and HR practices. Akçansa regularly evaluates suppliers through a detailed scoring system and ensures alignment with ESG (Environmental, Social, and Governance) principles via its Sustainable Supply Chain Policy. In 2024, Akçansa audited 80 suppliers, all of whom met ESG criteria. By 2030, Akçansa aims to assess 100% of its critical suppliers globally. Non-compliant suppliers have up to 12 months to take corrective actions, after which the partnership may be reassessed. Secure reporting channels are available for suppliers to report issues. The company supports local sourcing by working with subcontractors and cooperatives in Çanakkale, Büyükçekmece, and Ladik. As of 2024, 96% of suppliers are local. That same year, Akçansa delivered 27,531 hours of health and safety training to its suppliers. Akçansa also collects carbon emission data from the entire supply chain and validate its Scope 3 emissions. Akçansa integrates sustainability into every step of its entire supply chain, establishes responsible resource management and minimizes ecological footprint via its Life-Cycle Assessment, which covers all operational stages from raw material extraction to production and end-of-life management. This assessment approach determines environmental impacts such as emissions and waste, while also highlighting reduction measures, such as innovation, recycling, and energy efficiency. To support SMEs, Akçansa offers the Supplier Financing System (TFS), which allows early invoice payments through banks, helping suppliers improve cash flow and operational efficiency.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:
☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply
☑ Upstream value chain
☑ Downstream value chain
☑ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply
☑ Preparation for reuse
☑ Recycling
☑ Waste to Energy
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Akçansa's short-term strategic plan spans a five-year period and is updated as necessary. It addresses potential changes in operational costs, stress tests, risk analyses and supply processes over the short term. The primary objectives during this period are to increase sustainability-focused investments and to advance energy efficiency initiatives.

Medium-term

(2.1.1) From (years)

5

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Medium-term plans span a period of five to ten years and are developed in alignment with our five-year Master Plans. Scenario analyses have been conducted for the short- to medium-term horizon, focusing on 2030. As demand for low-carbon products and services is expected to grow, the market for these products represents a significant opportunity in the medium term (up to 2030). During this period, we plan to enhance revenue diversification by expanding our portfolio of sustainable products and services and to promote sustainable business models throughout the company. In 2024, building upon key references such as the "Low-Carbon Roadmap for the Turkish Cement Sector" prepared by the Ministry of Industry and Technology of the Republic of Türkiye and the European Bank for Reconstruction and Development, and the "Cement and Concrete Industry Roadmap for Net Zero Concrete by 2050" published by the Global Cement and Concrete Association (GCCA), we continued to advance with determination in combating climate change through our innovative process and product solutions. Our major shareholders, Sabancı Holding and Heidelberg Materials, have committed to achieving Net Zero by 2050. At Akçansa, we align with these ambitions and continue our efforts to contribute to limiting global temperature rise to 1.5°C, in line with the Paris Climate Agreement.

Long-term

(2.1.1) From (years)

10

(2.1.2) Is your long-term time horizon open ended?

Select from:
☑ No

(2.1.3) To (years)

30

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Akçansa defines a long-term horizon as a period exceeding ten years, guided by a 10-year Master Plan. In its climate change strategy, the company identifies 2030 and 2050 as key milestone years and sets targets accordingly. The year 2030 aligns with the United Nations Sustainable Development Goals (SDGs), while 2050 represents a critical target under the Paris Agreement. Akçansa is committed to ensuring that its strategies are consistent with these global frameworks. Furthermore, both of our shareholders, Sabancı Holding and Heidelberg Materials, have established climate-related targets for 2050. In line with the International Energy Agency's Low-Carbon Technology Roadmap for the Cement Industry, as well as the GCCA and CEMBUREAU roadmaps, our long-term perspective extends to 2050. This horizon allows us both to monitor global and sector-specific long-term risks and to explore opportunities arising from innovative technologies.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:*	*Select from:* ☑ Yes

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
		☑ Both risks and opportunities	

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ End of life management

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers
☑ Tier 4+ suppliers

(2.2.2.7) Type of assessment

Select from:
☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:
☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply
☑ Short-term
☑ Medium-term
☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:
☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply
☑ Site-specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools
☑ TNFD – Taskforce on Nature-related Financial Disclosures
☑ WRI Aqueduct
☑ WWF Water Risk Filter

Enterprise Risk Management
☑ Enterprise Risk Management
☑ Internal company methods
☑ Risk models
☑ Stress tests

International methodologies and standards
☑ Environmental Impact Assessment
☑ IPCC Climate Change Projections
☑ ISO 14001 Environmental Management Standard
☑ Life Cycle Assessment

☑ Other international methodologies and standards, please specify :GHG Protocol, ISO 14064, CEO Water Mandate

Databases

☑ Regional government databases

☑ Other databases, please specify :IEA CO2 Emissions from Fuel Combustion IPCC Guidelines for National Greenhouse Gas Inventories, 2006 WBCSD Cement Protocol GCCA Sustainability Framework Guidelines, Internal monitoring system

Other

☑ External consultants

☑ Internal company methods

☑ Materiality assessment

☑ Scenario analysis

☑ Other, please specify :Heidelberg Materials Risk Management Guide, Sabancı Holding Compliance Report

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Tornado

☑ Landslide

☑ Wildfires

☑ Heat waves

☑ Pollution incident

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Water stress

☑ Sea level rise

☑ Groundwater depletion

☑ Temperature variability

☑ Water availability at a basin/catchment level

☑ Changing temperature (air, freshwater, marine water)

Policy

☑ Carbon pricing mechanisms

☑ Mandatory water efficiency, conservation, recycling, or process standards

☑ Other policy, please specify :Su Tahsis Planları

Market

☑ Availability and/or increased cost of certified sustainable material

☑ Availability and/or increased cost of raw materials

☑ Inadequate access to water, sanitation, and hygiene services (WASH)

Reputation

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

☑ Other technology, please specify :“The high investment cost required for technology transformation” and “The failure to complete technology investments planned with a focus on sustainability with the expected performance”

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

☑ Water utilities at a local level

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

At Akçansa, we manage risks through a corporate methodology based on international standards and best practices. Our enterprise risk management framework takes a holistic view, addressing environmental, social, governance, operational, strategic, financial, and compliance risks. In line with Article 378 of the Turkish Commercial Code, a Risk Early Detection Committee ensures that risks affecting business continuity and growth are managed within our defined risk appetite. We use structured processes to identify, assess, and prioritize risks, define mitigation measures, and monitor outcomes. Corporate reporting adopts an integrated ESG approach, covering low-carbon transition, environmental performance, resource efficiency, investor relations, gender equality, and our people-oriented management culture. The Sustainability Committee ensures sustainability is embedded into decision-making. As a TCFD signatory, we integrate climate-related and ESG risks into risk management, business continuity, and crisis management. We actively engage in initiatives such as TÜSİAD and Türkçimento and contribute to legislative processes, including the Green Taxonomy and the Emissions Trading System. Our strategy focuses on modernization, energy efficiency, and digitalization to support net-zero goals. Emissions are calculated annually in line with the GHG Protocol (Scopes 1, 2, 3) and verified by accredited third parties. Water-related risks form a key part of our ESG portfolio. The Board of Directors holds ultimate responsibility, while risks are identified and monitored by operational, environmental, and sustainability teams. Scenario analyses aligned with TCFD recommendations guide our water strategy, supported by Water Management Plans covering factories representing 85% of total water use. Digital systems track consumption and leakages, and closed-loop cooling systems achieved an 82% recovery rate in 2023. Around 81,000 m³ of stormwater is collected and reused annually. We also ensure rehabilitation activities comply with EIA requirements and apply sustainability standards across our supply chain. Raw materials such as limestone and clay are responsibly sourced, supported by digital solutions like the E-Quarry Application for real-time monitoring and efficiency. As Akçansa, we became the first company in Türkiye’s construction materials sector to sign the CEO Water Mandate, an initiative of the United Nations Global Compact (UNGC). Through this commitment, we strive to pioneer water management practices within our industry and sphere of influence. We conducted a quantitative risk assessment using the Munich Re Location Risk Intelligence tool. Based on analyses under RCP 2.6, 4.5, and 8.5 scenarios across different time horizons, the assessment revealed that 25% of our facilities face a medium-to-high risk of flooding in the long term. The activities have been reviewed and assessed annually.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Our sector is particularly exposed to risks and impacts related to nature, which create financial vulnerabilities due to its inherent dependencies. The complex interplay between reliance on natural resources and environmental impacts over time can generate significant uncertainties for our operations, particularly in terms of earnings and cash flows. These dynamics translate into a broad spectrum of financial risks, including market, credit, and liquidity risks. At the micro level, such risks manifest as environmental disruptions that increase production costs unexpectedly, uncertainties within the supply chain, fluctuations in profitability and asset valuations, and a growing number of lawsuits arising from environmental regulations. At the macro level, factors such as shifts in construction demand, volatility in fuel prices, and rising raw material costs become prominent. While these environmental factors present notable risks, they also offer opportunities for our sector. At Akçansa, through our sustainability-driven strategies and more resilient supply chain structures, we not only safeguard asset values but also create new avenues for growth. In parallel, we integrate the effective management of climate change-related risks into our governance, strategy, and risk management frameworks.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas important for biodiversity

☑ Areas of limited water availability, flooding, and/or poor quality of water

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

In 2023, we conducted studies to identify priority areas of activity, with a particular focus on regions sensitive to biodiversity and those experiencing significant water stress. Within the scope of water management, we employed the World Resources Institute's (WRI) Aqueduct Water Risk Atlas to determine high-risk areas, thereby ensuring that water-stressed regions across our value chain were given precedence. In the field of biodiversity, we relied on the standards of the International Union for Conservation of Nature (IUCN) and international agreements such as the Convention on Biological Diversity to evaluate and prioritize ecologically vulnerable regions. We utilize the WWF Water Risk Filter to assess and manage water-related risks across our operations. The projections used in our scenario analysis are based on a hybrid approach that combines local high-resolution CORDEX models with global CMIP5 models. For the reference period, data sources included Munich Re model data for tropical cyclones and river floods, as well as ERA5 ECMWF atmospheric reanalysis data for heat stress, precipitation stress, and fire stress. We conducted a quantitative risk assessment using the Munich Re Location Risk Intelligence tool. Based on analyses under RCP 2.6, 4.5, and 8.5 scenarios across different time horizons, the assessment revealed that 25% of our facilities face a medium-to-high risk of flooding in the long term.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

Akcansa_Locate and Evaluate_Final.pdf
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Akçansa manages its risks in alignment with the risk management procedures and guidelines of both Sabancı Holding and Heidelberg Materials. Corporate-level and asset-level risks are assessed across multiple categories, including financial, operational, system/process, customer, supplier, employee, reputational, and compliance risks. Critical risks—those with substantive financial or strategic impacts—are defined as risks with the potential to undermine the overall business. At the corporate level, substantive risks are determined both quantitatively and qualitatively. Quantitatively, they are defined as risks exceeding USD 500,000 or TRY 17,610,000 annually (based on the indicative average exchange rate of 35.22 USD/TRY announced by the Central Bank of Türkiye on December 31, 2024). Qualitatively, they are defined as risks that threaten our core business model and business continuity. These risks are evaluated within the respective risk categories and calculated using our Risk Assessment Methodology.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

At Akçansa, we actively engage in national, international, and industry-led initiatives aimed at mitigating and adapting to climate change. In doing so, we develop practices and foster collaborations that enhance performance while leveraging the opportunities presented by the transition to a low-carbon economy. Where appropriate and feasible in the short term, potential opportunities are incorporated into our regular planning processes and continuously monitored through our operational activities. Business opportunities are systematically identified and integrated into our strategy and planning processes. By opportunities, we refer to potential future developments or events that may result in a positive deviation from our forecasts.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:
☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

Potential pollutants have been identified within the framework of Türkiye's Water Pollution Control Regulation. This regulation establishes the legal and technical principles required to prevent water pollution in line with sustainable development objectives, with the aim of protecting the country's underground and surface water resources and ensuring their efficient use. The principles of wastewater discharge are defined under two main categories—discharges into sewerage systems and discharges into receiving water bodies—both of which are regulated through environmental permitting and audit procedures. The reuse of wastewater is also recognized as a fundamental requirement. In all cases, wastewater to be discharged must comply with the limit values set out in the annex tables of the regulation. The cement sector is classified as a quarry-dependent industry under this regulation. Accordingly, Table 7.5 of the Industrial Wastewater Sectoral Limits specifies thresholds for parameters such as Suspended Solids (SS), pH, Color (Pt-Co), Oil and Grease, and Chromium VI. For specific cases, such as plants utilizing coal, additional limits apply under Table 9.3, including Cyanide. Vehicle washing systems and run-off water collection fall under Table 20.3, which also requires compliance with fish bioassay (ZSF) testing. Where water conditioning is applied, Chlorine and Ferrous parameters, as defined in Table 20.7, must be monitored. For domestic wastewater, which applies broadly across all sectors, Table 20.1 sets limits for Suspended Solids (SS), Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), pH, and temperature.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:
☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Inorganic pollutants primarily consist of heavy metals, which are toxic or hazardous even at low concentrations. Even in small amounts, they can cause significant harm to receiving habitats. Key parameters monitored in this context include, for example, ferrous and Chromium VI.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

☑ Beyond compliance with regulatory requirements

☑ Implementation of integrated solid waste management systems

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Reduction or phase out of hazardous substances

(2.5.1.5) Please explain

The continuous monitoring of heavy metals such as Ferrous (Fe), Chromium (Cr VI), and Cyanide (CN) ensures the early identification of potential toxic discharges and enables mitigation before they reach harmful levels. By adhering to regulatory guidelines and conducting regular water quality assessments, we effectively prevent contamination of aquatic ecosystems. Performance is measured by the consistent absence of regulatory exceedances, with all water discharge analyses indicating full compliance throughout the reporting year.

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Other nutrients and oxygen demanding pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Wastewater from sewage treatment plants often contain organic matter that is decomposed by microorganisms, which consume oxygen during the process. The U.S. Environmental Protection Agency (EPA) measures oxygen in its dissolved form, referred to as dissolved oxygen (DO). When oxygen consumption exceeds oxygen production, DO levels decrease, leading to conditions where sensitive aquatic species may migrate, weaken, or die. Accordingly, two key parameters—Biological Oxygen Demand (BOD) and Chemical Oxygen Demand (COD)—are critical for monitoring oxidants and associated bacterial activity to assess the potential impacts of wastewater.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Industrial and chemical accidents prevention, preparedness, and response

☑ Water recycling

(2.5.1.5) Please explain

The regular monitoring of Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and Total Suspended Solids (TSS) ensures the effective management of oxygen-demanding pollutants, thereby preventing adverse impacts on aquatic ecosystems, such as oxygen depletion. Performance is assessed based on compliance with Turkish regulatory limits for all discharges. Additionally, year-over-year reductions in BOD, COD, and TSS levels are tracked as indicators of enhanced water treatment performance. No regulatory exceedances were reported during the past year.

Row 3

(2.5.1.1) Water pollutant category

Select from:

☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

When oil enters a body of water, it forms a surface film that blocks sunlight, which is essential for the survival of aquatic plants and organisms (EPA). Additionally, oil can be ecotoxic, making it important to monitor in wastewater discharges, particularly from primary treatment plants. At our facilities, discharged wastewater is managed through three treatment scopes. The first involves physical treatment systems, which remove oil from wastewater through screening, sedimentation by gravity, and flotation methods that exploit density differences.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

Continuous maintenance to prevent oil leaks, combined with regular monitoring of oil content in water discharges, minimizes the risk of oil-related pollution. Upgrading process equipment ensures that discharges remain compliant and prevents ecological harm caused by oil films on water surfaces. Performance is assessed based on adherence to regulatory standards and the absence of exceedances in oil concentration levels. No exceedances were recorded during the reporting year.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

Within our risk management approach, we have assessed our environmental risks including risks related to plastics. Since we are not involved in plastics production or usage for production purposes, we are only dealing with plastics during purchased goods that have plastic packaging Which of them are recycled by third-party waste management companies within our value chain. Thus, there are no significant risks identified associated with plastics.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

The frequency and intensity of extreme weather events are increasing in the regions. Particularly, floods and inundations caused by excessive rainfall can disrupt the operations of facilities temporarily or long-term. According to climate projections, the frequency and intensity of these events are expected to increase even further in the coming years. Analyses conducted in 2022 using the Munich Re Location Risk Intelligence tool indicate that, in the long term, 25% of Akçansa facilities are at medium to high risk.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Acute physical climate-related risks, such as extreme weather events and flooding, pose significant threats to Akçansa's financial stability in the long term. If these events continue to increase in frequency and severity, they may cause temporary or long-term disruptions in production and operations across Akçansa's facilities, including production plants, terminals/ports, ready-mixed concrete, and aggregates facilities. Such disruptions could lead to lower production output, directly impacting revenue generation and financial performance. In terms of financial position, the company could face substantial costs related to repairing physical damages to facilities and assets caused by extreme weather events. These expenses may put pressure on Akçansa's profitability, particularly if multiple facilities are affected simultaneously or if such events occur more frequently than anticipated. Furthermore, reduced production output and potential damage to infrastructure may result in lower revenue and decreased margins, negatively affecting the company's overall financial performance. Regarding cash flows, the company may experience increased outflows related to repair, maintenance, and operational costs to restore disrupted facilities. There may also be additional capital expenditures required to enhance the resilience of infrastructure against future extreme weather events, which could further strain cash reserves or necessitate additional financing. If production disruptions lead to prolonged downtime, Akçansa could face significant working capital challenges, as fixed costs would continue despite reduced operational output. In the long term, sustained or recurring disruptions may necessitate strategic changes in supply chain management, insurance premiums, and risk management expenses, all of which could impact Akçansa's financial condition.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

23000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

29000000

(3.1.1.25) Explanation of financial effect figure

We have conducted a location-based climate risk assessment, including flood risks such as river flood, flash flood, storm surge risks, and other floods resulting from extreme precipitation and other extreme climate events. Based on the location risk intelligence report, which was the output of the analysis conducted using the Munich Re Location Risk Intelligence tool, and considering RCP 2.6, 4.5, and 8.5 scenarios across different time horizons, we have identified the highest-risk locations during cost estimation. While estimating the potential financial impact of these risks, we evaluated costs including the duration required to restore the plant to pre-incident production levels and the associated production losses. Calculations of financial affect figures deriving from the flooding risk have been made based on 2024 revenue of Akçansa.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Increase insurance coverage

(3.1.1.27) Cost of response to risk

44104288

(3.1.1.28) Explanation of cost calculation

Based on the analyses conducted using the Munich Re Location Risk Intelligence tool, it has been determined that the potential financial impacts range between 0.11% and 0.13% of Akçansa's revenue. In the modeling conducted under RCP 2.6, 4.5, and 8.5 scenarios, the facilities with the highest risk have been identified, and financial impact calculations have been performed. These calculations take into account the time required for the facilities to return to their pre-event production levels and the associated production losses.

(3.1.1.29) Description of response

A Business Continuity Management System has been established, and crisis management processes have been defined. Insurance policies have been updated, and emergency plans have been developed for high-risk facilities. Our insurance expenses are reflected in the financial statements under the category of other expenses from operating activities in our 2024 Integrated Annual Report.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Drought

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify :Marmara Basin

(3.1.1.9) Organization-specific description of risk

According to our climate projections and scenario analyses, the Marmara Basin is under moderate drought stress in the short term and high to extreme drought stress in the long term. Additionally, the Marmara Basin is experiencing high water stress. The levels of drought and water stress may lead to inadequate water supply, posing a significant risk of water scarcity for our Büyükçekmece Factory. Inability to meet our water demand with current methods will lead to increased operating costs as we will need to find alternative water sources. Furthermore, the North Aegean region, where our Çanakkale factory is located, is also highlighted as a risky area

in terms of water stress and drought. Currently, the absence of water costs in our Çanakkale and Ladik factories may lead to additional costs in the future due to potential pricing in these regions.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The potential cost increases that Akçansa may face in the future have been calculated in comparison to the current baseline scenario (by comparing future volumes with 2022 prices). Accordingly, a significant increase in water costs is expected in Çanakkale. Since there is already a payment for water usage in Büyükçekmece, it is anticipated to be relatively less affected by the rising water costs. Even in pessimistic climate scenarios, it is projected that cost increases in Ladik will not reach significant levels. Based on water stress, cost increases for Akçansa have been identified under different climate scenarios. It has been determined that by 2030, we may encounter a cost increase corresponding to approximately 0.56% to 0.88% of Akçansa's annual revenue, with a large portion coming from the Çanakkale facility.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

40000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

75000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

120000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

190000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

230000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

315000000

(3.1.1.25) Explanation of financial effect figure

Calculations of financial affect figures deriving from the water stress risk have been made based on facility-specific withdrawal values and the water tariffs that apply to our facilities. Water scarcity will cause difficulties in accessing to adequate amount of water to run the plant and will increase the water cost in the market. Thus, this will increase our operational costs. As an indicator average water cost of Büyükçekmece cement plant in by the end of 2024 is about 76.66 TRY. Considering the 2024 total water withdrawn at Büyükçekmece plant (excluding rainwater harvesting 81,000 cubicmeter), total cost is approximately 50 million TL, assumptions has been taken as doubling the cost. In the long term, when water pricing is implemented in all water-scarce regions, withdrawing 2,109,737 m³ of water from such areas may lead to high operational costs due to the scarcity.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Adopt water efficiency, water reuse, recycling and conservation practices

(3.1.1.27) Cost of response to risk

12500000

(3.1.1.28) Explanation of cost calculation

In order to increase water efficiency in Büyükçekmece plant, several efforts are ongoing. There are some planned projects in the pipeline including efficient equipment replacements, rainwater collection systems, membrane-filter installations etc. Total cost of these projects sums up to 12,500,000 TRY. In addition to these investments, rainwater collection systems for Ladik Plant will be completed in next year.

(3.1.1.29) Description of response

To mitigate water stress and associated risks, Akçansa is undertaking initiatives to alleviate its water stress risk. The goal is to increase business resilience by reducing water consumption in the future. Our Water Master Plans,

which encompass three cement plants where 85% of our water consumption occurs, effectively manage our risks related to water stress. Through the industrial symbiosis practices we implement, we aim to reduce the potential impacts of water stress.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify :Marmara Basin

(3.1.1.9) Organization-specific description of risk

According to the quantitative risk assessment conducted in 2022 using the Munich Re Location Risk Intelligence tool, analyses based on RCP 2.6, 4.5, and 8.5 scenarios and different time horizons indicate that 25% of the facilities are at medium-high flood risk in the long term. The Büyükçekmece plant and the terminal, port, ready-mixed concrete, and aggregate facilities in the Marmara Basin are at medium risk of flash floods. The main impacts are anticipated to be production/operation interruptions and physical damage to facilities and assets. In such a scenario, revenue loss may occur due to production disruptions.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The flash flood risk at the Büyükçekmece plant and other facilities in the Marmara Basin poses a potential threat to Akçansa's financial position, performance, and cash flows in the medium to long term. Flash flood events can lead to physical damage to facilities and production interruptions. These disruptions may result in potential revenue losses by reducing production output. Additionally, the repair costs for damage caused by floods can be high and may negatively impact the company's profitability. Continuous or severe flood events may require additional investments for infrastructure improvement and protective measures. This risk could affect revenue, cash outflows related to the acquisition of tangible and intangible assets, and other expenses from core operations in future reporting periods if flooding occurs. According to the calculated financial impacts, the potential effects have been determined to range from 0.11% to 0.13% of Akçansa's revenue.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

23000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

29000000

(3.1.1.25) Explanation of financial effect figure

While estimating the potential financial impact of these risks, we evaluated costs including the duration required to restore the plant to pre-incident production levels and the associated production losses. As a result of our calculations, we estimated the potential financial impact to be approximately based on revenue loss.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Use risk transfer instruments

(3.1.1.27) Cost of response to risk

44104288

(3.1.1.28) Explanation of cost calculation

Due to the confidentiality of facility-specific insurance costs, we disclose our company-wide insurance (premium) costs. The overall insurance amount for cash, stocks and tangible assets included in the assets is 44,104,288 TRY. As the detailed breakdown is confidential, only the overall figure is provided.

(3.1.1.29) Description of response

Potential flood and inundation risks are managed by integrating them into our corporate risk management processes. The cost of responding to these risks primarily consists of insurance premiums that cover physical damage to facilities and associated indirect losses. Our key strategy for managing flash flood risks is to provide insurance coverage for all our facilities. Additionally, in 2022, a process was initiated to establish a Business Continuity Management System. Within this framework, emergency support plans, crisis management, and business continuity procedures have been developed. Furthermore, the sustainability committee plays an active role in setting sustainability goals and developing projects, contributing to the integration of risk reduction strategies.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk4

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Sea level rise

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

As per the climate projections, there is an expected sea level rise resulting due to climate change. According to Nasa's earth observatory projections, depending on the measures taken (from net zero pathway to high emission Business as Usual pathway) the sea levels are projected to rise from 1 to 4 meters. As Akçansa's Çanakkale (CNK) plant is located by the sea, also Büyükçekmece Plant is located near the sea and Büyükçekmece Lake, and ports/terminals are directly in the risky areas this projected sea level rise can cause temporary or potentially long-term disruption or need to relocate the plants. Even though this is a long-term projection, it can still pose a risk to temporary production/operation disruption at the plants due to significant physical damage. Risk assessments were done using Munich Re Location Risk Intelligence tool. Within the tool, hazard zones derived from IPCC sea-level rise data and high-resolution elevation data for respective projection year and RCP scenario.

Model is based on storm surge events with 100 years return period. According to the risk intelligence report, we have assessed the medium and high-risk locations during cost estimation.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The projected sea level rise poses a significant long-term risk to Akçansa's financial position, performance, and cash flows, particularly for facilities located near the sea, such as the Çanakkale (CNK) plant, the Büyükçekmece plant, and various ports/terminals. Should sea levels rise as projected—ranging from 1 to 4 meters depending on global emissions scenarios—these facilities may face temporary or potentially long-term operational disruptions or even the need for complete relocation due to severe flooding or storm surge events. The risk of physical damage to these facilities could result in substantial capital expenditures for repairs, reconstruction, or relocation. These costs would impact Akçansa's profitability by increasing operational expenses and reducing margins. Additionally, the potential need for substantial investments to enhance flood defenses or relocate facilities could strain financial resources, requiring significant capital allocation or external financing.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

49000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

57000000

(3.1.1.25) Explanation of financial effect figure

While estimating the potential financial impact associated with this risk, we included the cost related to damages to the production line which also leads to the stoppage of the operations potentially for a time period. The figure represents the potential cost of damage plus loss of revenue with regards to this risk. Since the breakdown of this financial figure is confidential, we cannot disclose.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Increase insurance coverage

(3.1.1.27) Cost of response to risk

44104288

(3.1.1.28) Explanation of cost calculation

When estimating the potential financial impact related to this risk, the cost of potential damage to the production line and its effect on the operations being halted for a certain period were also taken into account. According to the analysis, the risks that rising sea levels could pose to Akçansa have been calculated to be between 0.23% and 0.26% of the company's revenue. Additionally, this calculation includes the damage costs and revenue losses that may arise within the scope of the risk.

(3.1.1.29) Description of response

Insurance policies have been updated, and infrastructure investments are being evaluated to protect facilities against rising sea levels. Our insurance expenses are reflected in the financial statements under the category of other expenses from operating activities in our 2024 Integrated Annual Report.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk5

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

Following Turkiye's ratification of the Paris Agreement and the announcement of its net zero goal by 2053, efforts to develop climate regulations have gained momentum. International regulatory frameworks like CBAM generated a pressure on promoting sustainable targets with an implementation process. Alongside these developments, Turkiye announced its first Nationally Determined Contribution (NDC), and the Green Deal Action Plan, which included steps towards establishing a national ETS. In this regard, the Ministry of Environment, Urbanization, and Climate Change enacted draft ETS Regulation and Climate Law of Turkey this year that strengthened the regulatory framework against climate change. Also, The World Bank Partnership for Market Implementation (PMI) project began to facilitate the implementation of carbon pricing policies. Authorities have indicated that free allowances will be provided, as Turkey provided in draft regulation between 2026-2027, but the carbon price has not yet been defined. Akçansa anticipates additional operational costs in the short term due to CO2 emissions from its three cement production facilities. There is also a risk that increased costs could be passed on to product prices, creating a competitive disadvantage. This risk has been evaluated under ESG-Climate risks and identified as one of the highest inherent risks. To manage this risk, Akçansa has set emission reduction targets and started to implement the necessary action plans.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Akçansa is expected to be impacted in the short to medium term by the introduction of a national Emission Trading System (ETS) and potential carbon pricing mechanisms, with a notable financial impact anticipated if prices are at EU levels or similar to those in developing countries. With 2025, Draft ETS Regulation of Ministry of Environment, Urbanization and Climate Change has established, the ministry determined 2026-2027 period the pilot period of ETS system with free allocation relief, and established the first implementation period between 2028-2035. In this regard, free allowance is a positive development that would partially mitigate the negative impact of short-term pressure of carbon credit expenditures on the company's liquidity, but it is still potential that Akçansa may face increased operational costs in short to medium term due to the need to purchase carbon allowances or invest in emission reduction technologies to comply with new regulations with the following first implementation timeline. These additional expenses will likely affect the company's financial performance by reducing margins and profitability, especially if the carbon price is set at a high level or if free allowances are limited. In terms of cash flow, Akçansa will likely face increased expenditures related to the purchase of carbon

credits and the implementation of necessary mitigation measures, such as investing in cleaner technologies or improving energy efficiency. If carbon costs are transferred to customers through higher product prices, this could affect demand, potentially leading to reduced sales volumes and a decline in revenue, especially if competitors are not equally affected by such regulations or if the market is highly price-sensitive. Over the long term, the financial impact will depend on several factors, including the pace of regulatory implementation, the market price for carbon allowances, the allocation method, and the volume of free allowances granted. If Akçansa successfully meets its emission reduction targets and adapts to the new regulations, it could mitigate some of the negative financial impacts. However, failure to comply could result in penalties or further increased costs, negatively affecting both the financial position and overall competitiveness of the organization in the market.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

45000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

60000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

73000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

85000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

220000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

300000000

(3.1.1.25) Explanation of financial effect figure

Calculations of financial affect figures are deriving from Akçansa's free allocation rates and estimated carbon pricing. In this regard, assumptions of 97.5% free allocation rates for the first year, 95% for the second year, and 90% for the third year, along with a carbon price of 7 Euros/ton CO2e, were applied during the calculation. In addition, clinker production - 6.22 million tons and average clinker emission - 0.840 for last year - is considered for calculation process.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Greater compliance with regulatory requirements

(3.1.1.27) Cost of response to risk

25882718

(3.1.1.28) Explanation of cost calculation

With the Climate Law expected to come into effect in 2025, work is also ongoing regarding the Green Taxonomy and the Emission Trading System Regulation. In this context, potential financial impacts related to Akçansa's free allocation rates and carbon pricing have been calculated. According to the calculations, under an Emission Trading System (ETS) to be established in Turkey, a cost increase corresponding to approximately 0.34% to 1% of Akçansa's revenue is likely in the short term under a worst-case scenario. In these calculations, assumptions of 97.5% free allocation rate for the first year, 95% for the second year, and 90% for the third year, along with a carbon price of €7/ton CO2e, were used. The assumptions for the free allocation rates were based on the free allocation rates of the European Union ETS.

(3.1.1.29) Description of response

Akçansa prioritizes projects that support the transition to a low-carbon economy, minimizing the risks associated with the ETS. Within the framework of the Low Carbon Roadmap and the Low Carbon/Low Clinker New Product Development Plan established in line with the 2030 Sustainability Goals, all R&D and innovation investments are managed with a sustainability focus. In accordance with our SBTi commitment, initiatives such as energy efficiency, kiln process improvements, and alternative fuel and raw material substitution are being evaluated. A specific roadmap has been created for each facility, including investments in low-carbon production and CO2 reduction, and R&D efforts continue to develop low-carbon products.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk6

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Other market risk, please specify :Transition to low carbon economy

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

Deriving from rising demand, and the impact of these cost increases on operations, costs of alternative raw materials, energy, and fuel would increase.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In recent years, for alternative raw materials and alternative fuels (AF), an expansion of demand for low-carbon cement production has experienced. This is followed by the rise in the prices of the alternative resources. Therefore, the cost of their usage is increased.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

21000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

29000000

(3.1.1.25) Explanation of financial effect figure

It can be said that at least 80% of in cement sector, operational expenses consist of items such as raw materials, fuel, electricity, and alternative raw materials. Therefore, during the transition to a low-carbon economy, even an average 0.01% increase in these items (for example, in petroleum coke prices) will result in approximately a ~560,000 USD increase in our operational expenses for 2024. Primarily, short-term financial impact calculations are made. However, due to market uncertainties regarding these expense items, it is not possible to make reliable forecasts for the future.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Other infrastructure, technology and spending, please specify :Utilizing by products and alternative materials for circular economy practices

(3.1.1.27) Cost of response to risk

25882718

(3.1.1.28) Explanation of cost calculation

We continue our efforts in areas such as new product development and product optimization studies, pre-sales and after-sales technical support, lectures and seminars on cement and concrete technologies at universities, technical tours for university students, support for cement and concrete research at universities, and national/international scientific publications (papers) in cooperation with universities, public institutions, sectoral NGOs and Heidelberg Materials Global R&D Unit. In 2024 our Sustainability Focused R&D and Innovation Investments amount was 25.882.718 TL.

(3.1.1.29) Description of response

Production development efforts are being carried out by contributing to the circular economy through industrial symbiosis practices, utilizing by-products from other sectors, alternative raw materials such as construction and demolition waste, or alternative fuels. New investments and collaborations are continuously being evaluated to ensure a stable and reliable energy supply.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk7

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Other market risk, please specify :Preference of funding providers for low carbon investments

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

With the development and expansion of funding criteria, access to sustainable financing sources has become more challenging. According to the "2023 Joint Report on Multilateral Development Banks' Climate Finance," the reduction financing allocated to the industrial sector has remained at only 4%. However, the industrial sector holds a significant share in global emissions, and this imbalance in financing distribution is slowing down the transition process. As noted in the same report, development banks are primarily shaping their portfolios around climate finance.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased credit risk

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Despite the need on access to sustainable financial resources, because of the limitation of sustainable fund allocation, it became extremely hard to reach these funds. This results in a high competition in industrial sector, which can negatively affect the transition efforts of companies.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

730000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

24000000000

(3.1.1.25) Explanation of financial effect figure

According to the roadmap report on the decarbonization of the cement sector published by the EBRD and the Ministry of Industry, approximately 8% of Turkey's cement sector carbon emissions are attributed to Akçansa. The report states that, in order for the cement sector to decarbonize in line with the Paris Climate Agreement, an investment of approximately 6.2 to 7.6 billion USD will be required over a period of 30 years. Based on our share of emissions, this corresponds to a need for a total additional investment of 550–600 million USD over 30 years—which means an annual average of about 20 million USD. These investments may vary year to year, depending on company strategy and the regulatory framework. Therefore, even though the risk is financially material for our company, a wide range can be given for the financial impact.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Greater compliance with regulatory requirements

(3.1.1.27) Cost of response to risk

289385997

(3.1.1.28) Explanation of cost calculation

In 2024, a budget of 289,385,997 TL has been allocated for investments determined to adapt to climate change. These expenditures are included in the amount reported under cash outflows for the acquisition of tangible and intangible fixed assets in the year-end financial statements.

(3.1.1.29) Description of response

In our updated 2030 targets, we have added an ESG Investment Ratio goal, and Akçansa has now set a target for 50% of total investments to be ESG-related by 2030. While all the detailed breakdowns cannot be shared due to commercial confidentiality, it can be stated that, in addition to the main lines—including the Water Master Plan, Dedusting Master Plan, earthquake and OHS components—our ESG-related investments will exceed these figures. Efforts are being made to integrate Akçansa's current roadmap with the Paris Agreement's 1.5-degree scenario (Net zero commitment, 2030 targets; rehabilitated mining sites, energy efficiency projects, etc.).

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk8

(3.1.1.3) Risk types and primary environmental risk driver

Technology

☑ Other technology risk, please specify :The high investment cost required for technology transformation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

Potential increase in costs resulting from the conducted R&D activities and investment in the development of new technologies that are needed for the decarbonization of the cement industry is identified is a crucial risk for Akçansa.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

As can be seen from the net zero roadmap prepared by Global Cement and Concrete Association (GCCA) for cement, emissions can be reduced by 36% through CCUS technologies for achieving net zero target as sector. This shows that that it is not possible for the cement industry to reach net zero without technological developments, whereas these technologies are currently too expensive to be utilized for companies.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

2198000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

2212000000

(3.1.1.25) Explanation of financial effect figure

According to data from the International Energy Agency (IEA), global investment in the construction of carbon capture, utilization, and storage (CCUS) systems in the energy industry more than tripled between 2019 and 2023, rising from 210 million dollars to 682 million dollars (in 2023 prices). Achieving net zero in the cement sector requires significant technological investment; therefore, financial risk is substantial, yet due to market uncertainties, the given range of projections remains wide.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase investment in R&D

(3.1.1.27) Cost of response to risk

25882718

(3.1.1.28) Explanation of cost calculation

We continue our efforts in areas such as new product development and product optimization studies, pre-sales and after-sales technical support, lectures and seminars on cement and concrete technologies at universities, technical tours for university students, support for cement and concrete research at universities, and national/international scientific publications (papers) in cooperation with universities, public institutions, sectoral NGOs and Heidelberg Materials Global R&D Unit. In 2024 our Sustainability Focused R&D and Innovation Investments amount was 25.882.718 TL.

(3.1.1.29) Description of response

R&D and innovation activities, as well as internal entrepreneurship initiatives, are being carried out. Collaborations are encouraged to implement multi-stakeholder projects.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk9

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Wildfires

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Turkey

(3.1.1.9) Organization-specific description of risk

With increasing temperatures deriving from the influence of climate change, the possibility of wildfires has increased compared to previous years, which has resulted in more wildfire incidents in last years. In this regard, our facilities located in Marmara and Ege region has a potential risk of exposing to wildfires, which includes our Ladik and Çanakkale facilities. As a result of the wildfire risk assessments conducted through using the Munich Re Location Risk Intelligence tool and the WWF Risk Filter, a high level of risk has been identified.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption in production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Very likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Deriving from the risk of exposing to wildfire incident, potential financial damage would occur for our facilities in Marmara and North Aegea region, including Çanakkale and Büyükçekmece. In this regard, for Akçansa, wildfire incident risks can result in the loss of company assets, which would cause permanent consequences. Additionally, forest fires that may occur near the facility could make it difficult for employees and raw materials to reach the site, potentially resulting in work stoppages.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

70000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

230000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

480000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

1000000000

(3.1.1.25) Explanation of financial effect figure

During the calculations of financial effect figures, the daily production has been calculated based on the capacity of our Büyükçekmece and Çanakkale facilities where have higher wildfire risk. The calculation process also included facility shutdowns because of wildfires. In this context, the potential loss has been calculated based on the average domestic and international cement sales amounts for work stoppages.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Increase insurance coverage

(3.1.1.27) Cost of response to risk

65255966

(3.1.1.28) Explanation of cost calculation

We calculated the cost of response through insurance spending and precautionary investments against wildfire incidents.

(3.1.1.29) Description of response

As Akçansa, we communicated with insurance companies against the wildfire risk. Thus, we provided necessary insurance policies and investments in this matter. Additionally, we established first aid application that mitigates negative impacts of wildfire on our operations and prepared precautions to prevent the occurrence of wildfires.

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

In aspect of physical risks, we have conducted a location-based climate risk assessment, including flood risks such as river flood, flash flood, storm surge risks, and other floods resulting from extreme precipitation and other extreme climate events. In addition, any pandemic that may occur will also affect our activities. No financial loss was experienced due to any pandemic and other physical risks during the reporting year. For transition risks were determined as carbon pricing mechanism (EU ETS and national ETS) and changes in customer behaviors. For reporting year, any financial loss happened for carbon pricing, therefore; only customer behavior changes risk effects our financials positively. Therefore, it could be mentioned that there were any financial loss caused by transition risks in reporting year. In order to manage this risks, alternative raw material usage and alternative fuel usage investments and reinforcement works have been done.

Water

(3.1.2.1) Financial metric

Select from:
☑ Liabilities

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

40970531.17

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

19532886

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:
☑ 1-10%

(3.1.2.7) Explanation of financial figures

This financial metric refers for increasing cost of water that we paid more than previous year also, we expect that this risk will be continue in next years. At the company level, we are implementing Water Management Plans in sites located on water-scarce areas. We ensure the effective use of water with monitoring systems at all our sites. On the other hand, we are evaluating CAPEX plans to reduce water withdrawal by recycling and reusing water in our operations. We have started a project for online monitoring of water consumption data online via an online platform. In the management of the main water risks, priority is given to capex projects such as effective water management investments, investments for water reuse, infrastructure investments for rainwater use, and other instruments that transfer risk (such as insurance). On the other hand, we do not have financial loss caused by physical risks.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

Turkey
☑ Other, please specify :Marmara Basin

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 26-50%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 21-30%

(3.2.11) Please explain

Büyükçekmece (BÇM) plant is located in the Marmara Basin and representing approximately 23-24% of total water withdrawals, 16-17% of total water discharges, 24-25% of total water consumption. With the measures taken for water stress management it is expected that water supply costs will increase. The higher water supply costs will lead to higher operational costs. There is also a possibility of water scarcity. It may not be possible to draw water from the wells. In this case, it will be necessary to find 3rd party resources that could increase the operating costs. Operational costs will increase in line with such measures that can be implemented to manage water stress and/or in case of water shortages. These risks pose substantive impact on Büyükçekmece plant that represents about 21-30% of Akçansa total revenue.

Row 2

(3.2.1) Country/Area & River basin

Turkey

☑ Other, please specify :North Aegean Basin

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 26-50%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 51-60%

(3.2.11) Please explain

Çanakkale (ÇNK) plant is located in the North Aegean Basin and representing approximately 70-71% of total water withdrawals, 67-68% of total water discharges, 70-71% of total water consumption. With the measures taken for water stress management it is expected that water supply costs will increase. The government is planning a billing for the water withdrawals. The higher water supply costs will lead to higher operational costs. There is also a possibility of water scarcity. Also, North Aegean Region shows high seasonal variability that may be an indicator of higher dry periods. Operational costs will increase in line with such measures that can be implemented to manage water stress and/or in case of water shortages. These risks pose substantive impact on Çanakkale plant that represents about 51-60% of Akçansa total revenue

Row 3

(3.2.1) Country/Area & River basin

Turkey

☑ Other, please specify :Yeşilırmak Basin

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 26-50%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

Ladik (LDK) plant is located in the Yesilirmak Basin and representing approximately 5-6% of total water withdrawals, 15-16% of total water discharges, 4-5% of total water consumption. With the measures taken for water stress management it is expected that water supply costs will increase. The government is planning a billing for the water withdrawals. The higher water supply costs will lead to higher operational costs. There is also a possibility of water scarcity. Operational costs will increase in line with such measures that can be implemented to manage water stress and/or in case of water shortages. These risks pose substantive impact on Ladik Plant that represents about 1- 10% of Akçansa total revenue.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

(3.3.1) Water-related regulatory violations

Select from:
☑ No

(3.3.3) Comment

In the reporting year, our organization did not face any fines, enforcement orders, or other penalties for water related regulatory violations. We maintain strict adherence to all applicable water regulations and standards.
[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:
☑ No, but we anticipate being regulated in the next three years

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Turkey is taking steps to implement market-based carbon pricing mechanisms (Emission Trading Scheme - ETS) and/or other pricing mechanisms (such as a carbon tax) to mitigate carbon emissions. In this regard, Draft ETS Regulation has enacted by Ministry of Environment, Urbanization and Climate Change in 2025, which will be started with an ETS pilot period between 2026-2027 with free allocation relief and will be followed by the first implementation period between 2028-2035. On the other hand, Climate Law of Turkey is also established in 2025, a crucial step that established a legal framework covering the reduction of greenhouse gas emissions, adaptation measures, and the planning and implementation tools for these targets. As Akçansa, we are closely monitoring these developments and presenting our views through various NGOs and platforms.The Climate Law and the establishment of draft Emission Trading System (ETS) regulation offers the development of market stability and flexibility mechanisms within this framework. To comply with these regulations, we are proactively taking measures to reduce our carbon emissions well below the industry average, preferably to the top-performing 10%. As Akçansa, our low-carbon production strategies include implementing energy efficiency measures, increasing the substitution of alternative fuels and raw materials with lower carbon emissions during the production phase, reducing specific heat consumption in rotary kilns, and increasing the ratio of alternative fuels, including biomass, in our energy mix over the next 10 years. Furthermore, to align with the new Climate Law and implement the draft Emission Trading System (ETS) regulation in Turkey, we are closely following the research and development

activities on potential applications of Carbon Capture, Utilization, and Storage (CCUS) technologies, and incorporating these into our long-term transition plans. In the longer term, two projects are being implemented to support Turkey's transition process and establish carbon pricing mechanisms: the PMR (Partnership for Market Readiness) and the PMI (Partnership for Market Implementation) projects. As Akçansa, we actively participate in these projects through NGOs and closely follow policy and regulatory developments. In this regard, we actively collaborated with both the Ministry of Environment, Urbanization and Climate Change and organizations like Türkçimento in the development process of these regulations, which is also considered on determining an internal carbon price and integrating into our business processes. Our Sustainability Department plays a critical role in monitoring emerging regulations and regularly reports these developments to the Sustainability Committee, Sustainability Steering Committee, the Corporate Governance Committee, and the Board of Directors

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Water	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:
☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source
☑ Use of low-carbon energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:
☑ Upstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

As a carbon-intensive sector, cement companies have the opportunity to reduce operational costs by transitioning to low-carbon energy sources. The use of alternative fuels, such as the addition of sustainable sources like biomass to the fuel mix, contributes to the reduction of carbon emissions. In this regard, increasing the share of alternative fuel usage strengthens the company's competitive advantage by lowering energy costs. As Akçansa, our rate of alternative fuels use is higher than the national average, which is 13.25% for Turkey.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Akçansa's alternative fuel substitution rate, which is above industry averages, has led to a significant decrease in energy costs and positively impacted the company's financial performance. By reducing dependence on traditional fossil fuels and incorporating more cost-effective and sustainable alternatives like biomass into the fuel mix, indirect operating costs have been lowered. This transformation has not only increased profitability and profit margins but also provided stability in cash flow by reducing exposure to fluctuations in traditional fuel prices. Additionally, as regulatory frameworks increasingly promote low-carbon practices, the rapid adoption of alternative fuels has positioned the company advantageously for potential future financial incentives, increased market competitiveness, and a stronger financial structure in the long term. Increasing the use of alternative fuels can positively impact the gross profit margin by reducing energy costs. Furthermore, the potential to benefit from low-carbon production incentives could create additional revenue streams in the company's financial statements, such as government support or carbon credits.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

42500000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

42500000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

80000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

90000000

(3.6.1.23) Explanation of financial effect figures

By decreasing reliance on conventional fossil fuels and facilitating a shift towards sustainable alternative fuels (AF), such as incorporating biomass into the fuel mix, indirect operating expenses have been reduced. This change has not only enhanced profitability but has also stabilized cash flow by minimizing vulnerability to fluctuations in traditional fuel prices. Consequently, boosting the use of alternative fuels can provide a cost advantage for the company via lowering energy expenses.

(3.6.1.24) Cost to realize opportunity

33560223

(3.6.1.25) Explanation of cost calculation

This opportunity has the potential for a significant long-term financial impact. Current calculations indicate that the potential annual financial effect of transitioning to a low-carbon economy corresponds to 0.39% of Akçansa's revenue. These calculations are based on the use of alternative fuels that reduce fossil fuel consumption, which also brings cost savings. With a usage rate of alternative fuels above the industry average, the positive effects of this opportunity have been reflected in the relevant financial reporting year. According to facility-based cost analyses conducted in alternative fuel committees, a total cost reduction of 42.5 million TL, equivalent to 0.2% of revenue, has been achieved in 2024.

(3.6.1.26) Strategy to realize opportunity

In line with our 2030 Sustainability Goals, a comprehensive Alternative Fuel Master Plan is being prepared, aiming to increase the alternative fuel usage rate to 35%. In line with strategies and practices regarding alternative fuel usage, Akçansa's purchasing teams engage with companies for suitable alternative fuels (AF) and conduct market research for detecting potential alternatives. In line with these efforts, long-term agreements for AF sources are sealed. As part of our strategy, within the scope of alternative fuels, we are reducing the consumption of natural resources by using industrial waste, treatment sludges, liquid waste collected from ships, and end-of-life tires.

Accordingly, we converted 22,000 tons of biomass waste into energy in Çanakkale plant and initiated a project to develop a shredded tire feeding system at Ladik plant.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify :Marmara Basin

(3.6.1.8) Organization specific description

Ensuring the continuity of sales for new products developed to minimize the impact of extreme climate events is an important opportunity for Akçansa. Products such as water-permeable concrete and concrete with high permeability resistance help prevent soil erosion during extreme climate events like floods. Additionally, with the increasing climate adaptation efforts aimed at enhancing the resilience of infrastructure against the destructive effects of climate change and water-related risks, the demand for specialized building materials is also expected to rise.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The sales of our innovative products aimed at minimizing the impact of extreme climate events allow us to take advantage of opportunities in the growing specialized building materials market. With the increasing efforts towards climate adaptation, demand for our durable products is also expected to rise. This development supports revenue growth by increasing our market share and positively contributes to our financial performance. By diversifying our product portfolio, we aim to increase sales and enhance profitability. At the same time, maintaining stable sales of these innovative products strengthens cash flows, providing a buffer against market fluctuations and supporting our long-term financial stability. In 2024, the revenue generated from the sales of sustainable products and services accounted for 33.11% of our total sales revenue. By 2030, we aim for the revenue from sustainable ready-mixed concrete and cement products to reach a 75% share within the total sales of these products and services.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

16000000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

17000000000

(3.6.1.23) Explanation of financial effect figures

In 2024, the sales volume of our sustainable products reached 33.11%. This represents a 23% increase compared to the previous year. At the same time, in 2024, the sales ratio of sustainable ready-mixed concrete products among our ready-mixed concrete sales was 34%.

(3.6.1.24) Cost to realize opportunity

25882718

(3.6.1.25) Explanation of cost calculation

The calculation of financial effect figures is provided based on the sales volume of our sustainable products as well as the amount of Sustainability-Based R&D and Innovation Investments and increase revenue generated from these activities.

(3.6.1.26) Strategy to realize opportunity

With the increasing efforts towards climate adaptation and the rising need for products aimed at reducing the impact of extreme climate events, demand for our durable building materials is expected to grow. Ensuring the continuity of sales for newly developed products will not only increase our market share but also strengthen our long-term financial stability. In particular, water-permeable concretes and high-strength concretes stand out as critical products to meet this demand.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

The cement sector in which we operate is perceived as a major contributor to global CO2 emissions, which could affect market perceptions and, consequently, our sales. However, as Akçansa, we see this as an opportunity. With our low-carbon sustainable products, we not only contribute to the industry but also ensure the highest customer satisfaction with superior quality performance. In line with our sustainability goals, we aim to transform our products into fully sustainable products by 2030, reducing the carbon emissions of our domestically sold cement products by 20%. Through this, we aim to increase the sales volume ratio of newly developed products and existing low-clinker products by at least 100%.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Akçansa's investment in the development and expansion of low-emission goods and services, through the use of alternative raw materials and lower clinker ratio cementitious products, has positioned the company to meet the growing market demand for sustainable construction materials. By dedicating resources to R&D for these low carbon products, Akçansa has created new revenue streams and enhanced its market differentiation, attracting customers who prioritize sustainability. This strategic shift has led to an increase in sales volume and revenue, particularly in markets with higher awareness of climate change and demand for low-carbon products.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

230000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

290000000

(3.6.1.23) Explanation of financial effect figures

By investing in R&D for low-carbon products, Akçansa has established new sources of revenue and strengthened its market position, through having the attention of customers who prioritizes sustainable products. This strategic change has contributed to a growth in both sales volume and revenue.

(3.6.1.24) Cost to realize opportunity

25882718

(3.6.1.25) Explanation of cost calculation

A detailed market research has not yet been conducted to quantitatively determine the financial impact of this opportunity. Therefore, when estimating the potential financial impact related to this opportunity, calculations were made based on the assumption that there would be a 1% increase in our revenues due to the growing demand for Akçansa's low-carbon products. The financial impacts identified in this context correspond to approximately 1.07% to 1.34% of our revenue.

(3.6.1.26) Strategy to realize opportunity

Akçansa is focused on increasing the marketing of value-added/green products in line with its 2030 Sustainability Goals. Akçansa continuously accelerates its R&D and innovation efforts for low-carbon products and services. In this context, we made an investment of 25.8 million TL in R&D and innovation in 2024. This amount corresponds to 0.12% of our revenue. Furthermore, we have a sales target for our sustainable products for the year 2030, which is 75%.The strategies and practices implemented to realize this opportunity can be found in the Sustainable Products section of the report.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Shift in consumer preferences

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

Customers' environmental awareness is increasing day by day, and the demand for products compatible with green building certifications (LEED, BREEAM) is growing. Akçansa aims to respond to this demand with its sustainable product portfolio, seeking to achieve revenue growth through its new and environmentally friendly products. The rise in regulations regarding green building certifications and sustainable construction materials creates a significant opportunity for Akçansa in the medium term.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Akçansa's focus on expanding its portfolio of green and sustainable products enables it to benefit from the increasing demand for environmentally friendly construction materials. This transformation is expected to generate potential revenue growth as customers turn to products that contribute to obtaining green building certifications such as LEED and BREEAM. Additionally, Akçansa's proactive compliance with emerging green construction regulations allows the company to align with market trends, potentially reducing regulatory risks and associated costs.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

5000000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

15000000000

(3.6.1.23) Explanation of financial effect figures

In 2024, the revenue generated from sustainable products has been calculated as 7,156,782,201 TL. This amount, which corresponds to 33.11% of our total revenues. To capitalize on the opportunity of shift in consumer preferences, it is also planned to increase the share of low-carbon products in future.

(3.6.1.24) Cost to realize opportunity

25882718

(3.6.1.25) Explanation of cost calculation

During the calculation of financial effect figures, revenue generated from the sales of sustainable products and amount of Sustainability-Based R&D and Innovation Investments has taken into consideration. On the other hand, lack of sufficient and reliable data, high level of measurement uncertainty occurs and cause limitations in financial effect calculation procedure.

(3.6.1.26) Strategy to realize opportunity

Using the Global Cement and Concrete Association's (GCCA) life cycle assessment and calculation tool, we prepared Environmental Product Declarations (EPD) for 26 concrete products through our internal resources. In line with customer demands, the information needed for green building investments is shared with stakeholders, and the environmental impacts caused by the products throughout their life cycles are transparently communicated. By fully utilizing internal resources, there is no need for additional investment or budget requirements to implement this opportunity, and no extra costs are incurred.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp4

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of recycling

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

In line with the use of waste as alternative fuel and alternative raw materials, effective use of resources is ensured, and a contribution is made to the fight against climate change. With the transition to the circular economy, Akçansa will be able to obtain opportunities with more efficient use of resources in terms of cost efficiency.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:
☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:
☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Akçansa's increase in the use of alternative fuels and raw materials during its transition to a circular economy has contributed to the more efficient use of resources, leading to reduced operational costs and enhanced cost-effectiveness. By minimizing dependence on traditional raw materials and energy sources, production costs have decreased, directly improving the company's financial performance. In this regard, the use of alternative raw materials such as foundry sand, grit, marble chips, concrete waste, industrial sludges, excavation soil, fly ash, pyrite ash, and copper flotation waste in production processes can contribute to strengthening profit margins and positively impacting cash flow. Considering investments in new silo and feeding systems for fly ash usage at our Çanakkale and Büyükçekmece facilities, Akçansa has improved its access to alternative raw materials.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:
☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

129000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

145000000

(3.6.1.23) Explanation of financial effect figures

This opportunity has the potential to generate a high financial impact over the long term. Our calculations are based on the usage of Alternative Raw Materials (ARM), which reduces natural resource consumption. This also results in cost savings in our calculations.

(3.6.1.24) Cost to realize opportunity

21238137

(3.6.1.25) Explanation of cost calculation

In line with the increase in the use of alternative fuels and alternative raw materials, it has been determined that the financial benefit that can be obtained from this opportunity in the future will range from 0.6% to 0.67% of Akçansa's revenue. The calculations are based on the use of alternative raw materials that reduce the consumption of natural resources. This situation also brings cost savings. The scenario analysis studies conducted to understand the risks and opportunities associated with alternative fuels and raw materials can be found in the Climate Resilience and Scenario Analyses section.

(3.6.1.26) Strategy to realize opportunity

Our 2030 Sustainability Goals also include increasing the use of alternative raw materials. Within the strategy, KPIs have been established to guide the path towards the circular economy component. Our circular economy efforts have been followed by national and international collaborations, as we made an agreement with ODAŞ in 2024 for the supply of approximately 2 million tons of fly ash. The relevant strategies and practices can be found with details in the Alternative Fuel Usage and Alternative Raw Material Usage sections of the report.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of recycling

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Other, please specify :Marmara Basin

(3.6.1.8) Organization specific description

The increase in water scarcity in the long term poses a significant risk by raising operating costs, particularly for sectors with high water consumption. However, this challenge also presents a short-term opportunity for companies that implement water efficiency measures. At Akçansa, reducing freshwater withdrawal can alleviate financial pressures related to water scarcity and enhance our operational resilience. In this context, our Water Management Plan is being implemented to optimize our water consumption. This comprehensive plan includes reducing dependence on freshwater sources, increasing water efficiency, and recycling rainwater and wastewater. Our Water Master Plan ensures that we are prepared for future water-related risks.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The cost savings achieved through our water efficiency initiatives enhance our competitive advantage, allowing for better capital allocation. This positive cash flow effect increases our financial flexibility, enabling us to invest in sustainability initiatives or other strategic opportunities. In 2024, we plan to join the CEO Water Mandate initiative to further strengthen our water management commitments and expand our water efficiency practices. In the short term, these measures are strengthening our financial position in a sector where the importance of resource efficiency and sustainability is increasing, while also supporting our margins. The potential financial benefit we can achieve by increasing water efficiency and recycling is approximately 0.06% of our annual revenue.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

12000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

13000000

(3.6.1.23) Explanation of financial effect figures

This opportunity has a potential to have low financial impact over the long term. However, opportunity has the potential to strengthen the position against Water Scarcity which will be important for the stability of production. In

Ladik and Büyükçekmece Plants, there are possible projects to be implemented for recycling storm water which is captured and used for cooling systems after treatment. Since the water pricing in Turkey varies between zones, cost of water is different. For Büyükçekmece average cost of Water is 73 TL/m3, while in Ladik there is no cost for freshwater. Thus, current financial figure is calculated with this cost.

(3.6.1.24) Cost to realize opportunity

19532886

(3.6.1.25) Explanation of cost calculation

With the implementation of rainwater harvesting systems in Ladik and Büyükçekmece Plants and improvement of Çanakkale wastewater treatment systems, water management OPEX increased by 35,6% and water management CAPEX increased by 16,3%, which indicates the rise in the cost for benefiting from the opportunity.

(3.6.1.26) Strategy to realize opportunity

Although the increase in water scarcity is expected to raise our operating costs in the long term, implementing water efficiency measures to reduce our water consumption presents a significant opportunity in the short term. We anticipate that this opportunity will enable us to sustain our operations at low water costs in our facilities. Any cost savings achieved are considered a strategic opportunity in today's business environment, as they provide a competitive advantage and allow for better capital allocation.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp5

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Other energy source opportunity, please specify :Waste heat recovery

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

As a carbon intensive sector, cement companies, if they act proactively and reduce their emissions, they can benefit from reducing their indirect operating costs. Through the low carbon future, the promising potential ahead of cement industry is the use of waste heat. Therefore, increasing the performance rate in waste heat recovery will create advantage as a result of reduced energy costs.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

WHR system that is used for alternative energy source has direct contribution for reduction in energy costs, positively impacting the company's financial performance. By reducing reliance on conventional energy provided and incorporating more cost-effective and sustainable alternatives. Akçansa has managed to lower its indirect operating costs. Our Çanakkale facility, with 15 MW capacity waste heat recovery plant, contributes our sustainable energy goals and we aim to further reduce our operational costs by ensuring that our waste heat recovery facilities operate more efficiently.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

250000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

300000000

(3.6.1.23) Explanation of financial effect figures

The calculation has been made based on the total amount of renewable energy produced and the corresponding savings amount.

(3.6.1.24) Cost to realize opportunity

19654843

(3.6.1.25) Explanation of cost calculation

The direct financial impact calculation that can be obtained with this opportunity can be described as the increase the capacity based on WHR production rate. In 2024, WHR improvement project was realized as 19,654,843 TL.

(3.6.1.26) Strategy to realize opportunity

As Akçansa, actions and initiatives for improving our ability on waste heat recovery is ongoing. In addition, we are working to expand our renewable energy projects.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

80598360

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

This financial metric has been calculated based on the ratio of the total expenditures for Alternative Fuels (AF), Alternative Raw Materials (ARM), and R&D investments to the total expenditures. As Akçansa, we focus on increasing our use of alternative fuels and raw materials and improve our access to these resources through our investments on researches and collaborative agreements, such as our 2024 agreement with ODAŞ, which allowed us to supply 2 million tons of fly ash as ARM. CAPEX investments on these resources are highly crucial for our transition process and allow us to access more efficient resources.

Water

(3.6.2.1) Financial metric

Select from:
☑ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

19532886

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

This financial metric has been calculated based on the total CAPEX amount provided for the year 2024. CAPEX figures aligned with environmental opportunities include modernization of wastewater treatment systems (WWTP) of Çanakkale Plant and stormwater re-use system implementation for Büyükçekmece and Ladik Plants.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

7156782201

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 31-40%

(3.6.2.4) Explanation of financial figures

This financial metric is related to the revenue of Akçansa based on sustainable products. Accordingly, in 2024, sales volume of our sustainable products experienced a 23% increase compared to the previous year. Additionally, in 2024, the sales ratio of sustainable ready-mixed concrete products among our ready-mixed concrete sales was recorded as 34%.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Akçansa's Board Diversity Policy underscores the company's commitment to fostering an equitable, fair, inclusive, and discrimination-free culture. The policy aims to ensure gender equality, prevent all forms of discrimination, and empower women in the workplace. It emphasizes the importance of diversity in the knowledge, skills, experience, and expertise of Board members, believing that this diversity contributes positively to the Board's functioning and the oversight of company activities. In this regard, our Board Diversity Policy has a requirement for at least one female member in the Board. The policy encourages the selection of candidates from diverse backgrounds, with a particular focus on enhancing the role of women in leadership positions. Additionally, Akçansa actively participates in national and international initiatives that promote women's empowerment in the economy. The policy is developed in alignment with the recommendations of the Capital Markets Board and best practices at both local and international levels.

(4.1.6) Attach the policy (optional)

Board_of_Directors_Diversity_Policy_AKCANSA.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Director on board

☑ Chief Executive Officer (CEO)

☑ Board-level committee

☑ Other, please specify :Vice Chair

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Other policy applicable to the board, please specify :Environment and Energy Policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding public policy engagement
☑ Overseeing and guiding scenario analysis
☑ Reviewing and guiding innovation/R&D priorities
☑ Overseeing the setting of corporate targets
☑ Approving and/or overseeing employee incentives
☑ Monitoring progress towards corporate targets
☑ Overseeing and guiding major capital expenditures
☑ Approving corporate policies and/or commitments
☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors holds the highest level of responsibility for all sustainability-related matters, including but not limited to sustainability strategy, policies, risks, and opportunities. The Board Chair, who represents Sabancı Holding as President of the Building Materials Business Unit, receives updates from the Akçansa CEO (General Manager) on behalf of the Sustainability Steering Committee at each Board meeting. The Chair's duties encompass setting the sustainability vision and strategy, identifying risks and opportunities, and approving relevant policies, targets, and frameworks. Along with other Board members, the Chair endorsed Akçansa's sustainability strategy and the 2030 Sustainability Targets. In March 2023, with the Board's consent, Akçansa committed to the Science Based Targets Initiative to align its objectives with the Paris Agreement. The Board Vice Chair, representing Heidelberg Materials as a Vorstand Member responsible for the Africa & East Mediterranean region, is also regularly briefed by the Akçansa CEO on behalf of the Sustainability Steering Committee during Board meetings. The Vice Chair shares similar responsibilities with the Chair, including defining the sustainability vision and strategy, overseeing risks and opportunities, and approving policies and targets. Additionally, the Vice Chair receives regular updates from the Sustainability Manager to monitor ongoing sustainability progress and climate-related activities, typically on a monthly basis or more frequently if necessary. Other Board members oversee sustainability operations, help propose, monitor, and review the company's sustainability vision and strategy. Certain members hold specific roles; for instance, one member leads the Early Risk Identification Committee, which assesses climate-related risks and opportunities, while other chairs the Corporate Governance Committee (CGC), which tracks sustainability target progress and oversees climate-related initiatives across the value chain. The CGC, authorized by the Board, supervises the Sustainability Steering Committee's activities in line with the company's sustainability strategy. It monitors developments on key sustainability issues, material topics, risks, and opportunities identified by the Board, evaluates the Steering Committee's recommendations on Environmental, Social, and Governance (ESG) practices, and suggests corrective actions to the Board as needed. The CGC also ensures compliance with sustainability principles, reviews targets, and tracks progress at every committee meeting. The CGC is chaired by an independent Board member who is also part of the Sustainability Steering Committee, while another member chairs the Early Determination of Risk Committee, which oversees all ESG risk management processes, including those related to climate

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair
☑ Director on board
☑ Chief Executive Officer (CEO)
☑ Board-level committee
☑ Other, please specify :Vice President

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate
☑ Other policy applicable to the board, please specify :Environment and Energy Policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Overseeing and guiding value chain engagement
☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Approving corporate policies
☑ Overseeing and guiding public policy engagement
☑ Reviewing and guiding innovation/R&D priorities
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures

☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors holds the highest level of responsibility for all sustainability matters, including but not limited to sustainability strategy, policies, risks, and opportunities. The Board Chair, who represents Sabancı Holding as the President of the Building Materials Business Unit, receives updates from the Akçansa CEO (General Manager) on behalf of the Sustainability Steering Committee at every Akçansa Board meeting. The Chair's duties involve setting the sustainability vision and strategy, identifying risks and opportunities, and approving related policies, targets, and frameworks. Together with other Board members, the Chair has endorsed Akçansa's sustainability strategy and the 2030 Sustainability Targets. Additionally, the Chair is regularly briefed by the Sustainability Manager to monitor and review progress on sustainability initiatives and water-related actions on a monthly basis or more frequently as necessary. The Vice Chair, representing Heidelberg Materials as a Vorstand Member responsible for Africa & East Mediterranean, is likewise informed by the Akçansa CEO about sustainability progress and targets, including the 2030 Sustainability Targets. The Vice Chair shares responsibility for approving the sustainability strategy, related water targets, and the overall sustainability governance framework. Beyond the Chair and Vice Chair, other Board Members oversee sustainability operations, monitor performance, and evaluate progress against Akçansa's 2030 Sustainability Targets. This oversight includes tracking water withdrawal reduction goals and their impact throughout the value chain. The Corporate Governance Committee (CGC), authorized by the Board of Directors, supervises the Sustainability Steering Committee's work, ensuring alignment with the company's sustainability strategy. This strategy encompasses priority sustainability issues, risks, and opportunities that have been identified and approved by the Board, as well as the corresponding policies. The CGC evaluates the Sustainability Steering Committee's recommendations on Environmental, Social, and Governance (ESG) practices and provides corrective advice to the Board when necessary. It also monitors the company's adherence to sustainability principles. Progress on sustainability ratings and indices is tracked by the CGC and reported to the Board of Directors. An independent Board Member chairs the CGC and also serves on the Sustainability Steering Committee. Another CGC member leads the Board's Early Determination of Risk Committee, overseeing all ESG risk management processes, including climate-related risks, and recommends improvements for managing these issues. The Sustainability Manager attends every CGC meeting (at least four times annually) to present updates on key sustainability and climate-related topics.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Board chair
☑ Director on board
☑ Chief Executive Officer (CEO)
☑ Board-level committee
☑ Other, please specify :Vice President

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board mandate

☑ Other policy applicable to the board, please specify :Biodiversity Policy

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding scenario analysis

☑ Overseeing and guiding public policy engagement

☑ Overseeing the setting of corporate targets

☑ Reviewing and guiding innovation/R&D priorities

☑ Monitoring progress towards corporate targets

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding value chain engagement

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

In relation to our 2030 Biodiversity target, biodiversity aspects of all our mining facilities are discussed in all of our Board Meetings and relevant actions are decided if necessary. Accordingly, in all our existing areas of operation, we carry out our activities in the new sites we plan to commission by obtaining all necessary permits and in line with scientific facts tailored to the region's specific environmental conditions. To ensure that biodiversity is not harmed, we develop distinct projects specific to these areas. We regard biodiversity management as a fundamental element of our business strategy and work in line with the targets we have set to prevent biodiversity loss and protect ecosystems. In the areas where we operate, as well as their surroundings, we undertake initiatives to reduce dust emissions, optimize water use, and transform quarries into qualified carbon sink areas. We conduct comprehensive analyses of the impacts of our activities on biodiversity and establish risk management strategies accordingly. Our Biodiversity Policy is overseen by the Board of Directors and the Sustainability Committee, while progress is monitored by our Sustainability Executive Committee chaired by the CEO. At Akçansa, we commit not to establish or explore new sites in protected areas designated as UNESCO World Heritage Sites and under categories I and III of the International Union for Conservation of Nature (IUCN).

Furthermore, we aim to develop Biodiversity Management Plans for all mining areas in which we operate, and we implement these plans in line with our sustainability goals. Fully aware of our responsibility to protect the biodiversity of the lands where we operate, we treat the impact of our operations on biodiversity as a critical priority.
[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience
☑ Management-level experience in a role focused on environmental issues
☑ Staff-level experience in a role focused on environmental issues
☑ Active member of an environmental committee or organization

Water

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Consulting regularly with an internal, permanent, subject-expert working group
☑ Engaging regularly with external stakeholders and experts on environmental issues
☑ Integrating knowledge of environmental issues into board nominating process
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Management-level experience in a role focused on environmental issues

☑ Staff-level experience in a role focused on environmental issues

☑ Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Water	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Implementing a climate transition plan

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive Officer (CEO) holds direct responsibility for all climate-related initiatives within the company. Climate issues are embedded into the company's core strategy. The CEO oversees the management of emission reduction projects, research and development activities, and the development of low-carbon products, all of which fall under the scope of the company's climate action plans. The CEO is also in charge of approving the necessary resources and budgets for these initiatives. In alignment with the company's strategy, the CEO sets and authorizes climate-related targets.Progress against these targets is tracked and managed through a range of monitoring and reporting systems established internally. The CEO is responsible for evaluating and handling climate-related risks and opportunities as part of the corporate risk assessment and management framework. Furthermore, the CEO supervises the execution of the climate transition plan and makes key decisions related to it. Employee engagement and value chain involvement in climate change activities also fall under the CEO's responsibilities. The CEO promotes the communication and dissemination of the company's climate objectives and targets down to all employee levels and provides direction in this area. The CEO regularly updates the Board on key performance indicators (KPIs) related to CO2 emissions, alternative fuel use, clinker consumption, energy efficiency, and other climate metrics. These KPIs are presented for the Board's approval as part of the 2030 Sustainability Roadmap. Additionally, the CEO submits capital expenditure (CAPEX) proposals related to climate initiatives for Board approval.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities
☑ Assessing environmental dependencies, impacts, risks, and opportunities
☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement
☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets
☑ Measuring progress towards environmental corporate targets
☑ Setting corporate environmental targets

Strategy and financial planning
☑ Conducting environmental scenario analysis
☑ Developing a business strategy which considers environmental issues
☑ Implementing the business strategy related to environmental issues

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive Officer (CEO) holds direct responsibility for all water-related initiatives within the company. Together with the Plant Managers, Environmental Manager, and Sustainability Manager, the CEO establishes environmental and water-related targets, including goals such as reducing water withdrawal and improving water efficiency KPIs. The CEO is also in charge of approving the necessary resources for water-security initiatives.Thus, the CEO is authorized to planning necessary investments related to water management and monitoring climate-related operational targets.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level
☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities
☑ Assessing environmental dependencies, impacts, risks, and opportunities
☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Conducting environmental scenario analysis

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ More frequently than quarterly

(4.3.1.6) Please explain

The Chief Executive Officer (CEO) is responsible from all biodiversity-related initiatives within the company. Biodiversity is embedded into the company's strategy and the CEO is in charge of approving the required resources as well as budgets for biodiversity-related initiatives. Furthermore, in alignment with the company's strategy, the CEO sets and authorizes biodiversity-related targets. Progress regarding these targets is tracked and managed through a range of internally-established monitoring and reporting systems.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

There is management by performance targets process in place at Akcansa. Each individual has its own targets which are set in the Q1 after approval of Deputy GMs (DGMs) and GM. Targets are reviewed at the end of Q2 for feedback and Q4 for final assessment. Targets are set from top to bottom that means company scorecard and GM targets are set first, then DGM targets are set and finally the rest come. Performance targets of all levels include various sustainability KPIs ranging from CO2 emissions, alternative fuel usage, biomass content of alternative fuels, raw material utilization, contribution of digitalization in increasing environmental performance, energy management, use of renewable sources, improvement of emissions management, resource efficiency etc. Based on performance score -if an employee reaches its own target plus company reaches its economic targets- then employee receives monetary incentives. CO2 reduction is also included in company scorecard and valid for all employees.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

At Akçansa, there is a management process based on performance targets through the "Remuneration Policy for the Board of Directors and Senior Executives," which integrates ESG goals into performance targets. Each individual has their own targets, which are determined in the first quarter after approval by the Deputy General Managers (DGMs) and the General Manager. The targets are reviewed for feedback in the 2nd quarter and for final evaluation in the 4th quarter. Targets are set from the top down, meaning that the company's scorecard and the General Manager's targets are set first, followed by the DGMs' targets and then other targets. Performance targets at all levels include sustainability indicators such as CO2 emissions, energy consumption, alternative fuel use, biomass content in alternative fuels, raw material use, the contribution of digitalization to improving environmental performance, energy management, use of renewable resources, improvement of emission management and etc.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level
☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply
☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Strategy and financial planning

☑ Board approval of climate transition plan

☑ Achievement of climate transition plan

☑ Increased investment in environmental R&D and innovation

☑ Increased proportion of revenue from low environmental impact products or services

Emission reduction

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Improvements in emissions data, reporting, and third-party verification

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

Engagement

☑ Increased engagement with suppliers on environmental issues

☑ Increased engagement with customers on environmental issues

☑ Increased value chain visibility (traceability, mapping)

☑ Implementation of employee awareness campaign or training program on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

CEO is entitled to receive bonus within the scope of targets on emission reduction, reaching other climate-related targets and progress towards long-term targets, and realizing various projects in the company scorecard. Scope 1 and 2 emission reduction targets, realization of decarbonization projects, alternative fuel targets and reduction of clinker use included in the company scorecard. Targets are determined according to the annual reduction targets in the transition plan. The minimum and maximum ranges of these targets are defined, and the bonus amount is determined according to the realization range of the target

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

CEO sets climate-related targets for direct reports together with company targets, thus paving the way for achieving climate targets.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

Strategy and financial planning

☑ Other strategy and financial planning-related metrics, please specify :Water Master Plan

Resource use and efficiency

☑ Reduction of water withdrawals – direct operations

☑ Reduction in water consumption volumes – direct operations

☑ Improvements in water efficiency – direct operations

☑ Improvements in water accounting, reporting, and third-party verification

Pollution

☑ Improvements in wastewater quality – direct operations

☑ Reduction of water pollution incidents

Policies and commitments

☑ Increased access to workplace WASH – direct operations

☑ Other policies and commitments-related metrics, please specify :CEO Water Mandate

Engagement

☑ Increased engagement with suppliers on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

CEO is entitled to receive bonus within the scope of water efficiency KPI's in their scorecard.Therefore, CEO is motivated to implement initiatives and efforts regarding water security as their salary bonuses are directly related to their KPI-based performances.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

With the water efficiency improvement KPI's, each C-Level executive is motivated to take action regarding water. Therefore, operational water efficiency tends to be increased overall
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Climate change
☑ Water
☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:
☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply
☑ Upstream value chain
☑ Downstream value chain

(4.6.1.4) Explain the coverage

The Sustainable Supply Chain Policy of Akçansa Çimento San. ve Tic. A.Ş. covers the company's commitment to integrating sustainability into its procurement and supply chain processes. The policy focuses on ensuring that suppliers and subcontractors align with Akçansa's sustainability standards, including compliance with environmental regulations, ethical labor practices, and responsible sourcing. The company evaluates suppliers' sustainability performance, sets specific targets, and prioritizes partnerships with those who demonstrate strong

sustainability credentials. Akçansa also evaluates ESG risks of its suppliers through an international portal and started to self-assessment process.In addition, Akçansa emphasizes local sourcing and the inclusion of women, youth, and disadvantaged groups in its supply chain. To ensure continuous improvement, the policy includes regular audits, training sessions, and constant communication with suppliers to raise awareness and enhance performance. Suppliers are expected to comply with international conventions, such as those of the International Labor Organization and United Nations, and adhere to strict environmental, social, and ethical standards. In cases of non-compliance, suppliers are given a specific timeframe to address the issues; failure to comply may result in termination of the business relationship.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Commitment to not funding climate-denial or lobbying against climate regulations

Water-specific commitments

☑ Commitment to reduce or phase out hazardous substances

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water consumption volumes

☑ Commitment to reduce water withdrawal volumes

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to promote gender equality and women's empowerment

☑ Commitment to respect internationally recognized human rights

Additional references/Descriptions

☑ Description of environmental requirements for procurement

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

☑ Reference to timebound environmental milestones and targets

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

sustainable-supply-chain-policy.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

The Environmental and Energy Policy of Akçansa Çimento San. ve Tic. A.Ş. focuses on continuously improving environmental performance and energy efficiency across all areas of operation. The policy commits to adhering to national regulations, implementing ISO 14001 and ISO 50001 management systems, and maintaining operational excellence. This includes strategies such as reducing carbon emissions through the use of energy-efficient technologies, promoting low-clinker cement production, and encouraging the use of alternative fuels and renewable energy. Additionally, it emphasizes sustainable use of natural resources, responsible water management practices, waste recycling, and recovery. The company sets long-term targets to enhance environmental and energy performance and organizes awareness and training programs for employees, suppliers, and business partners to achieve these goals. The policy also covers transparent monitoring and reporting of environmental impacts, rehabilitation of mining areas, life cycle assessments, and climate adaptation measures. By adopting this policy, Akçansa aims to contribute to sustainable development goals and maintain an environmentally responsible approach in all its operations.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to 100% renewable energy

☑ Commitment to net-zero emissions

☑ Commitment to not invest in fossil-fuel expansion

Water-specific commitments
☑ Commitment to control/reduce/eliminate water pollution
☑ Commitment to reduce water consumption volumes
☑ Commitment to reduce water withdrawal volumes
☑ Commitment to the conservation of freshwater ecosystems

Social commitments
☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

Additional references/Descriptions
☑ Description of environmental requirements for procurement
☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply
☑ Yes, in line with the Paris Agreement
☑ Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation

(4.6.1.7) Public availability

Select from:
☑ Publicly available

(4.6.1.8) Attach the policy

EYS-ORT-01-P01_EN_4-ENVIRONMENT-AND-ENERGY-POLICY.pdf

Row 3

(4.6.1.1) Environmental issues covered

Select all that apply
☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:
☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply
☑ Direct operations

☑ Upstream value chain
☑ Downstream value chain

(4.6.1.4) Explain the coverage

The Biodiversity Policy of Akçansa Çimento San. ve Tic. A.Ş. refers to our commitment to intervene in biodiversity loss and is an integral part of Akçansa's sustainability-related strategies/policies. Our biodiversity policy is in line with the UN Sustainable Development Goals and the Kunming-Montreal Global Biodiversity Framework adopted at COP15 of the UN Convention on Biological Diversity, which allows Akçansa to commit integrating biodiversity into the field management of all its areas of activity. Scope of the Biodiversity Policy includes raising awareness regarding the conservation of biodiversity, protection of biodiversity in waste management and extraction processes, participation in biodiversity-related social projects and integration of biodiversity conservation in implementation of business activities, As Akçansa, our purpose of adopting the Biodiversity Policy is contributing to international nature conservation principles and adopting a nature-positive vision strategy in line with sustainable development goals.

(4.6.1.5) Environmental policy content

Environmental commitments
☑ Commitment to comply with regulations and mandatory standards
☑ Commitment to take environmental action beyond regulatory compliance
☑ Commitment to Net Positive Gain
☑ Commitment to No Net Loss
☑ Commitment to no trade of CITES listed species

Social commitments
☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

Additional references/Descriptions
☑ Description of biodiversity-related performance standards
☑ Description of impacts on natural resources and ecosystems
☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply
☑ Yes, in line with the Kunming-Montreal Global Biodiversity Framework

(4.6.1.7) Public availability

Select from:
☑ Publicly available

(4.6.1.8) Attach the policy

eng-bio-cesitlilik.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ CEO Water Mandate

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ UN Global Compact

☑ World Business Council for Sustainable Development (WBCSD)

(4.10.3) Describe your organization's role within each framework or initiative

SKD Türkiye, the Business Partner of WBCSD in Turkey, is an association dedicated to promoting sustainability in the private sector. Akçansa actively supports the initiatives of WBCSD Türkiye by providing both desktop support and sponsorship for specific studies and projects. The company is committed to actively participating in various activities, meetings, roundtables, reports, and other studies. Through WBCSD Türkiye, Akçansa shares best practices from both the sector and within the company with other private sector representatives. Since 2021, we have been a supporter of the TCFD. That same year, we began disclosing our climate-related risks in alignment with the TCFD recommendations, and in 2022, we included a dedicated TCFD section in our Integrated Annual Report. We have been a signatory of the UN Global Compact since 2014, and each year, we actively participate in experience-sharing sessions. Additionally, in 2024, we signed one of the United Nations Global Compact (UNGC) initiative CEO Water Mandate and became the first company in the building materials sector to sign this initiative. [Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

(4.11.4) Attach commitment or position statement

Akçansa 2024 EFR - Kurumsal Üyelikler 1.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

We actively participate in various activities, both directly and indirectly, through our membership in associations and unions such as the Turkish Industry and Business Association (TUSIAD), the Turkish Cement Manufacturers Association (TÜRKÇİMENTO), and others. Through these memberships, we closely monitor and engage with both existing and emerging regulations. We also contribute to research and policy development efforts by sponsoring studies and analyses conducted by global and sectoral NGOs representing both the cement industry and the broader business community, which we believe are essential to combating climate change. We also play an active role in various working groups and undertake specific tasks to support the creation of climate-related policies and legislation. We represent our company and these NGOs in roundtable meetings organized by various organizations and public institutions, participate in consultation meetings, and support projects initiated by official authorities. We have also been involved in consultations with both sectoral and cross-sectoral organizations from the start to the end of the climate law and sub-regulation preparation process. Our active engagement includes participating in the working groups and projects of several NGOs focused on climate change and sustainability, such as: - WBCSD Türkiye (Circular Economy, Water, and Sustainability Reporting Working Groups) - TUSIAD (Environmental and Sustainability Working Group) - TKYD (Turkish Corporate Governance Association - ESG Working Group) - TÜRKÇİMENTO (Environment and Climate Change Committee; Sustainability Working Group) - IMSAD (Association of Construction Material Producers - Sustainability Working Group) - THBB (Turkish Ready Mixed Concrete Association) - TOBB (Union of Chambers and Commodity Exchanges of Turkey) - ERTA (Association of Integrated Reporting Türkiye) - UN Global Compact Signatories Association - ÇEDBİK (Green Building Association) We actively contribute to regulatory changes, advocacy activities, and the development of new and existing projects. Our efforts aim to enhance awareness and knowledge about climate change and sustainability. Through our involvement in working groups, communication efforts, and reports, we support the public and relevant authorities.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Climate Law and sub-regulations: Climate law is basic code law that includes the responsibilities and obligations of institutions, organizations, natural and legal entities. Draft law designed to include reduction and compliance goals within the scope of the Ministries, but without limitation, for the realization of the Net zero emission target of Türkiye. Draft law also includes regulations regarding emission trading schemes and defines the authorities of the Ministries.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

☑ Water

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

☑ Carbon offsets

☑ Carbon taxes

☑ Emissions trading schemes

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Turkey

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

While our organization supports the Climate Law and its associated regulations, there are specific exceptions we believe should be considered, particularly regarding the implementation timelines for emission reduction targets and the flexibility within the emissions trading schemes (ETS). The current timeline for compliance with the emission reduction goals may pose challenges for certain sectors, especially in terms of achieving the necessary technological adaptation and infrastructure improvements. The law imposes a strict schedule that may not take into account the diverse operational capacities of different sectors. Accordingly, Draft ETS Regulation has published by Ministry of Environment, Urbanization and Climate Change in 2025 and 2026-2027 period is announced as the pilot period of ETS system with free allocation relief. It is also announced that the pilot period

will be followed by the first implementation period between 2028-2035. As Akçansa, in terms of adaptability and readiness to the transition process of ETS system, we are in good position compared to national average. In this regard, we propose that the law include sector-specific timelines for achieving emission reduction targets, particularly for sectors with high carbon intensity or limited access to clean technology. In addition, we recommend adopting a phased approach to the ETS, allowing sectors that are less prepared for immediate full compliance to gradually integrate. This could involve an initial trial period or a grace period to align technological and infrastructural investments with legal requirements. Such flexibility would ensure that while we remain committed to the Net Zero targets, organizations can meet these goals without placing excessive strain on their operational capacities.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

While taking mitigation measures within the scope of climate-related regulations, multidimensional evaluations and impact analyzes gain importance. In this context, contribution is made to better analyze the regulatory barriers in front of the initiatives in both our transition plan and cement industries' decarbonization pathway. For example, the use of revenues from carbon pricing schemes included in the draft climate law for the green transformation of the private sector is a very important incentive for the effectiveness of transition plans. The opinion necessary for this issue to be included in the law has been conveyed directly to the relevant authorities. Within the scope of the law, it is expected that an effective regulation will be made for the use of these revenues. On the other hand, the Ministry of Industry has a roadmap project for the decarbonization of the cement sector. We have been providing data since the beginning of the project in the expert working group of the cement sector low carbon roadmap study prepared by the Ministry of Science, Industry and Technology and we have been actively contributing to the relevant stakeholder meetings. We are actively involved in the expert working group of this project, and we regularly express the priority issues in our transition plan to be included in the roadmap study.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement
☑ Sustainable Development Goal 6 on Clean Water and Sanitation

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Regulations on waste management, regulations on deriving alternative fuels from municipal wastes, circular economy action plans, public procurement policies, sustainable construction regulations, green procurement regulations

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Low-impact production and innovation
☑ Circular economy

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:
☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply
☑ Turkey

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:
☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply
☑ Regular meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Better waste management planning and tighter controls in waste treatment facilities can pave the way for the use of waste as fuel in cement plants. This can happen in two ways. First is providing access to more waste through an effective waste management plan. In order to process wastes in a qualified manner, technological barriers and restrictions in regulations should be developed. In this way, we can access the wastes more easily. On the other hand, the content of the wastes reached is very important. When the necessary incentives and control mechanisms are provided for the preparation of wastes with high biomass content, low humidity and appropriate sizes, the efficiency of alternative fuel use will increase, and climate targets will be achieved faster. On the other hand, market demand for our low carbon blended cement products is expected to increase with the adoption of green procurement principles in the sector. In this way, the volume of these products included in our low carbon transition plan will increase and our transition plan will be successful.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

National and international regulations like Climate Law, Draft ETS Regulation, Green Taxonomy Regulation and Carbon Border Adjustment Mechanism (CBAM), National Long Term Climate Strategy, National Climate Mitigation and Adaptation Action Plans preparations of the Ministry of Environment, Urbanization and Climate Change that includes policy recommendations to the policymakers.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☑ Emissions – CO2

☑ Emissions – methane

☑ Emissions – other GHGs

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Turkey

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

☑ Neutral

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Actions and policy recommendations determined within the scope of action plans are very important for critical decisions to be taken in the short-medium-long term. Including the actions related with the decarbonization roadmaps of the sector in these reputable studies as policy recommendations will also support our own transition plan. For example, actions for the use of renewable energy in the industrial sector will support the reduction of our emissions by increasing the share of renewable energy and decarbonization of energy mix, and suggestions such as incentivizing new technologies for decarbonization will contribute to our transition plan by paving the way for technological transformation. Carbon Border Adjustment Mechanism (CBAM) is also crucial for fulfilling the required steps of our transition plan via its influence on reaching our sustainability targets. As Akçansa, we prioritize the improvement of our engagement to CBAM, which is measured through the level of compliance and sector-specific feedback from stakeholders. Through assessing our compliance level, we also evaluate our basis and position for full implementation. In addition to compliance level check and sector-specific feedback sharing, we also calculate and assess emission reduction to observe commitment to the low-carbon strategies and climate goals.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

Founded in 1971 to represent the Turkish business world, TÜSİAD is a voluntary, independent, non-governmental organization dedicated to promote welfare through private enterprise. TÜSİAD's activities are aimed at creating a social cohesion based on the competitive market economy, sustainable development and participatory democracy. TÜSİAD is a member of Business Europe which is the leading advocate for growth and competitiveness at European level.

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Akçansa participates to different Roundtables, Working Groups and Task Forces established under TÜSİAD. The climate related studies are coordinated within Environment and Climate Change Working Group which was established under Environment and Energy Round Table. Akçansa is an active member within Environment and Climate Change Working Group. Sustainability Manager of Akçansa who is also representative of the membership in TÜSİAD, leads the Climate Change and Paris Agreement Sub-Working Group. The working group was established to support the development of environmental and climate policies in Turkey, and the development of regulations for ensuring economic sustainability by blending the sustainability of natural resources with the expectations of the business world. The Working Group evaluates whether the regulations related to sustainability are implemented effectively, conducts research, supports its work with impact analyzes, represents the climate related expectations of the business world in public works, and offers suggestions to relevant institutions and organizations within this framework. In particular, within the scope of the Climate Change and the Paris Agreement, Sustainable Finance and Circular Economy Sub Working Groups, studies on regulatory regulations regarding climate are carried out, opinions are compiled, global developments are followed, and the business world is informed within this scope. In the reporting year, a payment of 290,000 TRY was made to the relevant organization.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

290000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Main purpose of allocating payment to TÜSİAD is to establish a basis for conducting joint consultations and acceleration of the dialogue process with the NGO. As Akçansa, we believe that funding NGOs like TÜSİAD can both raise awareness on sustainability, provide contribution through experience sharing, and enable sector-specific feedback mechanisms

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

Turkish Cement Manufacturers' Association (TürkÇimento) established in 1957. It represents a total of 68 enterprises, as 51 integrated facilities and 17 grinding facilities, with the aim of better quality products and more efficient services and looking for solutions to potential problems.

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

TÜRKÇIMENTO is a strong and active association that carries out the sectoral representation of cement manufacturers. Akçansa General Manager is a member of TÜRKÇIMENTO Board of Directors and Supervisory. TÜRKÇIMENTO is emphasizing the sectoral position in sustainable growth among entire public, with the awareness of protecting the reputation of the sector both in Türkiye and abroad and expanding the use of cement in a sustainable direction, taking into account the benefits of its members and the society. In line with this goal, TÜRKÇIMENTO carries out its studies by internalizing the values of creativity, transparency, honesty and reliability. The permanent Environment and Climate Change committee within the association carries out activities to strengthen the sectoral position and communicate expectations, especially in climate change and environmental regulations. Analysis studies, research studies and follow-up of current developments and regulations in this context are carried out within the scope of the committee. In addition, studies are carried out to increase the awareness and knowledge level of the Turkish Cement industry on climate change and sustainability. Akçansa Sustainability Manager and Environmental Manager are members of this committee. Within the scope of the committee, Akçansa shares its experiences on the use of alternative raw materials and alternative fuels, the

use of new technologies in the field of climate change, and emission and energy inventories, and contributes to the works carried out by the public sector. A Sustainability Sub-working group was established under this committee. Akçansa Sustainability Manager also takes an active role in this working group and contributes to the sustainability reporting of the sector. Different representatives from Akçansa also take part in various other committees of the union. In the reporting year, a payment of 2,005,000 TRY was made to the relevant organization

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

2005000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The primary objective of allocating funds to TÜRKÇİMENTO is to create a foundation for multilateral bargaining and speeding up the dialogue process with the NGO. At Akçansa, we believe that financial support to NGOs such as TÜRKÇİMENTO can improve social consciousness regarding climate change, foster contributions through sectoral information sharing and benefiting from sector-specific feedback share.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

The Business and Sustainable Development Council (BCSD Türkiye) was established in 2004 under the leadership of 13 private sector representatives and is a business association that only accepts corporate memberships. As the regional network and business partner of the World Business Council for Sustainable Development (WBCSD), BCSD Türkiye shares the sustainability issues that come with this collaboration with its members, which include working groups, and through its various platforms

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

SKD Türkiye, the regional network and business partner of the World Business Council for Sustainable Development (WBCSD) in Türkiye, shares the sustainability issues brought about by this cooperation with its members and departments on various platforms. SKD Türkiye works with the objectives of increasing the experience of the concept of sustainable development in the business world, encouraging the increase of the exemplary organization in order to achieve good results, providing promotion, contributing to policy compilations in this field, executing to develop appropriate tools and channels. Akçansa is an active member of the association. It contributes to the circular economy platforms carried out by SKD Turkey, participates in roundtable meetings on climate change, supports and funds efforts to share good practices, and participates in research and policy proposal development studies carried out by SKD Türkiye. In the reporting year, a payment of 50,000 TRY was made to the relevant organization.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

50000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Payments provided by Akçansa to SKD Türkiye has a primary purpose of developing a basis of multilateral dialogue mechanism with the NGO. Through this payment allocation, we aim to share experience, information and sectoral feedback with SKD Türkiye to improve stakeholder engagement and corporation climate response. In addition. At Akçansa, we believe that offering financial support to NGO's like SKD Türkiye is extremely valuable for encouraging public awareness on climate change.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 4

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

Marmara Island Gündoğdu Village Development and Beautification Association.

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

We are pleased to complete the "Marmara Islands Artificial Reef Project", which we prepared in cooperation with the Marmara Islands Gündoğdu Village Development and Beautification Association and in consultation with Balıkesir University and Çanakkale Onsekiz Mart University. The project, which aims to create a net gain in biodiversity and is the first major work with 3D reefs in the Marmara Sea, saw 160 out of a total of 280 reefs

produced with three-dimensional printers and released into the sea to provide a home for marine life. With this project, which we have carried out with the approval of the General Directorate of Fisheries and Aquaculture of the Ministry of Agriculture and Forestry of the Republic of Turkey, we are protecting the fragile ecosystem in the region and saying "There is a world" for a sustainable future.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ ESRS

☑ GRI

☑ IFRS

☑ TCFD

☑ Other, please specify :Integrated Reporting Framework

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Water pollution indicators

☑ Content of environmental policies

☑ Value chain engagement

☑ Dependencies & Impacts

☑ Biodiversity indicators

☑ Public policy engagement

☑ Water accounting figures

(4.12.1.6) Page/section reference

Akçansa 2024 Integrated Report

(4.12.1.7) Attach the relevant publication

Akcansa_2024_EFR _EN_Interactive_020525.pdf

(4.12.1.8) Comment

The integrated annual report 2024 of Akçansa, whose shares are traded on Borsa Istanbul, meets the minimum requirements of the Capital Markets Board (CMB) for annual reports. Our report has been prepared in accordance with the Integrated Reporting Framework (IR) organised by the Value Reporting Foundation (VFR) and the GRI Standards 2021 developed by the Global Reporting Initiative (GRI). We have also included the United Nations Sustainable Development Goals to which we have contributed and the work we have carried out under the United Nations Women Empowerment Principles (WEPs). The information contained in the report covers all activities carried out in Türkiye under the Akçansa, Akçansa Cement, Agregasa and Betonsa brands in the cement, ready-mixed concrete, port and aggregates businesses between 1 January 2024 and 31 December 2024. The export activities of Heidelberg Materials Trading, a subsidiary of Heidelberg Materials, one of our major shareholders, are not included in this report. The financial and non-financial data in our report were verified by third parties. You can find the statements regarding the audits received in the “Annexes” section of our report.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually

Water

(5.1.1) Use of scenario analysis

Select from:
☑ Yes

(5.1.2) Frequency of analysis

Select from:
☑ Annually
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios
☑ IEA 2DS

(5.1.1.3) Approach to scenario

Select from:
☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2060

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Other finance and insurance driving forces, please specify :Carbon pricing

Stakeholder and customer demands

☑ Impact of nature footprint on reputation

Regulators, legal and policy regimes

☑ Methodologies and expectations for science-based targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

In 2024, Akçansa conducted a scenario analysis in line with the TCFD recommendations to assess climate-related risks under two pathways: a Paris Agreement-aligned scenario that limits global warming to below 2°C, and a high-emission scenario where temperatures rise by 3.5–4°C. When assessing the financial implications of carbon pricing, we applied the free allowance allocation rates of the EU ETS rather than using a generic price assumption, in order to reflect a more realistic cost outlook. We also assumed increasing costs of alternative fuels and raw materials based on international market projections, and rising water stress in line with global climate models, with potential implications for cement production processes. The analysis combined Akçansa's operational and financial data with international climate and market datasets to estimate direct cost increases, operational disruptions, and regulatory obligations. However, several uncertainties and constraints remain. The future scope and level of carbon pricing regulations across jurisdictions are uncertain, and the pace of technological developments in alternative fuels and low-carbon solutions could alter resilience assumptions. Climate projections for water stress, particularly at a regional scale, carry inherent uncertainties, while market price forecasts for fuels and raw materials are highly sensitive to geopolitical and macroeconomic volatility. Data

limitations specific to Turkey restricted the granularity of long-term projections, and financial modeling had to rely on current market dynamics, which may not fully capture systemic shocks. The scenario analysis was carried out until 2060, which enabled us to test the resilience of our strategy in both the medium and long term, though the long-term nature of climate change inherently limits predictability. Within this methodological framework, the analysis focused on the three most material risks for Akçansa: water stress, rising fuel and raw material prices, and carbon pricing mechanisms.

(5.1.1.11) Rationale for choice of scenario

The 2DS (2-Degree Scenario) is aligned with the goal of limiting global warming to 2C above pre-industrial levels, which is a critical reference point for global climate policies. This scenario adopts a multi-faceted approach to reducing CO2 and GHG emissions in both the energy sector and non-energy sectors, acknowledging that transformation in energy is necessary but not sufficient on its own. The 2DS scenario highlights the importance of renewable energy sources and advanced technologies such as carbon capture and storage (CCS), underscoring the need for innovative solutions in addition to existing technologies. It provides realistic and actionable roadmaps for policymakers and industry stakeholders, offering a framework to achieve long-term sustainability goals.

Water

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA 2DS

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

For transition scenario analysis, we used the IEA 2DS scenario. All assumptions used in the scenario analysis are in line with IEA's Energy Technology Perspectives 2017 report. For water stress assessment, we used the WRI Aqueduct tool with a time horizon of 2030 and 2040. For physical assessments, we used IPCC's Representative Concentration Pathways.

(5.1.1.11) Rationale for choice of scenario

The IEA 2DS (2 Degrees Scenario) scenario is designed to provide a pathway to limit global temperature rise to below 2C by the end of the century. This scenario is based on the International Energy Agency's Energy Technology Perspectives 2017 report, which outlines assumptions regarding energy efficiency improvements, renewable energy adoption, carbon capture and storage (CCS) technologies, and policy changes needed to achieve significant reductions in greenhouse gas emissions. It assumes a global transition towards a low-carbon economy, driven by stringent policy measures, market changes, and technological advancements. This scenario helps the organization understand potential transition risks, including policy, market, and technology risks, and guides strategic planning to align with global climate goals.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2005

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Representative Concentration Pathways (RCPs) are not new, fully integrated scenarios (i.e., they are not a complete package of socioeconomic, emissions, and climate projections). They are consistent sets of projections of only the components of radiative forcing that are meant to serve as input for climate modeling, pattern scaling, and atmospheric chemistry modeling," according to the RCP Database. Global climate models represent the planet as millions of grid boxes and then solve mathematical equations to calculate how energy is transferred between those boxes using the laws of thermodynamics. If done correctly, these models of how energy is cycled through all parts of the planet can be used to estimate dozens of environmental variables (winds, temperature, moisture, etc.). The models are tested by simulating historical conditions and then matching the results to our historical observational records. If the models can adequately recreate the past, they are then run forward in time to predict what may happen in the future. RCP 2.6 Scenario was used as the Optimistic scenario – substantial reduction of GHG during the century with a wide range of new technologies and strategies successfully introduced. It is the moderate scenario leading to a warming at the end of the 21st century of probably less than 2C relative to the pre-industrial period (1850–1900). For physical climate risk assessments, all facilities were assessed by their locations. Time horizon/projection years are 2030, 2050, and 2100. The projections are a hybrid composite of local high-resolution CORDEX models and global CMIP5 models. Data for the reference period is based on the well-established current Munich Re model data (for tropical cyclones, river floods) and on ERA5 ECMWF atmospheric reanalysis data (for heat stress, precipitation stress, fire weather stress). The reference period for the climatological parameters is 1986-2005, and 20-year periods are used for the projections for more robust trend estimates. According to RCP 2.6, as CO2 increases, Earth gets warmer, but not uniformly; oceans warm slower than the continents and the Arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 2.6 W/m2 show the level of radiative forcing by GHG emissions peaking by

midcentury, then returning to 2.6 W/m2 by 2100. A large-scale, global, and differentiated greenhouse gas mitigation strategy and new technologies would need to be widely employed soon.

(5.1.1.11) Rationale for choice of scenario

Representative Concentration Pathways (RCPs) are not new, fully integrated scenarios (i.e., they are not a complete package of socioeconomic, emissions and climate projections). They are consistent sets of projections of only the components of radiative forcing that are meant to serve as input for climate modeling, pattern scaling 152 and atmospheric chemistry modeling," according to the RCP Database. Global climate models represent the planet as millions of grid boxes and then solve mathematical equations to calculate how energy is transferred between those boxes using the laws of thermodynamics. If done correctly, these models of how energy is cycled through all parts of the planet can be used to estimate dozens of environmental variables (winds, temperature, moisture, etc.). The models are tested by simulating historical conditions and then matching the results to our historical observational records. If the models can adequately recreate the past, they are then run forward in time to predict what may happen in the future. RCP 2.6 Scenario was used as the "Optimistic" scenario – substantial reduction of GHG during the century with wide range of new technologies and strategies successfully introduced. It is the moderate scenario leading to a warming at the end of the 21st century of probably less than 2C relative to the preindustrial period (1850–1900). For physical climate risks assessment, all facilities were assessed by their locations. Time horizon/projection years are 2030, 2050 and 2100. The projections are a hybrid composite of local high-resolution CORDEX models and global CMIP5 models. Data for the reference period is based on the well established current Munich Re model data (for tropical cyclone, river flood) and on ERA5 ECMWF atmospheric reanalysis data (for heat stress, precipitation stress, fire weather stress). The reference period for the climatological parameters is 1986-2005, and 20-year periods are used for the projections for more robust trend estimates. According to RCP 2.6; as CO2 increases Earth gets warmer, but not uniformly, oceans warm slower than the continents and arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 2.6 W/m2 show the level of radiative forcing by GHG emissions peaking by mid-century then returning to 2.6 W/m2 by 2100. A large-scale, global and differentiated greenhouse gas mitigation strategy and new technologies would need to be widely employed very soon.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.0ºC - 2.4ºC

(5.1.1.7) Reference year

2005

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Regulators, legal and policy regimes

☑ Global targets

Relevant technology and science

☑ Granularity of available data (from aggregated to local)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Representative Concentration Pathways (RCPs) are not new, fully integrated scenarios (i.e., they are not a complete package of socioeconomic, emissions, and climate projections). They are consistent sets of projections of only the components of radiative forcing that are meant to serve as input for climate modeling, pattern scaling, and atmospheric chemistry modeling," according to the RCP Database. Global climate models represent the planet as millions of grid boxes and then solve mathematical equations to calculate how energy is transferred between those boxes using the laws of thermodynamics. If done correctly, these models of how energy is cycled through all parts of the planet can be used to estimate dozens of environmental variables (winds, temperature, moisture, etc.). The models are tested by simulating historical conditions and then matching the results to our historical observational records. If the models can adequately recreate the past, they are then run forward in time to predict what may happen in the future. RCP 4.5 Scenario was used as the "Stabilization" scenario – radiative forcing is stabilized before 2100 by the employment of a range of technologies and strategies for GHG reduction. It is an intermediate scenario leading to a warming at the end of the 21st century of more than 2C relative to the pre-industrial period (1850–1900). For physical climate risk assessment, all facilities were assessed by their locations. The time horizon/projection years are 2030, 2050, and 2100. The projections are a hybrid composite of local high-resolution CORDEX models and global CMIP5 models. Data for the reference period is based on the well-established current Munich Re model data (for tropical cyclones, river floods) and on ERA5 ECMWF atmospheric reanalysis data (for heat stress, precipitation stress, and fire weather stress). The reference period for the climatological parameters is 1986-2005, and 20-year periods are used for the projections to provide more

robust trend estimates. According to RCP 4.5, Earth gets warmer but doesn't warm uniformly; the oceans warm slower than the continents and the Arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 4.5 show the level of radiative forcing by greenhouse gas emissions stabilizing at 4.5 W/m2 by 2100. The employment of a range of technologies and strategies for reducing greenhouse gas emissions is assumed in this scenario.

(5.1.1.11) Rationale for choice of scenario

Representative Concentration Pathways (RCPs) are not new, fully integrated scenarios (i.e., they are not a complete package of socioeconomic, emissions and climate projections). They are consistent sets of projections of only the components of radiative forcing that are meant to serve as input for climate modeling, pattern scaling and atmospheric chemistry modeling," according to the RCP Database. Global climate models represent the planet as millions of grid boxes and then solve mathematical equations to calculate how energy is transferred between those boxes using the laws of thermodynamics. If done correctly, these models of how energy is cycled through all parts of the planet can be used to estimate dozens of environmental variables (winds, temperature, moisture, etc.). The models are tested by simulating historical conditions and then matching the results to our historical observational records. If the models can adequately recreate the past, they are then run forward in time to predict what may happen in the future. RCP 4.5 Scenario was used as the "Stabilization" scenario – radiative forcing is stabilized before 2100 by employment of a range of technologies and strategies for GHG reduction. It is intermediate scenario leading to a warming at the end of the 21st century of more than 2C relative to the preindustrial period (1850–1900). For physical climate risks assessment, all facilities were assessed location wise. Time horizon/projection years are 2030, 2050 and 2100. The projections are a hybrid composite of local high resolution CORDEX models and global CMIP5 models. Data for the reference period is based on the well established current Munich Re model data (for tropical cyclone, river flood) and on ERA5 ECMWF atmospheric reanalysis data (for heat stress, precipitation stress, fire weather stress). The reference period for the climatological parameters is 1986-2005, and 20-year periods are used for the projections for more robust trend estimates. According to RCP 4.5, Earth gets warmer but doesn't warm uniformly, the oceans warm slower than the continents and arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 4.5 show the level of radiative forcing by greenhouse gas emissions stabilizing at 4.5 W/m2 by 2100. Employment of a range of technologies and strategies for reducing greenhouse gas emissions are assumed in this scenario.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

RCP 8.5 Scenario was used as the "Pessimistic" scenario – radiative forcing is growing beyond 2100 due to the lack of adaptation of technologies and strategies for GHG reduction. According to the RCP 8.5 Scenario, Earth gets warmer as CO2 increases in the atmosphere, and Earth doesn't warm uniformly; the oceans warm slower than the continents and the Arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 8.5 W/m2 show extreme change. CO2 levels rise to 936 ppm by 2100, making the global temperature rise by about 5-6C by 2100. For physical climate risk assessment, all facilities were assessed by their locations. The time horizon for the scenario is until 2030, 2050, and 2100.

(5.1.1.11) Rationale for choice of scenario

We have assessed our plants and sites according to the exposure to physical risks, covering several acute and chronic water related risks, (flooding, drought, heavy precipitation etc.). Our assessment makes use of three scenarios (RCP 2.6 as an optimistic scenario, RCP 4.5 as a stabilization scenario and RCP 8.5 as a pessimistic scenario) and covers the time horizon until 2050. Risks affecting us across are climatic developments that can lead to floods as a result of high precipitation, sea-level rise and water scarcity due to drought stress and water stress. Our plants are under medium to high risk of water stress and drought stress by 2050 and under medium high risk of extreme precipitation and flooding. This may cause damage to our own assets or lead to production disruptions in our own operations due to water shortages. We mitigate these risks by effective water management practices during production and investing in water recycling and reuse projects. We use WRI Aqueduct tool to assess water stress as well as the RCP scenarios. We have started developing water management plans in each of our plants as a part of our sustainability strategy and Sustainability Commitments 2030.

Water

(5.1.1.1) Scenario used

Water scenarios

☑ WRI Aqueduct

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Market

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Sensitivity to inequity of nature impacts

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

In assessing water-related risks, we leveraged the World Resources Institute's Aqueduct Tool to evaluate water stress across our operational regions. The analysis showed that 8 of our plants are located in areas of high water stress (40–80%) and 13 plants in extremely high water stress zones (over 80%). Based on these results, we assumed that future water availability in these regions will continue to be constrained, potentially impacting cement production, which relies heavily on water as a critical input. Key assumptions included the continuation of regional water stress trends, limited availability of new freshwater sources, and increasing regulatory pressures on industrial water use. Uncertainties remain around the pace and severity of climate change impacts on local

hydrological conditions, as well as future policy developments at the regional and national levels. In addition, constraints were posed by the granularity of available water data in certain regions and the reliance on model-based projections, which inherently include variability. To address these risks, particularly in the Marmara, Northern Aegean, and Black Sea regions, we have developed strategies focused on improving efficiency, increasing water recovery, and enhancing wastewater reuse. These initiatives are designed to mitigate potential disruptions despite the uncertainties and constraints associated with long-term water availability projections.

(5.1.1.11) Rationale for choice of scenario

We selected this scenario because it enables a comprehensive assessment of the most material environmental risks and opportunities for our business. The 1.5°C or lower pathway was chosen to align with international climate goals and test our resilience under ambitious transition assumptions. WRI Aqueduct was applied to capture water-related acute physical risks, which are particularly relevant to our operations. By adopting a qualitative and quantitative, organization-wide approach, the analysis covers both physical and market-related risks across all activities. The reference year of 2020 ensures comparability with global data sets, while the 2030 timeframe reflects a critical milestone for near- and medium-term decision-making. Driving forces, including changes to the state of nature and climate change, were prioritized as they directly influence our value chain. Additionally, the inclusion of sensitivity to inequity of nature impacts highlights our recognition of the social dimension of environmental risks. Overall, this scenario was chosen to test the robustness of our strategy against the most relevant environmental and socio-economic challenges.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP1

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Reputation

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Changes in ecosystem services provision

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Impact of nature footprint on reputation

☑ Sensitivity to inequity of nature impacts

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

RCP 2.6 Scenario was used as the "Optimistic" scenario – substantial reduction of GHG during the century with a wide range of new technologies and strategies successfully introduced. According to RCP 2.6, the Earth gets warmer as CO2 increases in the atmosphere. Earth doesn't warm uniformly; the oceans warm slower than the continents and the Arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 2.6 W/m2 show the level of radiative forcing by greenhouse gas emissions peaking by midcentury, then returning to 2.6 W/m2 by 2100. A large-scale, global, and differentiated greenhouse gas mitigation strategy and new technologies would need to be widely employed very soon.

(5.1.1.11) Rationale for choice of scenario

We have assessed our plants and sites according to the exposure to physical risks, covering several acute and chronic water related risks, (flooding, drought, heavy precipitation etc.). Our assessment makes use of three scenarios (RCP 2.6 as an optimistic scenario, RCP 4.5 as a stabilization scenario and RCP 8.5 as a pessimistic scenario) and covers the time horizon until 2050. Risks affecting us across are climatic developments that can lead to floods as a result of high precipitation, sea-level rise and water scarcity due to drought stress and water stress. Our plants are under medium to high risk of water stress and drought stress by 2050 and under medium-high risk of extreme precipitation and flooding. This may cause damage to our own assets or lead to production disruptions in our own operations due to water shortages. We mitigate these risks by effective water management practices during production and investing in water recycling and reuse projects. We use WRI Aqueduct tool to assess water stress as well as the RCP scenarios. As part of our sustainability strategy and Sustainability Commitments 2030, we have started developing water management plans in each of our plants. Additionally, we integrated a comprehensive Water Master Plan to ensure a more strategic approach to water stewardship across all our sites. This master plan aligns with our broader sustainability goals and aims to promoting efficient water usage, recycling, and local water source protection.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP2

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Reputation

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 2.0°C - 2.4°C

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Impact of nature footprint on reputation

☑ Sensitivity to inequity of nature impacts

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

RCP 4.5 Scenario was used as the "Stabilization" scenario – radiative forcing is stabilized before 2100 by the employment of a range of technologies and strategies for GHG reduction. According to RCP 4.5, Earth gets warmer as CO2 increases in the atmosphere, and Earth doesn't warm uniformly; the oceans warm slower than the continents and the Arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 4.5 show the level of radiative forcing by greenhouse gas emissions stabilizing at 4.5 W/m2 by 2100. The employment of a range of technologies and strategies for reducing greenhouse gas emissions is assumed in this stabilization scenario.

(5.1.1.11) Rationale for choice of scenario

We have assessed our plants and sites according to the exposure to physical risks, covering several acute and chronic water related risks, (flooding, drought, heavy precipitation etc.). Our assessment makes use of three scenarios (RCP 2.6 as an optimistic scenario, RCP 4.5 as a stabilization scenario and RCP 8.5 as a pessimistic scenario) and covers the time horizon until 2050. Risks affecting us across are climatic developments that can lead to floods as a result of high precipitation, sea-level rise and water scarcity due to drought stress and water stress. Our plants are under medium to high risk of water stress and drought stress by 2050 and under medium-high risk of extreme precipitation and flooding. This may cause damage to our own assets or lead to production disruptions in our own operations due to water shortages. We mitigate these risks by effective water management practices during production and investing in water recycling and reuse projects. We use WRI Aqueduct tool to assess water stress as well as the RCP scenarios. As part of our sustainability strategy and Sustainability Commitments 2030, we have started developing water management plans in each of our plants. Additionally, we are integrating a comprehensive Water Master Plan to ensure a more strategic approach to water stewardship across all our sites. This master plan aligns with our broader sustainability goals and aims to promoting efficient water usage, recycling, and local water source protection.

Water

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP3

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Policy

☑ Reputation

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2020

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☑ Impact of nature footprint on reputation

☑ Sensitivity to inequity of nature impacts

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

RCP 8.5 Scenario was used as the "Pessimistic" scenario – radiative forcing is growing beyond 2100 due to the lack of adaptation of technologies and strategies for GHG reduction. According to the RCP 8.5 Scenario, Earth gets warmer as CO2 increases in the atmosphere, and Earth doesn't warm uniformly; the oceans warm slower than the continents and the Arctic. Projections are based on a high emissions scenario. Projections for temperature according to RCP 8.5 W/m2 show extreme change. CO2 levels rise to 936 ppm by 2100, making the global temperature rise by about 5-6C by 2100. For physical climate risk assessment, all facilities were assessed by their locations. The time horizon for the scenario covers 2030 and 2050

(5.1.1.11) Rationale for choice of scenario

We have assessed our plants and sites according to the exposure to physical risks, covering several acute and chronic water related risks, (flooding, drought, heavy precipitation etc.). Our assessment makes use of three scenarios (RCP 2.6 as an optimistic scenario, RCP 4.5 as a stabilization scenario and RCP 8.5 as a pessimistic

scenario) and covers the time horizon until 2050. Risks affecting us across are climatic developments that can lead to floods as a result of high precipitation, sea-level rise and water scarcity due to drought stress and water stress. Our plants are under medium to high risk of water stress and drought stress by 2050 and under medium-high risk of extreme precipitation and flooding. This may cause damage to our own assets or lead to production disruptions in our own operations due to water shortages. We mitigate these risks by effective water management practices during production and investing in water recycling and reuse projects. We use WRI Aqueduct tool to assess water stress as well as the RCP scenarios. We have started developing water management plans in each of our plants as a part of our sustainability strategy and Sustainability Commitments 2030.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply
☑ Risk and opportunities identification, assessment and management
☑ Strategy and financial planning
☑ Resilience of business model and strategy
☑ Capacity building
☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:
☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

We expect increased regulations and agreements to put more pressure on the cement industry to reduce CO2 emissions. We consider it essential to carry out scenario and impact analyzes in order to be prepared for new regulations, and to take emission reduction measures in this direction. In line with the emerging regulations on climate, the possible effects on the value chain have been analyzed. While performing impact analysis, we determined plant-based emission reduction levers, as switching to alternative fuels, improving energy efficiency, reduction of clinker to cement ratio, using decarbonization technologies. New market conditions will support a growing demand for low-carbon products and solutions. We see there an opportunity to increase our market share in the range of sustainable products. In our business strategy, we recognize that additional investments are required under the 2DS scenario. We have developed our strategy aligned with lower CO2 emissions. We conducted financial impact analyzes for different regulatory scenarios to prepare for emerging regulations. In line with these analyzes, which are reviewed and approved by Board of Directors the emission reduction rate until 2030 has been determined and the investments to be made to reach this rate have been decided. In the focus of investments, there are items such as projects to increase alternative fuels, emission reduction projects, process optimization studies, product switching plan and sales plan for new and low-carbon products, R&D activities on both cement and concrete products, energy efficiency projects and determining the potential for developing CCUS technologies. The business strategy has been shaped for considering these investments and market. In terms of business objectives and strategy, this result has impact on our decision to set a CO2 reduction target Akçansa, with all the initiatives determined, revised its 2030 climate targets in 2024. The company now aims to reduce net CO_2 emissions intensity from 753 kg per metric ton of cementitious product in 2021 to 585 kg per metric ton by 2030, representing a 22.4% reduction. Physical scenario analyses: Tropical cyclone, river flooding, precipitation and fire weather, heat stress, drought stress are key risks to focus on. According to the analyses, tropical cyclone is not considered a relevant risk for Türkiye. River flooding is considered medium risk for plants. Precipitation

stress is considered a medium risk and fire weather stress is considered a medium to high risk for majority of operations risk in all scenarios. Heat stress is considered a medium to high risk. Turkey is under water stress and our cement plants are in high water stress areas. Drought stress is considered medium to high risk for majority of operations. Sea level rise to considered major risk for more than a quarter of all assets. Extreme precipitation and flooding impacting sites and supply chains in affected areas require further protective measures and mitigation plans.

Water

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

In 2020, we set a target of reducing our water withdrawals per unit production by 13% by 2030, with these data in hand. We aim to develop projects that will reduce water withdrawals and recycle water in each plant and site. At the company level, we will be implementing Water Management Plans in sites located on water scarce areas. We ensure the effective use of water with monitoring systems at all our sites. One of our goals is to use new technologies in this regard. On the other hand, we are evaluating CAPEX plans to reduce water withdrawal by recycling and reusing water in our operations. We have started a project for online monitoring of water consumption data online via an online platform. The system will have enabled plant operators and engineers to closely monitor the consumption data and take immediate action when necessary as well as generating accurate reports. In the upcoming period, more accurate and focused decisions can be taken within the scope of the capex budget already allocated for water. In the management of the main water risks, priority is given to capex projects such as effective water management investments, investments for water reuse, infrastructure investments for rainwater use, and other instruments that transfer risk (such as insurance). In addition to investment plans, the insurance process of factory assets is operated against risks such as drought induced water stress and scarcity, floods and sea level rise, which are among the prominent risks.
[Fixed row]

(5.2) Does your organization’s strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

We focus on emission reduction and mitigation through investments in renewable energy, alternative fuels, and efficiency improvements rather than committing to a complete cessation of spending or revenue generation associated with fossil fuels. The strategy includes significant efforts towards achieving the 1.5°C scenario, but does not currently include an explicit commitment to cease all activities related to fossil fuels.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

We prepared our climate transition plan in line with the 1.5 °C scenario and shared it with our Board of Directors. We made a commitment to the Science Based Targets initiative to move forward our 2030 climate targets more ambitious and align with the 1.5°C scenario, and accordingly, we analyzed all our operations and revealed our mitigation plan. In our transition plan, emission reduction investments to be realized in plants are determined. Our plan includes activities aimed at maximizing alternative fuel substitution instead of fossil fuels, retirement of inefficient equipment, increasing new product development studies and planning processes investments for the production of new products, use of renewable energy in all facilities, evaluation of CCUS technologies and partnerships with related institutions. In this direction, annual emission reduction targets have been determined, and each production facility has taken initiatives to achieve these targets. Within the scope of our transition plan, in addition to the longterm contracts of the purchasing departments, the sales departments work within the scope of spreading the applications for low carbon products in the market. Our transition plan includes absolute reduction and emission intensity reduction goals in line with 1.5°C. Although the SBTi validation process has not yet been completed, we have the ambition to reduce our absolute emissions by more than 20% by 2030 under this plan. Our Board of Directors, which also includes representatives of Heidelberg Materials and Sabancı Holding, closely monitors the development and progress of our transition plan. Progress is presented in the reports, which are carried out at least every 3 months and more frequently when necessary. We shared our commitment to SBTi with our shareholders, investors and all stakeholders through the public disclosure platform of Türkiye. We aim to publicly share our transition plan after SBTi validation and BoD approvals.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Future technological advancements in renewable energy and CCUS. Continued commitment to SBTi targets. Support from stakeholders and availability of investment for emission reduction projects.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

In 2024, Akçansa continued to advance its climate transition plan with measurable progress in carbon reduction and energy efficiency. Waste heat recovery systems were further optimized, building on the roadmap developed in 2023, and CAPEX investments are planned for turbine and system maintenance in 2025. Alternative fuel substitution has been maximized, inefficient equipment retired, and renewable energy integration expanded across all facilities. Energy management has been strengthened through digital monitoring and predictive maintenance systems. Total energy consumption in 2024 reached 7.2 million MWh, reflecting the inclusion of logistics operations in the calculation, while energy intensity per ton of cementitious product remained stable compared to 2023. Although the SBTi validation process is not yet complete, the company's 2030 target aims for more than a 22.4% reduction in absolute emissions relative to 2021 levels. These measures demonstrate tangible progress in implementing our climate transition plan, improving operational efficiency, and reducing greenhouse gas emissions.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Transition Plan.xlsx

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ Water

☑ Biodiversity

☑ Other, please specify :Energy consumption

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

We manage all climate-related issues in an integrated manner within our business strategy. To manage our physical risks, we analyze the effects of extreme weather events such as landslides, floods, fires, and water shortages on our production processes and reduce the risks that extreme weather events may cause. In addition, we are developing low-carbon production models to address transition risks and integrating renewable energy use, alternative raw materials, and circular economy practices into our business processes to comply with emissions regulations. The strategies defined by SASB for the Construction Materials Sector envisage companies reducing their carbon footprint, strengthening energy efficiency practices, and adopting low-carbon energy sources against transition risks. At the same time, improving material recycling and waste management processes are among the factors that directly affect sustainability performance in the sector. Biodiversity management is a core element of our strategy. We conduct scientific assessments before developing new sites, implement site-specific Biodiversity Management Plans (currently in place for two quarries, with plans to expand to all mining sites by 2030), and rehabilitate areas post-mining to restore ecosystems. We also avoid operations in UNESCO World Heritage and IUCN Category I and III protected areas. Actions include minimizing dust emissions, optimizing land and water use, and converting mined areas into carbon sink zones where possible. In this context, we are increasing our use of low-carbon energy, optimizing our production processes, and developing our emission management strategies in order to make our operations more efficient. Based on TSRS, ESRS, and SASB standards, we identify sector-specific risks and opportunities and take steps to reduce the impact of climate change on our operations. In line with circular economy principles, we aim to strengthen waste management and make our resource use more efficient by expanding recycling processes. Within the scope of climate-related opportunities, we are developing low-carbon and sustainable material solutions that are compatible with green

building certifications, thereby gaining a competitive advantage. In this way, we aim to create long-term value in line with the financially material sustainability factors defined by the SASB Standard.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:
☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply
☑ Products and services
☑ Upstream/downstream value chain
☑ Investment in R&D
☑ Operations
[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply
☑ Risks
☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply
☑ Climate change
☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: Increasing regulatory pressure, carbon pricing mechanisms, and changing customer expectations driven by climate change pose risks for traditional high-clinker products. To mitigate these risks, Akçansa has diversified its product portfolio with low-carbon cement types, low-clinker solutions, and innovative products containing recycled

raw materials. Additionally, the company has adopted a strategy to develop products that comply with green building certification systems (LEED, BREEAM, etc.) and align with the EU Taxonomy's criteria for environmentally sustainable economic activities, directly addressing emerging market demands. Through this approach, Akçansa aims to prevent potential financial losses stemming from reduced demand for carbon-intensive products and places environmental performance at the center of product development processes. Opportunities: The growing demand for low-carbon products represents a significant growth opportunity for Akçansa. By expanding its sustainable product portfolio, the company strengthens its position in both public and private sector projects. Innovative cement and concrete solutions foster new collaborations, while environmentally friendly products enhance brand reputation and competitive advantage. Moreover, offering green products that meet EU Taxonomy requirements supports compliance with the EU Green Deal and the Carbon Border Adjustment Mechanism (CBAM), creating a strategic edge in international markets.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: Climate-related risks in the value chain primarily stem from rising costs in energy and raw material supply, water scarcity, and carbon emission pressures. Akçansa addresses these risks through the use of alternative fuels and raw materials, logistics optimization, and low-emission transportation solutions. Furthermore, the company integrates environmental performance criteria into supplier evaluation processes to monitor and improve sustainability throughout the supply chain. These measures reduce environmental risks, while minimizing the financial impacts of water scarcity and carbon emissions. Opportunities: Promoting circular economy practices and increasing the use of alternative raw materials across the value chain create both cost advantages and environmental benefits. By utilizing waste materials as raw inputs, Akçansa reduces its dependence on natural resources and lowers operational costs. In addition, the adoption of low-carbon logistics solutions reduces emissions and generates new collaboration opportunities with business partners. This approach reinforces Akçansa's leadership role in environmental sustainability and supports long-term partnerships with stakeholders.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: With increasing regulatory requirements and shifting market expectations due to climate change, investments in R&D have become critical. Insufficient R&D activities could result in lagging behind in low-carbon technologies, rising costs due to high emissions, and competitive disadvantages. To manage these risks, Akçansa focuses its R&D investments on low-carbon technologies, energy efficiency solutions, digitalization, alternative binders, and carbon capture, utilization, and storage (CCUS) technologies. These investments enhance the company's ability to adapt to evolving market and regulatory conditions, ensuring long-term financial resilience and competitiveness. Opportunities: R&D investments create opportunities for Akçansa to lead the transition toward sustainable construction materials and strengthen its competitive position in both domestic and international markets. By focusing on low-carbon cement formulations, alternative binders, innovative production technologies, and CCUS applications, the company can develop products that meet growing customer demand for sustainable solutions while reducing its carbon footprint. Additionally, R&D initiatives in digitalization and energy efficiency support operational excellence, reduce costs, and improve environmental performance. These efforts enable Akçansa to access new markets shaped by green building standards and the EU Green Deal, while enhancing its reputation as a sustainability leader in the cement and construction sector.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Risks: Key operational risks include rising energy costs, stricter emission regulations, and water scarcity. Akçansa mitigates these risks through energy efficiency projects, the adoption of low-carbon production technologies, and the use of alternative fuels and raw materials. In addition, closed-loop water systems and wastewater recovery practices are widely implemented to conserve water resources. These measures improve resource efficiency, reduce the company's carbon and water footprint, and secure long-term operational sustainability. Opportunities: Operational opportunities arise from energy efficiency initiatives and the use of alternative fuels and raw materials, which simultaneously lower costs and reduce carbon emissions. Furthermore, the transition to renewable energy, digitalization initiatives, and Industry 4.0 practices increase operational efficiency while enhancing environmental performance. These opportunities strengthen Akçansa's sustainability strategy and reinforce the company's position as an industry leader.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- ☑ Assets
- ☑ Revenues
- ☑ Liabilities
- ☑ Direct costs
- ☑ Indirect costs
- ☑ Access to capital
- ☑ Capital allocation
- ☑ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

- ☑ Risks
- ☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

- ☑ Climate change
- ☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Environmental risks and opportunities directly shape Akçansa's financial planning by influencing CAPEX, revenues, costs, capital allocation, and access to finance. CAPEX: Stricter carbon regulations, energy price volatility, and water risks have led to increased CAPEX for energy efficiency, alternative fuels and raw materials, and low-carbon technologies, including R&D and production upgrades. Revenue: Opportunities from sustainable and low-carbon products generate new revenue streams, especially in markets driven by green building certifications and EU Green Deal requirements. Costs: Replacing fossil fuels with alternatives reduces direct costs and exposure to raw material volatility. Indirect costs, however, are affected by carbon pricing, and scenario modeling is used to anticipate these impacts. Capital Allocation & Access to Capital: Shifting toward climate-aligned projects improves cash flow management and enables access to low-interest financing and government support. Assets & Procurement: Assets are reinforced against climate risks, while procurement strategies integrate sustainability criteria. Circular economy practices such as waste-derived raw materials lower procurement costs and increase resilience. Liabilities; Potential financial obligations may arise from legal payments, fines, or compensation claims linked to environmental damages and regulatory non-compliance. Overall, risks encourage efficiency-oriented financial planning, while opportunities foster innovation, growth, and long-term financial resilience.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☑ Yes	*Select all that apply* ☑ A sustainable finance taxonomy	*Select from:* ☑ At both the organization and activity level

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:
☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:
☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:
☑ Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:
☑ Yes

(5.4.1.5) Financial metric

Select from:
☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

98606792.47

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

9.7

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

35

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

50

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

100

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Climate mitigation: switching to the use of sustainably sourced renewable materials, reducing of clinker to cement ratio, increasing the use of alternative clinkers and binder, increasing fuel / process efficiency, renewable energy, energy efficiency, restoration of forests, producing clean and efficient fuels from renewable or carbon-neutral sources, reducing the CO2 emissions from transport. The CAPEX budget for the investments within the scope of the climate change mitigation has been determined. This budget estimate has been calculated over its ratio in the total CAPEX budget. In 2024, a total of 98.606.792,47 TRY is the budget allocated to investments within the scope of the climate change mitigation.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change adaptation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:
☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

57366242.42

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

5.4

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

25

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

40

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

100

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

Climate adaptation: Installation / Upgrade of rainwater / drainage infrastructure, protective measures against flooding, protective measures against heat / cold such as shading, measures to increase water efficiency, measures to protect against impacts of storms / cyclones, measures to protect against adverse effects of wastewater discharge, such as collection, treatment, and discharge, measures to improve water management and efficiency, such as water recycling / reuse. The CAPEX budget for the investments within the scope of the climate change adaptation has been determined. This budget estimate has been calculated over its ratio in the total CAPEX budget. In 2024, a total of 57.366.242,42 TRY is the budget allocated to investments within the scope of the climate change adaptation

Row 3

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change adaptation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ Yes

(5.4.1.5) Financial metric

Select from:

☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

194014923

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

1.43

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

5

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

10

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

100

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Akçansa assesses the alignment of its financial activities with its climate adaptation objectives using the EU Taxonomy for Sustainable Activities as part of its sustainable finance framework. In the reporting year, the company's revenue of 358,157,108 TRY includes 1.26% that is fully eligible status with the taxonomy and taxonomy align revenue is 194.014.923,00 TRY. Alignment is monitored based on eligibility and performance criteria defined by the EU Taxonomy, with planned increases to 5% in 2025 and 10% by 2030. Taxonomy eligibility is verified against revenue streams, ensuring that 100% of reported activities are eligible. This methodology allows Akçansa to integrate climate adaptation considerations into its financial reporting and investment decisions, supporting transparency and alignment with sustainable finance standards.
[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:
☑ Manufacture of cement

(5.4.2.2) Taxonomy under which information is being reported

Select from:
☑ EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:
☑ Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply
☑ Turnover

(5.4.2.5) Types of substantial contribution

Select all that apply
☑ Own performance

(5.4.2.6) Taxonomy-aligned turnover from this activity in the reporting year (currency)

194014925

(5.4.2.7) Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

1.43

(5.4.2.8) Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

0.72

(5.4.2.9) Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

0.71

(5.4.2.27) Calculation methodology and supporting information

Manufacture of cement is taxonomy eligible and is aligned with EU Taxonomy Substantial Contribution (TSC) Criteria. Eu Taxonomy Aligned turnover from cement business line was proportioned to total company turnover including all cement production line. In 2024, the sales revenue of sustainable cement products which their CO2 emissions rate (0,408 t CO2/ t cementitious) is lower than EU taxonomy value (0,469 t CO2/ton cementitious) 194.014.923,00 TRY. This figure corresponds to 1,43% of the revenues from total cement sales.

(5.4.2.28) Substantial contribution criteria met

Select from:

☑ Yes

(5.4.2.29) Details of substantial contribution criteria analysis

Currently, for most of our cement products, climate change mitigation and/or climate adaptation Substantial Contribution Criteria defined by the EU Taxonomy i.e. 0.469 tCO2e per ton of cement, is not met. However, our CEM IV product emission rate is met with the EU Taxonomy Criteria.

(5.4.2.30) Do no significant harm requirements met

Select from:

☑ Yes

(5.4.2.31) Details of do no significant harm analysis

All environmental impact assessments have been made within the scope of cement production and specific measures are taken to prevent pollution. In addition, emissions are reduced by taking important initiatives to mitigate the effects of climate change. According to EU Taxonomy Substantial Contribution (TSC) Criteria our products are suitable for “do not significantly harm” for contribution to climate mitigation.

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

☑ Yes

(5.4.2.33) Attach any supporting evidence

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[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.1) Details of minimum safeguards analysis

Akçansa ensures compliance with the EU Taxonomy minimum safeguards by embedding international human rights, anti-corruption, and responsible business principles into its governance system. The company has been a signatory of the UN Global Compact since 2014 and aligns its operations with the UN Universal Declaration of Human Rights, the ILO Core Conventions, and the OECD Guidelines for Multinational Enterprises. The Board of Directors oversees ethics and compliance, while dedicated policies – including the Human Rights Policy, Anti-Bribery and Anti-Corruption Policy, and Sustainable Supply Chain Policy – apply to all employees and business partners. The Human Rights Policy was formally published and communicated to stakeholders to reinforce Akçansa's commitment to responsible business conduct. In 2024, 100% of employees received ethics training, and no incidents of bribery, corruption, discrimination, or human rights violations were reported. Multiple grievance and whistleblowing mechanisms (Akçansa Ethics Line, Heidelberg Materials Ethics Line, Sabancı Ethics Line, electronic dialogue systems, call center, and e-mail channels) are available to employees and stakeholders, ensuring confidentiality and effective remediation. Supplier selection and monitoring processes integrate ESG criteria, with 96% of suppliers being local in 2024, and regular training is provided to partners. No legal non-compliance, sanctions, or fines were recorded with respect to competition law, personal data protection, or international trade restrictions. These structures and practices demonstrate that Akçansa meets the minimum safeguards criteria of the EU Taxonomy.

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

Akçansa provides contextual disclosures to support taxonomy accounting. The company ensures alignment with the "Do No Significant Harm" (DNSH) criteria by applying Best Available Techniques (BAT) and investing in advanced abatement and monitoring systems, including SNCR installations, modern bag filters, dust-free operation systems, and Continuous Emission Monitoring Systems (CEMS). Clear targets for NOx, SOx, and particulate matter reductions are set for 2030. In its Integrated Report, Akçansa explicitly refers to the EU Taxonomy when presenting revenues from sustainable products and services, ensuring methodological consistency. The company also monitors regulatory developments such as the EU CBAM and Turkey's planned ETS, while aligning with its 1.5°C pathway commitment under the Science-Based Targets initiative (SBTi). Independent certifications and verifications, including Environmental Product Declarations (EPDs), CSC responsible sourcing certifications (Platinum and Gold levels), and KGS audits, provide external assurance on product and facility-level performance. Reporting is also structured in line with GRI, SASB, TCFD, and TSRS frameworks, reinforcing transparency and comparability. These measures collectively establish a robust foundation for Akçansa's taxonomy-related disclosures and provide assurance on both environmental performance and financial taxonomy alignment.

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:
☑ No

(5.4.3.4) Please explain why you will not be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

We are not providing verification/assurance information for our EU Taxonomy alignment in question 13.1 this year because the verification processes for both TSRS and ESG KPIs were scheduled to be completed prior to the

General Assembly, and the Taxonomy data verification could not be finalized within this timeframe. We plan to include these verifications in future reporting cycles once the processes are completed, ensuring full alignment and reliability of the disclosed data.
[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:
☑ Yes

(5.5.2) Comment

Akçansa invests in research and development (R&D) of low-carbon products and services related to its sector activities. In 2024, the company allocated TRY 25.8 million—equivalent to approximately 0.12% of its total revenue—to R&D and innovation focused on sustainability and low-carbon solutions These investments support the development of low-clinker cement types, alternative raw material usage, and circular economy initiatives such as expanded use of alternative fuels, which helped reduce costs by TRY 42.5 million in the reporting period. Akçansa's innovation efforts advance low-carbon transitions through collaborations with universities, research institutions, and the Heidelberg Materials global R&D unit. In 2024, research on carbon capture, utilization and storage (CCUS) applications in building materials was completed, alongside successful trials of advanced data analytics for predicting quality control parameters in cement and concrete production. These initiatives pave the way for upcoming industrial-scale testing of these low-carbon technologies.
[Fixed row]

(5.5.1) Provide details of your organization's investments in low-carbon R&D for cement production activities over the last three years.

Row 1

(5.5.1.1) Technology area

Select from:
☑ Low clinker cement

(5.5.1.2) Stage of development in the reporting year

Select from:
☑ Large scale commercial deployment

(5.5.1.3) Average % of total R&D investment over the last 3 years

0

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

5

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Studies after pilot production trials are transferred to "Operations". Investments after this stage are not covered from the R&D budget.

Row 2

(5.5.1.1) Technology area

Select from:
☑ Low clinker cement

(5.5.1.2) Stage of development in the reporting year

Select from:
☑ Applied research and development

(5.5.1.3) Average % of total R&D investment over the last 3 years

5

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

4330906

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

5

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

At Akçansa, our R&D and innovation efforts aim to integrate advanced technologies into our production systems to reduce environmental impact and support a low-carbon transition. Guided by our 2030 Sustainability Targets and CO2 Roadmap, all R&D investments focus on sustainable product development, energy efficiency, and emission reduction. In 2024, we conducted research on carbon capture, utilization, and storage (CCUS) technologies in the construction materials sector, applied advanced data analytics to predict quality control parameters in cement and concrete production, and successfully evaluated the potential use of construction and demolition waste in concrete applications. Ongoing projects focus on the use of alternative mineral additives, low-carbon production technologies, and the feasibility of incorporating hydrogen and oxygen in fuel mixes. Our circular economy initiatives, such as the “CIRCULATE” project, advance the transformation of construction waste into cementitious materials, with laboratory-scale trials completed and industrial-scale testing planned. Collaborative work with universities and partners ensures innovation is aligned with both market demands and sustainability objectives. In 2024, total R&D investments amounted to 25.9 million TL, with 7.2 million TL allocated to sustainable products and services. These efforts have led to 25 sustainable products, 6 new brand

registrations, and 56 total IP registrations. Through these initiatives, Akçansa ensures that its R&D activities directly support climate commitments, enhance low-carbon product development, and strengthen the company's climate transition plan.

Row 3

(5.5.1.1) Technology area

Select from:

☑ Low clinker cement

(5.5.1.2) Stage of development in the reporting year

Select from:

☑ Pilot demonstration

(5.5.1.3) Average % of total R&D investment over the last 3 years

10

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

10

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As part of our climate transition plan, Akçansa conducts pilot-scale R&D projects to test sustainable solutions before full-scale implementation. In 2024, we carried out laboratory and pilot trials to evaluate the use of construction and demolition waste in cement and concrete production, successfully demonstrating its potential as a low-carbon raw material. The "CIRCULATE" project included characterization of samples from urban transformation sites and laboratory-scale experiments for advanced recycling, with positive results that will inform upcoming industrial-scale trials. These pilot initiatives also explore alternative mineral additives, low-carbon production technologies, and the feasibility of incorporating hydrogen and oxygen in fuel mixes, as well as CCUS applications in cement production. Advanced data analytics are used to optimize quality control and production efficiency. In 2024, total R&D investments amounted to 25.9 million TL, of which 7.2 million TL were allocated to sustainable products and services, including these pilot projects. Through these targeted pilot efforts and dedicated budget allocation, Akçansa ensures that R&D investments directly support its CO2 reduction roadmap, low-carbon product development, and overall climate transition objectives.

Row 4

(5.5.1.1) Technology area

Select from:

☑ Alternative low-CO2 cements/binders

(5.5.1.2) Stage of development in the reporting year

Select from:

☑ Basic academic/theoretical research

(5.5.1.3) Average % of total R&D investment over the last 3 years

5

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

4330906

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

5

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Alternative product trials (such as calcined clay) are firstly carried out with large-scale academic research studies and then applied laboratory trials. In this context, the figure allocated within the R&D budget corresponds to approximately 5% of the total R&D budget. In this context, we anticipate that the budget to be allocated for the production trials planned in the future will also be within this scope with an increased portion since the alternative products are gaining importance day by day for decarbonization of the cement industry. In the R&D pipeline we have research and development projects as well as pilot trials for this specific area. 20% of total R&D investments of 5 years will be expected to be allocated for this line.

Row 5

(5.5.1.1) Technology area

Select from:

☑ Carbon capture, utilization, and storage (CCUS)

(5.5.1.2) Stage of development in the reporting year

Select from:

☑ Basic academic/theoretical research

(5.5.1.3) Average % of total R&D investment over the last 3 years

10

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

8650000

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

10

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

R&D studies within the scope of carbon utilization projects are ongoing. Within the scope of investments that have not been approved yet but may be planned in the future, the investment amount to be allocated for these projects will constitute a significant part of the total R&D budget, but in the current situation it corresponds to approximately 10%. We have a selected project group working in this context. We anticipate that R&D studies will mainly focus on CCUS and Green Methanol technologies in the coming period and 50% of the budget will be allocated to these studies.

Row 6

(5.5.1.1) Technology area

Select from:

☑ Control systems

(5.5.1.2) Stage of development in the reporting year

Select from:

☑ Full/commercial-scale demonstration

(5.5.1.3) Average % of total R&D investment over the last 3 years

50

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

4240000

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

50

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Investments in control systems implemented within the scope of digitalization have made up 80% of R&D investments in the last 3 years. With these investments, significant process efficiency, energy efficiency and CO2 savings were achieved. These investments are expected to have a lifetime of at least 10 years and will have maintenance needs in the future. These investments have been completed in a large portion of the facilities, and the dissemination and implementation are expected to be completed in the missing facilities. In a 5-year period, it is aimed to disseminate and complete these practices in all facilities. Therefore, the share of these investments in total R&D investments will decrease in the upcoming period, but about 5% of the total 5- year budget will continue to be allocated to these investments.

Row 7

(5.5.1.1) Technology area

Select from:

☑ Fuel switching

(5.5.1.2) Stage of development in the reporting year

Select from:

☑ Basic academic/theoretical research

(5.5.1.3) Average % of total R&D investment over the last 3 years

5

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

4330904

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

5

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

There is research on the use of hydrogen as an alternative fuel in cement production. As Akçansa, we also followed these theoretical research processes in our R&D processes in 2024. We plan to continue exploring this research and its applicability. in the R&D pipeline, about 5% of our research will be related with hydrogen.

Row 8

(5.5.1.1) Technology area

Select from:

☑ Low clinker cement

(5.5.1.2) Stage of development in the reporting year

Select from:

☑ Small scale commercial deployment

(5.5.1.3) Average % of total R&D investment over the last 3 years

5

(5.5.1.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.1.5) Average % of total R&D investment planned over the next 5 years

5

(5.5.1.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Industrial-scale trials are carried out on a small scale at first, and the actual performance is determined by using our own internal customer ready-mixed concrete business. In 2022, the first productions of our blended cement products, which have an important place in our product transformation plan, were carried out for the planned year's production, and they were used in industrial scale productions at the production facilities of our ready-mixed concrete brand Betonsa. Pilot production trials are mainly carried out and planned under the investment plan and budget of the "Operations", but the details of the studies of these productions, quality tests, conformity assessments, are carried out under R&D. The budget allocated for these studies corresponds to approximately 5% of the total R&D budget. The amount for Sustainability Focused R&D and Innovation Investments in 2024 is 25,8 Million TRY. It is aimed to continue by allocating an investment budget at this rate in the next 5 years.
[Add row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

16.3

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

226.8

(5.9.3) Water-related OPEX (+/- % change)

35.6

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

25.7

(5.9.5) Please explain

Water management Opex was increased to 242,717 TL to 329,025 TL which indicates %35,6 increase. An assumption was studied for 2026 which correlates by inflation and given as 25,7% increase on management expenses. In 2023 Canakkale plant wastewater treatment systems was started to be modernized and continued in 2024. Along with Canakkale WWTP modernization, Ladik Plant implemented a stormwater re-use system. Thus, Opex has increased by 16,3%. In 2025, Same stormwater re-use system was started to implementation in Buyukcekmece plant along with modernization of water feeding systems to prevent leakages and increase efficiency. Anticipated Opex thus increased by 226,8%.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon ☑ Water

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Conduct cost-benefit analysis

☑ Drive low-carbon investment

☑ Influence strategy and/or financial planning

☑ Navigate regulations

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Scenario analysis

☑ Benchmarking against peers

☑ Existing or pending legislation

☑ Alignment to scientific guidance

☑ Alignment to international standards

☑ Alignment with the price of a carbon tax

☑ Price/cost of renewable energy procurement

☑ Alignment with the price of carbon border adjustment mechanism

☑ Alignment with the price of allowances under an Emissions Trading Scheme

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Akçansa applies a shadow pricing methodology to integrate carbon costs into investment and operational decision-making, ensuring alignment with its low-carbon transition and regulatory preparedness. Our 2030 greenhouse gas intensity reduction targets were developed in line with the Paris Agreement and the Science-Based Targets initiative (SBTi). The internal carbon price is currently set at €5–10 per ton CO_2, with an assumed annual increase of 20%. In determining this price, we considered EU ETS price levels, global ETS trends, and anticipated allocation mechanisms in Turkey. The shadow price is applied in all relevant investment decisions, including energy efficiency and carbon reduction projects, prioritization of low-carbon products in R&D and

production, and financial planning for risk management. Simulation models are used to assess the impact of carbon costs on EBITDA and project feasibility. This methodology ensures that internal carbon pricing is integrated across operational, product, and strategic decisions, supporting Akçansa's decarbonization roadmap and enabling proactive management of both current and anticipated regulatory carbon costs.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

20% increase for price per ton of CO2 each year.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

184.01

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

368.02

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Operations

☑ Product and R&D

☑ Risk management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for some decision-making processes, please specify :Investment decisions

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

75.7

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

We minimize environmental and social risks by operating safely and efficiently across our supply chain, in line with responsible purchasing principles. Environmental risks include pollution, CO2 emissions, and spills. To mitigate supply risks, we have developed relationships with alternative suppliers to ensure continuity. Suppliers are selected based on environmental management, quality, and safety and regularly assessed. Additionally, as part of our Sustainable Supply Chain Policy, we are committed to evaluating our suppliers' compliance with environmental and social standards. We prioritize suppliers who demonstrate high sustainability performance and work towards reducing risks and increasing positive impacts across the value chain. Our policy outlines our dedication to training, local supplier preference, and inclusion of disadvantaged groups.
[Add row]

(5.10.2) Provide details of your organization's internal price on water.

Row 1

(5.10.2.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.2.2) Objectives for implementing internal price

Select all that apply

☑ Drive water-related investment

☑ Drive water efficiency

☑ Incentivize consideration of water-related issues in risk assessment

☑ Stress test investments

☑ Other, please specify :To see the possible amount for water valuation across all our operations

(5.10.2.3) Factors beyond current market price are considered in the price

Select from:

☑ Yes

(5.10.2.4) Factors considered when determining the price

Select all that apply

☑ Anticipated water tariffs

☑ Existing water tariffs

☑ Scenario analysis

(5.10.2.5) Calculation methodology and assumptions made in determining the price

Current internal water pricing was determined based on the current water tariff and future water tariff projections. Starting from the second quarter of 2022, water prices for İstanbul Water and Sewage Administration (İSKİ) in Istanbul have gone up by 50%, and it's likely that they will continue to rise in the coming years. There is also scope for price increases in other regions. Based on the water stress impact, a forecast analysis of internal water pricing in 2030 and 2050.

(5.10.2.6) Stages of the value chain covered

Select all that apply

☑ Direct operations

(5.10.2.7) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.2.9) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.2.10) Indicate how you expect the price to change over time

To account for uncertainty of such estimation, upper and lower bounds for each time horizon and scenario are assumed: Lower bound: no increase in water price, thus no increase in costs compared to current. Upper bound: in a worse case, water stress calls for stronger governmental action, thus it is assumed that all regions are subject to Istanbul -and other cities which we have facilities- prices, for all time horizons and scenario (i.e. 50% assumption falls) Based on the water stress impact, a forecast analysis of internal water pricing in 2030 and 2050

(5.10.2.11) Minimum actual price used (currency per cubic meter)

80

(5.10.2.12) Maximum actual price used (currency per cubic meter)

120

(5.10.2.13) Business decision-making processes the internal water price is applied to

Select all that apply

☑ Capital expenditure

☑ Dependencies management

☑ Operations

☑ Risk management

(5.10.2.14) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.2.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:
☑ Yes

(5.10.2.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

We implement an internal price on water to reflect its true value and encourage efficient usage across all operations. This pricing approach factors in the environmental cost of water extraction and treatment, along with the potential risks posed by water scarcity. To ensure the approach aligns with our sustainability objectives, we monitor water usage through regular audits and assess the financial and environmental impact of our consumption patterns. We are monitoring our water meters more precisely alongside our digitization investments and structuring our consumption optimizations based on this data. Our digitization investments and collaboration steps in this area continued in 2024, and strengthening our measurement system remains a priority for 2025.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:
☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

☑ Impact on water availability

☑ Impact on plastic waste and pollution

☑ Impact on pollution levels

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 1-25%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

We minimize environmental and social risks by operating safely and efficiently across our supply chain, in line with responsible purchasing principles. Environmental risks include pollution, CO2 emissions, and spills. To mitigate supply risks, we have developed relationships with alternative suppliers to ensure continuity. Suppliers are selected based on environmental management, quality, and safety and regularly assessed. In 2024, 80 supplier audits were conducted with no negative results

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:

☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

80

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Impact on water availability

(5.11.1.3) % Tier 1 suppliers assessed

Select from:
☑ 1-25%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

We minimize environmental and social risks by operating safely and efficiently across our supply chain, in line with responsible purchasing principles. Environmental risks include pollution, CO2 emissions, and spills. To mitigate supply risks, we have developed relationships with alternative suppliers to ensure continuity. Suppliers are selected based on environmental management, quality, and safety and regularly assessed.

(5.11.1.5) % Tier 1 suppliers meeting the threshold for substantive dependencies and/or impacts on the environment

Select from:
☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

80
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:
☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply
☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change
☑ Regulatory compliance

(5.11.2.4) Please explain

The Sustainable Supply Chain Policy has been published in order to make operations throughout the supply chain safe and efficient. All our suppliers are selected by considering environmental management, quality, occupational health and safety and human resources practices, and suppliers and subcontractors working in the facilities are regularly evaluated every year in accordance with our comprehensive supplier scoring procedure.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

☑ Regulatory compliance

(5.11.2.4) Please explain

The Sustainable Supply Chain Policy has been published in order to make operations throughout the supply chain safe and efficient. All our suppliers are selected by considering environmental management, quality, occupational health and safety and human resources practices, and suppliers and subcontractors working in the facilities are regularly evaluated every year in accordance with our comprehensive supplier scoring procedure.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

According to our supplier codes of conduct, while carrying out its activities, the supplier must show the necessary care and attention to the environment and will act in compliance with all applicable laws and regulations. All products and services to be provided must meet the environmental, quality and safety criteria specified in the relevant contract provisions and must be safe for their intended use. Akçansa does not work under any circumstances with suppliers that do not comply with supplier business ethics. All of our suppliers have committed to fulfill all applicable legal environmental legislation compliance obligations in their activities included in our Sustainable Supply Chain Policy, and to monitor and manage their environmental impacts, including but not limited to natural resource consumption, carbon emissions and other pollutant emissions, biodiversity, energy, water and waste. In cases where non-compliance is detected with our policies and laws & regulations, suppliers

are contacted, and 12 months are given to take action, if technically feasible. When deemed necessary, the right to terminate the contract is considered based on a reassessment of the nature and magnitude of the risk and the business relationship with the supplier and subcontractors.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

According to our supplier codes of conduct, while carrying out its activities, the supplier must show the necessary care and attention to the environment and will act in compliance with all applicable laws and regulations. All products and services to be provided must meet the environmental, quality and safety criteria specified in the relevant contract provisions. All of our suppliers have committed to fulfill all applicable legal environmental legislation compliance obligations in their activities included in our Sustainable Supply Chain Policy, and to monitor and manage their environmental impacts, including but not limited to water. In cases where non-compliance is detected suppliers are contacted, and 12 months are given to take action, if technically feasible. When deemed necessary, the right to terminate the contract is considered based on a reassessment of the nature and magnitude of the risk and the business relationship with the supplier and subcontractors.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Grievance mechanism/ Whistleblowing hotline

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.12) Comment

According to our supplier codes of conduct, while carrying out its activities, the supplier must show the necessary care and attention to the environment and will act in compliance with all applicable laws and regulations. All products and services to be provided must meet the environmental, quality and safety criteria specified in the relevant contract provisions and must be safe for their intended use. Akçansa does not work under any circumstances with suppliers that do not comply with supplier business ethics. All of our suppliers have committed to fulfill all applicable legal environmental legislation compliance obligations in their activities included in our Sustainable Supply Chain Policy, and to monitor and manage their environmental impacts, including but not limited to natural resource consumption, carbon emissions and other pollutant emissions, biodiversity, energy, water and waste. In cases where non-compliance is detected with our policies and laws & regulations, suppliers are contacted, and 12 months are given to take action, if technically feasible. When deemed necessary, the right to terminate the contract is considered based on a reassessment of the nature and magnitude of the risk and the business relationship with the supplier and subcontractors.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a non-public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:
☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:
☑ 100%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:
☑ 100%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:
☑ 100%

(5.11.6.12) Comment

According to our supplier codes of conduct, while carrying out its activities, the supplier must show the necessary care and attention to the environment and will act in compliance with all applicable laws and regulations. All products and services to be provided must meet the environmental, quality and safety criteria specified in the relevant contract provisions. All of our suppliers have committed to fulfill all applicable legal environmental legislation compliance obligations in their activities included in our Sustainable Supply Chain Policy, and to monitor and manage their environmental impacts, including but not limited to water. In cases where noncompliance is detected suppliers are contacted, and 12 months are given to take action, if technically feasible. When deemed necessary, the right to terminate the contract is considered based on a reassessment of the nature and magnitude of the risk and the business relationship with the supplier and subcontractors.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 26-50%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 51-75%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Permanent contractors, sub-contractors in cement, concrete and aggregate business lines, sub-contractors in Akçansa quarries i.e. raw material suppliers, global raw material suppliers, companies from which large equipment is purchased, global suppliers that constitute a significant part of the expenditures, suppliers within the scope of energy and fuel supply and which can have significant impact on our core business are defined as critical suppliers. In 2024, Akçansa had 4,462 approved suppliers. However, the critical suppliers are accounting for 40% of the total spend. Scope 3 calculated from these critical suppliers corresponds to 67.88% of our reported Scope 3 emissions. With our Sustainable Supply Chain Policy, from these critical suppliers, we request information and data within the scope of environmental and social sustainability performance. This information includes but is not limited to information on environmental management, emissions, energy, resource use and climate efforts. We work together in areas open to improvement by creating action plans with our suppliers who score below the threshold value in this evaluation. If direct GHG data is not available, they are expected to transmit the activity data required for calculation. For example, distance data or fuel consumption per transportation, vessel type etc. If a supplier does not provide the relevant data, the supplier is again requested to provide the data. At this stage, while the emission calculations are made, based on the records kept by Akçansa, progress is made over the activity data or secondary data. Relevant activity data is collected by the purchasing department. Critical suppliers represent 40% of total procurement spend and 67.88% total Scope-3 emissions.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :We monitor the percentage of Suppliers and Contractors with ISO standards. Goal is to increase the percentage of suppliers with certification (ISO 14001, ISO 14064, ISO 50001, etc.) from 3% to 80%.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Substitution of hazardous substances with less harmful substances

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 1-25%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Permanent contractors, sub-contractors in cement, concrete and aggregate business lines, sub-contractors in Akçansa quarries i.e. raw material suppliers, global raw material suppliers, companies from which large equipment is purchased, global suppliers that constitute a significant part of the expenditures, suppliers within the scope of energy and fuel supply and which can have significant impact on our core business are defined as critical suppliers. In 2024, Akçansa had 4462 approved suppliers. However, the critical suppliers are accounting for 40% of the total spend. Scope 3 calculated from these critical suppliers corresponds to 67.88% of our reported Scope 3 emissions. With our Sustainable Supply Chain Initiative, from these critical suppliers, we request information and data within the scope of environmental and social sustainability performance. This information includes but not limited to information on environmental management, emissions, energy, resource use and climate efforts.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :We monitor the percentage of Suppliers and Contractors with ISO standards. Goal is to increase the percentage of suppliers with certification (ISO 14001, ISO 14064, ISO 50001, etc.) from 3% to 80%.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to mitigate environmental impact

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 26-50%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We do care about our suppliers awareness on climate-related issues that can impact their businesses. We aim to increase their awareness and interest in climate-related issues and help them adopt low-carbon transition by regularly providing subcontractors with sustainability trainings regarding their consistent presence in Akçansa plants, facilities, and quarries. We aim to help increase our suppliers' awareness levels via numerous measures. All sub-contractors and select critical suppliers receive environmental trainings including climate change issues. In this context, trainings were provided to all subcontractors in 2024 including our sustainability approach and commitments. We are also partnering with our transportation suppliers regarding safe and efficient driving training as emissions from transportation and logistics make up a significant part of our Scope 3 emissions. In addition, in line with the Sustainable Supply Chain Policy, all critical suppliers were informed within the scope of the Sustainable Supply Chain Policy, but these figures were discussed above. The figures disclosed here only

represents the subcontractors and logistics suppliers. The representation rate of scope-3 emissions of subcontractors and logistics suppliers engaged in 2024 is 9,63%.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement :We have defined the obligations of our suppliers to operate in accordance with ethical principles and legal obligations and set their limits in environmental, social and economic contexts within the scope of the Supplier Code of Conduct.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

☑ Share information about your products and relevant certification schemes

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 26-50%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Akçansa continuously conducts information sharing and development studies with all its customers and approaches its customers as a solution partner. Akçansa, plans to convert its product portfolio to low-carbon

products by 2030 without compromising the quality and performance of conventional cement products. Akçansa acts in cooperation with its customers at every stage of this work. As well, we work with all our customers to increase the market demand for sustainable and low-carbon products, as all our cement customers will be more effective in green construction projects that are becoming increasingly widespread with sustainable cement products, and our ready-mixed concrete customers will expect to be compatible with the climate targets of their projects by using sustainable concrete products. During the new low-carbon product development phases, the customers are informed, and trial studies are carried out in collaboration. We have set goals to expand our sustainable product portfolio across our entire value chain in order to provide climate-friendly solutions to our customers. During the trial studies, studies are carried out to increase the awareness of customers within the scope of combating climate change. In summary, we are engaging with all our customers in order to educate them regarding the climate impacts of our products and services. Our customer related Scope-3 emissions (downstream) represent about 30.2% of our total Scope-3 emissions.

(5.11.9.6) Effect of engagement and measures of success

Akçansa shares all its climate studies with stakeholders through sustainability reports and is actively involved in NGOs such as the Association of Construction Material Producers and the Green Buildings Association to reach customers during the design and construction phases. We build relationships with these partners, which creates market opportunities. Communication channels with customers include meetings, workshops, seminars, integrated reports, social media, and one-to-one interactions, through which we share our climate targets, product performance, application practices, and carbon footprint. To enhance transparency, we have renewed environmental product self-declaration documents for 22 special concrete products and verified EPDs for 2 cement types in 2022. Additionally, Akçansa holds CSC certifications: our aggregate plant was the first in Turkey to achieve a Platinum level, and three of our cement plants hold Gold level CSC certificates. These certifications reinforce our credibility and allow customers to better understand the lifecycle impacts of the products they use. We continue to receive increasing requests for information on our climate-related activities and support customers in calculating their own carbon footprints.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Akçansa engages its stakeholders to ensure alignment with its sustainability and climate strategies, and to foster collaboration on water management and climate-related initiatives. As a signatory of the CEO Water Mandate, we work closely with partners, suppliers, customers, and NGOs to promote responsible water use and management across our operations. In 2024, we shared the revisions of our 2030 sustainability targets with stakeholders, ensuring transparency and enabling them to understand our commitments and progress. This engagement allows us to identify risks and opportunities, align expectations, and jointly develop solutions that support sustainable water management and low-carbon practices throughout our value chain.

(5.11.9.6) Effect of engagement and measures of success

Akçansa actively engages stakeholders to implement effective water management across its operations. We have developed a company-wide Water Master Plan and site-specific Water Management Plans for our plants, which outline investment priorities and operational measures to optimize water use. These plans support the achievement of our revised 2030 water targets. Over the years, we monitor progress through regular reporting, digital tracking systems, and stakeholder consultations, ensuring that investments and operational improvements align with our sustainability objectives. This engagement enables us to measure the effectiveness of our water strategies, demonstrate continuous improvement, and communicate progress towards long-term water stewardship goals to our stakeholders.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders in creation and review of your climate transition plan

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Investors and shareholders are critical stakeholders for Akçansa in the context of climate change, as their decisions directly influence and are influenced by our ability to manage climate-related risks and opportunities. Engaging with them ensures alignment between our long-term decarbonization pathway and their expectations for sustainable growth. We engage with this group to: Disclose our climate change strategy, including short-, medium-, and long-term emission reduction targets in line with global goals, Provide transparent information on climate-related risks and opportunities that could impact our operations and value chain, Demonstrate progress in areas such as energy efficiency, renewable energy transition, and circular economy practices, Build confidence in our ability to achieve resilience and long-term value creation under a low-carbon economy, Strengthen our access to sustainable financing mechanisms by showcasing our climate performance. The scope of our engagement includes regular disclosure through, sustainability reports, investor relations meetings, and shareholder briefings focused specifically on our climate agenda. Through these channels, we actively communicate progress, gather feedback, and incorporate investor expectations into our climate strategy.

(5.11.9.6) Effect of engagement and measures of success

Our engagement with investors and shareholders on climate change has resulted in stronger alignment between our decarbonization roadmap and stakeholder expectations, while also enhancing trust in our ability to manage climate-related risks and opportunities. By transparently communicating our emission reduction targets, energy efficiency initiatives, and resilience measures, we have observed increased confidence from investors and a deeper dialogue on sustainable finance opportunities. In this context, the policy we published in 2024 has further strengthened our stakeholder engagement. In addition, our integrated annual report, prepared in compliance with the Turkish Sustainability Reporting Standards (TSRS), which are the Turkish translation of ISSB standards, includes more than 500 KPIs that have been independently assured. This transparent reporting approach supports the integration of feedback received from investor relations meetings and international reporting platforms such as CDP into our climate strategy. The success of this engagement is measured by the positive feedback from investors, our strengthened access to green and sustainability-linked financing instruments, our inclusion in sustainability and climate-related indices, and the achievement of interim milestones within our emission reduction pathway.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Water is a critical resource for Akçansa's operations, and effective water management is essential both for operational continuity and for meeting the expectations of our investors and shareholders. Engaging with this stakeholder group on water-related issues enables us to communicate how we identify and mitigate water-related risks, such as scarcity and regulatory changes, while also highlighting opportunities for efficiency and circular water use. By ensuring transparency on our water management practices, we build trust and demonstrate resilience against potential future disruptions caused by climate change and water stress. The purpose of our engagement is to provide clear and reliable information on our water footprint, efficiency measures, and reduction targets, as well as to integrate investor feedback into our long-term strategy. This engagement also supports access to sustainable finance by demonstrating our commitment to responsible resource management. The scope of our engagement includes sustainability reports, CDP Water Security disclosures, investor relations meetings, and shareholder briefings where we share progress on our water performance and respond to stakeholder expectations.

(5.11.9.6) Effect of engagement and measures of success

Akçansa actively engages stakeholders to implement effective water management across its operations. We have developed a company-wide Water Master Plan and site-specific Water Management Plans for our plants, which outline investment priorities and operational measures to optimize water use. These plans, developed in line with our CEO Water Mandate commitment, support the achievement of our revised 2030 water targets. Over the years, we monitor progress through regular reporting, digital tracking systems, and stakeholder consultations, ensuring that investments and operational improvements align with our sustainability objectives. This engagement enables us to measure the effectiveness of our water strategies, demonstrate continuous improvement, and communicate progress towards long-term water stewardship goals to our stakeholders.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Suppliers

(5.11.9.2) Type and details of engagement

Innovation and collaboration

☑ Collaborate with stakeholders in creation and review of your climate transition plan

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We view the implementation of environmental and ethical standards as a core priority in our supply chain. Accordingly, we expect our suppliers to adopt responsible sourcing practices and to regularly monitor and effectively manage their carbon emissions and other air pollutants. We also expect the adoption of environmentally friendly production and distribution methods and a prioritization of energy and resource efficiency. Moreover, we require our suppliers to take action to prevent the release of chemicals into the environment and to manage hazardous waste in accordance with international environmental protection standards. We select our suppliers based on their practices in environmental management, quality, occupational health and safety, and human resources, and we regularly evaluate them through our comprehensive supplier scoring system. To effectively monitor supplier performance, we use a detailed supplier evaluation form and apply our Sustainable Supply Chain Policy to ensure alignment with sustainability standards. Under this policy, we assess supplier compliance with Environmental, Social, and Governance (ESG) criteria according to the principle of continuous improvement.

(5.11.9.6) Effect of engagement and measures of success

In 2024, we audited 80 suppliers in line with ESG criteria, all of whom successfully met the required standards. These audits represent meaningful progress in driving the sustainability-focused transformation we aim to achieve across our supply chain. In line with this vision, our goal is to subject 100% of our critical suppliers, both local and global, to sustainability risk assessments and audits by 2030. In cases of non-compliance, we grant suppliers up to 12 months to take corrective action. If alignment is not achieved within this timeframe, we reevaluate the

business relationship. Additionally, we provide secure communication channels for suppliers to report non-compliance or concerns. We also support the greater participation of local suppliers in our supply chain and apply specific policies to enable this. By working with local subcontractors and cooperatives in the Çanakkale, Büyükçekmece, and Ladik regions, we contribute directly to the local economy. As of 2024, 96% of our suppliers are local. In addition, we provided our suppliers with a total of 27,531 hours of occupational health and safety training in 2024. To help improve the cash flow and financial accessibility of our suppliers—particularly those in the SME segment—we utilize the Supplier Financing System (TFS). This system enables suppliers to receive early payment of invoices via banks, allowing them to enhance their operational efficiency.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify :Suppliers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Other

☑ Other, please specify :They are expected to check their compliance with legal frameworks, monitor their environmental impacts, and be encouraged to manage them.

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 26-50%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Water is a critical resource for Akçansa's operations, and effective water management is essential both for operational continuity and for meeting the expectations of our investors and shareholders. Engaging with stakeholders, including suppliers, enables us to communicate how we identify and mitigate water-related risks such as scarcity and regulatory changes, while highlighting opportunities for efficiency and circular water use. In line with our Sustainable Supply Chain Policy, we ensure that suppliers share responsibility for water management practices in areas where they are involved, reinforcing accountability and collaborative action across the value chain. By ensuring transparency and engagement on water-related issues, including our commitment to the CEO Water Mandate, we build trust and demonstrate resilience against potential disruptions caused by climate change and water stress.

(5.11.9.6) Effect of engagement and measures of success

The effect of stakeholder engagement is reflected in our comprehensive water management practices. Audits conducted under our ESG and Sustainable Supply Chain framework also cover water-related aspects, ensuring that both internal teams and suppliers adhere to our standards. In addition, site-specific Water Management Plans and the company-wide Water Master Plan guide our investments and actions to achieve the 2030 water targets. Through these engagements, we monitor progress annually, track performance improvements, and ensure that corrective actions are implemented where necessary. This integrated approach has strengthened accountability across our value chain and enhanced the effectiveness of our water management strategies.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We monitor our environmental performance using the operational control approach because it allows us to fully manage and take responsibility for our greenhouse gas (GHG) emissions in the fight against climate change. This approach enables us to take 100% responsibility for all emissions within our operational boundaries. With full authority to implement emission reduction policies, we can effectively manage our carbon footprint. As we have the authority to implement operational policies in our facilities, we are directly able to manage sustainable energy use and energy efficiency projects.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We monitor our environmental performance using the operational control approach because it provides us with full control over water consumption and management. Since we are responsible for implementing water usage policies and executing water-saving projects in the facilities we manage or hold licenses for, we can effectively manage the sustainable use of water resources in our operations. This allows us to optimize water management processes, reduce water consumption, and improve wastewater management efficiency.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We monitor our environmental performance using the operational control approach. With this approach, we take full responsibility for reducing plastic use, improving recycling processes, and implementing zero-waste policies in our operations. We have the authority to directly implement policies aimed at limiting plastic use and reducing its environmental impact in the facilities we manage.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

We selected the "Operational Control" approach to manage our impacts on biodiversity. This approach gives us full authority to implement biodiversity protection and restoration projects within all the lands and facilities under our operational control. We can directly implement habitat conservation, land restoration, and ecosystem health improvement practices, ensuring that we manage biodiversity in a sustainable way in the areas surrounding our operations.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply
☑ ISO 14064-1
☑ IEA CO2 Emissions from Fuel Combustion
☑ The Greenhouse Gas Protocol: Scope 2 Guidance
☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard
☑ 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
☑ Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

We report our Scope 2 emissions based on both location-based and market-based approaches. We calculate our greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals" and “Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard”. During the reporting year, we neutralized all our location-based Scope 2 emissions with IREC and YEK-G (Renewable Energy Resource Guarantee) certificates.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/30/2010

(7.5.2) Base year emissions (metric tons CO2e)

5872720.0

(7.5.3) Methodological details

Emissions from our clinker and cement production. Major sources are calcination of limestone and combustion of fuels for energy generation in the rotary kilns. In 2021, scope 1 emissions from all locations, business lines and facilities were included in the boundary but when the calculation made with the new boundary the difference corresponds to a figure of 0.2%, which deemed to be non-material. Thus, base year emissions were not recalculated. Yet the data for base year is not present.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2010

(7.5.2) Base year emissions (metric tons CO2e)

338163.0

(7.5.3) Methodological details

We consume electricity from the interconnected grid. Scope-2 emissions were calculated from our clinker and cement production. In 2021, scope 2 emissions from all locations, business lines and facilities were included in the boundary but when the calculation made with the new boundary the difference corresponds to a figure of 0.2%, which deemed to be non-material. For calculation of location-based scope 2 emissions, grid emission factor published by International Energy Agency was used for the relevant year.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2010

(7.5.2) Base year emissions (metric tons CO2e)

338163.0

(7.5.3) Methodological details

Akçansa consumes electricity from interconnected grid. In 2010, there was no available market instruments in Türkiye. Thus location-based and market-based Scope 2 emission figures were the same.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

261919.0

(7.5.3) Methodological details

Cradle to gate emissions from purchased goods used in cement, aggregates and ready mix concrete production. Emissions includes raw materials (limestone, gypsum etc.), additives, purchased cement and purchased aggregates. Equipment and machinery were excluded since they are not material for this category. Quantities were extracted from online reporting systems. Emission factors used are from Ecoinvent LCA Database (IPCC 2013: Climate Change GWP 100a).

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Capital goods is not one of the material categories for cement industry as mentioned in Cement Sector Scope 3 GHG Accounting and Reporting Guidance issued by the WBCSD Cement Sustainability Initiative (GCCA). Thus, Akçansa does not report on "capital goods" category.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

195310.0

(7.5.3) Methodological details

Includes well to tank emissions of fuels used at cement plants (kiln and non kiln fuels) and for aggregates and ready-mix concrete production and fuels purchased for transportation purposes.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

49569.0

(7.5.3) Methodological details

Includes road and sea transportation of raw materials, additives admixtures for cement, aggregates and ready-mixed concrete business lines.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Waste generated in operations is insignificant, as confirmed in the Cement Sector Scope 3 GHG Accounting and Reporting Guidance issued by the WBCSD Cement Sustainability Initiative (GCCA). Thus, Akçansa does not report on "waste generated in operations" category.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

931.8

(7.5.3) Methodological details

Domestic & International Flights & Car Rentals during business travels are included in business travel category.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

1887.5

(7.5.3) Methodological details

Emissions caused by employee shuttle service and leased company cars are included in this category of Scope 3 emissions.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Akçansa doesn't have upstream leased assets thus does not report for this category of Scope 3 emissions.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

18483

(7.5.3) Methodological details

Refers to downstream transportation and distribution. Data includes road transportation of aggregates sales, road transportation of cement sales, water (sea) transportation of cement sales, road transportation of concrete sales.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

41196.0

(7.5.3) Methodological details

Emissions of processing clinker sold.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

According to the Cement Sector Scope 3 GHG Accounting and Reporting Guidance issued by the WBCSD Cement Sustainability Initiative (now GCCA), this category is not relevant to the cement sector thus Akçansa does not report on this category.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

According to the Cement Sector Scope 3 GHG Accounting and Reporting Guidance issued by the WBCSD Cement Sustainability Initiative (now GCCA), this category is not relevant to the cement sector thus Akçansa does not report on this category.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Akçansa does have downstream leased assets thus does not report on this category.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Akçansa does not have any franchises thus does not report on this category.

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Akçansa does not report on this category.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Akçansa does not report on this category.

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Akçansa does not report on this category.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

5484834

(7.6.3) Methodological details

Scope 1 emissions for the year 2024 include the greenhouse gas emissions resulting from the use of natural gas, coal, fuel oil, petroleum coke, alternative fuels, R22 and refrigerant gases, as well as fire extinguishing devices at the company’s locations. Akçansa calculates its greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals" and GHG Protocol Standard.

Past year 1

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

5309000

(7.6.2) End date

12/30/2023

(7.6.3) Methodological details

Scope 1 emissions for the year 2023 include the greenhouse gas emissions resulting from the use of natural gas, coal, fuel oil, petro-coke, alternative fuels, R22 and refrigerant gases, as well as fire extinguishing devices at the company's locations. Akçansa calculates its greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals" standard.

Past year 2

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

5533084

(7.6.2) End date

12/30/2022

(7.6.3) Methodological details

Scope 1 emissions for the year 2022 include the greenhouse gas emissions resulting from the use of natural gas, coal, fuel oil, diesel, petro-coke, alternative fuels, R22 and refrigerant gases, as well as fire extinguishing devices at the company's locations. Akçansa calculates its greenhouse gas emissions in accordance with the "TS EN ISO 217 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals" standard.
[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

296562

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

0

(7.7.4) Methodological details

We report our Scope 2 emissions based on both location-based and market-based approaches. We calculate our greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals". During the reporting year, we neutralized all our location-based Scope 2 emissions with IREC and YEK-G certificates.

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

300057

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

0

(7.7.3) End date

12/30/2023

(7.7.4) Methodological details

We report our Scope 2 emissions based on both location-based and market-based approaches. We calculate our greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals". During the reporting year, we neutralized all our location-based Scope 2 emissions with IREC and YEK-G certificates.

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

301672

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e)

138070

(7.7.3) End date

12/30/2022

(7.7.4) Methodological details

We report our Scope 2 emissions based on both location-based and market-based approaches. We calculate our greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals". During the reporting year, we neutralized all our location-based Scope 2 emissions with IREC and YEK-G certificates.
[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

952612

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Akçansa calculates its greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2018 Greenhouse Gases Section ": Guidelines and Specifications for Establishment-Level Calculation and Reporting of Greenhouse Gas Emissions and Removals" standard.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Capital goods is not one of the material categories for cement industry as mentioned in Cement Sector Scope 3 GHG Accounting and Reporting Guidance issued by the WBCSD Cement Sustainability Initiative (now GCCA). Thus "capital goods" category is not calculated

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

241013

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Akçansa calculates its greenhouse gas emissions according to the standard “TS EN ISO 14064-1:2018 Greenhouse Gases Section ”: Guidelines and Specifications for Establishment-Level Calculation and Reporting of Greenhouse Gas Emissions and Removals” standard.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

32117

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Supplier-specific method

☑ Hybrid method

☑ Spend-based method

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Akçansa calculates its greenhouse gas emissions according to the standard “TS EN ISO 14064-1:2018 Greenhouse Gases Section ”: Guidelines and Specifications for Establishment-Level Calculation and Reporting of Greenhouse Gas Emissions and Removals” standard. Scope 3 emissions from upstream transportation and distribution in Akçansa's cement business 25,144 tCO2e; Scope 3 emissions from upstream transportation and distribution in all business lines 32,117 tCO2e

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Waste generated in operations is insignificant, as confirmed in the Cement Sector Scope 3 GHG Accounting and Reporting Guidance issued by the WBCSD Cement Sustainability Initiative (GCCA). In our cement kilns, we

recover the waste from all the operations and furthermore use waste from other industries as an alternative resource such as fuel or raw material

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

89

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Akçansa calculates its greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2018 Greenhouse Gases Section ": Guidelines and Specifications for Establishment-Level Calculation and Reporting of Greenhouse Gas Emissions and Removals" standard. In 2024, it refers to Akçansa's indirect greenhouse gas emissions resulting from business travel, specifically from flights booked through agents and tracked by kilometers, as categorized under Category 6 of the Greenhouse Gas Protocol (GHG Protocol). External Assurance has been provided

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1720

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

☑ Fuel-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Akçansa calculates its greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2018 Greenhouse Gases Section ": Guidelines and Specifications for Establishment-Level Calculation and Reporting of Greenhouse Gas Emissions and Removals" standard. In 2024, it refers to Akçansa's indirect greenhouse gas emissions resulting from business travel, specifically from flights booked through agents and tracked by kilometers, as categorized under Category 7 of the Greenhouse Gas Protocol (GHG Protocol). External Assurance has been provided

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We don't have upstream leased assets.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

135470

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Refers to downstream transportation and distribution. This data includes road transportation of aggregates sales, road transportation of cement sales, water (sea) transportation of cement sales, road transportation of concrete

sales. For road transports, Heavy Goods Vehicle (Average HGV) emission factors were used. For sea transport, Cargo ship - Bulk carrier (60,000–99,999 dwt) emission figures were used.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

395723

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

☑ Average data method

☑ Average product method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions of processing clinker is calculated from total emissions from electricity consumption + total emissions of other services (transportation, packaging, etc.). Emission Factor of processing clinker (kgCO2/ton of clinker) is calculated as (EF of Electricity (kgCO2/ton of cement) + EF of other services (kgCO2/ton of cement)) ÷ Ton of Clinker needed per Ton of cement). Emissions of processing cement is calculated as stated in GHG Protocol Guidelines. Emissions of processing concrete is calculated using material use emission factors from DEFRA GHG Conversion Factors.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

This category does not represent a material source of emissions due to the nature of products sold in the cement sector. As the end-of-life processes of these products occur outside the company's control and reliable data is not available, this category has not been included in the calculation.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

This category has not been included in the Scope 3 GHG inventory as it is not considered material for the cement sector. Cement products are typically used in long-life structures and are not subject to a defined end-of-life treatment process. These processes, such as demolition and potential reuse or recycling of construction materials, occur long after the product has left the company's control and are highly dependent on local waste management practices. Additionally, due to the lack of reliable and consistent data, emissions from this category have not been calculated.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Akçansa has no downstream leased assets.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Akçansa does not have any franchises

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Investment-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

No additional significant investments made during the reporting period to be evaluated under Scope 3.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

No other upstream Scope 3 emissions sources identified within the boundary.

Other (downstream)

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

No other downstream Scope 3 emissions sources identified within the boundary.
[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

(7.8.1.1) End date

12/30/2023

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

894386

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

256645

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

48193

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

102.27

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

3139.41

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

116258

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

400162.28

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

Akçansa calculates its greenhouse gas emissions in accordance with the "TS EN ISO 14064-1:2018 Greenhouse Gases - Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals" standard. Since the type of fuel used for employee shuttles is diesel fuel, the mobile combustion - diesel fuel carbon factor is applied.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

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(7.9.1.5) Page/section reference

Page 1

(7.9.1.6) Relevant standard

Select from:
☑ ISAE 3410

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

Page 1

(7.9.2.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

Page 1

(7.9.2.7) Relevant standard

Select from:
☑ ISAE 3410

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Business travel

☑ Scope 3: Downstream transportation and distribution

☑ Scope 3: Employee commuting

☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

☑ Scope 3: Processing of sold products

☑ Scope 3: Purchased goods and services

☑ Scope 3: Upstream transportation and distribution

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.3.5) Attach the statement

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(7.9.3.6) Page/section reference

Page 1

(7.9.3.7) Relevant standard

Select from:

☑ ISAE 3410

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Increased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

The reported change in emissions mainly results from the increase in renewable energy consumption through the purchase of I-REC and YEK-G certificates, as well as the use of renewable energy sources (RES) and waste heat recovery, which together have led to approximately a 10% reduction in electricity consumption. By sourcing renewable electricity with these certificates and optimizing energy use through RES and waste heat, the company has been able to offset a portion of its Scope 2 location-based emissions, achieving a total reduction of 296,562 tCO_2e. The calculation is based on the difference between location-based and market-based approaches, with the reduction reflecting the substitution of grid electricity with certified renewable sources and energy efficiency measures.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no other reduction activities in reporting year.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no divestments in reporting year.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no acquisitions in reporting year.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no mergers in reporting year.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

190396

(7.10.1.2) Direction of change in emissions

Select from:
☑ Increased

(7.10.1.3) Emissions value (percentage)

3.5

(7.10.1.4) Please explain calculation

There is an increase in emissions due to the 227,000-ton increase in clinker production. Assuming an emission factor of 0.839 tons of CO_2 per ton of clinker, this corresponds to an increase of 190,396 tons of CO_2.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

14562

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.3

(7.10.1.4) Please explain calculation

Considering the activity data, there is a reduction of 14,562 tons of CO_2 due to the changes in emission factors compared to the previous year

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no boundary changes in reporting year.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no operating condition changes in reporting year.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no unidentified changes in reporting year.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There is no other changes in reporting year.
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ Yes

(7.12.1) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

(7.12.1.1) CO2 emissions from biogenic carbon (metric tons CO2)

178241

(7.12.1.2) Comment

In 2024, due to the combustion of biogenic materials such as domestic sewage sludge and straw as alternative fuels, we achieved a total biogenic carbon dioxide emission of 178,241 metric tons CO2.
[Fixed row]

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☑ No

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Turkey	*5484834*	*296562*	*0*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By facility

☑ By activity

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

Büyükçekmece Plant

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

1625054

(7.17.2.3) Latitude

41.0118

(7.17.2.4) Longitude

28.3327

Row 2

(7.17.2.1) Facility

Ready Mixed Concrete Plants (Including 26 Ready-Mix Concrete Plants - management office coordinates were given as reference)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

11678

(7.17.2.3) Latitude

40.9842

(7.17.2.4) Longitude

29.0995

Row 3

(7.17.2.1) Facility

Çanakkale Plant

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

3437873

(7.17.2.3) Latitude

39.5156

(7.17.2.4) Longitude

26.1439

Row 4

(7.17.2.1) Facility

Ladik Plant

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

410229

(7.17.2.3) Latitude

40.5607

(7.17.2.4) Longitude

35.5306
[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Cement Production (Including 3 cement production plants located in İstanbul-Büyükçekmece, Çanakkale and Samsun-Ladik)*	*5473156*
Row 2	*Ready-Mixed Concrete Production*	*11678*

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

Cement production activities

(7.19.1) Gross Scope 1 emissions, metric tons CO2e

5473156

(7.19.2) Net Scope 1 emissions , metric tons CO2e

5259903

(7.19.3) Comment

The difference between gross and net Scope 1 emissions is due to the use of alternative fuels, which reduce fossil CO_2 emissions in cement production.
[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply
☑ By facility
☑ By activity

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

Row 1

(7.20.2.1) Facility

Ladik Plant

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

31654.83

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 2

(7.20.2.1) Facility

Çanakkale Plant

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

157340.95

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 3

(7.20.2.1) Facility

Terminals/Ports

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

2018

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 4

(7.20.2.1) Facility

Aggregates

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

1229.79

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 5

(7.20.2.1) Facility

Ready-mixed concrete plants

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

2557.75

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 6

(7.20.2.1) Facility

Büyükçekmece Plant

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

101673.34

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 7

(7.20.2.1) Facility

Head-office

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

88.96

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0
[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Cement production*	*290669.12*	*0*

[Add row]

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	*290669.12*	*0*	*Scope 2 emissions were neutralized by obtaining I-REC and YEK-G certificates for all electrical energy use*

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

5484834

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

296562

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Scope 2 emissions were neutralized by obtaining I-REC and YEK-G certificates for all electrical energy use

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

There is no emission related to other entities.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Not relevant as we do not have any subsidiaries

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 30% but less than or equal to 35%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

6505994

(7.30.1.4) Total (renewable + non-renewable) MWh

6505994.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

670955

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable + non-renewable) MWh

670955.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

62942

(7.30.1.4) Total (renewable + non-renewable) MWh

62942.00

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

733937

(7.30.1.3) MWh from non-renewable sources

6505994

(7.30.1.4) Total (renewable + non-renewable) MWh

7239931.00
[Fixed row]

(7.30.2) Report your organization's energy consumption totals (excluding feedstocks) for cement production activities in MWh.

	Heating value	Total MWh
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ LHV (lower heating value)	*6505994*
Consumption of purchased or acquired electricity	*Select from:* ☑ Unable to confirm heating value	*733897*
Consumption of other purchased or acquired energy (heat, steam and/or cooling)	*Select from:* ☑ LHV (lower heating value)	*`Numeric input*
Total energy consumption	*Select from:* ☑ Unable to confirm heating value	*7239891*

[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:*

	Indicate whether your organization undertakes this fuel application
	☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Akcansa does not have any sustainable biomass consumption.

Other biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

529171

(7.30.7.8) Comment

Includes domestic dried sewage sludge (100% biomass), wood derived fuels (100% biomass), agricultural waste (100% biomass), waste tires (TDF) (27% biomass), other refused derived fuel species (RDF etc.) that includes variable biomass content.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

Akcansa does not have any renewable fuel consumption.

Coal

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

1351122

(7.30.7.8) Comment

Includes imported steam-coal, local anthracite coal, lignite consumption.

Oil

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

54276

(7.30.7.8) Comment

Includes heavy fuel oil and diesel consumption.

Gas

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

5278

(7.30.7.8) Comment

Includes natural gas consumption.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

4566147

(7.30.7.8) Comment

Includes petroleum coke consumption, waste oil, waste tires (excluding biomass content), refused derived fuel species (RDF) (excluding biomass content), mixed industrial waste (excluding biomass content) as alternative fuel sources.

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

6505994

(7.30.7.8) Comment

Total fuel consumption including biomass, alternative fuels, fuel oil, natural gas, coal, diesel and petro-coke. [Fixed row]

(7.30.8) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel for cement production activities.

Sustainable biomass

(7.30.8.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.8.2) Total MWh fuel consumed for cement production activities

0

(7.30.8.3) MWh fuel consumed at the kiln

0

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Akcansa does not have any sustainable biomass consumption.

Other biomass

(7.30.8.1) Heating value

Select from:
☑ LHV

(7.30.8.2) Total MWh fuel consumed for cement production activities

529171

(7.30.8.3) MWh fuel consumed at the kiln

529171

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Includes domestic dried sewage sludge (100% biomass), wood derived fuels (100% biomass), agricultural waste (100% biomass), waste tires (TDF) (27% biomass), other refused derived fuel species (RDF etc.) that includes variable biomass content.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.8.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.8.2) Total MWh fuel consumed for cement production activities

0

(7.30.8.3) MWh fuel consumed at the kiln

0

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Akcansa does not have any renewable fuel consumption.

Coal

(7.30.8.1) Heating value

Select from:
☑ LHV

(7.30.8.2) Total MWh fuel consumed for cement production activities

1351122

(7.30.8.3) MWh fuel consumed at the kiln

1351122

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Includes imported steam-coal, local anthracite coal, lignite consumption.

Oil

(7.30.8.1) Heating value

Select from:
☑ LHV

(7.30.8.2) Total MWh fuel consumed for cement production activities

12778

(7.30.8.3) MWh fuel consumed at the kiln

12778

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Includes heavy fuel oil consumption.

Gas

(7.30.8.1) Heating value

Select from:
☑ LHV

(7.30.8.2) Total MWh fuel consumed for cement production activities

5278

(7.30.8.3) MWh fuel consumed at the kiln

5278

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Includes natural gas consumption.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.8.1) Heating value

Select from:
☑ LHV

(7.30.8.2) Total MWh fuel consumed for cement production activities

4566147

(7.30.8.3) MWh fuel consumed at the kiln

4566146

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Includes petroleum coke consumption, waste oil, waste tires (excluding biomass content), refused derived fuel species (RDF) (excluding biomass content), mixed industrial waste (excluding biomass content) as alternative fuel sources.

Total fuel

(7.30.8.1) Heating value

Select from:
☑ LHV

(7.30.8.2) Total MWh fuel consumed for cement production activities

6464496

(7.30.8.3) MWh fuel consumed at the kiln

6464496

(7.30.8.4) MWh fuel consumed for the generation of heat that is not used in the kiln

0

(7.30.8.7) Comment

Total fuel consumption including biomass, alternative fuels, fuel oil, natural gas, coal, and petro-coke.
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

62942

(7.30.9.2) Generation that is consumed by the organization (MWh)

62942

(7.30.9.3) Gross generation from renewable sources (MWh)

62942

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

62942

Heat

(7.30.9.1) Total Gross generation (MWh)

6469496

(7.30.9.2) Generation that is consumed by the organization (MWh)

6464496

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.10) Provide details on the electricity and heat your organization has generated and consumed for cement production activities.

	Total gross generation (MWh) inside the cement sector boundary	Generation that is consumed (MWh) inside the cement sector boundary
Electricity	*62942*	*62942*
Heat	*6469496*	*6469496*
Steam	*0*	*0*

[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ Turkey

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Geothermal

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

65607

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2016

(7.30.14.10) Comment

The reported low-carbon electricity consumption refers to geothermal energy sourced in Turkey through I-REC certification. The energy generation facility was commissioned in 2016 and contributes to reducing the company's market-based Scope 2 emissions by providing renewable energy with near-zero emission factors. This sourcing supports our commitment to transition to cleaner energy and lower our carbon footprint.

Row 2

(7.30.14.1) Country/area

Select from:
☑ Turkey

(7.30.14.2) Sourcing method

Select from:
☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Hydropower (capacity unknown)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

605348

(7.30.14.6) Tracking instrument used

Select from:
☑ Other, please specify :YEK-G

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2019

(7.30.14.10) Comment

The reported low-carbon electricity consumption includes hydropower energy sourced from Turkey through YEK-G certification. The energy generation facility was commissioned in 2019 and contributes to reducing the company's market-based Scope 2 emissions by providing renewable energy with near-zero emission factors. This sourcing aligns with our sustainability goals by supporting renewable energy use and lowering our carbon footprint.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Turkey

(7.30.16.1) Consumption of purchased electricity (MWh)

670955

(7.30.16.2) Consumption of self-generated electricity (MWh)

62942

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

733897.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.25

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

5781396

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

21614189000

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

2.5

(7.45.7) Direction of change

Select from:
☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption
☑ Change in output
☑ Change in methodology
☑ Other, please specify :Change in fuel mix and inflation accounting adjustments

(7.45.9) Please explain

In the reporting year, our total revenue figures reflect the application of inflation accounting, in line with national financial reporting standards. This adjustment has significantly increased the nominal revenue compared to the previous year. As a result, the calculated emissions intensity per unit of revenue appears lower, even though our absolute Scope 2 emissions increased during the same period. Additionally, consumption of alternative fuels decreased during the reporting year, which also influenced our Scope 1 and 2 emissions profile. Therefore, the year-on-year comparability of the revenue-based intensity metric is limited. To provide a more accurate representation of our emissions performance, we also monitor and report additional intensity indicators such as emissions per unit of production, which better reflect our operational efficiency and carbon performance independent of financial reporting effects.
[Add row]

(7.47) State your organization's Scope 1 and Scope 2 emissions intensities related to cement production activities.

	Gross Scope 1 emissions intensity, metric tons CO2e per metric ton	Net Scope 1 emissions intensity, metric tons CO2e per metric ton	Scope 2, location-based emissions intensity, metric tons CO2e per metric ton
Clinker	*0.839*	*0.802*	*0.045*
Cement equivalent	*0.726*	*0.689*	*0.039*
Cementitious products	*0.735*	*0.705*	*0.04*
Low-CO2 materials	*0.57*	*0.545*	*0.039*

[Fixed row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Waste

(7.52.2) Metric value

768

(7.52.3) Metric numerator

tons of hazardous waste

(7.52.4) Metric denominator (intensity metric only)

No intensity metric

(7.52.5) % change from previous year

75.34

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

The reported increase in hazardous waste generation is primarily linked to periodic maintenance and major revision activities carried out at the production facility. Such waste volumes are not constant and may vary significantly depending on the scope and intensity of maintenance operations in a given year. In 2024, an extensive revision process was undertaken, resulting in higher amounts of hazardous waste compared to the previous year. These fluctuations are therefore operational in nature and do not indicate a continuous trend of increase.

Row 2

(7.52.1) Description

Select from:

☑ Waste

(7.52.2) Metric value

3398

(7.52.3) Metric numerator

tons of non-hazardous waste

(7.52.4) Metric denominator (intensity metric only)

No intensity metric

(7.52.5) % change from previous year

16

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

2024, the reduction in non-hazardous waste generation is primarily driven by our initiatives to minimize waste at source and by further integrating circular economy principles into our operations. Through enhanced recovery and reuse practices, a significant portion of materials was diverted from disposal, which resulted in a lower volume of non-hazardous waste compared to the previous year.

Row 3

(7.52.1) Description

Select from:

☑ Energy usage

(7.52.2) Metric value

733897

(7.52.3) Metric numerator

MWh-renewable energy consumption

(7.52.4) Metric denominator (intensity metric only)

No intensity metric

(7.52.5) % change from previous year

0.14

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

The increase in renewable energy generation is driven by Akçansa's strategy to expand the use of renewables within its operations.

Row 4

(7.52.1) Description

Select from:

☑ Other, please specify :Energy diversity

(7.52.2) Metric value

0.97

(7.52.3) Metric numerator

MWh

(7.52.4) Metric denominator (intensity metric only)

ton Cementitious

(7.52.5) % change from previous year

2

(7.52.6) Direction of change

Select from:

☑ Decreased

(7.52.7) Please explain

Energy consumption per ton of cementitious product decreased from 2023, at 0.98 MWh/ton to 0.97. This also represents an improvement compared to 2022, when the value was 1.03 MWh/ton, reflecting increased energy efficiency over the two-year period.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

☑ Intensity target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

04/05/2023

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

5764763

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

282151

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

6046914.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

99

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99

(7.53.1.54) End date of target

12/30/2030

(7.53.1.55) Targeted reduction from base year (%)

21.9

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

4722639.834

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

5484834

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

5484834.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

42.44

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Like most cement companies, Akçansa focuses predominantly on Scope 1 emission reductions and its limited Scope 2 emissions profile when compared to Scope 1. SBTi allows companies to exclude up to %5 of total Scope

1 + Scope 2 emissions. The target which will be submitted to SBTi for validation covers all operations of Akçansa for Scope 2. Target for Scope 1 emissions exclude aggregates, ports & terminals and HQ for Scope 1 which accounts for 99% of total Scope 1 emissions. Note that the remainder either can be included in the SBTi validation process or keep excluded. The targets are consistent with reductions required to keep global warming to 1.5°C in line with the latest science. In 2023, we are confidently taking steps towards our goal of zeroing our Scope 2 emissions with I-REC and YEK-G certificates. The targets cover Akçansa's operational Scope 1 (direct) and Scope 2 (purchased energy-related indirect) greenhouse gas emissions.

(7.53.1.83) Target objective

Akçansa's target aims to reduce greenhouse gas intensity by 2030 in line with the Paris Agreement and SBTi. The objective is to enhance the company's contribution to climate change mitigation while improving sustainable production performance.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In 2024, Akçansa continued the implementation of its collectively constructed roadmaps for the transition to a low-carbon economy. Building on the investments and initiatives from 2023, efforts focused on further increasing the use of alternative fuels, expanding biomass utilization, and implementing energy efficiency projects across production sites. Scope 1 CO_2 intensity showed a slight increase in net emissions to 705 tCO_2e/t cementitious material, while gross emissions decreased to 736 tCO_2e/t, reflecting targeted improvements in operational efficiency. Scope 2 emissions remained at zero, demonstrating the continued success of renewable energy usage. The product transition plan, including reduced clinker content products, remained on track with intermediate yearly targets toward 2030. Investments and projects in process optimization, asset modernization, renewable energy, and CCUS were further developed and analyzed to maximize their impact on emissions reduction. Overall, the 2024 progress represents a steady continuation of Akçansa's strategy to provide low-carbon, durable, and sustainable products while advancing toward the 2030 SBTi-aligned targets.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:
☑ Yes
[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:
☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:
☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.53.2.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.2.5) Date target was set

04/05/2023

(7.53.2.6) Target coverage

Select from:

☑ Business activity

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

(7.53.2.11) Intensity metric

Select from:

☑ Other, please specify :kilograms of net CO2 emissions per metric ton of cementitious product

(7.53.2.12) End date of base year

12/30/2021

(7.53.2.13) Intensity figure in base year for Scope 1

753

(7.53.2.33) Intensity figure in base year for all selected Scopes

753.0000000000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/30/2030

(7.53.2.56) Targeted reduction from base year (%)

22.3

(7.53.2.57) Intensity figure at end date of target for all selected Scopes

585.0810000000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

22

(7.53.2.60) Intensity figure in reporting year for Scope 1

705

(7.53.2.80) Intensity figure in reporting year for all selected Scopes

705.0000000000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

28.59

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

This intensity target is covering only scope 1 net CO2 emissions during the clinker production process and calculations are done in accordance with Global Cement and Concrete Association guidelines. Other business activities, business lines and facilities are excluded. In 2023, 2030 targets were publicly announced as net kg of CO2 per metric tons of cementitious product. 2030 Ambition was to reduce net kg CO2 emitted per ton of cementitious product by approx. 22% and to reach 587 kg CO2/cementitious. These net emissions are excluding all emissions coming from alternative fuels. This year we have committed to SBTi to set a 1.5 degree aligned target. In the emission reporting of the cement sector, net emissions are reported per cementitious product according to the GCCA guidelines and monitored as a performance indicator. However, initiatives such as SBTi do not endorse targets based on net emissions. In this context, we will continue to follow our net emission target per cementitious product, but we also give our gross absolute emissions and gross intensity targets. After completing our SBTi validation process within the scope of the target described above, it may be possible that the target for the coming years will be more ambitious.

(7.53.2.86) Target objective

Akçansa's target aims to reduce greenhouse gas intensity by 2030 in line with the Paris Agreement and SBTi. The objective is to enhance the company's contribution to climate change mitigation while improving sustainable production performance.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

In 2024, Akçansa continued the implementation of its collectively constructed roadmaps for the transition to a low-carbon economy. Building on the investments and initiatives from 2023, efforts focused on further increasing the use of alternative fuels, expanding biomass utilization, and implementing energy efficiency projects across production sites. Scope 1 CO_2 intensity showed a slight increase in net emissions to 705 tCO_2e/t cementitious material, while gross emissions decreased to 736 tCO_2e/t, reflecting targeted improvements in operational efficiency. The product transition plan, including reduced clinker content products, remained on track with intermediate yearly targets toward 2030. Investments and projects in process optimization, asset modernization, renewable energy, and CCUS were further developed and analyzed to maximize their impact on emissions reduction. Overall, the 2024 progress represents a steady continuation of Akçansa's strategy to provide low-carbon, durable, and sustainable products while advancing toward the 2030 SBTi-aligned targets.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:
☑ Yes

Row 2

(7.53.2.1) Target reference number

Select from:
☑ Int 2

(7.53.2.2) Is this a science-based target?

Select from:
☑ Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

(7.53.2.4) Target ambition

Select from:
☑ 1.5°C aligned

(7.53.2.5) Date target was set

04/05/2023

(7.53.2.6) Target coverage

Select from:
☑ Business activity

(7.53.2.7) Greenhouse gases covered by target

Select all that apply
☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per metric ton of cement

(7.53.2.12) End date of base year

12/30/2021

(7.53.2.13) Intensity figure in base year for Scope 1

770

(7.53.2.33) Intensity figure in base year for all selected Scopes

770.0000000000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/30/2030

(7.53.2.56) Targeted reduction from base year (%)

18.7

(7.53.2.57) Intensity figure at end date of target for all selected Scopes

626.0100000000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

22

(7.53.2.60) Intensity figure in reporting year for Scope 1

736

(7.53.2.80) Intensity figure in reporting year for all selected Scopes

736.0000000000

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

23.61

(7.53.2.83) Target status in reporting year

Select from:

☑ Underway

(7.53.2.85) Explain target coverage and identify any exclusions

Akçansa has revised its emission reduction target to align with the latest Science Based Targets initiative (SBTi) criteria and methodologies. The main reason for this revision is to ensure stronger alignment with the Paris Agreement's 1.5°C pathway, address updated sector-specific requirements, and reflect the company's ambition to pursue a more robust decarbonization roadmap. In addition, evolving market dynamics, regulatory developments, and increased investments in low-carbon technologies have also influenced the decision to revise the target. Through this update, the company aims to more effectively manage climate-related risks and opportunities, meet stakeholder expectations, and create long-term value.

(7.53.2.86) Target objective

Akçansa's target aims to reduce greenhouse gas intensity by 2030 in line with the Paris Agreement and SBTi. The objective is to enhance the company's contribution to climate change mitigation while improving sustainable production performance.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

In 2024, Akçansa continued the implementation of its collectively constructed roadmaps for the transition to a low-carbon economy. Building on the investments and initiatives from 2023, efforts focused on further increasing the use of alternative fuels, expanding biomass utilization, and implementing energy efficiency projects across production sites. Scope 1 CO_2 intensity showed a slight increase in net emissions to 705 tCO_2e/t cementitious material, while gross emissions decreased to 736 tCO_2e/t, reflecting targeted improvements in operational efficiency. The product transition plan, including reduced clinker content products, remained on track with intermediate yearly targets toward 2030. Investments and projects in process optimization, asset modernization, renewable energy, and CCUS were further developed and analyzed to maximize their impact on emissions reduction. Overall, the 2024 progress represents a steady continuation of Akçansa's strategy to provide low-carbon, durable, and sustainable products while advancing toward the 2030 SBTi-aligned targets.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

Row 3

(7.53.2.1) Target reference number

Select from:

☑ Int 3

(7.53.2.2) Is this a science-based target?

Select from:

☑ No, but we are reporting another target that is science-based

(7.53.2.5) Date target was set

12/30/2024

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 3

(7.53.2.10) Scope 3 categories

Select all that apply

☑ Category 6: Business travel

☑ Category 9: Downstream transportation and distribution

☑ Category 7: Employee commuting

☑ Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

☑ Category 1: Purchased goods and services

☑ Category 10: Processing of sold products

☑ Category 4: Upstream transportation and distribution

(7.53.2.11) Intensity metric

Select from:

☑ Metric tons CO2e per metric ton of product

(7.53.2.12) End date of base year

12/30/2024

(7.53.2.15) Intensity figure in base year for Scope 3, Category 1: Purchased goods and services

0.056

(7.53.2.17) Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

0.0142

(7.53.2.18) Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution

0.00189

(7.53.2.20) Intensity figure in base year for Scope 3, Category 6: Business travel

0.00000524

(7.53.2.21) Intensity figure in base year for Scope 3, Category 7: Employee commuting

0.000101

(7.53.2.23) Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution

0.00797

(7.53.2.24) Intensity figure in base year for Scope 3, Category 10: Processing of sold products

0.0233

(7.53.2.32) Intensity figure in base year for total Scope 3

0.1034662400

(7.53.2.33) Intensity figure in base year for all selected Scopes

0.1034662400

(7.53.2.36) % of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

100

(7.53.2.38) % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

100

(7.53.2.39) % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

100

(7.53.2.41) % of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

100

(7.53.2.42) % of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

100

(7.53.2.44) % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

100

(7.53.2.45) % of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

100

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/30/2030

(7.53.2.56) Targeted reduction from base year (%)

22

(7.53.2.57) Intensity figure at end date of target for all selected Scopes

0.0807036672

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

22

(7.53.2.62) Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services

0.056

(7.53.2.64) Intensity figure in reporting year for Scope 3, Category 3: Fuel- and energy-related activities

0.0142

(7.53.2.65) Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution

0.00189

(7.53.2.67) Intensity figure in reporting year for Scope 3, Category 6: Business travel

0.00000524

(7.53.2.68) Intensity figure in reporting year for Scope 3, Category 7: Employee commuting

0.000101

(7.53.2.70) Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution

0.00797

(7.53.2.71) Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products

0.0233

(7.53.2.79) Intensity figure in reporting year for total Scope 3

0.1034662400

(7.53.2.80) Intensity figure in reporting year for all selected Scopes

0.1034662400

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

0.00

(7.53.2.83) Target status in reporting year

Select from:

☑ New

(7.53.2.85) Explain target coverage and identify any exclusions

This target coverage all Scope 3 emissions on scope of Akçansa. In 2024 all scope 3 emissions were assured by third party auditors, therefore a new target was set for 25% reduction in scope 3 emissions intensity until 2030.

(7.53.2.86) Target objective

Akçansa's target aims to reduce greenhouse gas intensity by 2030 in line with the Paris Agreement. The objective is to enhance the company's contribution to climate change mitigation while improving sustainable production performance.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

In 2024, first time all scope 3 emissions were verified bu third party auditors. Also, a target of reducing Scope 3 emissions per product was set for all products (cement, concrete & aggregate). This will reduce emissions from upstream and downstream suppliers.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

☑ Net-zero targets

☑ Other climate-related targets

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:
☑ Low 1

(7.54.1.2) Date target was set

12/30/2020

(7.54.1.3) Target coverage

Select from:
☑ Business activity

(7.54.1.4) Target type: energy carrier

Select from:
☑ Heat

(7.54.1.5) Target type: activity

Select from:
☑ Consumption

(7.54.1.6) Target type: energy source

Select from:
☑ Low-carbon energy source(s)

(7.54.1.7) End date of base year

12/30/2019

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

962642

(7.54.1.9) % share of low-carbon or renewable energy in base year

13

(7.54.1.10) End date of target

12/30/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

35

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

20.3

(7.54.1.13) % of target achieved relative to base year

33.18

(7.54.1.14) Target status in reporting year

Select from:

☑ Underway

(7.54.1.16) Is this target part of an emissions target?

Yes, Akçansa has set a target to increase the share of low-carbon energy in its energy consumption from 13% in the base year 2019 to 35% by 2030. This target covers all cement plants, with individual alternative fuel substitution rates determined for each kiln and consolidated at the corporate level. As of the reporting year, the share of low-carbon energy reached 20.3%. To achieve this target, an Alternative Fuel Road Map has been prepared, under which various waste sources will be utilized annually in line with physical and market conditions.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

This target is set for all cement plants. Each kiln at the plants has individual alternative fuel substitution rate target. Alternative fuel targets of each kiln are consolidated and cumulative targets are determined for Akçansa.

(7.54.1.20) Target objective

The objective of this target is to increase the use of low-carbon energy sources in the form of heat consumption across all cement plants. The goal is to raise the share of low-carbon energy from 13% in the base year (2019) to 35% by the end of the target year (2030).

(7.54.1.21) Plan for achieving target, and progress made to the end of the reporting year

The Alternative Fuel Road Map had been previously prepared. According to the plan, all types of waste sources will be utilized annually in line with physical and market conditions.

Row 2

(7.54.1.1) Target reference number

Select from:

☑ Low 2

(7.54.1.2) Date target was set

12/30/2019

(7.54.1.3) Target coverage

Select from:
☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:
☑ Electricity

(7.54.1.5) Target type: activity

Select from:
☑ Consumption

(7.54.1.6) Target type: energy source

Select from:
☑ Low-carbon energy source(s)

(7.54.1.7) End date of base year

12/30/2019

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

93429

(7.54.1.9) % share of low-carbon or renewable energy in base year

13

(7.54.1.10) End date of target

12/30/2030

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

100

(7.54.1.13) % of target achieved relative to base year

100.00

(7.54.1.14) Target status in reporting year

Select from:

☑ Achieved and maintained

(7.54.1.16) Is this target part of an emissions target?

Yes. This target is linked to our emissions reduction efforts, particularly Scope 2 emissions. The share of renewable energy is supported through the purchase of renewable energy certificates (RECs), which contribute to neutralizing Scope 2 emissions. By increasing the use of low-carbon energy sources, Akçansa not only reduces its reliance on fossil fuels but also advances its decarbonization pathway by compensating Scope 2 emissions with renewable energy certificates.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

Target covers all production facilities as well as other sites such as headquarters and offices.

(7.54.1.20) Target objective

The objective of this target is to transition to 100% low-carbon electricity consumption by 2030. The target is designed to reduce Scope 2 emissions through increased procurement of renewable electricity.

(7.54.1.22) List the actions which contributed most to achieving this target

The plan to achieve the target of 100% low-carbon electricity consumption involves transitioning all production facilities and other sites, such as offices and headquarters, to renewable energy sources. By the end of the reporting year, the target of 100% renewable electricity consumption has been successfully achieved.
[Add row]

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.2) Date target was set

12/30/2019

(7.54.2.3) Target coverage

Select from:

☑ Business activity

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Intensity

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Low-carbon products

☑ Percentage of revenue from low-carbon products

(7.54.2.6) Target denominator (intensity targets only)

Select from:

☑ Other, please specify :%

(7.54.2.7) End date of base year

12/30/2019

(7.54.2.8) Figure or percentage in base year

5.6

(7.54.2.9) End date of target

12/30/2030

(7.54.2.10) Figure or percentage at end of date of target

12

(7.54.2.11) Figure or percentage in reporting year

21.7

(7.54.2.12) % of target achieved relative to base year

251.5625000000

(7.54.2.13) Target status in reporting year

Select from:

☑ Achieved

(7.54.2.15) Is this target part of an emissions target?

Yes, Abs 1 and Int 1. To decrease emissions further biomass content of alternative fuels, get important. Thus, targeting high biomass content alternative fuel usage is important for further reduction of emissions.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it’s not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

This target is set for all cement plants. Each kiln at the plants has individual alternative fuel substitution rate target. To decrease emissions further biomass content of alternative fuels, get important. Thus, targeting high biomass content alternative fuel usage is important for further reduction of emissions.

(7.54.2.19) Target objective

The objective of this target is to increase the use of biomass as a renewable fuel in the fuel mix used for cement production, aiming to reduce the carbon intensity of thermal energy consumption. Biomass is an important component in reducing emissions because it is considered carbon-neutral, unlike fossil fuels. By increasing the share of biomass in the fuel mix from 5.6% in 2019 to 12% by 2030, we aim to contribute to its decarbonization strategy, reduce reliance on fossil fuels, and lower Scope 1 emissions from the cement production process

(7.54.2.21) List the actions which contributed most to achieving this target

Akçansa aims to increase the use of alternative fuels across its cement plants, raising the share of low-carbon energy from 13% in 2019 to 35% by 2030. Through its Alternative Fuel Road Map, the company utilizes various waste sources depending on technical and market conditions, contributing both to energy efficiency and Scope 2 emissions neutrality via renewable energy certificate purchases.

Row 2

(7.54.2.1) Target reference number

Select from:
☑ Oth 2

(7.54.2.2) Date target was set

12/30/2022

(7.54.2.3) Target coverage

Select from:
☑ Business activity

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Intensity

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Renewable fuel consumption
☑ Other renewable fuel consumption, please specify :Alternative fuel in fuel mix (calorific) (%)

(7.54.2.6) Target denominator (intensity targets only)

Select from:

☑ Other, please specify :%

(7.54.2.7) End date of base year

12/30/2022

(7.54.2.8) Figure or percentage in base year

21.7

(7.54.2.9) End date of target

12/30/2030

(7.54.2.10) Figure or percentage at end of date of target

35

(7.54.2.11) Figure or percentage in reporting year

20.3

(7.54.2.12) % of target achieved relative to base year

-10.5263157895

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

Yes, Abs 1 and Int 1. To decrease emissions further biomass content of alternative fuels, get important. Thus, targeting high biomass content alternative fuel usage is important for further reduction of emissions.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Target covers all production plants.

(7.54.2.19) Target objective

In cement production, the intensive thermal energy required is predominantly derived from fossil fuels. However, many waste materials that are difficult to dispose of can be used as an alternative fuel source in our sector. The use of alternative fuels is significant in terms of both waste reduction and the reintegration of waste into the economy, as well as in the fight against climate change. Therefore, as Akçansa, we aim to increase our rate of alternative fuel substitution.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

Akçansa aims to increase the use of alternative fuels across its cement plants, raising the share of low-carbon energy from 13% in 2019 to 35% by 2030. Through its Alternative Fuel Road Map, the company utilizes various waste sources depending on technical and market conditions, contributing both to energy efficiency and Scope 2 emissions neutrality via renewable energy certificate purchases

Row 3

(7.54.2.1) Target reference number

Select from:
☑ Oth 3

(7.54.2.2) Date target was set

12/30/2024

(7.54.2.3) Target coverage

Select from:
☑ Business division

(7.54.2.4) Target type: absolute or intensity

Select from:
☑ Intensity

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Low-carbon products
☑ Percentage of revenue from low-carbon products

(7.54.2.6) Target denominator (intensity targets only)

Select from:
☑ Other, please specify :Percentage of revenue from low-carbon cement products

(7.54.2.7) End date of base year

12/30/2024

(7.54.2.8) Figure or percentage in base year

40.3

(7.54.2.9) End date of target

12/30/2030

(7.54.2.10) Figure or percentage at end of date of target

75

(7.54.2.11) Figure or percentage in reporting year

40.3

(7.54.2.12) % of target achieved relative to base year

0.0000000000

(7.54.2.13) Target status in reporting year

Select from:

☑ New

(7.54.2.15) Is this target part of an emissions target?

Yes, Int 1. Increasing low-CO2, low clinker cement sales portion in total sales decreases scope 1 emissions intensity.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

This target covers the entire business division responsible for the production and sales of low-carbon cement and concrete products. The goal is to increase the share of revenue from sustainable, low-carbon products, such as those in the "Green for Cement" and "Green for Concrete" categories. The coverage includes all relevant products sold in domestic and international markets.

(7.54.2.19) Target objective

We have grouped our sustainable cement products, which combine climate and environmental protection with strength, under the title "Green For Cement", and our low-carbon sustainable concrete products under the title "Green For Concrete". "The "Green for Cement" group includes 'Actioncem' with low carbon, 'Solidcem' resistant to environmental impacts and 'Duocem' with high strength and durability as sustainable cement product categories. Under the "Green For Concrete" heading, the ready-mixed concrete speciality products 'Performix', 'Solidmix', 'Hidromix', 'A+Concrete', '100+Concrete' and 'Yolbeton', which are developed in line with the needs of customers and create added value with their sustainable and long-lasting features, are in the speciality product category, while the new generation ready-mixed concrete product 'Ecocrete', which targets the lowest possible carbon footprint by using sustainable technologies, is in the standard product category. We aim to reduce the carbon emissions of our cement products sold domestically by 20% by transforming our products into fully sustainable products, in line with our sustainability targets by 2022, and to increase the sales volume of new products to be introduced and existing low clinker products by at least 100%. With the continuous production of new cement varieties in our Product Transformation Plan, we aim to reduce our carbon emissions by 120 kg per tonne of cement.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

In 2024, the sales volume of sustainable cement products was 40.3 %. We have achieved this by listening to our customers, by offering a sustainable alternative to every existing product and by not compromising on the essential performance requirements of production and quality. We have published the Environmental Product Declaration (EPD) documents issued by The International EPD System for our ASTM C150 Type I/II Portland cement and ASTM C595 Type IL Portland-calcareous cement in 2022.

Row 4

(7.54.2.1) Target reference number

Select from:

☑ Oth 4

(7.54.2.2) Date target was set

12/30/2024

(7.54.2.3) Target coverage

Select from:

☑ Business division

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Intensity

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Resource consumption or efficiency

☑ Other resource consumption or efficiency, please specify :Clinker in domestic cement sales, %

(7.54.2.6) Target denominator (intensity targets only)

Select from:

☑ Other, please specify :% of clinker in cement

(7.54.2.7) End date of base year

12/30/2024

(7.54.2.8) Figure or percentage in base year

85.8

(7.54.2.9) End date of target

12/30/2030

(7.54.2.10) Figure or percentage at end of date of target

75

(7.54.2.11) Figure or percentage in reporting year

85.8

(7.54.2.12) % of target achieved relative to base year

0.0000000000

(7.54.2.13) Target status in reporting year

Select from:
☑ New

(7.54.2.15) Is this target part of an emissions target?

Yes, Abs 1 and Int 1. Main emission source in cement production is clinker production. Decreasing clinker ratio directly has an impact on emission reductions since clinker amount will be decreased and total emissions will also be decreased. By decreasing the amount of clinker used in cement products, total emissions caused by clinker production decreases.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply
☑ No, it's not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Target covers all cement plants and domestic cement sales.

(7.54.2.19) Target objective

The objective of this target is to reduce the clinker-to-cement ratio in all cement sales. Clinker production is the most carbon-intensive part of cement manufacturing, and reducing its share in the cement mix directly lowers CO2 emissions. The target is to reduce the clinker content from 85.8 % in 2024 to 75% by 2030.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

Within our transition plan, we have a product switching plan that includes targets for increasing the sales volume of low-CO2 products with lower clinker ratio. Yearly sales volumes are determined in line with the transition plan. Also, yearly clinker incorporation ratios were determined in a decreasing trend. According to that plan, each plant has their own clinker incorporation ratio targets. This target is closely followed up by top management by separate committees and also included in company scorecard.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

12/30/2020

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Int1

☑ Int2

☑ Int3

☑ Low1

☑ Low2

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

The two companies we are affiliated with; Heidelberg Material and Sabancı Holding have a net zero emission target by 2050. Heidelberg Materials aims to achieve net zero emission at Group level by 2050 at the latest by ensuring that all emissions are reduced according to the standard. Also, Sabancı Group has set a Net Zero Emission target for all operations by 2050 and this target covers all operations of the companies Sabancı Holding invests in. Therefore; As Akçansa, we have a Net Zero Emission target by 2050.

(7.54.3.11) Target objective

As Scope 1 accounts for approximately 76% of total CO2 emissions, most of the short- and long-term efforts are to ensure that direct emissions are reduced to Net Zero standards. To achieve this, we also completed our preparations for the transition to a lower-emission product portfolio in cement production. Also, maximizing the use of alternative fuels, optimizing the product mix, and improving the efficiency of our plants will be extended by the large-scale use and application of new technologies such as the carbon capture, utilization, and storage (CCUS). On the other hand, we offset our scope 2 emissions via buying renewable energy certificate in 2024.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ Yes, and we have already acted on this in the reporting year

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Natural carbonation of concrete which in its life cycle could absorb CO2 from the atmosphere provides Neutralization of remaining emissions. Akçansa works on carbon neutralization projects such as the use of hydrogen and oxygen in the fuel mixture and the use of hydrogen in ethanol/methanol production by combining with CO2 in factory flue gas and use of construction demolition waste as carbon sequestering material in cement and concrete production by up-cycling.

(7.54.3.16) Describe the actions to mitigate emissions beyond your value chain

As required by our Sustainable Supply Chain policy, we monitor the compliance of our suppliers with all our environmental and social policies. As Akçansa, we calculate our scope 3 emissions originating from our suppliers.In addition, we are sharing environmental impacts of our products during their life cycle via EDP certifications.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

There has been no review of the net zero target during the reporting year.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:
☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	*0*	*`Numeric input*
To be implemented	*10*	*28789*
Implementation commenced	*0*	*0*
Implemented	*7*	*53116*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1854

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

7500000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

9957984

(7.55.2.7) Payback period

Select from:
☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

The aim of this project is improve fan performance at Kiln#2. This will reduce the kiln stoppage duration also increase WHR energy production.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Cooling technology

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

536

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

5500000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

8828000

(7.55.2.7) Payback period

Select from:
☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

Industrial air conditioners for clinker and cement plant

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

54

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

250000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

1836224

(7.55.2.7) Payback period

Select from:
☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

Replacing lighting with LED lamps

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes
☑ Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4023

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

34017000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

988735964

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

WHR modifications

Row 5

(7.55.2.1) Initiative category & Initiative type

Waste reduction and material circularity
☑ Product/component/material recycling

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

19350

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

11215000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

165966400

(7.55.2.7) Payback period

Select from:
☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

Kiln Sewage Sludge Incineration Project

Row 6

(7.55.2.1) Initiative category & Initiative type

Non-energy industrial process emissions reductions
☑ Process material efficiency

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

19300

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply
☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

13171000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

384229872

(7.55.2.7) Payback period

Select from:
☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 6-10 years

(7.55.2.9) Comment

Ladik Factory Calcined Clay Project

Row 7

(7.55.2.1) Initiative category & Initiative type

Non-energy industrial process emissions reductions
☑ Process material efficiency

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

8000

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

4329000

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

70624000

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

Fly Ash Feeding System
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Internal price on carbon

(7.55.3.2) Comment

Starting from 2022, internal carbon pricing is used for investment feasibility studies. We use internal carbon price during financial feasibility studies of investment decisions to drive investments in low carbon technologies and low carbon products. For this, different scenarios over the average carbon price in the EU ETS and prices determined by the guidance of external consultants are used.

Row 2

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

Operational excellence is very much critical in reaching operational targets of a company. To mitigate CO2 emissions, increasing alternative fuel and biomass rate and increase energy efficiency are two critical issues. These targets are achieved with the engagement of employee since it is very critical to monitor the process conditions closely, to implement maintenance plan on-time and to access to the necessary alternative fuel types. Alternative fuels and biomass input to the rotary kiln change the process parameters which needs special care and actions in case of feeding and/or quality fluctuations. Therefore, it is a key issue to train employee and increase their awareness to mitigate CO2, assign them technical KPIs and give award when targets are achieved. Technical trainings on decarbonization were started during the reporting year. Additionally, a decarbonization project has been completed company-wide where several awareness raising sessions were completed.

Row 3

(7.55.3.1) Method

Select from:

☑ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

Implementing ISO standards is another method we use. Akçansa plants takes benefit of having both ISO 14001 Environmental Management Standard and ISO 50001 Energy Management Standard. The former includes monitoring, controlling and calculating CO2 emissions taking measures to mitigate it through alternative fuels and biomass. The letter, on the other hand, includes monitoring, controlling energy consumptions, energy base lines, critical energy consuming units etc. It requires regular check, taking required measures etc. So implementing and effective management of standards are very much supportive to mitigate CO2 emissions. Additionally energy audits are carried out and the necessary improvement and efficiency projects are determined as the final output and implemented.

Row 4

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

As a solution to reduce CO2 emissions, it is critical to develop low-carbon products that contain more minerals or secondary additives (such as blast furnace slag or fly ash) that create less clinker in cement. Therefore, our R&D studies continue for both sustainable products and alternative cementitious products. We continue to work in synergy and coordination with Sabancı University to develop alternative low-carbon cementitious products. We produce alternative sources and raw materials on a pilot scale in our production lines and carry out benchmarking studies. On the other hand, we develop ideas and projects on specific issues by forming interdisciplinary working groups for the implementation of new technologies. We conducted trial studies such as the use of calcined clay in 2022. Our R&D budget is directly dedicated to low carbon product & production technologies.
[Add row]

(7.64) Disclose your organization's best available techniques as a percentage of Portland cement clinker production capacity.

	Total production capacity coverage (%)
4+ cyclone preheating	*100*
Pre-calciner	*65*

[Fixed row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:
☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:
☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:
☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Cement and concrete
☑ Other, please specify :Cement and Concrete

(7.74.1.4) Description of product(s) or service(s)

Akçansa offers a range of sustainable cement and concrete products under its Sustainable Product Movement. Our low-carbon cement products are marketed as 'Green For Cement' (including Actioncem, Solidcem, Duocem), and our low-carbon concrete products are marketed as 'Green For Concrete' (including Ecocrete, Performix, Solidmix, Hidromix, A+Beton, 100+Beton, Yolbeton, and TunnelMix). These products are designed to reduce environmental impacts throughout their life cycle, including lower clinker content, alternative raw materials, and enhanced durability. Life Cycle Assessments (LCAs) and Environmental Product Declarations (EPDs) are available for all products, allowing customers to understand their carbon footprint and benefit in green building

certifications such as LEED, BREEAM, and Green Star. In 2024, sustainable products accounted for 33.11% of total product sales, reflecting our continued focus on low-carbon solutions and sectoral innovation.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify :GHG Protocol, WBCSD (GCCA) Cement Sustainability Initiative, Cement CO2 and Energy Protocol, Version 3.1

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Cradle-to-gate

(7.74.1.8) Functional unit used

per ton of cement

(7.74.1.9) Reference product/service or baseline scenario used

Ordinary Portland Cement (CEM I)

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Cradle-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.101

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

Global Cement and Concrete Association (GCCA) industry average emissions are considered for the baseline year of 2019/2020. A standard Portland cement as a reference product has a clinker content of 95%. Our sustainable & blended cement products' clinker content varies between 50%-80%. Considering sales volumes of the sustainable products, average clinker content of this product group is 75%. Taking 780 kg CO2/ton of clinker as reference, a typical Portland cement contains ~741 kg CO2/ton of cement. The blended cement group thus has 640 kg CO2/ton of cement. Total avoided emissions per ton of sustainable products sold is calculated as 741 - 640 = 99 kg CO2/ton of cement.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

33
[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:
☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:
☑ No

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

Flowmeters counters invoices calculations

(9.2.4) Please explain

Across all our plants, we regularly measure, monitor, and report total water withdrawals. To ensure effective water management and address stakeholders' expectations, it is essential that water-related data remains credible, relevant, and easy to interpret. This requires the consistent application of standardized metrics, terminology, and definitions. Accordingly, we systematically track and monitor total water withdrawals, measure our water footprint monthly, and assess water consumption relative to production volumes. Since the previous reporting year, data from the Headquarters has also been incorporated into these measurements. All water-related data is subject to both internal controls by Heidelberg Materials for group consolidation purposes and external audit and assurance processes. In addition, we hold Concrete Sustainability Council (CSC) certificates, which include evaluations of water consumption.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Monthly

(9.2.3) Method of measurement

Flowmeters counters invoices

(9.2.4) Please explain

At all locations, we regularly measure, monitor, and report total water withdrawals. We consistently track water use, monitor our water footprint monthly, and evaluate consumption in relation to production volumes. Our water supply comes from three main sources: public supply drawn directly from municipal lines, which is primarily used for domestic purposes; local water providers; and on-site wells, which serve direct operational needs.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Laboratory analyzes for determination of chlorine, sulphate, alkalinity, aluminum, ferrous, silica, oil, suspended sludge, Ca, Mn, COD, TDS and pH, conductivity

(9.2.4) Please explain

Since water quality is a critical factor for closed-circuit cooling systems, monitoring the quality of water withdrawals is essential. We carry out periodic assessments of water quality for both domestic and operational use on an annual basis. However, these assessments also depend on potential changes in third-party water sources. Whenever the source changes, quality measurements are repeated regardless of the regular monitoring cycle. In addition, conditioned water is used in the Waste Heat Recovery (WHR) system at our Çanakkale plant. For this system, we conduct daily analyses of the water in use, while laboratory tests are performed by accredited third-party providers.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Discharge capacity volumes in permit documents

(9.2.4) Please explain

We regularly measure, monitor, and report total water discharges. All physical and biological wastewater treatment units operating at our plants are fully permitted for discharges to the receiving environment, and discharge volumes are recognized as defined in these permits (capacity). Total discharge volumes are calculated by aggregating all outflows. At ports and aggregate plants, domestic water use is negligible; therefore, water withdrawals at these facilities are considered equivalent to domestic discharges, and these volumes are classified as fully consumed. In line with Turkish regulations, domestic discharges are not required to be treated or monitored when released directly into public infrastructure. Furthermore, according to the Cement Sustainability Initiative (CSI) Water Reporting Guideline, domestic wastewater discharges are excluded from industrial benchmarking.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Discharge capacity volumes in permit documents

(9.2.4) Please explain

We regularly measure, monitor, and report total water discharges. At our plants, all physical and biological wastewater treatment units that discharge into the receiving environment operate under the required permits, and discharge volumes are recognized in accordance with these permits. Total discharge volumes are calculated by consolidating all discharges. At ports and aggregate plants, domestic water use is negligible; therefore, water withdrawals at these facilities are considered domestic discharges and are classified as fully consumed. In line with Turkish regulations, domestic discharges are not required to be treated or monitored when directed into public infrastructure. Furthermore, according to the Cement Sustainability Initiative (CSI) Water Reporting Guideline, domestic wastewater discharges are excluded from industrial benchmarking.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Discharge capacity volumes in permit documents

(9.2.4) Please explain

At our cement plants and ports, discharge volumes from both industrial and domestic wastewater treatment units are managed in accordance with the conditions specified in their permits. Domestic wastewater is treated through biological systems, while industrial wastewater—primarily generated from washing activities—is processed through physical treatment systems. At our Ready-Mix plants, wastewater re-use systems are in place, enabling the reintroduction of industrial wastewater into the production process. Domestic water withdrawals at our Ready-Mix and Aggregates plants are significant, representing more than 20% of our total water consumption. While drinking water is supplied through packaged sources, process water is withdrawn from wells. In accordance with Turkish regulations, domestic discharges are not subject to treatment or monitoring requirements when connected to municipal infrastructure.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Quarterly

(9.2.3) Method of measurement

Laboratory analyses

(9.2.4) Please explain

Effluent quality is regularly measured in line with standard parameters and in compliance with Turkish regulations. At all wastewater discharge points, accredited laboratories conduct periodic measurements every 2 to 4 months, depending on the facility's capacity. The key parameters monitored include Chemical Oxygen Demand (COD), pH, Biological Oxygen Demand (BOD), and Suspended Solids (SS).

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not relevant

(9.2.4) Please explain

It is not relevant and required for small-scale wastewater plants.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ 51-75

(9.2.2) Frequency of measurement

Select from:

☑ Quarterly

(9.2.3) Method of measurement

On-site analytical measurements by third party laboratories accredited by the Ministry of Environment, Urbanization and Climate Change

(9.2.4) Please explain

Temperature is one of the parameters regulated under the Water Pollution Control framework for industrial discharges, particularly for plants with coal usage and cooling systems. Effluent quality, based on standard parameters, is regularly measured in compliance with these regulations. At Çanakkale plant, measurements at physical wastewater system discharge points are carried out periodically—every 2 to 4 months, depending on capacity—by accredited laboratories.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Water withdrawals and discharges are monitored through flowmeters, counters, invoices, and the capacity volumes defined in permit documents. Consumption is calculated based on these measurements.

(9.2.4) Please explain

According to the Cement Sustainability Initiative (CSI) Water Protocol and Guideline, water consumption is defined as the difference between withdrawals and discharges. At our main cement plants in Büyükçekmece, Çanakkale, and Ladik, the majority of withdrawn water is reused for cooling purposes. As there are no discharges other than domestic wastewater, consumption at these plants primarily results from evaporation. In Ready-Mix operations, water consumption is defined by the volumes used in product formulation and dedusting activities.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Calculations are based on flowmeter measurements.

(9.2.4) Please explain

The water harvested and collected in collection pools is partially used for cooling and dedusting purposes, and its use is fully monitored. The protection and efficient use of water resources are among our priority areas to enhance the resilience of our operations for the future and to minimize our environmental impacts. In this context, we assess water-related risks, take actions to reduce water consumption, and implement innovative solutions to increase water recovery rates. With the digital water monitoring system commissioned at our Çanakkale plant, we are able to track consumption in real time, and we aim to expand this system to all our cement plants by 2026. In addition, through closed-loop systems, we support operational efficiency by improving water recovery rates. As a result of our efforts in this area, our water recovery rate reached 90% in 2024.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

WBCSD WASH Self-Assessment tool.

(9.2.4) Please explain

At all our facilities, we ensure the provision of fully functioning and safely managed WASH services, in full compliance with regulatory requirements, to all employees for sanitation and hygiene purposes. We monitor water use and guarantee continuous access to WASH services across 100% of our operations.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

2215.7

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

Using the World Resources Institute's (WRI) Aqueduct tool, we assessed potential water scarcity risks for our three cement plants. Based on these evaluations, we developed comprehensive water management master plans addressing key issues such as enhancing operational efficiency in water use, recycling wastewater as a resource, and harvesting rainwater and surface water. In 2024, a total of 81,000 m³ of rainwater was recovered. In 2023, water withdrawals amounted to 2,467,365 m³; this volume decreased by 10% in 2024, resulting in total withdrawals of 2,215,765 m³. Looking ahead, we anticipate a further reduction in total discharges, driven by the implementation of our Water Management Plan, the development of new initiatives, and potential investments in advanced water monitoring technologies. With the Water Management Plan and the Water Master Plan approved by the Board of Directors in 2024, we are optimizing water management practices across all our facilities, while taking local conditions into account.

Total discharges

(9.2.2.1) Volume (megaliters/year)

204.9

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

We classify changes between 5% and 40% as significant increases or decreases. In 2023, total water discharge fell by 11% compared to the previous year, while in 2024 it rose by 8%. Looking ahead, we anticipate a decline in total discharge, supported by the implementation of water management plans at our facilities, the development of new initiatives, and potential investments in advanced water monitoring technologies.

Total consumption

(9.2.2.1) Volume (megaliters/year)

2010.8

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

Total water consumption in 2024 is estimated at 2,010,880 m³, representing a 12% reduction compared to the previous year. The water recovery rate has increased by 8%, reaching 90% in 2024. Looking ahead, we anticipate a further reduction in total discharges, driven by the implementation of our Water Management Plan, the development of new initiatives, and potential investments in advanced water monitoring technologies. With the Water Management Plan and the Water Master Plan approved by the Board of Directors in 2024, we are optimizing water management practices across all our facilities, while taking local conditions into account.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:
☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

2109.7

(9.2.4.3) Comparison with previous reporting year

Select from:
☑ Lower

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.4.5) Five-year forecast

Select from:
☑ Lower

(9.2.4.6) Primary reason for forecast

Select from:
☑ Increase/decrease in business activity

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

95.22

(9.2.4.8) Identification tool

Select all that apply
☑ WRI Aqueduct
☑ WWF Water Risk Filter
☑ Other, please specify :Munich Relocation Risk Intellegence Tool

(9.2.4.9) Please explain

All of our facilities are located in water-stressed regions, as identified by the WRI Aqueduct assessment and the WWF Water Risk Filter over both 10- and 20-year timeframes. In 2024, a total of 2.2 million m³ of water was withdrawn, approximately 2.1 million m³ of which came from regions classified as experiencing high or very high-

water stress. Compared to the previous year, total water withdrawal decreased by around 10%, while withdrawals from high-stress regions decreased by 11%. During the same period, approximately 1.7 million m³ of water was reused in our processes.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

81

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.7.5) Please explain

In 2024, no water was withdrawn from surface water sources such as wetlands, rivers, lakes, or seas. The total 81 megaliters of water withdrawn was sourced entirely from rainwater. At the Büyükçekmece plant, approximately 81 megaliters of rainwater are harvested annually and used for ground dedusting. For comparison, surface water withdrawals amounted to 2.4 megaliters in 2022, while no surface water was withdrawn in 2023 or 2024. Consequently, total freshwater withdrawal decreased by 3%, which is considered an insignificant change according to our assessment criteria.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

No brackish surface water or seawater was used in reporting period.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

1669

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

In 2024, approximately 1,669 megaliters of groundwater (well water) were extracted. Total groundwater extraction decreased by 17.4% compared to 2022 and by 17% compared to 2023.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

No water withdrawal from non-renewable groundwater.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

No produced/entrained water withdrawal.

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

465.7

(9.2.7.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.7.5) Please explain

We consider changes above 40% to be significant increases or decreases. In 2024, the annual discharge volume, excluding third-party destinations, was 465.7 megaliters. This represents decrease compared to 2022 and increase compared to 2023.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:
☑ Not relevant

(9.2.8.5) Please explain

There is no discharge to fresh surface water.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:
☑ Relevant

(9.2.8.2) Volume (megaliters/year)

155.7

(9.2.8.3) Comparison with previous reporting year

Select from:
☑ Higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

We classify changes between 5% and 40% as significant increases or decreases. In 2024, the annual discharge volume from saline surface water and seawater was 155.7 megaliters, representing a 12% increase compared to 2022 and a 5% increase compared to 2023.

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

We don't discharge to any natural environment without treatment.

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

49.2

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.8.5) Please explain

We consider changes above 40% to be significant increases or decreases. In 2024, the annual discharge volume, excluding third-party destinations, was 49.1 megaliters. This represents a 35% decrease compared to 2022 and a 19% increase compared to 2023.
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

We do not implement tertiary treatment in our plants, as it is not required. The water used in our operations does not come into direct contact with production processes and is circulated in a closed loop for cooling purposes. Consequently, there is no industrial wastewater discharge that necessitates tertiary treatment. Our operations are fully compliant with the Water Pollution Control Regulation currently in force. Given that our operational processes are not expected to change in the long term, there is no anticipated need to introduce tertiary treatment in the future.

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

62.8

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 1-10

(9.2.9.6) Please explain

Çanakkale (CNK) Seaside plant, Ladik (LDK) plant and Ambarlı Port plant has secondary treatments (biological wastewater treatment). The rationale year.behind the use of biological treatment in these facilities is the treatment of water used for domestic purposes. We are in compliance with Water Pollution Control Regulation in force. In 2023, the total volume discharged with secondary treatment was 55.6 megaliters. This represents an increase of 13.4 % in 2024 compared to last year.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

93

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ About the same

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Maximum potential volume reduction already achieved

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 41-50

(9.2.9.6) Please explain

The primary treatment systems at the Çanakkale (CNK) main plant are used for treating runoff water, and they are operating at full capacity. Our operations comply with the current Water Pollution Control Regulation. The methodology used to calculate discharge capacity is based on the output of these primary treatment systems. Since the systems are functioning at maximum capacity, the total treated volume remains consistent with last year's figures. Future projections suggest that these trends will remain stable.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

We don't discharge to any natural environment without treatment.

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

49.1

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:
☑ About the same

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:
☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:
☑ 31-40

(9.2.9.6) Please explain

Domestic wastewater from the Büyükçekmece Cement Factory is connected to the local wastewater management authority (İSKİ) infrastructure. Other locations included in this assessment are the Ports (Aliağa and Yalova) and the Aggregate (Saray) Factory. At all sites, domestic wastewater is either discharged to or transported through municipal wastewater treatment infrastructure. We classify changes between 5% and 40% as significant increases or decreases. In 2024, the annual discharge, excluding third-party destinations, amounted to 49.1 megaliters, representing a 34% decrease compared to 2022. Future discharge volumes are expected to remain approximately at the same level.

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:
☑ Not relevant

(9.2.9.6) Please explain

Not relevant.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

3

(9.3.3) % of facilities in direct operations that this represents

Select from:
☑ 76-99

(9.3.4) Please explain

Büyükçekmece Cement Factory (BÇM) production site is located approximately 500 meters east of Lake Büyükçekmece in Istanbul. Water is not extracted directly from the lake; instead, it is sourced from eight wells situated within the factory premises. According to the WRI Aqueduct and the Falkenmark Water Scarcity Index, the Marmara Basin is a water-stressed region and is classified as a potential water scarcity area. The Çanakkale Cement Factory (ÇNK) comprises two facilities in the Aegean Region: the main facility and the coastal facility. The coastal plant is situated less than 100 meters from the shoreline, while the main facility, used for clinker production, is located inland near a village. The region is classified as experiencing medium-high water stress. Currently, water withdrawals are not billed by the government; however, future billing is planned, which may have financial implications for the facility. The Ladik Cement Factory (LDK) is located in the Black Sea region, which is also classified as a water stress zone. Similar to ÇNK, water withdrawals are not currently billed, but future government billing is anticipated, which will impact facility costs. Together, the total water withdrawn by these three cement factories accounts for approximately 85% of total water withdrawals.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:
☑ No, we have assessed this value chain stage but did not identify any facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.4) Please explain

As Akçansa, we have assessed this stage of the value chain and did not identify any facilities presenting water-related dependencies, impacts, risks, or opportunities.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:
☑ Facility 1

(9.3.1.2) Facility name (optional)

Büyükçekmece Cement Plant

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Turkey

☑ Other, please specify :Marmara Basin

(9.3.1.8) Latitude

41.0118

(9.3.1.9) Longitude

28.3327

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

422.9

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

81

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

312.2

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

29.6

(9.3.1.21) Total water discharges at this facility (megaliters)

29.6

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Higher

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

29.6

(9.3.1.27) Total water consumption at this facility (megaliters)

393.2

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

For withdrawal, with rainwater collectors we capture 81 megaliters/year. This collected water is used for dedusting purposes. This amount is calculated by counting runs of sprinkler vehicles considering the vehicle capacity. Total wastewater discharge is in Büyükçekmece plant is by usage of water for domestic purposes. In 2024 it's recorded as 29.6 megaliters while 2023 value was 24.16 megaliters. Total water consumption for Büyükçekmece plant is 393.2 megaliters in 2024 while 2022 figure was 427.36 megaliters.

Row 2

(9.3.1.1) Facility reference number

Select from:

☑ Facility 2

(9.3.1.2) Facility name (optional)

Çanakkale Cement Plant

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Turkey

☑ Other, please specify :North Aegean-Marmara Basin

(9.3.1.8) Latitude

39.5156

(9.3.1.9) Longitude

26.1439

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

1250.8

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

1250.8

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

122.2

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ About the same

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

122.2

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0

(9.3.1.27) Total water consumption at this facility (megaliters)

1128.6

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Lower

(9.3.1.29) Please explain

For withdrawal, in 2024 total withdrawal was 1,250.8 megaliters while in 2023 it was 1,572.01 megaliters. There is approximately 20.4 % decrease in total withdrawals. In Çanakkale plant, we use maximum discharge capacities defined in the wastewater ID documents. Thus, total wastewater discharge figures for Canakkale Plant in 2023 is about the same with 2023 discharges. Total water consumption for Çanakkale plant is 1,128.6 megaliters for 2024 while 2023 figure was 1,450.18 megaliters. Total consumption is lower by 19 % compared with previous year.

Row 3

(9.3.1.1) Facility reference number

Select from:

☑ Facility 3

(9.3.1.2) Facility name (optional)

Ladik Cement Plant

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Turkey

☑ Other, please specify :Yeşilırmak

(9.3.1.8) Latitude

40.5607

(9.3.1.9) Longitude

35.5306

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

106

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

106

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

28.4

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:
☑ Higher

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

28.4

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

0

(9.3.1.27) Total water consumption at this facility (megaliters)

77.6

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:
☑ Higher

(9.3.1.29) Please explain

Withdrawal in 2024 is 106 megaliters while total withdrawal was 91.4 megaliters in 2023. Total discharge in 2024 was 22.8 megaliters, while in 2023 it was 21.6 megaliters. Total consumption in 2024 was 77.6 megaliters, while in 2023 it was 69.8 megaliters. There is approximately 11% increase.
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

Verification was conducted in accordance with ISAE 3000. PwC has provided assurance over 100% of total water withdrawals – total volumes. For further details, please refer to the 2024 Integrated Annual Report in line with TSRS/ISSB, ESRS and GRI, which includes the assurance letter as an appendix. For more information, you can access the report at the following link: Akcansa_2024_EFR _EN_Interactive_020525.pdf

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

Verification was conducted in accordance with ISAE 3000. PwC has provided assurance over 100% of total water withdrawals – volume by source. For further details, please refer to the 2024 Integrated Annual Report in line with TSRS/ISSB, ESRS and GRI, which includes the assurance letter as an appendix. For more information, you can access the report at the following link: Akcansa_2024_EFR _EN_Interactive_020525.pdf

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not relevant

(9.3.2.3) Please explain

We are conducting periodical quality measurements within our own laboratories, or these tests are done by accredited third party laboratories when deemed necessary.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

Verification was conducted in accordance with ISAE 3000. PwC has provided assurance over 100% of total water withdrawals – total volumes. For further details, please refer to the 2024 Integrated Annual Report in line with TSRS/ISSB, ESRS and GRI, which includes the assurance letter as an appendix. For more information, you can access the report at the following link: Akcansa_2024_EFR _EN_Interactive_020525.pdf

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

Verification was conducted in accordance with ISAE 3000. PwC has provided assurance over 100% of total water withdrawals – total volumes. For further details, please refer to the 2024 Integrated Annual Report in line with TSRS/ISSB, ESRS and GRI, which includes the assurance letter as an appendix. For more information, you can access the report at the following link: Akcansa_2024_EFR _EN_Interactive_020525.pdf

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☑ Not relevant

(9.3.2.3) Please explain

Only total wastewater volume was verified.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

At Çanakkale (every 2 months), Ladik (every 4 months), and Ambarlı Port plants—locations equipped with wastewater treatment units—wastewaters are analyzed by accredited third-party laboratories. The following standards are applied in the analyses: SM2540D, TS5676, EPA200.7, SM5220B, TS4164, SM3500-Cr B, SM4500, SM2120C, SM2550B, SM4500, and SM5520B.

Water consumption – total volume

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

Verification was conducted in accordance with ISAE 3000. PwC has provided assurance over 100% of total water withdrawals – total volumes. For further details, please refer to the 2024 Integrated Annual Report in line with TSRS/ISSB, ESRS and GRI, which includes the assurance letter as an appendix. For more information, you can access the report at the following link: Akcansa_2024_EFR _EN_Interactive_020525.pdf

[Fixed row]

(9.5) Provide a figure for your organization’s total water withdrawal efficiency.

(9.5.1) Revenue (currency)

21614189000

(9.5.2) Total water withdrawal efficiency

9755016.02

(9.5.3) Anticipated forward trend

To protect water and marine resources and enhance our water management performance, we primarily aim to reduce freshwater consumption. Accordingly, we target a 20% reduction in total water withdrawal per ton of production by 2030 compared to the 2022 baseline year. The reduction rate, which stood at 6% in 2023, increased to 15% in 2024. In 2024, a total of 2.2 million m³ of water was withdrawn, of which approximately 2.1 million m³ came from regions under high and very high water stress.
[Fixed row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

(9.13.1) Products contain hazardous substances

Select from:
☑ No

(9.13.2) Comment

Our cement and concrete products do not contain substances with inherently hazardous properties, including persistent, bioaccumulative, and toxic (PBT) substances; very persistent and very bioaccumulative (vPvB) substances; carcinogenic, mutagenic, or toxic-to-reproduction (CMR) substances; or endocrine-disrupting (ED) compounds.
[Fixed row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:
☑ Yes

(9.14.2) Definition used to classify low water impact

Products with a low water impact can be classified in two ways: those with low water consumption and those that contribute to water conservation. Low water consumption: Given the nature of our business, water is used in the production of concrete. We develop concrete products that reduce water use during the production phase, thereby classifying these products as low water impact. Water conservation: We also offer specialized products that help customers minimize their environmental impact. For projects in water-sensitive environments, such as bridges, underwater tunnels, and other infrastructure, water impermeability is a key feature.

(9.14.4) Please explain

Water consumption: Our high-performance concrete products reduce the amount of water used per unit of concrete by 40–50 liters, corresponding to an approximate 15% reduction in water use. Water conservation: We offer specialized products designed to minimize water penetration in concrete through advanced waterproofing technologies that provide structural insulation. These products are particularly suitable for construction projects requiring high levels of waterproofing. Additionally, they repair cracks through crystallization, preventing water and harmful chemicals from entering the concrete. By maintaining long-term impermeability, these products act as a barrier against potential leaks, helping to protect natural resources such as seas and groundwater.
[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Water pollution

(9.15.1.1) Target set in this category

Select from:
☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

There is no industrial wastewater discharge from our operations. In Türkiye, regulations are in place to prevent water pollution, and our plants are strictly regulated under these requirements. Periodic inspections are conducted by government authorities, in addition to our internal control mechanisms. Operational permits are linked to wastewater permits, ensuring compliance. Consequently, we do not consider water pollution to be a risk at our facilities, and we do not have specific targets related to water pollution.

Water withdrawals

(9.15.1.1) Target set in this category

Select from:
☑ Yes

Water, Sanitation, and Hygiene (WASH) services

(9.15.1.1) Target set in this category

Select from:

☑ No, and we do not plan to within the next two years

(9.15.1.2) Please explain

As we currently operate in developed provinces, we do not plan to establish additional WASH service targets beyond our operational boundaries.

Other

(9.15.1.1) Target set in this category

Select from:

☑ Yes

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Business activity

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

12/30/2020

(9.15.2.5) End date of base year

12/30/2020

(9.15.2.6) Base year figure

13

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

20

(9.15.2.9) Reporting year figure

13

(9.15.2.10) Target status in reporting year

Select from:
☑ Revised

(9.15.2.11) % of target achieved relative to base year

0

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply
☑ Sustainable Development Goal 6
☑ Other, please specify :CEO Water Mandate

(9.15.2.13) Explain target coverage and identify any exclusions

To protect water and marine resources and improve our water management performance, we primarily aim to reduce freshwater consumption. In this context, we target a 20% reduction in total water withdrawal per ton of production by 2030, compared to the 2022 baseline year.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

We target a 20% reduction in total water withdrawal per ton of production by 2030, compared to the 2022 baseline year. The reduction rate, which was 6% in 2023, increased to 15% in 2024. In 2024, a total of 2.2 million m³ of water was withdrawn, of which approximately 2.1 million m³ came from regions under high and very high water stress. Compared to the previous year, our total water withdrawal decreased by around 10% in 2024, while withdrawals from high water-stress regions declined by 11%. We also reused approximately 1.7 million m³ of water in processes. In addition, as part of our efforts in water recovery, our water recycling rate reached 90% in 2024. Our freshwater withdrawal decreased by 16% compared to the previous year and by 18% compared to 2022, amounting to 1.7 million m³ in 2024. We define freshwater, in line with international standards, as water with a total dissolved solids concentration of 1,000 mg/L or lower.

(9.15.2.16) Further details of target

In 2024, our freshwater withdrawal decreased by 16% compared to the previous year and by 18% compared to 2022, amounting to 1.7 million m³. The base year of the target has been revised from 2020 to 2022.

Row 2

(9.15.2.1) Target reference number

Select from:

☑ Target 2

(9.15.2.2) Target coverage

Select from:

☑ Business division

(9.15.2.3) Category of target & Quantitative metric

Other

☑ Other, please specify :Water Management Plan

(9.15.2.4) Date target was set

12/30/2022

(9.15.2.5) End date of base year

12/30/2022

(9.15.2.6) Base year figure

0

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

3

(9.15.2.9) Reporting year figure

3

(9.15.2.10) Target status in reporting year

Select from:

☑ Achieved

(9.15.2.11) % of target achieved relative to base year

100

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Sustainable Development Goal 6

(9.15.2.13) Explain target coverage and identify any exclusions

As Akçansa, we set a goal to develop Water Management Plans for our three cement plants by 2030 to enhance the management of water consumption, withdrawals, and discharges. This goal was achieved in 2023 with the completion of all three Water Management Plans. These plans include water-related targets, scenario analyses to achieve the targets, risk assessments, and plant-specific SWOT analyses.

(9.15.2.15) Actions which contributed most to achieving or maintaining this target

As Akçansa, we set a goal to develop Water Management Plans for our three cement plants by 2030 to enhance the management of water consumption, withdrawals, and discharges. This goal was achieved in 2023 with the completion of all three Water Management Plans. These plans include water-related targets, scenario analyses to achieve the targets, risk assessments, and plant-specific SWOT analyses.

(9.15.2.16) Further details of target

As Akçansa, we set a goal to develop Water Management Plans for our three cement plants by 2030 to enhance the management of water consumption, withdrawals, and discharges. This goal was achieved in 2023 with the completion of all three Water Management Plans. These plans include water-related targets, scenario analyses to achieve the targets, risk assessments, and plant-specific SWOT analyses.
[Add row]

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☑ Yes

(10.1.2) Target type and metric

Plastic goods/products

☑ Reduce the total weight of plastics in our goods/products

(10.1.3) Please explain

As Sabancı Holding, We are part of the "Business Plastics Initiative," and with this initiative, we set a target in 2019 to reduce plastic packaging usage in our offices. Currently, plastic waste constitutes only 0.3% of our total waste, and all of it is fully recycled. Our overall waste recycling rate for 2024 is 95%. Some of the actions we have taken include eliminating plastic packaging usage in our offices. We use water demijohns, glass plates, and dishes for breakfast, lunch, and coffee breaks in our offices. Meals are delivered to our kitchens without plastic packaging, and we achieved our goal in 2021 by reaching zero plastic packaging usage in our offices.
[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Our organization does not engage in the production or commercialization of plastic polymers or converters.

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Our organization does not produce or commercialize durable plastic goods or components, including those made of mixed materials.

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Our organization does not use durable plastic goods or components in our operations.

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Our organization does not produce or commercialize plastic packaging.

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Our organization does not produce or commercialize goods or products that are packaged in plastics.

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

Our organization does not provide or commercialize services that involve the use of plastic packaging.

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Our organization does not provide waste management or water management services.

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Our organization does not offer financial products or services related to plastics-related activities.

Other activities not specified

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

Our organization does not engage in other activities related to the plastics industry that are not specified above. [Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Law & policy

☑ Livelihood, economic & other incentives

☑ Species management

☑ Other, please specify **:No net loss or net positive impact approaches**

☑ Education & awareness

☑ Land/water protection

☑ Land/water management

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
	Select from: ☑ Yes, we use indicators	*Select all that apply* ☑ State and benefit indicators ☑ Other, please specify :Rehabilitated areas

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Our organization's activities are not located in or near legally protected areas.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

There are no activities conducted by our organization in or near UNESCO World Heritage sites.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

We do not operate in or near UNESCO Man and the Biosphere Reserves.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ No

(11.4.2) Comment

Our organization has no activities in or near Ramsar sites.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

The determination standard related to Key Biodiversity Areas is based on the distance of the area to the Key Biodiversity Areas, including facilities that are very close (<2.5 km) and close (<5 km).

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

☑ Yes

(11.4.2) Comment

Since 9 of our mining sites are located in areas classified as "forest" and owned by the forest administration, they are considered protected areas. For this reason, they are shown under the "Other areas" category.
[Fixed row]

(11.4.1) Provide details of your organization’s activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ Key Biodiversity Areas

(11.4.1.4) Country/area

Select from:

☑ Turkey

(11.4.1.5) Name of the area important for biodiversity

Facility 1

(11.4.1.6) Proximity

Select from:

☑ Up to 5 km

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

All sites located near areas with high biodiversity must have Biodiversity Management Plans in place. Akçansa prepares Biodiversity Management Plans for all its raw material quarries in alignment with the company-specific sustainability targets. Akçansa adopts a protective approach toward the biodiversity that exists on the lands where it operates. The company acknowledges that the loss of biodiversity has reached an unprecedented level globally. Therefore, it considers the impact of its operations on biodiversity as a matter of significant importance.

(11.4.1.9) Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ No

(11.4.1.11) Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

We began preparing Biodiversity Management Plans (BMPs) for our mining sites—two BMPs have already been developed as of 2024. We also published our Biodiversity Policy in 2024. Our goal is to prepare BMPs for additional sites in 2025 and to have BMPs in place for all mining areas by 2030, in line with our sustainability goals.

Row 2

(11.4.1.2) Types of area important for biodiversity

Select all that apply

☑ Other areas important for biodiversity

(11.4.1.4) Country/area

Select from:

☑ Turkey

(11.4.1.5) Name of the area important for biodiversity

Facility 2

(11.4.1.6) Proximity

Select from:

☑ Up to 5 km

(11.4.1.8) Briefly describe your organization’s activities in the reporting year located in or near to the selected area

Within the scope of biodiversity management, we conducted a prioritization study based on sectoral significance and ecological sensitivity criteria to identify our priority locations. As a result of the analyses, we determined five priority locations. These facilities are classified as sites with high ecological sensitivity and significant

environmental impacts. Our evaluation criteria during the prioritization process were: Ecological sensitivity and protection status of the land Risk of our activities directly causing habitat loss Use of water and natural resources Our emission discharges and their impacts on air quality

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

☑ Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

☑ Restoration

(11.4.1.11) Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

We began preparing Biodiversity Management Plans (BMPs) for our mining sites—two BMPs have already been developed as of 2024. We also published our Biodiversity Policy in 2024. Our goal is to prepare BMPs for additional sites in 2025 and to have BMPs in place for all mining areas by 2030, in line with our sustainability goals. To reduce the ecological impacts of our mining operations, we implement various rehabilitation projects. In 2024, we rehabilitated 0.5 hectares of mining land, increasing our total rehabilitated area to 29 hectares. Our target is to rehabilitate 50 hectares by 2030.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security

☑ Water consumption– total volume

☑ Water discharges – volumes by destination

☑ Water discharges– total volumes by treatment method

☑ Water discharges – volumes areas with water stress (megaliters)

☑ Water withdrawals– total volumes

☑ Volume withdrawn from dependencies, impacts, risks and opportunities

☑ Water withdrawals – volumes by source

☑ Facilities with water-related

☑ Emissions to water in the reporting year

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

☑ ISAE 3410, Assurance Engagements on Greenhouse Gas Statements

Climate change-related standards

☑ Other climate change verification standard, please specify :Turkish Sustainability Reporting Standards; TSRS 1 and TSRS 2 (Align with ISSB's IFRS S1 & IFRS S2)

(13.1.1.4) Further details of the third-party verification/assurance process

In the 2024 Integrated Annual Report, approximately 500 sustainability data points were verified by PwC. Additionally, this year the Integrated Annual Report was prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), which have become a legal requirement in Türkiye, and was audited in relation to the topics covered by these standards. The TSRS standards (TSRS S1 and TSRS S2) are identical to the IFRS S1 and IFRS S2 of the ISSB. Within the scope of the standard, the financialization of risks and opportunities related to climate change and sustainability, risk governance, sustainability strategy, and the metrics and targets on these topics were audited and verified. Assurance letter of TSRS and sustainability KPIs were shared in 2024 Integrated Annual Report, Page; 241 – 251. (Akcansa_2024_EFR _EN_Interactive_020525.pdf)

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Akçansa ESG Sinirli Güvence Görüs 2024ENGv3 (1).pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

This year the Integrated Annual Report was prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), which have become a legal requirement in Türkiye, and was audited in relation to the topics covered by these standards. The TSRS standards (TSRS S1 and TSRS S2) are identical to the IFRS S1 and IFRS S2 of the ISSB. Within the scope of the standard, all scenario analyses of the climate related physical and transition risks, the financialization of risks and opportunities related to climate change and sustainability, risk governance, sustainability strategy, and the metrics and targets on these topics were audited and verified. Assurance letters of TSRS and sustainability KPIs were shared in 2024 Integrated Annual Report, Page; 241 – 251. (Akcansa_2024_EFR _EN_Interactive_020525.pdf)

(13.2.2) Attachment (optional)

Akçansa TSRS Gorus_ENG (1) (1).pdf
[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Executive Officer

(13.3.2) Corresponding job category

Select from:
☑ Chief Executive Officer (CEO)
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute