



**TSRS Compliant Sustainability Report
2024**

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INTRODUCTION • TSRS Reporting Framework and Scope

Purpose

This report has been prepared to transparently share Gübre Fabrikaları T.A.Ş.'s (Gübretaş) sustainability and climate-related risks and opportunities with users of general-purpose financial reports. This report, prepared in accordance with TSRS 1 "General Provisions on Disclosure of Sustainability-Related Financial Information" and TSRS 2 "Climate-Related Disclosures." This report provides users with information on sustainability and climate-related risks and opportunities that are reasonably expected to affect the company's cash flows, access to finance, and cost of capital in the short, medium, and long term. In this context, the report also includes disclosures on short-, medium-, and long-term climate-related physical risks, climate-related transition risks, and climate-related opportunities. This provides stakeholders with a transparent, comparable flow of information that they can use in their decision-making processes to evaluate Gübretaş's sustainability and climate-related activities from a holistic perspective.

In determining the metrics required under TSRS Article 46(a) for TSRS reporting, Gübretaş has taken into account both Volume 47 – Chemicals and Volume 10 – Metals and Mining sector guides, in line with the nature of its chemical fertilizer production activities and mining operations.

Scope

This report has been prepared in accordance with the Turkish Sustainability Reporting Standards (TSRS) and is applicable under Articles 5–9 of TSRS 1 and Articles 3–4 of TSRS 2. Reporting is limited to sustainability and climate-related risks and opportunities that could reasonably be expected to affect Gübretaş's future financial viability. Within the scope of climate-related reporting, Gübretaş's exposure to climate-related physical risks, climate-related transition risks, and climate-related opportunities is taken into account. The reporting has been carried out within the same operating boundaries that report Gübretaş's general-purpose financial statements and has been prepared in accordance with all applicable provisions of the TSRS.

Conceptual Framework

In accordance with Article 10 of TSRS 1, the information contained in this report has been prepared in accordance with the principles of relevance and fair presentation and is comparable, verifiable, timely, and understandable. In this way, the report aims to provide a flow of quality information that can support users' decision-making processes.

Fair Presentation

In line with Articles 11–16 of TSRS 1, all information included in the report provides a complete, unbiased, and accurate description of sustainability and climate-related risks and opportunities that can reasonably be expected to affect Gübretaş's future financial adequacy. The information presented in this context has been prepared in accordance with the principle of relevance and is shared through a transparent, understandable, and truthful reporting approach that will contribute to users' decision-making processes.

Materiality

In accordance with paragraphs 17–19 of TSRS 1, this report only shares information about significant sustainability and climate-related risks and opportunities that are reasonably expected to affect Gübretaş's future financial viability. The information disclosed in this context is of a nature that will contribute to users' decision-making processes, and the nature and magnitude of the relevant elements have been taken into account when assessing materiality.

Reporting Entity

In accordance with Article 20 of TSRS 1, the sustainability and climate-related financial disclosures presented in this report have been prepared within the same business boundaries that report Gübretaş's relevant financial statements.

GÜBRE FABRİKALARI TÜRK ANONİM ŞİRKETİ CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT FOR THE ACCOUNTING PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

Related Information

In accordance with paragraphs 21–24 of TSRS 1, the information contained in this report has been prepared to provide a comprehensive link between disclosures related to governance, strategy, risk management, metrics, and targets. Furthermore, the data and assumptions used have been determined to be consistent with the data used in the preparation of the financial statements, with the aim of presenting the report in a comprehensive and transparent manner.

Transition

The transition provisions applied under the Turkish Sustainability Reporting Standards are set out below:

- **E3:** The company is not required to provide the disclosures specified in this Standard for any period prior to the date of initial application. Therefore, there is no obligation to disclose comparative information in the first annual reporting period in which this Standard is applied.
- **E4:** Sustainability-related financial disclosures for the First reporting period after initial applications shall be presented within the same reporting period as the relevant financial statements. If simultaneous presentation is not possible:
 - o (a) Disclosure may be made by the next second quarter or six-month interim period.
 - o (b) If voluntary interim general-purpose financial reporting is performed, disclosures relating to the first annual reporting period may be presented with this reporting.
 - o (c) If interim reporting is voluntary but not mandatory, disclosures may be provided within 12 months of the end of the annual reporting period.

- **E5:** In the first year of application, if the entity only discloses information related to climate-related risks and opportunities, only the provisions within this scope apply; provisions related to other sustainability issues do not apply.

- **E6:** If the transition exemption under E5 is used:

- o (a) There is no obligation to disclose comparative information on climate-related risks and opportunities in the first annual reporting period.
- o (b) There is no obligation to disclose comparative information on sustainability topics other than climate-related risks and opportunities.

- **C3:** The entity is not required to provide the disclosures specified in this Standard for any period prior to the initial application date. Therefore, comparative information is not required to be disclosed in the first annual reporting period in which this Standard is applied.

- **C4:** In the first year of application, one or both of the following exemptions may be used:
 - o (a) For the measurement of greenhouse gas emissions, the method previously used other than the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004) may continue to be applied.
 - o (b) An exemption may be applied during the transition period regarding the disclosure obligation for information on financed emissions for businesses engaged in asset management, commercial banking, and insurance activities.

- **C5:** Exemptions used under C4 cannot be used to fulfill the obligation to provide comparative information in subsequent reporting periods.

ABOUT GÜBRETAS

Gübre Fabrikaları T.A.Ş. ("Gübretaş" or "the Company") and its subsidiaries (collectively, the "Group") consist of Gübretaş, its seven direct and indirect subsidiaries (as of December 31, 2023: seven) and two affiliates (as of December 31, 2023: two). Gübretaş was established in 1952 and is engaged in the production, purchase, and sale of chemical fertilizers.

The Company conducts a significant portion of its activities with the Central Union of Agricultural Credit Cooperatives of Turkey ("TKK"). The Company's registered office is in Istanbul, and information regarding other production sites and offices is as follows:

Facilities and Regional Directorates	Operational Status
Yarımca Facility Directorate	Solid Fertilizer Production / Port / Logistics
Izmir Facility Directorate	Liquid-Powder Fertilizer Production
Iskenderun Facilities Directorate	Liquid-Powder Fertilizer Production / Port
Aegean Regional Directorate	Sales-Marketing / Logistics
Black Sea Regional Directorate	Sales-Marketing / Logistics
Eastern Mediterranean Regional Directorate	Sales-Marketing / Logistics
Marmara Regional Directorate	Sales-Marketing / Logistics
Central Anatolia Regional Directorate	Sales-Marketing
Southeastern Anatolia Regional Directorate	Sales-Marketing
GAP Regional Directorate	Sales-Marketing
Western Mediterranean Regional Directorate	Sales-Marketing



As of December 31, 2024, the Group has a total of 1,807 employees.

In addition, as of December 31, 2024, a portion of the company's shares (21.10%) are in actual circulation on the Istanbul Stock Exchange ("BIST"). Partners holding 10% or more of the company's capital are listed below:

Name	December 31, 2024	
	Share Ratio	Share Amount
Turkish Agricultural Credit Cooperatives Central Union	%78,73	262.954.536
Other	%21,27	71.045.464
Total	%100	334.000.000

Affiliated Companies

As of December 31, 2024, the companies included in the consolidation scope, Gübretaş's direct and indirect voting rights, effective partnership ratios, and applicable currencies by country of operation are shown below:

Name	December 31, 2024		
	Currency	Voting Rights	Effective Partnership Ratio
Razi Petrochemical Co.	IRR	%48,88	%48,88
Arya Phosphoric Jonoob Co.	IRR	%48,88	%48,88
Raintrade Petrochemical and Foreign Trade Inc.	TL	%48,88	%48,88
Gübretaş Mining Investments Inc.	ABD Doları	%100,00	%100,00
Tarkim Plant Protection Industry and Trade Inc.	TL	%30,48	%30,48
Kavak Mining Inc.	ABD Doları	%80,00	%80,00

Razi Petrochemical Co.

On May 24, 2008, Gübretaş acquired a stake in Razi Petrochemical Co. ("Razi"), which is engaged in the production and sale of chemical fertilizers and fertilizer raw materials in Iran. Gübretaş's share in Razi's capital is 48.88% as of the balance sheet date (December 31, 2023: 48.88%). Razi is considered a subsidiary because Gübretaş has control over Razi, as Gübretaş appoints three of the five members of Razi's board of directors.

Group management has added an item to the agenda of the Extraordinary General Meeting dated November 25, 2024, authorizing the Board of Directors to carry out transactions related to the sale of the subsidiary Razi Petrochemical Co. This call for the Extraordinary General Meeting of was announced on the Public Disclosure Platform ("KAP") on October 16, 2024. On February 28, 2025, Gübretaş initiated the tender process for the sale of its 48.88% stake in Razi Petrochemical Co. As part of the process, a decision was made to proceed to the auction stage on June 2, 2025, and on September 17, 2025, another announcement was made declaring the auction date as September 26, 2025. On September 26, 2025, it was announced that the auction had been completed and that the auction results would be submitted by the Tender Commission to the Board of Directors for evaluation, and that the public would be informed of any developments.

Following the fulfillment of the conditions required by TFRS 5, starting with the financial reports dated June 30, 2025, and including past period reports for 2024, the assets related to this subsidiary will be classified as "Assets related to asset groups classified as held for sale," liabilities will be classified as "Liabilities related to assets classified as held for sale," and profit or loss related to asset groups will be classified as "Profit/(loss) from discontinued operations."

Raintrade Petrochemical and Foreign Trade Inc.

Razi established Raintrade Petrochemical and Foreign Trade Inc. ("Raintrade") at the end of 2010 to carry out sales activities of petrochemical products outside Iran. Raintrade commenced operations in April 2011. Razi's ownership interest in Raintrade is 100%, and the Group's indirect ownership interest is 48.88%.

Arya Phosphoric Jonoob Co.

In 2012, Razi acquired an 87.5% stake in Arya Phosphoric Jonoob Co. ("Arya"), a company based in Iran that commenced operations in 2010 and owns a phosphoric acid production facility with a capacity of 126,000 tons/year. In 2013, it acquired the remaining 12.5% stake, thereby gaining full ownership of Arya. The Group's indirect ownership ratio is 48.88%.

Gübretaş Mining Investments Inc.

Gübretaş established Gübretaş Maden Yatırımları A.Ş. ("Gübretaş Maden") on March 31, 2020, with 100% ownership, to carry out mining investments and operate nationally and internationally. On February 24, 2021, the Söğüt Gold Mine license with registration number 82050 and the works covered by the license were transferred to Gübretaş Maden.

Kavak Mining Inc.

Gübretaş Maden, acquired 80% of the shares of Kavak Madencilik A.Ş., the owner of license area no. 200709861 located within the borders of Bilecik province, for the purpose of expanding exploration and development activities around the Söğüt Gold Mine and identifying potential new mineral resources, for a price of USD 1,800,000 and a 2% royalty payment, pursuant to an agreement signed on January 3, 2022.000 USD and a 2% royalty payment.

Rexim Dış Ticaret A.Ş.

The company was established on August 19, 2022, by Raintrade for the purpose of marketing, exporting, storing, and trading all kinds of petrochemical products. As of the report date, it has been shown in long-term financial investments.

Petro Saman Avaran

The company was established in 2019 by shareholders including Arya and commenced operations. It provides technical and general services to the oil, gas, and petrochemical sectors. The company also provides general and social services for Razi and Arya, including human resources, catering services, green areas, and repair complexes. The main shareholder, Arya, has a participation rate of 69% as of the balance sheet date (December 31, 2023: 69%), and the Group's indirect participation rate is 33.73% (December 31, 2023: 33.73%). As of the reporting date, the aforementioned subsidiary is shown in the unconsolidated and long-term financial investments.

According to its unaudited financial statements, as of December 31, 2024, the Company's total assets amounted to TL 297,459,994 (equivalent to USD 8,444,978) (December 31, 2023: TL 164,694,954 equivalent to USD 5,594,600), total revenues of TL 676,099,655 (equivalent to USD 19,194,671) (December 31, 2023: TL 739,578,842 equivalent to USD 25,123,100) and a net loss of TL 5,075,008 (equivalent to USD 144,081) (December 31, 2023: net profit of TL 4,224,382 (equivalent to USD 143,500)). All of the Company's sales were made to Razi and Arya Phosphoric, totaling 277,444,529 TL (equivalent to USD 7,876,733), 94% of which is owed by Razi, and 62% of its total liabilities of TL 299,630,489 (equivalent to USD 8,506,599) is owed to Razi.

Affiliates

On April 13, 2009, the Company acquired an interest in Tarkim Bitki Koruma Sanayi ve Ticaret A.Ş. ("Tarkim"), which is engaged in the production and sale of agricultural pesticides in Turkey. As of the balance sheet date, the interest ratio is 30.48% (December 31, 2023: 30.48%).

Other Investments

The Company holds a 15.78% stake in Tarım Kredi Teknoloji A.Ş. ("TK Teknoloji"), a subsidiary of TKK.

GOVERNANCE¹

Governance Bodies and Persons Responsible for Monitoring Sustainability and Climate-Related Risks and Opportunities

At Gübretas, the Board of Directors is ultimately responsible for monitoring sustainability and climate-related risks and opportunities, and this responsibility is delegated to the units under the leadership of the General Manager. To ensure the effective management of the relevant processes, the Business and Investment Planning Directorate, the Finance Directorate, the Sales and Marketing Directorate, and the Supply Chain Directorate play a role within their respective areas of responsibility and contribute to the implementation of sustainability targets at the operational and strategic levels.

The Corporate Governance Committee, the Early Risk Detection Committee, and the Audit Committee, which operate under the Board of Directors, oversee the processes of identifying, monitoring, evaluating, and reporting sustainability and climate-related risks and opportunities. These committees manage the integration of climate risks into company strategies, action determination, and performance monitoring processes and report to the Board of Directors. As this is the first reporting year under the TSRS, external consulting support was obtained on relevant issues during the reporting period, and in future years, the authority and responsibilities will be transferred directly to the relevant units and senior management of the institution.

The table below shows Gübretas's committees responsible for sustainability and climate risk management and the members serving on these committees:

Committee	Name	Title	Role	Competence
Audit Committee	Hasan Dursun	Committee Chair	Independent Board Member	Possesses knowledge and experience in auditing, internal control systems, and financial reporting processes.
	Dr. Vahit Ferhan Benli	Committee Member	Independent Board Member	Has knowledge and experience in auditing, internal control systems, and financial reporting processes.
Corporate Governance Committee	Hasan Dursun	Committee Chair	Independent Board Member	He is an expert in the creation of corporate governance and strategy and their integration at the board level.
	Dr. Vahit Ferhan Benli	Committee Member	Independent Board Member	Specializes in the creation of corporate governance and strategy and their integration at the board level .
	Özgür Fırat Certel	Committee Member	Investor and Stakeholder Relations Manager	Specializes in corporate governance performance reporting and transparency principles within the scope of investor relations.
Early Risk Detection Committee	Dr. Vahit Ferhan Benli	Committee Chair	Independent Board Member	He is competent in integrating risks into strategic risk management processes and reporting them to the board of directors.
	Hasan Dursun	Committee Member	Independent Board Member	Competent in integrating risks into strategic risk management processes and reporting them to the board of directors.
	Fatih Buğra Kaan Çuhacı	Committee Member	Internal Audit, Risk and Process Management Director	Has expertise in monitoring, analyzing, and integrating risks into processes within the scope of corporate risk management.

The structure and job descriptions of the committees have been organized in line with the Corporate Governance Principles and the Corporate Risk Management Framework. This ensures that sustainability and climate-related risks and opportunities are managed systematically in line with the company's overall strategies and objectives. Furthermore, sustainability and climate issues are addressed through a corporate responsibility and social sustainability approach and are included in the relevant policies. The policy framework implemented in this context is available on the website (<https://www.gubretas.com.tr/tr/kurumsal-sosyal-sorumluluk> ve <https://www.gubretas.com.tr/tr/surdurulebilirlik-politikamiz>)

¹ During the reporting period, sustainability and climate disclosures regarding Gübretas's operations in Iran could not be obtained in a reliable manner due to the ongoing political environment and security risks in the region. Furthermore, obtaining and verifying these disclosures required a disproportionately high level of effort in terms of company resources under the current conditions. For these reasons, governance disclosures regarding operations in Iran will not be included in the current reporting period.

The Early Risk Detection Committee conducts regular work to identify risks that may affect the company's sustainability and climate at an early stage, take necessary measures regarding these risks, and manage risks effectively, reviewing risk management systems at least once a year. The Committee prepares risk management strategies and policies for submission to the Board of Directors for approval, makes recommendations regarding the determination of risk limits, and ensures the reliability of risk measurement results. The company prepares corporate risk inventories and risk reports to monitor risks and informs the Board of Directors. Additionally, the Board of Directors and relevant committees are provided with additional information in the event of regulatory changes, operational developments, or critical risk situations.

These reporting processes take into account issues such as greenhouse gas emission data, energy and resource use, and market and regulatory risks related to climate change. As this is the first reporting year under the TSRS, risks were assessed with the support of external experts and managed in an integrated manner within the risk management system. Climate-related risks and opportunities are integrated into corporate risk management processes in strategy and decision-making processes, and these risks and opportunities are taken into account in investment decisions, annual business plans, and the management of operational processes.

Within the scope of Gübretas's remuneration policy, performance evaluation processes are implemented, and the level of achievement of annual performance targets of employees, including senior managers, affects the bonus and reward system. However, as of the reporting period, there is no practice of integrating performance indicators directly related to sustainability and climate change into the remuneration system. This area is considered an opportunity for future development regarding the integration of climate performance indicators into the bonus and reward system. Additionally, the remuneration policy includes the following statement: "<https://www.gubretas.com.tr/uploads/files/pages/gubretas-ucetlendirme-politikasi-264.pdf>" and the dividend distribution policy can be accessed via the webpage "<https://www.gubretas.com.tr/uploads/files/pages/gubretas-k-r-dagitim-politikasi-262.pdf>".

Management's Responsibilities and Duties Regarding Sustainability and Climate-Related Risks and Opportunities

Gübretas carries out its duties and responsibilities regarding the management of sustainability and climate-related risks and opportunities under the supervision of the Board of Directors and the leadership of the General Manager. The delegation of duties at the management level is regulated within the framework of the Delegation of Authority Procedure and Signature Circular, thus ensuring the seamless and transparent delegation and monitoring of authority and responsibilities.

Corporate risk management procedures and internal control mechanisms are applied in the processes of monitoring and managing sustainability and climate-related risks and opportunities, and these controls are carried out in an integrated manner with other business functions. In this context, risk assessment forms, internal audit checklists, and periodic reporting practices are used; the assignment of identified risks to relevant responsible parties and the systematic tracking of actions are ensured. In addition, the Human Resources, Occupational Health and Safety, Environmental Management, Procurement, and Operations units contribute to the management of sustainability and climate risks on a process basis, and decision-making processes are aimed to be carried out in line with sustainability and climate perspectives, taking into account the coordination between the relevant units.

Thanks to this structure, Gübretas contributes to the effective management of sustainability and climate-related risks and opportunities through a corporate risk management approach, internal control processes, and interdepartmental integration at the management level.

STRATEGY²

Identification of Sustainability and Climate-Related Risks and Opportunities

Gübretas's sustainability and climate-related risks and opportunities have been systematically identified and prioritized, taking into account the company's fertilizer production and mining operations. The assessment focused on climate-related risks and opportunities that could reasonably be expected to affect the company's future financial viability. The assessment process was conducted based on the following criteria:

- **Probability:** The likelihood of the climate risk or opportunity occurring,
- **Impact Level:** The potential impact on the company's operational, financial, and strategic processes.
- **Maturity:** The time frame in which the risk may arise or manifest its effects.

The classification of these defined criteria and application details are explained under the heading "Identification of Sustainability and Climate-Related Risks and Opportunities."

Sustainability and Climate-Related Maturity Definitions

Gübretas assesses sustainability and climate-related risks and opportunities in short, medium, and long-term time frames in line with the company's financial strategies, decision-making processes, and business plans.

Time Horizon Definition	Time Frame	Definition	Time Horizon Selection
Short	0–2 years	Operational impacts such as restrictions on access to water resources, regulation-driven fertilizer use limitations, ETS scope expansion, sudden weather events affecting open pit safety, and supply chain disruptions may arise during this period.	Physical risks (sudden weather events, access to water) and the potential for the operational impacts of existing regulations to emerge directly and rapidly have been assessed in the short term.
Medium	2–5 years	Increased water supply costs due to drought, the impact of carbon regulations (ETS, CBAM) on cost structures, the need to transition to low-carbon technologies, and increased environmental pressure in the mining sector are prominent during this period.	It has been classified as medium-term due to the gradual implementation of regulations (such as CBAM) and the fact that technological transitions requiring investment will begin to take effect during this period.
Long	5 yll years	The systemic effects of climate change (e.g., persistent water stress, the necessity of low-carbon production, alternative fertilization techniques, access to ESG-compliant financing) may necessitate a transformation of the business model. The integration of sustainable supply chains and green investment strategies may become critical during this period.	Systemic transformations, strategic business model changes, and the gradual development of the effects of long-term financing needs over time have led to these effects being assessed within a long-term perspective.



² During the reporting period, sustainability and climate statements regarding Gübretas's operations in Iran could not be obtained in a reliable manner due to the ongoing political environment and security risks in the region. Furthermore, obtaining and verifying these disclosures required a disproportionately high level of effort in terms of company resources under the current conditions. For these reasons, strategy disclosures related to operations in Iran will not be included in the current reporting period.

Identification of Risks and Opportunities

Gübretaş'ın gübre üretimi ve madencilik faaliyetlerinden oluşan değer zinciri bütüncül Gübretaş's value chain, consisting of fertilizer production and mining activities, was analyzed using a holistic approach, and the physical and transition risks that may arise due to climate change, as well as potential opportunities, were evaluated in detail. During this analysis process, international benchmark studies, global scenario analyses, sectoral risk maps, and climate-focused research reports were used, taking into account sector-specific dynamics. In addition, technical reports, policy documents, and regulatory frameworks published at the local and international levels regarding the fertilizer and mining sectors were examined to identify activity-specific risk and opportunity areas.

The resulting risk pool was assessed in line with Gübretaş's corporate risk management methodology. In this regard, the quantitative risk magnitude was calculated by considering the impact and probability levels of each risk. The resulting quantitative risk matrix was evaluated, and the risk topics that needed to be assessed for Gübretaş were determined.

Company Strategy and the Impact of Climate-Related Risks/Opportunities

Gübretaş's long-term strategy is built on providing sustainable inputs to the agricultural sector and reducing dependence on foreign strategic raw materials by evaluating Turkey's domestic mineral potential.

In the TSRS-compliant analyses conducted, water stress, regulation-related constraints, and carbon regulations are prominent physical risks in fertilizer production, while drought and access to water resources are prominent physical risks in mining activities. Transition risks have been examined through compliance costs with carbon regulations such as ETS. These risks directly impact the Company's long-term strategic priorities as they may affect its operational efficiency, supply security, and regulatory compliance processes.

Current and Anticipated Impacts on the Business Model and Value Chain

The impact of risks and opportunities is not limited to Gübretaş's direct operations. The supply chain is also affected by climate impacts. In particular, the potential for water risks in high-stress regions where suppliers are located, such as Kocaeli, Mersin, and İzmir, to create cost pressures is being assessed.

In light of these potential impacts, the company's supplier monitoring processes, alternative source assessment, and regional diversification strategies are being reviewed. Prioritization of Risks and Opportunities and Financial Impact Gübretaş's climate-related risks were assessed within the framework of its corporate risk management methodology; each risk was analyzed separately in terms of its probability of occurrence and potential impact. During the reporting period, the short-, medium-, and long-term effects that risks such as water stress, drought, extreme weather events, and carbon pricing mechanisms could have on the company were also addressed from a financial perspective; potential impacts on operational costs, revenue projections, and investment priorities were evaluated through scenario-based analyses.

To determine the significance of the financial impacts, the financial materiality threshold for Gübretaş was defined as 1% of annual net sales revenue, and this defined impact was used as the financial threshold value for reference. The calculations concluded that the analyzed climate risks did not exceed this financial materiality threshold and therefore did not constitute a critical risk requiring direct inclusion in financial planning.

However, it was assessed that the current uncertainties, particularly regarding access to water resources, increasing supply costs, and carbon regulation compliance obligations, require systematic monitoring of these risks. Therefore, these risks have been defined as risks and priority issues to be monitored, both for mining and fertilizer operations, which, although having a limited direct financial impact in the short term, are of high strategic importance and may be financially significant in the future.

Gübretaş's operations encompass a broad and integrated structure, ranging from mining and raw material logistics to fertilizer production and the delivery of the final product to farmers. By the nature of this business model, it has the potential to impact the entire value chain, including supply, distribution, storage, and after-sales services. Therefore, integrating climate impacts into long-term strategic planning and investment decisions is considered a critical factor for Gübretaş's business continuity and sector competitiveness.

This approach enables the systematic assessment of all factors that could affect the resilience of Gübretaş's business model in the face of long-term climate scenarios, along with current financial impacts, and their integration into corporate decision-making processes.

Chemical Fertilizer Value Chain

Raw Material Supply	Urea, ammonia, phosphoric acid, sulfuric acid, ammonium sulfate, potassium chloride, MAP, etc.
Chemical Production	Compound fertilizers
Packaging	Bagging, labeling
Storage & Logistics	Logistics centers and ports
Sales & Distribution	Dealers, agricultural credit cooperatives,
Farmer Support	Field day, digital agriculture applications, fertilization consulting

Gold Mining Value Chain

Production and Ore Processing	Ore is extracted using open pit or underground mining methods. The extracted ore undergoes processes such as crushing, screening, grinding, and cyanide leaching to obtain gold. At the same time, process waste is sent to a waste storage facility and its environmental impact is monitored.
Refinery and Preparation for Sale	Gold and silver refined at the refinery are delivered to the Istanbul Stock Exchange for sale.
Marketing and Sales	Products are sold in domestic markets (the Central Bank of the Republic of Turkey has priority rights to purchase gold when it so desires).
Logistics and Distribution	The transportation, secure storage, and delivery of minerals to end buyers are ensured. Secure transportation and insurance processes are of critical importance.

Risks and Opportunities Affecting Gübretaş

The physical impacts of climate change and the transition to a low-carbon economy bring environmental, regulatory, and financial risks to Gübretaş's fertilizer production and mining operations. In comprehensive analyses conducted during the 2024 reporting period, physical risks such as increased water supply costs at facilities exposed to water stress under the RCP 4.5 scenario, the risk of decreased fertilization efficiency due to drought, and the impact of extreme weather events such as floods and landslides on mining operation safety were assessed holistically. In addition, transition risks under mechanisms such as the Emissions Trading System (ETS) and the EU Carbon Border Adjustment Mechanism (CBAM) were also considered in terms of carbon-intensive process inputs (e.g., natural gas, ammonia, cyanide, etc.) and export products.

Based on the scenario modeling and financial impact analyses conducted, the short-, medium-, and long-term effects of these risks have been detailed under headings such as water supply costs, energy expenses, and supply chain vulnerability. However, under current conditions, it has been assessed that these risks do not pose critical financial impacts that would alter Gübretaş's cash flows, revenue model, or investment priorities.

Gübretaş views this assessment of climate risks not only as an opportunity for risk mitigation but also as an opportunity for sustainable growth and competitiveness. Preliminary analyses are ongoing regarding process improvements aimed at increasing water efficiency, the search for alternative sources for sustainable raw material supply, and the integration of low-carbon production technologies into long-term strategic roadmaps. Should these risks begin to have financial significance in line with climate scenarios, the relevant strategic decisions, resource allocation, and investment plans will be structured to be reviewed.

Risk 1: Risk of access to water resources due to drought and water stress

Position in the Value Chain: Upstream

Risk Type: Physical

Risk Horizon: Short

Current Impact: Not observed.

Potansiyel Etki: Calculated to have a very low impact in the short, medium, and long term.

Alınan Aksiyonlar: Gübretaş has developed strategies focused on reducing dependence on freshwater in order to mitigate climate risks in the high water stress regions where it operates. In this context, data tracking, improvement of metering systems, and loss and leakage control mechanisms are being implemented to increase water efficiency at all facilities. A closed-loop system investment is planned at the Yarımca facility, and feasibility studies for rainwater harvesting are planned at the İzmir and İskenderun facilities. The targets are to reduce the use of mains water by 5% by the target year of 2030, to reduce domestic water losses from 10% to 5%, and to increase seawater treatment efficiency to 70%. During this process, it is planned to monitor water management performance annually using tools such as tracking water usage intensity per unit of production, transitioning to digital water monitoring and analysis systems, and facility-based IoT integration.

Opportunity: Technological investments aimed at increasing water efficiency (e.g., IoT-enabled monitoring systems, regulatory compliance, closed-loop systems, automation) can reduce not only water consumption but also energy and maintenance costs. This creates a long-term operational cost advantage. Furthermore, through supplier-based water risk tracking and diversification, Gübretaş will be less affected by potential water crises in the future and ensure supply continuity.

Risk 2: Risk of exposure to carbon regulations

Position in the Value Chain: Entire value chain

Risk Type: Transition

Risk Horizon: Short

Current Impact: Not observed.

Potential Impact: Calculated as very low impact in the short term. As the legal framework regarding the scope of ETS implementation in Turkey, sector and facility-based distribution mechanisms, allocation methods, and carbon price levels has not yet been clarified, the financial impacts that these regulations may create specifically for Gübretaş cannot be accurately predicted. Therefore, ETS-related transition risks are currently assessed as medium-to-long-term uncertainties. As there is no data infrastructure suitable for calculating the quantitative financial impact of this risk, it has only been analyzed qualitatively in this reporting period. Once the relevant regulations are clarified, the financial dimensions of the risk will be reassessed on a scenario basis and integrated into resource allocation planning as necessary.

Actions Taken: Gübretaş is focusing on energy efficiency, renewable energy investments, and digital monitoring systems in response to the possibility of being included in the ETS; it aims to reduce its carbon footprint through its rooftop solar power plant investment in Iskenderun and the DijlEX program. In this context, emission calculations have been initiated, thereby preparing for potential carbon costs and strengthening compliance capacity.

Opportunity: Thanks to carbon regulations progressing in parallel with the ETS, Gübretaş can reduce carbon compliance costs in the markets where it exports and become a CBAM-resilient supplier.

Resource Allocation and Investment Planning

Gübretaş has conducted a comprehensive assessment of water stress and drought risks in order to proactively manage the impacts of climate change, particularly its physical effects, on business continuity and operational costs. Analyses conducted under the RCP 4.5 scenario revealed that most of the company's facilities and strategic supplier regions are located in areas with "high" and "extremely high" water stress levels. In this context, it is anticipated that operational costs may increase in the short and medium term, particularly at the Yarımcı, Söğüt Altın Madeni, and İzmir facilities.

In line with these findings, Gübretaş is restructuring its resource allocation and investment plans to reduce water risks; it is implementing regional analyses, periodic data tracking, and risk prioritization processes to effectively manage water supply risks. Water consumption quantities and source types are monitored for operations and suppliers in high-stress areas; this data is integrated into the corporate risk inventory. Scenario-based cost analyses have been conducted to assess the potential short-, medium-, and long-term impacts of water-related risks. Although no direct infrastructure investment is currently planned, a flexible resource planning system has been defined to be implemented should these risks become financially significant.

On the other hand, renewable energy and digital transformation investments are being pursued in line with climate change mitigation and low-carbon production targets. The rooftop solar power plant commissioned in Iskenderun generates 300,000 kWh of electricity annually, while testing continues for Yarımcı with a target of a 5% contribution to production. Production processes are continuously improved through the OPEX and DijitEX programs in line with operational efficiency, energy savings, and traceability goals.

Climate Resilience Assessment and Scenario Analyses

The physical and transition risks caused by climate change directly affect companies' short-, medium-, and long-term strategies, business models, and financial resilience. Accordingly, Gübretaş assesses the resilience of its strategy and business model to climate change, taking into account climate-related risks and opportunities. To enable users of general-purpose financial reports to conduct more robust analyses, explanations based on climate scenario analyses are provided in this section.

Gübretaş continuously reviews and adapts its business model and strategy to increase its corporate resilience against the physical and transition risks that climate change may cause. The company, which operates in two separate areas directly affected by environmental factors, namely fertilizer production and mining, has adopted a holistic approach to increasing its climate resilience. In this context, transformation steps are being taken in both its current activities and future planning in line with the potential impacts identified as a result of analyses conducted considering different climate scenarios.

In terms of physical risks, it is anticipated that threats such as drought, difficulties in accessing water, extreme heat waves, and production interruptions could be particularly significant under high temperature scenarios. Gübretaş has strengthened its operational resilience against these risks through measures taken against extreme temperatures, increased energy efficiency, closed-loop water systems, and water recovery infrastructure.

Strategic assessments are being conducted in the areas of carbon pricing, energy transition, emissions management, and compliance with environmental regulations to address transition risks. The ISO 50001 Energy Management System, the use of renewable energy sources, and energy efficiency projects are on the agenda, and related progress is being monitored. In this context, I-REC certification was implemented in 2024 to cover all Scope 2 emissions in our Gübretaş Mining operations. Furthermore, performance is regularly monitored through management systems (ISO 9001, 14001, 45001, and 50001).

Key areas of uncertainty considered in the climate resilience assessment include drought levels, the status of water resources, the duration and impact of extreme temperatures, the future of carbon pricing policies, the energy transition process, and the economic sustainability of the transition to low-carbon production. These variables are monitored through scenario analyses in the company's strategic planning process. Gübretas has considered the RCP 4.5 and SSP2-4.5 scenarios in order to make its operations resilient to climate-related risks and uncertainties. These scenarios, with their medium emission assumptions, provide an opportunity to assess regional temperature increases, changes in precipitation patterns, water scarcity, and impacts on agricultural production. These scenarios were chosen because they enable the simultaneous analysis of climate-induced physical changes and regulation-based transition risks in the areas where the company operates (particularly fertilizer production and mining). Furthermore, these scenarios allow for the establishment of fundamental assumptions regarding climate resilience in long-term investment plans and supply chain strategies.

Managing climate-related risks and evaluating opportunities requires companies to have the capacity to access financial resources quickly and flexibly. In this context, Gübretas has developed financial flexibility based on a strong equity structure, sustainable financing assessment, and operational efficiency for both mining and fertilizer production activities. This increases its financial maneuverability against uncertainties that may arise in line with climate scenarios, such as water scarcity, production interruptions, or changes in carbon prices. Furthermore, strategic investments such as energy efficiency projects, renewable energy investment plans, closed-loop water systems, and digital monitoring infrastructures can be financed with existing resources or supported through sustainable financing mechanisms.

As a result, Gübretas systematically strengthens its corporate resilience against climate change in both sectors in which it operates, implements preventive and adaptive measures against physical and transition risks, and aims to accelerate the transition to low-carbon, sustainable production models.

Assumptions Regarding Climate-Related Physical and Transition Risks

Key Assumptions	Short-Term Assessment (0-2 years)	Medium-Term Assessment (2-5 years)	Long-Term Assessment (5+ years)
Climate policies in the countries where the company operates	Turkey is in the process of preparing for the ETS system; transition regulations are being shaped.	The Turkish ETS system may come into effect; carbon pricing will be reflected in operational costs.	Strict regulations are in place in line with net-zero targets; carbon-intensive production is restricted.
Macroeconomic trends	The foreseeable short-term increase in energy and carbon costs is included in planning.	Carbon prices and energy costs are trending upward; investment risks are diversifying.	Carbon costs become permanent; access to financing is shaped by ESG criteria.
National or regional variables	Increased heat waves and short-term water stress risks in operational areas are becoming more prominent.	Climate events become more frequent; drought and water access issues occur at the regional level.	Physical risks (drought, temperature) can lead to serious operational disruptions.
Energy use and diversity	The current energy structure is maintained, but energy efficiency projects and investments are evaluated.	The transition to renewable energy begins, and hybrid systems and energy efficiency applications become widespread.	Energy production is provided from renewable sources; storage technologies develop.
Technological developments	The establishment and improvement of monitoring and data collection systems is targeted. Digitalization efforts are evaluated.	The adaptation of low-carbon production technologies is on the agenda; an increase in environmental performance is expected.	Digitalization and automation become widespread; efficiency and monitoring systems mature.

Scenarios for Physical and Transition Risks Related to Climate

Gübretaş has conducted its physical climate scenario analyses within the framework of the SSP1-1.9, RCP4.5, and SSP5-8.5 scenarios presented in the IPCC's Sixth Assessment Report (AR6). It has also utilized different scenarios for transition risks. These scenarios were selected to assess physical and transition risks; scenario data was accessed through the IPCC AR6 scenario database, the IEA NZE 2050 Report, the NGFS Scenario Portal, and official CBAM/EU ETS sources. The relevant scenarios are consistent with the most recent international agreements on climate change. In this context, the most recent scientific sources and global reference scenarios on climate change were reviewed; scenarios published by the IPCC and consistent with the Paris Agreement targets were taken into account.

Each scenario represents different policy environments, levels of technological development, and greenhouse gas emission trends. This diversity has enabled a comprehensive and holistic assessment of both the physical and transition risks that the company may face.

The SSP1-1.9 scenario envisions a world where global warming is limited to 1.5°C and emissions reach net zero around 2050. This scenario is fully consistent with the Paris Agreement targets and represents a low-carbon development pathway.

It is a scenario where sustainable development policies are effective, renewable energy investments are widespread, and energy efficiency is increased. Transition risks are prominent in this scenario. Issues such as carbon pricing, reporting obligations, sustainability regulations, and investor pressure are at the forefront of the agenda.

The RCP4.5 scenario is a projection that includes medium-level carbon reduction and predicts that global temperature increase will reach approximately 2.4–2.6°C by 2100. Emissions increase until the 2040s, then stabilize and gradually decline. This scenario represents a transition environment where current policy frameworks have limited effectiveness, but technological developments and limited regulations can control carbon emissions to a certain level.

RCP4.5 was selected as a scenario that allows for a moderate assessment of both physical and transition risks. Turkey's current emission projections and carbon pricing preparations

(e.g., ETS implementation, CBAM effects, etc.) show a more realistic alignment with this scenario. Therefore, cost increases, access to finance conditions, and the effects of carbon regulations have been analyzed within the framework of this scenario, in addition to operational risks.

The SSP5-8.5 scenario represents a future where emission reduction policies have failed and fossil fuel-based economic growth continues. Under this scenario, global temperature increase reaches approximately 4.3–4.8°C by 2100. Climate policies are barely implemented, while fossil fuel use increases in energy-intensive sectors.

In this context, SSP5-8.5 is a scenario in which physical risks (drought, heat waves, floods, water access problems, infrastructure damage) intensify, and climate-related operational disruptions and impacts on human health rise to serious levels.

All three scenarios were analyzed over different time periods: short term (0–2 years), medium term (2–5 years), and long term (5 years and above). This approach allowed for consideration of both near-term regulatory impacts and long-term climate-induced physical transformations. The analyses cover all activities related to GÜbretaş's fertilizer and mining operations. Both operations are sensitive to climate conditions. The figure below shows the SSP1-1.9, RCP4.5, and SSP5-8.5 scenarios, with the levels of physical risk and transition risk indicated separately for each. The X-axis shows the risk type (Physical Risk/ Transition Risk), while the Y-axis shows the scenario.

Climate Scenarios: Risk Exposure Matrix

Scenario	Risk Type	
	Physical Risk	Transition Risk
	Low–Medium	Medium–High
	Medium–High	Medium
SSP1-1.9 (Low Warming)	Low–Medium	Medium–High
RCP4.5 (Moderate Warming)	Medium–High	Medium
SSP5-8.5 (High Warming)	Medium–Very High	Low–Medium

Scenario	Description	Physical Risk Exposure	Transition Risk Exposure	Evaluation Rationale, Period, Scope, and Selection Reason	Link
SSP1-1.9	A world where global warming is limited to 1.5°C, emissions are net zero by 2050, and is consistent with the Paris Agreement.	Low – Medium	Medium – High	Selected to align with long-term sustainability goals and prepare for the low-carbon transition. Covers the 2024 reporting period and fertilizer production and mining activities.	https://www.ipcc.ch/report/ar6-scenarios-database/
RCP4.5	A medium-level carbon reduction scenario in which carbon emissions peak in the 2040s and the temperature increase is approximately 2.4–2.6°C by the end of the century.	Medium	Medium	This scenario was selected because it aligns more realistically with Turkey's current policy projections in the medium term. This scenario has been implemented. It covers the 2024 reporting period and includes fertilizer production and mining activities.	https://www.ipcc.ch/report/ar6-scenarios-database/
SSP5-8.5	A world where emission reduction policies have failed, global temperature increases are approaching 4°C, and climate regulations are weak.	Medium – Very High	Low – Medium	Implemented to test the level of physical resilience against the worst-case scenario. Covers the 2024 reporting period and fertilizer production and mining activities.	https://www.ipcc.ch/report/ar6-scenarios-database/
EU ETS Phase IV & CBAM	Carbon pricing policies implemented under the European Union Emissions Trading System Phase IV and the Carbon Border Adjustment Mechanism (CBAM).	Low – Medium	High	High transition risk for sectors engaged in intensive trade with Europe. Selected due to carbon costs and regulatory compliance pressure. Relevant scenario applied. Covers the 2024 reporting period and fertilizer production and mining activities.	https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets_en
IEA Net Zero 2050 & Türkiye NDC 2023	A low-carbon transition scenario aligned with the International Energy Agency's net-zero roadmap and Turkey's 2030 agreement targets.	Medium	Medium – High	Used for alignment purposes with sustainability scenarios evaluated under Turkey's Nationally Determined Contribution (NDC).	https://www.iea.org/reports/net-zero-by-2050
NGFS – Network for Greening the Financial System	A series of scenarios aimed at increasing the financial system's resilience to climate risks.	Medium – High	Medium – High	Recommended by global financial authorities for financial sector risk assessments and stress tests.	https://www.ngfs.net/ngfs-scenarios-portal/
SBTi 1.5°C Corporate Net-Zero Standard	A scenario that enables companies to achieve their 1.5°C-compatible net-zero targets as part of the science-based target initiative.	Low – Medium	High	Implemented due to the determination of corporate climate targets and compliance with transparent reporting.	https://sciencebasedtargets.org/
IEA NZE 2050 & IPCC 1.5°C Pathway	A coherent future vision integrating the IEA scenario based on the transformation of energy systems with the IPCC's 1.5°C pathway.	Low – Medium	High	Selected as the priority scenario due to its integrated alignment between energy, climate, and scientific objectives.	https://www.iea.org/reports/net-zero-by-2050 , https://www.ipcc.ch/sr15/

Impact of Current and Planned Investments on Climate Mitigation, Adaptation, and Climate Resilience Opportunities

Gübretaş implements various direct and indirect mitigation and adaptation measures to reduce the environmental impact of its production processes and reduce its carbon footprint. In this context, the rooftop solar power plant commissioned at the İskenderun facility has generated approximately 300,000 kWh of electricity; at the Yarımca facility, the rooftop solar power plant investment, which is currently in the testing phase, aims to meet 5% of annual electricity consumption from renewable sources. Process improvements have been made through applications aimed at increasing energy efficiency and reducing resource consumption in production processes.

Furthermore, in order to offset Scope 2 emissions from mining activities, the use of renewable energy certificates (I-REC) has commenced as of 2024.

Efforts within the supply chain focus on reducing indirect emissions and resource consumption. Monitoring systems have been established for water supply, efficiency, and resource diversification, particularly for suppliers in regions with high water stress; assessments have been conducted to support recovery initiatives. Furthermore, the aim is to reduce indirect impacts by decreasing the use of high-carbon inputs and sourcing local alternative raw materials.

The resources required for planned climate investments are largely covered by the company's existing equity structure and operating income. Alternative financing models such as green bonds and green loans are also being evaluated for sustainability and climate-focused investment expenditures.

Gübretaş's emission sources were disclosed comprehensively for the first time in this reporting period, and preliminary assessment studies were conducted on direct (Scope 1) and indirect (Scope 2) emissions. In this context, the strategic impact of carbon risks has been analyzed, particularly in preparation for regulations such as ETS and CBAM; however, a detailed and implemented transition plan is not yet available. Preparations for a transition plan are among the priorities for future reporting periods, and the integration of this plan into strategic decision-making processes is targeted.

Analyses for the development of the transition plan will take into account water risk in the areas of operation, dependence on carbon-intensive inputs, energy market dynamics, and capacity to comply with regulations. The company's production and mining operations are highly dependent on resources such as natural gas, electricity, and chemical raw materials. These dependencies have been considered as fundamental assumptions in setting strategic goals such as energy transition and emission reduction. The transition plan, which is currently in preparation, will be shaped through technical and operational scenarios aimed at reducing these dependencies. In this context, projects are planned to increase energy efficiency in the short term, expand the use of renewable energy, and reduce emissions through operational improvements. Progress toward the targets will be monitored through a tracking system, and strategy updates will be made based on the data obtained.

This reporting period is Gübretaş's first official report under the TSRS. Therefore, there is no comparative data or plan for previous periods. However, based on the metrics and targets established for 2024, quantitative progress data will be shared in future reporting periods, and the defined targets will be tracked annually. You can access the details of the relevant targets in the Metrics and Targets section.



RISK MANAGEMENT³

Gübretas integrates the processes of identifying, assessing, prioritizing, and monitoring sustainability and climate-related risks and opportunities with its general risk management processes. It also explains how these processes are linked to the general risk management approach and how they inform decision-making mechanisms.

Gübretas details its approach and assessments regarding the management of climate risks within its overall risk profile in this report. The aim is to enable users of financial reports to understand Gübretas's climate-related risk management approaches and how these processes are integrated into its overall risk management system.

Identification, Assessment, Prioritization, and Monitoring of Sustainability and Climate-Related Risks and Opportunities

Gübretas uses data sets obtained from production and mining operations, sustainability and climate-related trends and megatrends, sectoral analyses, benchmark studies, metrics recommended by TSRS and SASB, and field observation-based parameters in its sustainability and climate-related risk analyses. These parameters include energy consumption, water usage, raw material supply, and greenhouse gas emissions inventory.

Gübretas uses scenario analyses to identify physical and transitional climate risks. Physical risk analyses consider scenarios such as RCP 2.6, RCP 4.5, and RCP 8.5, which are consistent with the TSRS defined by the Intergovernmental Panel on Climate Change (IPCC). Impacts are assessed based on temperature increase, water stress, extreme weather events, and climatic variability in production areas. Transition risks are assessed using roadmaps for global energy transformation, such as the IEA's Net Zero Emissions (NZE) Scenario and the Other Specified Policies Scenario (STEPS). In this context, carbon pricing, emissions trading systems (ETS), renewable energy transition costs, technological transformation requirements, and legal compliance obligations are analyzed to identify operational and financial impacts.

Gübretas adopts an integrated, multi-stage, and systematic approach to assessing sustainability and climate-related risks. In the first stage, all identified risks are classified according to an impact and probability matrix, with risks in the "high" and "very high" categories being given priority consideration. In the second stage, the financial significance of high-priority risks is assessed. In this process, the company's annual consolidated net sales amount is taken as the basis, and potential impacts of 1% or more of this amount are considered financially significant risks.



³ During the reporting period, sustainability and climate statements regarding Gübretas's operations in Iran could not be obtained in a reliable manner due to the ongoing political environment and security risks in the region. Furthermore, obtaining and verifying these disclosures required a disproportionately high level of effort in terms of company resources under the current conditions. For these reasons, risk management disclosures related to operations in Iran will not be included in the current reporting period.

Importance Scale for Sustainability and Climate Risks:

Significance Scale		Financial Impact Defined for the Risk Inventory (As a percentage of the most recently disclosed annual net sales)
5	Very High	5% and above
4	High	4–5% range
3	Medium	3–4% range
2	Low	1–3% range
1	Very Low	0–1% range

Impact and Probability Tables for Sustainability and Climate Risks:

LIKELIHOOD		IMPACT	
Level	Description	Level	Description
1	Very Low	1	Very Low
2	Low	2	Low
3	Medium	3	Medium
4	High	4	High
5	Very High	5	Very High

Risk Matrix for Sustainability and Climate Risks:

IMPACT	Very High	5	5	10	15	20	25
	High	4	4	8	12	16	20
	Medium	3	3	6	9	12	15
	Low	2	2	4	6	8	10
	Very Low	1	1	2	3	4	5
			1	2	3	4	5
			Very Low	Low	Medium	High	Very High
			LIKELIHOOD				

Sustainability and climate-related risks are assessed in an integrated manner within GÜbretas's corporate risk management system and analyzed alongside other strategic, operational, and financial risks. Thanks to this integration, climate risks are included in the company's overall risk profile and addressed holistically. As the process of compliance with the TSRS is still developing within the company, the integration structure is being strengthened gradually. In this regard, efforts are ongoing to integrate climate risks more effectively with existing systems.

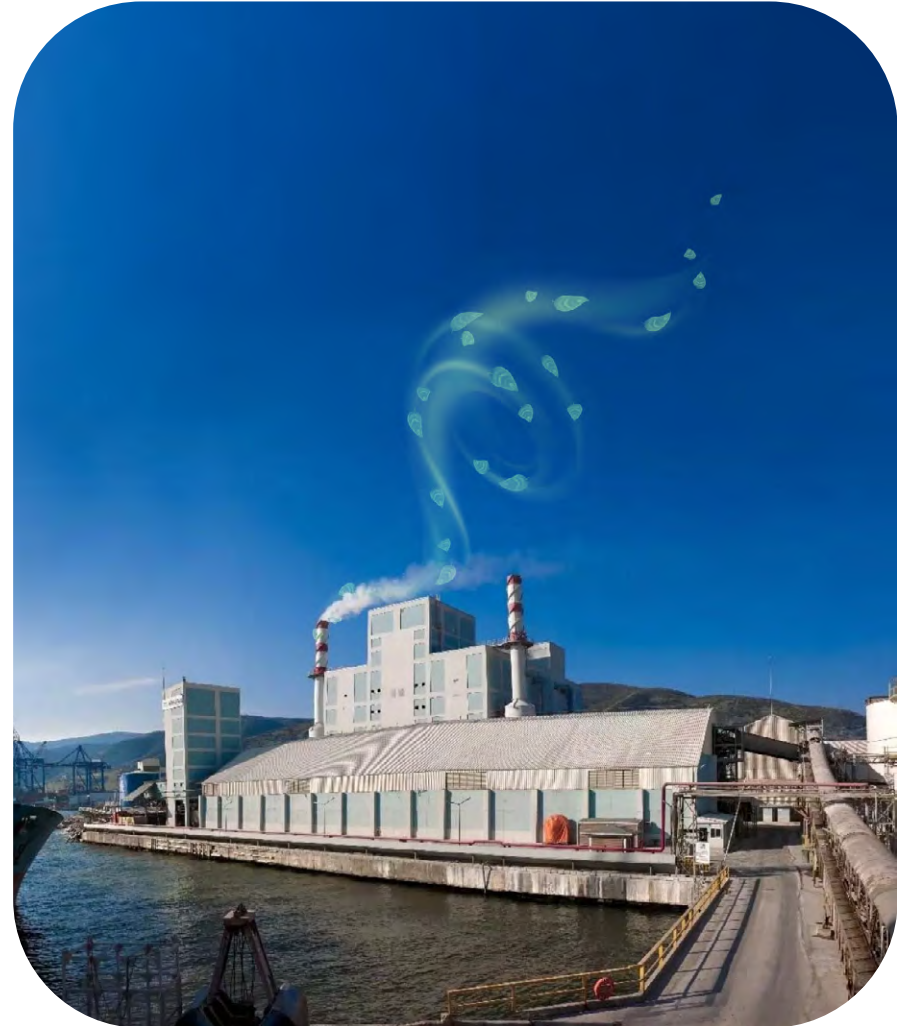
The monitoring of sustainability and climate risks has been carried out with consulting support as of 2024, with the participation of the Finance Directorate and risk management teams. In addition, senior management has been informed about the relevant risks. In future reporting periods, the identified risks will be communicated to the Early Risk Detection Committee in accordance with the institution's risk management structure, developments will be reviewed annually, and assessment processes will be updated where necessary.

This reporting period is the first sustainability and climate-related reporting period prepared by Gübretaş under the TSRS. Therefore, no comparison has been made with the previous reporting period. Risk management processes were used for the first time in this reporting period to assess climate-related risks. Any future changes to these processes and explanations regarding these changes will be shared with the public in subsequent reporting periods.

Qualitative observations and sectoral trends are currently being taken into account for assessments aimed at identifying sustainability and climate-related opportunities.

Integration of Processes for Identifying, Assessing, Prioritizing, and Monitoring Sustainability and Climate-Related Risks and Opportunities

During this reporting period, the processes for identifying, assessing, prioritizing, and monitoring sustainability and climate-related risks and opportunities were carried out under the coordination of the Finance Directorate, with consulting support and in accordance with corporate risk management principles. The identified risks and opportunities were shared with the relevant risk team in line with the company's current risk management structure, and the assessment processes were carried out within this framework. Senior management was informed about the analysis outputs obtained, and the applications in question were advanced in line with Gübretaş's overall risk management system.



METRICS AND TARGETS⁴

In line with Gübretas's sustainability approach, explanations regarding metrics and targets aim to enable financial report users to more clearly assess the company's capacity to manage its environmental and social impacts, its progress towards strategic targets, and its performance in relation to sustainability-related risks and opportunities.

Gübretas has established specific metrics and monitoring systems within its sustainability strategy to reduce environmental impacts from agricultural production, increase resource efficiency, and combat climate change. In this context, both indicators that must be monitored in compliance with legislation and performance criteria determined by the company in line with its own strategic goals are regularly monitored and evaluated. Throughout the reporting period, Gübretas disclosed its performance based on metrics related to priority areas such as sustainable agricultural practices, emissions management, energy efficiency, and waste reduction; it also transparently shared its data on metrics required under the TSRS. Furthermore, work is underway to establish target tracking mechanisms for the relevant metrics. Qualitative targets were utilized during the reporting period. Targets were also aligned with climate risks and opportunities.

Climate-Related Metrics and Targets

Gübretas continues its operations in strategic sectors such as agriculture and mining, which require comprehensive management of environmental impacts. Factors such as energy use, greenhouse gas emissions, and water consumption, in particular, make the company's role in combating climate change even more important. In this context, Gübretas aims to move towards a low-carbon and circular economy by acting in line with both national climate policies and international regulations; it regularly monitors climate-related performance indicators such as greenhouse gas emissions, waste generation, and water consumption.

In line with its approach to building resilience to climate change and reducing emissions, the company tracks its performance using metrics such as greenhouse gas inventories and activity data integrated into all its operations. Gübretas measures and monitors the

environmental impacts of all its operations based on these indicators and shares them with the public in accordance with TSRS-2 reporting standards.

Climate-Related Metrics

Gübretas calculates and reports greenhouse gas emissions generated during the reporting period in tons of carbon dioxide (CO₂) equivalent. Emissions are classified as Scope 1 (direct emissions) and Scope 2 (indirect energy-related emissions) and are monitored regularly. Emissions calculations cover all of Gübretas's activities⁵.

The calculation-based standard method is used as the measurement approach, and calculations are performed within the framework of the GHG Protocol and ISO 14064-1:2018 Standard. The calculation-based method is preferred due to the lack of direct emission measurement devices and real-time measurement systems. This method provides consistent and repeatable results while minimizing uncertainty. Greenhouse gas emissions are calculated by multiplying activity data by emission factors:



⁴ During the reporting period, sustainability and climate disclosures regarding Gübretas's operations in Iran could not be obtained in a reliable manner due to the ongoing political environment and security risks in the region. Furthermore, obtaining and verifying these disclosures required a disproportionately high level of effort in terms of company resources under the current conditions. For these reasons, metrics and targets related to operations in Iran will not be included in the current reporting period.

⁵ During the reporting period, sustainability and climate data regarding Gübretas's operations in Iran could not be obtained in a reliable manner due to the ongoing political environment and security risks in the region. Furthermore, obtaining and verifying the aforementioned data sets required a disproportionately high level of effort in terms of company resources under the current conditions. For these reasons, activities related to operations in Iran have been excluded from the relevant reporting period.

Greenhouse Gas Emissions = Activity Data x Emission Factor

Scope 1 calculations use data such as natural gas, LPG, fuel consumption, refrigerant gases, fire extinguishers, and leakage data for water dispensers; Scope 2 calculations use electricity and steam consumption data.

Gübretas implements a comprehensive data management system covering energy consumption and emission sources specific to its areas of activity to ensure that greenhouse gas emissions are reported accurately, traceably, and completely.

Gübretas tracks data related to Scope 1 and Scope 2 emissions on an annual and monthly basis. Consumption readings from natural gas and electricity bills are recorded. Fuel consumption of company vehicles is tracked. In anthropogenic systems, equipment label information is used as a basis. Gübretas Yarımca Facility has a comprehensive monitoring methodology that includes monitoring, collecting, processing, and accuracy checks of emission data in order to fulfill its obligations under the Regulation on the Monitoring of Greenhouse Gas Emissions.

In this context, an approved monitoring plan, including detailed data flow processes and quality assurance mechanisms, is implemented to ensure the reliability and traceability of greenhouse gas calculations.

This structure ensures the measurement, monitoring, and reporting of both Scope 1 and Scope 2 emissions; the relevant data sets are organized in accordance with TSRS and international reporting standards.

The current tables of the Intergovernmental Panel on Climate Change (IPCC), the UK Department for Environment, Food and Rural Affairs (DEFRA) 2024 tables, and the Turkey Electricity Generation and Electricity Consumption Point Emission Factors Information Form data are used as the basis for emission factors. Calculations were made using IPCC emission factors from Tables 3.2.1 and 3.2.2 of V2, net calorific values (NCV) from IPCC Table 1.2, and Global Warming Potential (GWP) data from IPCC AR6 Table 7.

Scope 1 calculations use greenhouse gases such as CO₂, CH₄, N₂O, HFCs, and SF₆ calculated in tons of CO₂ equivalent; Scope 2 calculations use local emission factors related to electricity consumption and emission factors related to steam consumption.

The methodologies, measurement inputs, and assumptions used are reviewed annually. In 2024, the assumption that "Scope 2 emissions were distributed by electricity consumption type" was used. However, emissions offset by the use of I-REC at Gübretas Maden were also taken into account. Furthermore, no changes were made to the measurement approach, inputs, or assumptions during the reporting period.

Emissions (tCO ₂ e)	2024 *
Scope 1	13.281,32
Scope 2 – Location-Based	21.878,92
Scope 2 – Market-Based	15.571,17
Total (Scope 1 + Scope 2 Location-Based)	35.160,24

Emissions (tCO ₂ e) - Affiliates	2024 *
Scope 1	70,69
Scope 2 – Location-Based	246,47
Scope 2 – Market-Based	246,47
Total (Scope 1 + Scope 2 Location-Based)	317,16

Emissions (tCO ₂ e) - Other Investments	2024 *
Scope 1	50,11
Scope 2 – Location-Based	1,53
Scope 2 – Market-Based	1,53
Total (Scope 1 + Scope 2 Location-Based)	51,64

* İskenderun, Yarımca, İzmir Aliağa ve İzmir Foça Tesisleri, Genel Müdürlük, Bölge Müdürlükleri ile Gübretas Maden'i kapsamaktadır.

⁷ Gübretas Maden'in Kapsam 2 emisyonlarının tamamı için (5.777,99 tonCO₂e) I-REC kullanılmıştır.

* Şirketin iştiraklerine ilişkin emisyonları kapsamaktadır.

* Şirketin diğer yatırımlarına ilişkin emisyonları kapsamaktadır.

Additional Explanations Regarding Climate-Related Transition Risks, Physical Risks, and Opportunities

Gübretas operates in sectors that are sensitive to climate change due to both its fertilizer production and mining activities. In this context, climate-related transition and physical risks are analyzed using a systematic approach, and the operational, financial, and strategic impacts of these risks are regularly assessed.

Assessments are conducted in line with IPCC scenarios and TSRS recommendations and are shared transparently with the public in accordance with TSRS-2 reporting obligations.

Within the scope of transition risks, trends and mega trends are being evaluated; the impacts of the European Green Deal, the Carbon Border Adjustment Mechanism (CBAM), the EU Emissions Trading System (ETS), the EU Taxonomy, and the Fit for 55 package on the sector are being closely monitored. In particular, the effects of increasing regulatory pressure and carbon pricing on export markets and cost structures are being assessed, especially in fertilizer production and mining processes that rely on carbon-intensive inputs. In this regard, reducing the carbon footprint in production processes, energy conversion, and efficiency investments are being considered.

In terms of physical risks, extreme weather events, water scarcity, and rising temperatures pose vulnerabilities for both mining sites and fertilizer production facilities. Assets operating in regions with high water stress risk have been identified, and risk mitigation strategies are being evaluated.

Gübretas also evaluates climate-related opportunities in terms of their transformation potential. In this context, opportunities emerging in areas such as new technology investments that provide energy efficiency, the use of low-carbon raw materials, digital agriculture solutions, and circular economy applications are being monitored, and capital planning is being shaped accordingly.

The company structures its capital expenditures, investment decisions, and financing strategies related to the management of climate risks and opportunities in accordance with both current regulations and medium- to long-term scenarios.

All assets and activities sensitive to transition and physical risks (100%) are regularly monitored, and action plans to increase resilience to these risks are evaluated.

Regarding carbon pricing, Gübretas is evaluating internal carbon pricing mechanisms that will enable the internalization of greenhouse gas emissions; it continues its preparations to comply when legislation in this area comes into force. In addition, the potential use of tools such as voluntary and mandatory carbon markets, carbon credits, offset mechanisms, and emissions trading is being qualitatively assessed through Discussion and analysis methods; relevant methods, pricing scenarios, and implementation options are being monitored for integration into the company's strategy when necessary.

Although no carbon credits have been used as of the reporting period, the use of such market mechanisms will be evaluated under appropriate conditions in line with the development of carbon markets, regulatory updates, and national policy changes.

As of the reporting period, there is no active implementation regarding the integration of climate-related issues into the remuneration structure of senior executives. However, areas for development have been identified for the integration of sustainability and climate performance metrics into the remuneration and bonus system, and the system is planned to be established in the future.

Mandatory Metrics Under the Relevant TSRS Standards

In determining the metrics required under TSRS Article 46(a) for TSRS reporting, Gübretaş has considered both Volume 47 – Chemicals and Volume 10 – Metals and Mining sector guides in line with the nature of its activities. Metrics such as environmental impacts, emissions, waste management, and energy consumption within the scope of the Company's main activity, chemical fertilizer production, are monitored and reported in accordance with the Chemicals guide. In addition, metrics included in the Metals and Mining guide are also applied due to the mining exploration and operation activities carried out through Gübretaş Maden Yatırımları A.Ş., a wholly-owned subsidiary of the Company. Within this framework, environmental impacts arising from both chemical fertilizer production processes and mining activities are addressed with a holistic approach, ensuring that TSRS-compliant metrics are included in reporting in a comprehensive and transparent manner.



Volume 47 – Chemicals

Table 1. Sustainability Disclosure Topics and Metrics

Topic	Metric	Category	Measurement Unit	Code	2024 Data	Description
Greenhouse gas emissions	Gross total Scope 1 emissions, percentage covered by emissions-limiting regulations	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	RT-CH-110a.1	10.789,28 tons CO ₂ e	Includes gross Scope 1 emissions from chemical fertilizer production. Gübretaş Yarımcı Facility manages its activities within the scope of greenhouse gas monitoring.
	Scope 1 emissions, the existence of a long- and short-term strategy or plan to manage emission reduction targets, and performance analysis against these targets	Negotiation and Analysis	None	RT-CH-110a.2	-	Relevant assessments have been made based on emission calculations, and strategic targeting efforts will be disclosed in future reporting periods.
Energy management	(1) Total energy consumed, (2) percentage of grid electricity, (3) percentage of renewable energy, and (4) percentage of self-generated renewable energy	Quantitative	Gigajoule (GJ), Percentage (%)	RT-CH-130a.1	116.412,1 GJ	A total of 116,412.1 GJ of energy was consumed at Gübretaş facilities during the reporting period. All electricity used (100%) came from the grid, and currently, there is no use of certified renewable energy or renewable energy sources produced in-house within the energy consumed.
Water management	(1) Total water withdrawn, (2) total water consumed; Percentage of each in regions with High or Very High Water Stress	Quantitative	Thousand cubic meters (m³), Percentage (%)	RT-CH-140a.1	Total amount of water withdrawn and consumed: 77,925 thousand	Analyzed according to the classification made by the Water Risk Atlas (WRI Aqueduct)
	Number of non-compliance incidents with water quality traces, standards, and regulations	Quantitative	Number	RT-CH-140a.2	-	Not available.
	Definition of water management risks and discussion of strategies and practices to mitigate these risks	Negotiation and Analysis	None	RT-CH-140a.3	-	İlgili değerlendirmeler yapılmış olup, su stresi analizi tamamlanmıştır. İlgili çalışma risk yönetimi faaliyetlerinde girdi olarak kullanılmıştır.

Table 2. Activity Metrics

Activity Metric	Category	Measurement Unit	Code	2024 Data	Description
Production by re-portable segment	Quantitative	Cubic meters (m³) or metric tons (t)	RT-CH-000.A	Solid Fertilizer: 534,250 tons Plant Nutrition Group (Liquid-Powder Fertilizer): 13,666 tons Slow-Release Fertilizer: 56,258 tons Total: 604,174 tons	Production information by segment has been shared for the reporting period.

Volume 10 – Metals and Mining

Table 1. Sustainability Disclosure Topics and Metrics

Topic	Metric	Category	Measurement Unit	Code	2024 Data	Description
Greenhouse gas emissions	Gross total Scope 1 emissions, percentage covered by emissions-limiting regulations	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	EM-MM-110a.1	2.492,04 tons CO ₂ e	Includes gross Scope 1 emissions from Gübretaş Maden operations. Not subject to emission-limiting regulations.
	Scope 1 emissions, negotiation of long- and short-term strategies or plans to manage emission reduction targets, analysis of performance against these targets	Negotiation and Analysis	None	EM-MM-110a.2	-	Relevant assessments have been made and performance tracking is provided.
Energy management	(1) Total energy consumed (2) percentage of grid electricity, and 3) percentage of renewable energy	Quantitative	Gigajoule (GJ), Percent (%)	EM-MM-130a.1	80.492,54 GJ	A total of 80,492.54 (total fuel consumption and total electricity consumption) energy was consumed during the reporting period. All electricity consumed was balanced with renewable sources through I-REC certificates. There is no use of renewable energy sources produced by the company itself.
Water management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Very High Water Stress	Quantitative	Thousand cubic meters (m ³), Percentage (%)	EM-MM-140a.1	Total water withdrawn and consumed: 127,748 m ³ Total raw water used at the Ore Enrichment Plant (Phase-1): 81,000 m ³ Amount of water used in a closed-loop system: 340,920 m ³ and 80%	It has been analyzed according to the classification made by the Water Belt, a Water Risk Atlas tool of the World Resources Institute (WRI). According to WRI Aqueduct data, the facility is located in an area at "high water stress" risk. Therefore, reducing the impact of activities on water resources and increasing recovery rates have been addressed as strategic priorities. Although there is no significant risk in the short term, necessary follow-ups are being made to manage the relevant risk in the long term.
	Number of non-compliance incidents related to water quality permits, standards, and regulations	Quantitative	Number	EM-MM-140a.2	-	Not available.

Table 2. Activity Metrics

Activity Metric	Category	Measurement Unit	Code	2024 Data	Description
(1) Production of metal ores and (2) finished metal products	Quantitative	Metric tons (t) saleable	EM-MM-000.A	Processed ore: 142,362.65 tons Dore Gold Casting: 55,676.60 ounces	Activity metrics have been shared for the 2024 reporting period.
Total number of employees, contractor percentage	Quantitative	Number, Percentage (%)	EM-MM-000.B	Total number of contractors: 319 Contractor percentage: 62.55% Total number of Gübretaş Maden employees: 501	The total number of employees and contractor percentage information has been shared for the 2024 reporting period.

Climate-Related Targets

The primary purpose of the defined climate-focused targets is to reduce greenhouse gas emissions, strengthen adaptation to climate change, increase resource efficiency, and support the process of aligning with the European Green Deal. The targets are monitored through quantitative, absolute, and intensity-based indicators, and the Paris Agreement framework and Turkey's 2053 net zero emissions commitment were taken into account during their formulation.

In line with the TSRS for the first time this year, Gübretas has provided transparent information to its stakeholders by monitoring and regularly reporting on its performance regarding climate-related risks and opportunities; it will continue to do so in future reporting periods in accordance with the TSRS. In line with the CRFR-2 reporting requirements, the base year, target year, scope, and monitoring metrics for each target have been defined in a clear and traceable manner. These targets cover all areas of the company's operations and include progress made during the reporting period. In this context, 2024 operational data has been used as the base year.

The targets specified in this report are qualitative targets and defined as of 2024 will be developed in future reporting periods. Performance related to interim targets and milestones consistent with the targets relevant qualitative will also be disclosed in subsequent periods. There have been no changes to the targets set during the reporting period. Progress towards the defined qualitative targets will be monitored regularly and reviewed at least once a year. The metrics used to track progress are annual greenhouse gas emission quantities, energy efficiency indicators, and recovery rates.

Performance information for the qualitative targets set for the first time this year as outlined in the "Climate-Related Targets" section of this report, is tracked in annual reports. Reductions in greenhouse gas emissions and energy consumption are analyzed, and performance trends are identified by monitoring water efficiency and waste recovery performance.

Performance trends are evaluated according to current developments and regulatory changes in the sector, and new action plans are developed based on these analyses. Indicators for these follow-ups are provided under the heading "Climate-Focused Metrics Used for Target Tracking."

Gübretas aims to contribute to the sector's transition to a low-carbon economy and build a comprehensive transformation model that will create long-term resilience against the climate crisis, in line with the defined qualitative climate targets.

The defined greenhouse gas emission targets cover Scope 1 (direct) and Scope 2 (indirect energy-related) emissions. The targets are defined with a focus on gross emission reduction, and work continues on a strategic roadmap aimed at achieving net zero emissions in the long term. Sectoral decarbonization scenarios, science-based approach principles, and national climate policies are taken into account in the target setting process; in this direction, the current targets are shaped in a gradual and realistic manner. During this reporting period, comprehensive and verifiable emissions calculations could not be completed, primarily due to the complex structure of emissions data related to operations in Iran and difficulties in obtaining data from relevant sources. This situation has prevented the establishment of quantitative targets for the period. A qualitative monitoring mechanism is currently in place, and it is planned to share these targets with the public in a transparent manner, supported by quantitative indicators, in future reporting periods.

There is no active application regarding the use of carbon credits; however, analysis and planning studies are being conducted on how and to what extent carbon credits can be used to achieve the target. When the use of carbon credits is planned, the aim is to ensure the reliability of the credits and the transparent execution of third-party approval and certification processes. Factors such as the type of carbon credits, the method of use, and compliance with cross-sector metrics will be evaluated, and the necessary explanations will be provided to financial reporting users.

Relevant Target and Explanation	Base Year	Target Year ¹⁰	Monitoring Mechanism and Progress	Relevant Risk Category	Relevant Opportunity Description
Increasing the use of fertilizer waste as raw material in production processes instead of natural resources, adopting a circular economy-based business model approach by reducing water consumption within the scope of water efficiency	2024	It is targeted to be implemented in all operations in the medium and long term.	Waste generated at the facilities is sent to licensed recycling facilities and disposed of in accordance with environmental regulations. In the waste management process, all recyclable and non-recyclable waste is recorded and tracked. Fertilizer waste generated from production is recycled, taking into account its quality. Wastewater generated at the facilities is treated in existing wastewater treatment plants in accordance with environmental regulations; it is then reused as process water or in suitable areas to ensure water circularity.	Physical Risks and Transition Risks	Within the scope of Lean Production studies, the implementation of circular business models in facilities reduces energy and natural resource consumption, and environmental sustainability and cost advantages are achieved through recyclability and reusability studies.
Implementing applications that increase energy efficiency to reduce the carbon footprint, reducing greenhouse gas emissions through process improvements, developing low-carbon fertilizer production, and complying with regulations as a result of all these efforts.	2024	Progress will be made gradually in line with long-term decarbonization targets.	Within the scope of the key strategies and objectives of the EU Green Deal, important regulatory developments such as SKDM and ETS are being closely monitored, and preparation and adaptation efforts for these developments are ongoing. In this context, Gübretas aims to create low-carbon fertilizers, contribute to decarbonization projects, and capture new climate-related trends.	Transition Risks	Gaining a competitive advantage in existing and new markets as a result of producing products that support the transition to a low-carbon economy in the context of combating climate change, maintaining market access through regulatory compliance, and increasing investor confidence.
Reducing Scope 2 emissions from mining activities	2024	Implementation is targeted in the short, medium, and long term.	Electricity consumption at mining sites is supplied through the national grid. The purchase of electricity from renewable energy sources to offset indirect emissions from this consumption will be evaluated annually and used if deemed appropriate.	Transition Risks	Reducing Scope 2 emissions to lower the carbon footprint, ensuring regulatory compliance, enhancing investor confidence, and improving environmental performance impact

¹⁰ As the targeting efforts become clearer in future reporting periods, a date-specific target year will be determined; qualitative statements have been used for the reporting period.

Climate-Focused Sample Metrics Used for Target Tracking

Under TSRS-2, metrics supported by quantitative indicators are expected to be reported regularly to track progress toward sustainability and climate goals and provide transparent information to stakeholders. In this context, the metrics listed below are monitored to measure the goals defined under the headings of climate change mitigation, environmental impact management, and legal compliance.

These metrics are structured to both evaluate the climate-related environmental performance of activities and strengthen risk and opportunity management.

Metrics Tracked for Goals	Metric Definition And Explanation	Metric Unit	Monitoring Frequency
Total Energy Consumption	The total amount of electricity and fuel-based energy consumed across the facility for production, auxiliary services, and administrative activities.	kWh, liters, GJ, etc.	Monthly / Annual
Total Water Consumption	The total amount of water supplied from various sources.	ton, liter, m(3),etc.	Monthly / Annual
Water Stress Assessment	This is an annual assessment of water supply risk and water scarcity in the regions where the facilities operate.	Qualitative – Assessment Report	Annual
Waste Quantity and Distribution	The total amount of hazardous and non-hazardous waste generated and its classification according to methods such as recycling, regular storage, incineration, etc.	kg, tons, etc.	Monthly / Annual
Greenhouse Gas Emissions (Scope 1-2)	The total greenhouse gas emissions from direct (Scope 1) and indirect (Scope 2) sources, expressed in CO ₂ equivalents.	ton CO ₂ e	Annual
Legal Compliance and Audit Data	The number of internal and external environmental audits conducted within the framework of regulatory compliance and reports on the results of these audits.	Number	Annual
Number of Environmental Incidents	The total number of environmental accidents, violations, spills, leaks, etc. that occurred during the reporting period.	Number	Annual / Incident-based
Renewable Energy Use (Certificates, etc.)	Evaluation of green energy solutions aimed at reducing the environmental impact of the company's energy consumption and their use according to suitability	MWh, kWh, etc.	Annual

Our Initiatives Supporting Our Climate-Related Goals

Climate change is considered one of the most significant environmental risks affecting business continuity. In this context, Gübretaş is reviewing its strategic plans to comply with climate-related regulations and reduce its carbon footprint; it is conducting multifaceted studies to transition to a low-carbon and resilient production structure.

Regulations such as the EU Green Deal and ETS impose new cost obligations on our sector in line with the EU's goal of becoming carbon neutral by 2050. In this context, SKDM, in particular, poses a significant external risk for exports to the EU market and directly affects emissions management performance.

Considering the increase in carbon-related costs in final product exports and raw material supply processes, we are taking planned steps to reduce our greenhouse gas emissions in line with these mechanisms.

Within the scope of our short- and medium-term goals, we continue to invest in reducing fossil fuel use and meeting our energy needs from renewable sources. In this context, the rooftop solar power plant (Roof GES) we have commissioned at our Iskenderun Logistics Center generates approximately 300,000 kWh of electricity per year and has achieved a reduction of 162 tons of CO₂e emissions. Thus, 100% of our facility's electricity needs are met by solar energy.

Similarly, a rooftop solar power plant application is planned at our Yarımca facility, where test panels have been installed and the performance evaluation process is ongoing. Based on the analyses to be conducted, it is targeted that approximately 5% of the facility's annual electricity needs will be met from renewable sources with the system to be installed on a 16,000 m² roof area. Furthermore, in 2024, we used I-REC certificates to offset the emissions from the electricity we consumed in our Gübretaş Mining operations.

Our organization conducts production and R&D activities for organomineral, microbial, and slow-release fertilizer product groups to support sustainable agricultural practices. In this context, some of our products are already in production, while work continues on developing the production processes for some products and commercializing new products.

These products increase soil fertility while reducing chemical fertilizer use and contribute to preventing soil and groundwater pollution. Slow-release fertilizers, in particular, gradually release nutrients according to the plant's needs, thereby increasing crop yields and ensuring resource efficiency. This approach serves to reduce environmental impacts, lower the carbon footprint, and promote the widespread adoption of production models that are consistent with the principles of the circular economy.

In addition to our investments in energy conversion, we are developing projects to increase resource efficiency and reduce operational costs in our production processes. In this context, we have implemented our digital transformation program, which includes lean manufacturing approaches and Industry 4.0 solutions. Our Operational Excellence (OPEX) practices, which have been ongoing since 2016 as part of the Gübretaş Excellence System, were expanded in 2021 with Digital Excellence (DijiEX) projects. Along with our focus areas such as continuous improvement, logistics optimization, and autonomous maintenance, we aim to increase traceability in production by establishing dashboard systems that enable the monitoring of production data in a digital environment.

In order to transform our corporate capacity into an integrated management system, we have initiated efforts to integrate environmental, energy, occupational health, and safety management systems with our existing ISO 9001 Quality Management System. In this regard, consulting services were obtained in 2021, and a roadmap for the establishment of an integrated system was created.

Our Energy Audit studies, which are mandatory every four years in terms of energy efficiency, were completed in 2021, and efficiency analyses were carried out with equipment-based field measurements. As a result of these studies, projects were developed and actions were determined to reduce energy consumption and lower emission intensity. Expert consulting firms were hired to support the process.

In line with our sustainability goals, we are working to gain access to green financing instruments. In the past, we have taken advantage of sustainability-focused credit opportunities, and these resources have been evaluated in the financing of related investments. In the coming period, we plan to evaluate credit and green financing models based on sustainability criteria for the financing of climate-friendly investments.

ASSURANCE REPORT

INDEPENDENT ASSURER'S LIMITED ASSURANCE REPORT ON THE INFORMATION DISCLOSED BY GÜBRE FABRİKALARI TÜRK ANONİM ŞİRKETİ AND ITS SUBSIDIARIES WITHIN THE SCOPE OF THE TÜRKİYE SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of Gübre Fabrikaları Türk Anonim Şirketi;

We have undertaken a limited assurance engagement on the information disclosed ("Sustainability Information") by Gübre Fabrikaları Türk Anonim Şirketi and its subsidiaries (together referred to as "the Group") for the year ended 31 December 2024, in accordance with the Türkiye Sustainability Reporting Standard 1 – General Requirements for Disclosure of Sustainability-related Financial Information and the Türkiye Sustainability Reporting Standard 2 – Climate-related Disclosures.

Our assurance engagement does not cover prior period information, other information presented in the 2024 TSRS-Compliant Sustainability Report, or any other information associated with or accompanying the Sustainability Information (including any images, audio files, documents accessible through website links, or embedded videos).

Limited Assurance Conclusion

Except for the matter described in the section "Basis for Qualified Opinion", based on the procedures performed and evidence obtained as summarized in the section "Summary of Work Performed as a Basis for the Assurance Conclusion", nothing has come to our attention that causes us to believe that the Group's TSRS-Compliant Sustainability Report for the year ended 31 December 2024 has not been prepared, in all material respects, in accordance with the Türkiye Sustainability Reporting Standards ("TSRS") issued by the Public Oversight, Accounting and Auditing Standards Authority ("POA") and published in the Official Gazette No. 32414(M) dated 29 December 2023.

We do not express any assurance conclusion on prior period information, other information presented in the 2024 TSRS-Compliant Sustainability Report, or any other information associated with the Sustainability Information (including any images, audio files, documents accessible through website links, or embedded videos).

Basis for Qualified Opinion

As disclosed on page 5 of the Group's 2024 TSRS-Compliant Sustainability Report, the Group management included an item in the agenda of the Extraordinary General Assembly Meeting held on 25 November 2024, authorizing the Board of Directors to carry out the procedures related to the sale of its subsidiary Razi Petrochemical Co. this General Assembly call was announced on 16 October 2024 through the Public Disclosure Platform ("KAP"). On 28 February 2025, Gübretaş initiated the tender process for the sale of its 48.88% shareholding in Razi Petrochemical Co. Within this process, on 2 June 2025, a decision was made to proceed to the auction stage. Subsequently, on 17 September 2025, another announcement was made declaring that the auction would be held on 26 September 2025. On 26 September 2025, it was announced that the auction had been completed, and the results would be submitted by the Tender Commission to the Board of Directors for evaluation, with a commitment to inform the public of any further developments.

Following the fulfillment of the requirements stipulated by TFRS 5, beginning with the financial statements dated 30 June 2025, and including the comparative information for the prior periods within the 2024 reports, the assets related to this subsidiary were classified under "Assets Held for Sale within Disposal Groups", the liabilities under "Liabilities Associated with Disposal Groups Held for Sale", and the profit or loss related to such disposal groups was classified as "Profit/(Loss) from Discontinued Operations."

On the other hand, as stated in the Governance, Strategy, Risk Management, Metrics and Targets sections of the Group's 2024 TSRS-Compliant Sustainability Report, sustainability and climate-related disclosures concerning Gübretaş's operations in Iran could not be obtained in a reliable manner during the reporting period due to the ongoing political environment and security risks in the region. Furthermore, obtaining and verifying such disclosures would have required a disproportionately high level of effort and resources under the current circumstances. For these reasons, climate-related disclosures and emission calculations regarding operations in Iran have not been included in the current reporting period.

Due to both the political and military developments that took place in the Islamic Republic of Iran in 2025 and the ongoing process related to the sale of Razi Petrochemical Co., the Group management was unable to provide disclosures regarding Climate-related Risks and Opportunities for its investments in Iran.

Since climate-related information pertaining to the consolidated subsidiary located in the Islamic Republic of Iran could not be disclosed in the financial information as of December 31, 2024, potential climate-related impacts could not be determined as of the date of this report.

Structural Limitations in the Preparation of Sustainability Information

The Sustainability Information is subject to inherent uncertainties arising from limitations in scientific and economic knowledge. The lack of sufficient scientific data in calculating greenhouse gas emissions gives rise to uncertainty. Moreover, due to the absence of reliable data regarding the probability, timing, and impact of potential future physical and transition climate risks, the Sustainability Information contains uncertainties based on climate-related scenarios.

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

- The Group Management is responsible for:
Preparing the Sustainability Information in accordance with the Türkiye Sustainability Reporting Standards (TSRS);
- Reporting Standards (TSRS);
Designing, implementing, and maintaining internal control relevant to the preparation of Sustainability Information that is free from material misstatement, whether due to fraud or error; and
- Selecting and applying appropriate sustainability reporting methods and making reasonable estimates and assumptions that are relevant to the circumstances.

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

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

We are responsible for:

- Planning and performing the assurance engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion based on the evidence obtained and the procedures performed; and
- Reporting our conclusion to the Group management.

As we are responsible for expressing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation process of such information in order to maintain our independence.

Application of Professional Standards

We conducted our limited assurance engagement in accordance with the Assurance Engagement Standard 3000 (Revised) — "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and, with respect to the greenhouse gas emissions included in the Sustainability Information, in accordance with the Assurance Engagement Standard 3410 — "Assurance Engagements on Greenhouse Gas Statements", both issued by the Public Oversight, Accounting and Auditing Standards Authority of Türkiye (KGK).

Independence and Quality Control

We have complied with the independence requirements and other ethical principles of the Code of Ethics for Independent Auditors (including Independence Standards) issued by the KGK, which are founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. Our firm applies the requirements of Quality Management Standard 1, and accordingly maintains a comprehensive system of quality control that includes documented policies and procedures

addressing compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was performed by an independent and multidisciplinary team comprising auditors as well as sustainability and risk specialists. We also used the work of our experts to assess the reasonableness of information and assumptions related to the Group's climate- and sustainability-related risks and opportunities. We alone are responsible for the assurance conclusion we provide.

Summary of Work Performed as Basis for the Assurance Conclusion

Our work was planned and performed to address the areas where we identified a higher likelihood of material misstatements within the Sustainability Information. The procedures performed were based on our professional judgment. In performing the limited assurance engagement on the Sustainability Information, we:

- Held in-person and online interviews with key senior personnel of the Group to understand the processes applied to obtain the Sustainability Information for the reporting period;
- Conducted site visits at the Group's facility with the largest production capacity in the country. At each site visited, a limited number of Sustainability Information items were traced to or from supporting records, where applicable;
- Reviewed the Group's internal documentation relevant to the sustainability-related information;
- Evaluated the presentation and disclosure of the sustainability-related information;
- Obtained an understanding, through inquiry, of the Group's control environment and information systems related to the preparation of the Sustainability Information. However, specific control activities were not evaluated, and no evidence was obtained regarding their implementation or operating effectiveness;

- Assessed whether the methods used by the Group to develop estimates were appropriate and applied consistently. However, our procedures did not include testing the underlying data on which the estimates are based, nor did we develop our own estimates for comparison with those of the Group.

The procedures performed in a limited assurance engagement are substantially narrower in scope, nature, and timing than those performed in a reasonable assurance engagement. As a result, the level of assurance obtained from a limited assurance engagement is significantly lower than that which would have been obtained had a reasonable assurance engagement been conducted.

Real Bağımsız Denetim Anonim Şirketi
İstanbul, 30.10.2025



İlhan KILIÇ, YMM
Responsible Auditor

İLETİŞİM

GENEL MÜDÜRLÜK

Nida Kule Göztepe İş Merkezi Merdivenköy Mah. Bora Sk. No: 1 Kat: 12-30-31 Kadıköy/İSTANBUL

+90 (216) 468 50 50 • +90 (216) 407 10 11
gubretas@gubretas.com.tr

ÜRETİM TESİSLERİ

Yarımca Tesisleri Müdürlüğü

GÜBRETAS Yarımca Tesisleri 41870
Körfez/KOCAELİ

+90 (0262) 528 46 40 • +90 (0262) 528 21 31
yarimca@gubretas.com.tr

İzmir Tesisleri Müdürlüğü

Kırlar Mevkii Fatih Mah. Atatürk Cad.
Helvacı-Aliağa/İZMİR

+90 (0232) 627 91 59 • +90 (0232) 627 91 59
izmir@gubretas.com.tr

İskenderun Tesisleri Müdürlüğü

Sarıseki Mah. 12 Eylül Cad. E-5 Karayolu Altı
İskenderun/HATAY

+90 (0326) 656 22 88 • +90 (0326) 656 22 88
iskenderun@gubretas.com.tr

YATIRIMCI İLİŞKİLERİ

Merdivenköy Mah. Bora Sk. No: 1 K:12-30-31 34732
Kadıköy/İSTANBUL

+90 (0216) 468 51 73 • +90 (0216) 407 10 11
ir@gubretas.com.tr

www.gubretas.com.tr



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www.gubretas.com.tr