yapı merkezi 60 years

SUSTAINABILITY REPORT **2024**

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01. ABOUT THE REPORT

To serve humanity by creating environments of happiness through the design and construction of modern building projects.

At Yapı Merkezi, we set out in 1965 with the mission "**to serve humanity by creating environments of happiness through the design and construction of modern building projects**." Today, with operations spanning six continents, we continue to meet and exceed our customers' expectations at the highest level. In light of environmental, social, and governance (ESG) risks and opportunities-as well as the growing impacts of the climate crisis and evolving stakeholder expectations-we shape our sustainability strategy through a double materiality approach and remain steadfast in our commitment to its implementation.

This report covers Yapı Merkezi's sustainability performance for the period between January 1 and December 31, 2024. It presents our operational activities, goals, strategies, and progress towards the implementation of our ESG-based sustainability strategy. Encompassing our Head Office, group companies, and domestic and international subsidiaries and projects, the report provides detailed insights into our priority material topics and the corporate approach we adopt towards each.

The report has been prepared in accordance with:

- **GRI Standards**,
- **United Nations Global Compact**
- **European Sustainability Reporting Standards (ESRS)**,
- **Corporate Sustainability Reporting Directive (CSRD)**,
- **International Financial Reporting Standards (IFRS)**, and
- **Turkish Sustainability Reporting Standards (TSRS)** — specifically **S1 "General Requirements"** and **S2 "Climate-Related Disclosures."**

In addition, climate-related risks and opportunities have been systematically addressed in line with the four core pillars defined by the **Task Force on Climate-related Financial Disclosures (TCFD) — Governance, Strategy, Risk Management, and Metrics & Targets.** Within this framework, **scenario-based risk analyses and workshops** were conducted under the leadership of the Sustainability Committee, with the participation of relevant departments, to assess the potential impacts of climate change under different scenarios. Through these efforts, Yapı Merkezi identified the climate risks it may face at both operational and strategic levels and conducted a detailed analysis of their long-term implications.

Within the framework of the **double materiality analysis**, the views of both internal and external stakeholders were collected through an active stakeholder engagement process. Environmental, social, and financial impacts were evaluated from a holistic perspective, while sector dynamics, regulatory requirements, and stakeholder expectations were analyzed in detail. As a result, the internal and external factors influencing Yapı Merkezi's operations were more clearly understood.

During the preparation of the report, international frameworks such as the **Environmental and Social Sustainability Performance Standards** published by the **International Finance Corporation (IFC)** and the **Equator Principles**, as well as the sustainability approaches of the **European Bank for Reconstruction and Development (EBRD)**, were also taken as reference.

Detailed breakdowns of the data sets are presented in the Appendices section. Through the inclusion of the **GRI Content Index**, ESRS **Index**, and **UNGC Index**, the transparency and accuracy of the information provided in this report have been structured to serve as a reliable point of reference for our stakeholders.

Feedback from all our stakeholders is highly valued. For any comments, suggestions, or questions regarding the 2024 Sustainability Report, you may contact us at sustainability@ym.com.tr.

The report has been prepared in accordance with the following standards:

GRI STANDARDS
SASB STANDARDS
United Nations Global Compact
ESRS European Sustainability Reporting Standards
CSRD Corporate Sustainability Reporting Directive
IFRS
TSRS
TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

yapı merkezi

2024 SUSTAINABILITY REPORT

It covers the performance of activities in Türkiye and worldwide for the year 2024 (January 1, 2024 – December 31, 2024).

How to Read Our Report Effectively?

"2024 Sustainability Report
We have designed our report in a digital format that is user-friendly and includes interactive elements, while also considering paper conservation. "

	Contents		Indicates an e-mail address.
	Next page		Represents a link provided outside the document.
	Previous page		Represents a navigation within the document.

02. MESSAGES FROM OUR MANAGEMENT

2.1. MESSAGE FROM THE CHAIRMAN OF THE BOARD and CEO

Mustafa Başar ARIOĞLU
Yapı Merkezi Holding
Chairman of the Board and CEO

Esteemed Stakeholders,

The year 2024 marked a pivotal period for Yapı Merkezi, not only in the field of engineering but also in sustainability, digitalization, social impact, and global expansion. Each project we deliver represents more than a mere infrastructure investment; it embodies value for communities, harmony with nature, and a lasting legacy for future generations.

The awards we received during this period serve as a testament to our global influence and the strength of our sustainability performance:

- Our **İstanbul Modern Arts Project** was featured among Architectural Digest's "**Marvels of 2024," received ArchDaily's** "**Building of the Year**" award, and was honored with the "**Best of Best**" Cultural Architecture Award at the Architecture MasterPrize.

- The **Eurasia Tunnel** won the "**ESG Project of the Year**" award at Istanbul PPP Week as the first transportation project to successfully complete the Blue Dot Network pilot, and was also recognized by the International Tunnelling and Underground Space Association (ITA) as one of the world's "**50 Iconic Tunnel Projects**" on its 50th anniversary.

- **YM İnşaat** ranked among Türkiye's top 10 firms in service exports in 2023; it was placed 82nd on ENR's "**Top 250 International Contractors**" list and 8th in the "**Mass Transit & Rail**" category.

- **Subor** achieved rankings in two separate categories at the İstanbul **Chemicals and Chemical Products Exporters' Association (İKMİB)** "**Stars of Export**" Awards, climbed 151 places to 172nd on the İstanbul Chamber of Industry list, and secured the 639th position in the Turkish Exporters Assembly ranking.

- **YM İDİS** received the **Great Place to Work** certification, earning the title of "**Great Workplace**" and reaffirming our human-centered corporate culture.

These award-winning achievements reflect not only the recognition of our technical capabilities but also the value we create in terms of climate, environmental, and social responsibility.

While our projects continued in **Türkiye**, we implemented a carbon-neutral operational model with the 300.30 kWp Solar Power Plant commissioned on the Asian side of the Eurasia Tunnel. Through the Nurdağı–Malatya Project, we took a critical step toward the reconstruction of lines in the earthquake-affected region.

Throughout the past year, **YM İnşaat** reinforced its global vision through transportation projects around the world.

In **Europe**, we successfully completed tunnel excavations on the Divača–Koper line in **Slovenia**. The Vinjan Viaduct was completed in just 19 months, once again demonstrating our engineering speed and quality. In **Romania**, the RO1 Project progressed to a new phase with rail and sleeper installation and rehabilitation works, while the first constructions of the Ilidža–Hrasnica Tram Project in Bosnia and Herzegovina were realized on site. In **Hungary**, we continued rapid progress on our BMW Project.

In **Africa**, our SGR line between Dar es Salaam and Dodoma in **Tanzania** was successfully inaugurated on July 25, 2024, with participation from state officials. At the opening, President Samia Suluhu Hassan of Tanzania, TRC General Manager Masanja Kadogosa, and other dignitaries highlighted the contribution of our project to the country's development. The President also commended our professionalism and commitment to high standards demonstrated throughout the process. Additionally, with the signing of the 273-kilometer Malaba–Kampala Railway Project in **Uganda**, we opened a new chapter in East Africa. Beyond being Yapı Merkezi's first project in Uganda, this initiative aims to reduce carbon emissions through electrified rail infrastructure, facilitate trade, and strengthen intercity connectivity.

With 60 Years of Engineering, Experience and confidence...
We Build Value for Society, Happiness for Humanity, and a Sustainable Future.

2.1. MESSAGE FROM THE CHAIRMAN OF THE BOARD and CEO

Yapı Merkezi's approach makes a tangible contribution to sustainable development in all regions where it operates, functioning as a model that integrates with local economies, generates employment, and prioritizes social benefit.

Yapı Merkezi's approach makes a tangible contribution to sustainable development in all regions where it operates, functioning as a model that integrates with local economies, generates employment, and prioritizes social benefit. We position infrastructure not merely as a technical solution but also as a tool for development, equality, and local empowerment. While supporting low-carbon mobility through our rail system projects, we also promote local employment and skill development.

In 2024, alongside infrastructure investments, we continued to expand our global impact through our material technologies and engineering solutions.

The developments at **Subor** reflect the concrete steps we are taking toward steady growth in global markets. While strengthening our position in existing markets, we expanded our international presence for the first time in two strategic countries, Belgium and Ethiopia. Through the Aubrughestraat Sewerage Project in Belgium, we contributed to Europe's infrastructure modernization, while the Chelchel Irrigation Project in Ethiopia successfully delivered clean water infrastructure to support agricultural production. These two projects serve as strong, tangible indicators of our long-term growth strategy in Europe and Africa. In Eastern Europe, a partnership agreement extended our reach in Poland, and increasing the capacity of our stock center in Romania enhanced our regional supply speed and service quality. In Iraq, the Hilla Sewerage Project contributed to infrastructure modernization, while the KW Reutte Project in Austria provided solutions supporting sustainable urban development. Projects exceeding 30 kilometers completed in the United States demonstrate the international strength of our product diversity and engineering capabilities. While continuing to support the agricultural sector through irrigation projects across Türkiye, the Talimarjan Thermal Power Plant expansion project in Uzbekistan contributed to regional energy supply security.

In 2024, **YM İDİS** implemented significant projects in the field of energy and electronic infrastructure solutions. By expanding the electric vehicle charging infrastructure on the Kınalı–Tekirdağ–Çanakkale–Savaştepe Highway, we made a direct contribution to Türkiye's e-mobility transformation. Additionally, the preliminary design agreements signed for the Makutupora–Tabora and Tabora–Isaka Railway Projects in Tanzania concretely demonstrated the growing technical capacity of our operations in Africa.

Yapıray complemented this infrastructure transformation with its expertise in rail systems. In 2024, it reinforced its proficiency by signing significant contracts in railway and light rail projects. From the Bursa–Emek–City Hospital Light Rail Line to the Mersin–Adana–Osmaniye–Gaziantep High Standard Railway Project, and from the Elin Pelin–Kostenets line in Bulgaria to the supply of switch sleepers in Iraq, we were part of critical infrastructure across a wide geographic area. Our roles in projects such as the Karaman–Ulukışla High-Speed Train Line, Gaziray, Kartepe Intermodal Logistics Terminal, and Konyaray contributed not only to Türkiye's rail system vision but also to that of the Balkans and the Middle East.

While all these developments were underway, we continued to monitor global and national trends with our teams and integrate them into our processes.

2.1. MESSAGE FROM THE CHAIRMAN OF THE BOARD and CEO

Competition Redefined: Carbon Budget

The **Climate Law** stands out as one of Türkiye's most strategic steps toward a low-carbon development pathway. Going beyond environmental awareness, this comprehensive legislation encompasses economic, social, and governance transformations, establishing the legal foundation for sustainable development. By legally mandating the monitoring, reduction, and reporting of emissions, the regulation is set to accelerate the green transition across multiple sectors—from industry and transportation to energy and agriculture—while integrating Türkiye more strongly into international carbon markets and climate finance mechanisms.

With this transformation, carbon management has evolved for companies from being merely an environmental responsibility to a measurable, manageable, and value-creating competitive advantage. Within the framework of a national carbon market aligned with the European Union's **Carbon Border Adjustment Mechanism (CBAM)** and **Emissions Trading System (ETS)**, Yapı Merkezi integrates all its processes into this new system. We calculate and report our emissions according to international standards and regularly communicate our carbon disclosures for projects covered under CBAM.

Carbon management has now become a decisive evaluation criterion in projects, on par with cost, schedule, and quality. As the full integration of carbon management into **contract processes** emerges on the agenda, well-designed emission strategies are expected to play a determining role in the near future in terms of financing access, client trust, and brand reputation. This systematic approach will not only ensure legal compliance but also provide a competitive advantage across multiple areas, from technical scoring in tenders to supply chain preferences.

In line with this perspective, we now approach sustainability not merely as an environmental responsibility but as a multidimensional strategic area that directly influences our company's long-term value creation potential. This year, we also reassessed our sustainability topics in the report based on the **Double Materiality** approach. This framework allowed us to evaluate both our company's impacts on the environment and society and the feedback of these impacts on our corporate performance in a holistic manner. While analyzing the influence of environmental risks on our business strategies, we also addressed the societal benefits and environmental implications of our activities with transparency. The updated priority sustainability topics and analysis results are presented in detail in this report. In doing so, we are building a more resilient and responsible business model by recognizing not only risks but also opportunities more clearly.

Digitalization lies at the heart of our risk management and sustainability strategy. **The Digitalized Risk Management Software** we developed analyzes country risk, supply chain disruptions, and financing conditions in an integrated manner with climate scenarios. Through solutions such as **SAP HANA**, **ASITE Project Management Information System (PMIS)**, and **Robotic Process Automation (RPA)**, we have digitalized all our business processes from design to logistics. This structure not only enhances efficiency but also serves as a strategic bridge toward achieving our carbon-neutral targets.

In the **financial domain**, we have secured over USD 9 billion to date through the **International Finance Corporation (IFC)**, the **World Bank**, **Export Credit Agencies (ECAs)**, and multilateral development banks. This reflects not only our financial strength but also our commitments to transparency, accountability, and sustainable development. All our projects are carried out in full compliance with the **Equator Principles**, **IFC Performance Standards**, and comprehensive **Environmental and Social Impact Assessment (ESIA)** processes.

Since 2021, we have closely monitored the **Blue Dot Network** pilot, which we successfully completed in April 2023. In 2024, we officially launched the initiative in Paris at the **Organisation for Economic Co-operation and Development (OECD)** headquarters. As Chairman of the Board, I had the opportunity at this important event to share Yapı Merkezi's contributions to sustainable infrastructure with the international community. The **Eurasia Tunnel** stood out as an exemplary project in the Blue Dot Network's independent certification process, demonstrating both the experience gained and the transparency achieved. This success reflects not only our technical competence but also our strong commitment to environmental, social, and governance standards. Through our contributions on this platform, we take great pride in representing not only Yapı Merkezi but also Türkiye's sustainable infrastructure vision on the global stage.

In 2024, we continued to actively share our sustainable development vision on a global scale through international events. Together with our subsidiaries **ATAŞ (Eurasia Tunnel)** and **ÇOK A.Ş. (1915Çanakkale Bridge)**, we had the opportunity to showcase our infrastructure investments that consider environmental and social impacts across various platforms. We participated in the **International Road Federation (IRF)** World Congress held in İstanbul under the auspices of the Ministry of Transport and Infrastructure, presenting the Eurasia Tunnel and the 1915Çanakkale Bridge as exemplary projects in terms of engineering excellence and sustainable transportation solutions. Additionally, we took part as a sponsor and panelist at the **8th İstanbul Public-Private Partnership Week**, where we shared with international stakeholders the socially and environmentally conscious structure of our projects implemented through the PPP model.

At Yapı Merkezi, we place great importance not only on building projects across the regions in which we operate but also on establishing lasting, mutually beneficial, and sustainable economic relationships. Reflecting this vision and as a concrete step in strengthening Türkiye–Tanzania relations, we participated as a Gold Sponsor in the Türkiye–Tanzania Economic Business Forum held in İstanbul under the auspices of the Foreign Economic Relations Board (DEİK). We were honored to attend this significant event, which was attended by Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania, H.E. Cevdet Yılmaz, Vice President of the Republic of Türkiye, Prof. Dr. Ömer Bolat, Minister of Trade of the Republic of Türkiye, Dr. Ashatu K. Kijaji, Minister of Industry and Trade of Tanzania, Nail Olpak, President of DEİK, and Raphael Maganga, Executive Director of the Tanzanian Private Sector Foundation.

At **Yapı Merkezi**, we place great importance not only on building projects across the regions in which we operate but also on establishing lasting, mutually beneficial, and sustainable economic relationships.

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BLUE DOT AWARD

The Eurasia Tunnel stood out as an exemplary project in the **Blue Dot Network's** independent certification process, demonstrating both the experience gained and the transparency achieved.

Carbon management has now become a decisive evaluation criterion in projects, on par with cost, schedule, and quality.

2.1. MESSAGE FROM THE CHAIRMAN OF THE BOARD and CEO

Our Investment in the Future: Sustainable Success in Education and Youth

At **NEKAŞ** Irmak Schools, we take pride in the national and international achievements of our students throughout the 2024–2025 academic year, spanning sports, arts, science, and technology. Each student—who works with determination, learns with curiosity, and progresses along the paths of science and art—represents not only their own potential but also the bright future of our country. Our students earned top rankings in international competitions such as the Sigma Science Olympiad and URFODU – International Foundations of Science Competition. Some students who have developed expertise in robotics and artificial intelligence reached the finals, earning the right to represent Türkiye on the global stage. Meanwhile, students focused on arts and sports received awards at European competitions and achieved historic milestones by being selected for national teams.

Investing in the future is possible not only by supporting today's youth but also by developing institutional reflexes that adapt to a changing world. In a time when the ways of conducting business are rapidly evolving on a global scale, we remain committed not just to being a part of this transformation, but to leading it.

In today's world, competition is no longer defined solely by cost or speed. As technology reshapes all balances, factors such as the ability to learn, strong partnerships, diversity in production, and rapid adaptability to change have become decisive. In a period when the demand for fundamental needs—healthy cities, robust infrastructure, accessible education, and widespread healthcare—is increasing, what is expected from us is to deliver production that is **longer-lasting, lighter, faster, stronger**, and **more versatile, using fewer resources**. Moreover, doing so in a way that is "**greener**", more "**aesthetically pleasing**", and more "**responsible**" has become an inevitable requirement.

With this transformation, not only the final product but the entire process behind it has become a field of economic and strategic value creation. **Elements such as energy efficiency, carbon management, digitalization, and resource optimization have turned production processes into not just operational assets but also sources of competitive advantage. Ensuring the sustainability of this advantage, however, requires not only technology but also a skilled and adaptable workforce.**

All of these developments represent not merely an industry evolution but a new industrial revolution defined by regulatory, technological, and economic dimensions. This revolution signals the dawn of an era in which business models are fundamentally reimagined, and where sustainability alongside efficiency and social impact alongside innovation have become key measures of success.

In short, **what is expected from us today goes beyond engineering alone; it demands deeper engineering, more efficient project execution, and more sustainable solutions. At Yapı Merkezi,** we continuously work to meet these expectations, **shaping engineering not only through calculation but also with vision and responsibility.**

Esteemed Stakeholders,

The foundation of our corporate values is built on the principle of building reputation beyond profit. As one of our founders, Mr. Ersin Arıoğlu, stated:

"Generally, companies sustain themselves by generating profit from their activities. Every company earns both profit and reputation through what it produces over its lifetime. At times, companies may place greater emphasis on making profit or on building reputation.

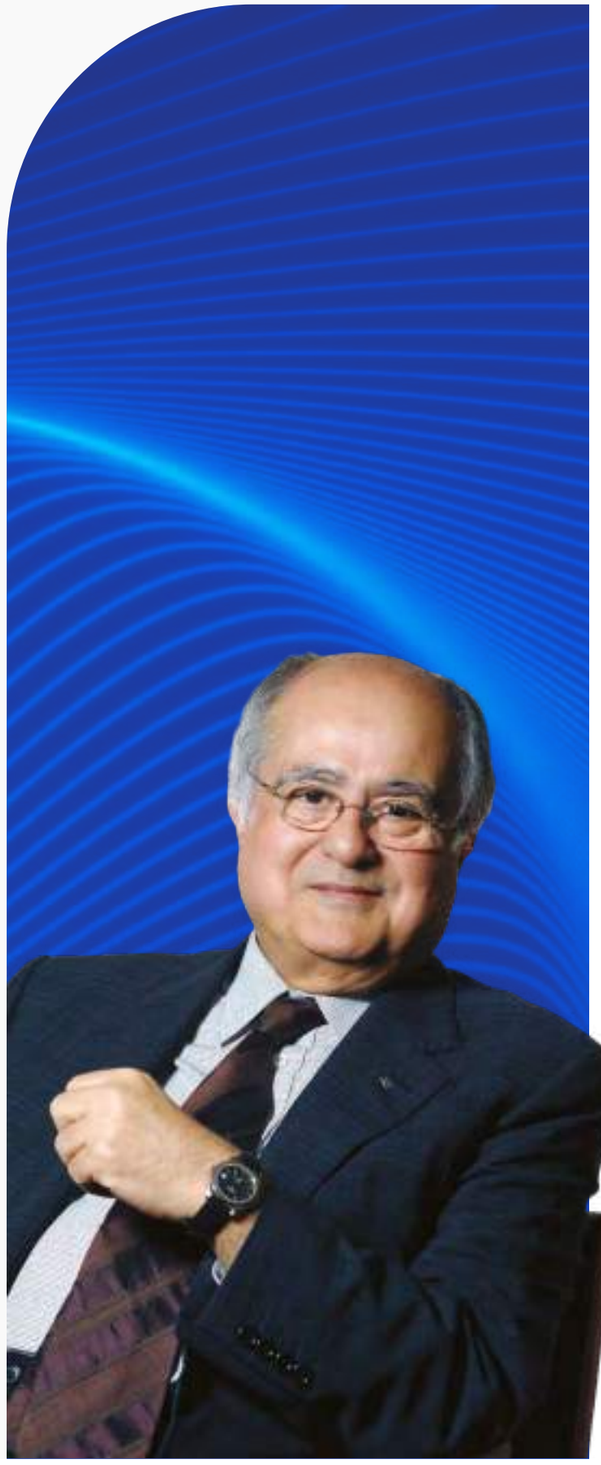
Yapı Merkezi, however, has continuously and steadily grown because it has always prioritized being a company that strives to earn reputation." *

This approach has enabled Yapı Merkezi to grow not only through projects but also through **trust**, **loyalty**, and long-term partnerships. For this reason, we approach sustainability in every circumstance not only through its **environmental** and **financial** dimensions but also through the lens of protecting corporate reputation and fulfilling our responsibilities to future generations. These words are more than a reflection on the past—they clearly express the principles that guide us into the future. For us, sustainability means creating **enduring, meaningful,** and **trustworthy value in harmony with nature**, regardless of the circumstances.

The year 2024 has once again shown us that Yapı Merkezi builds not only structures but also hope, happiness, resilience, and the future. Together with our stakeholders, we will continue to shape the world of tomorrow through projects that are aligned with nature, strengthened by digitalization, and committed to human-centered value.

Kind regards,

Mustafa Başar ARIOĞLU
Yapı Merkezi Holding Chairman of the Board and CEO

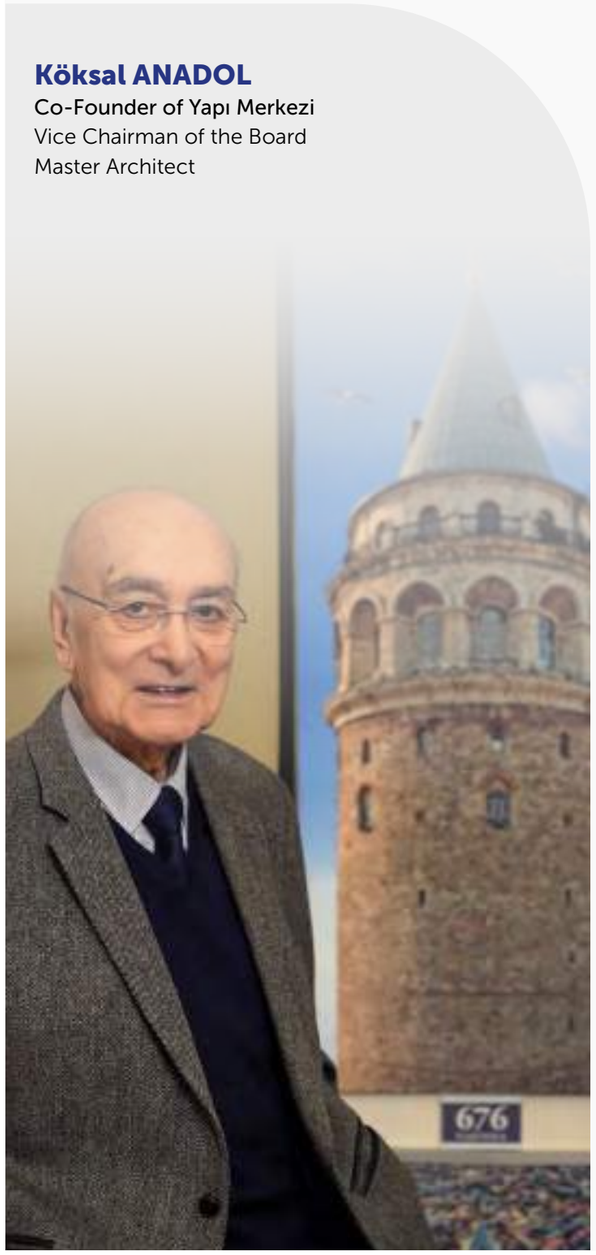


* This excerpt is taken from Ersin Arıoğlu's New Year Address delivered on December 28, 2018.

2.2. MESSAGE FROM THE VICE CHAIRMAN OF THE BOARD

Architecture is not only building a structure, **but also building cultural continuity and social resilience.**

Köksal ANADOL
Co-Founder of Yapı Merkezi
Vice Chairman of the Board
Master Architect



Sustainability is not only about using environmentally conscious materials or ensuring energy efficiency; the main issue is to protect cultural heritage, make structures resistant to future loads, and take every step with a sense of responsibility for the future. Starting from the **Galata Tower and continuing with the Basilica Cistern, the Sakarya Governor's Office, the Atatürk House in Thessaloniki, the Reis Palaces in Algeria, the Mostar Bridge, the 1915Çanakkale Bridge, and the Eurasia Tunnel,** this understanding has guided me in every project we have carried out.

Over time, I have seen that sustainable architecture develops not only with iron and concrete but also with drawing techniques and digitalization. During my student years, everything was documented manually and with great effort, whereas today, thanks to three-dimensional scans, digital surveys, and computer-aided projects, it is possible to transfer the past to the future much more precisely. Architecture is to keep the present alive without erasing the past and to leave lasting values for tomorrow.

The restoration of the **Galata Tower** was a work that illuminated my path in the earliest period of my professional life. The project we prepared in 1965 was implemented in the third year of my career. The work we started in 1964 was completed after three years of repair and reinforcement on September 28, 1967, and the tower was opened to the public. At that time, the restoration projects of the İstanbul Municipality were being rejected by the Monuments Board. After long research, I developed a restoration proposal suitable for the silhouette of the period of Mahmud II; this proposal was approved at once. During this process, in the structural projects in 1965, I met Ersin Arıoğlu, with whom I would later establish Yapı Merkezi. Taking into account the spire of the tower, which had been changed many times in the past, I paid attention to preserving the original architectural elements. My late brother Ersin repaired the cracks in the walls and directed the load-bearing system to the ground with reinforced concrete reinforcement. Thus, we strengthened the tower both architecturally and structurally. These interventions were an early example of sustainability by giving earthquake resistance to a historical building and carrying it into the future. Galata Tower, one of the oldest towers in the world and one of the symbols of Istanbul, was included in the **UNESCO World Heritage Tentative List** in 2013.

This experience taught me this: Architecture is not only building a structure but also building cultural continuity and social resilience. The restoration of the Galata Tower is, in a way, a practice of building cultural continuity.

In our subsequent projects, our approach has always been the same: At the **Basilica Cistern**, we developed special reinforcement techniques in some of the columns and arches from the Byzantine period so that they could safely carry current loads. By using materials resistant to moisture and pressure, we preserved both the structural integrity and the original identity of the building. Thus, a cultural treasure met with contemporary functionality.

At the **Sakarya Governor's Office**, we strengthened the building, which was heavily damaged in the earthquake, with reinforced concrete reinforcements and made it functional again in eight months. During the 1999 Marmara Earthquake, while the surrounding buildings collapsed, this building remained standing and was used as a Crisis Center. This situation showed that disaster resilience is an inseparable part of sustainability.

At the **Atatürk House in Thessaloniki**, after the 1978 earthquake, we strengthened the cracks and weak points without spoiling its original architecture. Sustainability here was not only the preservation of a building; it also meant transferring the memory of a nation and the friendship between two countries to the future.

At the **Reis Palaces in Algeria**, in 1984, we received an invitation from the Algerian Ministry of Culture. On the Mediterranean coast in the capital, the Reis Palaces, built by Barbarossa for his captains on an area of 15,000 m^2, had somehow survived destruction during the French occupation between 1830 and 1861. As Yapı Merkezi, we prepared the survey and restoration projects of this palace and houses for the first time with an approach compatible with the environment. Today, the facility is used as a City Museum and Cultural Center.

At the **Mostar Bridge**, we contributed to the revival of a heritage brutally destroyed by war. We strengthened the foundation and body walls eroded by the Neretva River with current technologies. Under UNESCO supervision, later, by using original stones, combining traditional stone craftsmanship with modern engineering to raise the bridge was not only a symbol of cultural continuity but also of rebuilding peace.

At Yapı Merkezi, the approach we have adopted for 60 years has always been the same: While preserving architectural form and aesthetics, increasing durability with technical and structural solutions; making spaces not only functional but also strong in identity ties; bringing modern engineering together with historical memory.

2.2. MESSAGE FROM THE VICE CHAIRMAN OF THE BOARD

In the 1915Çanakkale Bridge, we fought for a long time to ensure that the architectural design was implemented as presented in the tender album. In this process, the determination of my partner Dr. Ersin Arıoğlu was decisive. As a result of his efforts with our Korean partners and Danish project authors, the color of the towers, the arch and line forms in the tower cross beams, and the bullet figures on the tower tops were installed and realized. The current appearance of the bridge is largely the work of his efforts. While construction was continuing, upon the suggestion of Mr. Ersin, we decided to give the bridge a permanent symbol. On the anchor blocks, we developed a metaphorical composition emphasizing the date 1915; evolving from Mustafa Kemal's soldiers to the workforce involved in the construction of the bridge. This idea was matured with the contributions of Bülent Erkmen and has become one of the symbolic elements of the bridge today.

In architectural lighting, Mr. Ersin's approach was also decisive; he wanted "**the lighting to be simple, unpretentious, and in accordance with the principle of 'less is more,' in a way that would not hurt the souls of our martyrs lying there."** As a result, a lighting solution was realized that was both aesthetically suitable for the spirit of the bridge and economical for our country.

In the Eurasia Tunnel, we worked for a long time with Mr. Ersin on the design of the portals, which are the entrance spaces of the tunnel. Mr. Ersin specifically requested that the load-bearing system elements of the portals be developed in a form unique to İstanbul and include symbols reflecting the spirit of Sinan the Architect. As a result, inspired by the wings of a seagull, we solved both the wall panels and the ceiling beams resting on them with the same section. At the exact entrance axis, lintel beams completing the same concept were designed. The molds of all these curved elements were prepared with great precision. Our Paşaköy Factory produced these elements with the same meticulousness and installed them in place. Later, we placed bronze cast Gülbezek motifs, which Sinan frequently used, on both sides of the lintel beams. Likewise, we used his Çarkıfelek figures on the ramp walls. Thus, the portals became not only functional entrances but also permanent symbols reflecting the spirit of Istanbul; Sinan's legacy and the seagull's symbol of freedom.

To make the tunnel entrances and exits perceptible from a distance and create a symbol within the city silhouette, we worked with the architects of Skira Lighting, a Croatian company we collaborated with on architectural lighting, and installed white pipe arches over the entrance-exit ramps. These arches had three positive functions:

- They provided a symbolic appearance aesthetically,
- They facilitated the installation of the technical lighting of the ramps, and
- They helped drivers entering the tunnel to adapt optically and mentally to the cross-section of the circular tunnel space approximately 150–200 meters in advance.

To give drivers a sense of spaciousness in the tunnel, the side walls were covered with white painted panels. The middle section of the ceiling was painted "sea blue" along the tunnel. More importantly, architectural lighting systems were developed. In addition to technical lighting, we wanted to give the tunnel space an aesthetic meaning. Again, working with Skira Lighting, we created arch lines with light at certain intervals using special lighting fixtures. The ends of the arches extending to the technical lighting bands were divided into two diagonally with light strips and connected to each other. In this arrangement, we were inspired by the geometric compositions on the marble pedestrian paths in the courtyards of Topkapı Palace.

With these architectural touches, we gave the tunnel space a meaning reminiscent of the domes and arches of historical monuments in İstanbul. Fortunately, the positive feedback received from everyone using the tunnel has proven the accuracy of the aesthetic principles we foresaw and implemented with Mr. Ersin.

Today, when I look at İstanbul, I see two of our **"YAPI"** greeting each other on the two sides of the city: On one side, the Galata Tower rising to the sky, on the other, the Eurasia Tunnel extending under the sea. One carries the courage of history to the sky; the silhouette where Hezarfen Ahmed Çelebi spread his wings still looks at that sky. The other brings the engineering of our age down to the depths of the Bosphorus. These two structures are not only physical works; they are symbols that bring together the knowledge, vision, and understanding of sustainability of different centuries in the same city. In every detail, from earthquake resistance to natural ventilation, from material lifespan to digital documentation, there is a responsibility for the future. We tried to carry the spirit of Istanbul through these structures with an understanding that holds the city accountable not only to the past but also to the future.

For me, this is the greatest reward of architecture: to protect cultural heritage while considering environmental sensitivity; to bring together the past and the future in the same city, on the same line.

While these two symbolic structures in İstanbul carry the spirit to the future; our projects such as the **Atatürk House in Thessaloniki**, the **Reis Palaces in Algeria**, the **Mostar Bridge,** and the **1915Çanakkale Bridge** also extend the same understanding beyond borders. For us, the real reward is to bring together the past and the future on the same line in every geography.

At Yapı Merkezi, we know that the most valuable legacy an architect can leave behind is not works that resist time, but works that carry time into the future. I sincerely thank all stakeholders who contributed to this journey and with whom we have built a sustainable future together.

Respectfully,

Köksal ANADOL
Co-Founder of Yapı Merkezi
Vice Chairman of the Board of Yapı Merkezi Holding, Master Architect

For me, this is the greatest reward of architecture: **to protect cultural heritage while considering environmental sensitivity; to bring together the past and the future in the same city, on the same line.**

03. YAPI MERKEZİ AT A GLANCE

60 Years of Exceptional Experience

6 Continents of Operations
11+ Countries with Ongoing Projects

6,500+ km of Railway Lines

500+ Completed Projects

11,294 People Employees

8,057 People Direct Employment[1]

1,596 People Turkish Employees Deployed in International Projects[1]

57% Local Employment Rate[2]

3,237 People Subcontractors

24.3+ Million Person Hours Worked

728+ Million Income[3]

21+ Million Sustainability (ESG) Investments[4]

15+ Employees from Different Nationalities

89% Local Supplier Rate[4]

4,400+ Number of Local Suppliers[4]

350,000 + Man*Hour Employee Training

9.4+ Billion Financial Cooperation

416+ Million Total Supply Volume

372+ Million Local Supply Volume[5]

6,000+ Book Donations to Schools and Universities

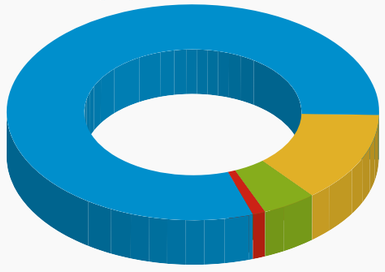
58,000+ Man*Hour Training for Local Communities[4]

99% Right First Time Manufacturing

%99.6 Quality Control Success[4]

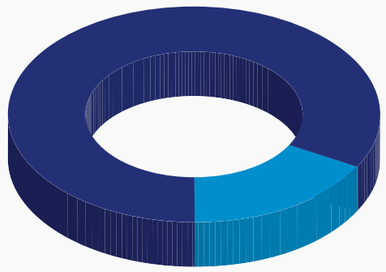
5.18 Total Reportable Injury Rate (TRIR)

2024 Distribution of Other Sectors Among Themselves (%)



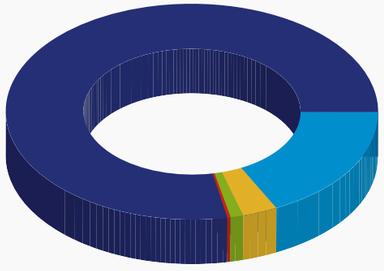
Production	80.7%
Engineering	13.6%
Quality Education	3.0%
Technology	1.0%

YM Holding Income Distribution (%)



Engineering-Construction	78.1%
Other	21.9%

2024 Distribution of Total Revenues by Sectors (%)



Engineering-Construction	78.1%
Production	17.7%
Engineering	3.0%
Quality Education	1.0%
Technology	0.2%

[1]Direct Employment, [2]Employment from nationals of the country of operation, [3]USD, [4]Local suppliers serving in [5]countries of operation since 2017

04.
ABOUT YAPI MERKEZİ

04. ABOUT YAPI MERKEZİ

4.1. HISTORY

At Yapı Merkezi, we embarked on our journey in 1965 with the goal of "**developing and building contemporary construction projects that serve people by fostering environments of happiness**." Since our founding, we have completed numerous prestigious projects worldwide, grounded in engineering excellence and innovative approaches.

When Yapı Merkezi was established in 1965, it defined its mission as **Science at Yapı** and **Responsibility to Our Society, and to Our Era**. Our mission goes beyond building structures; it is about creating value for society by delivering works that enhance quality of life—projects that are safe, aesthetically compelling, and environmentally conscious.

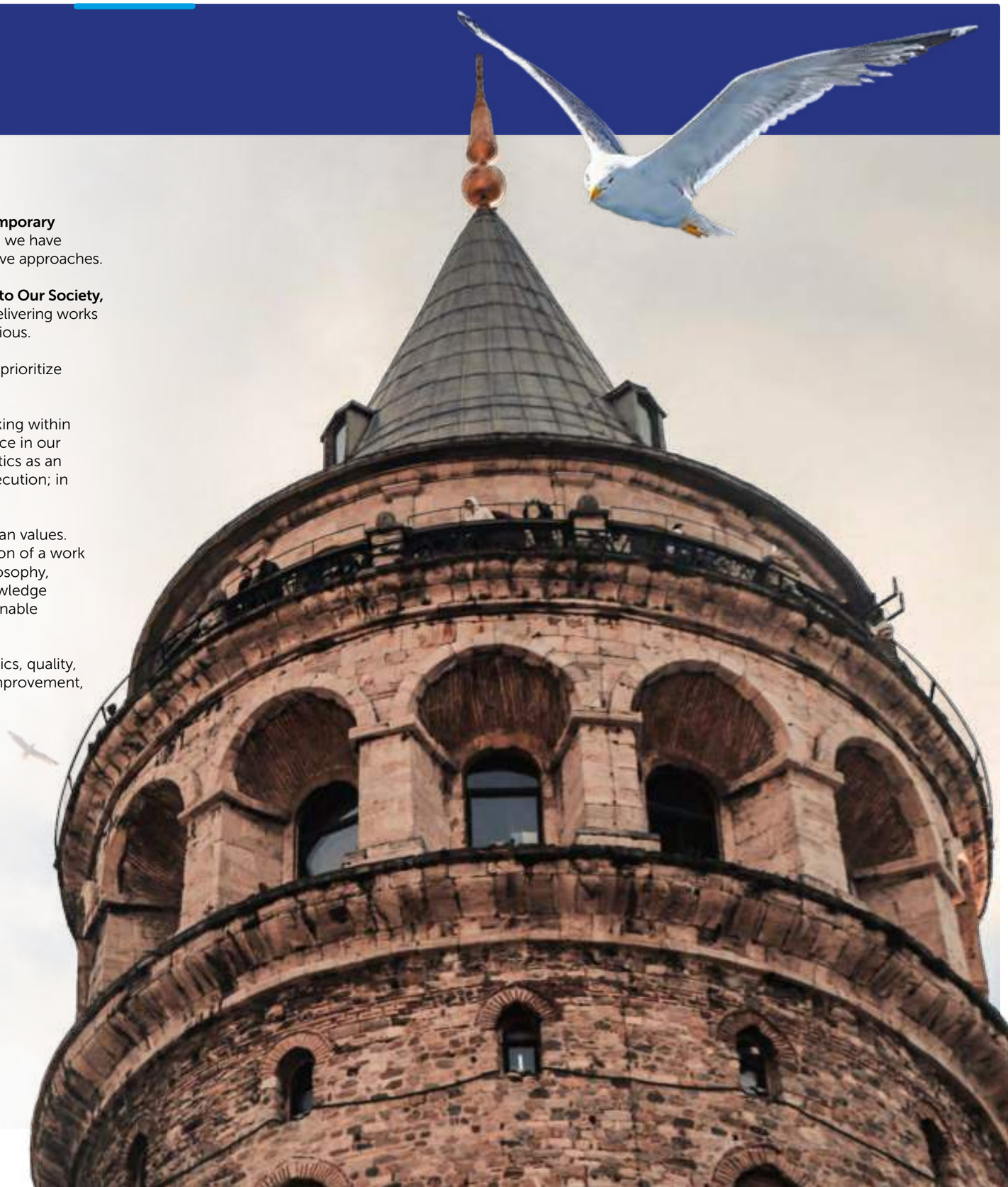
Sustainability principles are at the core of our operations. To minimize our environmental impact, we prioritize energy efficiency, water conservation, and waste management.

In executing our projects, our robust risk management practices allow us to complete every undertaking within the committed quality standards, agreed timelines, and projected budgets, thereby instilling confidence in our stakeholders. In achieving our objectives, we go beyond technical competence by embracing aesthetics as an integral part of our work. Our commitment to aesthetics serves as a bridge between concept and execution; in every project, we strive passionately to seek out and realize beauty.

At Yapı Merkezi, we consistently consider not only technical standards but also professional and human values. At the intersection of engineering, architecture, and art, we approach every structure with the precision of a work of art. By combining our Sustainable Engineering Principles with a human-centered engineering philosophy, we reinforce our vision of being a **Benchmark Organization**. Through our culture of continuous knowledge processing, we go beyond providing solutions suited to the present, developing innovative and sustainable approaches that shape the future.

For us, success is not defined solely by achieving goals; it also means upholding the values of aesthetics, quality, and sustainability at every stage of our work. In every project, driven by our passion for continuous improvement, we balance technical and human considerations while contributing to a sustainable future.

> With **our passion to seek better in every project**, keeping technical and human criteria in balance, **we continue to contribute to a sustainable future.**



4.2. GROUP COMPANIES and AREAS OF EXPERTISE

4.3. COUNTRIES OF OPERATION

- Heavy Constructions
- Signaling and Telecommunication Systems
- Drinking Water
- Buildings
- Light Rail
- Production of Sleepers
- Irrigation
- Maintenance-Operation
- Rail Systems
- Transportation Systems
- Sewerage
- SHPP
- Panel Rail Production
- Biaxial Production
- Jacking

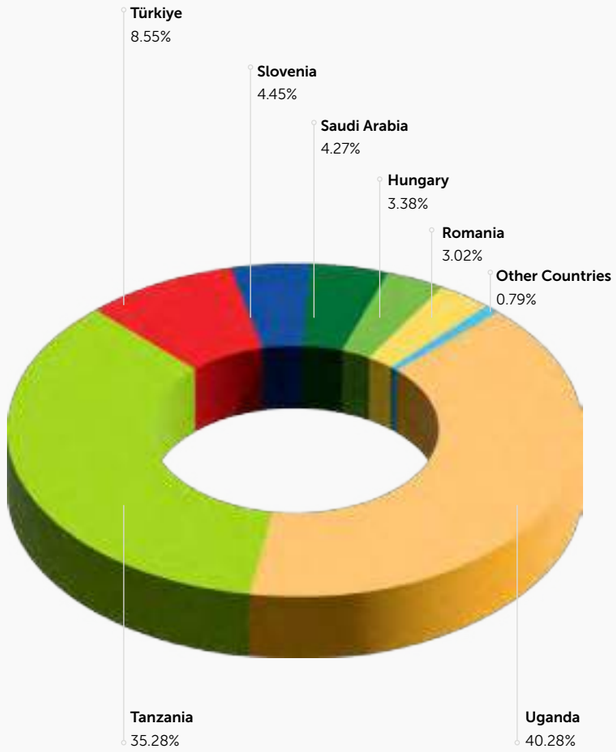
subor®

USA	Pipeline Renovation, Sea Water Intake/Discharge Lines, Sewerage	**Luxembourg**	Sewerage	**New Zealand**	Pipeline Renovation
Germany	HEPP, Sewerage	**Macedonia**	HEPP	**Greece**	HEPP, Agricultural Irrigation
Austria	HEPP, Sewerage	**Egypt**	Sewerage	**Spain**	HEPP, Sewerage, Agricultural Irrigation
Bulgaria	Sewerage	**Poland**	Sewerage	**Israel**	Sewerage
Ethiopia	Agricultural Irrigation	**Romania**	Industrial Applications, Sewerage	**Switzerland**	Sewerage
France	Pipeline Renovation, HEPP, Sewerage, Jacking	**Slovenia**	Sewerage	**Italy**	HEPP, Sewerage, Agricultural Irrigation
Netherlands	Pipeline Renovation, Sewerage	**Serbia**	Pipeline Renovation, HEPP, Sewerage		
Croatia	Sewerage	**Türkiye**	Industrial Applications, Agricultural Irrigation		
Iraq	Industrial Applications, Sewerage	**Turkmenistan**	Industrial Applications		
Lithuania	Sewerage	**Ukraine**	Sewerage		

4.4. MAIN PROJECT INDICATORS OF YAPI MERKEZI

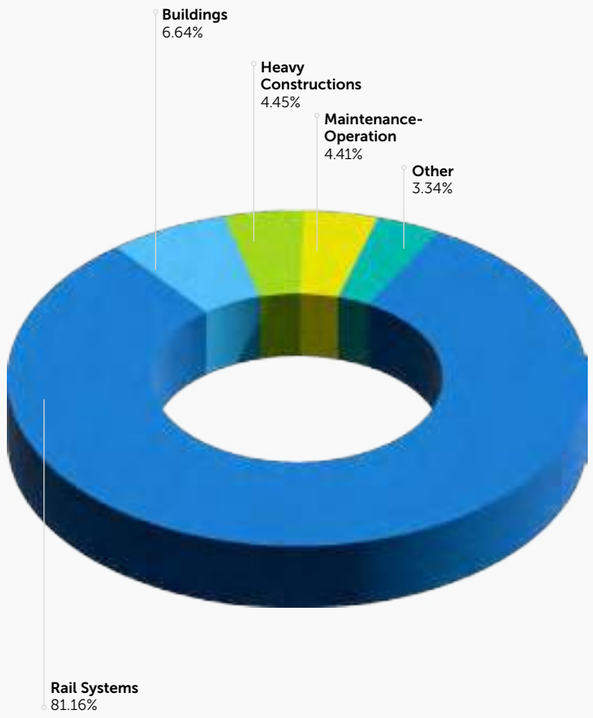
Engineering & Construction Graphs (2021-2024)

Total Contract Price by Country (USD)



Countries	Total Contract Price (USD)
Uganda	$2,533,879,891.80
Tanzania	$2,219,060,129.42
Türkiye	$537,682,170.02
Slovenia	$279,833,932.29
Saudi Arabia	$268,344,498.61
Hungary	$212,452,094.02
Romania	$189,746,441.35
Other Countries	$49,562,039.09

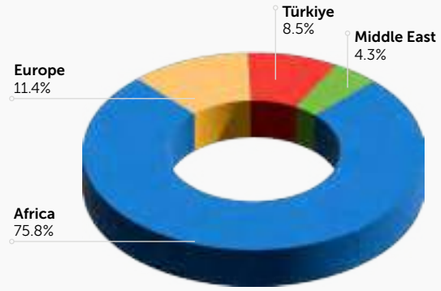
Total Contract Price Ratio by Scopes



Project Type	Total Contract Price Ratio
Rail Systems	81.16%
Buildings	6.64%
Heavy Constructions	4.45%
Maintenance-Operation	4.41%
Other	3.34%

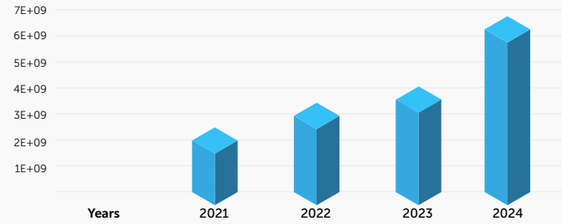
Total Contract Price by Region (USD)

Region	Total Contract Price (USD)
Africa	$4,766,234,830.40
Europe	$718,299,697.56
Türkiye	$537,682,170.02
Middle East	$268,344,498.61

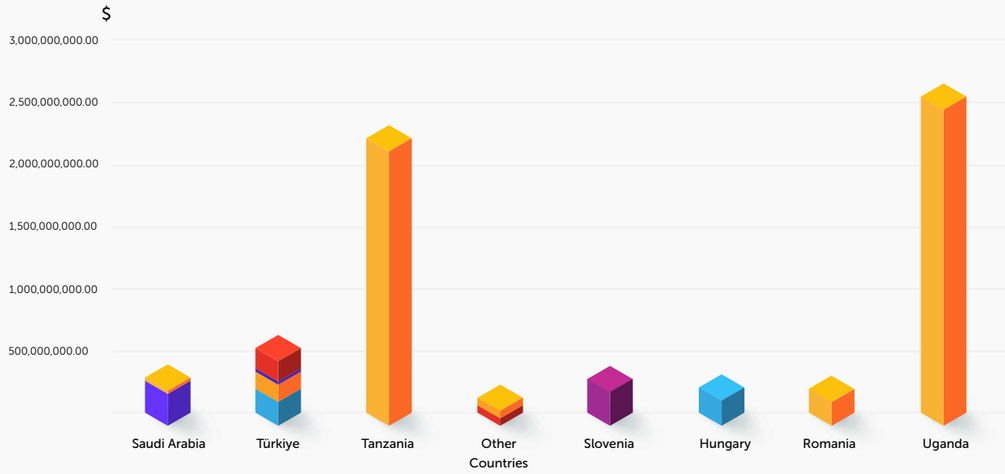


Total Cumulative Contract Price by Years (USD)

Years	Total Contract Price (USD)
2021	$2,065,587,279
2022	$3,042,618,683
2023	$3,635,914,106
2024	$6,290,561,197



Total Contract Price by Location and Project Type (USD)

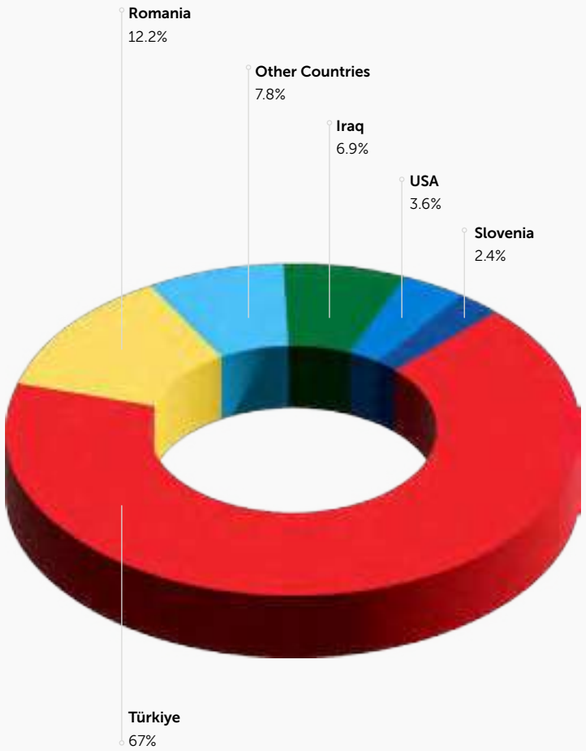


Location / Project Type	Buildings	Rail Systems	Maintenance-Operation	Heavy Constructions	Other
Saudi Arabia	-	$240,267.00	$268,104,231.61	-	-
Türkiye	$204,971,903.39	$143,906,247.46	$9,623,278.12	-	$179,180,741.05
Tanzania	-	$2,210,293,733.29	-	-	$8,766,396.13
Other Countries	-	$27,207,739.33	-	-	$22,354,299.76
Slovenia	-	-	-	$279,833,932.29	-
Hungary	$212,452,094.02	-	-	-	-
Romania	-	$189,746,441.35	-	-	-
Uganda	-	$2,533,879,891.80	-	-	-

4.4. MAIN PROJECT INDICATORS OF YAPI MERKEZI

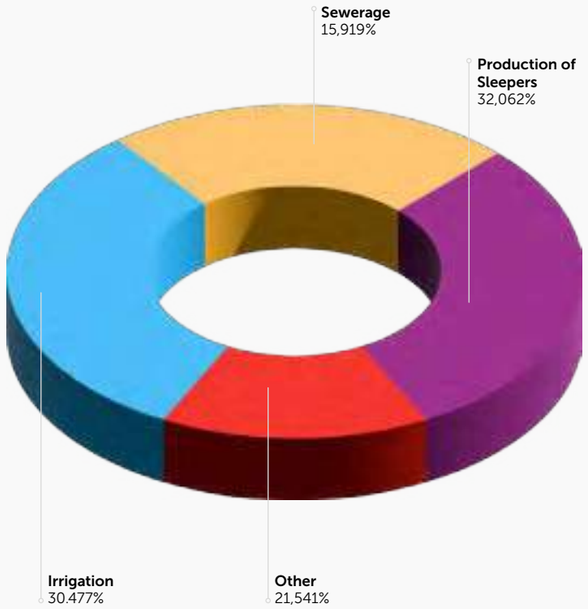
Production Graphs (2021-2024)

Total Contract Price by Country (USD)



Countries	Total Contract Price (USD)
Türkiye	$132,806,184.33
Romania	$24,172,370.23
Other Countries	$15,427,663.94
Iraq	$13,791,442.00
USA	$7,230,861.00
Slovenia	$4,743,960.00

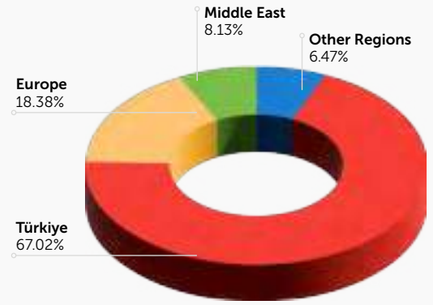
Total Contract Price Ratio by Scopes



Project Type	Total Contract Price Ratio
Irrigation	30.477%
Sewerage	15,919%
Production of Sleepers	32,062%
Other	21,541%

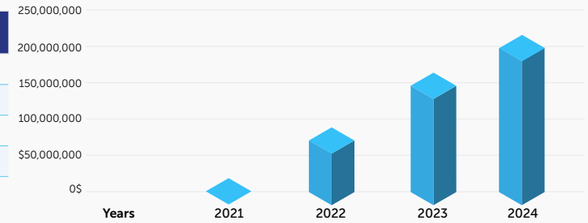
Total Contract Price by Region (USD)

Region	Total Contract Price (USD)
Türkiye	$132,806,184.33
Europe	$36,419,018.23
Middle East	$16,116,442.00
Other Regions	$12,830,836.94

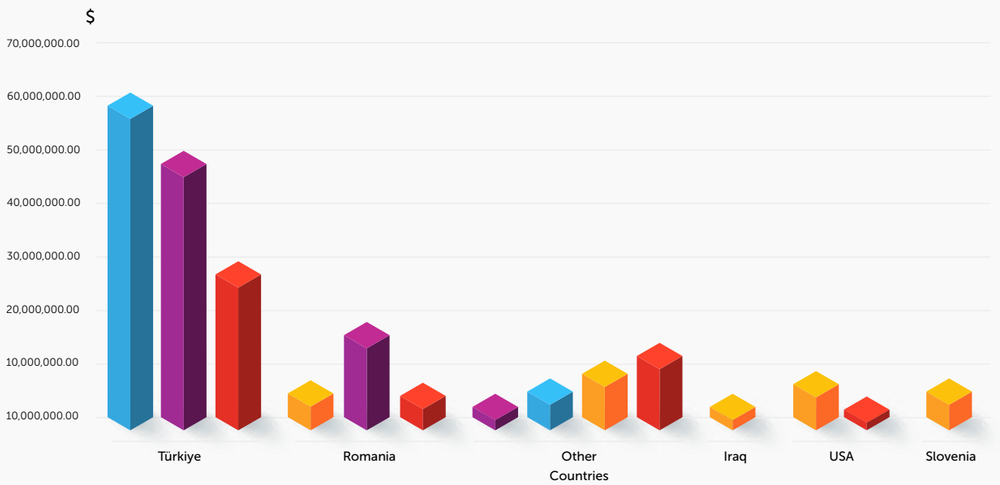


Total Cumulative Contract Price by Years (USD)

Years	Total Contract Price (USD)
2021	$280,189
2022	$76,477,775
2023	$144,292,020
2024	$198,172,482



Total Contract Price by Location and Project Type (USD)



Location / Project Type	Irrigation	Sewerage	Production of Sleepers	Other
Türkiye	$58,425,631.77	-	$47.556.139,08	$26.824.413,48
Romania	-	$4.468.216,00	$15.421.154,23	$4.283.000,00
Other Countries	$1,972,126.00	$4,751,367.00	$561,591.94	$8,142,579.00
Iraq	-	$11,441,442.00	-	$2,350,000.00
USA	-	$6,141,861.00	-	$1,089,000.00
Slovenia	-	$4,743,960.00	-	-

4.5. CERTIFICATES

At Yapı Merkezi, we adopt an integrated management approach based on national and international best practices and standards in all our fields of activity. We implement internationally recognized management systems on basic issues such as quality management, customer satisfaction, environmental management, combating climate change and adaptation, energy efficiency, occupational health and safety, stakeholder management and communication, relations with local communities, and information security. In order to continuously improve and transparently monitor our performance in these areas, we are actively involved in internationally validated certification processes, thereby strengthening our corporate governance structure and increasing operational excellence and stakeholder confidence. In this context, we carry out the processes related to **our certificates**:

Yapı Merkezi Holding
Equal Opportunity Model Certificate (KAGİDER)

Yapı Merkezi İnşaat
ISO 9001 – Quality Management System Certificate
ISO 14001 – Environmental Management System Certificate
ISO 31000 – Risk Management System Certificate
ISO 45001 – Occupational Health and Safety Management System Certificate
CE Certified Products of Yapı Merkezi Prefabrikasyon, the brand of Yapı Merkezi İnşaat ve Sanayi A.Ş. operating in the prefabricated concrete sector
Prestressed Hollow Core Concrete Panel - PANELTON® (TS EN 1168:2005+A3:2011)
Concrete Block - YAPIBLOK® (TS EN 771-3 + A1)
Precast and Prestressed Reinforced Concrete Beams (TS EN 13225:2013)
Precast Sockets (TS EN 14991:2007)

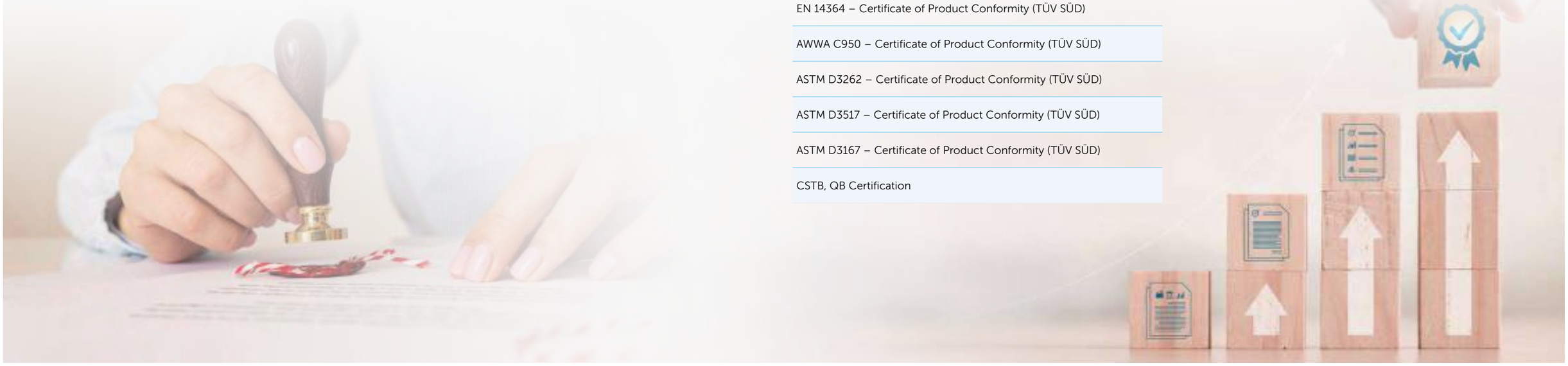
YM CONSTRUCTION
ISO 9001 – Quality Management System Certificate
ISO 14001 – Environmental Management System Certificate
ISO 45001 – Occupational Health and Safety Management System Certificate

Yapıray
ISO 9001 – Quality Management System Certificate
ISO 14001 – Environmental Management System Certificate
ISO 45001 – Occupational Health and Safety Management System Certificate
ISO 27001:2017 – Information Security Management System Certificate
TS EN 17025 Laboratory Accreditation Certificate (TÜRKAK)
ECM Maintenance Organization Certificate
Technical Specifications for Interoperability (TSIs) B07, B70, Bridge and Switch Sleeper Types

Subor
ISO 9001 – Quality Management System Certificate
ISO 14001 – Environmental Management System Certificate
ISO 16611 - Certificate of Product Conformity (TÜV SÜD)
ISO/IEC 17025 – Laboratory Management System Certificate
ISO 45001 – Occupational Health and Safety Management System Certificate
ISO 23856 – Certificate of Product Conformity (TSE, TÜV SÜD, Siebert + Knipschild)
ISO 25780 – Certificate of Product Conformity (TÜV SÜD)
ISO 27001 – Information Security Management System Certificate
ISO 50001 – Energy Management System Certificate
Zero Waste Certificate
NSF (USA) Drinking Water Conformity Certificate
EN 1796 – Certificate of Product Conformity (TÜV SÜD)
EN 14364 – Certificate of Product Conformity (TÜV SÜD)
AWWA C950 – Certificate of Product Conformity (TÜV SÜD)
ASTM D3262 – Certificate of Product Conformity (TÜV SÜD)
ASTM D3517 – Certificate of Product Conformity (TÜV SÜD)
ASTM D3167 – Certificate of Product Conformity (TÜV SÜD)
CSTB, QB Certification

YM İDİS
ISO 9001 – Quality Management System Certificate
ISO 14001 – Environmental Management System Certificate
ISO 45001 – Occupational Health and Safety Management System Certificate
SIL4 (Safety Integrity Level 4) Signaling Certificate
Zero Waste Certificate

We are **taking our corporate governance structure to a higher level by being involved in the certification processes** that are also valid in the international arena.



4.6. AWARDS

Our Achievements in 2024

yapı merkezi

- İstanbul Modern was included in the list of **"Wonderful Works of 2024"** published by Modern Architectural Digest.
- İstanbul Modern won the **"Building of the Year"** award presented by İstanbul Modern ArchDaily.
- We were awarded the Architecture MasterPrize **Cultural Architecture award** with the title of **"Best of Best"** with İstanbul Modern.
- **Avrasya Tunnel**, the first transportation project to successfully complete the Blue Dot Network pilot implementation process, was awarded the **ESG Project of the Year Award**at İstanbul PPP (PPP) Week.
- On the 50th anniversary of the founding of the **The International Tunnelling and Underground Space Association (ITA), the Eurasia Tunnel** was selected **by the ITA as one of the 50 iconic tunnel projects in the world** .
- We **ranked 6th among the top 10 companies in service exports in** 2023.
- We **were ranked 82nd on the ENR (Engineering News-Record) Top 250 International Contractors List** .
- We **were ranked 8th on the ENR (Engineering News-Record) Mass Transit & Rail List** .

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- We were awarded **2nd place in the category of Construction Plastics Exports and 1st place in GRP Pipe** Exports.
- We **ranked** 172nd in the list announced by the **İstanbul Chamber of Industry**, up 151 places.
- We **ranked** 639th in the list announced by the **Turkish Exporters Assembly** .

yapı idis

- We were awarded the title of **"Great Place to Work"** by **Great Place to Work (GPTW)** Türkiye.

Great Place To Work. Certified NOV 2024-NOV 2025 TÜRKİYE

At Yapı Merkezi,
we take pride in the awards we have won thanks to our contemporary projects that improve the quality of life and **in line with our sustainability goals.**
we are proud of the awards we have won.

4.6. AWARDS

Our Key Milestones in 2024

yapı merkezi

We commissioned the **Rooftop Solar Power Plant (SPP) Project at the Eurasia Tunnel**. This carbon-neutral project, which runs entirely on renewable energy, brought into operation a **solar power plant with a total installed capacity of 300.30 kWp** at the Operations and Maintenance Building and Transformer Buildings on the Asian side.

As part of the **BMW Project in Hungary**, we completed the **occupancy permit application** for the TKB Body Building.

On the **Ilidža–Hrasnica Tramway Project in Bosnia and Herzegovina**, we successfully carried out the **first on-site constructions**.

During the same project, the **Minister of Transport of Bosnia and Herzegovina, Mr. Adnan** Šteta, **visited our site** to review the ongoing work firsthand.

In **Tanzania**, we inaugurated the **Dar es Salaam–Dodoma Standard Gauge Railway (SGR) Project** on **July 25, 2024**, in a ceremony attended by President **Samia Suluhu Hassan**. Our project covers the section of the railway line exceeding 1,000 kilometers up to Dodoma. With this section operational, the eight-hour road journey between Dar es Salaam and Dodoma has been reduced to **3.5 hours** by electric train. Additionally, the **Mkata, Kilosa, Kidete, Gulwe, and Igandu stations** were commissioned, enhancing the regional connectivity and social impact of the line.

Within the **Nurdağı–Malatya Project,** we signed the contract for the reconstruction of the **railway section in the earthquake zone** and for the **riprap construction of the T7 Tunnel**.

For the **RO1 Project in Romania**, our railway rehabilitation works progressed to the **track and sleeper installation** phase. At the same time, **rail welding operations** officially commenced.

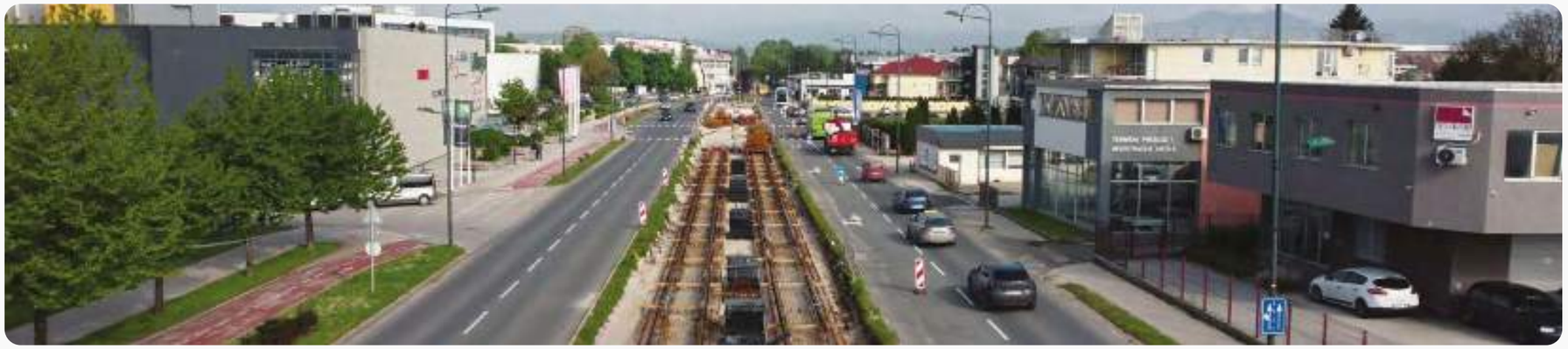
As part of our **projects in Slovenia:**
We successfully completed the excavation of **T5/6 (477 m)**, **T4 (1,922 m)**, two escape tunnels, and the **T2 Main Tunnel (6 km)**, despite the challenging cave geology.

Additionally, under the **LOT 2 Project**, we completed the **647-meter Vinjan Viaduct** in just **19 months**.

Across the Lot 1 and Lot 2 projects, we completed the **upper half excavation of a total of 10 tunnels**, achieving a **combined tunnel excavation length of 37.8 kilometers**.

We signed a contract with **Saudi Railways (SAR)** for the **culvert improvement project on the North–South line.** In addition, we reached an agreement with **Saudi Railways** on **signaling, telecom infrastructure, and joint venture feasibility studies.**

In **Uganda**, we signed the contract for the **Malaba–Kampala (Eastern Line) Railway Project.** As part of this **273-kilometer**-long project, we held the **groundbreaking ceremony in Tororo.**



4.6. AWARDS

Our Key Milestones in 2024

yapıray

For the **Bursa Emek–City Hospital Light Rail Line**, we signed a contract covering the construction and supply, installation, and commissioning of electromechanical systems in the **Rail Systems** domain.

Within the **Karaman–Ulukışla High-Speed Rail Projec**t, we undertook the construction of station tracks, safety tunnels, and various civil structures under the scope of **PST E65-type sleeper production.**

For the **Gaziray Railway Project**, we signed a contract for the railway construction works within the scope of **B70-type sleeper production.**

For the **Kartepe Intermodal Logistics Terminal Project**, our contract included the production of **B58-type sleepers and switch sleepers.**

Within the **Mersin–Adana–Osmaniye–Gaziantep High Standard Railway Line Project**, we undertook the supply of electromechanical systems under the scope of **switch sleeper production.**

For the **Bulgaria Elin Pelin–Kostenets Railway Project**, we signed contracts across multiple production groups, including **B70-type sleepers, B320-type sleepers,** and **PST E60 production**.

For the **Plovdiv–Krumovo Railway Line**, we signed a contract for the project covering Plovdiv Distribution Stations, Krumovo, Skutare, and Trakia divided stations, under the scope of **B70-type sleeper production**.

Within the **Konyaray Project**, we successfully signed the contract for **switch sleeper supply**.

For the **Karaman–Ulukışla High-Speed Rail Project**, covering station tracks, safety tunnels, and civil structures, we also executed a contract under the scope of **B320-type sleeper production**.

For the **Sincan (OIZ)–Yenikent–Kazan Soda Railway Project,** we signed contracts in the scope of **PST E65 and B70-type sleeper production**.

For **railway projects in Iraq**, we completed the contract for **switch sleeper supply** under the scope of **switch sleeper production**.

yapıidis

Within the scope of the **Kınalı-Tekirdağ-Çanakkale-Savaştepe Highway Project**, we undertook the **electrification works for additional electric vehicle charging stations located at the highway service areas on the Malkara–Çanakkale section**.

We signed a preliminary design contract for the **Makutupora–Tabora Railway Project in Tanzania**, strengthening our presence in railway investments across the African continent.

We also signed a preliminary design contract for the **Tabora–Isaka Railway Project in Tanzania**.

4.6. AWARDS

Our Key Milestones in 2024

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In **Uzbekistan's Nuriston city**, we contributed to the **Talimarjan Thermal Power Plant Expansion Project** with our products and engineering solutions. This investment, which added 900 MW of capacity with two new gas turbines, involved supplying double-shaft full-glass pipes and polyester resin-lined fittings. With a project budget of 2.5 million USD, we supported both the country's energy supply security and the development of regional industrial infrastructure.

In **Konya**, we successfully signed the **Apa Hotamış 6th Phase Irrigation Project**, supplying a total of 30 kilometers of pipes ranging from DN600 to DN2600, bringing vital water to the region.

For the **Aubrughestraat Sewerage Project in Belgium**, our pipe solutions provided efficient contributions to local infrastructure needs.

Within the **Yukarı Sakarya İlyaspaşa Irrigation Project in Eskişehir,** we completed more than 15 kilometers of pipeline with pipes ranging from DN900 to DN1200, continuing to add value to the region with water-sustaining solutions.

In **Iraq**, we delivered our products and engineering solutions for the **Hilla Sewerage Project**, with a budget of 3.5 million USD. This project contributed to the country's infrastructure modernization and further strengthened Subor's reputation as a reliable partner in the region.

In **Kars**, under the **Dam Transmission Line Supplement Project**, we showcased the strength of our CTP pipe technology in Eastern Anatolia with over 2 kilometers of DN3800 pipes.

For the **Obrucak Irrigation 6th Phase Project in Kastamonu**, we maintained our regional presence by supplying 2.7 kilometers of pipeline.

Through the **Adana** İmamoğlu **Irrigation 2nd Phase Supplement Project**, we delivered over 7 kilometers of pipes ranging from DN600 to DN2000 to projects under the DSİ 6th Regional Directorate, bringing water to the Mediterranean Region with Subor quality.

We signed the **Kılavuzlu 3rd Phase Irrigation Project in Kahramanmaraş**, delivering 17 kilometers of pipes ranging from DN600 to DN1200, securing water for the future.

In the **Manyas Plain Irrigation Project**, we collaborated with the DSİ 25th Regional Directorate, supplying a total of 5.5 kilometers of pipes between DN1200 and DN1700, bringing water to the plains of Balıkesir.

We expanded our **stock center in Romania**, enabling faster, more flexible, and efficient responses to customer demands.

In **Ethiopia**, we participated in the **Chelchel Irrigation Project**, contributing to the region's water infrastructure with our products and engineering solutions.

For the **Akkuyu Nuclear Power Plant Project in Mersin**, we successfully supplied 5 kilometers of pipes and fittings with DN700–DN3000 diameters, featuring biaxial and uniaxial lock joint characteristics. By supporting one of the energy sector's most critical investments, we reaffirmed our reliability and commitment to sustainability.

In **Austria**, we contributed to the **KW Reutte Project** with our pipe solutions for a 1.5 million USD sewer system investment, strengthening modern infrastructure and supporting sustainable urban development.

During this phase of the **19 Mayıs Dam Irrigation Project in Samsun**, we supplied 6 kilometers of pipes ranging from DN600 to DN900, helping meet the region's water needs.

Through a **newly signed partnership agreement in Poland**, we expanded our distribution network in Eastern Europe, further enhancing our access to the local market.

In the **Atabey Plain Irrigation Project in Isparta**, we delivered over 4 kilometers of DN2600 pipes, making a tangible impact in the region.

In the **United States**, we successfully completed a project exceeding 30 kilometers, covering a wide range of products from biaxial pipes to pressurized sewer systems. This diversity demonstrated our ability to provide flexible solutions and make a difference in both large-scale infrastructure projects and private sector developments.

STAKEHOLDER INSIGHT

Dae HYUCK LEE
Eurasia Tunnel CEO

Avrasya Tüneli İşletme İnşaat ve Yatırım A.Ş. (ATAŞ)

The Eurasia Tunnel is not only an engineering marvel connecting Asia and Europe, but also a symbol of sustainable, innovative and people-oriented transportation solutions. This project, which shapes the future of İstanbul, adds speed, security and comfort to city life while keeping our environmental and social responsibilities at the forefront.

This strategic partnership, realized in cooperation with Yapı Merkezi and **SK Ecoplant**, has created a unique synergy by bringing together international engineering, financing and operating experiences and also reflects the deep-rooted friendship of the peoples of Türkiye and Korea. The Eurasia Tunnel, which is a concrete work of this brotherhood, stands out as an infrastructure that prioritizes technology, environmental awareness and social benefit.

At the point we have reached today, the Eurasia Tunnel has become an internationally exemplary infrastructure project. On the 50th anniversary of the founding of the International Tunnel and Underground Structures Association (ITA), it was selected by the ITA as one of the **"50 Iconic Tunnel Projects of the World**" and featured in a special publication showcasing the 50 years of development of the world tunneling industry. In addition, within the scope of the **Blue Dot Network**, which constitutes the technical framework of the OECD and promotes quality, transparency and sustainability standards in infrastructure projects, the Eurasia Tunnel was the first project in the field of transportation in the world to successfully complete the pilot implementation process.

As an important stakeholder who shares the sustainability vision of Yapı Merkezi, we see sustainability as an integral part of our business. We aim to continuously reduce our environmental impacts, maximize social benefit, and create value for a more livable future with our stakeholders. In the coming period, we will continue to set an example with our innovative practices and contribute to the development of sustainable transportation on a global scale.

Kind regards,

STAKEHOLDER INSIGHT

Mustafa TANRIVERDİ
ÇOK A.Ş. General Manager

Çanakkale Otoyol ve Köprüsü İnşaat Yatırım ve İşletme A.Ş. (ÇOK A.Ş.)

The 1915Çanakkale Bridge is a strategic project that connects not only the Asian and European continents, but also our historical heritage, common values and vision for the future. With its towers inspired by the 18 March Çanakkale Victory and its central opening designed to mark the 100th anniversary of our Republic, this great work symbolizes both our country's respect for its past and its trust in the future.

Our project is not only an outstanding achievement in terms of engineering, but also an important work in terms of social benefit and regional development. It plays an important role in the completion of the highway integration in the west of Türkiye, plays an important role in the reduction of times and costs in transportation, and in the acceleration of the service sectors, especially industry, trade and tourism in Thrace and Western Anatolia.

As the world's longest medium span suspension bridge, 1915Çanakkale Bridge demonstrates Türkiye's engineering capacity in the international arena and is also a reference in terms of sustainability, innovation and multinational cooperation. This success, which was realized in partnership with Yapı Merkezi, was appreciated in the international arena and won more than 20 national and international awards in total thanks to the technical excellence, environmental awareness and financing structure of the project.

As it is known, the financing of the 1915Çanakkale Bridge and Highway Project was provided by multinational financing. Multinational financing means meeting many international criteria. Always respecting human rights and seeing diversity as a richness together with environmental and social impact studies in the focus of sustainability is an integral part of our corporate culture as well as among these international criteria. We have implemented 321 different environmental and social projects with our Community Level Support Program (TDDP), which we have developed in line with this vision. The fact that we were deemed worthy of the first place in the 2023 Public-Private Partnership (PPP) and infrastructure awards of the United Nations Economic Commission for Europe (UNECE) for our contribution to the circular economy by adopting the understanding of "being a good neighbor" for our environment and the people of the region has embodied our success.

In short, the 1915Çanakkale Bridge is a symbol of our determination, vision and belief. Being a part of this journey, turning our dreams into international success and leaving such a strong legacy to our country is an indescribable pride for us.

Kind regards,

The public institutions as well as 25 banks and financial institutions involved in the financing of the Project are as follows:

Public Institutions

Guarantors

EKF, ICIEC, Korea Eximbank, sure

Lenders

AKBANK, Bank of China, Deutsche Bank, DZ BANK, QNB Finansbank, Garanti BBVA, ICBC, ING, Intesa Sanpaolo, Türkiye İş Bankası, KEB Hana Bank, KDB Bank, Kuveyt Türk, NATIXIS, Samsung Life Insurance, Samsung, Shinhan Bank, Siemens, Standard Chartered, VakıfBank, YapıKredi

4.7. GLOBAL DEVELOPMENTS IN THE INDUSTRY and YAPI MERKEZİ

Published by the United Nations Environment Programme (UNEP) and the Global Association for Buildings and Construction (GlobalABC) the Buildings-GSR-Global Status Report for Buildings and Construction systematically reveals the extent to which the construction and building sector is approaching the goals of the Paris Agreement every year.

According to current data:

- 21% of total global greenhouse gas emissions come directly from building and construction activities.
- 34% of global energy demand belongs to this sector.
- 37% of energy and process-based CO_2 emissions come from the building and construction sector.

In a scenario aligned with the Paris Agreement, this sector needs to reduce carbon emissions by an average of 6% each year. However, the report makes it clear that sufficient progress has not been made towards this goal since 2015.

The main transformation areas highlighted by the report are:

- Contruction Method Statements that are compatible with and resistant to climate change,
- Nature-based solutions,
- Innovative business models,
- Biophilic design approaches (nature-integrating, human-centered design).

These findings show that not only low-carbon solutions are inevitable in infrastructure and superstructure projects, but also a holistic approach that focuses on human health and quality of life.

At Yapı Merkezi, we prioritize legal compliance and environmental responsibilities as key factors in achieving our sustainability goals. In all countries in which we operate, we are committed to full compliance with established laws, regulations and international frameworks aimed at reducing environmental impacts and fulfilling social responsibilities.

By 2024, we aim to increase environmental and financial sustainability and fulfill our social responsibilities by closely following all global and national developments. In order to make this follow-up effective, we work with all our relevant units with a coordinated and interdisciplinary approach: Our Sustainability and Business Excellence, Legal and Compliance, Finance, Business Development, Tender, Purchasing and Logistics, Human Resources, OHS and Environment, Social, Information Technologies and R&D teams take an active role in the process.

As the Sustainability and Business Excellence Team, we set our environmental, social and governance (ESG) goals according to international sustainability standards and regularly share these goals with our Board of Directors.

With the contribution of all our teams throughout the company, we adopt a socially inclusive corporate approach with high climate and environmental awareness and in accordance with governance principles.

While our Legal and Compliance Team manages compliance processes by following legal regulations, our Finance Team conducts risk analyses that support financial sustainability. Our Business Development, Tender, Purchasing and Logistics teams develop projects that take environmental and social responsibility into account in line with global trends. Our Human Resources and OHS teams implement sustainability principles in employee development, equality and security. Our IT and R&D teams contribute through digitalization and innovation.

The cooperation we have established with all these teams allows us to build our sustainability journey on solid foundations and develop a holistic management approach.

21% **of total global greenhouse gas emissions** result directly from building and construction activities.

At Yapı Merkezi, we prioritize legal compliance and environmental responsibilities as key factors in achieving our **sustainability goals**.

4.7. GLOBAL DEVELOPMENTS IN THE INDUSTRY and YAPI MERKEZİ

At Yapı Merkezi, we carry out our activities in line with legal legislation, national and international conventions to which we are a party, and ethical principles; we are regularly audited by our Board of Directors. There was no legal non-compliance or sanction in the 2024 reporting period.

In line with our sustainability strategy, we continue to contribute to Türkiye's decarbonization goals and develop strategic approaches taking into account global developments. In a world where urbanization is increasing, it is one of our main goals to develop infrastructure projects that protect green areas, offer sustainable transportation solutions and support the circular economy.

We closely monitor developments within the scope of the European Union's Green Deal and climate crisis-resilient cities policy and adopt innovative approaches in areas such as energy efficiency, waste management, building materials and the environmental impact of buildings.

In the assessment of climate risks, we take into account many national and international standards, especially **ESRS** (European Sustainability Reporting Standards) and **TSRS** (Turkish Sustainability Reporting Standards). Through these frameworks, we base our carbon emissions on scientific foundations, manage financial and operational climate risks, and report our environmental impacts transparently.

In addition, we regularly monitor developments within the scope of the Conference of the Parties, especially **COP 29 (Conference of the Parties)**, develop strategies for our carbon-neutral targets and benefit from international green financing opportunities. As of 2024, the expansion of carbon markets, which are prominent topics under COP 29, the Climate Law regulations and fair transition financing mechanisms for developing countries guide our sustainability policies.

However, the **EU Emissions Trading System (EU ETS)** and the carbon market infrastructure under development in Türkiye are also closely monitored. We evaluate the opportunities and obligations that may arise in carbon credits and trade.

We integrate obligations in accordance with international standards for the calculation and reporting of carbon emissions into our contract processes. In this context, we make use of standards such as **ISO 14064** and **EN 15804** and support the integration of sustainability criteria such as product-based carbon declaration and life cycle analysis (LCA) developed under CBAM (**Carbon Border Adjustment Mechanism**) and **ETS**.

FIDIC's Guide to Carbon Management and **Net Zero** provisions show that carbon budgets in infrastructure contracts are now equivalent to key criteria such as cost, quality and time. This approach directly affects not only contractor performance, but also design decisions, supply chain choices, and post-project business processes.

At Yapı Merkezi, we harmonize our supply chain with EU regulations both in our projects within the European Union and in our activities in non-EU countries. We are strengthening our environmental, social and governance (ESG) performance while reducing the costs of compliance with carbon regulations.

Africa, a geography where our activities are concentrated, is directly affected by the social, economic and environmental effects of the climate crisis. **Published in 2024** the "State of the Climate in Africa Report" reveals that the continent has experienced its warmest decade to date, with millions of people affected by climate-induced disasters. The African Sustainable Development Report, published in the same year, emphasizes that the continent faces structural challenges such as the need for financial support, data infrastructure open to improvement, and access to vulnerable communities.
Africa, which produces only 4% of global greenhouse gas emissions, is disproportionately affected by the climate crisis, revealing that decarbonization and fair transformation are not only an environmental but also a social and economic necessity.

At Yapı Merkezi, we consider infrastructure projects not only as technical solutions but also as strategic investments focused on local development, equality and sustainability. In addition to providing low-carbon mobility, the railway projects we carry out in this context contribute to regional development with practices that encourage local employment, support skill development and create social impact.

In all our work, we adopt a holistic approach that integrates ESG dimensions; we harmonize this approach with our corporate culture. As well as tackling climate change, adaptation to climate change is one of the key components of our strategy. We aim to increase social resilience with solutions that reduce disaster risks, protect vulnerable groups and develop resilient infrastructures.

In our projects in Africa, we closely follow local climate policies and regulations and aim to support the adaptation of the people of the region to climate-related challenges with our infrastructure designs.

According to the WMO report, natural events have severely affected precipitation patterns across the continent. South Africa, especially **Malawi**, **Zambia** and **Zimbabwe**, have experienced the most severe drought in the last 20 years; there have been severe declines in grain production, and the decrease in hydroelectric production has caused long-term power outages. Excessive rainfall in spring in East Africa has led to major flooding disasters in **Kenya**, **Tanzania** and **Burundi**, while low rainfall in the last quarter of the year has increased **food security** risks. In West and Central Africa, **floods affected millions of people** and mass displacements took place. **In North Africa**, low rainfall and extreme temperatures for the third year in a row have severely reduced agricultural yields.

These developments reveal how critical it is to consider climate risks in infrastructure projects and to increase the resilience of communities.

At Yapı Merkezi, we focus not only on transportation but also **environmental sustainability, low carbon emissions and social benefit** in our railway projects in Africa. **Climate resilience, biodiversity** and **local development** are among the priority elements of our project designs.

In addition, **the year 2024 has come to the fore in terms of digital transformation**. In African countries, the effectiveness of early warning systems has increased thanks to artificial intelligence-assisted weather forecasts, mobile applications and radar systems. The spread of digital technologies in countries such as **Nigeria**, **Kenya** and **South Africa** has facilitated access to climate-related information.

By integrating these digital developments into our projects, we focus on developing faster and more efficient solutions against climate risks. We take early risk measures using **digital climate data** and **warning systems** during the design and operation phases; at the same time, we aim to **cooperate with public institutions** to facilitate access to this data by local stakeholders.

At Yapı Merkezi, we will continue to fulfill our environmental, social and governance responsibilities in 2024 and act **with a proactive management approach** in line with stakeholder expectations and legal regulations.

05.
CORPORATE GOVERNANCE AT YAPI MERKEZİ

05. CORPORATE GOVERNANCE AT YAPI MERKEZİ

5.1. ORGANIZATIONAL STRUCTURE

Yapı Merkezi Holding's organizational structure is designed to enable the company to achieve its long-term strategic goals, support sustainable growth, and respond effectively to stakeholder expectations. The Board of Directors, which is the top governance body of the holding, is responsible for the strategic management of all corporate activities.

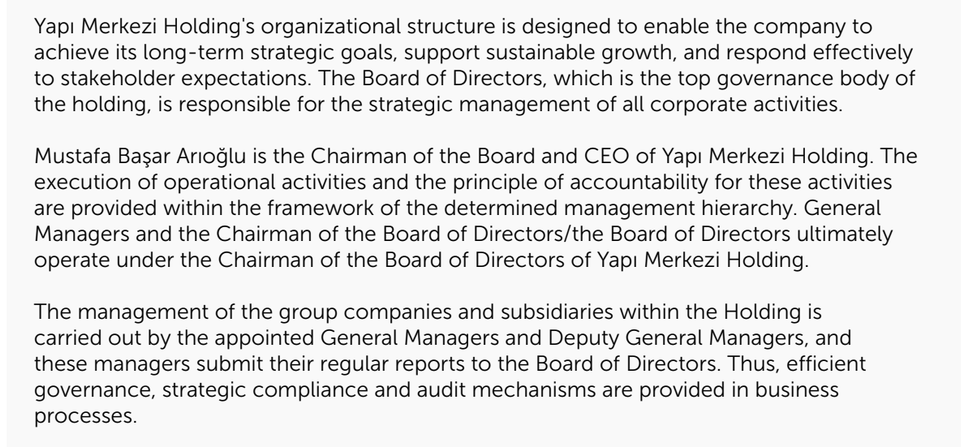
Mustafa Başar Arıoğlu is the Chairman of the Board and CEO of Yapı Merkezi Holding. The execution of operational activities and the principle of accountability for these activities are provided within the framework of the determined management hierarchy. General Managers and the Chairman of the Board of Directors/the Board of Directors ultimately operate under the Chairman of the Board of Directors of Yapı Merkezi Holding.

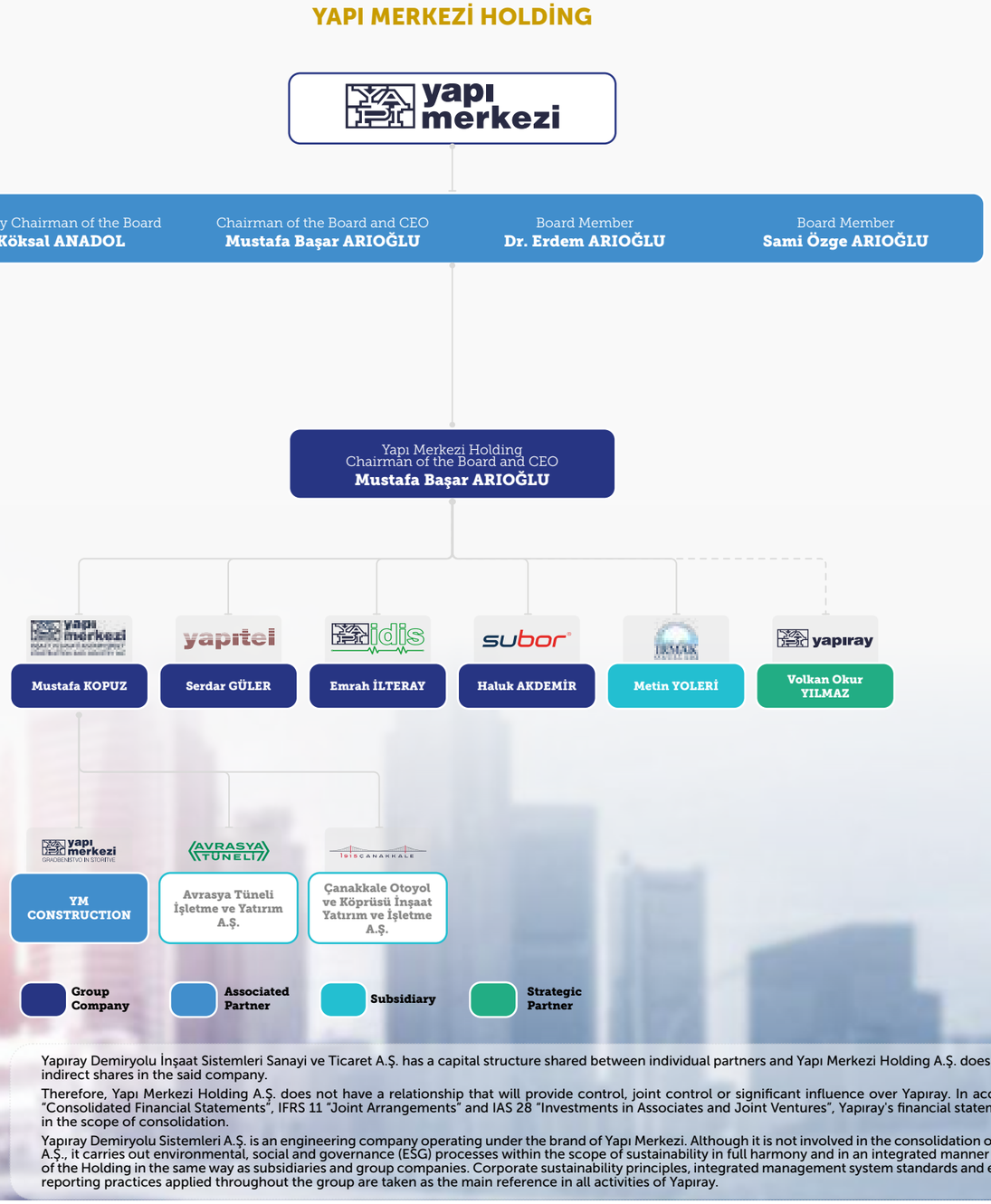
The management of the group companies and subsidiaries within the Holding is carried out by the appointed General Managers and Deputy General Managers, and these managers submit their regular reports to the Board of Directors. Thus, efficient governance, strategic compliance and audit mechanisms are provided in business processes.

The Board of Directors is responsible for the general organization of the company, the management of operations and the intra-group coordination processes. At the same time, it serves as a strategic bridge between Yapı Merkezi Holding and its affiliated subsidiaries, establishing corporate integrity and managerial harmony.

The Board plays a central role in the processes of determining and approving the sustainability vision, goals and strategies. Observes the compliance of the activities with national legislation, internal regulations and international standards (ISO, GRI, TSRS, TCFD, etc.). In addition, it ensures that new business opportunities are evaluated in line with sustainable development goals and these opportunities are integrated into business strategies.

The Board of Directors also ensures that general assembly meetings are held and annual sustainability reports are prepared. All strategic decisions are taken in line with the principles of environmental, social and governance (ESG); the direction of the company is determined in line with the principles of long-term value creation and corporate responsibility.





Yapıray Demiryolu İnşaat Sistemleri Sanayi ve Ticaret A.Ş. has a capital structure shared between individual partners and Yapı Merkezi Holding A.Ş. does not have any direct or indirect shares in the said company.

Therefore, Yapı Merkezi Holding A.Ş. does not have a relationship that will provide control, joint control or significant influence over Yapıray. In accordance with IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IAS 28 "Investments in Associates and Joint Ventures", Yapıray's financial statements are not included in the scope of consolidation.

Yapıray Demiryolu Sistemleri A.Ş. is an engineering company operating under the brand of Yapı Merkezi. Although it is not involved in the consolidation of Yapı Merkezi Holding A.Ş., it carries out environmental, social and governance (ESG) processes within the scope of sustainability in full harmony and in an integrated manner with the management of the Holding in the same way as subsidiaries and group companies. Corporate sustainability principles, integrated management system standards and ethical and transparent reporting practices applied throughout the group are taken as the main reference in all activities of Yapıray.

5.2. YAPI MERKEZİ HOLDING BOARD OF DIRECTORS

In addition to their duties within Yapı Merkezi Holding, our members of the Board of Directors play an active role in many sectoral associations, business councils, non-governmental organizations and professional platforms at national and international levels. These tasks strengthen our representation on a global scale and increase our interaction with our stakeholders, in line with our company's strategic goals and sustainability vision. In addition to contributing to the development of our sector, these representation roles undertaken by our members serve as an important bridge in sharing information, cooperation and implementing innovative solutions in line with sustainable development goals.

Roles and titles held within Yapı Merkezi Holding include:

- Yapı Merkezi Holding A.Ş. Chairman of the Board and CEO
- Yapı Merkezi İnşaat ve Sanayi A.Ş. Chairman of the Board
- Subor Boru Sanayi ve Ticaret A.Ş. Chairman of the Board
- Subor GAP Boru Sanayi ve Ticaret A.Ş. Chairman of the Board
- Avrasya Tüneli İşletme İnşaat ve Yatırım A.Ş. Chairman of the Board
- Çanakkale Otoyol ve Köprüsü İnşaat, Yatırım ve İşletme A.Ş. Vice Chairman of the Board
- Yapıray Demiryolu İnşaat Sistemleri Sanayi ve Ticaret A.Ş. Vice Chairman of the Board
- Yapıtel Mühendislik Tasarım İnşaat Sanayi ve Ticaret A.Ş. Vice Chairman of the Board
- Yapı Merkezi İDİS Mühendislik Sanayi ve Ticaret A.Ş. Vice Chairman of the Board
- YM Construction Gradbeništvo in Storitve, d.o.o. Director
- YM GLOBAL Projects Ltd. Director

Global Representation Roles, Memberships and Founding Roles

- Honorary Consul General of the Republic of Slovenia
- Ersin Arıoğlu Foundation Vice Chairman of the Board
- Board Member at EIC European International Contractors
- Vice Chairman of the Turkish Contractors Association, Member of the Board of Directors
- DEİK Qatar Business Council President
- DEİK Slovenia Business Council Vice President
- DEİK Korea Business Council Member
- Member of the International Association for Bridge and Structural Engineering (IABSE)

Roles and titles held within Yapı Merkezi Holding include:

- Yapı Merkezi Holding A.Ş. Vice Chairman of the Board
- Yapı Merkezi İnşaat ve Sanayi A.Ş. Board Member

Global Representation Roles, Memberships and Founding Roles

- Member of the Board of Trustees of the Türkiye Memorial Environmental Tourism Assets Protection (TAÇ) Foundation
- Founding Member of Mimar Sinan Fine Arts University Industry-i Nefise Foundation (SANEV)
- Aphrodisias Geyre Foundation Member
- Member of the History Foundation
- Member of ÇEKÜL (Protection and Promotion of Environmental and Cultural Values) Foundation

For detailed resumes of the members of the Board of Directors, you can visit the corporate website of the Yapı Merkezi.

5.2. YAPI MERKEZİ HOLDING BOARD OF DIRECTORS

Roles and titles held within Yapı Merkezi Holding include:

- Yapı Merkezi Holding A.Ş. Board Member
- Yapıray Demiryolu İnşaat Sistemleri Sanayi ve Ticaret A.Ş. Chairman of the Board
- Yapı Merkezi İnşaat ve Sanayi A.Ş. Vice Chairman of the Board
- YM İDİS Mühendislik Sanayi ve Ticaret A.Ş. Board Member
- Yapıtel Mühendislik Tasarım İnşaat Sanayi ve Ticaret A.Ş. Board Member
- YM Global Projects Ltd. Director
- YM Tanzania Branch Director

Global Representation Roles, Memberships and Founding Roles

- DEİK Tanzania Business Council President
- DEİK Burundi Business Council President
- DEİK Uganda Business Council Vice President
- Ersin Arıoğlu Foundation Board Member

Roles and titles held within Yapı Merkezi Holding include:

- Yapı Merkezi Holding A.Ş. Board Member
- Yapıtel Mühendislik Tasarım İnşaat Sanayi ve Ticaret A.Ş. Chairman of the Board
- YM İDİS Mühendislik Sanayi ve Ticaret A.Ş. Chairman of the Board
- Yapıray Demiryolu İnşaat Sistemleri Sanayi ve Ticaret A.Ş. Vice Chairman of the Board
- Subor Boru Sanayi ve Ticaret A.Ş. Vice Chairman of the Board
- Subor Boru Sanayi ve Ticaret A.Ş. Board Member
- Yapı Merkezi İnşaat ve Sanayi A.Ş. Board Member
- Avrasya Tüneli İşletme İnşaat ve Yatırım A.Ş. Board Member
- Çanakkale Otoyol ve Köprüsü İnşaat, Yatırım ve İşletme A.Ş. Board Member
- Nitelikli Eğitim Kurumları A.Ş. Board Member
- YM Global Projects Ltd. Director
- YM Construction Gradbeništvo in Storitve, d.o.o. Director

Global Representation Roles, Memberships and Founding Roles

- DEİK Saudi Arabia Business Council Vice President
- Ersin Arıoğlu Foundation Board Member
- Arus (Anatolian Rail Transportation Systems) Board Member

For detailed resumes of the members of the Board of Directors, you can visit the corporate website of the Yapı Merkezi.

5.3. CORPORATE GOVERNANCE APPROACH

At Yapı Merkezi, we represent all Group Companies; we assume the responsibility of directly managing and directing the basic functions of Yapı Merkezi that ensure the overall and financial management integrity. We are dedicated to upholding accountability and transparency by adhering to corporate governance principles in all areas of our operations.

The committees and boards established under the leadership of our Board of Directors are positioned as structures that support, supervise and guide the decision-making processes throughout the organization. These governance mechanisms within Yapı Merkezi Holding are structured as follows:

Committees Under the Board of Directors

Risk Committee: Develops strategic recommendations for identifying, monitoring, and mitigating corporate risks. Its scope includes project-based risk management, financial risks, and ESG-related risks. The committee presents critical risks and priority controls directly to the Board of Directors and works closely with the Sustainability Committee to exchange information on climate-related physical and transition risks.

Internal Audit Committee: Evaluates the effectiveness of the company's internal control system, audit processes, and assurance mechanisms. It receives regular updates from the Internal Audit Department and reports its findings directly to the Board of Directors.

Committee for the Protection of Personal Data: Responsible for ensuring the security of personal data, monitoring legal compliance processes, and overseeing the implementation of privacy policies. It reports to the Board of Directors and/or CEO through the Legal and Compliance Department and coordinates with the Risk Committee.

Sustainability Committee: Oversees ESG performance, implements sustainability strategies, evaluates climate-related risks and opportunities, and monitors carbon emission targets. Operating in compliance with international standards such as TSRS, TCFD, and ESRS, the committee communicates directly with the CEO and Board of Directors. Technical analyses and data reporting are provided by the Sustainability and Business Excellence (S-BE) Department.

Recommendation Committee: Established to encourage employee participation and support a culture of continuous improvement. It systematically evaluates innovative proposals across the organization and reports outcomes to the CEO. Approved suggestions are forwarded to relevant thematic committees, such as Sustainability or R&D.

Boards Providing Strategic and Technical Support

- **Ethics and Compliance Board:** Responsible for business ethics, anti-corruption measures, transparency, and the implementation of internal compliance policies. The board manages compliance violations, ethics reporting mechanisms, and awareness-raising initiatives.
- **Occupational Health and Safety Board (OHS Board)**: Oversees compliance with OHS regulations, employee health policies, on-site safety practices, and the institutionalization of a preventive safety culture.

Through this structure, Yapı Merkezi Holding leverages specialized governance mechanisms across multiple domains to support strategic decision-making, while ensuring corporate integrity in areas such as internal control, compliance, sustainability, technology, and human-centered management.

Our corporate governance framework is grounded in ethical principles, robust internal audit and risk management mechanisms, transparent reporting processes, and strategic alignment. It encompasses not only financial performance but also the management of our environmental and social impacts. In this context, the integration of climate-related risks and opportunities into corporate decision-making represents a core element of our sustainability-focused governance approach.

Climate-related governance at Yapı Merkezi is executed under the leadership of the Board of Directors and CEO, with active contributions from relevant internal committees and expert units. Detailed explanations of this structure are provided comprehensively under Our Sustainability Approach and Governance Framework.

5.4. CORPORATE RISK MANAGEMENT

At Yapı Merkezi, we consider corporate risk management a fundamental governance tool that ensures all our processes are managed sustainably in line with strategic objectives. Our risk management approach aims to safeguard business continuity, minimize uncertainties, enhance efficiency in resource utilization, and strengthen long-term corporate resilience.

Our Corporate Risk Management (CRM) system is designed in accordance with the ISO 31000 Risk Management Standard and structured based on the COSO Corporate Risk Management Integrated Framework and industry best practices. The CRM process is executed as a systematic cycle encompassing risk identification, analysis, evaluation, reporting, and action. This framework is also integrated with other management systems, including ISO 9001, ISO 14001, ISO 45001, and ISO 27001.

The **Risk Committee**, operating under the Board of Directors, periodically reviews all corporate and project-level risks, developing strategic recommendations to prioritize, mitigate, and transform these risks into opportunities. The outcomes of these activities are shared with the Board of Directors, the CEO, and relevant senior management units, guiding decision-making processes.

All strategic and operational departments—including **Bidding, Business Development, Project Management, Finance, Sustainability and Business Excellence**—play an active role in identifying and evaluating corporate risks. Risk and opportunity analyses are conducted throughout project phases, from mobilization to budgeting, planning, and execution. Insights gained at the corporate level, combined with lessons learned from the previous year, are transformed into strategic forecasts for the upcoming period.

Our risk management approach; aims to ensure business continuity, minimize uncertainties, increase efficiency in resource utilization, and strengthen our long-term corporate resilience.

Business continuity is treated as a critical strategic objective within Yapı Merkezi's risk management approach. Preventive measures, alternative planning, and flexible resource management strategies are implemented to minimize the impact of unforeseen events and prevent operational disruptions. Accordingly, our business continuity plans are supported by multi-dimensional scenarios, including infrastructure resilience, supply chain interruptions, workforce availability, information security, environmental incidents, and climate-related impacts.

In the context of business continuity, macro-level factors such as geopolitical developments, supply chain vulnerabilities, financial volatility, technology trends, workforce continuity, and climate change are evaluated from a multi-dimensional perspective. Accordingly, key international regulations and reporting frameworks—including the **European Union Emissions Trading System (EU ETS), Türkiye's national ETS preparations, the Carbon Border Adjustment Mechanism (CBAM), the Corporate Sustainability Reporting Directive (CSRD),** and **IFRS S1–S2**—are considered important references within our risk management system.

The climate-related dimension of our corporate risk management framework is presented in detail under the **Sustainability Risks and Opportunities Management Approach**, aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Our risk assessment methodology is supported by both quantitative and qualitative approaches, tailored to sector dynamics and specific needs, with **SWOT analysis** serving as a primary tool.

Our risk assessment methodology is supported by both quantitative and qualitative approaches, tailored to sector dynamics and specific needs, with SWOT analysis (Strengths, Weaknesses, Threats, Opportunities) serving as a primary tool. The corporate risk inventory is updated at least once a year, while urgent evaluation mechanisms are activated in critical situations. Investments in digitalization have also enabled centralized monitoring and reporting of risks.

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Yapı Merkezi considers macro risks such as geopolitical developments, supply chain and climate change for business continuity and **adopts an approach in line with the TCFD (Task Force on Climate-related Financial Disclosures) recommendations, especially for climate-related risks and opportunities, while managing these risks.**

5.5. ETHICS and COMPLIANCE

In line with our management approach, we aim to add sustainable value to society and our customers in all countries where we operate by acting with the principles of honesty, transparency, social responsibility and reliability. At Yapı Merkezi, we see adherence to our promise, informed decision making and continuous development among our basic ethical values.

Accordingly, the Ethics and Compliance Board, which operates under the umbrella of Yapı Merkezi, represents the ethical governance mechanism that spreads in a coordinated manner to all group companies. This structure plays a critical role in maintaining corporate integrity in terms of compliance, transparency and management of ethical risks by operating under the supervision of the Board of Directors.

Our Ethics and Compliance Management is designed to comply with international good practices, regulatory requirements and multi-stakeholder standards. In this context, within the scope of GRI standards, we have a policy framework that includes issues such as anti-bribery, conflicts of interest, ethical reporting and prevention of retaliation. The "Yapı Merkezi Values Ethical Principles and Code of Conduct (Code of Ethics)", which we published in 2017, was last updated in 2023 in line with global developments and good practices. In addition to this framework, detailed regulations have been published under special titles such as **"Ethics and Compliance Policy ", "Anti-Bribery and Anti-Corruption Policy"**, **"Conflict of Interest Policy"** and **"Ethics Reporting and Retaliation Prevention Policy"**.

As of 2024, a total of two reports have been received within the scope of our Ethics and Compliance Policy and actions have been taken for all of them. These policies are not only limited to internal processes, but are also extended to our business partners. In this direction, by publishing the "Responsible Supply Chain Policy" in 2024, we have clearly declared that we expect our suppliers to comply with high standards in areas such as ethics, human rights, environmental responsibility and anti-corruption. The policy has been prepared in full compliance with the 10 Principles of GRI, TSRS, IFC, EBRD and UN Global Compact; it has become a reference document in all procurement and purchasing decisions of Yapı Merkezi.

The Board of Directors is directly responsible for controlling the risks related to ethical principles and corporate reputation. This governance model overlaps with the "Governance" and "Governance" pillars within the framework of TCFD. Our ethical values form the basis not only of our corporate culture, but also of our sustainability strategy. In this respect, our ethical approach is directly related to topics such as management of climate-related risks, human rights and stakeholder relations.

In addition, our ethics and compliance system is shaped within the scope of IFC Performance Standards and EBRD Performance Requirements; transparent communication, inclusive reporting mechanisms and full compliance principles are maintained. Compliance audits, employee awareness, internal control mechanisms and policy updates are carried out regularly and checked through internal procedures.

This institutional structure is also structured in accordance with Turkish Sustainability Reporting Standards (TSRS) and European Sustainability Reporting Standards (ESRS). In particular, by complying with standards such as ESRS and TSRS, clarity, accountability and integrity criteria regarding our ethical principles and practices are guaranteed.

Our ethics and compliance approach goes beyond legal obligations; **and is positioned as one of the main pillars in terms of reputation management, risk control, stakeholder trust and business continuity in all activities of Yapı Merkezi.**

Our ethical system is also based on the 10 principles of the United Nations Global Compact (UNGC). In this context, it is aimed to fulfill our global commitments such as human rights, labor standards, environmental responsibility and anti-corruption.

Beyond the legal obligations, our ethics and compliance approach is positioned as one of the main pillars in terms of reputation management, risk control, stakeholder trust and business continuity in all activities of Yapı Merkezi. Our ethical principles are structured as a guarantee of sustainable corporate development by working in an integrated manner with the headings of climate change, social responsibility and governance.

A strong notification and consultation system has been established in Yapı Merkezi to support compliance with ethical principles and legal legislation. Within the scope of the Ethics and Compliance Program we have implemented throughout the group, multi-channel, accessible and confidential systems have been developed in which our employees and other stakeholders can report suspicious situations, unethical behaviors or legal non-compliances. In this context, our ethical reporting channels are as follows:

- **Ethics Notification E-Mail Address** (etik@yapimerkezi.com)
- **Ethics Notification Hotline** (confidential and recorded)
- **Online Ethics Reporting Platform** (corporate intranet module with anonymous access)
- **In-person applications** (through Ethics and Compliance Representatives)
- **Consultation and Training Sessions** (providing guidance on ethical dilemmas)

This holistic reporting infrastructure is a critical management tool not only for ethical compliance but also for corporate transparency, employee safety, business continuity and stakeholder trust.

All of these systems are carried out within the framework of the principles of anonymity, anti-retaliation assurance, data privacy and fair examination. The evaluation of the notifications is carried out by the Ethics and Compliance Committee, and coordination is ensured with the Internal Audit, Legal and Compliance, Human Resources, Sustainability and Business Excellence departments when necessary. All reports are recorded and analyzed periodically and reported to the Board of Directors.

5.6. ANTI-BRIBERY and ANTI-CORRUPTION

At Yapı Merkezi, we consider the fight against bribery and corruption not only as a legal obligation, but also as an integral part of sustainable development, with a commitment to honesty, transparency and ethical business conduct in all countries in which we operate. This approach is developed in full compliance with GRI, UN Global Compact, IFC Performance Standards, EBRD Performance Requirements and TCFD's governance principles.

Our Anti-Bribery and Anti-Corruption Policy clearly defines the principles that Yapı Merkezi employees, subsidiaries, subcontractors and business partners must comply with. Within the scope of the policy, all kinds of corruption, bribery, embezzlement, influence trading, conflict of interest and similar unethical practices are expressly prohibited and a zero tolerance policy is adopted against it.

In this context:

- All our employees start their duties by signing the code of ethical conduct and undertake to comply with the policy.
- There are consultation mechanisms within the institution that provide guidance in the face of ethical dilemmas.
- The Sustainability Committee, the Internal Audit Committee and the Ethics and Compliance Board monitor, evaluate and report to the Board of Directors on the practices in this regard.

Anti-bribery and anti-corruption trainings for employees at all levels are integrated into mandatory orientation programs and updated with annual repetitions. These trainings aim not only to raise awareness, but also to improve the ethical decision-making skills of employees and to increase their competence to recognize unethical situations.

Multi-channel systems developed for the secure transmission of internal and external notifications are presented in detail under the heading of Ethics and Compliance.

Recognizing that unethical practices have a direct impact on the corporate risk profile, Yapı Merkezi also associates this area with the governance and risk management building blocks of TCFD. Anti-bribery and anti-corruption processes have strategic priority, not only in terms of reputation management, but also in terms of long-term business continuity and financial resilience.

5.7. HUMAN RIGHTS

At Yapı Merkezi, we consider respecting and protecting human rights and raising awareness in our entire value chain as a basic corporate responsibility. In all the countries in which we operate, we treat human rights not only as a legal obligation, but also as an integral part of our corporate culture.

In this context, our Human Rights Policy, which we revised in 2024, was created to cover our group companies, subsidiaries, projects and our entire supply chain; It has been shaped in accordance with the principles of the UN Universal Declaration, the International Labor Organization (ILO) conventions and the United Nations Global Compact (UNGC). The policy makes clear our commitments to diversity and inclusion, occupational health and safety, anti-discrimination, forced labour and zero tolerance for child labour.

We systematically assess all risks and opportunities related to human rights, monitor them with a proactive approach and integrate them into relevant processes. These assessments form the basis not only for the determination of the current situation, but also for the development of preventive measures, policy updates and supply chain audits. Our risk assessment approach is an integral part of our annual corporate risk analyses at the corporate and project level.

We care about the effects of physical and transition risks created by climate change on societies; we evaluate these effects from a human rights perspective. We consider situations such as social vulnerability caused by extreme weather events, damage to livelihoods and migration as not only environmental but also social risks. We evaluate these phenomena together with our corporate risk management system as a requirement of our commitment to human rights. In this context, we comprehensively include our analysis and approach under the Sustainability Risks and Opportunities Management Approach section.

In addition, within the framework of our Responsible Supply Chain Policy, we apply strict control and follow-up mechanisms to ensure that our suppliers respect human rights and comply with the principles in this field. Our zero-tolerance policy against child labour, forced labour, discrimination and ill-treatment is clearly defined in all our contracts and cooperation principles.

Reports related to human rights can be received via multi-channel systems such as e-mail to etik@yapimerkezi.com, online reporting platform, in-person application through Ethics and Compliance Representatives, processed on the basis of confidentiality and evaluated independently when necessary.

06.
SUSTAINABILITY AT YAPI MERKEZİ

CORPORATE TRANSFORMATION

Sustainability and Business Excellence Department

Since its establishment, Yapı Merkezi has contributed not only to today's needs but also to the safe construction of tomorrow by carrying out international projects. In our activities, we prioritize the development of Türkiye, the development of world civilization, the satisfaction of our customers, employees, partners, and our company values.

With our transportation, heavy railway constructions, infrastructure, industrial and building projects, restoration, signalization, electrification, electromechanical systems, prefabrication production, housing projects, maintenance-repair and operation activities, we prioritize environmentally friendly solutions that add value to society in all of our material production facilities. We continuously invest in our human resources, information and technology, digital transformation and new management systems to increase our competitiveness and better manage risks.

In line with this culture and visionary perspective, sustainability is much more than conducting our operations responsibly for us. To create social benefit in the countries where we operate; to produce value in a way that respects cultures, traditions and nature. Our open, transparent, knowledge-based and innovative approach allows us to complete our work in the most accurate quality, within the projected budget and time in each project. This understanding constantly elevates our reputation and reinforces our leadership in our industries.

In the projects we produce with our Sustainability Committee and Working Groups, which carry out their processes under the leadership of our Board of Directors, we work decisively to ensure that Yapı Merkezi grows, operates sustainably and our goals for 2030 are achieved.

In this context, we integrate our business excellence model with our sustainability performance. In line with this model, we continuously improve our processes with the Plan-Apply-Check-Act (PACA) cycle and update our corporate risk management, business continuity and crisis management processes with a climate and environmental-social governance (ESG) perspective.

In all our work, the basic principle we inherited from our founders is our guide: "Good implementation of productive ideas creates beauty." The success of a project is only possible with the most productive ideas, the importance given to design, and the correct implementation and quality of creative plans with team spirit. For Yapı Merkezi, design is the most critical element of the process because the more beautiful the design of a process or project, the stronger the business plan. Thanks to this approach, we observe the interaction and integrity of ideas, clarify the uncertainties and always put forward better.

Quality management is a fundamental part of our understanding of sustainability. Our Management System documentation shows that our processes are aligned with international standards and based on continuous improvement. By structuring our processes in an integrated structure within all our group companies, we can manage our environmental and social impacts more effectively and meet the safety of our employees and the expectations of our stakeholders at the highest level.

We act with the awareness that quality depends not only on the work done, but also on the people who perform that work. With this understanding, we prioritize human dignity in every project we carry out at Yapı Merkezi. We see it as our responsibility to protect the honor not only of our own company but also of all our stakeholders who contribute to our projects. For us, values are nourished not only by individuals, but by a common culture that we create together. That's why we build all our activities on our commitment to these values.

In line with our Sustainability and Business Excellence approach, we can instantly monitor our risks and opportunities thanks to the in-house Digitalized Risk Management Software we have developed with our relevant departments, especially the Information Technologies department. In addition to SAP HANA and portal applications, the ASITE platform, which is the PMIS (Project Management Information System) solution we have put into use in order to deepen digitalization in project management, provides seamless data flow and integration between design, contract, quality and other construction processes, and enables revision, approval and change management to be carried out effectively in the digital environment. In this way, we ensure the proactive management of risks and sustainable corporate development while increasing efficiency in our business processes.

In our sustainability journey, we consider the impacts of climate change as one of our most important strategic priorities; we closely monitor transition risks (carbon pricing, CBAM – Carbon Border Adjustment Mechanism, national and international regulations) while developing projects that are resistant to physical risks (extreme weather events, temperature increases, water stress). We regularly evaluate our risks and opportunities with the relevant departments and strengthen our strategy with scenario analysis. These risks also provide us with new opportunities: we make a sustainable impact through low-carbon infrastructure solutions, energy efficiency investments, renewable energy integration and green financing instruments.

International financing standards form the basis of our sustainability approach, especially through our IFC-supported projects. Thanks to compliance with the Equator Principles and environmental-social standards, our projects cover both technical and social and environmental responsibilities. By adhering to high standards in areas such as carbon reporting, social inclusion, biodiversity, occupational health and climate resilience, we both strengthen our access to finance and make permanent contributions to regional development, because we know that sustainability is not only an environmental but also a social responsibility. While the nature of our projects creates a refreshing impact on local economies, we ensure that this impact is fair, balanced and inclusive.

CORPORATE TRANSFORMATION

Local employment programs, educational work, volunteering projects, empowerment of women in Science, Technology, Engineering and Mathematics (STEM) and our initiatives that offer equal opportunities to young people are the cornerstones of our social sustainability. We support these efforts with our diversity, equality and inclusion (DEI) policies and implement them in our projects, especially in Africa and the Middle East. Moreover, with the impact investment approach, we direct our capital in a way that creates not only financial return but also social and environmental value.

Our ethics and compliance programs are indispensable parts of this journey. We position our internal audit mechanisms not only as a means of control, but also as a platform that supports open dialogue and a culture of "speaking out". Our employees and stakeholders can easily express their opinions and concerns in line with the principles of transparency, fairness and accountability. In this way, our ethical culture becomes not only a defense mechanism but also a value that creates an environment of continuous development, participation and trust.

We consider transparent and continuous communication with our stakeholders as one of the basic principles of our sustainability approach. To this end, thanks to the double materiality analyzes we regularly carry out with our internal and external stakeholders, we evaluate both the environmental and social effects of our activities and the effects of external developments on our company in a holistic way. By presenting our results to our stakeholders, we make the strategic issues that guide our decision-making processes transparent. We take care to make our sustainability performance visible not only internally, but also on international platforms. Global mechanisms such as the Global Gender Report, the United Nations Global Compact (UNGC) Progress Notices and the World Economic Forum (WEF) reports contribute to the independent monitoring of our sustainability approach.

On the other hand, we are constantly interacting with our stakeholders by establishing a multi-channel communication structure through our social media channels, face-to-face interviews and corporate digital platforms. The representation roles of our senior management in national and international institutions and organizations strengthen the visibility and impact of our sustainability approach on a global scale. This approach not only raises awareness, but also allows us to include the opinions and contributions of our stakeholders in the process. Thus, we strengthen our sustainability journey not only with a reporting-oriented but also with a participatory, inclusive and versatile communication culture.

We covered this year's report with Global Reporting Initiative (GRI), European Sustainability Reporting Standards (ESRS), United Nations Global Compact (UNGC) standards, as well as Türkiye Sustainability Reporting Standards (TSRS) and Climate-Related Financial Statements Task Force (TCFD) matrices. Thus, we aimed to establish a more transparent, strong and efficient communication with our stakeholders.

With the awareness that the greatest legacy we will leave to future generations is a livable world, we have started to reap the fruits of the process by developing projects that are resistant to climate change, energy efficient and innovative. The decrease in our per capita emissions compared to the previous year, the projects carried out by our sustainability working groups and our progress in full compliance with international standards are concrete indicators of this vision.

As Yapı Merkezi, we know that we are building not only today but also the future. We are happy by building happiness; we are determined to be the pioneer of sustainable development with projects that produce hope, responsibility and value.

Kind regards

2023 – 2024 Sustainability and Corporate Performance Table

Indicator		2023	2024	Description
Environment	Carbon Emissions Per Capita (tCO_2e) (Scope 1 + 2)	9.2	4.0	↓
	Renewable Energy Installed Power (kWh) – Eurasia Tunnel (ATAŞ)	0%	322,880	↑
	Ratio of the Number of Sustainability Themed Assets in Total Projects (%)	85%	90%	↑
Social	Ratio of Female Employees (%)	8%	11%	↑
	Total OHS-E Training Person*Hour	0.7%	1.3%	↑
	Ratio of Trainings Provided within the Scope of Sustainability (%)	6%	40%	↑
	Non-Turkish Personnel Rate (%)	61.4%	64.6%	↑
	Supplier and Subcontractor Evaluation Score (Out of 10)	6.8	7.6	↑
Governance	Number of Reports to the Ethics & Compliance Channel (units)	6	2	↑
	Local Supply Ratio (%)	62%	89%	↑
	Ratio of Project Contract Costs Compliant with IFC / Equator Principles to Total Ongoing Project Contract Costs (%)	78%	83%	↑

06. SUSTAINABILITY AT YAPI MERKEZİ

6.1. SUSTAINABILITY APPROACH and GOVERNANCE STRUCTURE

At Yapı Merkezi, we consider the fight against climate change as one of our main priorities in all sectors in which we operate. In the fields of Environmental, Social and Governance (ESG), we adopt a multi-stakeholder value generation model covering environmental management, energy and water efficiency, circular economy, sustainable finance, diversity and inclusiveness. All our group companies operate in a harmonious and integrated manner in line with our Sustainability Policy and corporate strategy.

Every year, we update our sustainability strategies and climate-related goals in line with the Sustainable Development Goals (SDGs). This structure is organized in two main stages as oversight and business execution. While high-level strategic oversight is carried out through the Board of Directors and affiliated committees, practical decision-making, policy-making and operational objectives are carried out by business executive bodies.

Oversight

Board of Directors: Approves annual sustainability strategies, oversees the integration of climate risks into the strategy and oversees reporting.

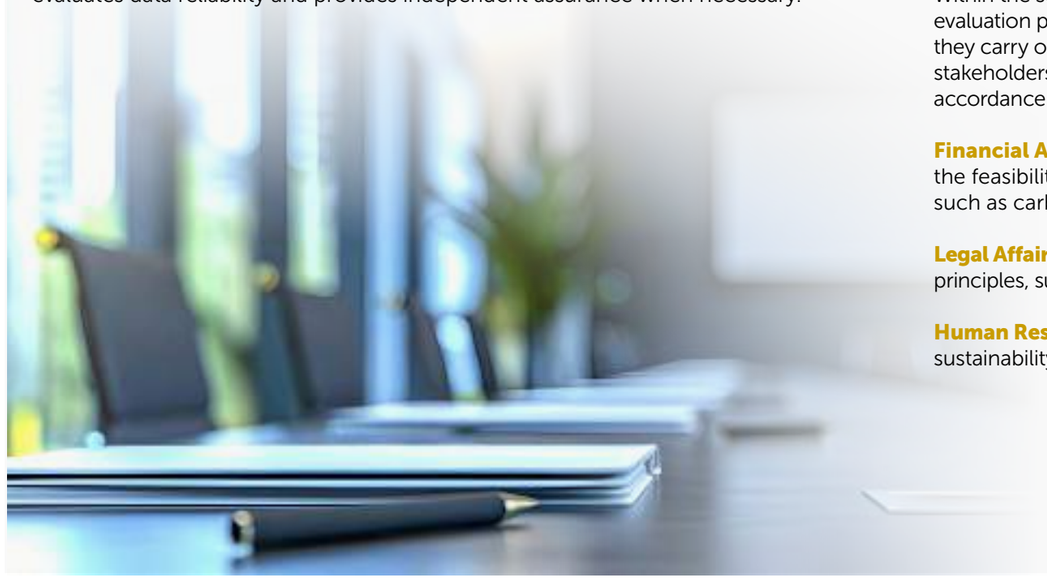
Chairman & CEO: Determines ESG strategies, considers climate risks in investment decisions, and complies with national/international regulations.

CFO: Responsible for the development of sustainable finance strategies, access to climate finance, carbon pricing and the integration of investment decisions into financial risks. Regularly reports to the Board of Directors.

Corporate Risk Committee: Integrates climate risks into the corporate risk framework, determines and reports risk appetite through scenario analyses.

Sustainability Committee: Coordinates the implementation of corporate strategy and leads the identification of climate risks and opportunities.

Internal Audit: Audits the integration of processes into the internal control system, evaluates data reliability and provides independent assurance when necessary.



Business Execution

General Managers: Determine climate targets in each company's field of activity, supervises the management of projects according to climate-related risks and opportunities, and report the annual performance results to senior management.

Deputy General Managers: Ensure interdepartmental coordination, supports the monitoring of sustainability goals in all units, and align operational feedback with strategic goals.

Sustainability and Business Excellence Department: Responsible for developing the corporate sustainability strategy, defining climate goals and establishing the long-term ESG vision. Emission reduction plans, carbon footprint calculations, SDG compliance controls and monitoring performance indicators are among its main tasks. Furthermore, it coordinates corporate and project-based quality management systems (ISO 9001, project-specific QMS, ITP, etc.); manages quality assurance and control processes from proposal and prequalification stages to field applications. It supports a culture of continuous improvement with process management, documentation, internal audit, and corrective/preventive actions. Within the scope of sustainability-oriented risk management, analyzes strategic and operational risks in accordance with the ISO 31000 framework; develops ESG-based risk matrices and scenario analyses. All these efforts are carried out with strong stakeholder communication and regular reporting mechanisms. The department prepares sustainability reports and reports directly to the Chairman/CEO.

Group Companies Sustainability, Management Systems and OHS-Environment Departments: Evaluate the environmental, social and governance (ESG) impacts of projects and facilities in a holistic manner; ensure compliance with legal and regulatory obligations as well as international standards. Within the scope of quality management, they coordinate the continuity of product and service quality, continuous improvement, internal audit and supplier evaluation processes. In addition, while implementing concrete actions in environmental areas such as water, waste, energy and nature-based solutions, they carry out regular stakeholder analyses, feedback mechanisms and social engagement processes in order to strengthen interaction with project stakeholders, provide transparency and manage social impact. In this context, they proactively manage risks by establishing monitoring-review systems in accordance with sustainability reporting standards, and aim to create sustainable value by blending quality and stakeholder expectations on the same level.

Financial Affairs and Finance Department: Led by the CFO, manages climate finance, green bonds, and sustainable credit opportunities. Evaluates the feasibility of low-carbon investments, considers climate factors in financial risk analyses, and conducts institutional preparations for mechanisms such as carbon pricing, ETS, and CBAM.

Legal Affairs and Compliance Department: Supervises compliance with regulations such as CSRD, ESRS and ETS; ensures compliance with ethical principles, supply chain transparency and implementation of human rights policies. Confirms the legal and ethical accuracy of sustainability statements.

Human Resources Department: Implements diversity and inclusion policies within the framework of climate justice and conducts climate and sustainability trainings for employees. It also integrates sustainability goals into executive performance systems.

6.1. SUSTAINABILITY APPROACH and GOVERNANCE STRUCTURE

Reporting and Monitoring

The monitoring and performance evaluation of Yapı Merkezi's sustainability targets are structured around three main pillars:

Climate-Related Reporting and Monitoring Process	Responsible Entities	Process
Strategic Reporting	Board of Directors Chairman & CEO CFO Sustainability Committee Corporate Risk Committee	The annual sustainability report, prepared by the Sustainability and Business Excellence Department, is submitted to the Board of Directors for approval. Climate-related performance indicators (e.g., emissions, energy efficiency, waste management) are presented to senior management at least once a year. The Board of Directors oversees compliance with ESG targets and provides strategic guidance when necessary.
Corporate Performance Monitoring	Deputy General Managers Group Company General Managers Sustainability and Business Excellence Department Relevant technical departments (Environment, Finance, Compliance, etc.)	Defined metrics for short-, medium-, and long-term targets (e.g., % renewable energy, carbon intensity, SDG alignment) are monitored periodically. Performance data from all operational units are collected centrally through a digital data flow system. Data tracking and reporting are conducted via digital ESG dashboards and the centralized sustainability software infrastructure. Through this system, performance data are regularly shared with relevant general management teams and senior leadership, and integrated into the sustainability dashboard for decision-support purposes. Periodic internal reviews are conducted; target deviations are analyzed and corrective actions implemented as needed. Performance results are reported back to senior management through the Sustainability Committee.
Internal Audit & Assurance	Internal Audit Department Legal & Compliance Department Finance Department Sustainability & Business Excellence Department Independent third parties, if required	The effectiveness of processes aimed at sustainability targets, policy implementations, and legal compliance is audited at least once a year. The integration of climate risks into the internal control system and transparency in implementation are checked. For certain indicators deemed necessary, independent assurance services are obtained to enhance the reliability of reporting (e.g., emission verification, SDG contribution analysis). Findings are reported to the Board of Directors through the Internal Audit Committee.

An inter-functional collaboration mechanism exists between the Legal & Compliance and Sustainability & Business Excellence departments, particularly for monitoring ESG regulations, ensuring ethical compliance, and securing reporting accuracy. Through this structure, disclosed sustainability information is audited from both legal and ethical perspectives and integrated into the reporting system. In addition, ethical reporting mechanisms are structured to identify potential sustainability-related violations and ensure corporate trust.

Sustainability-focused objectives have been integrated into the performance evaluation system for our managers. Recognition and reward systems have been redesigned based on performance indicators to support managers and employees in achieving these goals. Tracking of these objectives is jointly managed by Sustainability & Business Excellence, Human Resources, HSES, Legal & Compliance, Finance, Tender, Business Development, and Project Management units, while performance levels are overseen by the Chairman of the Board. In supply chain processes, the development of low-carbon procurement models and the selection of sustainable suppliers contribute to achieving our sustainability targets.

The monitoring and auditing of sustainability targets are integrated into the internal audit system, with plans to provide independent assurance for specific indicators. In new investments and projects, physical and transition risks arising from climate change are assessed during the feasibility stage, while the societal impacts of these risks are evaluated through social impact analyses. Consequently, project decisions are shaped not only by financial feasibility but also by climate resilience and compliance criteria. ESG investment criteria, such as carbon footprint, water consumption, and impacts on biodiversity, are taken into account in project selection.

Our corporate sustainability system is continuously updated and strengthened in line with the EU CSRD Directive, as well as TSRS, ESRS, GRI, TCFD, IFC, and EBRD performance standards. The Sustainability Committee, operating under the sponsorship of the Chairman of the Board, coordinates activities across the organization. Supporting this committee are the General Secretariat and thematic Sustainability Working Groups (Operational Efficiency, Energy and Carbon Management, Environment, HSE, Digital Transformation, R&D, Diversity, and Communication), which operate as specialized teams.

Through these working groups, technical knowledge across the organization is systematically reflected in the sustainability strategy and regularly shared with senior management. The working groups submit activity reports every three months, which are reviewed by the Committee and integrated into the annual strategy review process.

Thanks to this entire structure, our sustainability policies are implemented systematically, performance is continuously monitored, and strategic transformation is sustained through a governance-based approach. Our ultimate goal is to become an organization that creates value across all areas of activity in ESG dimensions, supported by a measurable, comparable, and continuously improving management system.

*Responsible supply chain initiatives are assessed under the Operational Efficiency and Sustainable Finance group.

6.2. MATERIAL TOPICS

While shaping our sustainability strategy, we take a holistic approach to both the environmental and social impacts of our activities and the reflections of these impacts on the operational and financial structure of our organization. Our materiality analysis in this context forms the basic building blocks of our sustainability strategy, guides our reporting processes and makes our contribution to the SDGs more clearly visible.

We conducted our analysis on the basis of the principle of double materiality in accordance with the Determination of GRI Priority Issues, ESRS, TCFD and TSRS. Thus, we evaluated not only our external impacts but also the effects of sustainability issues on corporate risks and opportunities as a whole. We have integrated two key perspectives in our materiality model:

Inside-Out Impact: We have evaluated the effects of our activities on the environment, society and economy and classified these effects in accordance with the GRI Standard. Impacts such as carbon emissions, biodiversity loss, occupational health and safety, and human rights are discussed under this heading. Thus, we revealed in which issues we have a greater responsibility.

Outside-In Impact: We analyzed the strategic and financial effects of external factors such as climate change, regulatory developments, transformation of financial markets and supply chain vulnerabilities on our company.

The analysis structure we have created with the combination of these two dimensions allows us to set goals in line with the SDGs while feeding our strategic decision-making processes.

Methodology and Implementation Process

We carried out our analysis in line with the following steps:

Stakeholder Engagement: Starting with our Board of Directors, senior management, employees, and project teams, we gathered input from a wide range of external stakeholders, including public institutions, customers, academia, suppliers, NGOs, and financial institutions. This process was carried out within the scope of GRI and TSRS standards.

Impact and Financial Significance Assessment: We scored our sustainability issues in terms of both their environmental and social impacts and their financial importance for our company. "Impact size" and "financial significance dimension" scores were calculated separately for each subject.

Strategic Weighting: The determined topics were weighted with the "corporate priority score" in line with their relationship with our corporate strategy. Thus, we highlighted not only high-rated topics, but also strategically critical ones.

Classification and Matrixing: We classified topics according to final materiality scores. We created the content basis of our reports by visualizing the results with the materiality matrix.

Each sustainability topic determined as a result of the analysis was matched with the United Nations Sustainable Development Goals (SDGs); at the same time, all issues were associated with the GRI content index and used as the main reference in our reporting. This study is not only an analysis; it is also a governance tool that forms the backbone of our sustainability management system and shows its impact in all our fields of activity.

Outputs attained are used as building blocks in:

- Determining the priorities of the Sustainability Committee and our subgroups,
- Providing data to scenario analyses,
- SDG contribution measurement and impact monitoring processes,
- Performance monitoring in line with annual strategic goals,
- Sustainability reporting.

Yapı Merkezi Materiality Matrix

At Yapı Merkezi, we take into account not only our current operations, but also our long-term goals, strategic risks and expectations from our stakeholders when determining our sustainability-related material topics. The outputs of our materiality analysis form the core components of our sustainability strategy and strengthen our alignment with the Sustainable Development Goals (SDGs). In this context, we classified the topics into three main categories as high, medium and priority. The classification is based on priority scores weighted by both impact size, financial materiality level and strategic factors.

All of the topics in our matrix are critical to our company's long-term success, brand reputation, legal compliance, and risk management. These areas, which are most closely followed by both our internal (employees, senior management) and external (customers, investors, public, society) stakeholders, are the main topics that need to be addressed at the strategic level for the sustainable growth of Yapı Merkezi.

6.1. MATERIAL TOPICS

Materiality Analysis and Material Topics

Material Topic	Sub-Topics	Relevant SDGs
Mitigating the Climate Crisis	Reducing greenhouse gas emissions; Climate risk and opportunity analyses, Low-carbon project and product development, Carbon footprint and energy efficiency monitoring; Climate resilience and adaptation plans	7, 9, 13
Customer Satisfaction	Customer experience analytics; Complaint management processes, Quality processes, communication channels and transparency	9, 12
Occupational Health and Safety	OHS policies and field practices; Accident/incident analyses; Employee training and awareness, Occupational accident frequency and severity rates	3, 8
Risk Management	Corporate risk management; Climate, supply chain, financial and legal risks; Scenario analysis, Crisis management and business continuity	3, 16
Information Security and Cyber Security	KVKK and GDPR compliance; Protection against cyber attacks, Information assets security; Information security awareness	16, 9
Responsible Procurement and Supply Chain	Supplier assessment; ESG criteria, Local procurement; Traceability and human rights	8, 12
Employee Satisfaction	Internal communication; Expectation analyses, Feedback; Organizational commitment	8
Business Continuity	Disaster and crisis plans; Operational resilience, Alternative procurement; Critical process management	9, 11
Digital Transformation	Business process automation; BIM/ERP/CRM systems; IoT and artificial intelligence, Data analytics	9, 17
R&D and Innovation	Sustainable products and processes; University-industry collaborations; Patent and design, Innovation culture	9, 17
Talent Management and Employee Development	Training programs; Competency matrix, Talent pool and career paths; Leadership development	4, 8
Business Ethics and Compliance	Code of ethics; Anti-bribery and corruption, Compliance audits; Reporting mechanisms	16
Stakeholder Management and Partnerships	Strategic collaborations; NGO relations, Stakeholder expectation analysis; Creating common value	17
Sustainable Cities and Mobility	Rail system solutions; Urban sustainability, Accessibility; Transportation safety	9, 11
Biodiversity and Land Use	Ecosystem assessment; Nature-based solutions, Conservation plans	14, 15
Corporate Governance	Board structure; ESG performance monitoring, Policy and procedure management	16
Diversity, Inclusion and Equal Opportunities	Gender equality; Inclusive recruitment, Employment of persons with disabilities, Anti-discrimination	5, 10
Sustainable Environmental Management	Waste management; Recycling, Water and energy efficiency; ISO 14001 applications	6, 12, 13
Contribution to Local Economy and Employment	Local labor employment; Procurement of local products and services, Regional development	1, 8
Corporate Social Responsibility (CSR)	Community contribution projects; Training, scholarships, disaster support; Volunteering activities	3, 4, 10

This materiality analysis clearly reveals the strategic areas determined by Yapı Merkezi to achieve the sustainable development goals and the relationship of these areas with the Sustainable Development Goals (SDGs). The study reinforces our company's commitment to improving its sustainability performance, while also allowing us to engage with our stakeholders in a more transparent, effective, and holistic manner.

THE GLOBAL GOALS
For Sustainable Development

In each analysis period, we have the opportunity to better understand our target audiences and identify areas where our business can really make an impact.

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

At Yapı Merkezi, we are committed to developing decision-making processes based not only on our financial performance but also on our environmental, social and governance (ESG) impacts by adopting the double materiality approach within the scope of financial impact analysis by 2024.

This holistic approach will enable us to strengthen our sustainability strategies and create long-term impact across our value chain.

At Yapı Merkezi, we address all risks and opportunities arising from sustainability with an integrated approach to our corporate risk management system. This process is shaped within the framework of the principle of double materiality, which includes business continuity, environmental impact, social responsibility and governance performance.

Our approach includes:

- Our double materiality analysis,
- Requirements of legal framework and regulations.

is a structure that includes the requirements.

Resources Considered in the Process of Identifying Climate Risks

National and International Sustainability Standards: EBRD Performance Standards and European Bank for Reconstruction and Development, ESRS (European Sustainability Reporting Standards), GRI (Global Reporting Initiative), IFC (International Finance Corporation), IFRS S1 & S2 (International Financial Reporting Standards), ISO 14064 – Greenhouse Gas Calculation and Verification, TCFD (Climate-Related Financial Statement Task Force), TSRS S1 & S2 (Türkiye Sustainability Reporting Standard and Sector-Based Guidelines)

Internal and External Environmental Analysis: Global Sector Trends, Internal & External Stakeholder Analyses and International Reports

Legal Framework and Regulations: All legal regulations on the axis of Climate Law, EU Green Deal, Environmental Law.

Our Value Model: Domestic and international large-scale projects, Supply chain sustainability analysis, climate impact assessment of engineering, production and project management processes.

Scenario Analyses and Tools: IPCC RCP and SSP Scenarios, Ministry of Environment, Urbanization and Climate Change Climate Risk Maps, Climate Resilience Simulations of Corporate Risks and Opportunities, Stress Tests, Double Significance Analysis, Sustainability Impact Scores, Environmental, Social and Governance (ESG) Risk Maps

Our Board of Directors is responsible for addressing climate-related risks and opportunities at a strategic level, integrating them into corporate goals, and monitoring governance processes. This process, which is embraced at the level of the Chairman / CEO of the Board of Directors, is carried out in a multidisciplinary structure by our Sustainability Committee, relevant senior management and Working Groups. Management Review meetings are evaluated at least once a year; the implementation of decisions is monitored by Sustainability and Business Excellence and Internal Audit departments.

Thanks to this structure, our climate and sustainability agenda is embraced at the senior management level, ensuring efficient coordination and accountability between business units. Sustainability-related risks such as climate change, environmental degradation, social vulnerability and governance weaknesses are at the center of our corporate strategy and integrated into our long-term planning.

We address our risks under two main headings:

1. **Physical risks:** Direct effects such as extreme weather events, floods, temperature increase, water scarcity.
2. **Transition risks:** Transformation-related impacts such as carbon pricing, Emissions Trading Systems (ETS), Carbon Border Adjustment Mechanism (CBAM), legal obligations, transition costs to low carbon technologies, investor and customer expectations.

These risks are assessed on the basis of the Representative Pathways to Concentration (RCP) and Common Socioeconomic Pathways (SSP) scenarios developed by the Intergovernmental Panel on Climate Change (IPCC).

For each risk, analysis is carried out under the following headings:

Definition of risk

- Expected impacts (operational, financial, managerial)
- Maturity (short, medium, long term)
- Probability of occurrence (low, medium, high)
- Financial impact level
- Relevant IPCC scenario (RCP/SSP combination)
- Response approach (adaptation plans, investments, control measures)
- Strategic importance level

The findings obtained as a result of these analyzes are integrated into our Business Continuity Policy, Responsible Supply Chain Policy, Human Rights Policy and Climate Adaptation and Transformation Strategy. Project-based climate resilience plans are developed by taking into account the sectoral structure of our projects (railway, rail system, industrial facility, infrastructure, renewable energy).

Customized climate strategies are developed according to different project types and areas of expertise of our group companies such as heavy railway and urban rail system projects, qualified building and industrial facility structures, new generation drainage technologies, infrastructure solutions, renewable energy investments, smart transportation systems and composite pipes and infrastructure lines. Project-based targets are analyzed by the top managers of the relevant departments, project management and General Managers and implemented with the approval of the relevant Board members.

Our strategy aims to gain resistance to cost increases, supply chain transformation and regulatory risks that may occur during the transition to a low-carbon economy, as well as to evaluate potential benefits such as green investment opportunities, ease of access to finance and competitive advantage. Corporate resilience is strengthened by flexible procurement structures, technical innovation investments and operational compliance tools. Moreover, we aim to turn climate change into a competitive advantage through carbon opportunities, green financing instruments, circular economy practices and innovative business models. All sustainability risks are identified, analyzed, prioritized and translated into action plans under our Corporate Risk Management (CRM) framework.

In order to monitor our sustainability performance, we monitor various metrics, mainly greenhouse gas emissions (Scope 1, 2 and 3). These indicators are calculated in accordance with the GHG Protocol and ISO 14064 standards, reviewed periodically and published in our annual reports. Our targets include carbon emission commitments with determined reduction rates compared to the base and a net-zero target in the long term.

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

The main risk issues addressed within the scope of sustainability at Yapı Merkezi are evaluated under an integrated and holistic structure in accordance with the principles defined under the headings of Corporate Risk Management, Ethics and Compliance, Anti-Bribery and Anti-Corruption, Human Rights, and Our Sustainability Approach and Governance Structure.

In this context,

- Our HR, Internal Audit, Legal Affairs and Compliance, Financial Affairs and Finance departments are responsible for securing the relevant risk headings.
- Risks are prioritized within the scope of the double materiality principle, associated with the strategy and integrated into operational and financial decision processes when necessary.
- All analysis results are evaluated and translated into improvement plans by the Sustainability Committee and relevant senior management at least once a year.

As Yapı Merkezi, our sustainability goals are;

- determined for short (1-3 years), medium (3-7 years) and long term (7+ years) periods.
- We update our targets at least once a year and present them at management review and committee meetings.
- These targets, enacted with the approval of the Chairman of the Board of Directors, are monitored in connection with performance metrics.

All sustainability targets and progress data are detailed under the heading of Yapı Merkezi Sustainability Goals.

The table presented below summarizes the main risk areas prioritized by Yapı Merkezi within the scope of sustainability and the corporate response approaches to these risks. The table does not replace corporate risk analyzes, and detailed risk analyzes and scenario simulations are carried out separately and included in the report.

Key Risk Areas and Approach Prioritized by Yapı Merkezi within the Scope of Sustainability

No.	Subject of Risk	Yapı Merkezi Approach	Strategic Link
1	**Social Vulnerability and Migration Risks**	Social vulnerabilities in Yapı Merkezi's projects in Africa and the Middle East create significant impacts in terms of workforce planning and social acceptance. It is a material topic in terms of social impact management in European Union projects. Within the scope of GRI, TSRS, ESRS and IFC standards, reporting obligations arise on displacement and relations with communities. Increased climate-induced migration movements can affect long-term workforce strategies and increase the response of local stakeholders, raising the risk of social license loss.	Governance, Strategy, Risk Management
2	**Damage to Livelihoods**	The high dependence of local people on livelihoods in projects carried out in rural areas necessitates social impact management. These effects are expected to be identified and mitigated according to GRI, TSRS and ESRS standards. IFC standards define the protection of livelihoods as the main criterion in the prevention of social risks. Sectors such as agriculture and livestock are under threat due to climate change; adaptive planning is required in the face of this situation.	Strategy
3	**Human Rights Violations and Labor Rights**	Due to its pervasive supply chain structure, Yapı Merkezi prioritizes risks to human rights. ESRS with GRI and TSRS indicators and IFC standards mandate the protection of working conditions and fundamental rights. Transparency, traceability and third-party audits in the supply chain are of great importance in European projects.	Governance
4	**Unethical Practices and Corruption Risk**	A strong governance structure against corruption and unethical practices is critical for Yapı Merkezi's participation in EU projects. These risks should be monitored regularly within the scope of GRI ethical behavior indicators, TSRS governance principles and ESRS G1. IFC PS1 and PS4 demand institutional capacity and preventive mechanisms on these issues. The effectiveness of ethical compliance mechanisms is periodically audited.	Governance
5	**Supply Chain Outages and Lack of Responsibility**	Supply chain disruptions pose risks not only in terms of operational but also in terms of environmental and social obligations. A holistic approach is needed in line with the EU's green public procurement approach, the TSRS and GRI supply chain performance indicators, and the sustainable procurement principles of IFC and ESRS. Alternative resource development and local supplier capacity building studies are being carried out.	Risk Management
6	**Information Security Vulnerabilities and Cyber Attacks**	Digitalized project processes have made information security critical. Compliance with the EU General Data Protection Regulation (GDPR) is supported by the data security indicators of ESRS and GRI. IFC standards also recommend the establishment of an institutional system for the management of this risk. Cyber security drills and independent audits are held at least once a year.	Risk Management
7	**Physical Damage Caused by Climate Change**	Physical climate events can directly affect Yapı Merkezi's project schedule, costs and workforce security. Within the scope of TCFD, it is recommended to identify such physical climate risks and to evaluate them with scenario analyses. GRI, TSRS, ESRS and IFC standards include specific indicators covering this area. Scenario analyses are modeled according to their assumptions, and project-based climate resilience plans are developed.	Strategy, Risk Management
8	**Financial Impacts Arising from Transitional Risks**	Carbon-intensive activities may threaten the financing and competitive advantage of Yapı Merkezi. TCFD's recommendations on transition risks are in line with the carbon footprint and emission management standards of GRI, TSRS and ESRs. IFC performance standards, on the other hand, require this risk to be reduced with a focus on resource efficiency. Scope 1-2 emission reduction targets have been determined and internal carbon pricing studies have started for CBAM compliance.	Strategy
9	**Misinformation and Disinformation**	Public misinformation about projects can lead to loss of social license and reputational damage. The principles of GRI and TSRS communication and stakeholder management require strategic management of this issue. ESRS and IFC principles impose the obligation to provide accurate information. Crisis communication plans are managed by the principles of media monitoring and transparency.	Risk Management
10	**Difficulties in Accessing Climate Finance**	Access to climate-compatible projects is a prerequisite for long-term financial sustainability. EU taxonomy compliant projects are integrated with the financial indicators of GRI and TSRS. IFC and ESRS, on the other hand, are considered as the basic guidelines for accessing financing for low-carbon projects. Project development work is ongoing with green bonds, climate funds and multilateral financial institutions.	Risk Management

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Sustainability Risk and Opportunity Structure

Climate change has become an element that directly affects the existence of institutions, not only in environmental terms, but also in financial, operational and reputation dimensions. At Yapı Merkezi, we have established a comprehensive analysis infrastructure in order to effectively manage climate-based risks and turn opportunities into strategic advantages in this dynamic environment.

This structure has been prepared in full compliance with global standards such as TCFD (Task Force on Climate-related Financial Disclosures), ESRS (European Sustainability Reporting Standards), GRI and TSRS and is based on the principle of double materiality. Our evaluation is structured to cover all the scenarios that our company may encounter in its projects in Türkiye, the European Union, Africa and the Middle East.

In identifying climate risks, we not only adhered to probability and impact matrices; we also analyzed the domino effects of these risks on the financial system, their possible impact on the company's creditworthiness, the likelihood of increases in insurance premiums, operational outage risks, and their impact on long-term investor confidence.

We modeled our risks under the following headings:

Physical Risks: Direct physical effects such as extreme weather events, temperature increase, drought, flood, sea level rise. These risks can affect infrastructure investments, supply chain continuity, and the safety of field workers.

Transition Risks: Carbon regulations, CBAM, emission trading systems such as the EU ETS, transition costs to low-carbon technologies, regulatory non-compliance and reputational risks.

For each risk:

- Definition of risk
- Expected impacts (Operational, Financial, Administrative basis)
- Term
- Likelihood of occurrence (qualitative scale: Low, Medium, High)
- Financial Impact Level of Risk
- Relevant IPCC RCP/SSP Scenario
- Our Management Approach (intervention plans, adaptation solutions, investments)
- Strategic Significance

formed the headings of our corporate risk map.

The response to the climate crisis is not only defence, but also the ability to seize the opportunities that come with transformation. By acting with this approach, we have identified our strategic opportunity areas under many headings ranging from carbon-neutral projects to access to green finance, from digitalization to low-carbon supply systems.

In addition to risks, climate change offers significant opportunities with the right strategies. To this end, we have structured our opportunity tables under the following headings in order to accelerate our climate-compatible service and product development processes and to present our sustainability capacity more transparently to investors:

- How each opportunity creates value for our company
- In which climate scenarios it stands out
- Which of our sustainability priorities the opportunities align with
- Probability of opportunity and magnitude of impact

With these analyzes, we have identified our strategic opportunity areas such as carbon-neutral projects, circular economy, green financing instruments, low-carbon supply systems and digital solutions.

We consider risk and opportunity statements not only as technical reporting tools, but also as key elements that provide strategic governance, financial planning and long-term competitive advantage. This approach is fully aligned with regulatory frameworks such as TCFD and ESRS and is part of our commitment to creating sustainable value for future generations as well as strengthening our corporate resilience.

As the **Yapı Merkezi**, in this dynamic environment,
we have established a comprehensive analysis structure to effectively manage climate-based risks and turn opportunities into strategic advantage.

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Climate Scenarios Approach

In assessing the climate risks and opportunities we present in this report and the relevant tables, we build on the Common Socioeconomic Pathways (SSP) and Representative Concentration Pathways (RCP) scenario sets developed by the Intergovernmental Panel on Climate Change (IPCC). In addition, we integrate the Turkish Ministry of Environment, Urbanization and Climate Change Climate Risk Maps and Climate Resilience Simulations of Corporate Risks and Opportunities.

Thanks to this approach, we carry out multidimensional and consistent analyses, taking into account both global emission trends and different socioeconomic development pathways.

SSP scenarios describe five key ways in which societies will follow a development course in the coming decades. These scenarios include factors such as income distribution, energy policies, environmental awareness, governance capacity, population growth and technological transformation:

- **SSP1:** It represents a development path where sustainability-oriented, environmentally friendly policies and low inequalities are at the forefront.
- **SSP2:** It is the "middle ground" scenario where current trends continue.
- **SSP3:** It is a development path where global cooperation is weak, regional competition is intense and there are high risks.
- **SSP4:** It defines a structure in which technological and economic inequalities are sharpened and vulnerable communities are more vulnerable.
- **SSP5:** It is a scenario where high economic growth is achieved based on fossil fuels and emissions increase rapidly.

RCP scenarios, on the other hand, model the accumulation of greenhouse gases in the atmosphere according to different emission trends, associated radiative forcing levels (W/m^2) and global temperature increases:

- **RCP 2.6:** It is an optimistic scenario in which emissions are rapidly reduced and temperature rise can be kept below 2°C.
- **RCP 4.5:** It is the scenario in which emissions continue to increase until 2040, then decline and a temperature increase of 2-3°C is predicted.
- **RCP 6.0:** It is a late reduction scenario in which emissions continue to increase until 2080, with a temperature increase of 3-4°C.
- **RCP 8.5:** It is the pessimistic scenario where emissions increase uncontrollably and the temperature rise exceeds 4°C.

Throughout the report, we conducted an analysis using at least two SSP-RCP combinations under each priority risk and opportunity heading. Thus, we had the opportunity to comprehensively evaluate the effects that vary according to different socioeconomic development pathways and emission levels.

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Yapı Merkezi Sustainability and Climate Change Risks and Opportunities

Term of Risk / Opportunity	Financial Impact of Risk / Opportunity	Probability of Occurrence of Risk	Likelihood of Opportunity Occurrence
Short: 1-3 years ↓	Low: ≤ $1,000,000 $	Low ● ○ ○	High ● ○ ○
Medium: 3-7 years ↕	Medium: $1,000,000 - $5,000,000 $ $	Medium ● ● ○	Medium ● ● ○
Long: 7+ years ↑	High: ≥ $5,000,000 $ $ $	High ● ● ●	Low ● ● ●

No.	Type of Risk	Definition	Possible Impacts	Term	Probability of Risk	Financial Impact of Risk	Material Topic	Climate Physical Risk	Climate Transition Risk	Scenario & Link	Strategic Priority	Mitigation Strategy
1	**Strategic Risk**	Failure to take adequate action against climate change, failure to comply with carbon regulations (CBAM, EU ETS, TSRS, ESRS, etc.) and increasing environmental pressures may weaken the company's capacity to combat the climate crisis and risk long-term sustainability goals.	**Financial:** Difficulties in accessing finance due to failure to meet green financing criteria; increase in carbon pricing costs, additional financial burdens due to CBAM/ETS. **Operational:** Failure to meet carbon reduction targets; decrease in operational efficiency, challenges in supplying low-carbon products/services in the supply chain. **Reputation:** Damage to customer and investor confidence; decrease in ESG ratings, weakening the credibility of sustainability reports. **Compliance and Legal:** Administrative sanctions for non-compliance with national and international regulations; delays in project approval processes.	↓ ↕ Short -Medium	● ● ● High	$ $ $ High	Mitigating the Climate Crisis	Operational interruptions, plant damage and cessation of field activities as a result of increased events such as excessive temperature rise, flooding and severe wind	Non-compliance with CBAM, EU ETS and similar regulations, carbon pricing burden	**Best-Case Scenario** – SSP1–RCP2.6: Low emission and high compliance capacity; physical risks remain limited, regulations are implemented in a predictable and stable manner. Transition risks (reporting burden, low carbon compliance requirements) increase but are manageable. Opportunities for carbon management and net-zero targets are strengthened. **Worst-Case Scenario** – SSP5–RCP8.5: High emission and fossil fuel-weighted growth; severe physical impacts (flood, heat waves, drought) become widespread. Adaptation is insufficient, a crisis environment occurs. Regulatory pressures increase, the cost of carbon pricing rises, and access to finance becomes difficult.	Adaptation to net-zero targets, strengthening carbon management capacity, creating adaptation plans according to climate scenarios	Establishment of carbon emission monitoring and reporting systems Preparation and implementation of net-zero roadmaps Development of adaptation projects based on climate scenarios Extension of CBAM and ETS compliance plans to include the supply chain Acceleration of renewable energy investments and dissemination of energy efficiency projects
2	**Operational Risk**	Increased customer complaints, decreased service quality and satisfaction due to the impact of the climate crisis on project delivery times and service continuity.	**Financial:** contractual violations and contractual penalties; additional costs (rework, compensatory services); after-sales cost increase. **Operational:** Project delays; disruption of critical deliverables, alternative supply and route searches. **Reputation:** Decrease in customer satisfaction; loss of customers (churn); negative media and public perception. **Compliance and Market:** Pressure to transition to low-carbon service in customer expectations; increasing green procurement and transparent reporting requirements.	↕ ↑ Medium-Long	● ● ● High	$ $ Medium	Customer Satisfaction	Severe precipitation, floods, droughts and extreme temperatures disrupt site productivity, supply/logistics and network infrastructure; disruption of timing and delivery performance.	Low-carbon service transition pressure in customer expectations, green procurement specifications and transparent reporting demands; low-carbon logistics and material use requirement.	**Best-Case Scenario** – SSP2–RCP4.5: Medium emission, tiered policy; compliance capacity manageable. Physical events remain periodic and regional; service interruptions are limited, programs can be managed with buffers. The regulations are predictable. **Worst-Case Scenario** – SSP3–RCP6.0: Medium-high emission, fragmented governance; lack of compliance and frequency of physical impacts. Flood/heat waves reduce delivery performance, contract violations and customer complaints increase; policy uncertainty makes operation planning difficult.	Establishment of service quality and customer experience systems that take into account climate impacts; integration of climate adaptation into operation-planning processes; increasing resilience in procurement and logistics.	Climate-dependent planning: Weather/early warning integration, dynamic time buffers, heat and precipitation protocols Continuity & redundancy: Redundancy in alternative supply/route, critical equipment and infrastructure Customer communication & crisis management: Ready communication templates for outage scenarios, real-time information, recovery/improvement processes Low-carbon service design: Green logistics, low-emission equipment/material, transparent performance reporting
3	**Operational Risk**	Physical climate effects such as extreme temperature, UV radiation and deterioration in air quality may adversely affect the health and safety of field workers, increasing the risk of occupational accidents. Safety procedures that are not suitable for climatic conditions reduce both employee well-being and productivity.	**Physical:** Heat stroke, respiratory problems, UV-induced health problems, increase in occupational accidents. **Operational:** Decrease in production capacity, delay in project delivery times. **Financial:** Increase in health expenses, labor loss costs, increase in insurance premiums. **Reputation:** Decrease in employee satisfaction, union and public pressure, social license risk.	↓ ↕ Short -Medium	● ● ● High	$ Low	Occupational Health and Safety	Decrease in employee health and safety due to extreme temperature, UV radiation, air quality deterioration	Lack of climate adaptation according to climate specific regulations leads to criminal sanctions	**Best-Case Scenario** – SSP2–RCP4.5: Medium emission, tiered policy; compliance studies are integrated into occupational safety processes, physical risks are limited to specific regions. Occupational health standards and protective measures are updated, interruption and loss of efficiency are low. **Worst-Case Scenario** – SSP5–RCP8.5: High emission, severe physical impacts; waves of extreme temperature and air pollution become frequent. Employee health and safety are severely affected, occupational accidents increase, and there is a loss of continuity in production and field operations.	Design of OHS systems suitable for extreme climatic conditions, implementation of training and preventive measures for field conditions.	Establishment of heat and air quality monitoring systems Development of personal protective equipment and recreation area standards Flexing working hours according to climatic conditions Climate-oriented updating of OHS trainings in compliance with the legislation
4	**Strategic Risk**	Failure to adequately integrate climate-induced financial, operational and supply chain risks into analysis, monitoring and control processes increases the risk of disaster preparedness and non-compliance. This may weaken the company's resilience capacity.	**Physical:** Damage to facilities due to floods, heat waves, business interruption. **Operational:** Prolonged recovery time after disaster, interruptions in supply and logistics. **Financial:** Increase in insurance costs, production losses, decrease in investor confidence. **Reputation:** Stakeholder trust is shaken, rating scores fall.	↓ ↕ Short -Medium	● ● ● High	$ $ $ High	Risk Management	Physical damage to operational facilities as a result of floods and heat waves; lack of preparedness for disasters	Lack of compliance with ESG criteria in corporate risk reporting	**Best-Case Scenario** – SSP1–RCP2.6: Low emission, high compliance; limited physical risks, risk management systems updated to include climate scenarios, high regulatory compliance. **Worst-Case Scenario** – SSP5–RCP8.5: High emissions, poor compliance; frequent and severe physical impacts, lack of adaptation in risk management, crisis environment and financial losses.	Integration of climate risks into the corporate risk system, dissemination of scenario analyses	Inclusion of climate dimension in all risk reporting Creating facility-based climate risk maps Adapting contingency plans to climate scenarios Increasing climate adaptation indicators in stakeholder and investor reporting
5	**Strategic Risk**	Impact of climate-induced disruptions on digital systems, increasing data manipulation by climate finance pressures	**Physical:** Data centers and communication networks are disabled due to storms, floods. **Operational:** System interruptions, data loss, service disruption. **Financial:** Recovery and security costs, loss of customers, criminal sanctions. **Reputation:** Information security breaches, damage to investor confidence.	↕ ↑ Medium-Long	● ● ● High	$ $ $ High	Information Security and Cyber Security	Disabled digital infrastructures due to storms and floods; increased physical risk in data centers	Concern for digital transparency and data manipulation for green finance	**Best-Case Scenario** – SSP2–RCP4.5: Medium emission, tiered compliance; physical risks limited to specific regions, digital infrastructure strengthened, cyber security protocols up to date. **Worst-Case Scenario** – SSP3–RCP6.0: Medium-high emission, lack of compliance; frequent physical outages, increase in data security risks, concern for manipulation in green finance reporting.	Increasing digital infrastructure resilience against climate-related disruption risks and updating data security measures	Implementation of disaster resilience standards for data centers Redundant system and cloud solutions Cybersecurity testing and ESG data verification mechanisms Disaster moment operation procedures and remote access security
6	**Strategic Risk**	Restrictions and price increases in the supply of raw materials/services due to CBAM/ETS and low-carbon supply criteria; deterioration of supply continuity as a result of drought and extreme weather events narrowing the supply	**Financial:** Increase in input prices, budget deviations, margin contraction. **Operational:** Supply delays, production plan disruption, re-planning cost. **Market/Regulation:** Failure to meet low-carbon product specifications, risk of loss of tender. **Reputation:** Environmental footprint criticisms arising from procurement, weakening ESG scores.	↓ ↕ Short -Medium	● ● ● High	$ $ $ High	Responsible Procurement and Supply Chain	Production decrease and supply risk in raw materials due to drought and weather events	Low-carbon procurement demands and green procurement requirements	**Best-Case Scenario** – SSP2-RCP4.5: Medium emission, tiered policy; supply constraints can be managed, alternatives can be found. **Worst-Case Scenario** – SSP3–RCP6.0: Medium-high emissions; poor regional alignment, supply shocks and policy uncertainty often disrupt supply continuity.	Implementation of criteria assessing climate risks in the supply chain and development of alternative resource strategies	Substitution/localization plans to high-risk suppliers Green procurement criteria and low-carbon materials roadmap Multiple sourcing and alternative logistics routes Decarbonization partnerships with suppliers (data, target, improvement)
7	**Operational Risk**	Extreme temperatures and disasters complicate working conditions, decrease in motivation and commitment; job security anxiety caused by changes in duty/location due to climate policies.	**HR/Operation:** Absence, decrease in productivity, increase in turnover rate. **Financial:** Overtime/replacement labor costs, loss of productivity. **Reputation/Social: Weakening** in employee experience and employer brand, social media pressure. **Adaptation:** Pressure to adapt to climate justice and equality policies.	↕ ↑ Medium-Long	● ● ● High	$ $ Medium	Employee Satisfaction	Heat waves and disasters make working environments difficult and reduce work motivation	Social pressures on the lack of climate justice in employee rights	**Best-Case Scenario** – SSP2-RCP4.5: Adaptation programs are implemented; impacts are limited by flexible work/condition improvements. **Worst-Case Scenario** – SSP3–RCP6.0: Lack of cohesion; long warm periods and crises permanently weaken motivation and commitment.	Developing strategies focused on the relationship between climate justice and employee well-being	Climate awareness trainings Flexible shift/remote working, temperature protocols Psychosocial support and welfare programs Joint risk assessment with OHS (thermal stress)
8	**Strategic Risk**	Energy, water and logistics outages due to extreme weather events and grid pressure; weakness in project interruptions and business continuity.	**Operational:** Production/construction site downtime, critical service interruptions. **Financial:** Delay penalties, loss of capacity, insurance and repair costs. **Compliance:** Non-compliance with infrastructure performance indicators. **Reputation:** Decrease in the perception of service quality.	↕ ↑ Medium-Long	● ● ● High	$ $ Medium	Business Continuity	Power outages and business interruptions as a result of increased load on flood and power lines	Energy efficiency imperatives and infrastructure performance indicators	**Best-Case Scenario** – SSP2-RCP4.5: Outages are limited by gradual alignment; managed by backup. **Worst-Case Scenario** – SSP5–RCP8.5: Frequent and severe events; long outages and high costs.	Establishing flexible and redundant systems against climate events, ensuring energy and infrastructure sustainability	Dual feed/UPS/generator, water storage Micro-grid/renewable + storage Alternative routes and logistics contracts Business continuity drills and contingency plans
9	**Operational Risk**	Lack of digital monitoring of carbon and environmental performance; missed mitigation opportunities, late or incomplete fulfillment of commitments, weakening of competitiveness.	**Financial: Restriction** of access to green finance, rating decline. **Operational:** Wrong decisions, inefficiency due to data errors. **Compliance:** ESRS/TSRS/ISO 14064 non-compliance, verification problems. **Reputation:** Impaired perception of transparency.	↓ ↕ Short -Medium	● ○ ○ Low	$ $ $ High	Digital Transformation	Direct impact of physical disasters on monitoring devices and digital networks	Digital reporting of carbon emissions and ESG rating requests	**Best-Case Scenario** – SSP1-RCP2.6: Physical risk is limited; transition risks (reporting/compliance) increase but can be managed. **Worst-Case Scenario** – SSP3-RCP6.0: Policy uncertainty; data requirements are severe, making it difficult to monitor physical outages.	Integration of carbon monitoring and climate impact monitoring infrastructures with digital tools Completion of reporting infrastructure in accordance with ISO 14064 (Greenhouse Gas Calculation and Verification) and GHG Protocol standards.	ISO 14064/GHG Protocol compliant data architecture ESRS-TSRS taxonomy pairing Disaster resilient infrastructure (backup network/center)
10	**Operational Risk**	Delay in low-carbon product/service development; barrier to access to green finance and loss of competitiveness.	**Market:** Missing tender/matching criteria, loss of market share. **Financial:** Inability to access green fund/loan, losing discount advantage. **Reputation:** Decline in the perception of innovation and sustainability. **Operational:** External air sensitivity in project prototypes, test period prolongation.	↕ ↑ Medium-Long	● ○ ○ Low	$ $ $ High	R&D and Innovation	Factors such as drought and temperature increase increase sensitivity to external weather conditions in innovative projects	Pressure to comply with sustainability standards in innovation processes	**Best-Case Scenario** – SSP1–RCP2.6: Net-zero governance; incentive for innovation and stable rules. **Worst-Case Scenario** – SSP3–RCP6.0: Uncertain policies; access to funds is difficult, product requirements change rapidly.	Prioritization of low-carbon product and service development processes	SBTi compliant R&D roadmap Pilot/demonstration projects, life cycle verification Green financing applications, grant/incentive follow-up Customer co-development programs

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Yapı Merkezi Sustainability and Climate Change Risks and Opportunities

No.	Type of Risk	Definition	Possible Impacts	Term	Probability of Risk	Financial Impact of Risk	Material Topic	Climate Physical Risk	Climate Transition Risk	Scenario & Link	Strategic Priority	Mitigation Strategy
11	**Operational Risk**	In line with regulatory requirements, international reporting standards and investor expectations, the need for competent human resources in climate change, sustainability and other technical areas is increasing rapidly in all our units. In addition to climate and sustainability legislation such as ESRS, TSRS, CBAM, EU ETS, the need for expertise in critical business areas such as engineering, project management, finance, procurement, quality, OHS and digital transformation is becoming more important every day. Lack of sufficient number and quality of experts; Failure to properly manage climate-related risks and opportunities, Delays in project delivery times and loss of operational efficiency, Disruptions in compliance and reporting processes, Performance decline in achieving strategic objectives	**Operational:** Project delays, process inefficiency. **Compliance:** Disruption in reporting and audits. **Financial:** Goal deviations, loss of funds/tenders. **Reputation:** Weakening of stakeholder trust.	↓ ↕ Short -Medium	● ● ● High	$ $ $ High	Talent Management and Employee Development	Disruption of training activities due to extreme weather events, disruption of technical field training	Climate competencies becoming mandatory in recruitment and performance criteria	**Best-Case Scenario** – SSP2–RCP4.5: Gradual transition; talent market develops, deficits can be closed with collaborations. **Worst-Case Scenario** – SSP3–RCP6.0: Demand increases rapidly, supply is insufficient; continuity problem in critical positions	Creation of climate-oriented competence maps and adaptation of employee development programs Collaborations with universities, research institutions and professional organizations Talent pooling and succession planning for critical positions	Targeted recruitment and scholarship/internship programs Unit based training & certification plans University-NGO-institute collaborations Backup plans and talent pool
12	**Strategic Risk**	The rapid development of regulatory requirements linked to climate change (ESRS, TSRS, CBAM, EU ETS, etc.) requires companies to have a strong compliance and reporting capacity in these areas. Deficiencies in compliance processes can lead to both the risk of legal sanctions and loss of trust in investors, customers and society. In addition, adherence to ethical principles and transparency are an integral part of our sustainability goals. Failure to comply with ethical standards or weaknesses in transparency may adversely affect reputation, stakeholder trust, and access to finance.	**Compliance/Legal:** Administrative sanctions, non-tendering, loss of customers. **Financial:** Loss of funds and investments, increase in the cost of capital. **Reputation:** Loss of trust, media and NGO pressure. **Operational:** Increased audit/reporting burden, process congestion.	↓ ↕ Short -Medium	● ○ ○ Low	$ $ $ High	Business Ethics and Compliance	Triggering ethical violations and transparency issues in the disaster environment	Climate transparency requirement and ethical assessment increase in compliance audits	**Best-Case Scenario** – SSP1-RCP2.6: Physical risk is limited; regulations are predictable, reputation is strengthened by strong transparency. **Worst-Case Scenario** – SSP3–RCP6.0: Policy uncertainty and pressure increases; compliance cost and reputation risk increases.	Managing climate adaptation processes in accordance with ethical principles and preparing for compliance audits	Updating ethical codes with climate adaptation Increasing compliance audit capacity Verifiable data and third-party assurance Transparent communication and regular stakeholder reporting
13	**Strategic Risk**	The expectations of public institutions, non-governmental organizations (NGOs), investors, customers and other private sector stakeholders regarding the fight against climate change and sustainability are increasing day by day. Failure to meet these expectations; failure to meet commitments, deficiencies in transparent data sharing or inadequacy of climate strategies may damage the company's credibility with stakeholders. Falling behind expectations may lead to loss of reputation, weakening of stakeholder relations, and reduced investment and cooperation opportunities in the long term.	**Financial:** Decrease in investor interest, increase in financing cost. **Operational:** Collaboration and disruption in joint projects. **Reputation/Stakeholder:** Loss of trust, media/sts pressure, weakening of social license. **Social: Social** resistance, objections and delays. **Compliance/Regulation:** Risk of failure to meet disclosure standards.	↓ ↕ Short -Medium	● ○ ○ High	$ $ $ Medium	Stakeholder Management and Partnerships	Climate-related crises making our activities the focus of criticism in the eyes of NGOs and the public	Lack of climate communication undermines stakeholder trust and social licensing	**Best-Case Scenario** – SSP1-RCP2.6: Expectations can be managed with transparent reporting; partnerships are strengthened. **Worst-Case Scenario** – SSP3–RCP6.0: Policy uncertainty and frequent physical events; loss of trust and weakened cooperation.	Transparent and collaborative execution of climate strategies with stakeholders Regularly analyzing stakeholder expectations and integrating them into strategies Transparent, verifiable and regular climate performance reporting Strengthening stakeholder communication channels and increasing dialogue mechanisms	Private sector-NGO-university collaborations on the climate agenda Strengthening climate strategies with national and international examples of good practice
14	**Strategic Risk**	Infrastructure deficiencies and lack of planning for climate resilience in urban projects increase vulnerability to climate-related risks such as extreme weather events, floods and heat waves. This may adversely affect the long-term resilience and service continuity of urban projects.	**Financial:** Increase in maintenance/repair and insurance costs. **Operational:** Project delays, loss of capacity. **Reputation/Stakeholder:** Decreased perception of quality of life, local reactions. **Social:** Economic losses and increased impacts on vulnerable groups. **Compliance/Regulation:** Difficulty in complying with green city/mobility standards.	↓ ↕ Short -Medium	● ● ● High	$ $ $ High	Sustainable Cities and Mobility	Damage to infrastructures due to hot air islands, flood risk and lack of drainage in cities	Compliance with green city and mobility regulations	**Best-Case Scenario** – SSP2–RCP4.5: Gradual alignment; impacts are limited by blue/green infrastructure. **Worst-Case Scenario** – SSP5–RCP8.5: Frequent violent events; outages and costs increase rapidly.	Integration of climate adaptation criteria into project designs Developing climate resilience-oriented cooperation with local governments and relevant stakeholders	Increasing infrastructure capacity and strengthening it according to climate risk scenarios
15	**Strategic Risk**	Changes in land use and construction activities can lead to ecosystem loss and biodiversity degradation. Increasing environmental regulations and the obligation to comply with international standards make the management of this risk critical.	**Financial:** Restoration/offset costs, permit delays. **Operational:** Restriction in site timing and methods. **Reputation/Stakeholder:** Reputation erosion with perception of loss of nature. **Social:** Local community impacts and objections. **Adaptation/Regulation:** Biodiversity net gain conditions.	↓ ↕ Short -Medium	● ● ● High	$ $ Medium	Biodiversity and Land Use	Drought and flooding cause habitat loss on the land and threaten biodiversity	Compliance with biodiversity regulations	**Best-Case Scenario**- SSP1-RCP2.6: Compliance criteria are applied, risks are limited, service continuity is maintained. Biodiversity is preserved, permit processes continue smoothly. **Worst-Case Scenario**- SSP5–RCP8.5: Urban resilience: Flood and heat waves increase, costs and disruptions increase. Habitat loss accelerates, permit pressure and project delays occur.	Integrated consideration of ecosystem protection and climate adaptation in land use planning Strengthening environmental impact assessments (EIA) with a focus on biodiversity Implementation of ecosystem conservation and restoration plans in land use Preferring ecosystem-friendly materials and methods in the construction process Development of biodiversity conservation projects with local communities and NGOs	Habitat protection plans in construction areas, afforestation Biological inventory, ecological corridors, Project timing optimization, NGO joint projects.
16	**Strategic Risk**	Failure to integrate climate risks into corporate governance structure and decision-making processes can lead to failure of sustainability goals. This increases supervisory pressure on regulatory bodies, investors and stakeholders and can lead to reputational damage.	**Financial:** Incorrect allocation of capital, loss of opportunity. **Operational:** Delay of compliance plans. **Reputation:** Weakening of stakeholder trust. **Social:** Decrease in internal stakeholder engagement. **Compliance/Regulation:** Lack of TCFD/ESRS/TSRS integration.	↓ ↕ ↑ Short-Medium-Long	● ○ ○ Low	$ Low	Corporate Governance	Unpreparedness of governance mechanisms due to lack of consideration of physical risks	Lack of TCFD/ESRS integration in corporate reporting	**Best-Case Scenario**-SSP1-RCP2.6: Predictable policy; performance increases with strong reporting. **Worst-Case Scenario** – SSP3–RCP6.0: Uncertainty and pressure increase; decision quality decreases.	Integrating climate responsibility into the governance system and enhancing corporate sustainability leadership	Establishment of a climate committee at the level of the BoD and Climate performance criteria
17	**Operational Risk**	The disproportionate concentration of the negative effects of climate change on disadvantaged groups strengthens the perception of climate injustice. This situation may lead to damage to equality policies, social tensions and weakening of stakeholder relations.	**Financial:** Project delays and additional costs. **Operational:** Business interruptions in the field, objections. **Reputation/Stakeholder:** Weakening of social license. **Social:** Increased vulnerability, decrease in employee/community welfare. **Compliance/Regulation:** Requirement to comply with social impact standards.	↓ ↕ ↑ Short-Medium-Long	● ● ● High	$ $ Medium	Diversity, Inclusion and Equal Opportunities	More impact of disasters on vulnerable groups and deepening injustices	Insufficient inclusion on climate justice	**Best-Case Scenario** – SSP2-RCP4.5: Social risks are limited by inclusive programs. **Worst-Case Scenario** – SSP3–RCP6.0: Lack of cohesion; social reaction and objections increase.	Adoption of egalitarian approaches to guarantee social inclusion in climate policies	Integration of social programmes focused on climate justice

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Yapı Merkezi Sustainability and Climate Change Risks and Opportunities

No.	Type of Risk	Definition	Possible Impacts	Term	Probability of Risk	Financial Impact of Risk	Material Topic	Climate Physical Risk	Climate Transition Risk	Scenario & Link	Strategic Priority	Mitigation Strategy
18	**Strategic Risk**	Inefficient use of natural resources and water and deficiencies in environmental monitoring systems lead to a move away from sustainability in resource management. This brings with it the risk of inadequacy in waste management, non-compliance with environmental regulations and an increase in operational costs.	**Financial:** Increase in resource costs, sanctions. **Operational:** Outages, loss of productivity. **Reputation/Stakeholder:** Deterioration in environmental performance perception. **Social:** Local water scarcity tensions. **Compliance/Regulation:** Challenges of compliance with environmental standards.	Short-Medium-Long	High	Low	Sustainable Environmental Management	Inefficient use of resources due to drought and increased energy consumption	Environmental compliance regulations and reporting obligations	Best-Case Scenario – SSP1-RCP2.6: Risk is reduced by resource efficiency investments. Worst-Case Scenario – SSP5–RCP8.5: Water stress and power outages increase; costs rise.	Dissemination of climate-oriented environmental strategies in areas such as waste management, energy and water efficiency	Waste reduction, water efficiency and environmental performance monitoring systems
19	**Operational Risk**	Physical and transition risks caused by the climate crisis can cause shrinkage in local sectors, disruptions in supply chains and employment losses. This increases the risk of a reduced contribution to the local economy and a lower level of social welfare.	**Financial:** Increase in local procurement costs, loss of incentives. **Operational:** Weakening in project continuity. **Reputation/Stakeholder:** Social licensing and local support are weakened. **Social:** Unemployment and loss of welfare. **Adaptation/Regulation:** Pressure to adapt to local development conditions.	Short-Medium-Long	High	Medium	Contribution to Local Economy and Employment	Shrinkage of local sectors and economic employment losses due to climate impact	Non-compliance with low-carbon local production incentives in development programs	Best-Case Scenario – SSP2-RCP4.5: Impacts are limited by coherent local development programmes. Worst-Case Scenario – SSP3–RCP6.0: Frequent physical impacts; contraction and loss of employment.	Supporting local development projects that will contribute to climate resilience	Local employment projects for climate adaptation
20	**Operational Risk**	Although the vulnerability of the society to the effects of climate change increases, the inability to develop solutions with high climate sensitivity increases the risk of social reaction. This may adversely affect the company's social reputation and stakeholder relations.	**Financial:** Cost of delay, additional leave/attendance costs. **Operational:** Project disruptions, re-planning. **Reputation/Stakeholder:** Public pressure, loss of social license. **Social:** Adverse effects in vulnerable groups. **Compliance/Regulation:** Participatory process obligations.	Short-Medium-Long	High	Low	Corporate Social Responsibility (CSR)	Disasters have a greater impact on vulnerable groups in society and create a social reaction	Loss of visibility in the sustainability agenda before the society	Best-Case Scenario – SSP1-RCP2.6: Risks are managed through proactive social programs. Worst-Case Scenario – SSP3–RCP6.0: Lack of cohesion; resistance and delays	Dissemination of social programs that will increase social resilience against the climate crisis	Post-disaster social support, climate education campaigns
21	**Strategic Risk**	Failure to meet the increasing expectations of all stakeholder groups on sustainability and climate issues; failure to comply with standards throughout the value chain, poor sustainability communication	**Financial:** Difficulty in accessing finance, loss of tender. **Operational:** Supply chain mismatch, process congestion. **Reputation/Stakeholder:** Decrease in brand value, decrease in satisfaction. **Social:** Weakness in perception management. **Compliance/Regulation:** Failure to comply with green tender and product requirements.	Short-Medium-Long	Low	High	Business Ethics and Compliance, Stakeholder Management, Risk Management	Extreme temperature or drought periods threaten sustainability communication	Low-carbon product expectations, access criteria to green tenders	Best-Case Scenario– SSP1-RCP2.6: Regular, predictable rules; opportunity to make a difference through communication. Worst-Case Scenario – SSP3-RCP6.0: Fluctuating expectations; the cost of adaptation and communication increases.	Diversification and regional risk-based prioritization in the supply chain Planning of alternative logistics and supply channels Investment evaluation mechanisms based on country risk scores Risk monitoring with project-based early warning systems and scenario analysis Flexible contract structures sensitive to policy and regulation changes	Strategic sustainability communication plan, Stakeholder analysis, Reputation management scenarios, Regular trend and regulation monitoring
22	**Strategic Risk**	Economic fluctuations, geopolitical tensions and policy changes on a global scale can adversely affect the timely completion of ongoing projects and the continuity of the supply chain. The increase in country risks may lead to deterioration of the investment environment, difficult financing conditions and increased project costs.	**Financial:** Cost increases, tightening of financing conditions. **Operational:** Delivery delays, supply interruptions. **Reputation/Stakeholder:** Decrease in investor confidence. **Social:** Local impacts and employment pressure. **Compliance/Regulation:** Country-based restrictions, sanctions risks.	Short-Medium-Long	High	Medium	Risk Management, Business Continuity, Local Economy	Supply chain disruptions and budget deviations due to extreme climate events	Carbon footprint and supplier assessment risks in the global supply chain	Best-Case Scenario – SSP2–RCP4.5: Partial collaboration; manageable through diversification. Worst-Case Scenario – SSP5–RCP8.5: High emission + SSP3 context (fragmented governance): cuts, budget deviations.	Increasing corporate resilience through crisis management and supply chain resilience	Geopolitical risk mapping, Communication plan with local people, Alternative supply planning, Scenario-based budget management
23	**Strategic Risk**	National and international sustainability and climate-related regulations (eg. ESRS, CBAM, EU ETS, TSRS) non-compliance and lack of monitoring, reporting and verification processes for these regulations.	**Financial:** Penalties, loss of funds/tenders. **Operational:** Audit burden, process blockages. **Reputation/Stakeholder:** Loss of trust. **Social:** Negativity in public perception. **Compliance/Regulation:** Non-tendering, contract cancellations.	Short-Medium-Long	Medium	High	Corporate Governance, Business Ethics, Risk Management	Resistance of infrastructure, team and services against physical disasters	Reporting in line with ESG legislation	Best-Case Scenario – SSP2–RCP4.5: Transition risks persist; manageable by configuration. Worst-Case Scenario – SSP3–RCP6.0: Uncertainty and pressure increase; non-compliance costs increase.	Reducing risk in national and international audits by fully complying with ESG regulations	Digital system installation for regulatory monitoring, ESG compliance checklists, Integration of legal and sustainability teams
24	**Operational Risk**	Failure to develop adaptation strategies against climate change; lack of resilience of infrastructures, workforce and product/service portfolio	**Financial:** Damage and deduction costs. **Operational:** Project stops, contract violations. **Reputation/Stakeholder: The** perception of service quality decreases. **Social:** Employee health risks. **Compliance/Regulation:** Lack of compliance obligations.	Short-Medium-Long	Medium	High	Mitigating the Climate Crisis, Occupational Health and Safety, Business Continuity	Suspension of projects due to extreme weather events, increase in employee health threats	Non-regulation due to lack of corporate adaptation strategy	Best-Case Scenario – SSP1-RCP2.6: Physical risk is limited; advantage is provided by compliance. Worst-Case Scenario – SSP5–RCP8.5: Severe impacts; disruptions and costs rise.	Reducing operational disruptions through climate-resilient infrastructure and occupational health strategies	Physical risk mapping, Early warning systems, Infrastructure resistance increase, Employee training Local adaptation plans
25	**Strategic Risk**	Reduced access to finance and competitiveness in international tenders due to inadequate sustainability and climate performance	**Financial:** Credit cost increase, fund/tender loss. **Operational:** Decrease in competitiveness. **Reputation/Stakeholder:** Decrease in ESG ratings, decrease in investor interest. **Social:** Employment and growth impact. **Compliance/Regulation:** Failure to meet the compliance criteria.	Short-Medium-Long	High	High	Mitigating the Climate Crisis, Risk Management, R&D and Innovation	Reduced ability to achieve carbon targets with events such as floods and temperatures	Failure to provide green financing competencies, decrease in ESG scores	Best-Case Scenario – SSP1–RCP2.6: Stable framework; financing advantage with low carbon innovation. Worst-Case Scenario – SSP5–RCP8.5: High carbon price and intense physical risk; financing conditions harden.	SBTi compatible goal setting, providing competitive power and financing advantage with innovative solutions	Introduction to the ESG rating system, Low carbon roadmap
26	**Strategic / Operational Risk**	Water stress and water scarcity risks may adversely affect our operations, supply chain and project lead times due to drought cycles, precipitation irregularity, increased water demand, climate change-related watershed-based resource reduction and regulatory constraints.	**Financial:** Increased water supply costs; project budget deviations due to the need for alternative resource investment, permit delays. **Operational:** Cessation of production/construction site activities due to project delays, water cuts; decrease in process efficiency. **Reputation/Stakeholder:** Negative perception of water use among local communities and stakeholders; loss of social license. **Compliance/Regulation:** Limitation of water abstraction permits; obligations to comply with the EU Water Framework Directive and national water regulations. **Social:** Water access tensions in local communities; increased demand for WASH (Water, Sanitation & Hygiene) programs.	Medium-Long	High	High	Sustainable Environmental Management	Decrease in water resources, drought, flood and precipitation irregularity in high-stress basins	Water use quotas, permit restrictions, water pricing mechanisms, tight discharge	Best-Case Scenario – SSP1-RCP2.6: Physical risks are limited, operational disruptions are kept to a minimum thanks to compliance and efficiency measures. Innovative water-saving technologies and recovery systems provide cost advantages by reducing water ratio. Worst-Case Scenario – SSP3-RCP8.5: Water scarcity increases due to severe drought and precipitation irregularities, water withdrawal permits are restricted, treatment costs are increased; operational downtimes and project delivery delays become widespread. Social tensions and reputational risks become evident.	Increasing water efficiency and reuse rate, Commissioning alternative resource plans in high-risk areas, Strengthening community collaborations.	Deployment of water efficiency technologies in high-stress areas. Rainwater harvesting, graywater systems and closed-loop process applications. Increasing the wastewater treatment and recovery rate to over 30%. WASH programs and water sharing protocols with local communities. Development of basin-based water management plans in cooperation with local governments.
27	**Operational Risk**	Chemicals used in operations pose multifaceted risks in terms of health, safety and environmental impacts. The use of chemicals with low environmental performance or carbon-intensive chemicals can directly trigger both climate transition risks (non-compliance with regulations, green supply chain violations) and physical risks (impacts of events such as extreme temperature, flooding on storage and transportation).	**Physical Impacts:** Risk of chemical evaporation, leakage and fire in areas where high temperature and humidity increase; Risk of chemicals entering the environment in incidents such as flooding; Vulnerabilities in storage infrastructures that are not suitable for extreme climatic conditions **Regulation and Compliance Impacts:** Risk of non-compliance with regulations such as CBAM, REACH, ESRS; Low score or rejection in supply chain audits; Green building and infrastructure standards (e.g. IFC, EDGE, BREEAM, LEED) incompatibility **Operational and Financial Impacts:** Pause or delay in projects; Increased compensation, insurance and security costs; Difficulties in accessing green finance due to low ESG scoreReputation and Stakeholder Impacts: Loss of trust in local communities and employees; Reputation risk to financiers, customers and regulatory agencies	Short -Medium	High	High	Mitigating the Climate Crisis, Occupational Health and Safety, Responsible Procurement and Supply Chain	Chemical leakage, evaporation and fire due to high temperature, flood and climate stress	Risk of non-compliance with **CBAM** and green supply chain standards due to the use of chemicals with high greenhouse gas emission content	Best-Case Scenario – SSP1-RCP4.5: In this scenario where medium-high climate action is in place at the global level, regulations are predictable. Processes effectively manage risks with low-carbon and non-toxic chemical preference, Material Approval Forms and supplier audits; environmental and occupational health incidents are minimized. Worst-Case Scenario – SSP3-RCP7.0: In this scenario where global cooperation is low and regulatory pressure is high, the risk of non-compliance with regulations such as CBAM and REACH increases due to carbon-intensive and high environmental impact chemicals. Physical events such as extreme temperatures and floods increase the risk of chemical leaks and fires; operational disruptions, reputational damage, and access to finance issues arise.	Chemical management, adaptation to the climate transition, occupational health and safety and control of regulatory risks	Effectively implements Material Approval Forms for chemical use MSDS documents are transferred to the site in local language translated form Toxic and carbon-intensive substances are avoided Suppliers are audited for chemical safety

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Yapı Merkezi Sustainability and Climate Change Risks and Opportunities

No.	Type of Risk	Definition	Possible Impacts	Term	Probability of Risk	Financial Impact of Risk	Material Topic	Climate Physical Risk	Climate Transition Risk	Scenario & Link	Strategic Priority	Mitigation Strategy
28	**Strategic Risk**	The EU Deforestation Regulation (EUDR) mandates the traceability of forest-related products (wood, rubber, etc.) and non-deforestation sourced supply chain documentation. Failure to be prepared for the compliance process brings the risks of competitive disadvantage, supply chain disruptions, operational incompatibilities and loss of corporate reputation in projects in the EU market.	**Physical Impacts:** Risk of deterioration, decay or fire of wood and derived materials in areas where high temperature and humidity increase; Risk of damage to materials stored in floods or floods and environmental contamination; Vulnerabilities to safety and occupational health in storage infrastructures not suitable for extreme climatic conditions **Regulation and Compliance Effects:** Risk of non-compliance with regulations such as EUDR, CBAM, REACH and ESRS; Low score or rejection in supply chain audits; Non-compliance with green building and infrastructure standards (IFC EDGE, BREEAM, LEED) **Operational and Financial Impacts:** Risk of standstill or elimination from tenders in EU-funded and EU-partnered projects; Increased certification, certification, compensation, insurance and security costs; Difficulties in accessing green finance and investor support due to low ESG (Environmental-Social-Governance) score **Reputation and Stakeholder Impacts:** Loss of trust with local communities and employees; Reputation risk with financiers, customers and regulatory agencies; Failure to meet stakeholder expectations in sustainability reporting	↓ ⇕ Short -Medium	●●● High	$ $ $ High	Mitigating the Climate Crisis, Responsible Procurement and Supply Chain	Risk of deterioration, fire and leakage of stored materials due to climatic stresses such as high temperature and flood Vulnerabilities in warehouses not suitable for climatic conditions	Traceability obligation of wood, rubber and their derivatives Risk of non-compliance with regulations such as CBAM, REACH, ESRS Non-compliance with green infrastructure and building certifications (IFC, EDGE, BREAM, LEED) Risk of elimination from EU-funded tenders	Best-Case Scenario – SSP1-RCP4.5: In this scenario where medium-high climate action is in place at the global level, regulations are predictable. Risks are effectively managed with certified low-carbon material preference, supplier audits and digital traceability systems in YM processes; operational interruptions and reputational losses are minimized. Worst-Case Scenario – SSP3-RCP8.5: In this scenario where global cooperation is low and regulatory pressure is high, the risk of non-compliance with regulations such as CBAM, REACH and EUDR increases due to carbon-intensive and non-sustainability-certified materials. Physical events such as extreme heat and flooding disrupt the supply chain; operational delays, problems with access to finance, and reputational damage occur.	Sustainable supply chain management Access to European projects and maintaining competitiveness Strengthening ESG compliance	Mandatory for certified, sustainable and low-carbon suppliers Supplier audits and GPS-based traceability systems Digital reporting and ERP integration Effective use of Material Approval Forms Transparency with sustainability reporting and stakeholder communication
29	**Strategic Risk**	The EU's Green Public Procurement Policy (GPP) is a practice that makes environmental sustainability criteria mandatory in public tenders. In the tender processes, not only price and technical competence, but also criteria such as carbon footprint, energy efficiency, use of recyclable materials, environmental product declaration (EPD) are taken into consideration.	**Risk of Loss of Tender:** Bids that do not meet the environmental performance criteria may be eliminated from the tender. **Cost Pressure:** EPD, carbon footprint calculation, low-carbon material supply may impose additional costs. **Procurement Risk:** There may be difficulties in procuring recyclable or low-carbon materials. **Compliance Burden:** More detailed reporting and certification processes will be required for compliance with GPP criteria.	↓ ⇕ Short -Medium	●●● High	$ $ $ High	Mitigating the Climate Crisis, Business Ethics and Compliance, Stakeholder Management, Risk Management, Responsible Procurement and Supply Chain	Risk of fire due to material degradation and storage due to high temperature, flood and climate stress Logistical disruptions in the supply of green materials Vulnerabilities due to improper storage of recycled materials	Risk of not meeting the criteria for carbon footprint, energy efficiency, Environmental Product Declaration (EPD) and recycled materials in EU public tenders Non-compliance with green building standards such as IFC EDGE, BREAM, LEED Failure to meet carbon reporting obligations in connection with CBAM and ESRS	Best-Case Scenario – SSP1-RCP4.5: In this scenario where medium-high climate action is in place at the global level, regulations are predictable. YM meets **Green Public Procurement** criteria by including low-carbon and recyclable materials in its supply chain. Risks are effectively managed with environmental product declarations, energy efficiency reports and supplier audits; tender losses are minimized. Worst-Case Scenario – SSP3–RCP8.5: In this scenario where global cooperation is low and regulatory pressure is high, GPP, CBAM and ESRS incompatibility increases due to carbon-intensive and non-recyclable materials. Elimination from tenders, operational cuts, difficulties in accessing financing, and reputational damage occur.	Safeguarding access to European projects Adaptation to green finance and strengthening ESG scores Leadership in the sustainable supply chain	Prepare an Environmental Product Declaration (EPD) on each project and request these documents from suppliers. Developing a green materials policy such as low-carbon cement, recycled steel. Integrate carbon footprint calculations and energy efficiency reports into tender dossiers. Harmonize the institutional infrastructure with EU criteria by strengthening certifications such as ISO 14001, ISO 50001.
30	**Strategic Risk**	Within the scope of the Climate Law that Türkiye plans to enact, regulations such as the establishment of a national carbon market, sector-based emission reduction targets, carbon pricing tools (tax/ETS), green financing standards and transparent reporting obligations are expected to be put into effect. Failure to comply with these new regulations may result in the company facing legal, financial and reputational risks.	**Financial:** Tax/carbon cost increase in projects subject to carbon pricing, loss of funds/loans due to emission-intensive inputs, competitive disadvantage related to CBAM **Operational:** Restructuring of project processes to comply with new regulations, inadequacy in reporting and verification systems **Compliance/Legal:** Administrative sanctions, delay in permit processes of projects, elimination risk in tender qualifications **Reputation/Compliance:** Decrease in ESG ratings due to lack, weakening in customer and investor confidence	↓ ⇕ Short -Medium	●●● High	$ $ $ High	Mitigating the Climate Crisis, Risk Management, Business Ethics and Compliance	New reporting and resilience obligations after physical disasters	Regulation, carbon price, reporting obligations	Best-Case Scenario – SSP1–RCP2.6: Stable national governance; Adequate transition process and support mechanisms are defined for climate law compliance. Access to green finance becomes easier. Worst-Case Scenario – SSP3-RCP8.5: The adaptation process is carried out quickly and in parts; companies are caught unprepared. Carbon costs increase, tenders and funds are lost due to lack of certificates/reports.	Compliance with Climate Law, National Carbon Market Integration	Proactive monitoring of the Climate Law and related legislation (national carbon market compliant with EU ETS, MRV systems, etc.) Strengthening corporate carbon emission monitoring, reporting and verification (MRV) infrastructure Preparation of transition plans for carbon-intensive products/services Low-carbon material preferences and carbon footprint reduction roadmap in the supply chain Evaluation of green financing opportunities (treasury-backed green bonds, incentives, etc.) under the Climate Law Integration of the Climate Law compliance checklist in all new projects

At Yapı Merkezi, we have prepared this risk analysis table in order to increase our institutional resilience against climate change and to achieve our sustainability goals. We have comprehensively assessed climate-related risks in many areas, from corporate strategy to operational processes, from supply chain to employee well-being, from social impacts to governance.

We analyzed each risk heading with basic parameters such as definition, possible effects, maturity, financial impact and probability of realization. Within the framework of IPCC scenario combinations (SSP-RCP) in risk assessments, we created a "Best-Case Scenario" and a "Worst-Case Scenario" for each risk, comparing a structure where low-carbon transition is managed with an environment with high emissions and low compliance capacity.

Our reason for including Worst-Case Scenarios is to assess how we can perform in challenging climatic conditions, not just optimistic projections. Thanks to this approach:

We can see the effects of risks under challenging conditions more realistically,

- We are able to make strategic preparation for proactive risk management,
- We can identify the building blocks that can turn crises into advantages,
- We can strengthen our institution's responses to climate stress tests.

Term, probability and impact levels may vary according to our operational areas of activity and geographical risk profiles. In particular, we strategically address risk areas with high financial impact and high probability in the investment and prioritization processes.

We present each risk item holistically with the relevant sustainability theme, physical or transition risk class, strategic priority level and mitigation strategies.

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Yapı Merkezi Sustainability and Climate Change Risks and Opportunities Table

No.	Material Topic	Definition	Possible Impacts	Term	Financial Impact	Probability	Scenario & Link	Strategic Priority
1	Mitigating the Climate Crisis	Carbon management, green infrastructure and energy efficiency investments can both reduce emissions and facilitate access to green finance.	Contribution to net-zero compliance and low-carbon targets; increase in investor confidence and ease of access to green finance	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Carbon management is effectively implemented and access to green finance is facilitated thanks to low emissions, strong global cooperation and high adaptation capacity. **Worst-Case Scenario** – SSP3–RCP8.5: Extreme weather events and transition risks increase due to high emission, poor adaptation capacity. The inadequacy of adaptation plans creates a crisis environment, investor confidence may decrease.	Adaptation to net-zero targets, strengthening carbon management capacity, creating adaptation plans according to climate scenarios
2	Customer Satisfaction	Service design and procurement management that takes climate risks into account increases customer confidence and provides long-term contract advantage.	Strengthening customer loyalty, long-term contracts and sustainable revenue streams	↓ Short	$ $ $ High	● ● ○ Medium	**Best-Case Scenario** – SSP1–RCP2.6: Arrangements for decarbonization and service quality can be envisaged. Climate compliant customer-focused strategies increase brand equity. **Worst-Case Scenario** – SSP3–RCP6.0: Political uncertainties and frequent physical effects make customer satisfaction difficult, supply chain disruptions threaten customer relations.	Development of service quality systems that take into account climate impacts and integration of climate adaptation into customer experience processes
3	Occupational Health and Safety	Extreme weather resistant work environments and climate compliant OHS solutions increase employee engagement and productivity.	Improvement in employee health, increase in workforce efficiency and protection of field operations against climate risks	↓ Short	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Temperature rise and extreme weather events are limited. This increases the effectiveness of OHS practices. Institutions minimize risks with preventive planning. **Worst-Case Scenario** – SSP3–RCP8.5: Physical risks such as high temperatures, floods, storms threaten health and safety at work sites. Crisis management and labor losses increase.	Design of OHS systems suitable for extreme climatic conditions, implementation of training and preventive measures for field conditions.
4	Risk Management	Integrated risk systems, supported by scenario analysis and climate risk mapping, enhance investor confidence and decision making quality.	Increased institutional resilience, reduction of financial uncertainties and transparency in investment decisions	↓ Short	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1-RCP2.6: Climate risks can be managed by scenario analysis thanks to the predictable regulatory environment. Financial stability is ensured. **Worst-Case Scenario** – SSP3-RCP8.5: Severe physical impacts, low adaptation capacity, and financial uncertainties make it difficult to control corporate risks.	Integration of climate risks into the corporate risk system, dissemination of scenario analyses
5	Information Security and Cyber Security	Digital infrastructure resilient to physical climate threats guarantees operational continuity and data integrity.	Increased cyber resilience, reduced risks of data loss and operational outages	↓ Short	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Investments in digital infrastructure increase cyber security, compliance obligations are manageable. **Worst-Case Scenario** – SSP3–RCP6.0: Extreme weather events trigger digital outages, increasing data loss and operational risk.	Increasing digital infrastructure resilience against climate-related disruption risks and updating data security measures
6	Responsible Procurement and Supply Chain	Working with low-carbon and climate-resistant suppliers increases regulatory compliance while reducing environmental risks.	Resistance to supply chain shocks, cost control and sustainable supply security	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Supply chains adapt to low-carbon production, sustainable purchasing practices become widespread. **Worst-Case Scenario** – SSP3–RCP6.0: Lack of global cooperation and extreme weather conditions increase supply chain shocks.	Implementation of criteria assessing climate risks in the supply chain and development of alternative resource strategies
7	Employee Satisfaction	Climate justice-based staff policies and flexible working conditions support employee engagement and productivity.	Increase in employee loyalty and motivation, strengthening of climate justice-based corporate culture	↕ Medium	$ $ $ High	● ● ○ Medium	**Best-Case Scenario** – SSP1–RCP2.6: Climate justice principles are integrated into corporate culture, employee engagement is strengthened. **Worst-Case Scenario** – SSP3–RCP6.0: Social injustice and organizational stress undermine employee motivation.	Developing strategies focused on the relationship between climate justice and employee well-being
8	Business Continuity	Climate-related disruptions are minimized with crisis plans integrated into redundant infrastructure and disaster scenarios.	Maintaining operational continuity, reducing outage costs with highly disaster resilient infrastructure	↓ Short	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Physical risks are low, business continuity plans can be easily deployed. **Worst-Case Scenario** – SSP3–RCP6.0: Extreme climate events increase operational disruptions and disaster risks.	Establishing flexible and redundant systems against climate events, ensuring energy and infrastructure sustainability
9	Digital Transformation	The digitization of emission monitoring, resource management and adaptation tools increases efficiency and environmental control power.	Advantage in real-time carbon footprint monitoring, resource optimization and digital ESG scoring	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1-RCP2.6: Carbon management becomes easier with digital monitoring tools; digital integration into regulations provides an advantage. **Worst-Case Scenario** – SSP3–RCP6.0: Policy confusion and infrastructure weakness limit the effectiveness of digital transformation.	Integration of carbon monitoring and climate impact monitoring infrastructures with digital tools
10	R&D and Innovation	New market opportunities are created through low-carbon materials, green construction technologies and energy solutions.	Technical superiority in low-carbon markets, new investment opportunities with sustainable product portfolio	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Regulations promote innovation; sustainable products and processes gain value. **Worst-Case Scenario** – SSP3–RCP6.0: Lack of public incentives and low collaboration can disrupt innovation.	Prioritization of low-carbon product and service development processes
11	Talent Management and Employee Development	Creating an informed and competent human resource on climate risks and adaptation increases the capacity to adapt to change.	Increased organizational transformation capability, employee engagement and human resources ready for climate adaptation	↕ Medium	$ $ $ High	● ● ○ Medium	**Best-Case Scenario** – SSP1–RCP2.6: Institutions easily create competent human resources with high climate awareness. **Worst-Case Scenario** – SSP3–RCP6.0: Educational investments and adaptive skill development become difficult; workforce resilience decreases.	Creation of climate-oriented competence maps and adaptation of employee development programs
12	Business Ethics and Compliance	Strengthening climate-related ethics and compliance policies supports transparency and corporate reputation.	Increased institutional trust and reputation with the investor thanks to transparency and ethical compliance	↓ Short	$ $ $ High	● ● ○ Medium	**Best-Case Scenario** – SSP1–RCP2.6: Institutional transparency and ethical compliance complies with regulations, investor confidence increases **Worst-Case Scenario** – SSP3–RCP6.0: Poor governance quality and non-compliance risks lead to loss of corporate reputation.	Managing climate adaptation processes in accordance with ethical principles and preparing for compliance audits
13	Stakeholder Management and Partnerships	Developing common climate strategies with stakeholders enhances collaboration by reinforcing trust.	Reinforcement of trust in stakeholder relations, sustainable partnerships and long-term project collaborations	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Common climate solutions can be developed with stakeholders, long-term collaborations are established. **Worst-Case Scenario** – SSP3–RCP6.0: Lack of trust and uncertainties weaken partnerships.	Transparent and collaborative execution of climate strategies with stakeholders
14	Sustainable Cities and Mobility	Thanks to low-carbon urban transportation and infrastructure solutions, the environmental impact in urbanization is reduced and new investments can be attracted.	Convenience in environmental permit processes in urban projects, access to green infrastructure investments	↑ Long	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Green infrastructure investments increase with low-carbon urban policies. **Worst-Case Scenario** – SSP3–RCP6.0: Physical impacts damage transportation systems, making permit processes difficult in urban projects.	Ensuring climate adaptation in urban infrastructure projects, implementation of environmental criteria in mobility investments
15	Biodiversity and Land Use	Biodiversity and conservation of natural assets in land use plans ensure long-term sustainability by maintaining ecosystem services.	Protecting ecosystem integrity, mitigating climate risks with nature-based solutions	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Nature-based solutions are supported; ecosystem services are maintained. **Worst-Case Scenario** – SSP3-RCP8.5: Land degradation and habitat loss increase, environmental adaptation cannot be achieved in projects.	Integrated consideration of ecosystem protection and climate adaptation in land use planning
16	Corporate Governance	Strengthening corporate governance with a climate focus makes sustainability the main element in strategic decision-making processes.	Institutionalization of sustainable decision-making processes, increasing ESG compliance capacity	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Governance systems work climate-driven, sustainability leadership stands out. **Worst-Case Scenario** – SSP3–RCP6.0: Low adaptive capacity and irregular arrangements make governance difficult.	Integrating climate responsibility into the governance system and enhancing corporate sustainability leadership
17	Diversity, Inclusion and Equal Opportunities	Climate policies based on diversity and inclusion support social sustainability and workforce efficiency.	Improvement in social inclusion, employee diversity and societal sustainability performance	↕ Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Equitable policies enhance organizational performance and social sustainability. **Worst-Case Scenario** – SSP3–RCP6.0: Social inequality deepens, inclusion strategies lose effectiveness.	Adoption of egalitarian approaches to guarantee social inclusion in climate policies
18	Sustainable Environmental Management	Environmental strategies such as resource efficiency and waste reduction reduce environmental impact while reducing costs.	Cost advantage due to resource utilization efficiency, measurable improvement in environmental performance	↓↕ Short -Medium	$ $ $ High	● ● ● High	**Best-Case Scenario** – SSP1–RCP2.6: Waste reduction and resource efficiency strategies are easily implemented. **Worst-Case Scenario** – SSP3–RCP8.5: Increasing climate impacts increase environmental burdens, raise costs.	Dissemination of climate-oriented environmental strategies in areas such as waste management, energy and water efficiency

6.3. SUSTAINABILITY RISKS and OPPORTUNITIES MANAGEMENT APPROACH

Yapı Merkezi Sustainability and Climate Change Risks and Opportunities Table

No.	Material Topic	Definition	Possible Impacts	Term	Financial Impact	Probability	Scenario & Link	Strategic Priority
19	Contribution to Local Economy and Employment	Socio-economic resilience can be increased with local employment and climate-compatible production projects.	Supporting socio-economic stability with social impact projects that contribute to local development	Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Green employment is promoted, local development is supported. **Worst-Case Scenario** – SSP3–RCP6.0: Lack of cohesion and low investment environment reduce local employment opportunities.	Supporting local development projects that will contribute to climate resilience
20	Corporate Social Responsibility (CSR)	CSR projects that increase social cohesion and resilience strengthen the social license of the institution.	Increasing public trust, preserving social licensing and social resilience to the climate crisis	Short -Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Social cohesion and climate resilience-oriented programs are effectively disseminated. **Worst-Case Scenario** – SSP3-RCP6.0: The crisis environment puts the sustainability of the social license at risk.	Dissemination of social programs that will increase social resilience against the climate crisis
21	Business Ethics and Compliance, Stakeholder Management, Risk Management	Integrating compliance, stakeholder relations, and risk management creates sustainable systems that deliver multiple benefits.	Increasing the traceability of sustainable performance on an enterprise scale with integrated systems	Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Transparency and stakeholder engagement increase organizational trust and traceability. **Worst-Case Scenario** – SSP3-RCP6.0: Lack of regulation leads to weakening of corporate systems.	Conducting climate adaptation processes with a structure that is transparent, ethical and prioritizes stakeholder participation; increasing institutional integrity and trust
22	Risk Management, Business Continuity, Local Economy	Risk-resistant and climate-adapted local economic models support long-term stability.	Ensuring permanence in local markets with economy models resistant to disaster scenarios	Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Local strategies based on risk mitigation ensure success. **Worst-Case Scenario** – SSP3–RCP8.5: High emissions, low adaptation capacity undermine business continuity and economic stability.	Developing risk-based adaptation plans against high emission scenarios and implementing local development-oriented business continuity strategies
23	Corporate Governance, Business Ethics, Risk Management	Integrating climate risks with governance and compliance policies increases corporate responsibility and investor confidence.	Increased corporate governance capacity, trust and sustainable leadership in investor relations	Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Corporate responsibility strengthens, investor confidence increases. **Worst-Case Scenario** – SSP3-RCP6.0: Corporate integration of sustainability principles becomes difficult.	Integrating climate risks into corporate structures with sustainable governance principles
24	Mitigating the Climate Crisis, Occupational Health and Safety, Business Continuity	Investments in employee health, business continuity and carbon-neutral targets ensure multidimensional climate adaptation.	Multidimensional institutional resilience with integrated management of occupational health, continuity and climate adaptation	Short -Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Integrated systems support occupational health and operational continuity. **Worst-Case Scenario** – SSP3–RCP6.0: Extreme climate events and poor adaptation weaken crisis management.	Dissemination of an integrated approach in climate adaptation, occupational health and crisis management
25	Mitigating the Climate Crisis, Risk Management, R&D and Innovation	Technical superiority and competitive advantage are achieved by developing climate-friendly innovative solutions with R&D investments.	Low-carbon competitive advantage and technology investment advantage with R&D-based climate innovation	Medium-Long	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Low-carbon technologies are encouraged, R&D investments are supported. **Worst-Case Scenario** – SSP3–RCP8.5: Innovative solutions become imperative due to high physical risks and low policy support.	Increasing climate innovation capacity and encouraging risk-based technology investments
26	Mitigating the Climate Crisis, Business Ethics and Compliance, Stakeholder Management, Risk Management, Responsible Procurement and Supply Chain	Early compliance with EU Green Public Procurement criteria (EPD, energy efficiency, recycled/low-carbon material) increases tender competitiveness.	Increase in the rates of winning tenders, strengthening the brand value, advantage in accessing green financing.	Short -Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: EPD/carbon reports are standardized with predictable criteria; bid scores increase. **Worst-Case Scenario** – SSP3-RCP8.5: Criteria are strict, supply is limited; early agreement with compatible suppliers provides a competitive advantage.	Integration of GPP criteria into all proposal and procurement management.
27	Mitigating the Climate Crisis, Responsible Procurement and Supply Chain	To establish a traceable and deforestation-free supply chain in products such as wood/rubber etc. within the scope of EUDR.	Uninterrupted access to the EU market, reduced supply risk premium, increased stakeholder confidence	Medium	High	High	**Best-Case Scenario** – SSP1-RCP4.5: Easy to align with certified procurement; increase in reputation and tender score. **Worst-Case Scenario** – SSP3–RCP8.5: Early compliance costs are compensated in harsh procurement conditions; market advantage is maintained.	Certified supplier mandate and GPS-based traceability.
28	Mitigating the Climate Crisis, Responsible Procurement and Supply Chain	With CBAM compliant procurement and low emission material strategy, carbon costs are reduced; EPD (Environmental Product Declaration) and carbon footprint are made transparent.	Decrease in carbon cost, increase in bid competitiveness, budget predictability	Short -Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Carbon pricing is predictable; low-carbon inputs provide a cost advantage. **Worst-Case Scenario** – SSP3–RCP8.5: High carbon price; low emission procurement creates strategic advantage with long-term contracts.	Carbon accounting and standardisation of EPDs; framework agreements for low-emission steel/cement
29	Corporate Governance, Business Ethics and Compliance, Risk Management	ESRS/CSRD compliant data governance and reporting infrastructure increases investor confidence and access to green finance.	Strengthening investor relations, increase in tender qualification scores, fund access	Short	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Clear reporting standards; advantage with audit-ready data. **Worst-Case Scenario** – SSP3–RCP8.5: Mature data system becomes differentiator in heavier reporting requests.	Establishment of ESRS data dictionary, control matrix and audit-ready reporting processes
30	Mitigating the Climate Crisis, Sustainable Cities and Mobility	Green classification is provided with EU Taxonomy compliant project design and access to sustainable financing is facilitated.	Opportunity for green loans/bonds, convenience in permit processes, increase in project value	Medium	High	High	**Best-Case Scenario** – SSP1-RCP2.6: Criteria are clear; taxonomy alignment provides priority in financing. **Worst-Case Scenario** – SSP3-RCP8.5: The green label makes a significant difference while the cost of capital increases.	Integration of taxonomy criteria as a checklist during the feasibility and design phase
31	Sorumlu Satın Alma ve Tedarik Zinciri, Business Ethics and Compliance	Within the scope of the Corporate Sustainability Care Obligation Directive (CS3D), social/environmental risks are minimized and long-term partnerships are strengthened with the supply chain due diligence system.	Decrease in legal/reputational risk, increase in tender adequacy, continuity of supply	Medium	High	High	**Best-Case Scenario** – SSP1–RCP2.6: Early compliance with clear rules is preferred. **Worst-Case Scenario** – SSP3–RCP8.5: Strong due diligence in high audit pressure protects market access.	Standardization of supplier ESG scoring, site audit and corrective action plans

The Sustainability Opportunities Table is a concrete reflection of Yapı Merkezi's strategies to increase its institutional resilience against climate change and to create sustainable value. Each opportunity is extensively addressed with its definition, possible impacts, maturity, financial size, likelihood of realization, and strategic priority.

While making these evaluations, the climate scenarios (SSP-RCP combinations) put forward by the IPCC were taken as a reference and how the opportunities would be shaped in different climatic conditions were analyzed on a scenario basis. While the "**Best-Case Scenario** " represents low emissions, strong global cooperation and high adaptation capacity, the "**Worst-Case Scenario**" points to a more uncertain and challenging future with high emissions, low policy support and increased physical impacts. These two different scenario approaches make it possible to analyze how opportunities can create value not only in ideal conditions but also in crisis environments, thus ensuring that the real resilience of opportunities is also tested in terms of potential for return to advantage in crisis environments and proactive risk management. Some opportunities, especially in areas such as R&D, digitalization, business continuity and local development, become even more critical under bad scenarios and form the basis of strategic resilience.

The "High" financial impact reflected in the table shows the capacity of these opportunities to create material and strategic value in terms of Yapı Merkezi, and the "High" probability shows that these opportunities are highly likely to occur when current climate trends and sectoral developments are taken into account.

In addition, the term, probability, impact levels and scenario approaches of the opportunities may differ according to operational activity areas and geographical risk profiles, and especially areas with high impact and high probability are prioritized in terms of investment planning.

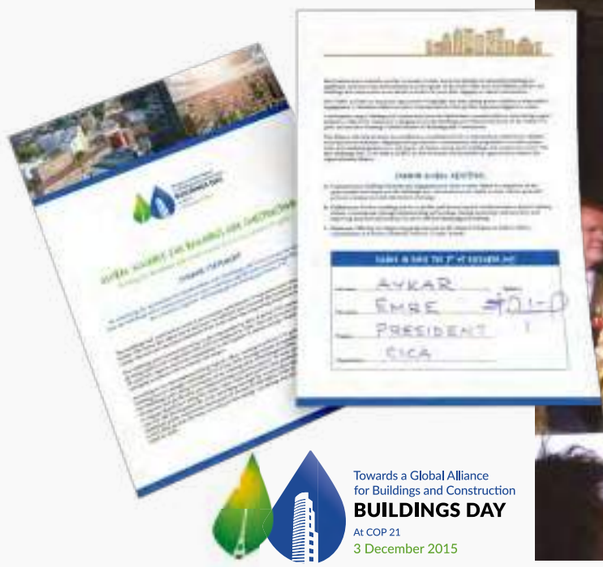
6.4. YAPI MERKEZİ SUSTAINABILITY GOALS

Our Approach	Related Sustainable Development Goals (SDGs)	Our Sustainability Goals	Short Term (1-3 Years)	Medium Term (4-7 years)	Long Term (7+ years)
At Yapı, we build happiness by safeguarding the environment	6, 7, 9, 13, 14	Include all companies under our operational control, as well as all our projects and workplaces, in the emission calculations for 2025	✓		
		By 2027, prepare and publicly announce the Yapı Merkezi Net Zero Roadmap	✓		
		By 2028, establish and implement the ISO 50001 Energy Management System		✓	
		Procure 50% of the electricity used in our Head Offices and fixed facilities from renewable energy by 2028, and 100% by 2030		✓	
		By 2030, reduce our Scope 1 and Scope 2 emission intensity by 50% per turnover, compared to the baseline year of 2023			✓
		By 2030, reduce our per capita water consumption by 10%			✓
		Ensure compliance with Green Building standards (LEED, BREEAM In-Use, etc.) in 100% of new buildings constructed from 2026 onwards	✓		
		Become a signatory of the Business Plastics Initiative by the end of 2025	✓		
		By the end of 2027, increase the number of white-collar women employees by at least 10% compared to 2023		✓	
		By the end of 2026, increase the number of employees who received Ethics Training by 15% compared to 2023	✓		
		By 2026, increase the number of training hours for employee development by at least 15% compared to 2023	✓		
		By 2028, increase participation in the "Recommendation System" by 25% compared to 2024, to foster inclusive and participatory decision-making at all levels		✓	
		Improve the 3-year Total Recordable Incident Rate (TRIR) average by 5% annually, compared to 2022	✓		
		Increase our employee satisfaction/engagement survey score by 10% annually until 2027		✓	
At Yapı, we build happiness by fulfilling our responsibilities towards the society	10, 11, 17	By 2025, provide training to raise corporate sustainability awareness among 10% of our suppliers and subcontractors in the CBAM sector	✓		
		By 2026, conduct an online or on-site sustainability audit of 5% of our CBAM sector suppliers	✓		
		To carry out at least 2 social responsibility projects in all our projects	✓		
		By 2030 , carry out three volunteering projects to develop Corporate Social Responsibility initiatives and promote them within society			✓
		By the end of 2030, increase our professional sponsorship activities expenditures by 25% compared to 2023			✓
		Become a signatory to the UN Global Compact by the end of 2030			✓
		By the end of 2030, ensure that 15% of white-collar employees participate in volunteering projects, compared to 2023			✓
At Yapı, we build happiness through science and digitalization	9	By 2026, obtain the ISO 27001 Information Security Management System Certificate	✓		
		By the end of 2026, implement the ERP Digital Transformation Project	✓		
		By 2026, implement the PMIS (Project Management Information Systems) Project	✓		
		By 2030, publish one article or conference paper on R&D activities each year through			✓
		By 2030, ensure the digitalization of at least two internal systems per year			✓
		By 2030, complete the digital transformation of all company processes by achieving intercompany standardization and integration			✓

Our goals that are still in progress are highlighted in **blue**. Those highlighted in **green** are completed.

07.
ENVIRONMENTAL RESPONSIBILITY

STAKEHOLDER INSIGHT



Emre AYKAR

Today, the construction sector is not only limited to producing infrastructure; it has become a strategic area that transforms the future of economies and cities on the axis of climate adaptation, digitalization and human orientation. My journey, which started at Yapı Merkezi, has evolved into a development-oriented vision on a global scale with the tasks I have undertaken within the body of the Turkish Contractors Association (TMB), the European Construction Industry Federation (FIEC), the International Confederation of Contractors Associations (CICA) and the Turkish Construction Industrialists' Employers' Union (İNTES).

I am honored to sign the "World Buildings Day Unification Declaration" on behalf of my country and my company as the President of CICA at the United Nations Climate Change Summit COP21 held in Paris in December 2015, which is considered an important milestone in the fight against global climate change. Looking back today, I see how true, strong and meaningful the declaration was not only in terms of the future of the construction industry, but also in terms of protecting our planet; I am still proud to present a responsible vision.

Today, the future of the sector is shaped not only by low-carbon structures, but also by a transformation that integrates with nature and focuses on human health and quality of life. The European Union's Carbon Border Adjustment Mechanism (CBAM) and Emissions Trading System (ETS) regulations and the climate legislation in Türkiye require carbon calculation and transparent reporting from procurement to contract management.

At Yapı Merkezi, we are taking concrete steps in this transformation with CBAM-compliant supply chain planning, monitoring the corporate carbon footprint within the scope of ISO 14064 and the Greenhouse Gas Protocol (GHG Protocol), reducing transport emissions with local procurement strategies, energy efficiency projects and renewable energy investments.

We clearly see that the construction industry today faces four fundamental tests: climate change, supply chain, digital transformation, human and cultural adaptation. Passing these trials successfully is possible not only with technical expertise, but also with strong corporate values, environmental and social responsibility awareness, visionary leadership and efficient risk management culture.

As Yapı Merkezi, our sustainability reports, which we publish every year, are one of our most important tools that demonstrate our performance transparently, reinforce the relationship of trust with our stakeholders and prove our compliance with international standards. Through these reports, we share not only the data of the past year, but also our risk management strategies, climate goals and future vision with the public.

The Turkish contracting sector has a great capacity to shape the infrastructure map of the future by combining the power it receives from the local with the global vision. I believe that this structure, which can read the risks correctly, evaluate the opportunities on time, and in short, manage the uncertainties effectively, will turn into permanent works that will build not only today's needs but also tomorrow's world thanks to common sense and strategic cooperation.

Kind regards
Emre AYKAR

Roles and titles held within Yapı Merkezi Holding include:

- Yapı Merkezi İnşaat ve Sanayi A.Ş. Board Member
- Subor Boru Sanayi ve Ticaret A.Ş. Vice Chairman of the Board
- YM GLOBAL Projects Ltd. Director

Global Representation Roles, Memberships and Founding Roles

- INTES High Advisory Board Chairman
- Turkish Contractors Association (TMB) High Advisory Board Natural Member
- Honorary President of the Confederation of International Contractors Associations (CICA)
- Boğaziçi University Board of Trustees Member
- Member of the Board of Trustees of the Kriton Curi Environment Foundation

07. ENVIRONMENTAL RESPONSIBILITY

AT YAPI, WE ARE BUILDING A FUTURE CENTERED AROUND THE ENVIRONMENT.

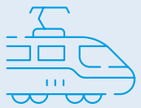
At Yapı Merkezi, we see environmental responsibility as one of the cornerstones of our corporate values. We build our activities on the principles of combating climate change, using natural resources efficiently, protecting biodiversity, and supporting a circular economy, and we adopt an approach aligned with sustainable development goals. In this context, we determine environmental indicators directly related to the United Nations Sustainable Development Goals (SDGs) and monitor our performance in line with these international goals. Our environmental management approach is structured in a holistic framework covering governance, strategy, risk and opportunity management, and metrics and targets dimensions.

All our activities are carried out within the scope of our Environmental Management System and Environmental Policy developed in accordance with the requirements of ISO 14001:2015. This system ensures that our environmental performance is continuously monitored, improvement opportunities are identified and best practices are implemented. In addition, by working in integration with ISO 50001 Energy Management System and ISO 45001 Occupational Health and Safety standard, we make energy efficiency and employee health dimensions an integral part of our environmental processes. Environmental nonconformities are quickly intervened with systematic audit and evaluation mechanisms, and performance is continuously improved by taking corrective measures. Our environmental performance assessments are not only limited to internal audits, but are also verified by independent third-party auditors. This way, we guarantee transparency and accountability.

Our environmental performance is regularly put on the agenda at the level of the Board of Directors and integrated into all units through the sustainability committee and affiliated working groups. Environmental risks and opportunities are identified and monitored in our corporate risk management system; senior management performance evaluations and incentive mechanisms are associated with environmental goals.

In line with the Paris Climate Agreement, the European Green Deal and the global roadmap pointed out by the COP processes, we are positioning building a low-carbon future among our strategic priorities. Considering the high share of the construction sector in global emissions, reducing carbon intensity in our projects, turning to renewable energy and using sustainable materials are critical in terms of both reducing our environmental impacts and managing our long-term business risks.

Physical risks related to climate change (extreme weather events, water stress, energy outages) and **transition risks** (carbon regulations, access to green finance, transformation in customer expectations) directly affect our operations. Against these risks, we develop project-based adaptation plans, establish early warning systems and create alternative resource solutions. We also take advantage of the opportunities offered by strong environmental performance.



With our rail system projects, we offer low-carbon transportation solutions, strengthen energy security with renewable energy investments, **create cost advantages with circular economy applications and increase our access to green financing opportunities.**

Our environmental performance is regularly measured, analyzed and reported on greenhouse gas emissions, energy and water consumption, waste management and biodiversity indicators. We set short, medium and long term targets for these indicators; we are moving in line with our net zero carbon vision to cover all our group companies.

Our R&D departments play a strategic role in the early detection of environmental risks and the development of innovative solutions. Studies on low-carbon material development, energy-efficient systems, circular economy solutions and smart construction technologies contribute to the continuous improvement of our environmental performance.

We do not limit our environmental responsibilities to our own activities; we involve our business partners, suppliers and local communities in this process. We demand practices in accordance with environmental criteria from our suppliers and add environmental and ethical provisions to our contracts. Through environmental education and awareness programs conducted in local communities, we aim to extend environmental awareness throughout our value chain. In this context, we ensure sustainable supply chain management by implementing regular evaluation and audit mechanisms for suppliers. We aim to create shared value through environmental projects we develop in collaboration with local communities (e.g. waste reduction, afforestation and water resource conservation). In addition, we develop environmentally-oriented training and internship programs for young people and students, ensuring that sustainability is passed on to future generations.

Our environmental data is regularly shared with the public and secured by independent audits. Our transparent reporting approach, which is compatible with international reporting frameworks, increases the trust of our stakeholders and allows our environmental performance to be monitored and compared.

At Yapı Merkezi, we not only manage our environmental impacts, but also regularly measure, monitor and report them. That is because the basis of sustainability starts with evidence-based and data-driven decision-making. We have a comprehensive environmental data collection and reporting system that extends from the field to the center under all headings such as waste management, water use, energy consumption, resource efficiency and environmental risks. We operate this system in full compliance with national legislation and international standards.

In our projects, our environmental units regularly collect environmental data every month. Many data such as the type and amount of wastes, disposal method, recovery rate, water consumption, reuse, energy use and possible environmental events are monitored and recorded on-site. This information is collected in our head office environmental units and consolidated at the group level. The data are analyzed with sustainability performance indicators (KPIs) and risk management criteria and included in strategic decision support mechanisms. Our annual environmental reports are shared with the Board of Directors at regular review meetings. In coordination with the Sustainability and Business Excellence Department, we not only monitor our environmental performance, but also carry it to high-level strategic decision processes.

We carry out all these processes in accordance with IFC environmental and social performance standards, ISO 14001 Environmental Management System and our metrics and objectives. Our data is subject to both regular internal audits and independent external audits according to these standards. This approach not only ensures environmental compliance, but also makes it possible for our performance to be transparent, traceable, comparable and verifiable by stakeholders.

We do not evaluate the environmental data we collect only in internal processes. Through our annual sustainability report, we openly share this data with the public. Thus, our stakeholders can directly track our environmental performance; they can transparently see what we do, how we do it, and where we are going. For us, reporting is not just a requirement; it is a strategic tool that we use to identify our areas of improvement, benchmark our performance, and more consciously manage our environmental impact and support organizational learning processes. The efforts we carry out in our Group Companies are given in detail in our Environmental Management Good Practices table.

7.1. MITIGATING THE CLIMATE CRISIS

According to data from the International Energy Agency (IEA, 2025), global energy-related CO_2 emissions increased by 0.8% to an all-time high of 37.8 $GtCO_2$ by 2024. The CO_2 concentration in the atmosphere also increased to 422.5 ppm, increasing by 3 ppm compared to 2023, and reaching a 50% higher level compared to the pre-industrial period.

The Global Status Report for Buildings and Construction (GSR), published by the United Nations Environment Programme (UNEP) and the Global Association for Buildings and Construction (GlobalABC), clearly reveals the extent to which the buildings and construction sector is approaching the Paris Agreement targets every year. Current data clearly show the impact of the construction sector on global climate change: 21% of total greenhouse gas emissions come directly from building and construction activities, while 34% of global energy demand and 37% of energy/process-based CO_2 emissions also come from buildings and construction activities. According to scenarios aligned with the Paris Agreement targets, an average of6% annual carbon emission reduction is required in the building and construction sector. However, no progress has been achieved to the extent required by this target since 2015. In the report, it is seen that there are issues such as climate-compatible and resilient method statements, innovative business models, nature-based solutions and biophilic[1] design. Today, the future of the sector is not only shaped by low carbon, but also by a transformation that integrates with nature and prioritizes human health and quality of life.

The State of Cities Climate Finance 2024 report states that urban climate finance flows in the 2017-2022 period increased to an average of approximately US $831 billion annually in 2021/22; approximately 29% of this amount was transferred to buildings and infrastructure.

The main tools used to accelerate the transformation of the sector include green bonds, sustainability-linked borrowing, green mortgages, energy performance contracts and leasing, green REITs, blended finance and carbon transition bonds. Today, while green bond issuances are shrinking on a global scale, issuances focusing on buildings have remained relatively stable; institutions such as Fannie Mae in the USA and KfW (Restructuring Authority) in Germany have come to the fore in this area. However, in parallel with the general market contraction, the trend of “greenhushing” is noteworthy in the USA, that is, institutions refrain from labeling their borrowings as green bonds even though they continue to finance environmental projects. On the other hand, the European Union has strengthened taxonomy compliance with the European Green Bond Standard (EU GBS), which entered into force, and aimed to establish market confidence by increasing transparency and supervision mechanisms.

As Yapı Merkezi, the African continent, which is one of the geographies where our activities are concentrated, is directly affected by these multidimensional crises. The State of the Climate in Africa 2024 (WMO) report reveals that the continent has had its hottest decade to date, with millions of people affected by climate-induced disasters. Africa Sustainable Development Report 2024, on the other hand, emphasizes that the continent faces structural challenges such as high debt burden, weak data infrastructure and lack of access to vulnerable communities.

Although Africa is responsible for only 4% of global greenhouse gas emissions, it bears the heaviest burden of climate injustice. These facts show that decarbonization and equitable transformation is not only an environmental but also a social and economic imperative.

At Yapı Merkezi, we approach this picture not only with a technical perspective, but also with a strategic, sustainable, environmental and human-oriented development approach, and we build solutions that provide long-term social benefits. We are not only an infrastructure contractor; we act as a stakeholder that takes into account the financing, institutional capacity and equality-based development dimensions of regional development. Beyond providing low-carbon mobility solutions, our financing-supported railway projects are positioned as a transformation tool that encourages local employment, supports skill development and directs development financing to the field.

Although Africa is responsible for only 4% of global greenhouse gas emissions, it bears the heaviest burden of climate injustice.

These facts show that **decarbonization and equitable transformation is not only an environmental but also a social and economic imperative** .

[1] Biophilic: When used in the context of architecture, design, and urbanism, it defines an approach that is compatible with nature, includes natural elements, and makes it easier for people to connect with nature.

7.1. MITIGATING THE CLIMATE CRISIS

The World Economic Forum (WEF) Global Risks Reports identify climate change as one of the most critical risks on a global scale, with scarcity of natural resources, social polarization, and economic vulnerabilities. The COP processes also emphasize that accelerating a low-carbon transition compatible with the 1.5°C target will not be possible without cross-sector collaboration and inclusive development.

In this context, Yapı Merkezi does not only focus on emission reduction; it also makes multidimensional contributions by building resilient, inclusive and low-carbon infrastructures in the geographies where it operates.

Our projects in Africa are concrete examples of this approach.

- **Uganda Malaba-Campala Railway Project (2024-ongoing):** Our project, which is 273 km long and worth approximately 3 billion USD with electrified double line and modern signaling systems, is carried out in accordance with Uganda's Vision 2040 strategy and East African Community integration plans with the goals of reducing carbon emissions, increasing energy efficiency and low-carbon mobility. The project is implemented in line with IFC, EBRD and AfDB sustainability principles.
- **Tanzania Rail System Projects (2017- ongoing):** Four lines with a total length of 948 km increase the connectivity and logistical efficiency of not only Tanzania but the entire region, while also supporting the transition to low-carbon mobility, the development of local supply chains, disaster resilience and societal inclusion. We are integrating our projects with Tanzania's Vision 2050 strategy.
- Our **Turkish Rail System Projects (ongoing):** It supports the transition to low-carbon mobility in urban transportation and contributes directly to sustainable development goals in areas such as energy efficiency, air quality improvement and social inclusion.
- On the other hand, some of our sustainability-oriented projects that we have implemented so far as Yapı Merkezi are as follows:
  - Dubai Metro Project – A 100% environmentally friendly metro line with zero carbon emissions
  - Doha Gold Line Metro Line – GSAS (Qatar-Global Sustainability Assessment System) Certification
  - Cambridge Central Mosque (Europe's first eco-friendly ecological mosque)
  - Eurasia Tunnel – LEED Certificate, BlueDot Certificate
  - İstanbul Museum of Modern Art – LEED Certificate
  - 1915Çanakkale Bridge – Mega project meeting environmental and social sustainability criteria

Taxonomy-Based Financing and Portfolio Structure

Yapı Merkezi acts in full compliance with the environmental and social sustainability principles of international financing institutions in all its projects. Our taxonomy-based projects are based on the European Union Taxonomy and the Green Asset Ratio guidelines published by the European Banking Authority (EBA) at the international level, and the Green Asset Communiqué published by the Central Bank of the Republic of Türkiye and the Banking Regulation and Supervision Agency (BRSA) in Türkiye.

In this context, our projects are evaluated in line with the Environmental and Social Policy of the European Bank for Reconstruction and Development (EBRD), the Eight Environmental and Social Performance Standards of the International Finance Corporation (IFC) and the Equator Principles IV (EP4).

Social and environmental risks are monitored according to IFC's Environmental and Social Management System methodology; projects are classified at the “Category A – High Environmental and Social Impact” level by funding agencies and managed by Environmental and Social Action Plans accordingly.

Through this integrated approach, Yapı Merkezi secures its environmental, social and governance (ESG) performance at the international level by combining the European Union Taxonomy, the BRSA Green Asset Communiqué and IFC/EBRD standards under a single corporate sustainable finance framework.

Yapı Merkezi's project portfolio consists largely of low-carbon transportation infrastructure projects considered within the scope of taxonomy.

The main axis of the portfolio consists of railway, metro, tram and light rail system investments; this structure is completed by bridge, tunnel, viaduct, industrial facility and energy efficiency-oriented building projects.

This structure shows that a significant part of the activities of the Yapı Merkezi are directly compatible with the “Low Carbon Transport Infrastructure” and “Energy Efficient Buildings” titles of the European Union Taxonomy.

For this reason, Yapı Merkezi projects are green assets within the scope of the Green Asset Communiqué published by both the European Banking Authority (EBA) and the Central Bank of the Republic of Türkiye and the BRSA.

The company's project portfolio produces a wide range of climate-friendly engineering solutions, from railway and transportation systems to cultural structures, from industrial facilities to infrastructure projects. This approach strengthens both Yapı Merkezi's ability to access sustainable finance and its vision of green transformation, and positions the company among the leading organizations developing taxonomy-compliant engineering projects at the international level.

7.1. MITIGATING THE CLIMATE CRISIS

Economic and Social Contributions

Furthermore, these projects create not only environmental but also economic and social benefits:

These examples elevate the role of Yapı Merkezi from a mere infrastructure contractor to a strategic stakeholder in the fight against the climate crisis. Our rail system projects reduce the carbon footprint of cities with the potential to reduce emissions at large rates compared to road transport and contribute directly to the COP29 targets. Furthermore, these projects create not only environmental but also economic and social benefits:

- Increasing local employment and supporting skill development,
- Strengthening regional integration and increasing trade volume,
- Efficient use of sustainable financing sources,
- Reducing operating costs and saving energy,
- Development of local supply chains,
- Creating long-term investment and development opportunities.
- Reducing social inequalities and inclusive development,
- Providing safe and accessible transportation options,
- Environmental and educational projects in cooperation with local communities,
- Raising public health and safety awareness.

This holistic approach enables Yapı Merkezi to achieve a leading position in sustainable infrastructure projects by integrating environmental responsibility, economic contribution and social benefit dimensions.

Yapı Merkezi integrates ESG (Environmental, Social and Governance) principles into its corporate risk and opportunity management system, positioning projects developed against the climate crisis not only as technical solutions, but also as tools for social justice and economic resilience. Through this approach, each of our operations connects not only cities, but also people, opportunities and a sustainable tomorrow.

We consider reducing our carbon footprint as one of our main priorities thanks to the technology and materials we use in the R&D projects we carry out at SUBOR. In every new product and process we develop, we aim to increase energy efficiency, reduce natural resource consumption and produce long-lasting solutions.

At Yapıray, with the awareness of the responsibility of the construction and rail systems sector in the fight against climate change, we regularly monitor greenhouse gas emissions arising from our activities and develop projects to reduce them. In our main fields of activity such as sleeper production and line manufacturing, product-based carbon footprint calculations are made and alternative design options are evaluated comparatively in the light of these data. These analyzes reveal opportunities for improvement in carbon reduction in design and production processes; in this direction, studies focused on low-emission material use and production efficiency are carried out with our design unit.

In addition, a project-based positioning strategy has been adopted to reduce the carbon footprint of our production and logistics processes throughout the group. Where applicable, emissions from transport are minimized by moving production facilities to areas close to the site. Likewise, the utilization of local resources in procurement processes is prioritized; domestic producers and regional companies are preferred, reducing carbon emissions and contributing to the local economic cycle.

In this context, we aim to produce sustainable solutions on the basis of **material efficiency, design optimization and method statements improvements** in both our product development processes and project implementation areas. In our efforts to reduce the effects of our products and services on climate change, both carbon calculations based on the product life cycle and design and procurement strategies are prioritized. To this end:

- We have launched **comprehensive carbon calculations** specific to products and applications.
- In particular, we focus on design revisions and re-evaluation of application methods for **material reduction** .
- The technical solutions developed not only provide carbon reduction, but also support **resource efficiency, cost-effectiveness and operational sustainability** dimensions.

Our projects in the development process focus on the following topics:

- **Reduction of high emission materials** (cement, reinforcement steel, etc.)
- **Alternative material research** (low-carbon concrete mixtures, use of recycled content)
- Engineering solutions focused on **functionality and efficiency in design**
- **Evaluation of application methods in terms of carbon footprint**

The efforts we carry out in our Group Companies are given in detail in our Environmental Management Good Practices table.

Both in our product development processes as well as in project implementation areas we aim to produce sustainable solutions on the basis of material efficiency, design optimization and construction method improvements.

7.1. MITIGATING THE CLIMATE CRISIS

7.1.1. Greenhouse Gas Emissions

We manage our greenhouse gas emissions in a holistic way through our relevant committees and sustainability units under the supervision of our Board of Directors. In this context, the **Corporate Emission Management and Climate Strategies Procedure** we apply is in full compliance with ISO 14064-1:2018 (Greenhouse Gas Calculation and Reporting Standard) and GHG Protocol (Greenhouse Gas Protocol) standards.

Through this procedure, we comprehensively measure, monitor and report direct and indirect emissions from our operations. Thus, we maintain a transparent, traceable and responsible management approach at the corporate level.

Emission Scopes and Our Calculation Approach

We monitor our emissions under three main scopes:

- **Scope 1 (Direct Emissions):** Fixed fuel use, mobile vehicles and refrigerant emissions,
- **Scope 2 (Indirect Energy Emissions):** Indirect emissions from the electricity consumption we purchase,
- **Scope 3 (Other Indirect Emissions):** Raw material and intermediate supply, fuel and energy related activities, waste disposal, logistics, business travels, accommodation, product transportation and end-of-life impacts cycle impacts.

We carry out our data collection process periodically, check it quarterly and combine it at the end of the year. The data sources we use include meter and invoice records, fuel purchase documents, fleet management systems, waste weighing receipts, travel-stay reports and supplier declarations. We strengthen traceability by integrating our financial data with the **SAP Corporate Resource Planning System**.

Emission factors are supported by up-to-date data published by the following international authorities:

- **IPCC – Intergovernmental Panel on Climate Change**
- **IEA – International Energy Agency**
- **DEFRA – UK Department for Environment, Food and Rural Affairs**
- **US EPA – United States Environmental Protection Agency**
- **ICAO – International Civil Aviation Organization**
- **IRENA – International Renewable Energy Agency**
- **Turkish Statistical Institute** (TurkStat)
- **Ministry of Energy and Natural Resources** (MoENR)

Global Warming Potential (GWP) coefficients and year of emission factors used are recorded; thus, **traceability and comparability** in calculations are ensured. We record the GWP (Global Warming Potential) coefficients and factor years we use. We update our data retrospectively when there is more than a 5% change in method, scope, or factors. We check the data accuracy with invoice-counter compatibility, intensity indicators and value analysis.

Scope and Company-Based Practices

In our calculations for 2024, we included Yapı Merkezi Holding (office activities), Yapı Merkezi İnşaat (head office, construction projects and prefabricated production in Türkiye, Africa, Europe and the Middle East), Yapı Merkezi İDİS (head office and project activities), Yapıray (office, field and production), Subor and YM Construction companies.

Our **Yapı Merkezi Headquarters building** does not carry out direct production or EPC (Engineering, Procurement and Construction) activities; it is structured as a center that coordinates the strategic, financial and governance processes of our group companies. Therefore, emissions from its activities consist only of office-based energy, heating, transportation and service consumption. In this context, we use the per capita emission intensity (tCO_2e/employee) indicator instead of the turnover-based intensity (tCO_2e/USD million).

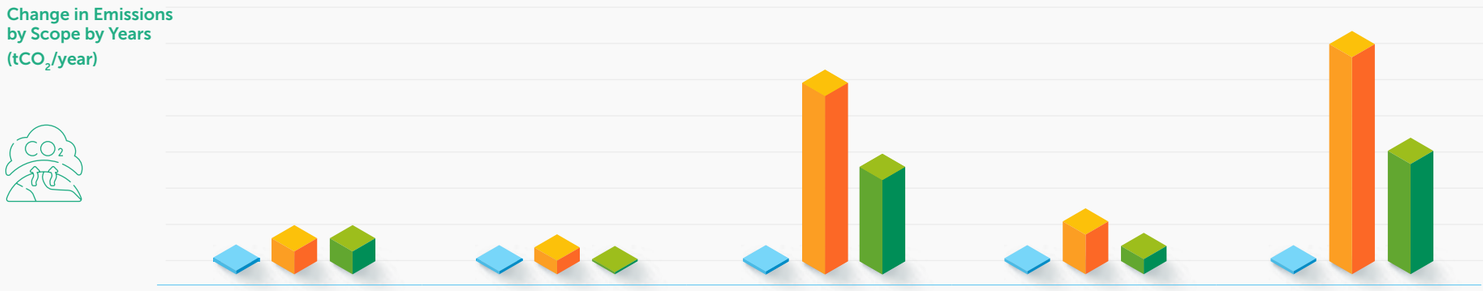
Although **NEKAŞ, ATAŞ and ÇOK A.Ş.** are within our group, operational control and data collection processes are not directly managed by our Holding. Therefore, we do not include the greenhouse gas emissions of these companies in the group consolidation. **NEKAŞ** is evaluated outside the field of engineering, procurement and construction (EPC). **ATAŞ and ÇOK A.Ş.** are our financial subsidiaries and are only monitored within the scope of the investment relationship since operational control is not present in our Holding. We follow the data of these companies within the framework of GHG Protocol Scope 3 – Category 15 (Investments) but do not include them in the group total emission calculations.

This is not due to a lack of data, but to the fact that they are excluded due to our operational control limits and consolidation methodology.

Yapıray is an independent engineering company operating under our Yapı Merkezi brand. Due to the fact that operational control is provided by our Holding, we include Scope 1, Scope 2 and Scope 3 emissions of Yapıray in the group inventory. Yapıray's sustainability management system, data collection and reporting processes are in full harmony with our Holding's governance model.

In this approach, **we act in accordance with the operational control methodology defined under ISO 14064-1, GHG Protocol, IFRS (International Financial Reporting Standards) and TFRS (Turkish Financial Reporting Standards)**.

Change in Emissions by Scope by Years (tCO_2/year)



	Scope 1	Scope 2	Scope 3	Total (1+2)	Total (1+2+3)
2022	10,166	4,465	4,215	14,632	18,847
2023	66,758	42,578	494,470	109,336	603,806
2024	38,247	6,924	264,162	45,171	309,333

7.1. MITIGATING THE CLIMATE CRISIS

7.1.1. Greenhouse Gas Emissions

Intensity Analysis and Performance Development

In the 2022-2024 period, we expanded our greenhouse gas inventory system limit every year.

- The scope, which started only with **Holding**, **Construction**, **Yapı Merkezi İDİS**, **Prefabrikasyon, ATAŞ** and **1915Çanakkale Project** in 2022,
- was expanded at the level **of group companies** and **field projects** in 2023.
- As of 2024**, we have included all of our offices, construction sites and production units in Türkiye, Africa, Europe and the Middle East in** the system.

Thus, we can track our carbon footprint **to cover the entire life cycle.**

As of 2024, our consolidated Scope **1+2 per capita emission intensity was 4.00 tCO_2e/employee**, **Scope 1+2+3 total per capita intensity was 27.34 tCO_2e/employee**, and our turnover-based **total emission intensities were 60.1 tCO_2e/employee and 411.7 tCO_2e/USD million, respectively.** These results show that our carbon management contributes not only to emission reduction, but also to **operational efficiency and sustainable growth goals**.

In 2024, **Scope 1+2 emissions covering our direct operations;**

- **decreased by 57% in terms of per capita emission intensity**,
- **decreased by 24% in terms of turnover-based intensity** .

This development took place with the joint effect of changes in energy efficiency, fuel optimization and operating volume.

Scope 1+2+3 is;

- **decreased by 46% in per-capita emission intensity,**
- **and by 6% in turnover-based intensity.**

This shows that a significant part of our carbon footprint is formed **in processes beyond our direct control.**

Our emission data for 2024 has allowed us to assess our environmental impact in a holistic way. **85.4% of our total greenhouse gas emissions are caused by Scope 3** processes. This ratio reveals that we should focus not only on our own operations in carbon management, **but also on supply chain, logistics and external service processes**. Our **Scope 1 and Scope 2 emissions account for 14.6% of** our total emission value.

According to **ISO 14064-1:2018** standard

- **74% of our Scope 3 emissions are Category 4** (indirect greenhouse gas emissions from products used by the Organization),

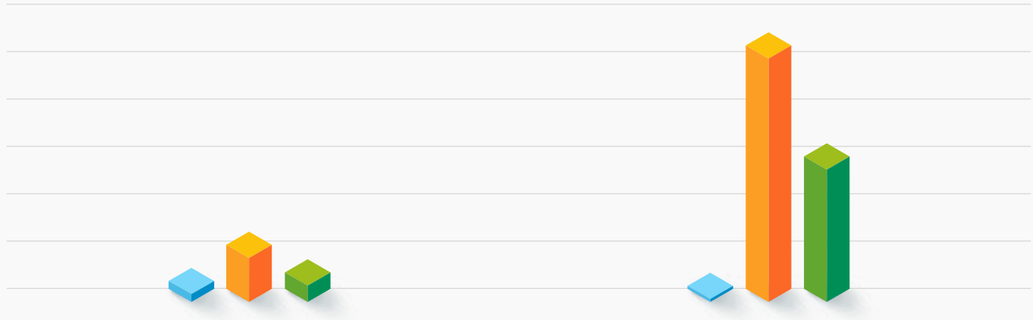
According to the **GHG Protocol**,

- **62% of our Scope 3 emissions** are covered by **Category 1 (purchased products and services)** and 25% are covered by **Category 5 (waste management)**. These two categories correspond to 53% and 21% of our total emissions, respectively. So even these two categories alone **account for 74% of our total emissions.**

This ratio exactly coincides with the group of "indirect greenhouse gas emissions from products used by the organization" under Category 4 in the calculations made according to ISO 14064-1:2018 standard.

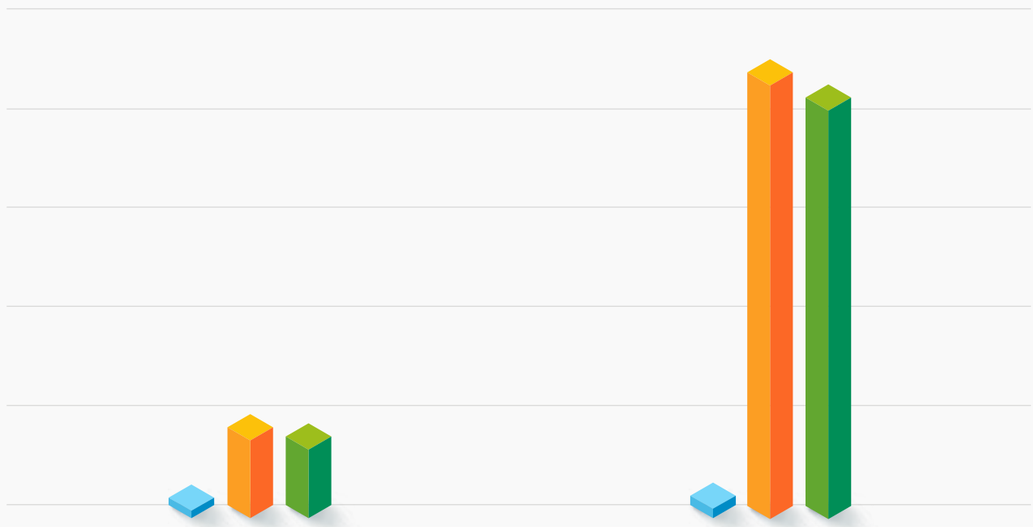
In other words, the definition of Category 4 in the ISO 14064-1 standard covers the combination of Category 1 (purchased products and services) and Category 5 (waste management) activities in the GHG Protocol.

Change in Emission Intensity Per Capita by Years ($tonsCO_2$/person)



	Emission densities per capita ($tonsCO_2e$/person) Scope (1+2)	Emission densities per capita ($tonsCO_2e$/person) Scope (1+2+3)
2022	4.8	6.2
2023	9.2	50.9
2024	4.0	27.4

Change of Greenhouse Gas Emission Intensities by Turnover by Years ($tonsCO_2$/USD million)



	Greenhouse Gas Emission Intensity by Turnover Scope (1+2)	Greenhouse Gas Emission Intensity by Turnover Scope (1+2+3)
2022	8.27	10.65
2023	79.3	438.0
2024	60.1	411.7

7.1. MITIGATING THE CLIMATE CRISIS

7.1.1. Greenhouse Gas Emissions

Calculations made with both different methodologies confirm each other; both approaches show that **74% of Yapı Merkezi's total greenhouse gas emissions consist of Scope 3 activities originating from the value chain**.

This distribution shows that most of our emissions **are produced in the outer rings of our value chain**, but their impact is **directly reflected to us**.

However, the **high share of Scope 3 emissions** reaffirms the importance of our **business model, where we address our supplier relationships, material selection and subcontracting processes with a more integrated, collaborative and low-carbon approach**.

In this direction, we are strengthening our **low-carbon transformation goals** through energy efficiency, material optimization and supplier collaborations **by expanding our carbon management strategy along the EPC value chain**.

The methodology we use aims to **assess the environmental impact of each type of activity within its own dynamics**.

When making direct increases or decreases in year-to-year comparisons, we consider the following parameters together:

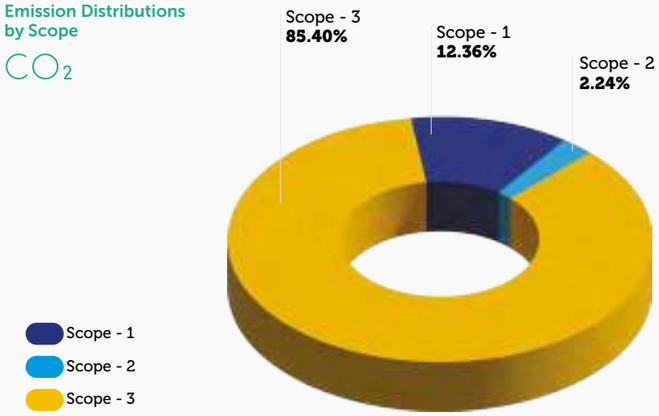
- Scope expansion
- Change in the number of projects and business volume
- Geographical activity intensity
- Differences in measurement periods

Within this multidimensional structure, we strengthen the **traceability of our environmental performance on an industry basis** by establishing **standardized data collection and verification systems** among our group companies.

In line with these findings, we aim to **expand the use of low-carbon materials and services in our supply chain**, **deepen category-based emission monitoring**, and **establish stronger collaborations with our suppliers in line with common carbon reduction goals**. We see carbon management not only as an **environmental responsibility**, but also as **a strategic element that shapes our long-term competitiveness, financial resilience and engineering** excellence.

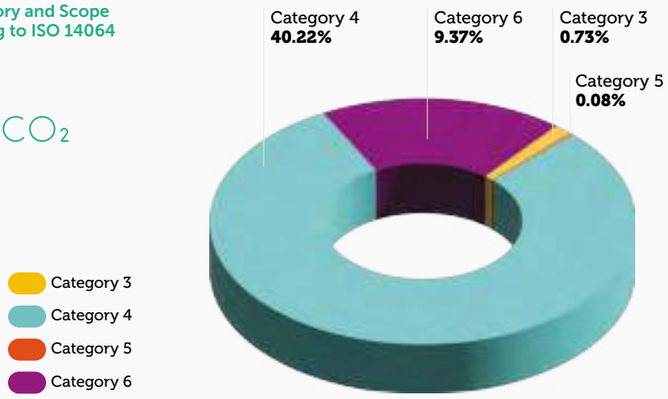
Emission Distributions by Scope

CO_2



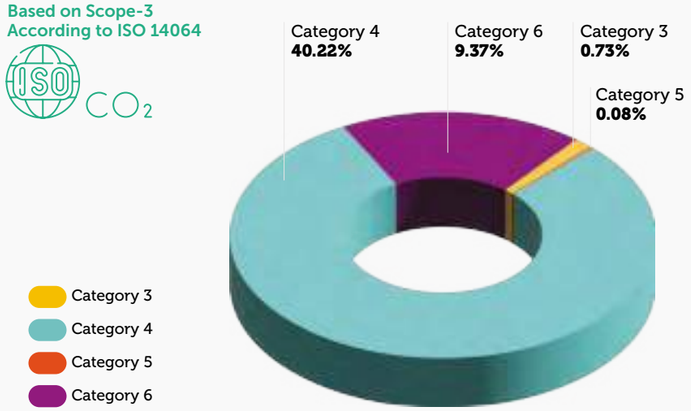
Emission Distributions by Category and Scope According to ISO 14064

ISO CO_2



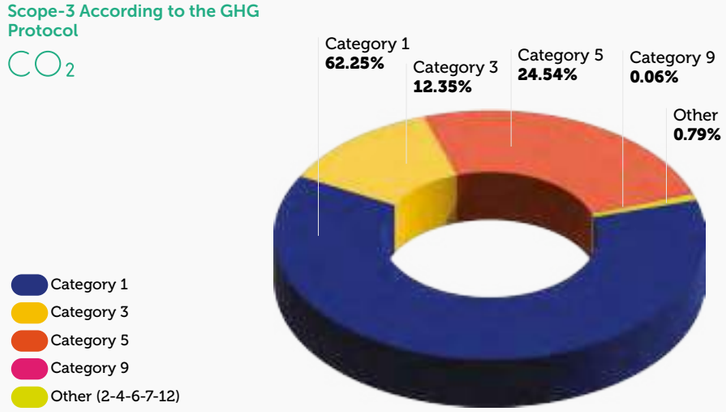
Emission Distributions Based on Scope-3 According to ISO 14064

ISO CO_2



Emission Distributions Based on Scope-3 According to the GHG Protocol

CO_2



7.1. MITIGATING THE CLIMATE CRISIS

7.1.1. Greenhouse Gas Emissions

Interpretation of Scope 3 and Financing

The magnitude of our Scope 3 emissions reflects the strength of Yapı Merkezi to build not only its own **carbon footprint, but also the infrastructures that enable carbon reduction on a global scale**. This means a **transformation domain, not an** emission load.

Railway, metro and transportation infrastructure projects we carry out at Yapı Merkezi **directly contribute to long-term greenhouse gas reduction by offering low-carbon alternatives to carbon-intensive transportation.** Therefore, the high share of our Scope 3 emissions is due to the **manufacturing process of systems that do not increase carbon emissions but reduce** it. This ratio actually represents an impact area where the foundations of future emission reduction are laid.

This approach also directly coincides with Yapı Merkezi's vision of **Green Asset Ratio (GAR)** and Green **Finance**.
In accordance withthe **"Transportation Projects and Investments"** article **of the Communiqué on Green Asset Types** and the **6.14 "Infrastructure for Rail Transport" heading of the EU** Taxonomy; railway infrastructure projects — especially electrical, energy-efficient and low-emission line investments — are considered as "**financial assets that make a significant contribution to environmental goals**" for banks.

The group projects of Yapı Merkezi are eligible or aligned with the following technical activity titles within the scope of the EU Taxonomy and Green Asset Types Communiqué:

- **Infrastructures Supporting Low Carbon Road and Public Transport**
- **Road and Railway Transport Infrastructures**
- **Transportation Projects and Investments**
- **Energy Efficient Building Construction and Renovation**
- **Production of Low Carbon Technologies**

These activities are considered aligned or **eligible** within the scope of **the Climate Change Mitigation** environmental target. **Green Asset Ratio (GAR)** is calculated by dividing the **aligned** assets in the unconsolidated balance sheets of banks into **eligible** assets. This ratio is one of the main indicators that measure the contribution of the financial system to environmental sustainability.

Therefore, Yapı Merkezi's projects are defined as not only **eligible** investments within the scope of the EU Taxonomy, but also as **aligned** investments that meet technical and environmental criteria and are considered to increase the **Green Asset Ratio (GAR)** of banks.

This shows that Yapı Merkezi is **a transformative player** not only in terms of engineering but also in the financial sustainability ecosystem.

At Yapı Merkezi, **we not only manage our own operational emissions; we directly contribute to global carbon reduction by building infrastructure and transportation systems that reduce emissions in different countries.**

Therefore, the share of our Scope 3 emissions reflects **the size of Yapı Merkezi's projects that accelerate low-carbon transformation on a global scale**. It is also indicative of a model that guides the sustainable transformation of the sector.

7.2. EFFICIENT ENERGY MANAGEMENT

As Yapı Merkezi, we monitor energy management through the Renewable Energy Technologies Working Group, which operates within the Sustainability Committee at the board level. Within the scope of ISO 50001 Energy Management System Standard, we monitor the energy performance of our group companies in all operations, evaluate improvement opportunities and submit our investment decisions to the approval of the board of directors.

- We consider it critical to collect data accurately and on time in our energy management processes. In this context:
- Our O&M Department regularly monitors fuel consumption at all project sites, maintenance centers and fixed facilities. We use this data to calculate our carbon emissions, optimize fuel efficiency, and manage carbon costs.
- Our Administrative Affairs Departments monitor natural resource consumption (water, electricity, natural gas) in all our facilities; perform periodic maintenance and filter changes of air conditioning systems, and monitor leakage rates. These studies both increase energy efficiency and reduce our operational costs.

Our environmental units collect all the data we obtain on a quarterly basis; we consolidate it on an annual basis and report it to the CEO and our board of directors.

We have designed our energy management strategy to reduce the risks we may face in the transition to a low-carbon economy and to take advantage of opportunities. In this context, while managing the risks against carbon pricing, CBAM/EU ETS compliance and energy cost fluctuations, we also realize the opportunities arising from green financing, energy efficiency incentives and renewable energy investments.

Renewable Power Plant (RPP) Projects: We aim to commission our projects, where we carry out feasibility studies, by the end of 2030. Thus, by 2030, we plan to provide 30% of the electricity we buy from renewable sources.

Since 2021, we have been maintaining our carbon neutral status by neutralizing 100% of carbon emissions from our scope-2 energy activities in the Eurasia Tunnel through International Renewable Energy Certificates (I-REC). In this context, we are subjected to independent audit every year and our compliance with the ISO 14064-1:2018 standard is registered. Thus, our emissions from energy consumption are offset by production based on renewable sources and we implement a transparent, verifiable neutralization mechanism.

Our solar power plant investment, which we commissioned in 2024, has an **annual power generation capacity of 322,880 kWh with its system consisting of 546 panels** and **aims to reduce approximately 210tCO_2e emissions on an annual basis.**

This investment directly contributes to climate goals with measurable targets and performance indicators and creates tangible gains in terms of energy efficiency, cost-effectiveness and long-term business resilience. In addition to its environmental benefits, strengthening local energy supply security and contributing to the spread of climate awareness are among the prominent values of this practice.

In order to optimize our energy-intensive processes, we commission high-efficiency engines, smart lighting systems and heat recovery solutions in our project and production facilities. We see energy management as a risk-reducing mechanism both in terms of physical risks (extreme heat, energy interruptions, grid supply security problems) and transition risks (carbon regulations, market price fluctuations). To this end:

- We take action against physical climate risks by diversifying renewable energy sources and implementing energy storage solutions to reduce our dependence on the grid.
- We take action against climate transition risks. By reducing our energy intensity, we lower our carbon pricing burden and minimize our EU ETS and CBAM compliance costs.
- We analyze future risks, taking into account different climate scenarios. We anticipate that energy cost risks will remain manageable in the SSP-RCP low emission scenario, while additional investments may be required for energy sustainability due to increased physical risks in the SSP-RCP high emission scenario.

We regularly monitor our energy management performance with indicators of absolute consumption, energy intensity and renewable energy ratio:

- **Energy Intensity Target:** 10% reduction in energy consumption per unit of production by 2030.
- **Renewable Energy Target:** 30% of our total electricity consumption in the countries related to the spp to be commissioned in 2030 will be met from renewable energy.
- **Grid Emission Factor:** In emission calculations, we take into account the national grid emission factors applicable in each country in which we operate, and the transmission and distribution differences of the values determined by the Ministry of Energy and Natural Resources of the Republic of Türkiye.

Energy and Emissions Reduction with Digitalization

The practices we carry out in line with our digitalization strategies provide concrete benefits in terms of reducing our energy consumption and reducing our environmental impacts. Thanks to our transition to virtual server infrastructure, we have significantly reduced electricity consumption in our data centers and reduced our operational carbon footprint. By deploying video conferencing and remote meeting technologies, we have reduced the need for physical travel, thereby minimizing our fuel consumption and transport-related emissions. By choosing low energy consumption equipment, we have both saved energy and minimized the environmental impacts caused by the equipment.

As a reflection of these practices, we moved our maintenance and control processes to the digital environment with the **Environmental Control System (ECS)** we developed within the scope of R&D at YM İDİS. Thanks to this system, we can predict failures in advance, reduce the frequency of emergencies, and optimize the consumption of energy and transportation resources. All these steps show that we have implemented our digital transformation vision in an integrated manner with our environmental sustainability goals.

We have summarized our energy consumption in our group companies and projects in the tables in the Appendices Section.

7.3. EFFICIENT WATER MANAGEMENT

At Yapı Merkezi, with the awareness that water is a valuable and limited resource, we position efficient water management as one of the priority elements of our sustainability strategy in all our activities. Our Water Management Policy aims to ensure that water is used efficiently, sustainably and in accordance with environmental standards.

Key Goals

- **Preventing water pollution:** We take technical and operational measures to prevent chemical substances and potential pollutants from entering water sources.
- **Minimizing the use of natural resources:** We commission technologies that reduce water intensity and reduce leakage-loss rates.
- **Protecting aquatic ecosystems:** We collaborate with local stakeholders for the protection of watersheds and the sustainability of ecosystems.
- **Reducing wastewater generation:** We regularly review our processes and increase recovery and reuse rates.
- **Ensuring equitable access to water:** We support equitable and equitable access to water resources in the regions where we operate.
- **Increasing stakeholder responsibility:** We also encourage our suppliers and business partners to act responsibly when it comes to water management.
- **Protecting the rights of local communities:** We protect the water rights of local communities and develop mechanisms to prevent possible violations.

We proactively manage water scarcity and water stress risks across all geographies in which we operate. Seasonal drought, irregular precipitation cycles, groundwater attraction pressure, floods and strict discharge standards are among the factors that can directly affect the planning, construction and operation processes of our projects.

In this context, we adopt a holistic water management approach that adapts to the conditions specific to different regions:

- **Water supply and use:** We plan water withdrawals in accordance with the carrying capacity of regional resources, and reduce the demand for fresh water with alternative sources (rainwater harvesting, gray water use) and closed circuit systems.
- **Water efficiency technologies:** We implement technical solutions such as low flow armatures, separation of process-fire lines, leak detection and recovery systems.
- **Wastewater management:** We commission package treatment plants, sediment-oil retention barriers and pre-treatment systems in accordance with local discharge standards at the project sites.
- **Climate adaptation and disaster measures:** We reduce climate-induced water risks with drought plans, flood management infrastructures, permeable surface solutions.
- **Stakeholder collaboration and community contribution:** We carry out WASH (Water, Sanitation & Hygiene) programs and educational activities with local communities to raise awareness of water management.
- **Supply chain compliance:** We integrate water management requirements into supplier and subcontractor contracts and monitor field audits and practices.
- **ESIA integration:** We make water management an integral part of environmental impact assessment processes in new projects and fields of activity.
- **Transparent reporting:** We regularly disclose our water management performance to the public and ensure the active participation of all stakeholders in the process.
- **Awareness programs:** We develop awareness-raising trainings for our employees and local communities on the protection of water resources.

Thanks to this holistic approach, we ensure operational continuity and environmental compliance in high water-stress basins in Türkiye, regions exposed to drought cycles in Africa, and sites at risk of flooding and heavy rainfall in Europe.

Our water management activities are carried out across our group companies and projects under the coordination of our environmental units. The Administrative Affairs Department monitors natural resource consumption as well as maintenance and repair records. All collected data are compiled quarterly by the environmental units and consolidated annually for reporting to our CEO and Board of Directors.

Water consumption across Yapı Merkezi group companies and projects is summarized in the tables provided in the Appendices Section.

7.4. EFFICIENT WASTE MANAGEMENT and CIRCULAR ECONOMY

As Yapı Merkezi Holding, we view the circular economy not only as an environmental necessity but also as a key driver of sustainable growth.

In a world where resources are limited, climate risks are high, and regulations are increasingly stringent, we treat every waste as a potential resource and integrate this approach into both our production and construction site activities.

Our Environment and Climate Change Policy forms the basis of our circular economy practices. In line with our policy, we aim to:

- Reduce waste generation at source,
- Reuse materials whenever possible,
- Increase recycling rates and
- Dispose of non-recyclable wastes in accordance with the legislation without harming the environment.
- We further aim to ensure maximum recovery from building and construction wastes (concrete, metal, wood, etc.),
- Minimize the use of hazardous chemicals and waste generation,
- Separate packaging wastes and bringing them to the recycling chain,
- Direct organic wastes to compost or biogas production with appropriate technologies,
- Reduce the use of non-renewable materials and to encourage alternative environmentally friendly materials,
- Monitor and report on the relationship between waste management and carbon emissions.

This approach is in line with Türkiye's "Zero Waste Regulation" and is carried out within the framework of EU norms, IFC Performance Standards and ISO 14001 Environmental Management System.

Our group companies actively apply the circular economy approach in both industrial production and large-scale infrastructure projects.

In our Production Facilities:

- Wastes generated during production are re-evaluated,
- Auxiliary materials are separated and recycled,
- Consumption is reduced by recovery in the process.

In our projects:

- Wastes are classified according to the plans determined at the beginning of the project,
- Hazardous wastes are disposed of or sent for recycling through licensed facilities in accordance with the law,
- Secondary use opportunities are created by evaluating reusable materials both in the field and in projects that will provide social benefits.
- Separate collection and recycling procedures are applied for construction and demolition wastes,
- An efficient collection system is carried out by creating waste separation areas on construction sites,
- Environmentally friendly transportation and storage methods are applied in the logistics processes of wastes,
- Temporary storage areas are managed in accordance with international standards,
- Applications (e.g. reusable equipment and materials) that will reduce the consumption of single-use plastics on construction sites are being disseminated,
- Separate collection and safe disposal processes are operated for special waste groups such as oil, batteries and electronic waste,
- It is supported to bring wastes to projects that will provide social benefits by cooperating with local communities.

The basis for putting the circular economy into practice is the participation of our employees and business partners in this process.

- Throughout the group, we provide regular training on environment and waste management.
- With practical training in the field, we ensure that theoretical knowledge is reflected in daily work.
- We strengthen system integrity by involving our subcontractors and suppliers in this process.

All our activities are regularly reviewed by both our internal audit teams and independent auditors within the scope of ISO 14001 Environmental Management System. This process is not only a control mechanism; it is also a tool that identifies opportunities for improvement and allows us to continuously improve our sustainability performance. In addition, our IFC-funded projects are periodically audited against the institution's environmental and social performance standards. These audits include:

- The effectiveness of our waste management plans and their applicability in the field,
- Environmental risks in the application areas and the adequacy of the measures taken,
- Compliance of processes with national legislation and international standards and financing requirements,
- Timely implementation of corrective and preventive actions for audit findings,
- Sharing performance results with senior management and relevant stakeholders through transparent reporting mechanisms.

7.4. EFFICIENT WASTE MANAGEMENT and CIRCULAR ECONOMY

The equipment that is out of use within the **scope of E-Waste Management** is delivered to licensed e-waste recycling companies in accordance with environmental legislation and our corporate sustainability policies. While this practice ensures that electronic waste is disposed of in an environmentally friendly way, it also contributes to the circular economy goals through recycling.

As Yapı Merkezi, we treat our projects with a **life cycle approach** that is not limited to the construction process, but extends from design to operation, dismantling and recycling. Within the scope of this approach, the environmental, **economic and social impacts that occur during all stages of each building such as raw material supply, production, transportation, construction, use, maintenance and disposal** are systematically evaluated. **Life Cycle Assessment (LCA)** measures carbon footprint and natural resource use; **Life Cycle Cost Analysis (LCC)** is based on long-term economic efficiency. In this way, holistic decisions are taken in areas such as low-emission material selection, energy-efficient design, resource saving, recycling and sustainable operation; **and a sustainability strategy is carried out in line with the circular economy and climate resilience** goals.

We carry out our circular economy activities under the coordination of our environmental teams across our group companies and projects. We collect all the data we obtain in quarterly periods through our environmental units, consolidate them on an annual basis and report them to our General Managers, CEO and Board of Directors.

Reporting is not just an obligation; it is a critical management tool for **identifying our development areas, benchmarking performance and developing continuous improvement strategies**.

As a result, our circular economy approach is not only limited to the goal of conserving resources and reducing waste; it also aims to make our way of doing business more flexible, more efficient, and more resilient. We systematically manage every step from policies to field practices, from audits to reporting; we are approaching our sustainability goals step by step by continuously improving this structure. In this way, we aim not only to harmonize, but also to create value: we look out for the common good by involving all our stakeholders, from our supply chain to our employees, from local communities to our investors. Our circular economy vision builds a strong bridge between combating the climate crisis, resource efficiency and social welfare and brings us closer to our sustainability goals step by step.

7.5. EFFICIENT MANAGEMENT OF CHEMICALS

We consider every chemical substance we use in our projects not only as an operational input, but also as a potential risk factor in terms of climate, environment and human health. For this reason, we plan **and implement chemical management meticulously in order to reduce environmental risks, ensure operational continuity and increase resilience to climate-related transition risks** .

We meticulously implement the Material Approval Form processes in our projects to ensure that every chemical substance is evaluated before entering the site. Thanks to these forms, all chemicals used are subjected to a multifaceted evaluation in terms of health, safety, environmental impact and site suitability. Thus, chemicals that are not suitable for the field or have less risky alternatives can be identified in advance and put out of use. This process ensures that chemical risks are anticipated and eliminated during the planning phase.

In each project, we keep our chemical use processes under control with detailed procedures, risk analyses, field instructions and employee training. With **Chemical Control Cards** prepared according to the country and project conditions, we provide application unity in the field and manage operational risks at their source. **Safety Data Sheets (SDS)** for all chemicals are presented to our employees in an understandable and accessible format. By incorporating SDS documents into the project at the procurement stage, **we make security an integral part of the planning process.**

We also actively monitor chemical transportation and storage processes in our supply chain. We explicitly include safety criteria to be complied with during transportation in our contracts with our suppliers; we act together to prevent accidents and minimize environmental impacts.

In our projects and production areas, we have implemented site-specific advanced monitoring systems and safety plans for the control of hazardous chemicals. Thanks to these systems, the safe storage, transportation and disposal of chemicals have been ensured; possible environmental and health effects have been minimized. These practices increase our operational resilience to physical risks (leakage, fire, toxic exposure, etc.) that may be encountered in the field.

The **internal audits** we conducted throughout the process enabled us to regularly monitor the compliance of our field teams with the practices. In addition, our projects and group companies have been audited by third-party audit organizations in accordance with ISO 14001, ISO 45001 and IFC Performance Standards. These audits reveal not only regulatory compliance, but also measurable data and traceable results on our chemical management performance.

At Yapı Merkezi, we consider chemical management not only as security-oriented but also as a sustainable and strategic management area integrated with climate risks. We act with the goal of protecting both our employees, the environment and our operational continuity while planning, supplying and using every chemical substance.

We rigorously plan and implement **chemical management** to reduce environmental risks, ensure operational continuity, **and increase resilience to climate-related transition risks.**

7.6. BIODIVERSITY EFFORTS

Protecting biodiversity is critical not only for maintaining the health of ecosystems, but also for the continuity of ecosystem services such as clean air, potable water, fertile soil, climate regulatory services, and cultural values. **At Yapı Merkezi, we act with the awareness that biodiversity is the cornerstone of ecosystems; we consider this area as one of the basic elements of our sustainability approach** and we fully comply with national legislation and international best practices in this field, especially IFC Performance Standard 6 (Biodiversity Conservation and Sustainable Management of Living Natural Resources). Conservation and development of biodiversity **are among the material issues in our company's long-term environmental strategies.**

Within the scope of our Biodiversity Policy, we implement the following practices in our projects in order to protect and improve natural life:

- **Biodiversity Audits:** We conduct comprehensive biodiversity audits to assess existing ecological conditions before commencing activities on project sites. In this way, we develop protective measures by identifying local flora and fauna, conservation priority species, critical habitats and ecosystem services.
- **Biodiversity Management Plan:** With the plans we prepare for each project, we determine strategies to protect biodiversity and aim to minimize our ecological footprint. These plans provide a guiding framework for our environmental decisions throughout the implementation process. In the prepared management plans, direct and indirect effects are analyzed and prioritized. Where impacts cannot be completely avoided, we follow a hierarchy of "avoid first –then mitigate – rehabilitate–finally compensate/offset". This ensures the long-term conservation of ecosystem functions and species.
- **Ecosystem Services and Local Communities:** In the regions where the project sites are located, we evaluate ecosystem services such as agriculture, water, dust control, cultural landscape together with local stakeholders; we aim to strengthen these services rather than weaken them.
- **Conservation Priority Species and Habitats:** In areas affected by our activities, we develop specific action plans for conservation priority species, taking into account national red lists and IUCN criteria. Our work in critical habitats is managed with a no net loss and, if possible, net gain approach.
- **Awareness Trainings and Capacity Building:** With our regular awareness trainings for our field workers and subcontractors, we raise awareness about the value of biodiversity, our potential impacts and the measures that can be taken. We also encourage co-ownership by involving local communities in projects such as habitat restoration, afforestation, and control of invasive species.
- **Flora and Fauna Monitoring and Reporting:** We regularly report the biodiversity indicators observed during the project and thus continuously improve our environmental practices.

Yapı Merkezi is committed to the principles of biodiversity conservation and environmental sustainability in all of its projects. Minimizing the negative effects on ecosystems impacted by our projects is a primary goal of our company. In this context, we recognize that combating climate change and using natural resources efficiently are crucial in reducing the pressure on biodiversity.

In our efforts to protect biodiversity, we continuously monitor and evaluate the environmental impacts of our projects. Potential risks and opportunities to local ecosystems are identified, and appropriate measures are taken to protect and enhance them. Issues such as land use changes, water resource management, and waste management are prioritized in alignment with our sustainability goals, ensuring full compliance with both national and international environmental regulations.

With this management approach, Yapı Merkezi aims to contribute to biodiversity conservation, fulfill our environmental responsibilities, and leave a livable world for future generations through our sustainable projects.

In Yapı Merkezi construction projects, the management of biodiversity and environmental impacts is systematically integrated through the collaboration of Occupational Health, Safety, and Environment (OHS-E) teams. The teams are responsible for developing environmental impact assessments and sustainability strategies, while continuously monitoring and managing biodiversity efforts across projects. Environment teams ensure that project processes adhere to international standards (IFC PS1 and PS6) by providing regular reports to project management and the OHS-E Unit at the head office. Additionally, all projects are managed in accordance with ISO 14001:2015 standards, with environmental impact assessments and biodiversity conservation measures implemented throughout. In this context, environmental management strategies are aligned with the company's overarching strategic goals, supporting long-term ecological health through measures designed to protect local biodiversity.

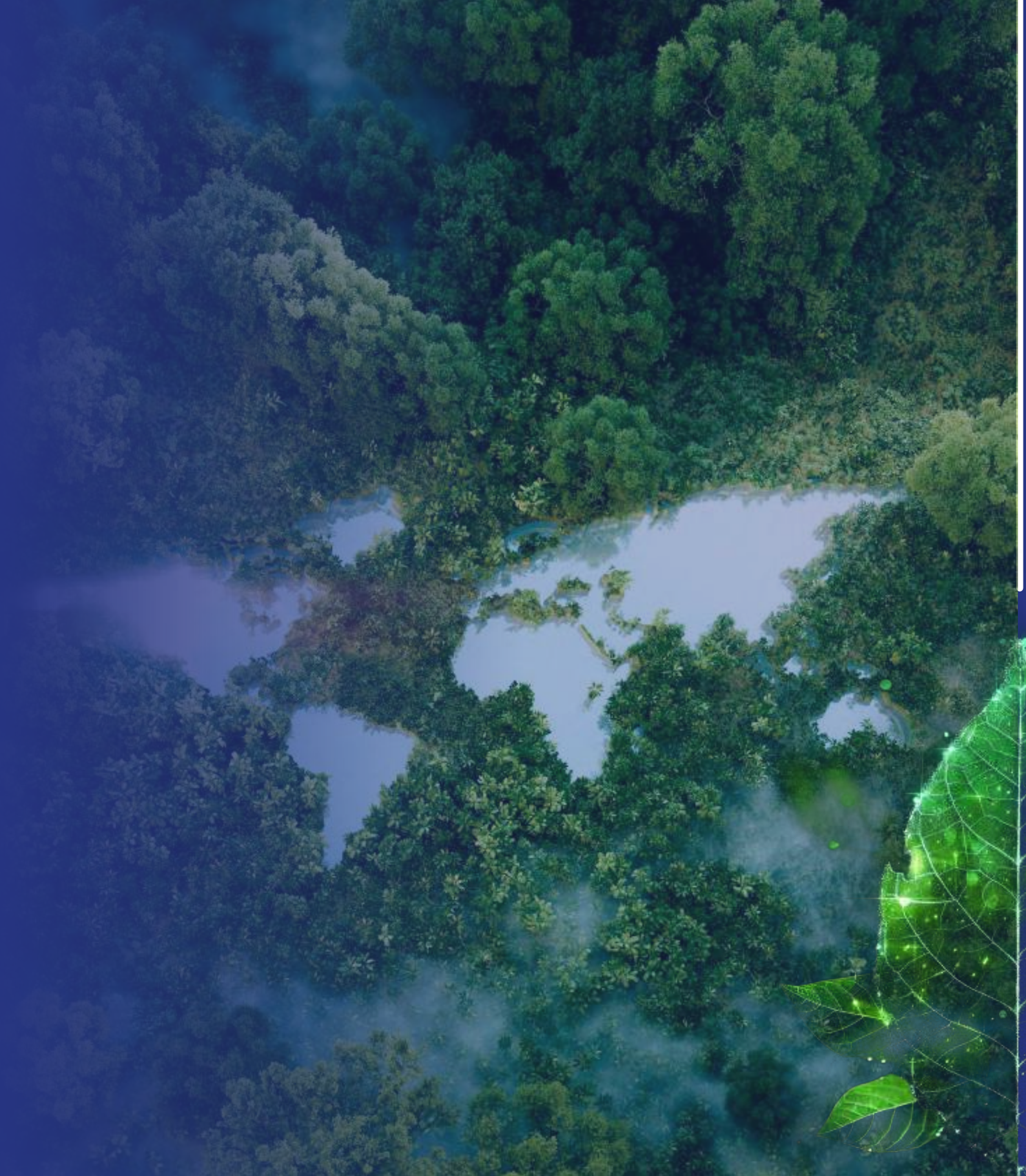
At Yapı Merkezi, we continued to invest in biodiversity initiatives across our field projects in 2024. In 2024, while developing wildlife conservation practices in our European projects, we also continued efforts to reduce human-wildlife conflicts through habitat restoration and tree planting campaigns in Tanzania. Additionally, bat houses are being constructed as part of our bat conservation efforts, and projects are underway to remove invasive plant species. With this management approach, Yapı Merkezi aims not only to protect existing ecosystems, but also to ensure the continuity of ecosystem services, to improve local biodiversity and to leave a livable environment for future generations.

Our Environmental Management Good Practices

Country	Company	Project Name	Project / Work Detail and Objectives	Relevant SDGs
Tanzania	YM İnşaat	From Waste to Education: Recycling Site Wastes to the Circular Economy	We regularly separate all wastes generated in our construction sites and deliver them to licensed recycling companies. We reprocess usable wood waste and turn it into products such as tables, desks and chairs, and donate it to schools and orphanages along the project route. In this context: › We supported their cooking needs with the ingredients we provided to Itulu Primary School. › In order to increase traffic safety in our project campsites, we produced traffic signs from waste wood and placed them at the necessary points. › In this way, we use our resources in a cyclical way and create social benefits in the fields of education and security.	
		Clean Water, Healthy Education: Wastewater Management in Schools	We contributed to sustainable water management by carrying out wastewater disposal work at Itigi Primary School. With this project, we supported the education of students in a healthy and hygienic environment and contributed to environmental sustainability.	
		Safe Transitions for Elephants	We built an electric fence for 8 km in the Ngerengere Region of the SGR line, allowing the elephants to head to certain crossing points. With this practice, we prevented human-wildlife conflicts and supported ecosystem integrity.	
		Safe Habitats for Bats	In order to protect the bats living in Pugu Kazimzumbwi Natural Park from the effects of our projects, we built bat houses and additionally planted trees. In this way, we contributed to the conservation of biological diversity.	
		Ecosystem Conservation: Clearing Invasive Species	We have contributed to the protection of habitats by cleaning invasive plant species that may harm the ecosystem in our SGR line and additional areas of use.	
Türkiye	ATAŞ	Clean Energy Generation with Rooftop SPP	Our solar power plant investment, which we commissioned in our Tunnel Operation Building in 2024, has an annual energy generation capacity of 322,880 kWh with its system consisting of 546 panels and we aim to reduce approximately 210 tCO_2e on an annual basis.	
	Subor	Energy Recovery in Pressure Lines	We encourage renewable energy production with our water turbine project that can be used in pressurized lines. It is possible to produce approximately 45 kWh of electricity from a 600 mm diameter pipe, and thanks to this technology, we aim to both meet our energy needs and reduce emissions from fossil fuels.	
		Eco-Friendly & Reusable Wedge Design	Wooden wedges traditionally used in the stocking and transportation of pipes are no longer preferred for reasons such as tree cutting, risk of microorganism hosting, insectification, bacteria formation and environmental risks in intercontinental transportation. Within the scope of this project, we have developed high-strength, economical and environmentally friendly wooden alternative wedges that can be used repeatedly. The project was carried out by the R&D and Design team and we cooperated with Sakarya University of Applied Sciences for technical knowledge and research support. Project Goals: › Eliminate problems such as deformation, infestation and bacterial formation caused by wooden wedges. › Design reusable, high-strength and environmentally resistant wedges. › Reduce costs and provide sustainable logistics solutions in the long term.	
		Sustainability in Geothermal Lines with Domestic Production GRP Pipes	Although Türkiye ranks 1st in Europe in terms of geothermal potential and 4th in the world in terms of installed power, almost all of the equipment and components used in geothermal systems are imported. Due to the crusting and corrosion caused by chemicals and gases in the geothermal fluid, piping systems with special properties are needed. Seamless steel pipes are preferred in existing systems, which creates high cost and import dependency. Project Goals › Reduce import dependency by commercializing the first domestic "Geothermal GRP-based pipe" › Foreign exchange substitution will be provided with domestic production and increasing competitiveness in the renewable energy sector › Reduce heat losses and increase energy efficiency in geothermal energy lines. › Reduce the carbon footprint of domestic production and imports. › Reducing the consumption of natural resources with long-lasting, low-maintenance pipes. › Develop new technologies with domestic test setups and original pipe design. › Provide reliable pipe systems with high chemical and mechanical strength. › Create new employment areas and develop domestic engineering capacity.	
	Yapıray	Infrastructure Improvement with Resource Efficient Concrete Design	In the Halkalı & Ispartakule Railway Project, the concrete volume was significantly reduced by reducing the sub-base concrete thickness from 25 cm to 15 cm. Thanks to this technical intervention, we aimed to reduce emissions by approximately 154.57 tons of CO_2e. This improvement has both provided resource efficiency and contributed to reducing the carbon footprint.	
		Sustainable Sleeper Production with Low Cement Use	Thanks to the engineering changes made in the concrete class used in the sleepers in the Bandırma-Bursa-Yenişehir-Osmaneli High Standard Railway Project, cement consumption was reduced from 425 kg/m^3 to 400 kg/m^3. With this revision, we aimed to achieve emission reductions of approximately 1,222 tons of CO_2e. This reduction in the use of cement both limits environmental impacts and optimizes production costs.	
		Low-Carbon Sleeper Design with Material Optimization	With the design improvements made in the newly developed Panelray PST-E65 model in the Bandırma-Bursa-Yenişehir-Osmaneli High Standard Railway Project, a decrease of 9.5% in the amount of concrete and 41% in the amount of iron reinforcement was achieved. Thanks to this structural optimization, we expect to prevent approximately 6,969 tons of CO_2e emissions.	
	YM İDİS	Waste Battery Collection Campaign	In 2024, we organized a Waste Battery Collection Campaign to strengthen our environmental responsibility and raise awareness among our employees. Throughout the campaign, we came together to ensure that waste batteries were collected correctly. Thanks to the intense interest in the campaign, we not only contributed to recycling, but also created social benefit. We made a total of 101 seedling donations to TEMA Foundation, three on behalf of our three employees who brought the most waste batteries and one on behalf of all our other employees.	
	YM İnşaat YM İDİS Yapıray ATAŞ	Leave a Trace with a Cap Project[1] Recycling Blue Caps	We regularly collect plastic bottle caps accumulated in our operations and offices and bring them to the recycling process. With this application, we both prevent the release of plastic wastes to nature and contribute to resource efficiency in line with the circular economy approach. The revenue generated from recycling the collected bottle caps is used to provide wheelchair support to individuals in need through a collaboration between İDO (İstanbul Sea Buses), Ekvator Enerji, and the Turkish Spinal Cord Paralytics Association (TOFD)[2]. Thus, while fulfilling our environmental responsibility, we also produce concrete social benefits for the benefit of society.	

[1] For detailed information about the Leave a Trace with a Cap Project, you can visit https://birkapaklaizbirak.com/bir-kapakla-iz-birak.

[2] For detailed information about TOFD activities, you can visit https://tofd.org.tr/.



08.
SOCIAL RESPONSIBILITY

08. SOCIAL RESPONSIBILITY

At YAPI,
WE ARE BUILDING A PEOPLE-ORIENTED FUTURE.

8.1. HUMAN RESOURCES APPROACH

8.1.1. Human Resources Management

At Yapı Merkezi, we recognize that skilled and dedicated human capital is one of the fundamental drivers of success. Accordingly, alongside our corporate objectives, we continuously invest in enhancing knowledge, technology, human resources, and management systems to contribute to both national and global development.

We closely monitor employee performance, identify areas for development, and strengthen competencies through targeted professional development programs. While integrating best practices into our operations, we regularly review employee welfare through performance evaluations and annual compensation surveys in line with our remuneration and benefits policies. Our compensation strategy is applied in a manner that is fair, innovative, market-aligned, and consistent with our corporate goals. It is designed to encourage high performance and ensure continuity by considering employees' competencies, job scope, and responsibilities.

In addition, we aim to enhance employee well-being and engagement through support measures such as transportation, communication, meals, health insurance, special leave and bonus payments, and other social benefits. Upholding a zero-tolerance stance against child labor and forced labor, we collaborate with experienced unions in the construction sector to better understand and advance our employees' rights and needs.

The Yapı Merkezi Human Resources Policy is grounded in the pursuit of excellence and creativity through the efficient management of knowledge. We conduct our human resource management processes in line with this policy and maintain ongoing investments in employee development.

In our recruitment processes, we uphold a zero-tolerance policy against discrimination based on gender, religion, language, or race, evaluating candidates solely on merit and their qualifications, experience, skills, and knowledge.

8.1. HUMAN RESOURCES APPROACH

8.1.2. Employee Profile

During the year 2024, we continued our activities with our team of 11,294 people. In this team, we directly employed 8,057 of our colleagues. Our direct employment rate has been in a strong position as a result of the importance we attach to internal resources in our human resources strategies. In the same period, 3,237 people contributed to our projects through sub-employers. This structure enabled us to balance our sustainable employment goals with operational flexibility.

Our efforts to increase female employee representation have yielded efficient results in 2024. During the year, our number of female employees reached 852. This number shows that our policies for women's employment and our practices in the field have strengthened. The **increase in the number of our blue-collar female employees, especially in the production lines, has revealed that we focus on inclusiveness and equality of opportunity.**

There has been a significant transformation in the management levels; our number of female employees working in the positions of General Manager, Deputy General Manager, Director, Coordinator, Manager and Executive reached 45 in 2024. This increase attracts attention as a tangible output of our goal to increase diversity in leadership roles and strengthens our management approach based on inclusiveness.

We observed that the number of employees in the 30-50 age group was significantly prominent in the labor force age distribution. Likewise, our rate of employees over the age of 50 has increased. This shows that an experience-oriented organizational structure is developing. The number of employees in the younger age group was more limited this year. This picture offers an opportunity to reshape our strategies for young talents in the coming periods.

Our employee engagement throughout the year was strong. Our total employee turnover rate for 2024 was 13%.

We kept our new hires balanced throughout the year 2024. A total of 1,075 new colleagues joined us. Of these, 79 were female employees. We plan to implement more targeted practices in the coming periods in order to increase the representation of women in the recruitment process.

Data tracking on the use of parental leave could not be performed this year. In order to increase our transparency in this regard, we aim to report more systematically the data of employees who take leave and return to work. This approach strengthens both our internal audit processes and our inclusion policies.

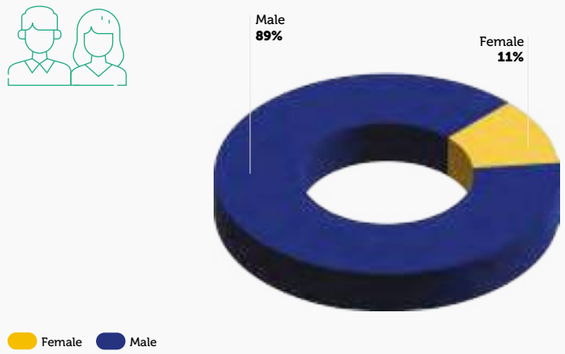
In terms of the level of education, the majority of our employees are primary and high school graduates. However, we also have a significant competency pool of 1,236 people with a bachelor's degree and above. In 2024, our average training time per employee was 62 hours.

Within the framework of our international activities, we had the opportunity to work with employees from more than 15 different countries in 2024. Tanzania, Türkiye and India were among the prominent countries. This year, we also supported the participation of **the local workforce in our projects in the countries where we operate.** Thanks to the importance we attach to local employment, we have strengthened our relationships with communities and increased our operational efficiency.

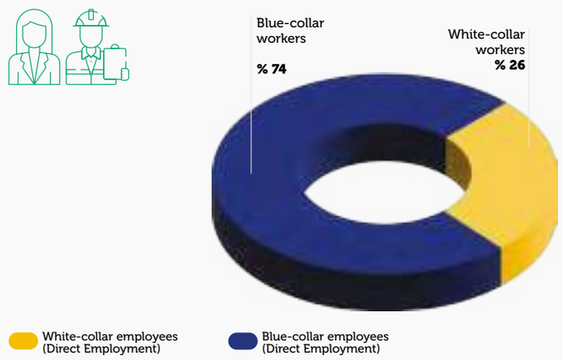
Our employee profile throughout the year 2024 revealed significant improvements in inclusion, equality, direct employment, local employment support and strengthening women's leadership. Moreover, it enabled us to identify our development potential in areas such as young talent acquisition, employee engagement and training continuity. This data is an important guide for our human resources practices to achieve a more strategic, balanced and sustainable structure.

Year-on-year employee data indicators are provided in the Appendices Section

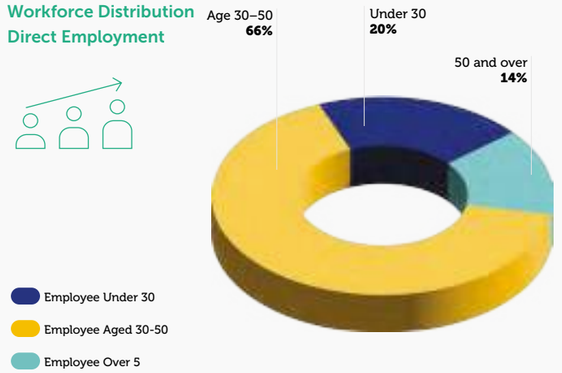
Direct Employment
Female-Male



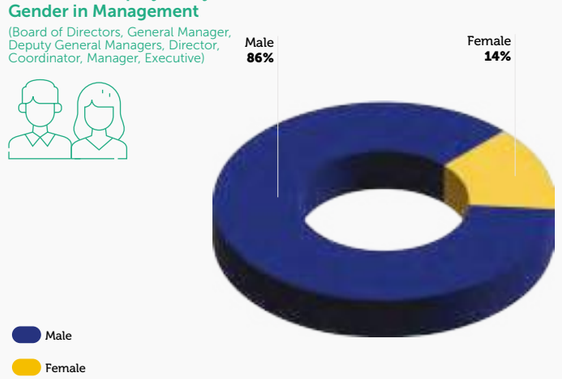
Direct Employment
Blue-White Collar



By Age Group
Workforce Distribution
Direct Employment



Number of Employees by Gender in Management
(Board of Directors, General Manager, Deputy General Managers, Director, Coordinator, Manager, Executive)



8.1. HUMAN RESOURCES APPROACH

8.1.3. Diversity and Equal Opportunities

At Yapı Merkezi, we recognize that ensuring all employees embrace the principles of diversity and equal opportunity is a fundamental prerequisite for creating a healthy work environment. We place great importance on the equal participation of every employee in the workforce and uphold the principle of equality in all interactions with our staff, particularly in **relation to gender equality.**

In our promotion, compensation, and benefits management processes, all decisions are made irrespective of gender, based on the requirements of the position, individual performance, and potential. These processes are structured according to objective performance criteria and the corporate competency matrix. We aim for all employees to conduct their work using inclusive language, attitudes, and professional ethics. Our Equality, Diversity, and Inclusion Policy has been communicated to all employees and stakeholders.

As part of our Gender-Based Violance and Harrasment at Workplace Policy, Yapı Merkezi adopts a **zero-tolerance principle** toward all forms of gender-based harassment and violence, with the goal of ensuring gender equality. We are committed to addressing gender-based harassment and violence regardless of time or location, advocating for employee protection wherever they may be. In this context, we pledge to foster an inclusive work environment and to stand against all forms of gender-based discrimination in the workplace.

At Yapı Merkezi, we consider gender equality to be a fundamental element in building a more inclusive and sustainable society. In this context, we collaborate on various initiatives aimed at empowering women and increasing their representation in managerial roles. Across our group, many critical functions—such as design, finance, human resources, corporate governance, and financial operations—are led by female executives.

We view equal opportunity not merely as a principle but as a responsibility to be implemented through tangible actions, acting with a clear understanding of the value that diversity and inclusion bring to our corporate culture.

Within Yapıray in 2024, we achieved several notable milestones: for the first time, a female Mechanical Engineer joined our Afyon Machinery unit, and a female Surveying Engineer participated in measurement studies at our Bursa Project. These appointments not only enhanced diversity but also fostered a culture of exemplary transformation within the organization.

Among our group companies, **YM İDİS** made a significant contribution to gender equality by participating as a mentor in the **Mentors for a Million Women Program**[1]. This program supports young women seeking mentorship throughout their career journeys, helping them overcome professional challenges and seize career opportunities. The mentorship provided by our employees strengthens the program, enabling more young women to gain the guidance they need, and as the program grows, it will continue to empower even more women in their careers.

Looking ahead, Yapı Merkezi aims to take further steps in promoting gender equality and to contribute to similar initiatives, with the goal of creating a lasting and meaningful impact in this area.

In our promotion, remuneration and benefits management processes, all decisions **are made regardless of gender, based on the requirements of the position, individual performance and potential.**

At YAPI, We Are All on the Same Field

In line with Yapı Merkezi's understanding of**"Equal Representation in All Areas and Levels"**, we continue to inspire women engineers in the sector with our work in the field.

Within the framework of this vision, the year 2024 represented a new stage for Yapıray in terms of diversity and inclusiveness.

Although our engineers have worked in different units in the past years, for the first time this year, a female Mechanical Engineer was actively involved in our Afyon Machinery unit, where female engineer candidates were limitedly represented in technical positions, and a female Survey Engineer was actively involved in our measurement team in our Bursa Project.

[1] For detailed information about the Million Women Mentor Program, you can visit https://binyaprak.com/milyonkadinamentor/.

8.1. HUMAN RESOURCES APPROACH

8.1.4. Support for Employee Development

At Yapı Merkezi, we are committed to investing in the professional development of our employees, with a focus on supporting their initiatives and preparing them as future leaders within our Group Companies. Our aim is to equip them with the skills and knowledge needed to perform their current roles more effectively, while enhancing their long-term profitability and competitiveness.

This approach is also directly in line with the data of the **World Economic Forum's (WEF) Future of Jobs Report 2025**. According to the report,

- By 2030, the transformation in the labor market will affect 22% of professions, and as a result of this transformation, 170 million new roles will be created, while 92 million roles will disappear.
- It is predicted that 78 million new job opportunities will be created.
- 60% of employers expect major transformations in their companies by 2030 with the expansion of digital access.
- Areas where the most transformation is expected:
  - » Artificial intelligence and computing (86%)
  - » Robotics and automation (58%)
  - » Energy production, storage and distribution (41%)

The WEF report makes it clear that the biggest obstacle to this transformation is the **skills gap**. At Yapı Merkezi, we act with the aim of **improving both technical and social skills** of our employees with this awareness.

In this context, we regularly carry out **training needs analysis** studies and shape our annual training plans in line with performance evaluations, employee engagement measurements and feedback. While our **technical trainings** enable our employees to deepen in their own fields, our **social skills development-oriented programs** support competencies such as leadership, communication, decision-making and adaptation on a title basis.

In addition, **we offer accessible, continuous learning-oriented training contents** to our employees with our digital platform called **Yapı Merkezi Academy**. This system directly corresponds to the **"technology-supported learning systems" model highlighted by** the WEF.

According to the WEF report, the 10 fastest-growing skills include:

- Artificial intelligence and big data
- Networks and cybersecurity
- Technological literacy
- Creativity
- Durability, flexibility and agility

Accordingly, in our training programs, we focus not only on professional knowledge, but also on competencies that shape the future, **such as digital skills, creative problem solving and adaptation to change** .

In addition, in order to contribute to the development of our employees in line with our sustainability goals, we organize technical trainings on subjects such as design, R&D, quality, occupational health and safety and environment through Yapı Merkezi Academy. We increase knowledge sharing and awareness among different units through cross-training programs.

Another transformation area mentioned in the report is the fight against climate change and green transformation. In this context:

- Renewable energy engineers,
- Electric and autonomous vehicle experts, and environmental engineers are among the fastest growing positions.
- The growth expectation in these areas directly coincides with Yapı Merkezi's strategic orientation towards sustainable infrastructure and green projects. Environmental responsibility has been ranked among the fastest-growing skills at the heart of this transformation.

In parallel, we encourage our employees to participate in master's and doctoral programs in cooperation with Sabancı, Bilgi and Okan Universities in order to support their academic development. These programs offer opportunities to deepen in leadership, sustainability, management, and expertise.

8.1. HUMAN RESOURCES APPROACH

8.1.4. Support for Employee Development

At Yapı Merkezi, we see employee development not only as an individual acquisition, but also as a fundamental element of our corporate sustainability and competitiveness.

Accordingly, the fact that we have been awarded the title of Great Place to Work (GPTW) by YM İDİS and Great Place to Work (GPTW) Türkiye, one of our group companies, is the registration of our corporate culture that prioritizes elements such as employee satisfaction, trust, justice, pride and team spirit. This success is seen as a tangible output of our sustainable human resources policies and practices to improve employee experience. The award not only increases internal commitment and belonging, but also demonstrates the strength of our employer brand in the eyes of investors, business partners and the public.

We treat our **employees** not only as a resource,
but as the strongest building block.

Accordingly, at Subor, one of our group companies, we have implemented many good practices to increase employee satisfaction, support their development and establish a more flexible and agile organizational structure. With the "The Microphone Is Yours" Project, which we launched in 2024, we aimed to hear the voices of our employees more strongly in all our locations. Thanks to the surveys, one-to-one interviews and digital feedback platforms we conducted, we collected the opinions of our employees about the corporate culture, working environment and management. Based on these feedbacks, we have made improvements to make the business environment more efficient and more satisfaction-oriented. We shared all the outputs we obtained during the project with all our teammates in a transparent way.

In this context, with the "CTP-Core Talent Program" we have implemented in Subor, we aimed to educate the leaders of the future by taking inspiration from the glass fiber reinforced plastic (CTP) pipes, which is the technical expertise of our company. Just as GRP pipes are long-lasting and durable, we want to establish a leadership infrastructure of the same robustness and flexibility. We determine our teammates who will participate in this program according to their performance, potential and development needs. We run our program transparently, fairly, and in alignment with strategic goals.

At the same time, we are working to carry out our business processes in the most efficient way, to place our talents in the right positions and to establish an agile organizational structure with our "SuborNova-Norm Staffing" project, which we initiated to strengthen our organizational structure at Subor. With this project, we aim to create a more flexible and dynamic structure in accordance with our company's sustainable growth goals. We believe that this project, which will be carried out between July 2025 and February 2026, will directly affect both our efficiency today and our future successes.

These investments in our human resources both support our company's green and digital transformation goals and play a critical role in terms of not strategically adapting to the future workforce expectations.

8.1.5. Employee Performance Evaluation

At Yapı Merkezi, we have implemented the OKR (Objectives and Key Results) system, an efficient management tool designed to evaluate and support the performance of our employees. This system is designed to enhance organizational success and streamline the achievement of goals.

Yapı Merkezi utilizes the OKR (Objectives and Key Results) method in its annual performance evaluation process. Managers assess their employees directly, while employees provide feedback to their managers through the Manager Evaluation Survey. This assessment offers a thorough analysis of employees' competencies and their ability to meet business objectives. Following the evaluations, managers conduct feedback sessions with each team member to develop action plans and training programs for the identified areas of improvement.

Our employees at Yapı Merkezi and group companies are included in the performance evaluation system. This process enables employees to leverage their strengths more effectively while receiving support in areas for development. As a result, it boosts overall productivity by fostering both individual and organizational growth.

In this context, Yapı Merkezi's Performance Evaluation System aims to enhance not only individual development but also team synergy and overall organizational efficiency.

The Performance Evaluation System of Yapı Merkezi
aims to boost not only individual development, but also team synergy and overall organizational efficiency.

8.1. HUMAN RESOURCES APPROACH

8.1.6. Employee Welfare

At Yapı Merkezi, we see employee well-being not only as a human resources practice, but also as an integral part of our corporate culture. We consider the physical, mental and social support of our employees as one of the basic conditions for sustainable business success. To this end, we are committed to creating a healthy, safe and supportive working environment with our inclusive and holistic Employee Welfare Policy.

Mental Health and Psychosocial Support

We regularly evaluate the mental health risks that our employees may be exposed to in line with the socio-cultural and environmental conditions of the regions in which we operate. In order to reduce the risks due to stress, isolation, climatic conditions and professional difficulties, we carry out preventive trainings and information activities to improve the psychological resilience of our employees. In this context, the stress management trainings and internal communication sessions we have implemented contribute to the healthy working environment of our employees at both individual and team levels.

Safe and Participatory Work Environment

In addition to physical security, we care about creating a corporate culture where employees can express themselves freely. A trust-based work environment that encourages open communication directly increases employees' job satisfaction and commitment. With the welfare policies we have developed, we are securing this culture and building an environment where our employees are supported in all aspects.

Quality of Life in Campsites

In all our campsites, we operate in full compliance with IFC Performance Standards, ISO 45001 (Occupational Health and Safety Management) and ISO 14001 (Environmental Management System) standards, as well as relevant country and local regulations.

The in-camp areas are structured with comfortable accommodation units, regular cleaning services, secure personal spaces, and accessible social facilities.

Thanks to gyms, recreation areas and social facilities, the physical and social needs of our employees are met, and the level of motivation and commitment is supported by regular sports activities and social activities.

Flexible and Needs-Sensitive Working Models

In our head offices, we develop flexible working models in order for our employees to maintain their work-life balance. In this direction, we have implemented the hybrid working model in our head offices as of 2024.

- **Yapıray Head Office:** This model — in which employees work remotely three days a week and from the office two days a week — increases both employee satisfaction and productivity, while also offering an attractive working environment for qualified talent.
- **YM İnşaat and YM İDİS Central Offices:** With a hybrid model that includes remote work once a week, work-life balance is supported and employee loyalty is strengthened.

While our flexible working model increases the individual quality of life of our employees, it also stands out as an important element that supports our organizational efficiency and sustainability goals. Thanks to this model, while the work-life balance of our employees is strengthened, their motivation and commitment levels are increased; more agile and efficient results are obtained in operational processes. Our flexible and remote working practices have had positive results not only in terms of corporate efficiency, but also in terms of reducing our environmental impacts. A measurable decrease in our carbon emissions has been achieved, especially with the decrease in office-based energy consumption and work-related transportation needs. In this context, we believe that our human-oriented and environmentally responsible working models contribute to our long-term sustainability vision.

Supporting our employees physically and spiritually increases not only individual satisfaction, but also corporate commitment, efficiency and resilience. Thanks to the holistic welfare strategies we implement, we achieve tangible results such as increased motivation, low absenteeism and long-term commitment in the feedback received from our employees.

Each application carried out in this context supports our commitments in the field of social sustainability and contributes to both the quality of life of our employees and the long-term success of our company.

8.2. OHS APPROACH

At Yapı Merkezi, ensuring the safety of our employees and stakeholders, as well as creating healthy working conditions, are fundamental pillars of our sustainability vision. We are committed to achieving zero accidents in our projects and have established a robust Occupational Health and Safety management system, adhering to the ISO 45001 Occupational Health and Safety Management System Standard and best practices.

8.2.1. Occupational Safety

Throughout 2024, we implemented a series of improvements across our sites, offices, and management levels to strengthen our occupational safety performance. Guided by our "zero-accident" target, we introduced comprehensive training programs, systematic field inspections, updated risk analyses, and initiatives that prioritize employee participation.

Sustaining a strong safety culture relies on the commitment and leadership of our senior management. To this end, we organized Occupational Health and Safety (OHS) Leadership Trainings to ensure that management teams take an active role in the process. We also enhanced safety awareness among all employees through orientation programs, hands-on training, and daily site meetings. Our training content is regularly updated and adapted to meet the evolving needs of field operations.

Each project begins with a detailed, job-specific risk analysis. On construction-intensive sites, daily risk assessment meetings are held with employees to review and reassess the adequacy of preventive measures. Through active feedback mechanisms, we evaluate suggestions from the field and continuously refine our safety management practices based on collective insight.

Emergency preparedness remains a top priority. We conduct regular drills simulating fire, chemical spill, natural disaster, and workplace accident scenarios to strengthen response capabilities. These exercises improve coordination among emergency teams and ensure that all employees know how to act effectively in crisis situations.

As a result of the measures implemented in 2024, we increased our number of accident-free days—a success made possible by the dedication of every team across all units. In the coming years, we will continue advancing our safety performance through proactive and preventive practices.

Addressing climate-related risks has also become an integral part of our safety approach. We have developed specific measures for extreme heat, sudden storms, and heavy rainfall across all project sites. These include adjusting shift schedules, adapting production processes to weather conditions, monitoring energy-related hazards (such as generators, batteries, and panels), and deploying automatic response systems.

We regularly conduct internal and external audits to assess the effectiveness of our system, reporting detailed findings to senior management through our Management Review Reports (MRRs). In line with our corporate sustainability objectives, we view occupational safety not merely as a compliance requirement but as a core value that safeguards both our employees and the communities we serve.

At Yapı Merkezi, occupational safety holds the same level of importance as technical excellence in all our projects. With this approach, we place the safety of our employees above all else and continue to build a safety culture that sets an example across the industry.

We have acted with the goal of "zero accidents" in all our projects and to achieve this goal, we have developed comprehensive trainings, systematic field inspections, current risk analyzes and practices that prioritize employee participation.

8.2. OHS APPROACH

8.2.2. Occupational Health

At Yapı Merkezi, we regard occupational health as a priority and strategic focus across all our projects—on par with workplace safety. Our approach is proactive, aiming not only to protect but also to support and enhance our employees' health. We closely monitor the potential impacts of environmental factors intensified by climate change (such as extreme heat, air pollution, dust, humidity, and biological hazards) on employee health and manage these risks systematically.

To monitor on-site working conditions, we use a system integrated with meteorological data. When temperatures reach critical levels, we reschedule shifts to protect workers' health. We regularly measure risks such as dust, chemical exposure, and noise, taking the necessary precautions to minimize exposure. Our environmental disinfection activities also prioritize both employee health and nature, employing eco-friendly methods that safeguard biodiversity.

In our projects, especially in high-intensity field operations, we establish on-site health units to ensure continuous health monitoring of our teams. Our infirmaries operate 24/7 with professional medical staff, and all emergency equipment is maintained in a state of readiness. These services are provided free of charge to all employees, including subcontractor teams.

We also recognize the importance of healthy nutrition for employee productivity and well-being. With the support of our food engineers, we ensure the safety of all food served in camps and construction sites, conducting regular inspections to maintain hygiene and nutritional standards. In this way, we help our employees maintain healthy eating habits and enhance their overall quality of life.

At Yapı Merkezi, Occupational Health and Safety practices are implemented in full integration with our Human Rights and Well-being Policies. For us, providing a healthy working environment is not a privilege but a fundamental right. Within this framework:

- We conduct periodic health checks for all employees and perform site-specific health assessments.
- We adapt working conditions to meet the needs of our female employees during special periods such as pregnancy and breastfeeding.
- Employees with chronic illnesses or disabilities are individually monitored under the supervision of our workplace physicians, and job assignments are adjusted when necessary.
- For long-term projects, we establish preventive systems for employee well-being, including psychological support and rest areas.
- We raise awareness among employees through regular seminars and training sessions on stress management, ergonomics, nutrition, and hygiene.

To ensure rapid emergency response, we maintain first-aid trained personnel in both field and office environments. Emergency response equipment is regularly inspected and kept ready for use. We also recognize our responsibility regarding global health risks. In the countries where we operate, we carry out awareness programs on diseases such as HIV/AIDS and malaria and provide testing and treatment opportunities when required.

All these occupational health initiatives not only improve productivity but also enhance employee morale and motivation. In line with our "Zero Health Risk" goal, we implement this approach across every project, prioritizing our employees' well-being.

We monitor all these processes systematically. Health data are collected by location, and near-miss reports, illness and exposure records, daily field observations, and monthly performance metrics are communicated to our central Occupational Health and Safety Unit. Using this data, we:

- Track health-related workforce losses (such as lost workdays, treatment duration, and return-to-work times).
- Measure participation in and the impact of health training programs.
- Regularly evaluate our preventive measures against local and global health risks.
- Analyze the costs of climate-related health precautions and integrate them into our budgets.

At Yapı Merkezi, we are committed to advancing our sustainability approach and developing solutions that minimize all workplace health risks — because for us, a healthy employee is the foundation of a healthy future.

8.2. OHS APPROACH

8.2.2. Occupational Health

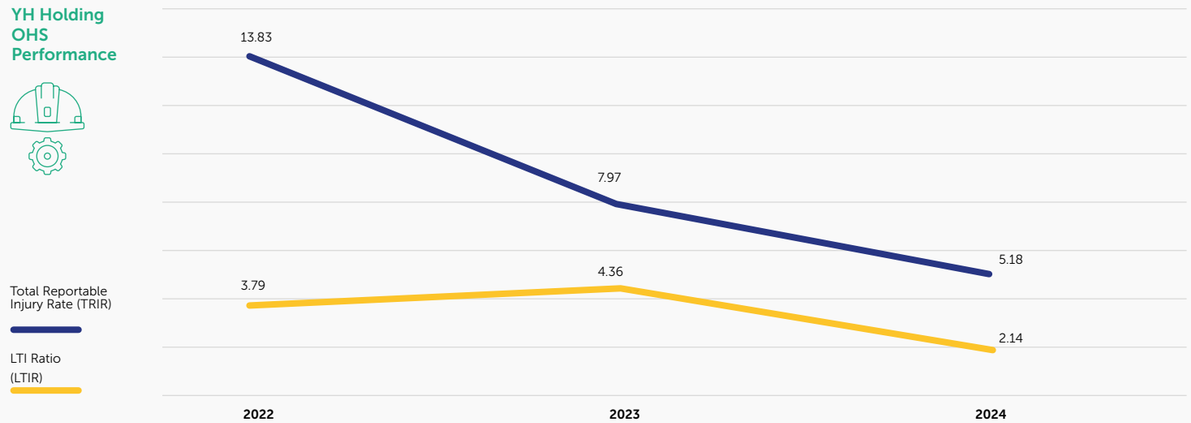
At Yapı Merkezi Holding, we consider the health and safety of our employees as one of the main components of our corporate sustainability approach. In all the projects we carry out, we act in accordance with our OHS policies designed in accordance with local legislation and international standards. In this context, the performance indicators of all companies affiliated to our group in the 2022-2024 period were regularly monitored, analyzed and evaluated for continuous improvement.

Company-Based Performance Summary:

- YM İnşaat showed the strongest recovery performance within the group. TRIR ratio, which was 13.69 in 2022, decreased to 3.31 in 2024; LTIR decreased from 3.56 to 1.43 in the same period. The education rate also increased to 1.38%, indicating that awareness-raising activities were effective.
- Yapı Merkezi İDİS operated with zero accidents in 2024. This success indicates that the internal security culture has been strengthened.
- YM Construction is one of the units with only two years of data. TRIR (19.47%) and LTIR (9.47%) rates, which were high in 2023, were reduced to 4.03% and 3.02% in 2024, respectively. This rapid recovery indicates that efficient response mechanisms have been put in place.
- On the Yapıray side, it is seen that the TRIR rate is 25.41% as of 2024. On the other hand, the fact that the OHS training rate has increased to 0.56% shows that awareness-raising steps continue.
- Subor has managed to reduce it to 33.57% in 2024. At the same time, it increased the education rate by approximately five times in three years to 2.03%. This directly reflects the role of education in preventing accidents.

These assessments show that a strong foundation is established for the establishment of sustainable safety performance in all our subsidiaries, but additional measures are needed to achieve the targeted levels in some business units. Proactive audit systems, digital monitoring tools, behavioral safety programs and mandatory OHS trainings implemented throughout the group constitute the main building blocks of this process.

The graph prepared to visually present the change of our OHS performance over the years is shared below, and the detailed company-based data set is included in the Appendices Section. These data clearly reveal the continuous improvement approach of Yapı Merkezi in the field of OHS and the importance it attaches to employee health.



LTIR: 1 million people* LTIs per hour (LTIR) = (All accidents/incidents with day loss) *1,000,000)/Working Hours
TRIR: 1 million people* number of TRIs per hour (TRIR) = (All events more serious than first aid) *1,000,000)/Working Hours
Graph data include Yapı Merkezi İnşaat, YM Construction, YM İDİS, Yapıray and Subor data.

Across the group, there was a significant improvement in the indicators of reportable injury rate (TRIR) and lost workday rate (LTIR) over three years. While the Holding TRIR ratio was 13.83 in 2022, it decreased to 7.97 in 2023 and 5.18 in 2024. Likewise, the LTIR ratio decreased from 3.79 to 2.14, revealing a significant decrease in the total accident severity and frequency. This reduction shows that safety performance improves in a real and sustainable way, as it is based not only on absolute accident numbers but also on assessments made in relation to business volume.

As Yapı Merkezi Holding, we will continue to resolutely pursue our Occupational Health and Safety strategies, which are based on a preventive approach, data-driven, and centered on continuous improvement, in order to realize **our zero-accident vision** together with all of our subsidiaries.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

We engage with all our internal and external stakeholders within the scope of our activities through established communication methods, ensuring the accurate exchange of information and gathering their feedback and suggestions. We actively utilize stakeholder feedback to enhance our sustainability performance.

Stakeholders and Our Communication Methods:

Stakeholders	Communication Tools	Communication Frequency
	E-mail, Official Reports, General Assembly Meetings, Video Conference, Press Releases	Continuous

Employers, Customers, Consultants, Subcontractors, Suppliers, Service Providers, etc.	Communication Tools	Communication Frequency
	Meetings, Official Correspondence, E-mail, Policy Documents, OHS Meetings, Trainings, Audits, Complaint Mechanism, Surveys, Feedback Hotli	Continuous

Employees	Communication Tools	Communication Frequency
	Social Activities, Coordination Meetings, Employee Meetings, Trainings, OHS Meetings, E-mail, Feedback Lines, Ethics Policy, Surveys, Suggestion System, Face-to-Face Meetings, Internal Portal	Continuous

Official Authorities	Communication Tools	Communication Frequency
	Meetings, Correspondence, Report Presentations, Feedback Hotlines, Special Events (Fair, Seminar, Conference, etc.), E-mail	Case-Specific

Potential Business Partners	Communication Tools	Communication Frequency
	Events (Fair, Seminar, Conference), Media, Social Media, Website, Feedback Hotlines, Face to Face Meetings, E-Mail	Case-Specific

Locals and Affected Communities/Persons	Communication Tools	Communication Frequency
	Advisory Meetings (ESIA), Informative Reports, Support Programs, Media, Social Media, Website, Call Center, E-mail	Case-Specific

Non-Governmental Organizations	Communication Tools	Communication Frequency
	Meetings, Joint Projects, Newsletters, Reports, Email, Social Media, Website, Feedback Hotlines	Case-Specific

Lenders and Consultants	Communication Tools	Communication Frequency
	Meetings, Teleconference, Document Presentations, Newsletter, E-Mail, Media, Social Media, Website	Case-Specific

Financial Institutions	Communication Tools	Communication Frequency
	E-Mail, Face to Face Meetings, Telephone, Regular Financial Reports, Evaluation Meetings, Video Conference	Case-Specific

Consortium and Joint Venture (JV) Partners	Communication Tools	Communication Frequency
	Joint Meetings, Report Sharing, E-Mail, Website	Case-Specific

Academics & Universities	Communication Tools	Communication Frequency
	Technical Visits, Joint Projects, Media, Website, Feedback Hotlines	Case-Specific

Media	Communication Tools	Communication Frequency
	Press Releases, Press Conferences, Interviews, Social Media, Website	Case-Specific

Sectoral Organizations	Communication Tools	Communication Frequency
	Memberships, Workshops, Joint Projects, Bulletins, Meetings	Case-Specific

General Public	Communication Tools	Communication Frequency
	Corporate Website, Social Media, Press Releases, Sustainability Report, Public Opinion Surveys	Case-Specific

Our Code of Ethics, Ethics and Compliance Policy, and Ethics Reporting and Prevention of Retaliation Policy cover our reporting channels, processes, and procedures. These internal documents specify the procedures to follow when reporting any violations. As stated in our internal regulations, our employees can report violations to their managers, the Legal and Compliance Department and the Ethics and Compliance Committee.

In addition to our Code of Ethics, which outlines our core values and principles, we have implemented specific policies such as the Ethics and Compliance Policy, Conflict of Interest Policy, Ethical Disclosure, Prevention of Retaliation Policy, and Anti-Bribery and Anti-Corruption Policy. Furthermore, we are committed to continually developing policies that are based on our Code of Ethics. At Yapı Merkezi, we are dedicated to fostering integrity and responsible conduct across all aspects of our operations.

An additional communication channel is available for both our employees and third parties through etik@ym.com.tr. This channel ensures that notifications are directed to the Ethics and Compliance Board, guaranteeing protection against retaliation. Additionally, we have implemented external reporting channels and infrastructure to enable anonymous reporting while safeguarding the confidentiality of personal data, particularly for sensitive matters. The management of these channels is entrusted to an independent third-party agency, which handles the transmission, analysis, and reporting of all notifications. This approach ensures that individuals can report issues anonymously, with full protection of their privacy and security.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Social Media and Brand Visibility

We use our digital communication channels strategically not only for information sharing but also to create social impact and to establish sustainable relationships with our stakeholders. Social media enables us both to reinforce corporate reputation and to build strong and meaningful connections with our target audience.

At YM İnşaat, we maintain an active communication network on the Facebook, Instagram, LinkedIn, X and YouTube platforms. Through our corporate posts we make both internal company developments and sectoral sensitivities visible. As of 2025, we are interacting with a broad digital community, having reached 192,632 followers on LinkedIn, 21,000 on Facebook, 15,300 on Instagram, 4,024 on X and 2,630 on YouTube. In this way, we increase our visibility on many issues ranging from sustainability to occupational safety, from technical expertise to social responsibility.

At Subor, our digital communication efforts reach an increasingly broad community every day. While sharing our corporate news with more than 5,000 followers on LinkedIn, we achieve tens of thousands of views and thousands of interactions on channels such as Instagram and Facebook. In this way, by making both our technical expertise and our sensitivities in areas such as sustainability and social responsibility visible, we demonstrate a strong presence in the digital world.

At YM İDİS, we strengthen our sectoral sphere of influence through LinkedIn. On our page, which has reached 13,704 followers, 4,328 people visited our page and our content was viewed a total of 10,478 times. These indicators reflect that we are positioned as a reliable source of information on digital platforms.

At Yapıray, we aim to increase the trust placed in our brand through our digital communication efforts. Throughout the year, we carried out 92 social media posts related to our products and services. In this way, we did not only share information; we also established a sustainable communication ground with our stakeholders in the sector. We take an active role on social media platforms, and with our corporate posts we bring both internal company developments and sectoral developments to our followers. In this context, we continue to strengthen our digital presence. While our Facebook account grows with 2,300 followers, our posts reached a total of 42,984 views. In particular, our video content achieved a significant viewing time of 18 hours, indicating that we attracted attention.

On the Instagram platform, we have built a strong community with 1,333 followers. With our visual content, we achieved a total of 65,554 views, providing high reach. On X (Twitter), we have taken our first steps toward reaching a new audience with 30 followers. On LinkedIn, our strongest platform, we reinforced our position in the sector by reaching 22,768 followers. Our posts on LinkedIn resulted in a gain of 1,611 new followers over the last year, bringing our total to 22,768 followers. Our posts were viewed 378,529 times and received 7,687 reactions. Separate from posts, the fact that our corporate page was viewed 10,735 times and attracted 4,991 unique visitors indicates that industry professionals follow us.

At ATAŞ, through the digital communication activities we conduct for the Eurasia Tunnel, we raise awareness on safe driving, sustainable transportation, environmental consciousness and technical infrastructure. With content that highlights Istanbul's cultural heritage, we expand our social impact area, and by promoting the ZIP Loyalty Program via social media we increase user engagement. We regularly monitor the performance of our content and update our communication strategies based on feedback.

At ÇOK A.Ş., we sustain our digital communication under the 1915ÇANAKKALE brand with an interaction-focused strategy aimed at organic growth. On Instagram, we achieved 104% organic growth over the last year, increasing our follower count from 5,000 to over 10,700. During the May–July 2025 period alone, we broke records by achieving more than 830,000 views; in our last 10 posts we reached 12,000 interactions and a 9.7% engagement rate. We also demonstrated strong performance on other digital channels: we reached 9,070 subscribers on YouTube; on LinkedIn we achieved 7,857 followers, 88,995 views and 2,619 reactions; and on Facebook we reached 115,402 content views. To sustain this success, we track our follower counts and engagement rates with monthly targets and prepare detailed performance reports every month. We offer our followers content about the lifestyle culture of Çanakkale, regional development news, social support programs, sustainability-themed posts and informative films. Additionally, on special days such as Republic Day and April 23, as an innovative approach we produce original and attention-grabbing content using Computer Generated Imagery technology.

All these efforts are not limited to numerical indicators such as follower counts or views; they increase our social capital, strengthen our ties with stakeholders and provide long-term contributions to our corporate reputation. Through the strategic communication we conduct via social media, we make our sustainability-focused corporate values visible and grow these values together with society.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Employee Engagement and Internal Stakeholder Dialogue

With this understanding, the **"Suggestion at Yapı"** system, which we launched at **Yapı Merkezi İnşaat** in 2023, has become an important platform where we systematically structure, digitize and integrate employee participation into decision-making processes. This digital system, which we have developed entirely with our own internal resources, offers an infrastructure where our employees can directly and easily convey their suggestions for business processes, improvement ideas and innovative solutions. The purpose of the platform is to support corporate learning and continuous development by benefiting from the knowledge and experience of our employees, as well as to increase employee loyalty.

Over 400 suggestions were submitted through the system during the year 2024. An important part of these recommendations encompassed:

- Simplification of productivity and business processes,
- Strengthening occupational health and safety,
- Energy saving and resource efficiency,
- Waste management and environmentally friendly practices,
- Making working environments healthier and ergonomic.

These recommendations provide important outputs that show that our employees contribute to a safe, healthy and sustainable work environment within the scope of both Occupational Health and Safety and Stakeholder Participation. Moreover, the recommendations that emerged through the observations of field workers in terms of climate risks have been a valuable source of data in the development of measures to be taken against environmental variables such as hot weather, sudden precipitation, and air quality that directly affect the workforce.

The gains of this system can be summarized as follows:

- Establishing a transparent and participatory communication channel with our internal stakeholders,
- Employees' active contribution to corporate decision-making processes,
- Contributing to sustainability goals from the bottom up,
- Feeding corporate risk perception with field reality,
- Redesigning operational processes with employee experience.

My Suggestion at Yapı functions not only as a suggestion system, but also as a stakeholder management tool that demonstrates that we value our employees, positioning them as part of the solution, and internalizing organizational learning.

In 2024, we actively implemented the "The Microphone Is Yours" Project, which brings the voice of the employees of **Subor** directly to the management. Within the scope of the project:

- An anonymous, open and digital communication platform has been created where all employees can convey their feedback.
- Feedbacks were analyzed at regular intervals; improvement and development plans were prepared for the emerging topics.
- These results were objectively shared with all employees in periodic information meetings.

One of the insights we received from the "The Microphone Is Yours" implementation was the need to further improve communication between teams. In order to meet this need, we launched a new application called "Synergy Meetings" as of April 2025. In these meetings, our colleagues from different teams come together around the determined issues, produce solutions to the problems together, and share their ideas openly. Our goal is not only to increase communication, but also to make our business processes more efficient and interactive.

Within the scope of our **ATAŞ** (Eurasia Tunnel) activities, we regularly hold in-house awareness sessions under the title of "Tea Talks" in order to raise awareness of our employees on issues such as environmental awareness, social inclusion, sustainability and occupational health. In addition, we aim to support the continuity of environmental awareness throughout the year by delivering the calendars we prepare with environmental-themed content to our internal and external stakeholders every year.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Activities Carried Out Within the Scope of Stakeholder Relations

Relevant SDGs

yapı merkezi

Country	Study/Project Name
Türkiye	Sponsorship of Türkiye-Tanzania Economic Business Forum

We participated in the Türkiye–Tanzania Business Forum hosted by the Foreign Economic Relations Board (DEİK) as a Gold Sponsor. The event, held in Istanbul, was attended by Tanzanian President Samia Suluhu Hassan, Turkish Vice President Cevdet Yılmaz, Turkish Minister of Trade Prof. Dr. Ömer Bolat, Tanzanian Minister of Industry and Trade Dr. Ashatu K. Kijaji, DEİK President Nail Olpak, and Executive Director of the Tanzania Private Sector Foundation Raphael Maganga.

Our Chairman Mustafa Başar Arıoğlu and our Vice Chairman of the Board and Chairman of the DEİK Türkiye–Tanzania Business Council, Dr. Erdem Arıoğlu, also attended the forum.

The forum aimed to strengthen the economic cooperation between the two countries.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Activities Carried Out Within the Scope of Stakeholder Relations

Relevant SDGs

yapı merkezi

Country	Study/Project Name
Türkiye	Railway Cooperation Meeting with Bosnia and Herzegovina

We held talks with the authorities of Bosnia and Herzegovina on potential cooperation opportunities and partnership prospects.

Kenya	Participation in the Panel on Deepening Economic Relations between Türkiye and Africa and the Role of the Private Sector

Within the scope of the Annual Meetings of the African Development Bank (AfDB), a panel titled "Deepening Economic Relations Between Türkiye and Africa and the Role of the Private Sector" was held by DEİK and the Ministry of Treasury and Finance on May 29, 2024, in Nairobi, the capital of Kenya.

As Yapı Merkezi, we took part in this important event with our Vice Chairman of the Board of Directors, Dr. Erdem Arıoğlu. During the panel, we highlighted the roles that Turkish contractors — including Yapı Merkezi — can play in Africa's infrastructure investments and shared our experience in project financing.

Saudi Arabia	Saudi Rail 2024 Sponsorship

We participated in Saudi Rail 2024 as a Gold Sponsor and showcased our sustainable projects in the panel sessions. During the event, our Board Member S. Özge Arıoğlu held a special meeting with the Saudi Minister of Transport.

Saudi Arabia	Future Projects Forum

Within the scope of the Future Projects Forum held in Saudi Arabia, MOMRAH Minister Majed bin Abdullah Al-Hogail, Yapı Merkezi Holding Board Member S. Özge Arıoğlu, and the delegation of the Turkish Contractors Association came together to evaluate potential cooperation opportunities for new projects and solutions to past issues.

During the forum, we also held productive meetings with Saudi public institutions and employer companies.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Activities Carried Out Within the Scope of Stakeholder Relations

Relevant SDGs

Country	Study/Project Name
Türkiye	Civil Engineering Convention (CivilCon'24) Sponsorship

We participated in and sponsored the CivilCon '24 event hosted by the Istanbul Technical University Engineering Preparation Club, together with Yapı Merkezi, Yapıray, and 1915 Çanakkale Bridge (ÇOK A.Ş.). Our Founding Member Ülkü Arıoğlu and Vice Chairman of the Board Dr. Erdem Arıoğlu delivered the opening speeches. We also shared the visionary presentation of the late Dr. Ersin Arıoğlu with the students.

Yapıray General Manager Volkan Okur Yılmaz delivered his presentation titled "The Railway Market in the Construction Sector."

At this event that brought together young engineers and industry leaders, we provided inspiring insights and valuable experience.

Country	Study/Project Name
Türkiye	Blue Dot Network Launch

We held the official launch of the Blue Dot Network — which we have been closely monitoring since 2021 and successfully completed its pilot implementation in April 2023 — at the OECD headquarters in Paris.

During the event, the Eurasia Tunnel stood out as a flagship example with its certification experience, and our Chairman of the Board, Mustafa Başar Arıoğlu, shared our sectoral contributions at the high-level panel.

Türkiye	Eurasia Tunnel Annual Creditors Meeting

We held the Eurasia Tunnel Annual Creditors Meeting in İstanbul with the participation of the Ministry of Transport and Infrastructure of the Republic of Türkiye, the Ministry of Treasury and Finance of the Republic of Türkiye, credit institutions, investors, consultants and project employees.

Türkiye	Participation in the Asian Development Bank's Green Roads Webinar Series

On 12 September 2024, we participated in the 'Green Roads' webinar series organized by the Asian Development Bank (ADB) at the invitation of the Blue Dot Network General Secretariat, which was established to promote quality and sustainable infrastructure projects. In the joint session organized in this context, we presented our project as a 'case study' for both the purpose of sharing experience and transferring information.

Türkiye	Participation in the 8th UNECE PPP Forum

Held in Istanbul on May 8–10, 2024, the 8th United Nations Economic Commission for Europe (UNECE) Public-Private Partnerships (PPP) Forum brought together leading experts from around the world. We participated in this important platform, where the latest developments in international public–private partnerships, SDG-aligned projects, and global best practices were discussed. The forum provided us with valuable opportunities to exchange knowledge and network with experts from various countries.

Türkiye	Meeting of Children with Engineering with the Dr. Ersin Arıoğlu Eurasia Tunnel Project Museum

We have hosted over a thousand visitors so far with our Project Museum, which we established at the entrance of the Operation and Maintenance Building in order to share technical information about the Eurasia Tunnel Project. As of 2024, we have opened our museum to primary school students and started to introduce children to the world of engineering.

In our visit program, we describe the construction process; then we share the technical information about the operation with the students in the SCADA room. At the end of the program, children have an interactive experience in the incident intervention workshop.

We receive admission to our museum, where we have hosted 303 students so far, only by reference and our visits are free of charge. With these efforts, we aim to inspire children and arouse curiosity in the fields of engineering and infrastructure at an early age.

Türkiye	Üsküdar American High School Mayday Festival Sponsorship

As Eurasia Tunnel, we aimed to strengthen the awareness of social responsibility by supporting educational institutions, to establish a bond with young generations and to increase brand awareness through direct interaction with society.

Türkiye	ZIP Reward Program

With the ZIP Reward Program we have implemented in the Eurasia Tunnel mobile application, we offer discounts and reward opportunities to our users who switch through our brand partners. This program, which has reached approximately 115,000 members as of now, provides a significant gain in terms of customer loyalty.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Activities Carried Out Within the Scope of Stakeholder Relations

Relevant SDGs

AVRASYA TÜNELİ — 1915 ÇANAKKALE

Country	Study/Project Name
Türkiye	International Road Federation (IRF) World Congress Participation

We exhibited the Eurasia Tunnel and the 1915Çanakkale Bridge at the IRF World Congress hosted by the Ministry of Transport and Infrastructure in Istanbul.

Türkiye	Participation in 8th PPP Week İstanbul Event

We participated in the event as a sponsor and panelist with the Eurasia Tunnel and 1915Çanakkale. Using the Public–Private Partnership (PPP) model, we presented these projects as exemplary infrastructure investments that stand out with environmental and social impact sensitivity.

1915 ÇANAKKALE

Country	Study/Project Name
Türkiye	1915Çanakkale Bridge and Highway Annual Creditors Meeting

The 1915Çanakkale Bridge and Highway Annual Creditors' Meeting brought together stakeholders — including the Ministry of Transport and Infrastructure of the Republic of Türkiye, the Ministry of Treasury and Finance, bank and financial institution representatives, project partners, consultants, and project employees — through a series of visits, meetings, and events held in Istanbul, Ankara, and Çanakkale between 21–25 October 2025.

Türkiye	Boğaziçi University Building Club IstanBuild Week Event Participation

We introduced 1915Çanakkale Bridge as an exemplary engineering and mega-infrastructure project at the event organized by Boğaziçi University Building Club within the scope of IstanBuild Week. We communicated the engineering achievements and innovative aspects of the project by interacting with young engineer candidates at a technical level.

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Country	Study/Project Name
Türkiye	Participation in the National Congress of University-Industry Cooperation Centers Platform (UICCP)

Within the scope of university–industry cooperation, we increased sector interaction by opening a stand at the event and developed R&D-oriented collaborations.

Türkiye	Sakarya Teknokent Co-Work 3 Participation

As participants in the event, we opened a booth and made a presentation. We raised awareness about entrepreneurship and technological solutions.

Türkiye	Participation in 9th İTU Material Days

We participated in booths for metallurgy and material engineering students and shared our sector knowledge with young engineer candidates.

Türkiye	Meet4Composite Event Sponsorship

We shared our innovative solutions in the sector with our composite material technologies.

Kenya	Participation in Kenya WASIC (Water Sector Trust Fund) Event

We introduced our solutions for aqua-sanitation investments and held contacts for sectoral collaborations.

Türkiye	Meeting Young Talents at Boğaziçi University Career Days

We introduced our company to students by opening a booth within the scope of career days and contributed to the development of human resources.

Türkiye	Participation in the International Water, Wastewater, Waste and Raw Material Management (IFAT) Fair

We introduced our environmental technologies on an international scale in the themes of water, wastewater, waste and recycling.

Libya	Participation in Libya Build Fair

We introduced our products and solutions in construction and building technologies and evaluated international business development opportunities.

Indonesia	Participation in Indowater Expo Forum

We have increased our visibility in regional markets with our water and wastewater technologies.

Italy	Participation in H_2O Accadueo Fair

We shared our water treatment and infrastructure solutions with international sectoral stakeholders.

Serbia	Participation in the Water Forum

We have evaluated business development opportunities in regional markets with our solutions for water management and infrastructure systems.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Activities Carried Out Within the Scope of Stakeholder Relations

Relevant SDGs

yapıray

Country	Study/Project Name
Türkiye	Participation in the Seminar Organized by TCDD & UIC, MERTCe Cooperation

At the seminar we sponsored, organized by TCDD and UIC (International Union of Railways) and hosted by MERTCe on March 11–12, our Deputy General Manager of Engineering, Mr. Bayezid Özden, delivered a technical presentation titled "Rehabilitation of Prefabricated Track Slabs under Traffic / Conversion of Ballasted Lines to Non-Ballasted Lines."

Türkiye	Yildiz Technical University Civillstanbul Sponsorship

Bayezid Özden, Assistant General Manager of Yapıray, delivered a technical presentation titled "The Theory of Bending with Elasticians."

Türkiye	Participation in InnoCon'24 Event

At the InnoCon '24 event organized by the Bursa Technical University Modern Building Society, where we were a Silver Sponsor, Yapıray General Manager Mr. Volkan Okur Yılmaz delivered a presentation titled "Railway Market in the Construction Sector." We would like to extend our thanks to the Head of the Department of Civil Engineering, Prof. Egemen Aras, as well as the faculty members and students for their interest and hospitality throughout the event.

Türkiye	Interview Simulation Application at Özyeğin and Kadir Has Universities

As Yapıray, we continued to support the career journeys of young talents. As the Human Resources team, we had the opportunity to meet promising students through interview simulation sessions held at Özyeğin University and Kadir Has University on May 21–23. By providing realistic interview experiences to future professionals, we contributed to their preparation for the business world.

8.3. PUBLIC RELATIONS

8.3.1. Stakeholder Management

Activities Carried Out Within the Scope of Stakeholder Relations

Relevant SDGs

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Country	Study/Project Name
Türkiye	İTU Robot Olympics Participation

We emphasized our support for technology and young engineers by opening a booth at İTU Robotics Olympics.

Türkiye	Participation in the International Intelligent Transport Systems (ITS) Summit

At this summit, where ITS member sponsor companies made presentations, we shared the contributions of our smart transportation solutions to environmental sustainability. We emphasized our sectoral leadership with innovative and digital solutions.

Spain	Participation in Smart City World Congress 2024

We followed the developments in the field of sustainable urbanism and digital transformation. We observed exemplary practices in the themes of environmental sustainability and governance. We have improved our stakeholder relations with public and private sector representatives.

Türkiye	Participation in the Horizon Europe Program Capacity Building Event

We learned about R&D and innovation-based collaborations. Within the scope of European Union projects, we aimed to develop capacity in the field of sustainability. With this participation, we laid the groundwork for possible project partnerships and access to funds.

Germany	Participation in the International Mediterranean Scientific Research Congress

"Safety and Performance Analysis of Level Crossing Driver Modules." By presenting the safety and performance analysis of driver modules used at level crossings, we contributed to making railway systems more reliable and sustainable. Our study provided significant outputs in terms of energy efficiency, reduction of electronic waste, and social benefit.

STAKEHOLDER INSIGHTS

Mustafa Şahin KOPUZ
General Manager, Yapı Merkezi İnşaat

As YM İnşaat, our foundation is built on sustainability, ethical values, a sense of responsibility, and an understanding of creating value for society. We identify the risks posed by climate change early and use innovative solutions, recyclable construction materials, and energy-efficient technologies to reduce our carbon footprint in our projects.

Our risk management processes cover a broad perspective—from natural disasters to environmental impacts, from economic fluctuations to societal expectations and legislative changes.

Our ethical compliance principle enables us to establish a transparent, fair, and accountable business relationship with all our stakeholders. We internalize the sustainability culture at all levels, from the field to the management floor, and act with the aim of minimizing environmental impacts in our operations.

Being aware of our global responsibility, we design our projects to respond not only to today's needs but also to the sustainable living spaces of the future. Our goal is to make today's world safe and livable while leaving a heritage of nature-sensitive and resilient buildings for future generations.

Haluk AKDEMİR
General Manager, Subor

At Subor, our structure is shaped by our strong production infrastructure from Sakarya to Southeastern Anatolia and our global export network extending to seven continents.

Against the water management problems caused by climate change, we develop sustainable, energy-efficient, and long-lasting pipe systems by continuously improving through our R&D efforts.

Our risk management processes cover all stages—from production safety to logistics planning, from environmental impacts to regulatory compliance.

Our culture, based on equality, diversity, and universal moral values, transforms different perspectives into innovation. At Subor, we are determined to build the sustainable water future of both today and tomorrow and to add value to humanity with our stakeholders, common sense, and cooperation.

Serdar GÜLER
General Manager, Yapıtel

At YAPI, we are committed to carrying our country's engineering know-how and technological capacity to the future with safe and long-lasting infrastructure projects that are compatible with sustainable development goals. Within the scope of our cooperation with the Republic of Türkiye State Railways (TCDD), we aim to transform the railway and communication infrastructure into a climate-resistant, energy-efficient and safe structure. Our electrification solutions, which we have developed with local expertise, are designed in accordance with national and international standards; environmental sustainability is our main priority. Each project is based on the protection of natural resources and respect for ecological balance. In line with our responsibility to society, we aim to build a safe, accessible and sustainable future for our employees, stakeholders and all our citizens. We consider every project that contributes to the UN Development goals as a permanent legacy that we will leave to future generations. We are honored to contribute to Türkiye's progress in engineering and technology; we are committed to continuing to work resolutely for community welfare.

Volkan Okur YILMAZ
General Manager, Yapıray

Our YAPI builds not only cities and countries with rails, but also our values, our sense of responsibility and our strong ties to a sustainable future. We support the Sustainable Cities and Communities (SDG 11) goal with our climate-resilient, carbon footprint-reducing and energy-efficient rail system solutions. In our rail system applications and products (Panelray ®, Composite Traverse, etc.), we support the goal of Responsible Production and Consumption (SDG 12) with our innovative approaches and low carbon footprint targets in urban transportation, intercity and international areas. While our risk management approach covers all dimensions from operational processes to social perception, our company culture and values give us a global vision within the framework of partnerships for the goals (SDG 17). This vision enables us to contribute to sustainable transportation infrastructure, strengthen economic cooperation and increase social benefit, especially in the African continent and other geographies.

Emrah İLTERAY
General Manager, YM İDİS

Our YAPI is built on our understanding of engineering, sustainability, safety and ethical values. Within YM İDİS, we develop low-energy consumption solutions that are resistant to the effects of climate change in signaling and telecommunication systems. Through our digitalization projects, we increase system security by using data analytics and remote monitoring technologies. In our R&D center, we produce innovative and environmentally friendly technologies that comply with both local and international standards. Thanks to our risk assessment processes, we guarantee technical and operational safety at the highest level.

8.3. PUBLIC RELATIONS

8.3.2. Corporate Memberships and Collaborations

YM Holding:
Turkish Employers' Association of Construction Industries (İNTES)
Corporate Governance Association of Türkiye (TKYD)
Ethics and Reputation Association (TEİK)

YM İnşaat
Turkish Contractors Association (TMB) Green Consensus Working Group
Foreign Economic Relations Board (DEİK)
International Chamber of Commerce (ICC)
Structural Steel Association
Tunneling Association
International Association of Public Transport (UITP)
American Concrete Institute
International Society of Structural Engineering (IABSE)
Committee on National Roads

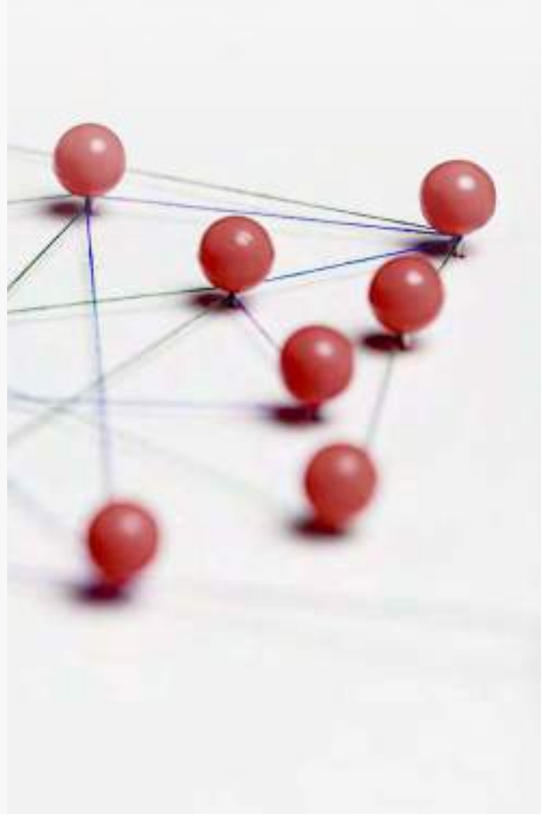
YAPI MERKEZİ İDİS
Intelligent Transportation Systems Association of Türkiye (ITS)
Anatolian Railway Transportation Systems Cluster (ARUS)

YAPIRAY
Foreign Economic Relations Board (DEİK) and Zambia Subgroup Presidency
Railway Transport Association (DTD)
Service Exporters Association
Prefabricated Structures Union of Türkiye
Anatolian Railway Transportation Systems Cluster (ARUS)
İstanbul Chamber of Commerce

SUBOR
Founding Member of GRP Pipe Manufacturers Association of Türkiy
Foreign Economic Relations Board (DEİK)
Composites Manufacturers Association
KalDer (Turkish Quality Association)
İstanbul Chamber of Industry
İstanbul Chamber of Commerce
SATSO (Sakarya Chamber of Commerce and Industry)
Akyazı Chamber of Industry
Şanlıurfa Chamber of Commerce
İMMİB (İstanbul Mining and Metals Exporters' Association)
Lebib Yalkın Publications
San-Der (İstanbul 3.Regional Industrialists' and Business People's Association)

NEKAŞ
IB-PYP – Primary Years Program
IB-MYP – Middle Years Program
IB-DP – Diploma Programme
ECIS (European Council of International Schools)
CIS (Council of International Schools)
GSP (Global Schools Program)

Foundations and Associations We Cooperate With			
Ersin Arıoğlu Foundation (EAF)		LÖSEV	
Circles of Influence Foundation		TEMA Foundation	
HAÇİKO		Tohum Autism Foundation	
KAÇUV		Turkish Cancer Society	
KIZÇEV		Spinal Cord Paralysis Association of Türkiye	
Lymphoma and Myeloma Association		Koruncuk Foundation	



8.3. PUBLIC RELATIONS

8.3.3. Major Financial Collaborations

A total loan amount of USD 9 billion was provided for the Eurasia, Çanakkale, Ethiopia, and Tanzania Lot 1–2 Projects under the EPC-F (Engineering, Procurement, Construction, and Financing) and PPP (Public–Private Partnership) frameworks.

For the Tanzania Lot 3–4 Project, a financing package of USD 1.9 billion was structured, of which USD 462 million was provided by DBSA, Afreximbank, and Standard Chartered. The remaining USD 1.4 billion, planned to be supported by Export Credit Agencies (ECAs), is expected to be finalized by the end of 2024.The Eurasia Tunnel, with its financing structure and engineering requirements, stands out as a successful project delivered through the PPP model. A total of USD 960 million in foreign loans was secured from 10 different financial institutions, including two development banks and Eximbank.The project features the longest-term loan package in Türkiye's transportation sector, with a maturity of 18 years, and 89% of the investment was realized through foreign direct investment.

Collaboration was established with various international financial institutions to support the financing of the projects. These institutions play a critical role not only in financing but also in strengthening business development efforts.

The participating institutions include:

- AFREXIM – African Export-Import Bank
- CESCE – Compañía Española de Seguros de Crédito a la Exportación (Spanish Export Credit Agency)
- DBSA – Development Bank of Southern Africa
- EBRD – European Bank for Reconstruction and Development
- EIB – European Investment Bank
- EIFO – Export and Investment Fund of Denmark
- EKN – Exportkreditnämnden (Swedish Export Credit Agency)
- IDB–ICIEC – Islamic Development Bank / Islamic Corporation for the Insurance of Investment and Export Credit
- KEXIM – Korea Export-Import Bank
- KSURE – Korea Trade Insurance Corporation
- KUKE – Polish Export Credit Insurance Corporation
- Mizuho – Mizuho Financial Group, Japan
- NEXI – Nippon Export and Investment Insurance (Japan's Export Credit Agency)
- NIB – Nordic Investment Bank
- OEKB – Oesterreichische Kontrollbank (Austrian Export Credit Agency)
- SACE – Servizi Assicurativi del Commercio Estero (Italian Export Credit Agency)
- SEK – Swedish Export Credit Corporation (Sweden's Export Credit Agency)
- SERV – Swiss Export Risk Insurance (Switzerland's Export Credit Agency)
- SMBC – Sumitomo Mitsui Banking Corporation, Japan
- Standard Chartered Bank, United Kingdom
- TDB – Trade and Development Bank (Eastern and Southern Africa Trade and Development Bank)
- TURKISH EXIM – Türk Eximbank (Export Credit Bank of Türkiye)

Restructuring Process within the Scope of Financial Collaborations

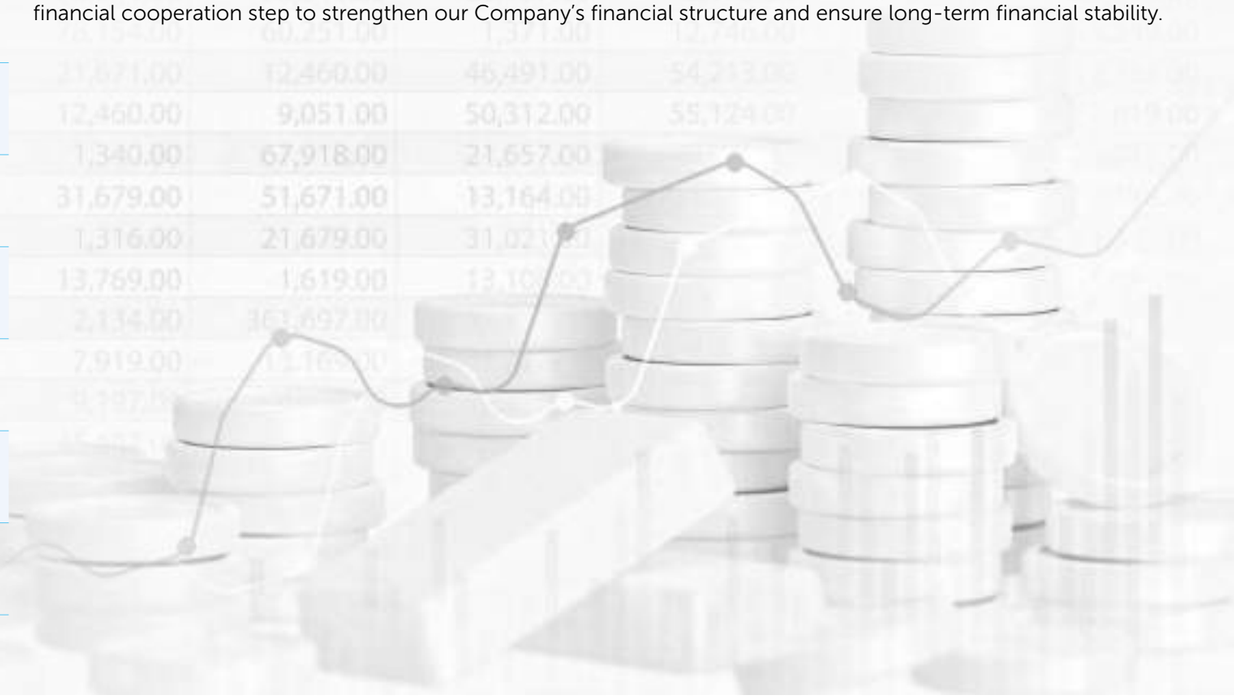
Events After the Balance Sheet Date

Events After the Balance Sheet Date

As of January 10, 2024, our Company has been included within the scope of the Financial Restructuring Framework Agreement in accordance with Provisional Article 32 of the Banking Law No. 5411. In this process, Ziraat Bank of the Republic of Türkiye was appointed as the lead bank.

All our cash and non-cash loan debts in Türkiye are included in this restructuring process. As of January 15, 2025, a Financial Restructuring Agreement has been signed with all relevant financial institutions that are parties to the restructuring, and the final maturity date of the agreement has been determined as March 2028.

This agreement covers a total cash loan liability of USD 1,419,617,441. The restructuring process represents an important financial cooperation step to strengthen our Company's financial structure and ensure long-term financial stability.



8.4. RELATIONS WITH THE SUPPLY CHAIN

At Yapı Merkezi, we recognize the critical importance of responsible procurement across all sectors and geographies where we operate. Our commitment to sustainable and ethical business practices requires that all procurement activities—including raw materials—are carried out in an environmentally sound, socially responsible, economically fair, transparent, and accountable manner.

Our Sustainable Supply Chain Policy and Responsible Supply Chain Policy define our approach to responsible procurement and ensure that our operations uphold the highest standards of integrity, transparency, and sustainability. These policies apply to all group companies, subsidiaries, branches, operations, and projects, as well as all stakeholders in our supply chain—from suppliers and service providers to subcontractors and sub-suppliers. All suppliers and subcontractors within our value chain are responsible for complying with and implementing the requirements of these policies.

We expect our suppliers and subcontractors to meet policy requirements, assess risks within their own supply chains, and take necessary measures to mitigate them. For prospective suppliers, we conduct comprehensive due diligence to evaluate compliance with responsible procurement standards, integrate them into our business processes, and perform periodic audits. Suppliers and subcontractors are also expected to cascade these requirements across their own supply networks.

In addition, all suppliers and subcontractors are encouraged to review, comply with, and implement the sustainability requirements published on our website. We also expect them to participate regularly in training and awareness programs organized under Yapı Merkezi Holding on topics such as anti-corruption, prevention of unfair competition, environmental responsibility, and human rights.

We expect our suppliers and subcontractors to comply with our policy requirements, identify risks within their supply chains, and take the necessary actions to address them.

8.4.1. Local Procurement

At Yapı Merkezi, we consider it a core responsibility to contribute to local development not only on a global scale but also in every geography where we operate. With this understanding, we view local procurement not merely as a purchasing method but as a strategic approach that creates value for societies. We continue to establish long-term collaborations with local and national suppliers and support them in developing sustainable business models.

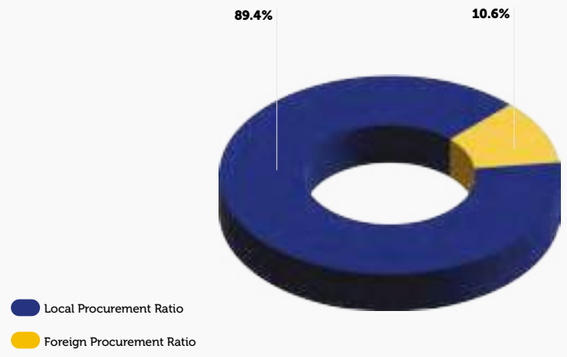
Through our capacity-building trainings and consultancy programs, we encourage our suppliers to operate in line with environmental, social, and governance (ESG) principles. Strengthening local supply chains, reducing environmental impacts, and contributing to the socio-economic development of communities are among the key priorities of our sustainable supply policy.

Our local procurement strategy provides multiple environmental and social benefits. By supporting local communities and sourcing from shorter distances, we significantly reduce logistical energy consumption and carbon emissions that may occur through international procurement. This approach lowers both emissions and logistics costs while further reinforcing our sustainable business practices.

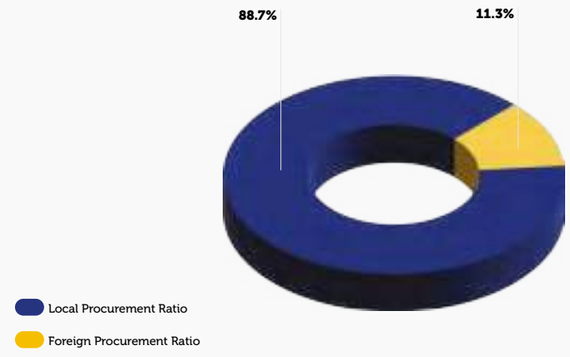
While our total number of suppliers reached 5,015 in the 2023–2024 period, the number of foreign suppliers also increased. Despite this diversification, we achieved a local procurement ratio of 89.4%, demonstrating our strong commitment to local economies. This approach enabled us to build stronger collaborations with local businesses, create regional employment, and generate community-based value.

Through our local procurement efforts, we also contributed to environmental sustainability by reducing logistics-related carbon emissions. Shorter supply distances allowed us to minimize both energy consumption and transport emissions, creating a balanced and sustainable structure between global supply flexibility and local contribution.

Supply Ratio (USD)



Supplier Ratio



*** Local Suppliers:** Suppliers of the country of operation.

8.4. RELATIONS WITH THE SUPPLY CHAIN

Supplier Assessment and Audit

Yapı Merkezi manages supplier relations through its Supplier Selection and Performance Evaluation Process, which is supported by a dynamic digital database called the Supplier Pool. This system records supplier information as well as performance evaluations related to the products and services they provide. In the supplier selection process, priority is given to suppliers registered in the pool and positively evaluated based on defined criteria.

When engaging with non-registered suppliers, technical qualification documents, evidence of compliance with Yapı Merkezi Policies and Procedures, certificates related to environmental, social, and occupational health and safety (OHS) matters, and work-specific references are required.

Under the coordination of the Sustainability and Business Excellence Department and the Quality Department, supplier status is evaluated jointly with the relevant technical units requesting the products or services, together with the Purchasing Department. The evaluation criteria for both central operations and project-based suppliers are updated annually in line with performance targets established during Management Systems and Management Review Meetings (MRMs), which are held at least once a year.

Suppliers that fail to meet the scoring thresholds are classified as restricted suppliers, based on a decision jointly taken by the relevant Department Heads and the General Manager. A restricted supplier may be reinstated once they meet the required criteria and obtain approval from the General Manager.

For specially designed and/or high-cost products, on-site assessments are conducted at supplier facilities. Where specialized expertise is needed, services are obtained from third-party audit firms. Compliance with IFC Standards is essential during these on-site evaluations. Within this framework, auditors verify that supplier employees have valid employment contracts, comply with legal working hours, follow human resources policies, and have access to grievance and disciplinary mechanisms. Non-discrimination, protection of employee rights, and the use of personal protective equipment (PPE) and other OHS equipment with valid conformity certifications (e.g., CE, EN standards) and Material Safety Data Sheets (MSDS) are also thoroughly assessed.

All procurement contracts include clauses that emphasize Yapı Merkezi's commitment to sustainability, responsible sourcing, environmental stewardship, and ethical business conduct. The past performance and reputation of supplier companies are carefully reviewed to identify any issues that may affect Yapı Merkezi's integrity and reputation. This approach supports our objective of building a responsible and sustainable supply chain.

In line with our responsible supply chain management approach, we strengthened and streamlined our supplier audit processes in 2024. Out of 212 audits, nonconformities were identified in 73 suppliers, and corrective and remedial action plans were implemented for 66 of them. Additionally, contracts with 10 suppliers were terminated due to non-compliance with sustainability criteria. This process has not only improved risk management across the supply chain but has also enhanced the sustainability capacities of our suppliers.

The year 2024 marked a period of significant progress in supplier relations and procurement performance at Yapı Merkezi. Increasing supplier diversity and enhancing our audit mechanisms were key steps taken toward building a more resilient and sustainable business model.

Detailed data regarding our Supply Chain can be found in the Appendices Section.

All procurement contracts with suppliers include clauses that emphasize our commitment to sustainability and responsible sourcing, as well as environmental principles and codes of ethics.

8.5. PRODUCT and SERVICE QUALITY

We consider product and service quality not only in terms of technical suitability but also our understanding of customer satisfaction, environmental and social sustainability. Quality is at the heart of all our projects and is seen as the cornerstone of our long-term value creation approach. Therefore, we define customer satisfaction as one of the priority issues of our sustainability strategy and continuously improve our quality processes in this direction.

Our Quality Policy is based on going beyond the expectations of our customers, continuous improvement in all processes, applying risk-based thinking and reinforcing stakeholder trust. The quality management systems we implement in our projects have a holistic structure that includes the planning, implementation, control and evaluation steps in an integrated manner. This structure is supported by documents and practices that comply with international standards. In this context, we integrate EN-ISO 9001 (Quality), EN-ISO 14001 (Environment), EN-ISO 45001 (OHS) and EN-ISO 31000 (Risk) frameworks into our operations; we plan, implement, monitor and improve our processes according to the requirements of these standards.

With the Quality Plans and Method Statements we have prepared for each project, we clearly define the implementation steps, control criteria, responsibilities and acceptance conditions. We ensure technical quality in accordance with the standards with laboratory tests and field controls we carry out in many areas and subjects. We increase transparency and reliability with test frequencies and third-party audits as defined by the relevant standards according to the relevant standards.

We set our project-based quality goals in accordance with the SMART principles and ensure that the goals are measurable and in line with the time plan. We monitor achievement of goals. monthly through the Project Quality Index (PQI); we share PQI results with project management and senior management.

We instantly record the nonconformities we detect in our construction sites through digital systems, evaluate them with root cause analyzes and systematically manage them with corrective actions (CAs). We measure the results of these processes with the Project Quality Index (PQI), which we collect from projects every month, and analyze the data we obtain together with internal audit results and customer feedback. Nonconformity records, Corrective and Preventive Actions (CAPA) and verification results are monitored by thethe Sustainability & Business Excellence Department, and project-based learning is made visible throughout the institution.

Through internal audits that we regularly conduct in all our group companies and projects, we audit the compliance of our practices with quality plans, contract terms, and project and corporate procedures. By analyzing the audit results together with risk and opportunity assessments, process maturity scores and PQI (Performance Quality Index) results, we determine the necessary improvement actions and periodically report these data to senior management and our Board of Directors through our Sustainability and Business Excellence Department. Scheduled improvement programs are defined for processes below the threshold values; responsibilities and resource needs are clearly identified. Thus, we directly integrate our quality performance into strategic decision-making processes.

By continuously increasing our Performance Quality Index, we have reached the highest level of 87/100 points in 2024.

In order to control our material quality from the beginning, we strictly follow our supplier evaluation and material approval processes. We ensure high quality standards by checking CE, TSE, ISO and project-specific technical and environmental compliance documents at every stage of our supply chain. In the supplier qualification evaluations, we take into account the criteria of delivery continuity, traceability, product safety and environmental/ OHS performance together with technical compliance. On-site audits for critical suppliers, sampling methods in quality control processes, declaration of conformity and certification verification are applied. Supplier performance is scored periodically; in case of poor performance, the development plan or alternative sourcing is commissioned.

We learn lessons from our experiences in each operation and share these lessons with our head office and other project teams. Thanks to this information sharing, we transform the field-based experience into an institutional learning cycle, not only maintaining quality, but also moving it forward.

We shape our quality processes by considering the effects of climatic conditions on building components and business continuity. In our material selection, production processes and delivery planning, we take into account external risks such as extreme weather events, supply continuity and environmental regulations, and plan the necessary technical and managerial measures in advance. Thanks to this approach, we ensure both customer satisfaction and environmental compliance together. In order to increase resilience to climate and supply risks; we integrate alternative supplier pool, stock buffers, transportation route diversification and climate-resistant design requirements for critical material into our quality plans.

We see quality not only as an outcome, but as an integral part of our goal of sustainable and customer-oriented growth; we act with this understanding in all our operations. We monitor quality performance with an integrated management approach, including on-time delivery, budget compliance, customer complaint tendency, and safety indicators, and regularly move this data into strategic decision processes as part of the Management Review.

Product and Service Quality Improvement Efforts Across Our Group Companies

Company	Country	Project Name	Project Detail	Relevant SDGs
Yapı Merkezi İnşaat	Türkiye	Corporate Method Statement	Our Corporate Method Statement efforts are a comprehensive approach to systematically define and manage pre-construction, construction and post-construction processes in railway projects. These methods, which are prepared in line with international standards and technical specifications (ISO 9001, ISO 14001, ISO 45001, EN, BS, EUROCODE, etc.), employer expectations and corporate knowledge of Yapı Merkezi, ensure that the projects comply with both technical requirements and sustainability goals. In this context, pre-construction activities that support the design process, construction-phase activities that define site implementation step by step, and post-construction activities covering the delivery and commissioning stages are detailed. The prepared documents are supported by risk and opportunity analyzes, assessment of environmental impacts, audit and test plans and resource management; thus, continuous improvement is ensured. Beyond the purpose of protecting and developing the know-how of Yapı Merkezi, the study is positioned as a management tool that increases resource efficiency in projects, reduces environmental impacts and strengthens the occupational safety culture. Thus, not only technical excellence but also social benefit and environmental responsibility are guaranteed.	9, 11, 12, 13, 15

By continuously increasing our **Performance Quality** Index, we have **reached the highest level of 87/100 points in 2024.**

8.5. PRODUCT and SERVICE QUALITY

8.5.1. Customer Satisfaction

At Yapı Merkezi, our unwavering commitment to customer satisfaction is among the main drivers of our sustainable growth and long-term success. Together with our customers, we aim to build a brighter and more sustainable future for our society and the sectors in which we operate.

Our customer satisfaction rates are a tangible indicator of our commitment in this area. In 2024, our customer satisfaction score, which was calculated out of 5 points, was 4.5. This result presents opportunities for continuous improvement in areas such as compliance with the work schedule, full fulfillment of quality requirements and development of design processes.

For us, high customer satisfaction reflects not only economic success, but also our awareness of fulfilling our social responsibility. We consider it our primary goal to meet the needs and expectations of our customers with the highest quality standards and to provide trust and satisfaction in every product and service we offer.

To this end, we systematically collect and analyze customer feedback in all our projects. We address the findings we obtain from the feedback not only within the scope of the relevant project, but also at the institutional level; we identify areas for disseminable improvement and disseminate them to our entire organization. This approach allows us to develop an agile learning culture centered on the customer experience.

Our customer satisfaction management is carried out through regular surveys, feedback meetings and official correspondence. Survey and complaint results are recorded with Nonconformity and Improvement (NI) forms and followed up by the relevant units. These records are reported to senior management at Management Review meetings at least once a year; performance targets and KPIs are updated in accordance with customer expectations.

Project-based customer complaint rates are recorded in official correspondence, their distribution is reported to the relevant units and the actions taken are communicated to the customers through official channels. In addition, customer segment-specific surveys are implemented on specific projects and their results are periodically updated. In this way, services are shaped according to the expectations of different customer groups and customer-oriented solutions are developed.

We take care to deliver our products and services in accordance with the planned time, budget and quality criteria, at a level that fully meets customer needs. By actively communicating with our customers, we receive their feedback at all stages of our projects, including planning, installation and operation, and integrate these feedbacks into both operational practices and strategic decision processes. In this context, our customer-oriented performance is monitored through metrics such as on-time delivery rate, quality control indicators, customer complaint tendency and satisfaction scores and reported to the Board of Directors with regular reports.

Our customer-oriented approach allows us to tailor our services to the needs and preferences of our customers. In this way, we build long-term relationships based on trust and mutual respect. The positive feedback and high satisfaction ratings we receive from our customers are an indication of the quality of our work, the dedication of our teams and our commitment to excellence. This approach represents a holistic management approach that aims not only to measure but also to proactively improve customer satisfaction.

8.5.2. Health and Safety Impacts of Products and Services

In accordance with the requirements of our Quality, Environment, and Occupational Health and Safety Management Systems, we continuously assess the impact of our products and services on health and safety at Yapı Merkezi. From the design stage onward, Yapı Merkezi evaluates potential health and safety impacts across all phases of construction, production, pre-commissioning (testing), and commissioning processes.

Throughout this process, our expert teams and partner companies conduct analyses during the design phase, and we implement internationally recognized risk assessment and testing methods during construction and commissioning. By applying these methods, we identify potential hazards associated with activities, assess the risks, and incorporate necessary risk mitigation measures into our method statements.

Training programs on the health and safety impacts of products and services are developed for the relevant processes at Yapı Merkezi, ensuring that all employees participate in and complete these courses. All materials arriving at production facilities and project sites, as well as the products manufactured, undergo rigorous testing. Risk assessment studies are conducted to ensure that these products do not pose any negative impact on health and safety. Product safety is further ensured through the certifications obtained within the scope of product safety and the inspections conducted in projects within the European Union Region.

In addition, product labels in production facilities are subjected to final checks before shipment, and there were no major nonconformities in the manufacturing and production processes of our companies in 2024.

In the relevant processes of **Yapı Merkezi**
trainings within the scope of **Health and Safety Effects of Products and Services**
are prepared and all employees are provided with these trainings.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

8.6.1. Social Impact Assessment

Within the scope of our approach to managing the environmental and social dimensions of our projects in a holistic manner, we carry out environmental and social impact assessment (ESIA) processes meticulously. These processes start at the planning stage and continue during the implementation and monitoring periods, ensuring that critical elements such as the social structure, cultural values, economic status and quality of life of local communities are taken into account in our project designs.

Our ESIA processes are not only limited to identifying possible risks; they are also based on the participation of local people, public authorities, universities and non-governmental organizations. Thanks to this participatory approach, we listen to the opinions of all stakeholders and reflect their expectations and needs to our work at the project design stage.

In line with the data we collect, we shape our decision-making processes with a proactive approach on the axis of social and environmental sustainability; we take preventive and corrective steps to minimize negative effects by detecting them in advance and to increase positive effects. Thanks to the impact monitoring studies we carry out regularly in our project sites, we constantly evaluate social indicators and implement new action plans when necessary.

Our aim is not only to manage risks, but also to create lasting social benefits and support local development in the regions where we operate. Therefore, we do not limit our findings from the ESIA process to analysis only, but turn them into concrete social investments in the field.

With the training programs we carry out in our project sites, we aim to increase the knowledge and skill levels of all stakeholders directly and indirectly affected by the project. These trainings strengthen social capacity and contribute to making our long-term social impact more permanent and positive. Furthermore, we strengthen our relationships with communities through infrastructure support and local employment opportunities, building a model of cooperation that is based on mutual trust, inclusive and supports sustainable development.

The collaborations we establish with universities constitute an important part of our social impact strategy. Thanks to our joint work with local and national universities, we support students' access to internships, research and applied learning opportunities and contribute to the knowledge and skill development of young talents. In addition, we directly contact young people by participating in career days and inform them about Yapı Merkezi activities, the future of the sector and professional development opportunities. While supporting students' career journeys through these activities, we aim to strengthen equality of opportunity with the special attention we attach to female engineer candidates.

However, we do not limit our sectoral collaborations to universities only. The joint studies we carry out with NGOs are of great importance in terms of both sectoral development and sustainability-oriented knowledge and experience sharing. By actively participating in these platforms, we contribute to the sustainable growth of not only our own company, but the entire sector.

For us, social impact assessment processes are not only a legal obligation; they are the most important tool of constructive, long-term and mutually beneficial relationships we establish with local people and all stakeholders directly or indirectly affected by the project. Thanks to this approach, we not only contribute to human development while managing the environmental and social dimensions of our projects, but also make long-term project success permanent with sustainable solutions shaped by stakeholder participation.

8.6.2. Corporate Social Responsibility (CSR)

As Yapı Merkezi, we have built our mission on the principle of **"Science at Yapı"** and **"We Are Responsible to Our Society and Our Era".** In line with this understanding, we not only realize projects, but also evaluate the environmental, social and economic impacts of our activities with a holistic approach and manage these impacts in a way that provides the highest benefit to society. For us, the meaning of every investment is not limited to today's outputs; it is measured by the long-term social value it creates.

While conducting our projects in accordance with IFC, ISO and other international standards, we consider minimizing environmental and social impacts as one of our primary goals. We reduce our carbon footprint through our practices to improve energy efficiency, manage waste responsibly, and use environmentally friendly materials; and we strengthen the well-being of communities through our social investments in education, health, gender equality, security, and local employment. With this approach, we plan every step we take with the return on investment (SROI) in mind.

Within the scope of our Corporate Social Responsibility (CSR) Policy, we establish strong relationships with local communities and governments and integrate sustainability principles into our projects while fulfilling legal requirements. While our education investments increase the academic achievement and employment opportunities of children and young people, our disaster relief accelerates the recovery processes of communities. Thus, we monitor the transformation of every resource we spend into society not only through numerical but also social value.

Issues such as CSR, sustainability, occupational health and safety, environment, human resources, corporate communication and ethical practices are managed in an integrated manner by our units at Yapı Merkezi. These units are responsible for developing, implementing, measuring and reporting on our initiatives. Thanks to these activities, which we regularly report to the Sustainability Committee, we transparently monitor the long-term social contribution of our investments.

In 2024, we continued to expand our social responsibility activities. We have contributed to society in a wide range from disaster relief to educational projects, from health supports to practices that strengthen gender equality. Our activities in Türkiye, Tanzania, Hungary and Slovenia have created a portfolio of impacts that serve sustainable development goals in different geographies. The diversity of our projects is one of the most concrete indicators of the comprehensive approach we have adopted in terms of social responsibility and sustainability.

With these activities, we directly contribute to global goals such as SDG 4: Quality Education, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth, SDG 11: Sustainable Cities and Communities, and SDG 13: Climate Action. We see our responsibility to society not only as a principle, but also as a measurable value creation process and aim to carry the social impact we create into the future with its multiplier effect.

kitap arısı

WE ARE RESPONSIBLE TO OUR SOCIETY

At Yapı Merkezi, in line with our principle of We Are Responsible to Society, we continue our cooperation with the Ersin Arıoğlu Foundation (EAV)[1], which was established to bring the social investments carried out by Ersin Arıoğlu, our founder, over the years to a more institutional structure. The basis of our joint work with the Foundation is the understanding of making effective, fair and permanent contributions to society in areas such as science, technology, education, culture, art, environmental protection and health.

The activities carried out within this framework are not only limited to educational support, but also supported by studies aimed at increasing social awareness. Being aware of the critical role that reading plays in the intellectual and emotional development of individuals, ensuring that every child has access to quality books and giving them a permanent reading habit are among our priorities. The Bibliophile Bee Project, which was implemented for this purpose, expands the social benefit by aiming to establish new libraries or enrich existing libraries in schools with limited opportunities throughout Türkiye.

In 2024, the Scholarship Program run by the EAV Foundation has been a critical support mechanism in the educational journey of young people. A total of 86 students received scholarship support, 39 of these students were female and 47 were male, and gender balance was observed. The majority of the participants are between the ages of 18-26, 83 of them are undergraduate, 2 of them are high school and 1 of them is at master's level. 98% of the scholars study at public universities in Türkiye and 2% continue their education abroad. With the use of online application and digital archiving systems in the scholarship process, the processes have become more efficient and environmentally friendly. In addition, at the end of the year, transcripts were taken from the students and the success criteria were regularly monitored. These practices not only provided economic support, but also strengthened students' academic motivation. The program contributes directly to SDG 4: Quality Education and SDG 5: Gender Equality.

The Scholarship Program conducted by the EAV Foundation has been a critical support mechanism in the educational journey of young people.

The Bibliophile Bee Project has been one of the foundation's strongest examples of social investment. In 2024, a new library was established in Urfa Akçakale Science High School and 7,192 books were donated. In this way, 250 students between the ages of 16-18 were directly benefited. The book selection was prepared by Irmak Schools in accordance with the National Education curriculum, so that the donation was of high value not only in terms of quantity but also in terms of content quality. The plaque of appreciation received from the school administration was a concrete indicator of the social benefit created by the project at the local level.

While these activities increased students' access to information in the short term, they strengthened their academic success in the medium term and supported their stronger preparation for higher education and career opportunities in the long term. The project was a social investment directly in line with SDG 4: Quality Education and SDG 10: Reduced Inequalities.

In general, a total of 336 students were directly accessed through the scholarship program and the Bibliophile Bee Project carried out in 2024. However, the fact that the donated 7,192 books will be used by hundreds of students in the coming years further increases the multiplier effect of the impact. These activities of the Foundation not only increased individual educational opportunities, but also strengthened community-based social capital. The return of the investments made to the society can be measured concretely through supporting the educational journeys of individuals, increasing social awareness and spreading equality of opportunity.

[1] For more information about the activities of the Ersin Arıoğlu Foundation (EAV), you can visit https://ersinariogluvakfi.com.tr/.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

8.6.3. Quality Education Efforts

Irmak Schools, established in 1994 by Yapı Merkezi İnşaat and the Youth, Culture, Service Foundation, provides high-quality education. Our educational philosophy focuses on nurturing students who are conscious of their responsibilities and capable of thinking creatively and scientifically. In line with this philosophy, we provide various opportunities for students to develop their individual talents while fostering respect for social values.

Our mission is to nurture conscientious individuals who embody ethical and aesthetic values. Our vision, on the other hand, is to create learning environments that embrace a unique education model. These approaches aim to enhance educational quality, promote gender equality, and reduce inequalities in alignment with the Sustainable Development Goals (SDGs).

IRMAK OKULLARI

In the 2024-2025 academic year,
1,064 students received education in our school.
The distribution of our graduates in 2024 was
Kindergarten 76, Primary School 82, Secondary School 71 and High School 68 students.

We place great importance on Social Responsibility Projects under the principle of Raising Individuals Responsible for Their Era. Our school aims to equip students with social, emotional, and academic skills through various clubs and activities. Eleventh-grade students are required to complete 50 hours of social responsibility tasks every other Friday by participating voluntarily in social responsibility projects. These projects not only enable our students to contribute to the community but also help develop their social skills, including leadership, teamwork, and empathy.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

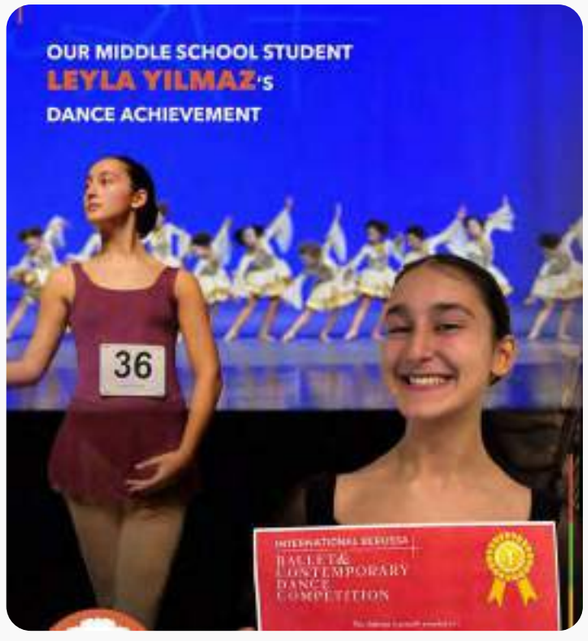
8.6.3. Quality Education Efforts

Our Achievements in Irmak Schools in the 2024-25 Academic Year

Irmak Schools takes great pride in the achievements of our students across sports, arts, science, and technology platforms in 2023. We congratulate all our students who are committed to following Atatürk's principles, working with determination, and continuously improving themselves. We wish them ongoing, sustainable success. Notable achievements during this period include:

- Our high school student Kemal Mete Akkaş – Kangaroo Science Competition Türkiye First and Bilge Kunduz Informatics Competition Türkiye Second; he also won the right to represent Türkiye at the International Artificial Intelligence Olympics.
- Our Robotics Teams (Primary School, Secondary School and High School) – Maestrobot won Türkiye First, Türkiye Second and Jury Special Awards in different categories in the Türkiye Final and was entitled to participate in the Estonian World Finals.
- Our FRC Team (9440 Bolts&Nuts) – won the Imagery Award for its works that bring engineering and design together in the FRC Bosphorus & Marmara Regional Competitions.
- Our high school student Ece Üngör ranked 7th in the world among 31 countries in the Artistic Swimming World Cup; she achieved a significant success in the history of Turkish swimming.
- Our high school student Damla Sönmez was elected to the National Team as the first in Türkiye in 3 categories and the second in Türkiye in 1 category in the TYF Wave Surfing Türkiye Championship.
- Our primary school student Nil Aygen performed with her own composition at the Journey of Sound Young Composers Festival; the performance she presented with her family was greatly appreciated by art lovers.
- Our primary school student Efe Kaan Karahan– National Junior Informatics Olympiad Türkiye First, Sigma Puzzle Olympiad World Second and won medals in many international mathematics Olympics.
- Irmak Sports Club U14 & Junior Men's Basketball Teams – İstanbul strengthened its corporate sports vision by winning championships. In addition, our high school student Eren Baytok was elected as the MVP in the EYBL Basketball Tournament.

- Our Young Girls Volleyball Team took the second place among 24 teams in the Kadıköy District Tournament and showed discipline, solidarity and team spirit.
- International Fundamentals of Science Competitions (URFODU)
- Our high school students Kemal Mete Akkaş, Levent Demir Küçükfiliz, Begüm Eda Şimşek have earned diplomas with gold, silver and bronze medals in different branches.
- Our secondary school students Selim Arıoğlu, Milla Aralya Alıcı, Ozan Çetinkaya, Ali Eren Toksoy, Naz İnce, Defne Yılmaz, Derin Çelikol and Ekin Silay have earned diplomas with gold, silver and bronze medals in different branches.
- Sigma Science Olympiad World Finals – Our primary school students achieved international success with the universal language of science by receiving medals and achievement certificates.
- Turkish Sailing Federation Stars Cup – Our students Elif Terece, Alize Duru Birinkulu and Lale Şirin Goca were elected to the national team and won the right to represent Türkiye at the national level.
- Our high school student Asya Şaklı – Sailing (ILCA6 Young Women) TYF 2024-2025 Sailing League Young Women's Champion and Stars Cup Türkiye won the first place in the competitions held in the ILCA6 categories and was entitled to wear the national team jersey in the 2025 World and European Championships.
- Our secondary school student Ozan Çetinkaya– Sigma Puzzle Olympics got a degree in the World Intelligence League and got the right to participate in the Genius All Star Program.
- Our secondary school student Leyla Yilmaz; Leyla Yilmaz, who participated in the International Berussa Ballet and Modern Dance Competition and Workshop held in Bursa between 29 January – 2 February 2025, won the first prize in the SemiProfessional: NeoClassical Dance Big Group Seniors category and was entitled to receive a Bulgarian Stream Dance Academy Summer School scholarship.
- Our high school student Beyza Mermutluoğlu ranked ninth in the WDSF Solo Women's European Championship held in Zagreb, Croatia.
- She won third place in the WDSF Zagreb Open Junior Category and first place in the Zagreb Cup Competition.
- She also won five gold medals in the L'Oreal Paris Czech Cup Stars II Solo Latin Contest, winning first place in five separate categories. She moved up to 11th place in the global semi-final ranking and placed fifth in the "World Stars II Solo Latin Category".
- Our high school student Kübra Mermutluoğlu won the National Athlete Title as the fourth in the "Youth" category at the Turkish Dance Sports Federation Türkiye Championship and gained the right to represent our country at the World Championship.
- International Youth Award – Türkiye Program – Irmak Schools contributed to this program, which is carried out in more than 130 countries supporting the social, individual and physical development of its students, as an award center.



8.6. SOCIAL POSITIVE IMPACT EFFORTS

8.6.3. Quality Education Efforts

Sustainability at Irmak

ECO-SCHOOL PROGRAM

As Private Irmak Primary School, we have been actively involved in the Eco-Schools Program since 2011. This program is an initiative designed to raise environmental awareness globally and instill a sense of environmental responsibility in students. By successfully passing an audit every two years, we have maintained our environmentally friendly educational practices and have been honored with the Green Flag Award. As part of the Eco-Schools Program, we provide our students with training on global ecosystem protection and nurture them to become environmentally conscious individuals. During this process, our students develop environmentally friendly habits both at school and in their surroundings, while also acquiring valuable knowledge about the protection of natural resources.

- **Conversion of Our Vehicles:** In line with our environmentally friendly approach, the gasoline and diesel-powered vehicles used in our school have been converted into electric vehicles. This initiative helps us reduce our carbon footprint.
- **Digital Education:** Homework is distributed through digital platforms, reducing the need for photocopying and supporting an environmentally friendly approach. In this way, we contribute to the environment by minimizing paper consumption.
- **Zero Waste Project:** As part of the Zero Waste Project, waste oils, electronic waste, and packaging materials are carefully collected and properly delivered to the municipality. Through these efforts, we contribute to recycling processes.
- **Water and Electricity Systems with Sensors:** To optimize water and electricity usage at our school, all taps and electrical systems have been equipped with sensors. This ensures efficient energy and water savings.
- **Afforestation and Protection of Monumental Trees:** Our school carefully protects the monumental trees in the garden, while also conducting new afforestation activities to foster environmental awareness.
- **Digital Communication:** To reduce printed material consumption, we share our brochures and promotional materials with parents digitally through email and e-newsletters.
- **Women's Employment:** Our workforce is comprised of 80% female employees. At Irmak Schools, we are committed to supporting gender equality and actively encourage women's participation in the workforce.
- **Health and Safety Trainings:** We regularly organize health and safety trainings and seminars for our students and employees, featuring guest experts. To safeguard the health of our students and employees, we have three full-time nurses on staff, along with workplace physicians available on select days of the week.

Social Responsibility at Irmak

Future Generations Raised with Responsibility for Their Era

Irmak Schools carries out Community Involvement Projects (CIPs) through dedicated Project Groups.

Project Group	Project Goal	Relevant SDGs
Yarenlik Yolu Group	Organize visits to nursing homes to raise awareness about aging and foster intergenerational ties	3, 10
Kadıköy Municipality Animal Shelter Group	Protect and care for animals, and provide support to shelter workers	15, 17
Fund Group	Develop a budget for social responsibility projects through sponsorships, charity contributions, and donations	1, 10
İstanbul Group of the Foundation for Raising and Protecting Mentally Disabled Children (ZİÇEV)	Support children with special educational needs to foster their individual development	4, 10
Mobile Books Group	As part of the "Let's Read" project, distribute books through mobile units to encourage the development of reading habits	4, 10, 17
House of Affection Group	Conduct activities aimed at the education and personal development of children in need of protection	4
Audiobook Group	Narrate books for individuals with visual impairments	4, 10
Environmental Volunteers Group	Undertake projects and awareness initiatives aimed at promoting environmental consciousness	13, 15, 17

8.6. SOCIAL POSITIVE IMPACT EFFORTS

8.6.3. Quality Education Efforts

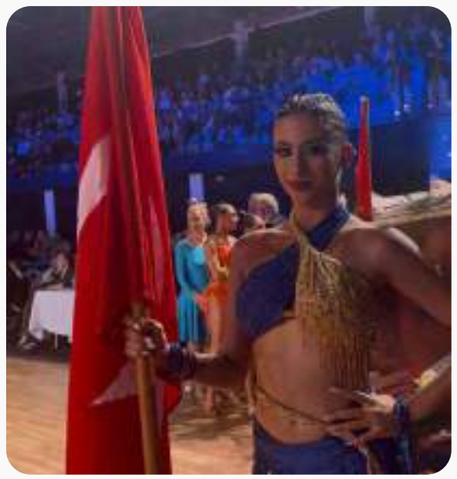
Art at Irmak

Combining Melodies for Sensitivity and Sustainability

Our main goal is to teach our students to incorporate music into their lives by developing their skills in line with their interests and abilities with the idea that "A child who receives a good music education and loves music loves life and makes a difference with its aesthetic richness" and to enable them to communicate with different cultures by using music, which is a universal language in expressing their feelings and thoughts. At Irmak Schools, instrument training is offered on four instruments (violin, side flute, guitar, and cello) based on the principle that "Every student should play an instrument and every student who graduates from Irmak Schools can play at least one instrument" — a philosophy we strongly support in music education.

The Irmak Biennial is a significant event designed to foster greater interest in contemporary art and broaden students' perspectives. This biennial seeks to assist students and art enthusiasts in understanding human existence through the passage of time, while providing an opportunity to explore various artistic forms of expression.

The Irmak School Choir, Irmak Philharmonic Orchestra, and Rhythm Team continue their activities, supported by after-school programs, to contribute to the development of students' artistic talents.



Sports at Irmak

Healthy Individuals Who Respect Differences and Develop Empathy with the Universal Values of Sports and Fair Play

Our main goals at Irmak Schools are to educate students who are physically and spiritually healthy, able to approach complex situations with solutions, work collaboratively, think analytically, respect differences in their social lives, embrace the concepts of empathy and sympathy, celebrate victories, accept losses, and maintain physical and spiritual well-being through physical education lessons. Teamwork is organized to help students represent the school at the highest level in various tournaments and matches. Lunch breaks are utilized for various tournaments and competitions, including futsal, basketball, volleyball, tennis, and athletics, to strengthen students' sense of sportsmanship and competition.

The Irmak Sports Festival, organized within the scope of the Traditional Irmak Sports Festival and the May 19 Commemoration of Atatürk Youth and Sports Day, allows students to mingle with other private and public school sports students. This event contributes to fostering the universal principles of compassion, friendship, and fair play in sports.

The Republic Tennis Tournament, held as part of the Republic Day celebrations, aims to enhance students' interest in tennis while improving their fundamental technical skills.

Irmak Schools Sports Club started its activities with basketball and gymnastics branches in the 2024-2025 academic year as a strong extension of our 30 years of deep-rooted education experience. Our Sports Club, which was established with the understanding of supporting young talents by discovering and training national athletes under the unifying umbrella of sports, aims to support the mental and value-based development of our students as well as their physical capacities.

Our Sports Club has an understanding that prioritizes qualities such as self-confidence, discipline, commitment to ethical values and sportsmanship, as well as training athletes who are physically strong, durable, flexible and can skillfully apply techniques specific to the sport of their choice. In our club, a holistic sports culture is built with trainings held on weekdays and weekends in order to support the individual development of our students and to reinforce team awareness.

As a reflection of the club activities carried out within the scope of multifaceted programs structured in a way that allows students to be involved in a long-term development process in the sports branches they choose, this year our Little Boys and Junior Boys Basketball Teams became the first in School Sports Clubs League İstanbul. Our Junior Girls Gymnastics Team won the second place in İstanbul in the School Sports Clubs League.

Irmak Schools Sports Club will continue its development-oriented approach in the 2025-2026 academic year;

- Active field work and team structuring processes will also be initiated in the volleyball branch.
- In basketball and volleyball branches, a systematic and long-term athlete development model will be applied from the primary school level.
- The gymnastics branch will create an infrastructure to train athletes with advanced basic motor skills to be directed to basketball and volleyball branches.

Irmak Schools Sports Club, which aims to participate in "Turkish Federation Leagues" in different branches in the coming years, continues to progress in line with a multi-faceted, qualified and contemporary sports education approach with its planned and sustainable infrastructure works.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

8.6.3. Quality Education Efforts

Academic Advancement at Irmak

Sustainability-Driven Individuals Growing Through Science

- **Cognitive Intervention Program:** The program aims to equip our students with competencies such as contributing to social welfare, understanding diverse lives, fostering teamwork, and enhancing empathy skills.
- **Thinking Skills Program:** Studies are conducted to support cognitive processes in accordance with needs identified by the Psychological Counseling and Guidance Department through individual screenings, culminating in the organization of a "Thinking Skills Workshop."
- **Science Program:** Every year, engineering and teamwork skills are gained through "Irmak Engineering Week" and "Creative Science in Irmak (CSI)" activities, and students' interest in science and technology is increased.
- **Mathematics Program:** Students are encouraged to engage in national and international mathematics competitions, supported by various projects and exams tailored to this goal.
- **Social Sciences Activities:** Social responsibility and environmental awareness of students develop with activities such as "Equinox Day", "Zero Discrimination Photo Contest", "Second-Hand Donation Campaigns", "Ecology Studies".
- **Information Technologies:** Coding, problem-solving, STEAM projects, and 21st-century skills are integrated into the curriculum.
- **Turkish Language and Literature Activities:** Students' language skills and social development are supported by activities such as "Language Festival", "Author Interviews" and trips associated with books.
- **Foreign Language Program:** Our students achieve the A2.2 level by the end of 8th grade by selecting one of Spanish, German, or French, alongside English, starting from 1st grade.

Emotional Development at Irmak

Fundamentals of a Sustainable Future with Social Interaction and Emotional Awareness

The Second Step Program implemented at our school enhances learning processes by focusing on the development of social and emotional skills. The program helps students foster a positive classroom environment through three main units: Empathy, Impulse Control, and Problem Solving and Anger Management. This approach aims to prevent violence and enhance social interaction by promoting positive behaviors. The Second Step Program offers an educational model that supports students' holistic development by equipping them with essential social and emotional skills.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

Social Impact and Corporate Social Responsibility Efforts

Company/ Project	Country	Study/Project Name	Project Detail and Objectives	Relevant SDGs
Yapı Merkezi İnşaat	Hungary	Sponsorship of the Rumi Dreams Exhibition by Refik Anadol	We sponsored the "Rumi Dreams" exhibition of world-famous media artist Refik Anadol. With the exhibition held at the Debrecen Museum of Modern and Contemporary Arts on August 3 – September 29, 2024, we contributed to cultural diplomacy by introducing Turkish culture and art on an international platform.	
	Tanzania	Improvement of Orphanage Living Conditions	We improved living conditions by installing aluminum windows in the Tumaini Orphanage in the Nzega region.	
		Our Support Activities for the Improvement of Living Conditions of Schools	We donated for the construction of a furnished school in the Kibaha-Soga area and supported access to education.	
			By donating wooden tables and trash cans to Itulu Primary School and Igambilo Orphanage, we have contributed to a more organized, clean and functional educational environment for students. With this project, we have brought social benefit to environmental awareness by implementing our sustainable resource management approach.	
		Food Donation	We provided basic life support by donating food to communities in need in Ndevelwa village.	
		HIV/AIDS Awareness Campaign	In cooperation with Nzega Regional AIDS Control Coordinator, Regional Community Health Advisory Committee, Bukene Hospital, we organized HIV/AIDS awareness training in order to support public health, and provided voluntary blood testing and counseling services.	
		Material Donation	By donating medical devices and medical supplies to the St. Anne Hospital, we contributed to the quality of health services.	
		Clinic Construction	We built a clinic in Mikese Village to facilitate access to health services.	
		Financial Aid Efforts	We have contributed to social welfare by providing financial support to various communities, especially students.	
		National Torch Ceremony Support	We contributed to the sustainability of local cultural events by financially supporting the national torch ceremony held in the Tabora region.	
		Road Construction Support	We contributed to the infrastructure development by supporting the Nyahua local government in road construction.	
		Traffic Safety Management	We supported regional transportation security by assigning flaggers to ensure traffic safety along the SGR line.	
ATAŞ	Türkiye	Autism Awareness Day Turn on the Red Light for Autism	We turned our lights red in the Eurasia Tunnel to raise awareness on World Autism Day by participating in the "Turn on the Red Light for Autism" campaign in order to raise awareness of autism and to support the inclusion of individuals with autism in society.	

[1] For information about the activities of the Tohum Autism Foundation, you can visit https://tohumotizm.org.tr/.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

Social Impact and Corporate Social Responsibility Efforts

Company/ Project	Country	Study/Project Name	Project Detail and Objectives	Relevant SDGs
ATAŞ	Türkiye	Visibility Support to NGOs: Information over Tunnel Radio and Announcement System	As of 2024, we have increased our visibility support to non-governmental organizations (NGOs) within the scope of our social responsibility activities. We can directly reach the drivers through the radio announcement system in the Eurasia Tunnel. With this system, we first share important information about traffic safety and tunnel use; then we introduce the projects of the NGOs we cooperate with and inform the audience about how they can support these efforts. Moreover, by including NGOs in our social media accounts, we support these organizations to convey their voices to a wider audience and raise awareness in the public. Throughout the year, we supported the work of the following NGOs and provided visibility in our communication channels: › Ersin Arıoğlu Foundation[2] › Hope Foundation for Children with Cancer (KAÇUV)[1] › Girls' Education Association (KIZÇEV)[2] › LÖSEV (Foundation for Children with Leukemia)[3] › Lymphoma and Myeloma Association[4] › HAÇİKO (Association for the Protection of Animals from Desperation and Indifference)[5] › Turkish Cancer Society[6] The projects carried out by these organizations reached tens of thousands of users every day.	
ATAŞ	Türkiye	Childhood Cancer Awareness Day	Every year, 300,000 children worldwide and approximately 3,500-4,000 children in Türkiye receive their first diagnosis and start to fight cancer. On February 15, Childhood Cancer Day, which draws attention to the fight against cancer all over the world, the Hope Foundation for Children with Cancer (KAÇUV) carries out awareness and awareness-raising activities every year to draw attention to childhood cancer. We turned our lights yellow in the Eurasia Tunnel to raise awareness on Childhood Cancer Day.	
ATAŞ	Türkiye	Skin Cancer Awareness Seminar	In order to support the health and well-being of our employees, we organized a skin cancer awareness seminar in cooperation with the Turkish Cancer Society. Through this event, we aimed to raise awareness of our employees on health issues and encourage them to take preventive health steps.	
ATAŞ	Türkiye	Sustainability-Themed Information Event	In cooperation with the Circles of Impact Foundation[7], we held a special information event on sustainability. We aimed to raise awareness and awareness of our participants on environmental and social responsibility topics.	
YM İDİS	Türkiye	Million Women Mentors Programı	Within the scope of the program, we successfully completed the first six months and started the second mentoring process. In this process, while sustainable career development for women is supported, a culture of institutional learning and mutual empowerment has also become widespread.	
Yapıray	Türkiye	A Journey that Starts with Hope	On behalf of our employees who have children, we donate to Türkiye Children in Need of Protection Foundation[8] (Koruncuk Foundation). With this contribution, while supporting the education, housing and development opportunities of children in need of protection, we transform the joy of every new individual who joins the lives of our employees into a meaningful good that touches the lives of other children. With each new birth, we experience the pride of being the hope for another life together.	
		Eco-Friendly Celebration	We transform the joy of marriage of our employees into a meaningful gift that contributes to nature. On behalf of them, we make a donation to Türkiye Foundation for Combating Erosion, Afforestation and Protection of Natural Assets[9] (TEMA Foundation). With this practice, we aim to make the establishment of each new family a valuable step towards a sustainable future.	
SUBOR	Türkiye	Karapürçek Soup Kitchen Support	We donated our out-of-use industrial kitchen equipment to the Soup Kitchen to be established by Karapürçek Municipality. With this support, the financial burden of a social service infrastructure to be established from scratch has been alleviated. With this support, which launched a system that would make it possible for dozens of people to access hot food every day, we turned redundant materials into social benefits. Thus, we contributed to both food security and the circular economy.	
		Participation in Karapürçek District Governorship Public Education Center Exhibition	We provided institutional participation in the event where the works of local kindergarten students and trainees were exhibited. The activity boosted students' self-confidence; the efforts of families and teachers were appreciated. Our institutional interest made visible the value placed on public education. We strengthened the sense of social belonging and contributed to the positive psychological effect of being noticed at a young age on children.	
		Karapürçek District Governorship Cup Volleyball Tournament Participation	We took an active role in the tournament that encourages the sportive participation of young people. We know that sports is not just a physical activity; it is a tool for solidarity, self-confidence and discipline development. Thanks to our corporate participation, the motivation and social interaction of our young people have been strengthened. We supported the development of social capital through sports.	
		Atatürk Primary School Regional Promotion Days Participation and Support	We took part in promotional days with local education authorities and met with children and families. Students had the opportunity to get to know the institutions around them; they gained occupational awareness at an early age. Thanks to our participation, a trust-based bridge was built between public education and the private sector. Our vision of contributing to development through education has become visible.	
		Public Education Center Trainee Exhibition Participation and Support	We provided support at the event where the products of the Public Education Center trainees were exhibited. Many individuals, especially women, gained visibility and appreciation with the manual labor they produced. With this support, a sense of individual achievement developed; the social appreciation mechanism worked. We have invested socially in a lifelong learning culture.	
		Karapürçek Young Athletes Exhibition Participation and Support	We supported the exhibition organized to meet the needs of young athletes. Our contribution has facilitated young people's access to equipment and infrastructure. Thus, we supported equality of opportunity and showed that we stand by young people on the way to sports success. We have strengthened social inclusion and a sense of belonging through sports.	

[1] For information about KAÇUV activities, you can visit https://kacuv.org/bize-ulasin/.
[2] For information about KIZÇEV activities, you can visit https://kizcev.com/Anasayfa
[3] For information about LÖSEV activities, you can visit https://www.losev.org.tr.
[4] For information about the activities of the Lymphoma and Myeloma Association, you can visit https://www.losemilenfomamiyelom.org/.
[5] For information about HAÇİKO activities, you can visit https://haciko.org.tr/.
[6] For information about the activities of the Turkish Cancer Society, you can visit https://turkkanserdernegi.org/.
[7] For information on Circles of Influence Foundation activities, you can visit https://etkicemberleri.org/.
[8] For information about Koruncuk Foundation activities, you can visit https://koruncuk.org/.
For information about the activities of[9] TEMA Foundation, you can visit https://www.tema.org.tr.

8.6. SOCIAL POSITIVE IMPACT EFFORTS

Building Social Value at YAPI: Mila, Our Construction Site's Valued Member

Shared by Burak Koçak, OHS Manager of our Alayunt–Afyon–Konya Railway Project.

In our ALA Project, it is important for us not only to build roads and structures, but also to cultivate hope and grow values. We witnessed one of the most meaningful examples of this understanding last year.

At just 4.5 years old, the dog was struggling to survive under harsh conditions, chained up in a dark and cold warehouse. She had platinum on his right foot, and her ears had almost lost their hearing because they hadn't been cleaned for a long time. In addition, the discomfort in her hind legs turned her every step into pain.

Our construction team did not abandon this life to its fate. Our company undertook Mila's treatment process without any hesitation. After months of veterinary checks, surgeries, and attentive care, Mila regained her health.

Today, Mila has been with us as the most adorable "colleague" of our Afyon Construction Site for about nine months. Every morning, she welcomes us by running cheerfully and adds energy to our construction site throughout the day. She is no longer just the mascot of our construction site; she is also a powerful symbol of solidarity, compassion and a sense of responsibility.

At Yapı Merkezi, we do not see social responsibility as limited to providing support, but as traceable and sustainable social investments that create social benefits. In the projects we carry out in different geographies, we aim to create the highest possible impact based on the social value approach. The multi-stakeholder work we have carried out throughout the year 2024 has been a strong example of this understanding.

While contributing to cultural diplomacy with Refik Anadol's "Rumi Dreams" exhibition, which we support in Hungary, we made Türkiye's creative power in the field of art and technology visible on the international platform. In Tanzania, we have not only supported schools or orphanages; we have increased access to health services, built clinics, strengthened public health awareness and directly contributed to local development through infrastructure investments. We have designed each project not only as an instant contribution but also as an opportunity for long-term social transformation.

We adopted a similar approach in our work in Türkiye. We continued our social benefit activities at Yapı Merkezi İnşaat, YM İDİS, Yapıray, Subor, ATAŞ, and ÇOK A.Ş. We provided visibility to NGOs, supported local education and sports. We considered every moment we shared our joy, such as birth or marriage, as an opportunity for the education of another child, the planting of a tree, or the protection of a living thing. While strengthening our ties with local stakeholders in every location where we operate, we have developed tangible and inclusive social solutions for the local communities.

We experienced one of the most sincere and meaningful examples of this understanding in our Alayunt-Afyon-Konya Railway Project. We undertook the treatment process by adopting Mila, who struggled to survive in poor conditions on our construction site. Today, Mila is not only the mascot of our construction site in her healthy and cheerful state; she has become a symbol of our culture of solidarity, sense of responsibility and conscientious sensitivity. Her story showed us again that we build not only projects, but happiness as well.

At YM İDİS, we continue to deepen our institutional impact in the field of gender equality. Within the scope of the Million Women Mentors Program we took part in in 2024, we successfully completed the first six months and started the second mentoring process. In this process, while sustainable career development for women is supported, a culture of institutional learning and mutual empowerment has also become widespread. In addition, within the scope of 8 March International Women's Day, we prepared a strong manifesto reflecting the sustainability vision of our institution and shared it with all our stakeholders in internal communication. This statement was not just a message; it was a clear commitment of our equality-based corporate stance.

These social investments we carry out directly and indirectly coincide with many Sustainable Development Goals. We make a tangible impact on topics such as SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 10 (Reduced Inequalities) and SDG 17 (Partnerships for the Goals). While growing our social capital, we are not only happy with good works; we are happy by building happiness while producing lasting values, strong ties and sustainable solutions.

While growing our social capital, we are not only doing good work; we are creating lasting value, forging strong bonds and producing sustainable solutions, **and we take pleasure in building happiness.**

09.
R&D and INNOVATION

09. R&D and INNOVATION

At YAPI,
WE ARE BUILDING A FUTURE FOCUSED ON SCIENCE and ADVANCED TECHNOLOGY.

9.1. R&D and INNOVATION

At Yapı Merkezi, we position R&D and innovation as strategic pillars not only for technological development but also for sustainable growth, global competitiveness and social responsibility in line with our vision of becoming a "Global Company". We accelerate our decision-making processes by processing information; we maintain our leadership in the sector by following technology and up-to-date methods. We structure our R&D activities with the goals of low-carbon transformation, resource efficiency and reducing environmental impacts; we evaluate each project with multidimensional criteria such as carbon footprint, social impact, life-cycle cost and commercialization potential.

While we build our R&D structure strongly with our R&D Department working directly under the CEO; we take our strategic decisions in full harmony with the Sustainability Committee and the Board of Directors. We support information sharing and joint development through cross-functional collaborations between our group companies. We prioritize all our projects according to sustainability criteria such as technical and economic feasibility, circular economy principles, energy efficiency and resilience to climate risks; we regularly report to the Ministry of Industry and Technology and undergo independent audits. In this process, we work in harmony with GRI indicators; we also consider climate-related transition and physical risks within the framework of TCFD; and integrate low-carbon products, renewable energy systems and digital carbon monitoring opportunities into our strategy.

In 2024, YM İnşaat aimed to make its advanced engineering solutions visible not only in the application area but also on scientific platforms; and shared its sectoral contributions with papers and academic publications in four prestigious events organized in different geographies.

In this context, the integrated building health monitoring system implemented in the Eurasia Tunnel located in İstanbul was presented with the paper titled **"Design, Surveillance and Reporting of the Building Health Monitoring System in the Eurasia Tunnel"** within the scope of the **World Tunneling Conference held in Stockholm, Sweden.** With accelerometers and laser displacement sensors placed at 36 different points, the structural integrity of the tunnel, traffic vibrations and seasonal effects are monitored in real time. This system, together with the integrated NightWatch decision support software, supports the safety and sustainable operation of the tunnel by providing automatic warning and reporting capability in case of possible seismic events without the need for human intervention. The statement also describes in detail the operating protocols, scenario exercises with the Disaster and Emergency Management Authority (AFAD) and emergency services, and the multi-stage warning structure of the system.

In the article titled **"Project Reuniting Continents: Eurasia Tunnel"**, which was prepared with a different perspective on the same project and published in the Türkiye-based İTU Foundation Journal, not only the technical but also the environmental, cultural and social aspects of the tunnel were discussed. This project, which was developed in line with the increasing vehicle traffic of İstanbul, the need for mobility and the necessity of reducing the transition time between the two sides, was built with an architecture where engineering and art come together. It has been defined as an exemplary infrastructure investment in terms of environmentally friendly material use, energy efficiency, user comfort and integration with the historical peninsula. This publication sends a strong message that YM İnşaat designs its infrastructure investments not only in physical but also in social and environmental integrity.

At **Yapı Merkezi, we position R&D and innovation as** a strategic tool not only for technological development but also for sustainable growth, global competitiveness and social responsibility in line with our vision of becoming a **"Global Company"**.

9.1. R&D and INNOVATION

In addition, in the presentation of the **"Yapı Merkezi Projects Connecting the Continents"**, in which the Eurasia Tunnel and the 1915Çanakkale Bridge were handled together and presented at the International Road Federation, the technical characteristics, construction technologies, investment volume, completion times, seismic durability systems and engineering innovations of the two projects were conveyed, and the strong ties of both projects with the UN Sustainable Development Goals (SDGs 8, 9, 11) were emphasized.

Another important example of YM İnşaat's global R&D vision is the report titled **"Fill Construction in the Swamp Area Using Controlled Module Columns for the Standard Line Railway Project in Tanzania"** presented within the scope of the International Transport Geotechnics Conference held in Sydney, Australia. In this railway line, which is located in Tanzania and has a total length of 1,224 km, the foundation settlements have been minimized and the ground bearing capacity has been increased with the controlled module column solution developed to carry out safe filling construction in swampy areas with soft ground. In the paper, the integration of the load transfer platform and column systems, design parameters and performance evaluations in the field are shared in detail. Developed in collaboration with Sydney University of Technology and Menard Oceania, this method is a valuable reference not only for this project but also for sustainable infrastructure solutions that can be implemented in similar ground conditions on the African continent.

At SUBOR, one of our group companies, we believe that innovative thinking and producing sustainable solutions are the key to being a global pioneer. We position our R&D/Design Center as an innovation center that not only focuses on product development but also processes environmental, social and economic value in a holistic way.

We have increased Subor's R&D budget to 1.35% of our turnover in 2024 and we are taking firm steps towards our 1.5% target. In this context, in 2024

3 patents,

1 utility model,

We have registered 6 designs and

1 trademark.

According to the report published by Patent Effect, as Subor, we were included in the Top 20 List of European Patent Champions in 2024.

Among the projects we carry out, our ongoing R&D activities in Subor in 2024 are as follows and are detailed in the Environmental Management Good Practices table of the report.

- With our water turbine project, we convert the energy in the pressurized water lines flowing with its own charm into electricity production. In this way, we reduce the dependence on fossil fuels and encourage clean energy production.
- Our composite catenary pole project, with over 50 years of maintenance-free strength, provides not only a cost advantage, but also the protection of natural resources.
- By replacing disposable wooden wedges used in pipe transportation with reusable and recyclable polymer wedges, we drastically reduce waste.
- In 2024, our project of Alternative GRP Pipe Development to Steel Pipes Used in Geothermal Energy Lines was supported within the scope of 1505 TÜBİTAK University-Industry Cooperation Support Program. This was an important step that will provide foreign exchange substitution with domestic production, reduce import dependency and accelerate the transition to domestic technology in geothermal energy infrastructure.

YM İDİS, which is one of the group companies of Yapı Merkezi and has high competence in the field of technology and system development, carries out its R&D and innovation processes with a holistic approach in line with its sustainable development goals. Thanks to intra-group information sharing and joint project development mechanisms, especially the technical infrastructure of patent applications is further strengthened; innovation capacity is increased by developing solutions that contribute to the environment, social and economic.

YM İDİS's R&D investments have been growing steadily in recent years. We increased our R&D investments by almost 4 times compared to 2022 and increased them to TL 32.3 million in 2024. This upward trend makes it clear that Yapı Merkezi prioritizes sustainability-oriented technological investments and allocates resources to innovative solutions at a strategic level. The planned R&D budget increase for 2025 is targeted at 150%. This budget is intended to contribute not only to technical developments, but also to environmental and social sustainability goals. The effects of the developed systems in areas such as energy efficiency, emission reduction, occupational health and safety are regularly monitored and reported with the determined sustainability indicators. As of 2024, YM İDİS is in the process of evaluating three patent applications in total:

- Level Crossing System – Patent process is in progress.
- SLSS – Driver Control System Developed for Rail Systems Signalization – Patent process is in progress.
- Switch Motor System – under evaluation.

These technologies have both environmental and social benefits such as increasing railway safety, improving traffic flow, increasing energy efficiency and increasing the functionality of systems. In particular, emissions from vehicles are reduced by reducing waiting times with level crossing systems, lighting optimization is provided in signalization lamps with energy-efficient systems and dim solutions in switch engines, and unnecessary field visits and fuel consumption are prevented with remote environmental sensing technologies. In addition, thanks to railway vehicle management systems, unnecessary shipments between warehouses are prevented, which contributes to the reduction of natural resource consumption.

In the context of social impact, direct contribution is made to the quality of life through increasing the efficiency and comfort of public transport; active participation of employees in the innovation process is encouraged through regular brainstorming sessions. All these studies are carried out in a structure that produces together regardless of religion, language, race, gender and geography, depending on the principle of diversity. Various award and incentive mechanisms are implemented for patents, utility models, academic publications and design outputs in order to encourage the implementation of innovative ideas; digital infrastructure works are also ongoing to record these ideas. The reward systems implemented include comprehensive categories such as:

- R&D Application and Design Studies Awards,
- Academic Achievement Incentive Awards,
- YM Holding Invention and Creativity Award.

We carry out all our R&D activities in accordance with transparency, accountability and ethical principles; we make our applications with expert consultancy and protect our industrial property rights meticulously. We see R&D not only as a tool for development, but also as a carrier of our sustainability vision, a strategic lever that creates value for society and the environment.

9.2. DIGITAL TRANSFORMATION

According to the World Economic Forum's Future of Jobs Report 2025, digital access will be the most transformative trend in businesses by 2030. 60% of the business world predicts that this impact will create a radical change in their own institutions. Besides artificial intelligence, big data and information processing technologies, automation (58%) and network security are defined as critical skill areas in the transformation of the workforce. Moreover, it is predicted that human-machine cooperation models will become widespread by 2030 and jobs will be more balanced among people, technology and hybrid processes. These data make the strengthening of digital skills (artificial intelligence literacy, cyber security, data analytics, technical competencies) a strategic requirement for our organization.

The World Economic Forum Global Risks Report 2024 draws attention to the risk dimension of digitalization. According to the report, disinformation caused by artificial intelligence is one of the most serious risks in the world in the short term. 53% of the experts stated that this risk can have a crisis effect at the global level. In addition to the opportunities brought by digitalization, such risks necessitate the development of strong control mechanisms in terms of corporate reputation protection, information security and stakeholder communication.

Digitalization maintains its strategic importance in the construction sector as in many fields of activity in recent years. In addition to its contributions to project management, it allows us to develop a more sustainable management approach by optimizing the need for employees and resources.

At Yapı Merkezi, we implement digitalization solutions in all our business processes and in the field in line with our goal of increasing our competitiveness on a global scale. We have successfully completed important projects throughout 2024 on SAP and Portal systems, which form the basis of our corporate applications. We have increased our productivity by moving many previously manual processes to digital platforms.

In 2024, at Yapı Merkezi İnşaat and Holding, we started our transition process to the new generation SAP HANA system. In this context, we have optimized workflows by reviewing all our business processes, commissioned previously unused CRP (Corporate Resource Planning) modules, and implemented new business applications that work integrated with CRP.

Information security is critical to both legal requirements and our internal standards. We have taken strong measures to ensure the security of our data and have carried out internal and external audits on a regular basis. Our data continues to be protected on a 24/7 security-certified infrastructure on Türk Telekom Data Center servers.

Our Information Technologies Department informs all employees by taking rapid action in case of possible security breaches. We also assess risks through regular security audits. These audits are conducted to measure the effectiveness of our existing security measures and proactively identify potential vulnerabilities.

In order to increase the information security awareness of all our employees, we carried out regular e-mail notifications, documentation shares and Information Security Awareness Trainings. These trainings aim to ensure that our employees comply with safety principles more consciously in their daily work processes.

At Yapı Merkezi, we continue to comply with ISO 27001 and similar international information security standards. Every year, we update our information security policies according to changing risks and opportunities.

We continued to implement controlled offline backup protocols to minimize the risk of data loss. In order to increase the security of critical data against possible disaster scenarios, we have strengthened our backup infrastructure in different cities. We updated our infrastructure in Türk Telekom Data Center and made the tracking and analysis of critical logs more comprehensive through Siem (Security Information and Incident Management) system. All these steps have increased our information security capacity and strengthened our vision of sustainable security management.

In addition to SAP and Portal applications, we have started application development studies for the integration of the ASITE platform, which is the PMIS (Project Management Information System) solution for the digitalization of our project processes, into company processes. Within the scope of automation and robotization of business processes, we identified and analyzed processes suitable for RPA (Robotic Process Automation) and artificial intelligence applications. We aimed to raise awareness about artificial intelligence tools through in-house information studies.

At Yapı Merkezi, we adopt a holistic approach not only in terms of operational efficiency but also in terms of environmental sustainability and data security in information technology processes.

Out-of-use equipment is delivered to licensed e-waste recycling companies in accordance with environmental legislation and our corporate sustainability policies. With this process, it is ensured that electronic wastes are disposed of regularly and in an environmentally friendly manner; and it contributes to the circular economy goals through recycling. Sensitive data and contents on the hardware are permanently deleted within the scope of DLP (Data Loss Prevention) procedures or safely disposed of by physical destruction methods. With these practices, both information security is protected at the highest level and environmental and digital responsibility awareness is supported throughout the organization.

Our Featured Digitalization Projects in 2024:

- Digitalization of performance and goal management system
- Integration of inflation accounting package into ERP system
- Improving risk management and reporting processes
- Optimization of cost control system
- Developing HR recruitment and self-service practices
- Commissioning of new approval processes in the purchasing portal
- Use of RPA applications in new processes
- Conducting artificial intelligence pilot application tests
- Integration of new company setups into the ERP system
- Active use and dissemination of the Suggestion Portal
- We carry out digital transformation studies in coordination in all our companies.

9.2. DIGITAL TRANSFORMATION

Our Digitalization Projects in Yapıray:

- **ITManage Automation:** It is a desktop application developed to make the operations carried out by the IT department easier and reportable. Application scope:
  - » Tracking of daily incoming support requests and time measurement
  - » Tracking of IT-created user accounts
  - » Monitoring of GSM lines and price reporting
  - » Tracking of repair costs of fixtures
  - » Inventory tracking (mobile phone, computer, GSM line, other equipment)
  - » Automation of IT-generated internal reports
  - » Creation of debit reports
- **Zabbix Application: It is** an open source system where data such as the performance status of the servers and up/down information are monitored.

Our Digitalization Projects at SUBOR:

- **Subor Calculation Tool – SCT:** Web-based software developed for product prescriptions and cost calculations
- **Subor Data Sheet Portal – SDP:** The portal that enables online sharing of product data sheets with partners and customers
- **Subor Tank Tracking Tool – STT:** Web-based software that shows tanks such as resin, sand, etc. in production online
- **Subor Production Planning Software: The** system that enables the products in production programs to be planned on the basis of line and capacity
- **Subor Bid Tracking Software:** Web-based application that enables tracking and recording of customer offers
- **Subor KPI Tracking Software:** System that enables tracking of department-based performance indicators (KPIs)
- **FitMan – Fitting Maintenance:** Web-based application that allows us to monitor the production capacities of subcontracted fittings
- **SuborTrust - Power of Attorney Portal:** The system that manages the approval processes and records of power of attorney requests
- **Subor Survey Portal: The** system that enables in-house surveys to be conducted and the results to be reported

Our Digitalization Projects at YM İDİS:

- **Within the scope of R&D projects;** studies are carried out to develop the level crossing system and to update the Environmental Control System (ECS) used in Tanzania projects in accordance with customer needs. With the ECS developed, the maintenance and control processes have been digitized; the system has enabled the prevention of failures, the reduction of emergencies, and the more efficient use of energy and transportation resources.
- **Within the scope of digital transformation,** improvements have been made to strengthen remote working infrastructures, increase energy efficiency in data centers and implement sustainable hardware policies.
- **Through awareness projects to reduce output costs**, it is aimed to reduce the carbon footprint and optimize resource use.
- Operational efficiency has been increased with the introduction of in-house digital solutions such as Asset Management Inventory Tracking System and Idishub (Employee Location Tracking).

This holistic digital transformation approach strengthens not only our technological infrastructure, but also our corporate efficiency and sustainability goals.

At Yapı Merkezi, we position our digitalization investments not only as an operational efficiency tool, but also as a guarantee of corporate resilience and business continuity. We implement comprehensive measures in both technical and governance dimensions in order to manage the risks posed by high dependence on digital infrastructures in critical processes.

In this context, the following structures have been commissioned to ensure the continuity of our digital systems and to minimize the effects of possible interruptions:

- **Disaster Recovery Plan (DRP): Replications of** our main systems are kept in a geographically different data center; in case of a possible emergency, these systems are quickly activated and uninterrupted service is provided.
- **Daily Automatic Backup and Monitoring:** All system data is backed up daily and monitored 24/7. Backup processes are automated and data integrity is regularly checked.
- **Redundant Infrastructure:** Server systems, network devices and internet lines work redundantly with active-active or active-passive architectures; thus, the failure of a single component does not cause service interruption.
- **Service Level Agreements (SLAs**): Agreements with our critical service providers include an uptime guarantee of 99.9% or more. In this way, the accessibility of our systems is highly secured.
- **Business Continuity Tests:** In order to ensure system continuity, business continuity tests and log monitoring studies are carried out in daily, weekly, monthly and annual periods. These tests measure our level of preparedness for disaster scenarios, identify potential risks, and identify areas for improvement.
- **Cyber Security Tests:** Penetration tests are planned periodically to protect critical systems against external attacks.

Holistic measures are an important part of our sustainable digitalization approach, not only in terms of information technology continuity, but also in terms of corporate risk management, data security and customer/party trust.

10.
APPENDICES

10. APPENDICES

Environmental and Social Indicator Notes

General Notes:

Environmental performance data for 2022, 2023 and 2024 differ according to the scope and areas of activity of Yapı Merkezi group companies in the relevant periods.

- For 2022, data from Yapı Merkezi Holding, Yapı Merkezi İnşaat, Yapı Merkezi İDİS (head office activities), Yapı Merkezi Prefabrication Plant, ATAŞ and the 1915Çanakkale Bridge and Highway Project were included.
- Environmental data for 2023 include Yapı Merkezi Holding (office activities), Yapı Merkezi İnşaat (construction projects, Istanbul and Ankara hade offices, prefabrication manufacturing and Gebze Operation & Maintenance), Yapı Merkezi İDİS (head office activities), Yapıray (office, field projects, manufacturing), Subor, and YM Construction.
- Environmental data for 2024:
  - Yapı Merkezi Holding (office activities), Yapı Merkezi İnşaat (head offices in Türkiye, Africa, Europe and the Middle East; construction projects; and prefabrication manufacturing), Yapıray (office, field projects, manufacturing), Subor, and YM Construction were included.
  - Yapıtel was established in 2025; therefore, it has no operational data for the 2024 evaluation period.
  - Yapıray's sustainability management system, data collection processes, and reporting structure fully comply with Yapı Merkezi Holding's sustainability governance model. Accordingly, Yapıray is included among the operationally consolidated EPC group companies.
  - NEKAŞ, ATAŞ, and ÇOK A.Ş. were excluded from consolidation due to being outside the operational control boundary of Yapı Merkezi. As these companies are not directly linked to the engineering, procurement and construction (EPC) business model, their environmental data are monitored for informational purposes only and are not reflected in the consolidated calculations.
    - NEKAŞ is monitored only for informational purposes as it operates outside the EPC scope.
    - ATAŞ and ÇOK A.Ş. are financial subsidiaries and, since operational control is not exercised by Yapı Merkezi, they are assessed solely as part of the investment relationship.

This scope expansion and differences in operational boundaries may result in variations in data volume and resource distribution in year-to-year comparisons. Project intensities in different geographies, diversity in measurement periods and the development stage of data collection systems have influenced this situation.

Greenhouse Gas Data Indicator Special Notes

1. Turnover-Based Intensity Calculation Methodology

tCO_2e/million USD = (Total Carbon Emissions (tCO_2e) / Total Turnover (USD)) × 1,000,000

This metric shows carbon emissions per one million USD of economic output.

2. System Limits and Scope (2022—2024)

System Limits and Scope for 2022

- 2022 is the first time that Yapı Merkezi's group greenhouse gas inventory was consolidated.
- Yapı Merkezi Holding, Yapı Merkezi İnşaat, Yapı Merkezi İDİS (head office activities), Yapı Merkezi Prefabrication Plant, ATAŞ and 1915Çanakkale Bridge and Highway Project were included in the calculations.
- Scope 3 calculations include purchased services, waste transport, personnel services, business trips and emissions from waste.
- The data for 2022 cover limited EPC and office activities due to the relatively narrow system boundary.
- As part of the methodology revision carried out in 2024, turnover-based emission intensities (tCO_2e/million USD) were retrospectively calculated. But since the data scope for 2022 was narrower, these indicators were considered only for reference.

2023 System Limit and Expanded Coverage

- In 2023, the scope of greenhouse gas calculations was expanded and the data collection system was standardised.
- The calculations included Yapı Merkezi Holding (office activities), Yapı Merkezi İnşaat (construction projects, Istanbul and Ankara head offices, prefabrication manufacturing and Gebze Operation & Maintenance), Yapıray (head office), Yapıray (office, field projects, manufacturing), Subor and YM Construction.
- Scope 3 emissions include emissions from purchased services, materials used, waste transport, personnel services, logistics activities, business trips, accommodation and waste management.
- ATAŞ, which was included in the consolidation in 2022, has been excluded because operational control is not exercised by Yapı Merkezi as of 2023. ÇOK A.Ş., as it is a financial subsidiary, was not included in the group greenhouse gas inventory; it was only monitored under GHG Protocol Scope 3 — Category 15 (Investments).

Environmental and Social Indicator Notes

System Limits and Scope for 2024

- The 2024 calculations reflect only engineering, procurement, and construction (EPC) activities under the operational control of Yapı Merkezi. The scope includes Yapı Merkezi Holding (office activities), Yapı Merkezi İnşaat (head offices in Türkiye, Africa, Europe, and the Middle East; construction projects; and prefabrication manufacturing), Yapı Merkezi IDIS (head office and project activities), Yapıray (office, field projects, manufacturing), Subor, and YM Construction. Financial subsidiaries, passive partnerships, or group companies outside the operational control boundary are excluded.

- Since Yapıtel was founded in 2025, operational data for 2024, which is the evaluation period, is not yet available.

Yapıray Railway Systems Inc., is an independent engineering company operating under the Yapı Merkezi brand. However,since operational control is held by Yapı Merkezi, Yapıray's Scope 1 and Scope 2 emissions have been consolidated into the group inventory. Yapıray's Scope 3 emissions are also included in the group total calculations. Yapıray's sustainability management system and reporting structure are fully in line with Yapı Merkezi Holding's sustainability governance model.

The central building of the Holding (Köşk) does not carry out direct production or EPC activity; it is structured as a center that coordinates the strategic, financial and governance processes of the group companies. Therefore, greenhouse gas emissions from their activities are limited only to **office-based energy, heating, transportation, and service consumption**. Therefore, **turnover-based intensity (tCO_2e/million USD)** was not calculated for this structure; instead, the indicator of **per capita emission intensity (tCO_2e/employee**) was used. This approach is a more appropriate methodology compared to turnover-based **intensity** indicators aimed at measuring the performance of units producing direct production or project-based economic output.

NEKAŞ, **ATAŞ** and **ÇOK A.Ş**., are part of Yapı Merkezi Group, but operational control and data collection processes are not directly managed by the Holding, they are not included in the greenhouse gas inventory consolidation.

- **NEKAŞ** is evaluated outside the EPC field of activity and environmental data is monitored for informational purposes only.

- Since **ATAŞ** and **ÇOK A.Ş**., financial subsidiaries and operational control is not within the Holding, it was evaluated only within the framework of the investment relationship. Data from these **subsidiaries are monitored under GHG Protocol Scope 3 — Category 15 (Investments)**, but are not included in group total emissions calculations. This situation is not due to the lack of data, but to their exclusion due to the operational control limit and consolidation methodology.

- This approach is fully consistent with the operational **control methodology defined by the International Financial Reporting Standards (IFRS), the Turkish Financial Reporting Standards (TFRS), the ISO 14064-1:2018 standard** and the **GHG Protocol**.

3. Sectoral Structure and Computing Approach

Environmental data are collected using a sector-based classification system aligned with the operational characteristics of the group. The system includes Yapı Merkezi Holding and EPC companies under the operational control boundary.

Construction sector: site operations, field equipment, fuel and energy consumption, construction waste, and logistics mobility.

Manufacturing sector: energy-intensive industrial activities such as prefabrication manufacturing, rail, pipe, and component production.

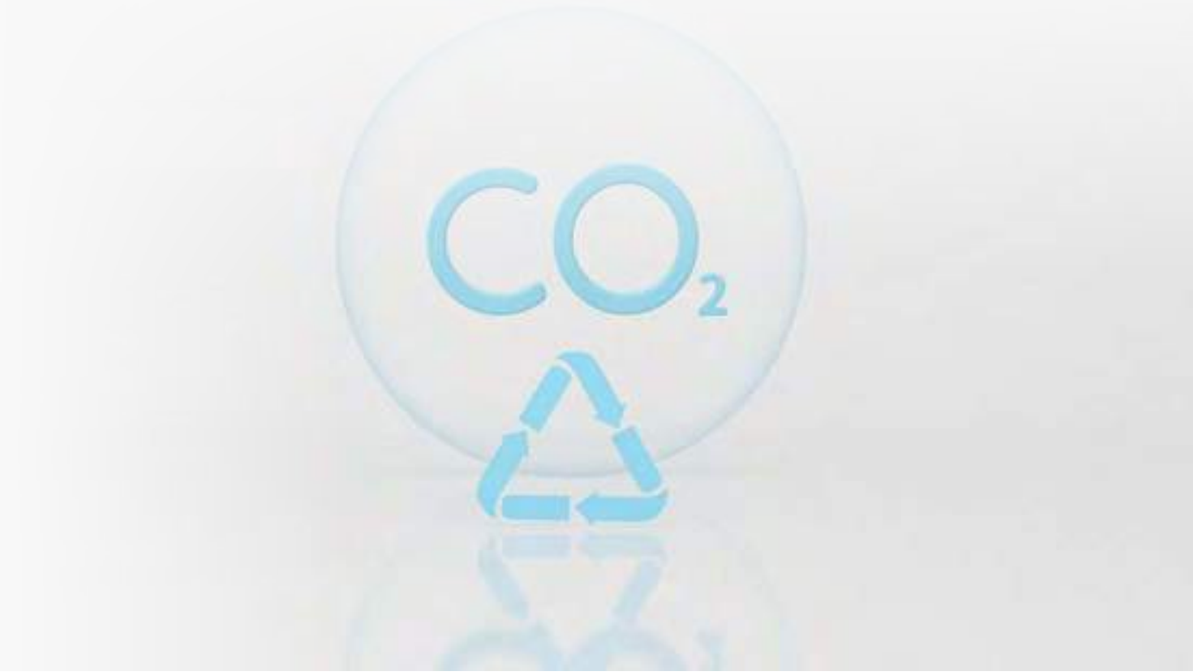
Operation & Maintenance sector: use of energy, fuel, and equipment for projects under warranty or maintenance obligations. Projects outside the operational control of Yapı Merkezi are monitored only.

Office and administrative activities: energy, water, waste, and transportation consumption in head offices in Istanbul, Ankara, Africa, Europe, and the Middle East.

4. Description of the Greenhouse Gas Emission Intensities Change Table

The year 2024 marked a period in which consolidated greenhouse gas emission intensities showed a decreasing trend across all scopes and indicators. Scope 1+2 and Scope 1+2+3 intensities were evaluated together.

Higher rates of increase in 2023 resulted from the narrower system boundary of 2022 and the commissioning of new projects in 2023. Therefore, only meaningful and comparable rates of change are presented.



10.1. ENVIRONMENTAL PERFORMANCE INDICATORS

10.1.1. Environmental Regulatory Compliance Indicators

Coverage	Unit	2022	2023	2024
Number of Environmental Compliance Penalties Paid	Qty	0	0	0
Cost of Environmental Compliance Penalty Paid	MillionUSD	0	0	0

10.1.2. Energy Consumption Indicators

Annual Total Energy				
Energy Source	**Unit**	**2022**	**2023**	**2024**
Electricity	TJ/year	607	369	73
Renewable Source Electricity Consumption		23	-	-
Natural gas		139	65	122
Petrol		18	9	11
Diesel		1.184	892	460
Total Energy	**TJ/year**	**1.972**	**1.333**	**666**
Total Energy	**GJ/year**	**1.971.645**	**1.333.395**	**665.935**
Annual Energy Consumption Intensity				
Coverage	**Unit**	**2022**	**2023**	**2024**
Energy Consumption Intensity Per Capita	GJ/person	653	112	59
Energy Consumption Intensity	GJ/ MillionUSA	1,114	967	886

10.1.3. Water Consumption Indicators

Total Water Consumption				
Water Consumption	**Unit**	**2022**	**2023**	**2024**
Mains Water Consumption	m^3/year	741,479	287,708	557,902
Groundwater Consumption	m^3/year	393,512	2,287,271	51,448
Municipal Wastewater Treatment	m^3/year	500.557	604,430	447,050
Receptive Media After Purification	m^3/year	634,434	37,274	107,343
Total Water Consumption	**m^3/year**	**1,134,991**	**2,574,099**	**554,392**
	Mega Litre (ML) /year	**1,135**	**2,574**	**554.39**
Water Consumption Intensity				
Coverage	**Unit**	**2022**	**2023**	**2024**
Water Consumption Intensity Per Capita	ml/person	0.38	0.22	0.05
Water Consumption Intensity	ML/MillionUS	0.64	1.87	0.74

10.1.4. Quantities and Disposal Methods Based on Waste Types

Total Annual Waste Amounts				
Waste Values	**Unit**	**2022**	**2023**	**2024**
Amount of Hazardous Waste	ton/year	10,228	256,659	741
Non-Hazardous Waste Amount		1,783,550	717,763	41,289
Total		**1,793,777**	**974,423**	**42,030**
Amount of Recycled Waste		**4,206**	**378,399**	**37,974**
Annual Waste Intensity				
Coverage	**Unit**	**2022**	**2023**	**2024**
Waste Intensity Per Capita	ton/person	594	82	4
Waste Intensity	tons/ millionUS	1,013	707	56
Annual Waste Recycling Rate				
Waste Recycling Rate	%	0.2%	38.8%	90.3%

10.1. ENVIRONMENTAL PERFORMANCE INDICATORS

10.1.5. Greenhouse Gas Emission Data Indicators (According to GHG Protocol and ISO 14064)

					Yapı Merkezi Consolidated Emissions by Year			2023 Detail Data						2024 Detail Data					
Coverage GHG Protocol/ISO 14064	Category ISO 14064	Scope/ Category GHG Protocol	Sources of Emissions	Unit	2022	2023	2024	YMINŞAAT	YM Konstruktion	YM İDİS	Subor	Yapıray	YMHolding Pavilion	YM Construction	YM Konstruktion	YM İDİS	Subor	Yapıray	YMHolding Pavilion
Scope 1	Category 1	Scope 1	Stable Fuels	$tonCO_2e$/year	137,96	13.595	11.237	11.693	8	189	648	1.042	15	9.057	565	21	1.164	422	8
			Cooler & Extinguisher		2,2	2.284,0	2.128	2.228	-	1	-	55	-	2.080	0	1	-	47	-
			Movable Vehicles		10.026	50.880	24.881	47.586	2.124	68	403	700	-	19.196	3.718	75	700	1.193	-
	Total Coverage 1 Emission			**$tonCO_2e$/year**	**10.166**	**66.758**	**38.247**	**61.507**	**2.132**	**259**	**1.051**	**1.796**	**15**	**30.334**	**4.283**	**97**	**1.864**	**1.662**	**8**
Scope 2	Category 2	Scope 2	Electricity	$tonCO_2e$/year	4.465	42.578	6.924	7.153	503	243	1.545	33.119	16	3.708	1.235	49	1.506	409	17
			Heat and Steam		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Coverage 2 Emissions			**$tonCO_2e$/year**	**4.465**	**42.578**	**6.924**	**7.153**	**503**	**243**	**1.545**	**33.119**	**16**	**3.708**	**1.235**	**49**	**1.506**	**409**	**17**
Scope 3	Category 3	Category 4	Upstream Transportation and Distribution	$tonCO_2e$/year	-	5.402	270	4.587	-	27	-	787	-	265	-	4	-	2	-
		Category 6	Business Travel-Flights		922	3.147	1.420	2.860	28	38	100	122	-	1.010	304	57	8	42	-
		Category 6	Business Travel-Road		6	-	1	-	-	-	-	-	-	0,4	-	0,2	-	0,2	-
		Category 6	Business Travel-Accommodation		155	144	74	105	2	9	8	20	-	34	-	7	12	21	-
		Category 7	Employee Commuting		28	3	12	-	-	1	-	2	-	11	-	2	-	-	-
		Category 9	Downstream Transportation and Distribution		-	46.536	154	-	-	-	46.536	-	-	-	-	-	154,4	-	-
	Category 4	Category 1	Purchased Goods and Services		17	408.219	164.446	111.989	264.027	416	-	31.787	-	8.410	61.755	8.448	62.295	23.537	-
		Category 2	Capital Goods		-	496	38	-	-	-	-	496	-	-	-	-	-	38	-
		Category 5	Waste in Corporates (Water Supply & Water Treatment)		114	740	159	695	15	1	21	7	-	101	31	1	8	17	-
		Category 5	Waste in Corporates (Waste Disposal)		39	20.739	64.679	20.663	-	-	76	-	-	64.669	-	-	3	7	-
		Category 8	Leased Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Category 5	Category 10	Processing of the Sold Product		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Category 11	Use of the Product Sold		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Category 12	Disposal after the useful life of the product sold		-	226	282	-	-	-	-	226	-	-	-	-	-	282	-
		Category 13	Downstream Leased Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Category 14	Franchises		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Category 15	Investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Category 6	Category 3	Fuel and Energy Related Activities (WTT)		2.934	8.817	32.626	5.133	65	55	261	3.298	4	30.418	428	917	587	271	5
	Total Coverage 3 Emissions			**$tonCO_2e$/year**	**4.215**	**494.470**	**264.162**	**146.032**	**264.136**	**548**	**47.003**	**36.747**	**4**	**104.917**	**62.518**	**9.437**	**63.068**	**24.217**	**5**

10.1. ENVIRONMENTAL PERFORMANCE INDICATORS

10.1.5. Greenhouse Gas Emission Data Indicators (According to GHG Protocol and ISO 14064)

Total Emissions by Scope	Unit	Yapı Merkezi Consolidated Coverage Emissions by Year			2023 Detail Data						2024 Detail Data					
		2022	2023	2024	YMİnşaat	YM Construction	YM İDİS	Subor	Yapıray	YMHolding Köşk	YMİnşaat	YM Construction	YM İDİS	Subor	Yapıray	YMHolding Köşk
Total Coverage 1 Emission	$tonCO_2e$/year	10.166	66.758	38.247	61.507	2.132	259	1.051	1.796	15	30.334	4.283	97	1.864	1.662	8
Total Coverage 2 Emissions		4.465	42.578	6.924	7.153	503	243	1.545	33.119	16	3.708	1.235	49	1.506	409	17
Total Coverage 3 Emissions		4.215	494.470	264.162	146.032	264.136	548	47.003	36.747	4	104.917	62.518	9.437	63.068	24.217	5
Total Greenhouse Gas Emissions (Scope 1+2)		14.632	109.336	45.171	68.660	2.634	501	2.596	34.914	30	34.041	5.518	147	3.370	2.071	25
Total Greenhouse Gas Emissions (Scope 1+2+3)		18.847	603.806	309.333	214.692	266.771	1.049	49.599	71.661	34	138.958	68.036	9.583	66.438	26.288	30

Greenhouse Gas Emission Intensities	Unit	Yapı Merkezi Consolidated Average Emission Densities by Year			2023 Detail Data						2024 Detail Data					
		2022	2023	2024	YMİnşaat	YM Construction	YM İDİS	Subor	Yapıray	YMHolding Köşk	YMİnşaat	YM Construction	YM İDİS	Subor	Yapıray	YMHolding Köşk
Greenhouse Gas Emission Intensities Per Capita (Scope 1+2)	$tonco_2e$/ person	4,85	9,22	4,00	7	7	6	8	61	1	3	10	1	9	5	1
Greenhouse Gas Emission Intensities Per Capita (Scope 1+2+3)		6,24	50,93	27,4	20	756	12	146	125	1	14	121	86	175	61	2
Greenhouse Gas Emission Intensities (Scope 1+2)	$Tonco_2e$/ MillionUS Dollar	8,27	79,30	60,12	70	15	13	15	5.158	ON	67	64	85	25	91	-
Greenhouse Gas Emission Intensities (Scope 1+2+3)		10,65	437,96	411,7	218	1.540	28	282	10.586	ON	275	784	5.572	495	1.159	-

Scope	Unit	Table of Percentage Changes in Greenhouse Gas Emission Scopes by Years		
		2022	2023	2024
Scope-1	%	53,9%	11,1%	12,4%
Scope-2		23,7%	7,1%	2,2%
Scope-3		22,4%	81,9%	85,4%
Total (Scope 1 + Scope 2)		77,6%	18,1%	14,6%
Total (Scope 1 + Scope 2 + Scope 3)		100,0%	100,0%	100,0%

Scope	Birim	Table of Changes in Greenhouse Gas Emission Intensities by Years		
		2022	2023	2024
Per Capita Greenhouse Gas Emission Intensities (Scope 1+2)	%	NA	90%	-57%
Per Capita Greenhouse Gas Emission Intensities (Scope 1+2+3)		NA	NA	-46%
Greenhouse Gas Emission Intensities by Revenue (Scope 1+2)		NA	NA	-24%
Greenhouse Gas Emission Intensities by Revenue (Scope 1+2+3)		NA	NA	-6%

10.2. OUR SOCIAL PERFORMANCE INDICATORS

10.2.1 Employee Profile Indicators	2022	2023	2024
Total number of employed persons (including direct employment and sub-employer)	**13.849**	**11.915**	**11.294**
Total number of employed persons (direct employment)	**13.849**	**7.420**	**8.057**
Male	12.763	6.840	7.205
Female	1.086	580	852
Number of White Collar Employees (direct employment)			
Male	2.163	1.886	1.763
Female	396	279	359
Total Number of White Collar Employees (direct employment)	**2.559**	**2.165**	**2.122**
Number of Blue Collar Employees (direct employment)			
Male	10.600	4.954	5.442
Female	690	301	493
Total Number of Blue Collar Employees (direct employment)	**11.290**	**5.255**	**5.935**
Diversity of Governance Bodies and Employees (Direct Employment)			
Number of Employees in Management by Gender (Board of Directors)	6	6	6
Male	5	5	5
Female	1	1	1
*Number of Employees in Management by Gender (General Manager, Deputy General Manager, Director, Coordinator, Director, Manager)	75	34	315
Male	67	32	270
Female	8	2	45
Total Number of Employees Excluding Management Bodies	**13.768**	**7.380**	**7.736**
Male	**12.691**	**6.803**	**6.902**
Female	**1.077**	**577**	**834**
Total number of employed persons (direct employment)	**13.849**	**7.420**	**8.057**
****Distribution of Labor Force by Age Group (direct employment)**			
Number of employees under the age of 30	4.024	2.079	1.599
Male	-	-	1.316
Female	-	-	283
Number of employees aged 30-50	8.573	4.457	5.363
Male	-	-	4.839
Female	-	-	524
Number of employees over the age of 50	1.252	884	1.095
Male	-	-	1.052
Female	-	-	43
Total **Workforce Distribution by Age Group (direct employment)**	**13.849**	**7.420**	**8.057**

10.2.1 Employee Profile Indicators	2022	2023	2024
Number of Employees by Contract Type Total Number of Employees (direct employment)			
Full Time	13.840	7.140	8.055
Male	9	-	7.204
Female	-	-	851
Part-time	9	280	2
Male	-	-	1
Female	-	-	1
Total Number of Employees by Contract Type Total Number of Employees (direct employment)	**13,849**	**7,420**	**8,057**
Number of employees (Sub-Contractor)			
Male	-	4,367	3,142
Female	-	128	95
Total number of employees (Sub-Contractor)	**-**	**4,495**	**3,237**
Number of Disabled Employees			
Male	32	15	24
Female	16	4	4
Total Number of Disabled Employees	**48**	**19**	**28**
Average Employee Turnover Rate (Turn Over)%			
Male	-	-	10%
Female	-	-	19%
Average Employee Turnover Rate Under 30	-	-	10%
Male	-	-	10%
Female	-	-	8%
Average Employee Turnover Rate Between 30-50 Years	-	-	5%
Male	-	-	11%
Female	-	-	20%
Average Employee Turnover Rate Over 50	-	-	3%
Male	-	-	14%
Female	-	-	2%
Average Employee Turnover Rate (Turn Over)%	**10.8%**	**17.9%**	**13%**
Number of new employees			
Male	4,225	1,077	996
Female	341	109	79
Total number of new employees	**4,566**	**1,186**	**1,075**
Return to Work After Maternity Leave and Staying Here Are the Rates			
Number of Employees Receiving Birth/Parental Leave	41	2	-
Female	-	-	-
Male	-	-	-
Number of female employees returning to work after expiry of maternity leave	28	2	-
Return to Work After Maternity Leave and Staying Here Are the Rates	**1**	**1**	**0**

10.2. OUR SOCIAL PERFORMANCE INDICATORS

10.2.1 Employee Profile Indicators

	2022	2023	2024
Nationalities of Employees by Employment Numbers (direct employment)			
Türkiye	-	-	2,856
Tanzania	-	-	4,396
Slovenia	-	-	43
Romania	-	-	19
Arabia	-	-	105
India	-	-	153
Hungary	-	-	4
Bangladesh	-	-	11
Pakistan	-	-	161
Bosnia and Herzegovina	-	-	16
Philippines	-	-	149
Zambia	-	-	1
Ethiopia	-	-	3
Other (Sri Lanka, Algeria, Morocco, Kosovo, Croatia, etc.)	-	-	140
Number of Turkish Employment	-	2,866	2,856
Number of Turkish Employees Employed in Türkiye	-	-	1.260
Number of Turkish Employees Employed in Overseas Projects/Companies	-	-	1.596
Number of local (non-resident) and non-Turkish staff	-	4.546	628
Local (personnel serving in their country) Number of Employment	-	8	4.573
Nationalities of Employees by Total Employment Numbers (direct employment)	**13.849**	**7.420**	**8.057**
Total Labor Force by Education Level (Number)			
Uneducated	-	-	-
Primary education	-	-	5.509
High School	-	-	842
Associate Degree	-	-	470
Licentiate	-	-	1.127
M.Sc.	-	-	104
PhD	-	-	5
Total Labor Force by Total Education Level (Number)	**13.849**	**7.420**	**8.057**

10.2.2 Training Performance Indicators OHG-C Trainings Excluded

Training Hours per Employee (direct employment)	36	147	43
Training Hours Per Employee (including sub-employer)	-	91	31
Total Employee Training (person.hours)	**499.865**	**1.089.596**	**344.805**

Group companies included in the social data for 2024 are YM İnşaat, Yapı Merkezi İDİS, Yapıtel, YM CONSTRUCTION, Yapıray and Subor.

No detailed data from the relevant period "-" is given.

*In 2023, the distribution of female employees in management levels was reported up to the level of Deputy General Manager. In 2024, in order to increase the visibility of female leadership in line with SKA 5 (Gender Equality), the scope was expanded to include General Manager, Deputy General Manager, Director, Coordinator, Director and Executive positions, including female representation It is ensured that it is monitored in a holistic framework from senior management to the middle level.

**Age ranges between the years 2023 have been calculated as 18-29, 30-45, and 45+.

10.2.3. Supply Chain Performance Indicators

	2021	2022	2023	2024
Local Supplier Ratio	93.2%	93.7%	92.9%	88.7%
Overseas Supplier Ratio	6.8%	6.3%	7.1%	11.3%
Number of Local Suppliers (Domestic)	3,319	4,086	4,600	4,446
Number of Overseas Suppliers	242	275	354	569
Local Supply Ratio	85%	56%	62%	89.4%
Overseas Supply Ratio	15%	44%	38%	10.6%
Number of Audits Performed During the Year	16	249	693	212
Number of Adverse Suppliers Identified	2	13	9	73rd
Number of Suppliers with Correction/Improvement Plan	20	46	32	66
Number of Suppliers Ending Contract as a Result of Audit Findings	6	13	2	10
Total Number of Suppliers	**3,561**	**4,361**	**4,954**	**5,015**

Local Supplier: A supplier legally registered and operating within the borders of the country in which it operates.

Local Procurement: It is the purchase of products and services from local suppliers in the country where it operates.

Note: These definitions cover supply chain applications of Yapı Merkezi İnşaat, Yapı Merkezi İDİS, Subor, Yapıray and YM Construction companies.

10.2. OUR SOCIAL PERFORMANCE INDICATORS

10.2.4. OHS Performance Indicators

Yapı Merkezi Holding

	2022	2023	2024
Total Person-Hours Worked (Including subcontractors)	57,982,079	43,548,669	24,341,226
Number of accidents resulting in death (F)	3	2	0
Number of Incidents Resulting in a Lost Workday (LWDC)	217	188	52
Accident Resulting in Limited Visibility to Work (RWC)	44	6	3
Accident resulting in Medical Intervention (MTC)	538	152	71st
Total Reportable Injury Count (TRI = F+LWDC+RWC+MTC)	802	347	126
Total OHR-C Training Person-Hours	454,707	306,478	309,081
LTI Rate (LTIR)	3.79	4.36	2.14
Total Reportable Injury Rate (TRIR)	13.83	7.97	5.18
OSG-C Education Rate	0.78%	0.70%	1.27%

YM İNŞAAT

	2022	2023	2024
Total Person-Hours Worked (Including subcontractors)	53,971,018	40,673,743	20,256,673
Number of accidents resulting in death (F)	3	2	0
Number of Incidents Resulting in a Lost Workday (LWDC)	189	159	29
Accident Resulting in Limited Visibility to Work (RWC)	40	2	2
Accident resulting in Medical Intervention (MTC)	507	126	36
Total Reportable Injury Count (TRI = F+LWDC+RWC+MTC)	739	289	67
Total OHR-C Training Person-Hours	443,324	289,803	279,016
LTI Rate (LTIR)	3.56	3.96	1.43
Total Reportable Injury Rate (TRIR)	13.69	7.11	3.31
OSG-C Education Rate	0.82%	0.71%	1.38%

YM CONSTRUCTION

	2022	2023	2024
Total Person-Hours Worked (Including subcontractors)	-	1,900,404	1,985,513
Number of accidents resulting in death (F)	-	0	0
Number of Incidents Resulting in a Lost Workday (LWDC)	-	18	6
Accident Resulting in Limited Visibility to Work (RWC)	-	0	1
Accident resulting in Medical Intervention (MTC)	-	19	1
Total Reportable Injury Count (TRI = F+LWDC+RWC+MTC)	-	37	8
Total OHR-C Training Person-Hours	-	10.392	10.900
LTI Rate (LTIR)	-	9,47	3,02
Total Reportable Injury Rate (TRIR)	-	19,47	4,03
OSG-C Education Rate	-	0,55%	0,55%

YAPI MERKEZİ İDİS

	2022	2023	2024
Total Person-Hours Worked (Including subcontractors)	446.672	504.154	264.402
Number of accidents resulting in death (F)	0	0	0
Number of Incidents Resulting in a Lost Workday (LWDC)	2	1	0
Accident Resulting in Limited Visibility to Work (RWC)	0	0	0
Accident resulting in Medical Intervention (MTC)	2	9	0
Total Reportable Injury Count (TRI = F+LWDC+RWC+MTC)	4	10	0
Total OHR-C Training Person-Hours	536	2.006	1.027
LTI Rate (LTIR)	4,48	1,98	0,00
Total Reportable Injury Rate (TRIR)	8,96	19,84	0,00
OSG-C Education Rate	0,12%	0,40%	0,39%

YAPIRAY

	2022	2023	2024
Total Person-Hours Worked (Including subcontractors)	2.283.485	1.632.536	1.298.467
Number of accidents resulting in death (F)	0	0	0
Number of Incidents Resulting in a Lost Workday (LWDC)	12	14	8
Accident Resulting in Limited Visibility to Work (RWC)	0	0	0
Accident resulting in Medical Intervention (MTC)	-	-	25
Total Reportable Injury Count (TRI = F+LWDC+RWC+MTC)	12	14	33
Total OHR-C Training Person-Hours	4.300	2.818	7.250
LTI Rate (LTIR)	5,26	8,58	6,16
Total Reportable Injury Rate (TRIR)	5,26	8,58	25,41
OSG-C Education Rate	0,19%	0,17%	0,56%

SUBOR

	2022	2023	2024
Total Person-Hours Worked (Including subcontractors)	553,518	503,588	536,171
Number of accidents resulting in death (F)	0	0	0
Number of Incidents Resulting in a Lost Workday (LWDC)	12	13	9
Accident Resulting in Limited Visibility to Work (RWC)	0	0	0
Accident resulting in Medical Intervention (MTC)	12	13	9
Total Reportable Injury Count (TRI = F+LWDC+RWC+MTC)	24	26	18
Total OHR-C Training Person-Hours	2,247	8,806	10,888
LTI Rate (LTIR)	21.68	25.81	16.79
Total Reportable Injury Rate (TRIR)	43.36	51.63	33.57
OSG-C Education Rate	0.41%	1.75%	2.03%

Our data for the period 2022-2024 include YM İnşaat, Yapıray and Subor. Data on subcontractors are also included in the data, and only those in the hazardous and very dangerous class from the Group Companies included in the report are included in the table.

10.3. GRI CONTENT INDEX

Statement of Use	Yapı Merkezi has reported the information specified in this GRI content index for the period 1 January-31 December 2024 with reference to the GRI Standards
Used GR1	GRI 1: General Principles 2021
Applicable GRI Industry Standard	Construction and Real Estate CRE3, CRE6, CRE7

GRI STANDARD	DESCRIPTION	Page Numbers, Descriptions and/or Direct Replies
GRI 2: General Statements 2021	2-1 Corporate details	About the Yapı Merkezi
	2-2 Assets included in the organization's sustainability reporting	About the Report Messages from our Management Group Companies and Areas of Expertise
	2-3 Reporting period, frequency and point of contact	About the Report
	2-4 Restatement of information	This report, which is the second sustainability report of Yapı Merkezi, includes our strategy, performance, goals and progress in the field of sustainability
	2-5 External inspection	No external audits have been carried out within the scope of the sustainability report.
	2-6 Activities, value chain and other business relationships	About the Yapı Merkezi
	2-7 Employees	Human Resources Approach Employee Profile Appendices
	2-8 Non-employed workers	Relationships with the Supply Chain Social Performance Indicators
	2-9 Management structure and composition	Corporate Governance Approach in Yapı Merkezi Organizational Structure
	2-10 Nomination and election of the highest governing body	Privacy Restrictions Yapı Merkezi does not share this information publicly in accordance with the organization's privacy policies.
	2-11 President of the highest governing body	Messages from our Management Sustainability Approach and Governance Structure
	2-12 The role of the highest governing body to oversee impact management	Messages from our Management Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure
	2-13 Transfer of responsibility for impact management	Sustainability Approach and Governance Structure Mitigating the Climate Crisis
	2-14 Role of the highest management body in sustainability reporting	Sustainability Approach and Governance Structure Yapı Merkezi Sustainability Reporting Team
	2-15 Conflicts of Interest	Ethics and Compliance
	2-16 Transmission of critical concerns	Corporate Governance Approach in Yapı Merkezi During the reporting period, no critical problems reached the Yapı Merkezi.
	2-17 Collective knowledge of the highest governing body	Corporate Governance Approach in Yapı Merkezi
	2-18 Evaluation of the performance of the highest management body	Privacy Restrictions Yapı Merkezi does not share this information publicly in accordance with the organization's privacy policies.
	2-19 Wage policies	Human Resources Approach
	2-20 Wage determination process	Human Resources Approach
	2-21 Year Total Compensation Rate	Privacy Restrictions Yapı Merkezi does not share this information publicly in accordance with the organization's privacy policies.
	2-22 Sustainable development strategy statement	Messages from our Management Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure Our Material Topics
	2-23 Policy commitments	Corporate Governance Approach in Yapı Merkezi Sectoral Developments and Yapı Merkezi
	2-24 Internalizing policy commitments	Corporate Governance Approach in Yapı Merkezi
	2-25 Processes to ameliorate adverse effects	Corporate Governance Approach in Yapı Merkezi Environmental Responsibility Social Responsibility R&D and Innovation Digitalization
	2-26 Consultation and complaint mechanisms	Ethics and Compliance
	2-27 Compliance with laws and regulations	Ethics and Compliance
	2-28 Corporate memberships	Corporate Memberships and Collaborations
	2-29 Stakeholder interaction	Stakeholder Management Relationships with the Supply Chain Social Positive Impact Studies
	2-30 Collective labor contracts	Employee Profile
GRI 3: Priority Topics 2021	3-1 The process of identifying important issues	Our Material Topics
GRI 3: Priority Topics 2021	3-2 List of important topics	Our Material Topics Mitigating the Climate Crisis Customer Satisfaction Occupational Health and Safety Risk Management Information Security and Cybersecurity Responsible Purchasing and Supply Chain Employee Satisfaction Business Continuity Digital Transformation R&D and Innovation Talent Management and Employee Development Business Ethics and Compliance Stakeholder Management and Partnerships Sustainable Cities and Mobility Biodiversity and Land Use Corporate Governance Diversity, Inclusion and Equal Opportunity Sustainable Environmental Management Local Economy and Employment Contribution Corporate Social Responsibility (CSR)
GRI 3: Priority Topics 2021	3-3 Management of important issues	About Yapı Merkezi Sustainability Approach and Governance Structure Sustainability Priorities and Compliance with UN SCAs Corporate Management Risk Management Sectoral Developments and Yapı Merkezi Sustainability Risks and Opportunities Environmental Responsibility Social Responsibility R&D and Innovation Digitalization

10.3. GRI CONTENT INDEX

GRI STANDARD	DESCRIPTION	Page Numbers, Descriptions and/or Direct Replies
GRI 101: Biodiversity 2024	101-1 Policies to stop and reverse biodiversity loss"	Mitigating the Climate Crisis Biodiversity Efforts
	101-2 Management of biodiversity impacts	
	101-3 Access and benefit sharing	
	101-4 Determination of biodiversity impacts	
	101-5 Where there are biodiversity impacts	
	101-6 Direct causes of biodiversity loss	
	101-7 Changes in the state of biodiversity	
	101-8 Ecosystem services	
GRI 201: Economic Performance 2016	201-1 Direct economic value produced and distributed	Main Projects of Yapı Merkezi Environmental Responsibility Social Responsibility R&D and Innovation
	201-2 Financial risks and other opportunities due to climate change	Mitigating the Climate Crisis Risk Management Sustainability Risks and Opportunities
GRI 202: Market Presence 2016	202-1 Standard entry level wage rates compared to the local minimum wage by gender	Our employee remuneration is set above the local minimum wage and on the basis of an equitable approach, while in senior management practices are implemented to support employment from local communities. -
	202-2 Percentage of senior management hired from local community	
GRI 203: Indirect Economic Impacts 2016	203-1 Supported infrastructure investments and services	Environmental Responsibility Social Responsibility Social Positive Impact Studies R&D and Innovation Digitalization
	203-2 Significant indirect economic effects	Social Positive Impact Studies Social Impact Assessment Our Financial Collaborations
GRI 204: Purchasing Applications 2016	204-1 Expenditure rate on local suppliers	Local Purchase Appendices
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for corruption-related risks	Ethics and Compliance Anti-Bribery and Anti-Corruption
	205-2 Communication and training on anti-corruption policies and procedures	Ethics and Compliance Anti-Bribery and Anti-Corruption
	205-3 Confirmed incidents of corruption and measures taken	Ethics and Compliance Anti-Bribery and Anti-Corruption
GRI 206: Anti-competitive Behavior 2016	206-1 Legal proceedings relating to anticompetitive behaviour, monopolism and monopoly practices	Anti-Bribery and Anti-Corruption
GRI 207: Tax 2019	207-1 Approach to tax	Yapı Merkezi's approach to tax, tax management, risk controls and processes carried out with stakeholders are reported to both internal and external stakeholders. Reports are also carried out on the basis of country with indicator 207-4, and our approach to tax is based on the principles of full compliance with laws, transparency, fair contribution and efficient management of risks. While direct expense reporting is not shared, compliance and accountability are our top priorities in our tax administration.
	207-2 Tax management, control and risk management	
	207-3 Management of tax-related concerns and stakeholder engagement	
	207-4 Reporting by country	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	The materials used include recycled input materials and recycled product and packaging materials. Data from these indicators are integrated into Yapı Merkezi greenhouse gas inventory calculations and evaluated within Scope 3 emissions in carbon footprint calculations.
	301-2 Recycled input materials	
	301-3 Recycled products and packaging materials	

GRI STANDARD	DESCRIPTION	Page Numbers, Descriptions and/or Direct Replies
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Efficient Energy Management Environmental Performance Indicators
	302-2 Energy consumption outside the organization	Efficient Energy Management Environmental Performance Indicators
	302-3 Energy intensity	Efficient Energy Management Environmental Performance Indicators
	302-4 Reduction in energy consumption	Efficient Energy Management Environmental Performance Indicators
	302-5 Decrease in energy requirements of products and services	Efficient Energy Management Environmental Performance Indicators
GRI 303: Water and Wastewater 2018	303-1 Interactions with water as a common source	Efficient Water Management Environmental Performance Indicators
	303-2 Management of water discharge-related effects	Efficient Water Management Environmental Performance Indicators
	303-3 Water shooting	Efficient Water Management Environmental Performance Indicators
	303-4 Water discharge	Efficient Water Management Environmental Performance Indicators
	303-5 Water consumption	Efficient Water Management Environmental Performance Indicators
GRI 305: Emissions 2016	305-1 Direct (Scope 1) greenhouse gas emissions	Mitigating the Climate Crisis Environmental Performance Indicators Appendices
	305-2 Energy indirect (Scope 2) greenhouse gas emissions	Mitigating the Climate Crisis Environmental Performance Indicators Appendices
	305-3 Other indirect (Scope 3) greenhouse gas emissions	Mitigating the Climate Crisis Environmental Performance Indicators Appendices
	305-4 Greenhouse gas emission intensity	Mitigating the Climate Crisis Environmental Performance Indicators Appendices
	305-5 Reduction of greenhouse gas emissions	Mitigating the Climate Crisis Environmental Performance Indicators Appendices
	305-6 Emissions of ozone-depleting substances (ODS	Mitigating the Climate Crisis Environmental Performance Indicators
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other important air emissions	Mitigating the Climate Crisis Environmental Performance Indicators
GRI 306: Wastewater and Waste 2016	306-3 Significant debris	Efficient Waste Management Environmental Performance Indicators Appendices
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related effects	Efficient Waste Management
	306-2 Management of significant waste-related impacts	Efficient Waste Management Appendices
	306-3 Waste generated	Efficient Waste Management Environmental Performance Indicators Appendices
	306-4 Waste avoided disposal	Efficient Waste Management Environmental Performance Indicators Appendices
	306-5 Disposable waste	Efficient Waste Management Environmental Performance Indicators Appendices

10.3. GRI CONTENT INDEX

GRI STANDARD	DESCRIPTION	Page Numbers, Descriptions and/or Direct Replies
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers screened using environmental criteria	Relationships with the Supply Chain Supplier Evaluation and Audit
	308-2 Adverse environmental impacts in the supply chain and measures taken	Relationships with the Supply Chain Supplier Evaluation and Audit
GRI 401: Employment 2016	401-1 Recruitment of new employees and employee turnover	Human Resources Approach Appendices
	401-2 Benefits granted to full-time employees, not to temporary or part-time employees	
	401-3 Parental consent	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods for operational changes	There is no specific application for minimum notice periods related to operational changes, changes are carried out within the framework of legal legislation, collective agreements and internal communication procedures.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety (OHS) Approach
	403-2 Hazard identification, risk assessment and incident investigation	Occupational Health and Safety (OHS) Performance Indicators
	403-3 Occupational health services	Occupational Health and Safety (OHS) Approach
	403-4 Employee participation, consultation and communication in occupational health and safety issues	Occupational Health and Safety (OHS) Approach
	403-5 Training of employees in occupational health and safety	Occupational Health and Safety (OHS) Performance Indicators
	403-6 Promotion of employee health	Occupational Health and Safety (OHS) Approach
	403-7 Preventing and mitigating occupational health and safety impacts directly linked to business relationships	Occupational Health and Safety (OHS) Approach
	403-8 Employees covered by occupational health and safety management system	Occupational Health and Safety (OHS) Approach
	403-9 Work-related injuries	Occupational Health and Safety (OHS) Approach Occupational Health and Safety (OHS) Performance Indicators
	403-10 Work-related illness	Occupational Health and Safety (OHS) Approach Occupational Health and Safety (OHS) Performance Indicators
GRI 404: Education and Training 2016	404-1 Average hours of training per employee per year	Social Performance Indicators
	404-2 Employee skills upgrade and transition assistance programs	Support for Employee Development
	404-3 Percentage of employees receiving regular performance and career development assessments	Employee development and performance management processes are carried out within the framework of our internal policies and practices.
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of management bodies and employees	Employee Profile Social Performance Indicators
	405-2 Women's basic salary and wage ratio relative to men	Privacy Restrictions Yapı Merkezi does not share this information publicly in accordance with the organization's privacy policies.
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective measures taken	Ethics and Compliance Human Resources Approach There were no cases of discrimination during the reporting period.
GRI 407: Freedom of Organization and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to free collective bargaining is at risk	Human Rights
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for child labor incidents	Ethics and Compliance Human Resources Approach
GRI 409: Forced or Forced Labor 2016	409-1 Operations and suppliers at significant risk for forced or forced operating events	Ethics and Compliance Human Resources Approach
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	The principles of human rights are observed in the general policies and practices of Yapı Merkezi and create a binding framework for all employees, including employees of subordinate employers.

GRI STANDARD	DESCRIPTION	Page Numbers, Descriptions and/or Direct Replies
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents that violate the rights of indigenous peoples	Ethics and Compliance The rights of indigenous peoples are addressed in all projects and investments carried out by Yapı Merkezi
GRI 412: Human Rights Assessment 2016	412-1 Activities subject to human rights reviews or impact assessments	Human Rights
	412-2 Employee trainings on human rights policies and procedures	Human Rights Ethics and Compliance
	412-3 Important investment agreements and contracts involving human rights issues	Ethics and Compliance Human rights issues are addressed in all projects and investments carried out by Yapı Merkezi
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential adverse impacts on local communities	Social Impact Assessment Our Social Impact Studies Our Work to Combat the Climate Crisis Biodiversity Efforts
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened using social criteria	Relationships with the Supply Chain Supplier Evaluation and Audit
	414-2 Adverse social impacts in the supply chain and measures taken	Relationships with the Supply Chain Supplier Evaluation and Audit
GRI 415: Public Policy 2016	415-1 Political contributions	Ethics and Compliance Yapı Merkezi does not provide direct or indirect financial and equal support to any political organization.
GRI 416: Customer Health and Safety 2016	416-1 Evaluation of health and safety effects of product and service categories	Health and Safety Effects of Products and Services
	416-2 Incidents of non-compliance with the health and safety effects of products and services	Health and Safety Effects of Products and Services
GRI 417: Marketing and Labeling 2016	417-1 Product and service information and labeling requirements	Our product and service information and labeling requirements are fully complied with, and there have been no incidents of non-compliance with product/service information, labeling or marketing communications during the reporting period.
	417-2 Incidents of non-compliance with product and service information and labelling	
	417-3 Incidents of mismatch related to marketing communications	
GRI 418: Customer Privacy 2016	418-1 Verified complaints about customer privacy breaches and customer data losses	Stakeholder Management Ethics and Compliance Customer Satisfaction

GRI STANDARD	DESCRIPTION	Page Numbers, Descriptions and/or Direct Replies
Sector Appendix: Construction and Real Estate	CRE3 Greenhouse Gas Emission Intensity from Buildings (pg:70)	Environmental Data
	Percentage of Organization Operating in Verified Compliance with a CRE6 Internationally Recognized Occupational Health and Safety Management System (pg:75)	Occupational Health and Safety (OHS) Approach
	CRE7 Person Voluntarily or Forcibly Displaced and/or Replaced Due to Project-Based Development (pg:76)	Social Impact Assessment

10.4. TSRS CONTENT INDEX

TSRS: Turkish Sustainability Reporting Standards

10.4.1 TSRS 1 CONTENT INDEX

Title	Title Description	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions, and/or Direct Answers
GOVERNANCE	The purpose of sustainability-related financial statements on governance is to enable users of general-purpose financial reports to understand the governance processes, controls, and procedures the entity uses to monitor, manage, and audit sustainability-related risks and opportunities.	a) Governance body (s) (which may include a board, committee or advisory body responsible for management) or persons/persons responsible for the management of risks and opportunities related to manageability	TSRS-1 27.	
			TSRS-1 27.a.i	Corporate Governance Approach Sustainability Approach and Governance Structure Sustainability Risks and Opportunities Corporate Risk Management
			TSRS-1 27.a.ii	Corporate Governance Approach Sustainability Risks and Opportunities Corporate Risk Management
			TSRS-1 27.a.iii	Sustainability Approach and Governance Structure Sustainability Risks and Opportunities Corporate Risk Management
			TSRS-1 27.a.iv	Sustainability Risks and Opportunities Corporate Risk Management
			TSRS-1 27.a.v	Ethics and Compliance Employee Satisfaction Performance Evaluation
		b) Guidance of management in the information processes, controls and procedures used to monitor, manage and control risks and opportunities related to manageability	TSRS-1 27.b.i	Sustainability Risks and Opportunities Corporate Risk Management
			TSRS-1 27.b.ii	Sustainability Risks and Opportunities Corporate Risk Management
STRATEGY	The purpose of sustainability-related financial statements to strategy is to enable users of general-purpose financial reports to understand the entity's strategy for managing sustainability-related risks and opportunities.	In particular, the entity shall disclose information to enable users of general-purpose financial reports to understand the following points	TSRS-1 29.	
			TSRS-1 29.a	The YM has taken into account the requirements a, b, c, d and e specified in the relevant article and are described in TSRS 1 and 2 Compliance Tables.
			TSRS-1 29.b	
			TSRS-1 29.c	
			TSRS-1 29.d	
			TSRS-1 29.e	
		a) Risks and opportunities related to sustainability	TSRS-1 30.	
			TSRS-1 30.a	Sustainability Risks and Opportunities Corporate Risk Management Sustainable Environmental Management Combating the Climate Crisis
			TSRS-1 30.b	Sustainability Risks and Opportunities Corporate Risk Management Sustainable Environmental Management Combating the Climate Crisis
			TSRS-1 30.c	Sustainability Risks and Opportunities Corporate Risk Management Sustainable Environmental Management Combating the Climate Crisis

10.4.1 TSRS 1 CONTENT INDEX

Title	Title Description	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions, and/or Direct Answers
STRATEGY	The purpose of sustainability-related financial statements to strategy is to enable users of general-purpose financial reports to understand the entity's strategy for managing sustainability-related risks and opportunities.	a) Risks and opportunities related to sustainability	TSRS-1 31.	Corporate Governance in Yapı Merkezi Our Material Topics Corporate Risk Management Sustainability Risk and Opportunity Management Approach Sustainability Risks and Opportunities Our Financial Collaborations Yapı Merkezi Sustainability Goals
		b) Business model and value chain	TSRS-1 32.	
			TSRS-1 32.a	Corporate Risk Management Sustainable Environmental Management Combating the Climate Crisis
			TSRS-1 32.b	Corporate Risk Management Sustainable Environmental Management Combating the Climate Crisis
		c) Strategy and decision making	TSRS-1 33.	
			TSRS-1 33.a	Corporate Risk Management Sustainability Risks and Opportunities
			TSRS-1 33.b	Corporate Risk Management Sustainability Risks and Opportunities Our Sustainability Performance Sustainable Environmental Management
			TSRS-1 33.c	Corporate Risk Management Sustainability Risks and Opportunities Ethics and Compliance Sustainable Environmental Management Our Sustainability Performance Our Principles
		d) Financial condition, financial performance and cash flows	TSRS-1 34	
			TSRS-1 34.a	Combating the Climate Crisis Sustainability Risks and Opportunities
			TSRS-1 34.b	Combating the Climate Crisis Sustainability Risks and Opportunities
			TSRS-1 35.	
			TSRS-1 35.a	Combating the Climate Crisis Sustainability Risks and Opportunities
			TSRS-1 35.b	Combating the Climate Crisis Sustainability Risks and Opportunities
			TSRS-1 35.c.i	Combating the Climate Crisis Sustainability Risks and Opportunities
			TSRS-1 35.c.ii	Combating the Climate Crisis Sustainability Risks and Opportunities
			TSRS-1 35.d	Combating the Climate Crisis Sustainability Risks and Opportunities
		e) Resilience	TSRS-1 41	Combating the Climate Crisis Sustainability Risks and Opportunities Mitigating the Climate Crisis

10.4. TSRS CONTENT INDEX

10.4.1 TSRS 1 CONTENT INDEX

Title	Title Description	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions, and/or Direct Answers
RISK MANAGEMENT	Risk Management	a) Processes and related policies used to identify, evaluate, prioritize and monitor sustainability-related risks	TSRS-1 44.a.i	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
			TSRS-1 44.a.ii	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management Combating the Climate Crisis
			TSRS-1 44.a.iii	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
			TSRS-1 44.a.iv	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
			TSRS-1 44.a.v	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management Combating the Climate Crisis
			TSRS-1 44.a.vi	The 2024 reporting period is YM's first TSRS 1 and 2 compliant reporting period. Therefore, there is no explanation for the previous period
		b) Processes used by the business to identify, evaluate, prioritize and monitor sustainability-related opportunities	TSRS-1 44.b	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
		c) To what extent and how processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into the overall Corporate Risk Management process of the entity and to what extent and how the entity informs the overall Corporate Risk Management process	TSRS-1 44.c	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management Combating the Climate Crisis

10.4.1 TSRS 1 CONTENT INDEX

Title	Title Description	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions, and/or Direct Answers
METRICS AND TARGETS	The purpose of sustainability financial statements on metrics and objectives is to enable users of general-purpose financial reports to understand the performance of the business in relation to sustainability-related risks and opportunities, including the entity's progress towards its own set goals and objectives to achieve under legislation.	a) Metrics mandated by the relevant TSRS	TSRS-1 46.a	Reported in the TSRS-2 Compliance Table
		b) The entity's performance in relation to the sustainability risk or opportunity and progress towards the objectives it has set and the objectives it must achieve in accordance with the legislation, including the sustainability risk or opportunity	TSRS-1 46.b.i	Sustainability Risks and Opportunities Corporate Risk Management
			TSRS-1 46.b.ii	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management Our Sustainability Performance Our Sustainability Goals
		In the event that it describes a metric taken from a source other than TSRs, the entity determines the source and the received metric.	TSRS-1 49	Appendices Our Sustainability Perforance Our Sustainability Goals
		If a metric has been developed by the corporate	TSRS-1 50.a	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 50.b	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 50.c	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 50.d	Appendices Our Sustainability Perforance Our Sustainability Goals
		The entity discloses information on the objectives it has set in order to track progress in achieving its strategic objectives and the objectives it must achieve under the legislation	TSRS-1 51.a	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 51.b	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 51.c	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 51.d	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 51.e	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 51.f	Appendices Our Sustainability Perforance Our Sustainability Goals
			TSRS-1 51.g	Appendices Our Sustainability Perforance Our Sustainability Goals
		The definition and calculation of metrics is consistent over time, including metrics used to set the business's goals and track progress toward achieving those goals. In the event that it redefines a metric or uses another metric in its place, the entity applies paragraph B52	TSRS-1 52	The definition and calculation of metrics is consistent across all reporting periods, including metrics that YM uses to set its goals and track progress toward achieving those goals. If a metric is redefined or another metric is used in its place, YM complies with the requirements set out in paragraph B52 of the TSRS.
		Business labels and defines metrics and goals using meaningful, clear and precise names and definitions	TSRS-1 53	YM labels and defines metrics and goals using meaningful, clear and precise names and definitions

10.4. TSRS CONTENT INDEX

10.4.1 TSRS 1 CONTENT INDEX

Title	Title Description	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions, and/or Direct Answers
GENERAL PROVISIONS	General Provisions	Guidance Resources	TSRS-1 54	About the Report
			TSRS-1 55.a	The Building Centre has reviewed the disclosure issues contained in the SASB Standards and SASB issues are also taken into account to the extent that they are relevant. SASB Content Index About the Report
			TSRS-1 55.b.i	Mitigating the Climate Crisis
			TSRS-1 55.b.ii	About the Report Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management Our Sustainability Goals
			TSRS-1 55.b.iii	Sustainability Risks and Opportunities Corporate Risk Management Combating the Climate Crisis
			TSRS-1 56.	About the Report Sustainability Risks and Opportunities
			TSRS-1 57.	In the absence of a TSRS specifically applicable to a sustainability-related risk or opportunity, YM conducts judgment to identify information that will assist users of general-purpose financial reports in decision-making and reflect the relevant risk or opportunity in a truthful manner
			TSRS-1 59.	
			TSRS-1 59.a	About the Report Combating the Climate Crisis SASB Content Index Our Material Topics
			TSRS-1 59.b	
		Location of Extractions	TSRS-1 60	About the Report About the Yapı Merkezi Group Companies and Areas of Expertise
			TSRS-1 61	About the Report
			TSRS-1 62	Yapı Merkezi is able to present the information required by the TSRS in the same place as the information described for the purpose of fulfilling other obligations, such as information required by regulatory authorities. However, it is careful to ensure that financial statements related to sustainability are clearly distinguishable and that this information does not become incomprehensible due to additional disclosures.
			TSRS-1 63	YM may include information required by TSRS in financial statements related to sustainability by cross-referencing another report issued by it.
		Reporting Time	TSRS-1 64	About the Report
			TSRS-1 65	About the Report
			TSRS-1 66	The Yapı Merkezi is reporting for the first time in accordance with TSRS 1 and TSRS 2. This article meets the requirements if the end of the reporting period changes and provides financial statements related to sustainability for a period of more than twelve months or less.

10.4.1 TSRS 1 CONTENT INDEX

Title	Title Description	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions, and/or Direct Answers
GENERAL PROVISIONS	General Provisions	Reporting Time	TSRS-1 67	If Yapı Merkezi obtains new information about conditions at the end of the reporting period after the end of the reporting period but before the date on which the sustainability-related financial statements are approved for publication, it will update its respective disclosures in light of this information.
			TSRS-1 68	Yapı Merkezi discloses such information if the non-disclosure of information regarding transactions, other events, or circumstances occurring after the reporting period but prior to the date on which sustainability-related financial statements are approved for publication is reasonably expected to affect the decisions of report users.
			TSRS-1 69	Yapı Merkezi shall apply paragraph B48 of the TSRS where the publication of interim sustainability-related financial statements is required under the TSRs or if it prefers to publish such disclosures.
		Collaborative Information	TSRS-1 70	About the Yapı Merkezi Corporate Management in Yapı Merkezi Sustainability Approach and Governance Structure Our Human Resources Approach Ethics and Compliance Our Sustainability Goals Our Financial Collaborations Appendices
			TSRS-1 71	Amounts reported in YM's sustainability financial statements may be linked to metrics and objectives, or to the current and anticipated financial impacts of sustainability-related risks and opportunities.
		Declaration of Conformity	TSRS-1 72	About the Report
			TSRS-1 73	YM may share that it complies with TSRs even if exemptions to be provided by legislation pursuant to the relevant paragraph apply
		Considerations	TSRS-1 74	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
			TSRS-1 75	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
			TSRS-1 76	Other TSRs may require YM to disclose additional information other than those required to disclose pursuant to TSRS-1 paragraph 74. In such cases, the YM acts in accordance with the requirements specified in paragraph 76 of the TSRS-1.
		Definition Uncertainty	TSRS-1 77	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
			TSRS-1 78	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
		faults	TSRS-1 83	YM reports for the first time in accordance with TSRS 1 and 2
			TSRS-1 84	YM reports for the first time in accordance with TSRS 1 and 2
			TSRS-1 85	YM reports for the first time in accordance with TSRS 1 and 2
			TSRS-1 86	YM reports for the first time in accordance with TSRS 1 and 2

10.4. TSRS CONTENT INDEX

10.4.2 TSRS 2 CONTENT INDEX

Title	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions and/or Direct Replies
GOVERNANCE	a) Governance body (s) (may include a board, committee or equivalent body responsible for senior management) or person (s) responsible for the oversight of climate-related risks and opportunities	TSRS-2 6.a.i	Corporate Governance Approach Sustainability Approach and Governance Structure Corporate Risk Management Sustainability Risks and Opportunities
		TSRS-2 6.a.ii	
		TSRS-2 6.a.iii	
		TSRS-2 6.a.iv	
		TSRS-2 6.a.v	
	b) The role of management in governance processes, controls and procedures used to monitor, manage and control climate-related risks and opportunities	TSRS-2 6.b.i	
		TSRS-2 6.b.ii	
STRATEGY	In particular, the business discloses information that will enable users of general-purpose financial reports to understand.	TSRS-2 9	YM has taken into account the requirements a, b, c, d and e set out in the relevant article and described in TSRS 1 and 2 Compliance Tables.
	a) Climate-related risks and opportunities	TSRS-2 10.a	Financial Prioritization under TSRS Corporate Risk Management Sustainability Risks and Opportunities
		TSRS-2 10.b	
		TSRS-2 10.c	
		TSRS-2 10.d	
		TSRS-2 11	In identifying climate-related risks and opportunities that could reasonably be expected to affect YM's future financial adequacy, YM uses all reasonable and supportable information available at the reporting date, including information on past events, current conditions and projections of future conditions, without excessive cost or effort.
		TSRS-2 12	In identifying climate-related risks and opportunities that could reasonably be expected to affect its future financial adequacy, YM refers to the sector-based disclosure issues identified in the Guide to the Sector-based Implementation of TSRS 2 and assesses the applicability of those disclosure issues.
	b) Business model and value chain	TSRS-2 13.a	Managing our Risks and Opportunities Sustainability Risks and Opportunities Mitigating the Climate Crisis
		TSRS-2 13.b	
	c) Strategy and decision making	TSRS-2 14.a.i	
		TSRS-2 14.a.ii	
		TSRS-2 14.a.iii	Sustainability Risks and Opportunities
		TSRS-2 14.a.iv	Mitigating the Climate Crisis
		TSRS-2 14.a.v	Relationships with the Supply Chain
		TSRS-2 14.b	Sustainability Approach and Governance Structure
		TSRS-2 14.c	Yapı Merkezi Sustainability Goals Environmental Performance Indicators Appendices
	d) Financial condition, financial performance and cash flows	TSRS-2 15.a	Our Material Topics
		TSRS-2 15.b	Sustainability Risks and Opportunities Mitigating the Climate Crisis
		TSRS-2 16.a	Sustainability Risks and Opportunities Mitigating the Climate Crisis Our Sustainability Approach and Governance Structure Yapı Merkezi Sustainability Goals
		TSRS-2 16.b	
		TSRS-2 16.c.i	
		TSRS-2 16.c.ii	
		TSRS-2 16.d	

10.4.2 TSRS 2 CONTENT INDEX

Title	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions and/or Direct Replies
STRATEGY	e) Climate Resilience	TSRS-2 22	
		TSRS-2 22.a.i	
		TSRS-2 22.a.ii	
		TSRS-2 22.a.iii (1)	
		TSRS-2 22.a.iii (2)	
		TSRS-2 22.a.iii (3)	About the Yapı Merkezi
		TSRS-2 22.b.i. (1)	Our Material Topics
		TSRS-2 22.b.i. (2)	Our Sustainability Approach and Governance Structure
		TSRS-2 22.b.i. (3)	Corporate Risk Management
		TSRS-2 22.b.i. (4)	Sustainability Risks and Opportunities
		TSRS-2 22.b.i. (5)	Mitigating the Climate Crisis
		TSRS-2 22.b.i. (6)	Sectoral Global Developments and Yapı Merkezi
		TSRS-2 22.b.i. (7)	
		TSRS-2 22.b.ii. (1)	
		TSRS-2 22.b.ii. (2)	
		TSRS-2 22.b.ii. (3)	
		TSRS-2 22.b.ii. (4)	Efficient Energy Management Corporate Risk Management Mitigating the Climate Crisis Environmental Performance Indicators Our Material Topics
		TSRS-2 22.b.ii. (5)	Our Sustainability Approach and Governance Structure Corporate Risk Management Mitigating the Climate Crisis Social Impact Assessment Sustainability Risks and Opportunities R&D and Innovation Digitalization
		TSRS-2 22.b.iii	About the Report Corporate Risk Management Mitigating the Climate Crisis Sustainability Risks and Opportunities
		TSRS-2 23	In preparing disclosures to meet its obligations under paragraphs 13-22, YM refers to the categories of intersectoral metrics, as described in paragraph 29, and to the industry-based metrics associated with disclosure issues as described in paragraph 32 and defined in the Guidance on the Sector Based Implementation of TSRS 2, and their application Evaluate its viability.
CORPORATE RISK MANAGEMENT	a) Processes and related policies used by the business to identify, assess, prioritize and monitor climate-related risks	TSRS-2 25.a	Corporate Risk Management
		TSRS-2 25.a.i	Sustainability Risks and Opportunities
		TSRS-2 25.a.ii	Our Material Topics
		TSRS-2 25.a.iii	Environmental Responsibility
		TSRS-2 25.a.iv	Mitigating the Climate Crisis
		TSRS-2 25.a.v	Sustainability Risks and Opportunities
		TSRS-2 25.a.vi	YM is reporting in accordance with TSRS 1 and 2 for the first time.
	b) Whether and how to use climate-related scenario analysis processes that the business uses to identify, assess, prioritize and monitor climate-related risks and opportunities, including information about its use	TSRS-2 25.b	Sustainability Risks and Opportunities Corporate Risk Management Mitigating the Climate Crisis Sustainable Environmental Management
	c) To what extent and how the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into the overall Corporate Risk Management process of the corporate and to what extent and how the entity informs the overall Corporate Risk Management process	TSRS-2 25.c	Our Sustainability Approach and Governance Structure Corporate Risk Management Sustainability Risks and Opportunities Biodiversity Efforts Mitigating the Climate Crisis

10.4. TSRS CONTENT INDEX

10.4.2 TSRS 2 CONTENT INDEX

Title	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions and/or Direct Replies
METRICS and TARGETS	a) Climate-related metrics	TSRS-2 29.a	Mitigating the Climate Crisis Greenhouse Gas Emissions Environmental Performance Indicators
		TSRS-2 29.b	Within the scope of TSRS2, an analysis of fragile assets and activities for climate-related transition risks was carried out. The national Emissions Trading System (ETS), which is being set up by the Ministry of Environment, Urbanism and Climate Change in Türkiye, is expected to cover energy and high-emission sectors in the first phase. The current activities of the Yapı Merkezi are not directly covered in this framework. However, carbon pricing and regulatory mechanisms have the potential to impact our supply chain and business partners through indirect impacts. For this reason, we are closely monitoring the development of the national ETS, assessing the possible impacts within our strategic plans and risk management processes. At the same time, we recognize that this process can create new opportunities through low-carbon solutions and green financing tools. The effects that transition risks can create in the short, medium and long term are regularly addressed within the framework of Yapı Merkezi Sustainability and Climate Change Risks and Opportunities and revisions are made according to developments.
		TSRS-2 29.c	Physical risks related to climate change (extreme weather events, floods, temperature increases, water stress) have the potential to directly affect the large-scale construction and infrastructure projects that the Building Centre is carrying out. These risks can lead to disruptions in job site productivity, supply chain continuity, work schedule and cost management. Since there is no power plant operation among the current activities of Yapı Merkezi, there is no direct vulnerability due to energy production. However, our field projects and production facilities can be affected by climate-induced extreme weather events in the geographies where we operate, especially in Türkiye and Africa. The share of these activities in the turnover for 2024 is approximately 60%. Therefore, our field projects, which have a significant impact on turnover, are vulnerable to climate-related physical risks. The effects that physical risks can create in the short, medium and long term are regularly addressed within the framework of Yapı Merkezi Sustainability and Climate Change Risks and Opportunities and revisions are made according to developments.
		TSRS-2 29.d	Among the current activities of the Yapı Merkezi, there are no assets or operations that are directly reflected in turnover and aligned with climate-related opportunities. The renewable energy investments realized within ATAŞ are at the subsidiary level and are not included in the consolidated turnover of Yapı Merkezi. However, the pipeline production, rail and infrastructure projects we carry out contribute indirectly to climate-related opportunities through low-carbon transport solutions and irrigation projects. In addition, through renewable energy investments, energy efficiency practices, sustainable construction and production methods, a certain part of our portfolio of activities is directly aligned with climate opportunities. Although the share of these activities in the current turnover is limited, it is aimed to increase this proportion with new projects and investments in the coming period. In the medium and long term, these opportunities will be reassessed regularly under YM Sustainability and Climate Change Risks and Opportunities.

10.4.2 TSRS 2 CONTENT INDEX

Title	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions and/or Direct Replies
METRICS and TARGETS	a) Climate-related metrics	TSRS-2 29.e	Sustainability Risks and Opportunities TSRS 2 Compliance Table In the short, medium and long term, YM will be re-evaluated under Sustainability and Climate Change Risks and Opportunities.
		TSRS-2 29.f	Mitigating the Climate Crisis Sustainability Risk and Opportunity Management Approach
		TSRS-2 29.g	Human Rights Corporate Management in Yapı Merkezi Human Resource Management (ii) Percentage of senior executive fees charged to the financial statements in the current period in connection with climate-related matters: This information is subject to confidentiality restrictions and is not disclosed to the public. Relevant data are evaluated only in internal reporting processes and are shared with competent authorities in accordance with legislation.
	b) Industry-based metrics associated with specific business models, activities, or other common characteristics that characterize participation in the sector (Guide to the Industry-Based Implementation of TSRS-2)	TSRS-2 32	YM describes industry-based metrics associated with other common characteristics that characterize specific business models, activities, or participation in an industry. When determining the industry-based metrics disclosed by YM, it refers to and evaluates their applicability to the industry-based metrics associated with the disclosure issues identified in the Guide to Sector-Based Implementation of TSRS 2.
	c) Climate-related objectives	TSRS-2 33.	Sustainability Approach and Governance Structure Yapı Merkezi Sustainability Goals Sustainability Risks and Opportunities Mitigating the Climate Crisis Environmental Performance Indicators
		TSRS-2 33.a	
		TSRS-2 33.b	
		TSRS-2 33.c	
		TSRS-2 33.d	
		TSRS-2 33.e	
		TSRS-2 33.f	
		TSRS-2 33.g	
		TSRS-2 33.h	
		TSRS-2 34	
		TSRS-2 34.a	Verification of goals and goal-setting methodology by a third party is not carried out for the time being. Our sustainability goals, which we set as Yapı Merkezi, are regularly monitored by our internal management systems and our Sustainability Committee. In the coming periods, it is planned to evaluate third-party verification mechanisms in accordance with international standards.

10.4.2 TSRS 2 CONTENT INDEX

title	TSRS Criterion	Related TSRS Item	Page Numbers, Descriptions and/or Direct Replies
METRICS and TARGETS	c) Climate-related objectives	TSRS-2 34.b	
		TSRS-2 34.c	
		TSRS-2 34.d	Our Sustainability Approach and Governance Structure
		TSRS-2 35	Yapı Merkezi Sustainability Goals
		TSRS-2 36 (a)	Sustainability Risks and Opportunities
		TSRS-2 36 (b)	Mitigating the Climate Crisis
		TSRS-2 36 (c)	Environmental Performance Indicators
		TSRS-2 36 (d)	
		TSRS-2 36 (e)	
		TSRS-2 37	In identifying and describing metrics used to determine and track progress toward achieving a goal defined in paragraphs 33-34, the Yapı Merkezi shall refer to and evaluate the applicability of cross-sectoral metrics and industry-based metrics, including the metrics described in the current TSRS or metrics that meet the provisions in TSRS 1. Relevant uses are clearly stated in the TSRS-2 Compliance Table.

10.5. ESRS CONTENT INDEX

ESRS: European Sustainability Reporting Standards

ESRS STANDARD	INDICATOR	Page Numbers, Descriptions and/or Direct Replies
Environmental Standards		
ESRS E1	**Climate Change**	
ESRS 2, GOV-3	Integration of climate change-related performances into tables	Appendices (Environmental Performance Indicators) Yapı Merkezi Sustainability Goals Sustainability Risk and Opportunities Management Approach
E1-1	Transition plan for climate change mitigation	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
ESRS 2, SBM-3	Tangible impacts, risks and opportunities and their relationship to strategy and business model	Corporate Governance Approach Risk Management Sustainability Risk and Opportunities Management Approach
ESRS 2, EURO-1	Definition of processes for identifying and evaluating important climate-related impacts, risks and opportunities	Sectoral Global Developments and Yapı Merkezi Corporate Risk Management Sustainability Risk and Opportunities Management Approach
E1-2	Policies on climate change mitigation and adaptation	Mitigating the Climate Crisis
E1-3	Actions and resources on climate change policies	Mitigating the Climate Crisis
E1-4	Targets for climate change mitigation and adaptation	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
E1-5	Energy consumption	Mitigating the Climate Crisis Efficient Energy Management Appendices (Environmental Performance Indicators)
E1-6	Gross Scope 1, 2, 3 and total greenhouse gas emissions	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals Greenhouse Gas Emissions Appendices (Environmental Performance Indicators)
E1-7	Greenhouse gas transfer and greenhouse gas reduction projects financed from carbon credits	Mitigating the Climate Crisis Appendices (Environmental Performance Indicators)
E1-8	Internal carbon pricing	There is no internal carbon pricing practice. It addresses strategies for reducing carbon emissions and climate-related risk management as a priority.”
E1-9	Expected financial impacts and potential climate-related opportunities from significant physical and transition risks	Corporate Risk Management Sustainability Risk and Opportunities Management Approach
ESRS E2	**Pollution**	
ESRS 2, EURO-1	Definition of processes for identifying and evaluating significant impacts, risks and opportunities related to pollution	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Our Material Topics Environmental Responsibility
E2-1	Policies in relation to pollution	Environmental Responsibility
E2-2	Sources causing pollution and actions taken	Environmental Responsibility
E2-3	Targets set for pollution	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
E2-4	Air, water and soil pollution	Mitigating the Climate Crisis Efficient Energy Management Efficient Water Management Efficient Waste Management
E2-5	Alarming substances and very high alarming substances	Our Material Topics Sustainability Risk and Opportunities Management Approach
E2-6	Potential financial impacts, risks and opportunities from pollution	Corporate Risk Management Sustainability Risk and Opportunities Management Approach
ESRS E3	**Water and marine resources**	
ESRS 2, EURO-1	Definition of processes for identifying and evaluating important impacts, risks and opportunities related to water and the sea	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Our Material Topics Efficient Water Management Sustainability Risk and Opportunities Management Approach
E3-1	Policies in relation to water and the sea	Efficient Water Management
E3-2	Actions taken and resources related to water and marine resources	Efficient Water Management
E3-3	Targets related to water and the sea	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
E3-4	Water consumption	Efficient Water Management Appendices (Environmental Performance Indicators)
E3-5	Potential financial impacts, risks and opportunities from water and marine	Sustainability Risk and Opportunities Management Approach
ESRS E4	Biodiversity and ecosystems	
E4-1	Transition plan for biodiversity and ecosystems	Mitigating the Climate Crisis Biodiversity Efforts
ESRS 2, SBM 3	Tangible impacts, risks and opportunities and their relationship to strategy and business model	Sustainability Risk and Opportunities Management Approach
ESRS 2, EURO-1	Description of processes for identifying and evaluating important impacts, risks and opportunities related to biodiversity and ecosystems	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Our Material Topics
E4-2	Biodiversity and ecosystem policies	Mitigating the Climate Crisis Biodiversity Efforts
E4-3	Actions taken and resources related to biodiversity and ecosystems	Mitigating the Climate Crisis Biodiversity Efforts
E4-4	Targets related to biodiversity and ecosystems	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals

10.5. ESRS CONTENT INDEX

ESRS STANDARD	INDICATOR	Page Numbers, Descriptions and/or Direct Replies
E4-5	Measured impacts across biodiversity and ecosystems	Mitigating the Climate Crisis Biodiversity Efforts
E4-6	Potential financial impacts, risks and opportunities from biodiversity and ecosystems	Corporate Risk Management Sustainability Risk and Opportunities Management Approach
ESRS E5	Circular economy of resource use	
ESRS 2, EURO-1	Description of processes for identifying and evaluating significant impacts, risks and opportunities related to resource use and circular economy	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Our Material Topics Efficient Waste Management
E5-1	Implemented policies related to resource use and circular economy	Efficient Waste Management
E5-2	Actions and resources used related to resource utilization and circular economy	Efficient Waste Management
E5-3	Objectives set in relation to resource use and circular economy	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
E5-4	Resource inputs	Efficient Waste Management Appendices (Environmental Performance Indicators)
E5-5	Welding outputs	Efficient Waste Management Appendices (Environmental Performance Indicators)
E5-6	Potential financial impacts, risks and opportunities from resource use and the circular economy	Sectoral Global Developments and Yapı Merkezi Sustainability Risk and Opportunities Management Approach Our Material Topics
Social Standards		
ESRS S2	**Our Workforce**	
ESRS 2, EURO-1	Description of processes for identifying and evaluating significant impacts, risks and opportunities related to our workforce	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Our Material Topics Sustainability Risk and Opportunities Management Approach Human Resources Approach
ESRS 2, SBM-2	Interests and opinions of stakeholders	Stakeholder Management Customer Satisfaction Approach Stakeholder views are included throughout the report.
ESRS 2, SBM-3	Tangible impacts, risks and opportunities and their relationship to strategy and business model	Corporate Risk Management Sustainability Risk and Opportunities Management Approach
S1-1	Our workforce policy	Corporate Governance Approach
S1-2	Processes to interact with our employees and employee representatives about impacts	Support for Employee Development Occupational Health and Safety Human Resources
S1-3	Processes to ameliorate negative impacts and channels for their own employees to voice their concerns	Ethics and Compliance
S1-4	Taking action on the concrete impact on employees, reducing concrete risks, approaches to evaluating opportunities and evaluating the effectiveness of these actions	Sustainability Risk and Opportunities Management Approach
S1-5	Targets to manage tangible negative effects, increase positive effects, and manage tangible risks and opportunities	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
S1-6	Characteristics of employees	Human Resources Approach Employee Profile Diversity and Equal Opportunity Appendices (Employee Profile)
S1-7	Characteristics of employees who are not part of the company (Temporary Employees)	Employee Profile Diversity and Equal Opportunity Appendices (Employee Profile)
S1-8	Collective employment contract and social communication	Human Resource Management
S1-9	Diversity scales	Diversity and Equal Opportunity
S1-10	Adequate remuneration	The policy of remuneration of all our employees is fair, transparent and at a level that can cover the cost of living.
S1-11	Social protection	Human Resource Management
S1-12	Persons with disabilities	Human Resource Management
S1-13	Training and skills development scales	Human Resource Management
S1-14	Health and safety scales	Occupational Health and Safety (OHS) Approach
S1-15	Work-life balance scales	Human Resource Management
S1-16	Pricing scales (Fee is different and total fee)	Privacy Restrictions Yapı Merkezi does not share this information publicly in accordance with the organization's privacy policies.
S1-17	Events, complaints and serious human rights impacts	Ethics and Compliance Human rights issues are addressed in all projects and investments carried out by Yapı Merkezi. No fatal accidents or serious human rights incidents have been reported through the available channels. Complaints made through appropriate channels such as the Code of Ethics are handled according to internal procedures.
ESRS S2	**Employees in the value chain**	
ESRS 2, SBM-2	Interests and opinions of stakeholders	Stakeholder Management Customer Satisfaction Approach
ESRS 2, SBM-3	Concrete impacts, risks and opportunities and their relationship to strategy and business model	Ethics and Compliance
S2-1	Policies for employees in the value chain	Corporate Governance Approach
S2-2	Processes for interacting with value chain employees on impacts	Ethics and Compliance
S2-3	Processes applied to reduce negative impacts and channels for employees in the value chain to voice their problems	Ethics and Compliance
S2-4	Taking action on the tangible impact on employees in the value chain, reducing concrete risks, approaches to evaluating opportunities and evaluating the effectiveness of these actions	Corporate Risk Management Sustainability Risk and Opportunities Management Approach
S2-5	Targets to manage tangible negative effects, increase positive effects, and manage tangible risks and opportunities	Sustainability Priorities and Compliance with UN SCAs Yapı Merkezi Sustainability Goals
ESRS S3	**Affected Communities**	
ESRS 2, SBM-2	Interests and opinions of stakeholders	Stakeholder Management Customer Satisfaction Approach Relations with society Stakeholder views are included throughout the report
ESRS 2, SBM-3	Concrete impacts, risks and opportunities and their relationship to strategy and business model	Relations with society Social Impact Assessment
S3-1	Policies implemented in relation to affected communities	Social Impact Assessment (will be a new title)
S3-2	Processes for interacting with affected communities	Relations with society
S3-3	Processes to reduce negative impacts and channels through which affected communities can voice their problems	Relations with society
S3-4	Taking action on the concrete impact on affected communities, reducing concrete risks, approaches to evaluating opportunities and evaluating the effectiveness of these actions	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Relations with society
S3-5	Targets to manage tangible negative effects, increase positive effects, and manage tangible risks and opportunities	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Relations with society

10.5. ESRS CONTENT INDEX

ESRS STANDARD	INDICATOR	Page Numbers, Descriptions and/or Direct Replies
ESRS S4	**Consumers and end users**	
ESRS 2, SBM-2	Interests and opinions of stakeholders	Stakeholder Management Customer Satisfaction Approach Stakeholder views are included throughout the report
ESRS 2, SBM-3	Concrete impacts, risks and opportunities and their relationship to strategy and business model	Sustainability Risk and Opportunities Management Approach
S4-1	Policies for consumers and end users	Social Positive Impact Studies
S4-2	Processes for interacting with consumers and end users	Ethics and Compliance
S4-3	Processes to reduce negative impacts and channels for consumers and end users to voice their concerns	Ethics and Compliance
S4-4	Taking action on the concrete impact on consumers and end users, reducing concrete risks, approaches to evaluating opportunities and evaluating the effectiveness of these actions	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Product and Service Quality Customer Satisfaction
S4-5	Targets to manage tangible negative effects, increase positive effects, and manage tangible risks and opportunities	Corporate Risk Management Sustainability Risk and Opportunities Management Approach Product and Service Quality Customer Satisfaction
Governance Standards		
ESRS 2, BP-1	General principles for the preparation of sustainability statements	Sustainability Approach and Governance Structure
ESRS 2, BP-2	Explanations on specific situations	Our Financial Collaborations
ESRS 2, GOV-1	The role of management, administrative and supervisory bodies	Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure
ESRS 2, GOV-2	Sustainability issues addressed with information provided to administrative, management and supervisory bodies	Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure
ESRS 2, GOV-3	Integration of sustainability-related performance into incentive systems	Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure Our Human Resources Approach
ESRS 2, GOV-4	Due diligence statement	Ethics and Compliance
ESRS 2, GOV-5	Risk management and internal control mechanisms for sustainability reporting	Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure
ESRS 2, SBM-1	Strategy, business model and value chain	Group Companies and Areas of Expertise
ESRS 2, SBM-2	Stakeholders' views and interests	Stakeholder Management
ESRS 2, SBM-3	Tangible impacts, risks and opportunities and their relationship to strategy and business model	Sustainability Approach and Governance Structure Corporate Risk Management Our Material Topics Sustainability Risk and Opportunities Management Approach
ESRS 2, EURO-1	Determination of financial impacts, risks and opportunities and definition of the evaluation process	Sustainability Approach and Governance Structure Corporate Risk Management Our Material Topics Sustainability Risk and Opportunities Management Approach
ESRS 2, URO-2	ESRS disclosure requirements contained in the organization's sustainability statement	Our Material Topics ESRS Index
ESRS 2, GOV-1	The role of administrative, supervisory and management bodies	Corporate Governance in Yapı Merkezi Organizational Structure Sustainability Approach and Governance Structure
ESRS 2, EURO-1	Definition of processes for identifying and evaluating relevant significant impacts, risks and opportunities in the field of governance	Corporate Governance in Yapı Merkezi Organizational Structure Sustainability Approach and Governance Structure

ESRS STANDARD	INDICATOR	Page Numbers, Descriptions and/or Direct Replies
G1-1	Business management policies and corporate culture	Corporate Governance in Yapı Merkezi Organizational Structure
G1-2	Management of communication with suppliers	Relationships with the Supply Chain Stakeholder Management
G1-3	Prevention and detection of corruption and bribery	Ethics and Compliance Anti-Bribery and Anti-Corruption
G1-4	Cases of corruption and bribery	Ethics and Compliance Anti-Bribery and Anti-Corruption
G1-5	Payment applications	Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure Our Human Resources Approach

10.6. TCFD CONTENT INDEX

Task Force On Climate-Related Financial Disclosures (TCFD) Statement Table

TCFD Recommendation	The description of TCFD	Page Numbers, Descriptions, and/or Direct Replies
GOVERNANCE	a. Explain the board's audit of climate-related risks and opportunities.	Corporate Governance in Yapı Merkezi Sustainability Approach and Governance Structure
	b. Explain the role of management in assessing and managing climate-related risks and opportunities.	
STRATEGY	a. Describe climate-related risks and opportunities identified by the organization in the short, medium and long term.	Sustainability Approach and Governance Structure Sustainability Risk and Opportunities Management Approach
	b. Explain the impact of climate-related risks and opportunities on the organization's activities, strategy and financial planning.	
	c. Explain how resilient the organization's strategy is, taking into account different climate-related scenarios, including a scenario of 2°C or lower temperature rise.	
RISK MANAGEMENT	a. Describe the organization's processes for identifying and evaluating climate-related risks.	Sustainability Approach and Governance Structure Our Material Topics Sustainability Risk and Opportunities Management Approach
	b. Describe the organization's processes for managing climate-related risks.	
	c. Describe how the processes for identifying, evaluating and managing climate-related risks are integrated into the organization's overall risk management system.	
METRICS and OBJECTIVES	and. Describe the metrics the organization uses to assess climate-related risks and opportunities in line with its strategy and risk management process.	Sustainability Approach and Governance Structure Our Material Topics Sustainability Risk and Opportunities Management Approach Environmental Responsibility Appendices
	b. If appropriate, describe Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions, along with the associated risks.	Greenhouse Gas Emissions Appendices
	c. Describe the goals that the organization has set for managing climate-related risks and opportunities and its performance against these goals.	Yapı Merkezi Sustainability Goals

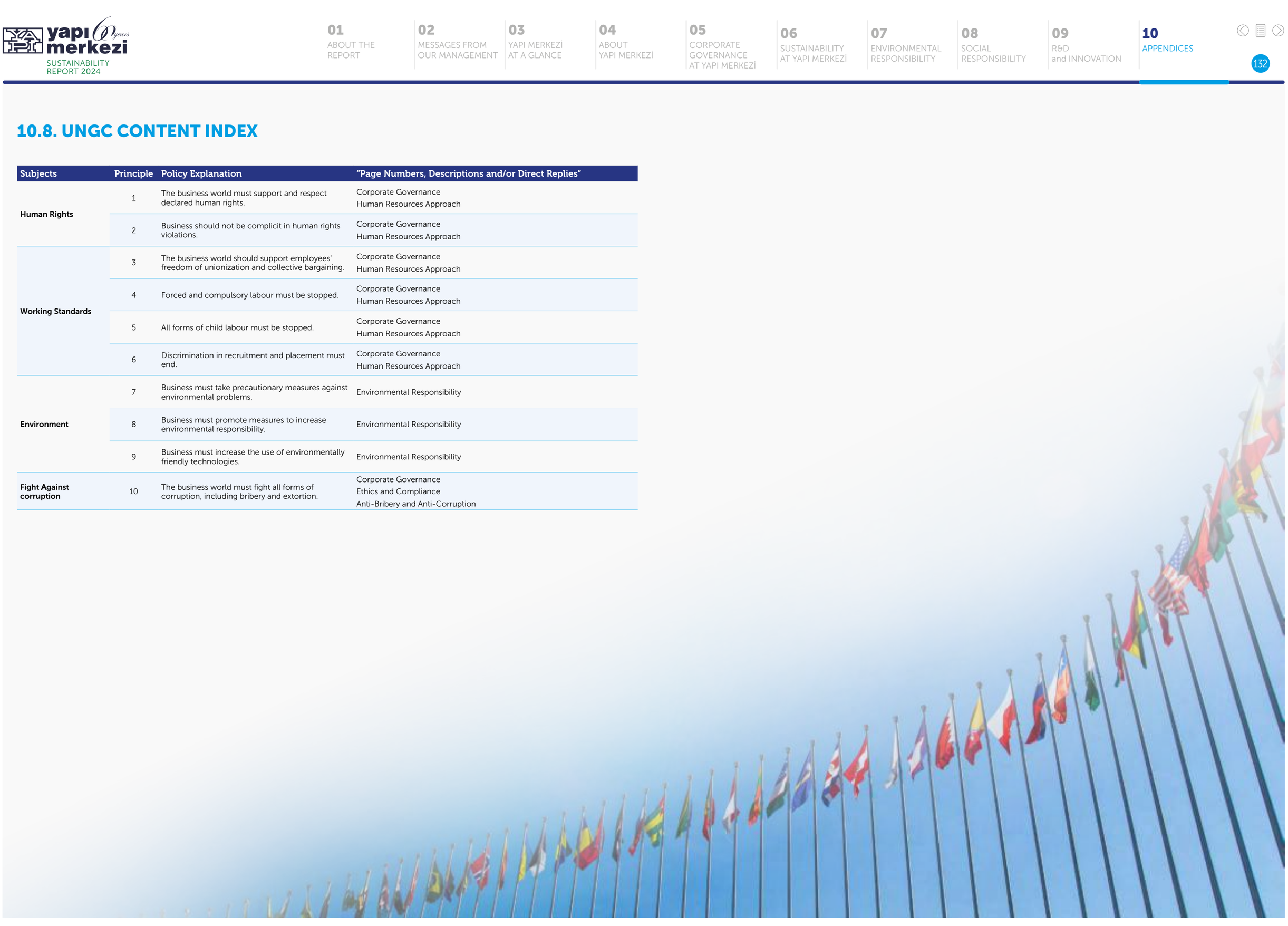
10.7 SASB (SUSTAINABILITY ACCOUNTING STANDARDS BOARD) CONTENT INDEX

Industry Standard (Explanations in accordance with the Guidance on Sector Based Implementation of TSRS 2):	**Engineering and Construction**	Engineering and Construction Services — Sustainability Accounting Standard (SASB), Sustainable Industry Classification System (SICS®) IF-EN, Under the auspices of the International Sustainability Standards Board (ISSB), Industry Standard | Version 2023-12

Thread	Metrical	SASB Reference	Category and Unit of Measure	Page Numbers, Descriptions and/or Direct Replies
Environmental Effects of the Project Development Process	Number of incidents related to non-compliance with environmental permits, standards and regulations	IF-EN-160a.1	Quantity-Number	Within the scope of IF-EN-160a.1, incidents of non-compliance with environmental permits, standards and regulations are monitored and reported. In this context, environmental issues such as waste management, air quality, emissions, water draw and discharges, hazardous material leaks, etc. are evaluated. During the relevant period, 0 (zero) non-compliance with legislation and standards was detected.
	Discussion of processes for assessing and managing environmental risks associated with project design, positioning and construction	IF-EN-160a.2	Discussion and Analysis - Metrics are not available.	Within the scope of the IF-EN-160a.2 metric, the assessment and management of environmental risks in project design, site designation and construction processes are addressed. The company develops sustainable and compatible projects by analyzing environmental risks such as biodiversity impacts, emissions, water management, natural resource consumption, waste management and the use of hazardous chemicals. Environmental impact assessments and stakeholder engagement processes are implemented, and international environmental standards and certification systems (LEED, GSAS, IFC, ISO environmental standards, Equatorial Principles, etc.) are taken into account in relevant projects. Environmental impacts are minimized through operational applications such as waste management, water discharge control and energy efficiency. With full compliance with environmental regulations and permits, correct data management and reporting are carried out with employee training, quality control processes and internal control mechanisms. Detailed information can be found in the Environmental Responsibility section.
Structural Integrity & Security	Total defect and safety-related reprocessing costs	IF-EN-250A.1	Quantity-Currency	Under IF-EN-250A.1, error and safety-related rework costs are reported. Rework includes activities that need to be carried out more than once on the site or processes that require the removal of previously performed works. These costs include labor, materials, design, equipment and related expenses of the exhibitor, and changes caused by the customer or project owner are excluded from this scope. Costs for the relevant period are not disclosed to the public and are shared with relevant stakeholders in financial reporting.
	Total loss of money arising from litigation as a result of defects and security-related incidents	IF-EN-250a.2	Quantity-Currency	Within the scope of IF-EN-250a.2, total monetary losses incurred as a result of legal actions related to errors and security-related incidents are tracked. These losses include court decisions, settlements, penalties and other monetary obligations, and legal expenses incurred for the defense of the corporate are excluded from this scope. Costs for the relevant period are not disclosed to the public and are shared with relevant stakeholders in financial reporting.
Workforce Health & Safety	(1) Total Lost Work Accident Frequency Ratio (TRIR) and (2) mortality rate (a) for direct employees and (b) for subcontracted employees	IF-EN-320a.1	Quantity-Ratio	Within the scope of Occupational Health and Safety indicators, (1) Total Recorded Accident Rate (TRIR) and (2) Mortality rate are described during the reporting period. Detailed data are given in OHS Approach and OHS Performance Indicators
Life Cycle Effects of Buildings & Infrastructure	(1) Number of commissioned projects certified according to third-party multiple sustainability standard and (2) Number of active projects in process to get certificate	IF-EN-410a.1	Quantity-Number	Under IF-EN-410A.1, projects certified to third-party multi-feature sustainability standards and active projects seeking such certification are reported. These standards include sustainability criteria such as energy efficiency, water conservation, material and resource management, and indoor environment quality. Detailed information is contained in the headings About the Yapı Merkezi and the Efforts to Combat the Climate Crisis.
	Process description of how energy and water efficiency considerations in the operational phase are incorporated into project planning and design	IF-EN-410a.2	Discussion and Analysis - Metrics are not available.	Within the scope of IF-EN-410a.2, the process of integrating operational period energy and water efficiency considerations into project planning and design is addressed. Yapı Merkezi incorporates efficiency-oriented applications such as water collection and reuse, insulation and material optimization, energy management, use of water-saving equipment and lighting solutions into its projects. In this process, the operational efficiency of projects is increased by considering design and technological solutions, energy and water use modeling, benefit-cost analysis and performance evaluations. Yapı Merkezi analyzes the legislation, resource constraints and stakeholder expectations in the geographical areas where it operates by shaping their strategies for energy and water efficiency. In addition, global developments, technological developments, analysis of market prospects and competitive analysis studies are carried out in this direction, directing the relevant processes in this direction. Detailed information about Yapı Merkezi, Corporate Governance in Yapı Merkezi, Sustainability and Environmental Responsibility in Yapı Merkezi.
Effects of Business Mix on Climate	(1) Hydrocarbon projects and (2) total business portfolio (backlog) for renewable energy projects)	IF-EN-410b.1	Quantity-Currency	Under IF-EN-410b.1, the amount of accumulated work related to hydrocarbon and renewable energy projects is reported. Yapı Merkezi takes into account the sustainability impacts of these activities when making an overall assessment of ongoing projects. Due to privacy restrictions, currency information is not shared and detailed data can be reviewed through our company's financial reporting. Additional information is provided in the sections "About the Yapı Merkezi" and "Environmental Responsibility".
	Amount of business portfolio cancellations associated with hydrocarbon projects	IF-EN-410b.2	Quantity-Currency	Within the scope of IF-EN-410b.2. there are no accumulated work cancellations related to hydrocarbon-related projects and is 0 (zero).
	Business portfolio amount for non-energy projects to combat climate change	If-en-410b.3	Quantity-Currency	Within the scope of IF-EN-410b.3, the Yapı Merkezi focuses on reducing greenhouse gas emissions, increasing storage capacity and developing low-carbon solutions in the projects carried out. These activities, which may include supporting practices such as carbon capture and storage, are planned with environmental impacts in mind and implemented in line with sustainability-oriented approaches. Due to privacy restrictions, currency information is not shared and detailed data can be reviewed through our company's financial reporting. Additional information is also provided in the section "Environmental Responsibility".
Ethics & Compliance	(1) Active projects in countries ranked 20 lowest in Transparency International's Corruption Perception Index and (2) number of business portfolio (backlog	IF-EN-510a.1	Quantity-Number	Countries in which we operate Main Project Indicators of Yapı Merkezi In the relevant reporting period, we do not have any construction projects in the countries with the lowest 20th place in Transparency International's Corruption Perception Index (CPI) 2024.
	(1) Bribery or corruption and (2) total monetary losses arising from lawsuits related to anti-competitive practices	IF-EN-510a.2	Quantity-Number	There is no monetary loss in the relevant reporting period as a result of any litigation related to bribery, corruption or anti-competitive practices and is 0 (zero).
	(1) Prevention of bribery and corruption, (2) Explanation of policies and practices to prevent anticompetitive behaviour	IF-EN-510a.3	Discussion and Analysis	Ethics and Compliance Anti-Bribery and Anti-Corruption
Activity Metrics	Number of active projects	Quantity-Number	Quantity-Number	Within the scope of IF-EN-000.A, active projects are defined as building and infrastructure projects (Yapı Merkezi İnşaat: 22, YM İDİS: 10) for which the corporate provides services in the design and construction phases as of the end of the reporting period.
	Number of projects commissioned	Quantity-Number	Quantity-Number	Within the scope of F-EN-000.B, commissioned projects (YM İDİS 2 units) are defined as projects that are completed and ready for service during the reporting period.
	Total amount of accumulated work	Quantity-Currency	Quantity-Currency	During the relevant reporting period, the total amount of accumulated work related to the projects carried out within Yapı Merkezi İnşaat and YM İDİS was calculated from the contract prices. Due to privacy restrictions, currency information is not shared and detailed data can be reviewed through our company's financial reporting.

10.8. UNGC CONTENT INDEX

Subjects	Principle	Policy Explanation	"Page Numbers, Descriptions and/or Direct Replies"
Human Rights	1	The business world must support and respect declared human rights.	Corporate Governance Human Resources Approach
	2	Business should not be complicit in human rights violations.	Corporate Governance Human Resources Approach
Working Standards	3	The business world should support employees' freedom of unionization and collective bargaining.	Corporate Governance Human Resources Approach
	4	Forced and compulsory labour must be stopped.	Corporate Governance Human Resources Approach
	5	All forms of child labour must be stopped.	Corporate Governance Human Resources Approach
	6	Discrimination in recruitment and placement must end.	Corporate Governance Human Resources Approach
Environment	7	Business must take precautionary measures against environmental problems.	Environmental Responsibility
	8	Business must promote measures to increase environmental responsibility.	Environmental Responsibility
	9	Business must increase the use of environmentally friendly technologies.	Environmental Responsibility
Fight Against corruption	10	The business world must fight all forms of corruption, including bribery and extortion.	Corporate Governance Ethics and Compliance Anti-Bribery and Anti-Corruption



10.9. YAPI MERKEZİ SUSTAINABILITY REPORTING TEAM

There is cooperation in the structure of this report

As Yapı Merkezi, we have been building happiness in different geographies of the world for more than 60 years. For us, sustainability is not just a necessity; it is a fundamental part of our responsibility to society, the environment and future generations.

At the foundation of our continuous development since our establishment is our understanding of responsible management and ethical engineering. This understanding is built on our vision based on environmental awareness, science and social responsibility.

Our founders, with their engineering principles and values, not only guided our current approach to sustainability, but also inherited our vision of seeing every project as a work of art.

From their point of view:

"Sustainability has a meaning that extends to persistence, to self-sufficiency, to endurance to difficulties, not to fail, to rebirth from the ashes, even years. The source is nature... He proposes to consider nature as a mentor, not a resource."

This inspiring perspective enables our understanding of sustainability to guide not only theory, but also all of our corporate practices. We shape Yapı Merkezi's Sustainability Reports with the same understanding, with contributions from different disciplines. We believe that sustainability is the shared responsibility of not just one team, but the entire Yapı Merkezi family. All of our teammates who contributed to the process of preparing our sustainability report not only rigorously ensured the accuracy of the data, but also contributed significantly to creating a transparent, inclusive and meaningful integrity of the contents. They further enriched this work with their interdisciplinary expertise. This joint work adds strength to our YAPI, but also reflects our culture of transparency, trust and accomplishment together. We will continue to build the sustainability of the future with the same conviction, together with you, our valued stakeholders.

Note on the Reporting Process

All editorial, **writing, data collection, internal auditing/verification** and **calculation processes of this report** were carried out by the teams of the relevant group companies and subsidiaries in coordination with Yapı Merkezi Holding's Sustainability and Business Excellence Department. No external consultancy services were used in the preparation of the report; **all content, methodology and analysis were created with Yapı Merkezi's own corporate know-how, technical expertise and sustainability vision.**

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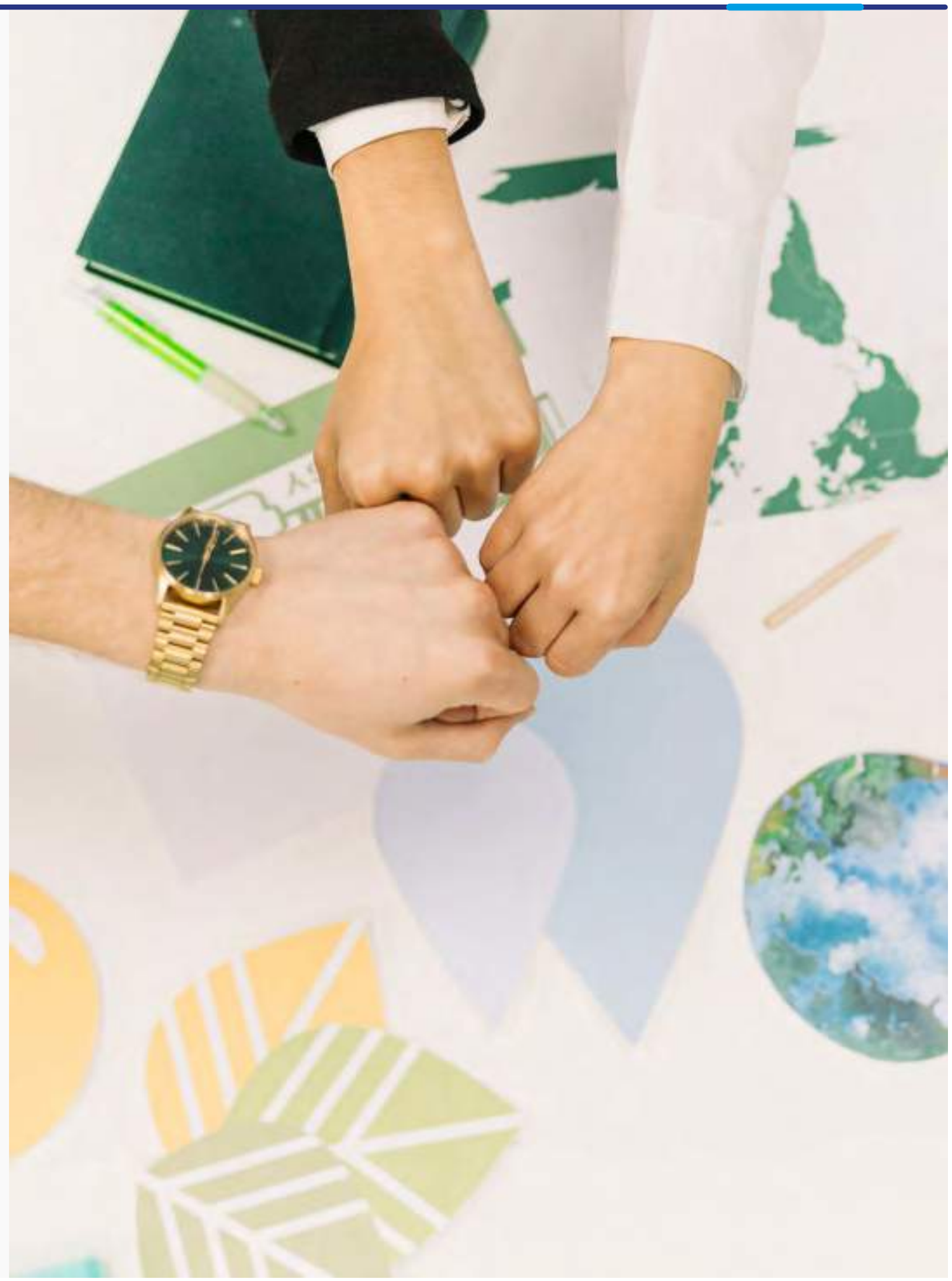

10.9. YAPI MERKEZİ SUSTAINABILITY REPORTING TEAM

Yapı Merkezi Sustainability Reporting Team

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Gülsüm Güneş

LEGAL NOTICE

The Yapı Merkezi Holding A.Ş. Sustainability Report (“Sustainability Report”) has been prepared by Yapı Merkezi Holding A.Ş., its group companies, direct and/or indirect subsidiaries and affiliated companies (hereinafter referred to collectively as “Yapı Merkezi”). The report has been prepared in alignment with the GRI Standards, the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations, the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) adopted by the European Union, the United Nations (UN) Global Compact, the International Financial Reporting Standards (IFRS) and the Turkish Sustainability Reporting Standards (TSRS) — including TSRS S1 “General Requirements for Sustainability-related Financial Disclosures” and TSRS S2 “Climate-related Disclosures”.

The Sustainability Report and all data, information and analyses contained herein have been prepared in good faith for informational purposes only, using sources and information believed to be accurate and reliable during the reporting period. The report is not intended to form the basis of any investment decision.

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yapı merkezi 60 years

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