

iŞ LEASING



2025
TSRS Compliant
Sustainability Report





**CONVENIENCE TRANSLATION INTO ENGLISH OF
PRACTITIONER'S LIMITED ASSURANCE REPORT
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON
İŞ FİNANSAL KİRALAMA A.Ş. AND ITS SUBSIDIARY SUSTAINABILITY INFORMATION
IN ACCORDANCE WITH TURKISH SUSTAINABILITY REPORTING STANDARDS**

To the General Assembly of İş Finansal Kiralama A.Ş.,

We have undertaken a limited assurance engagement on İş Finansal Kiralama A.Ş. and its subsidiary (collectively referred to as the "Group") sustainability information for the year ended 31 December 2025 in accordance with Turkish Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkish Sustainability Reporting Standards 2 "Climate Related Disclosures" (the "Sustainability Information").

Our assurance engagement does not extend to information in respect of other information linked to the Sustainability Information (including any images, audio files, document embedded in a website or embedded videos).

Our Limited Assurance Conclusion

Based on the procedures we have performed as described under the 'Summary of the work we performed as the basis for our assurance conclusion' and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's Sustainability Information for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with Turkish Sustainability Reporting Standards published in the Official Gazette dated 29 December 2023, and numbered 32414(M) and issued by Public Oversight Accounting and Auditing Standards Authority (the "POA").

Inherent Limitations in Preparing the Sustainability Information

As discussed in "Calculation Principles Regarding Metrics" section included in the Appendix 1 on the pages 49 to 52, the Sustainability Information is subject to inherent uncertainty because of incomplete scientific and economic knowledge. Greenhouse gas emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge. Additionally, the Sustainability Information includes information based on climate-related scenarios that is subject to inherent uncertainty because of incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future physical and transitional climate-related impacts.

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

The Group management is responsible for:

- Preparation of the Sustainability Information in accordance with Turkish Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- The Group management is also responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and developing estimates in accordance with the conditions.

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

Practitioner's Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Group management.
- Risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, are performed, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of Sustainability Information.

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information as doing so may compromise our independence.



Professional Standards Applied

We performed a limited assurance engagement in accordance with Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and, in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements 3410, "Assurance Engagements on Greenhouse Gas Statements", issued by POA.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") issued by the POA, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the work of experts, in particular, to assist with determining the reasonableness of Group's information and assumptions related to climate and sustainability risks and opportunities. We remain solely responsible for our assurance conclusion.

Summary of the Work We Performed as the Basis for Our Assurance Conclusion

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Sustainability Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information:

- Inquiries were conducted with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- The Group's internal documentation was used to assess and review the information related to sustainability;
- Considered the presentation and disclosure of the Sustainability Information.
- Through inquiries, we obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information, but we did not evaluate the design of particular control activities, did not obtain evidence about their implementation or did not test their operating effectiveness;
- We evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates;
- We obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.



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

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Ramazan Yüksekaya, SMMM
Independent Auditor

Istanbul, 10 June 2026

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List of Abbreviations

BRSA	Banking Regulation and Supervision Agency
BIST	Borsa İstanbul
CMIP5	Coupled Model Intercomparison Project Phase 5
E&S	Environmental and Social
ESG	Environmental, Social and Governance
ESMS	Environmental and Social Management System
DMSP	Defense Meteorological Satellite Program
EBRD	European Bank for Reconstruction and Development
ERA5	ECMWF Reanalysis 5
FIRMS	Fire Information for Resource Management System
FKB	Financial Institutions Association of Türkiye
GHG Protocol	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard
GUF	Global Urban Footprint
IBRD	International Bank for Reconstruction and Development
IFC	International Finance Corporation
IPCC	Intergovernmental Panel on Climate Change
POA	Public Oversight, Accounting and Auditing Standards Authority
GWP	Global Warming Potential
MODIS	Moderate Resolution Imaging Spectroradiometer
NASA	National Aeronautics and Space Administration
NOAA	National Oceanic and Atmospheric Administration
NTL / NTLD	Night-Time Lights Data
RCP 4.5	Representative Concentration Pathway 4.5
RCP 8.5	Representative Concentration Pathway 8.5
CMB	Capital Markets Board of Türkiye
TRY	Turkish Lira
TSRS	Türkiye Sustainability Reporting Standards
VIIRS	Visible Infrared Imaging Radiometer Suite
WCI	Water Crowding Index
WBG	Wet Bulb Globe Temperature

Introduction

INTRODUCTION

1.1 ABOUT İŞ FINANSAL KIRALAMA A.Ş.

İş Finansal Kiralama A.Ş. (“İş Leasing” or the “Company”) is one of the first financial leasing companies established in Türkiye and, with its deep-rooted experience and pioneering position, continues to contribute to the development of the financial leasing sector. The Company offers differentiated products and services tailored to the financing needs of its customers and serves a broad customer base.

İş Leasing was established in 1988 through a partnership between Türkiye İş Bankası A.Ş., the International Finance Corporation (IFC), a member of the World Bank Group, and Société Générale. İş Leasing accelerated its growth and development process when Türkiye İş Bankası acquired the shares held by foreign shareholders in 1995.

Following its initial public offering in 2000, İş Leasing became a publicly listed company, with 39.09% of its shares traded on Borsa İstanbul. The Company is included in the BIST Financial, BIST Star, BIST Corporate Governance, BIST Sustainability and BIST Leasing, Factoring indices.

The Company operates through 16 branches located in regions where Türkiye’s production and trade activities are concentrated, and, through this extensive service network, reaches customers of different sectors and scales.

The Company’s activities are carried out under Law No. 6361 on Financial Leasing, Factoring, and Financing Companies Regulations. Within this framework, movable and immovable assets that qualify as fixed assets may be subject to financial leasing transactions. In this context, the financial leasing services offered by İş Leasing cover a broad range of assets and sectors, extending from photovoltaic panels, inverters and other energy equipment for renewable energy projects; to construction machinery and metal processing and manufacturing equipment for the industrial and construction sectors; to commercial and industrial real estate projects and vehicles for land, air and sea transport; to medical devices for the healthcare sector and machinery used in textile production processes; to equipment for the tourism sector and devices related to electronic and optical technologies; to printing and publishing equipment used in the publishing sector, office equipment that enhances office productivity and computer software products.

This diversity enables the Company to develop flexible financing solutions tailored to the investment needs of customers operating in different sectors and at different scales, while also contributing to the balanced diversification of its portfolio structure.

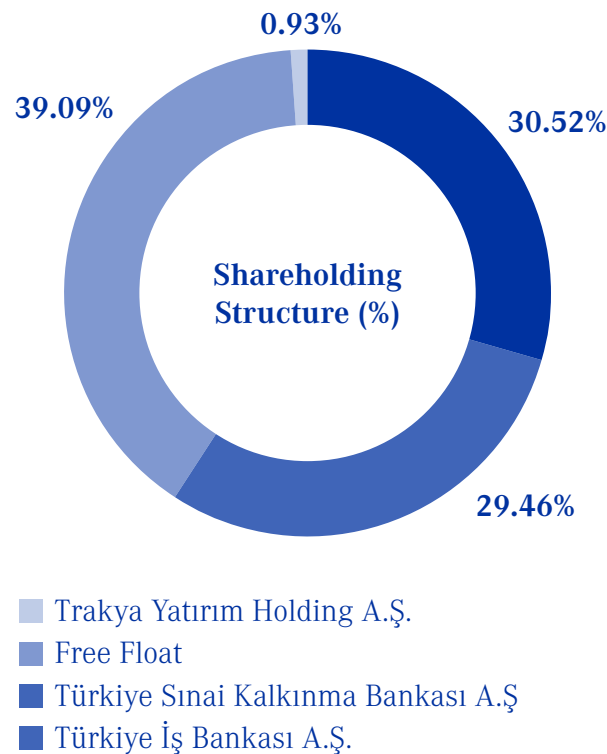
Through its innovative practices in the financial leasing sector, İş Leasing has contributed to sectoral development and pioneered applications in areas such as leasing syndication, aircraft financing and sale-and-leaseback transactions. Within the framework of its strong funding structure and effective balance sheet management, the Company contributes to the financing of investment projects and plays an active role in supporting the real economy, particularly through financing provided to sectors that create employment and added value.

Table 1. Shareholding Structure

Shareholder	Capital Amount (TRY)	Share of Capital (%)
Türkiye İş Bankası A.Ş.	212,231,302	30.52%
Türkiye Sınai Kalkınma Bankası A.Ş.	204,850,378	29.46%
Trakya Yatırım Holding A.Ş.	6,482,769	0.93%
Free Float	271,738,196	39.09%
Total	695,302,645	100%

İş Faktoring A.Ş. (“İş Faktoring”), in which İş Leasing is the principal shareholder with a 78.23% stake, operates in domestic and international markets by providing financing, guarantee and collection services. In this report, İş Leasing and its subsidiary İş Faktoring are jointly referred to as the “Group”. Through its membership in the international factoring network, İş Faktoring offers its customers the ability to obtain services on a global scale and operates through its Head Office in Istanbul and branches across Türkiye. This structure broadens the Group’s value chain in financial services and contributes to the provision of integrated solutions to customer needs.

Recognising sustainability as an integral component of the way it conducts business, İş Leasing integrates a long-term value creation approach for its stakeholders into its operations and evaluates environmental, social and governance (“ESG”) considerations as part of its business model, value chain and decision-making processes.



Value Chain

In preparing its sustainability- and climate-related financial disclosures, İş Leasing considered the entire value chain associated with its business model, covering both its own operations and those of its subsidiary. Accordingly, the Group’s direct operations, together with upstream and downstream value chain elements of the value chain linked to its activities, were included in the scope of reporting.

The value chain approach aims to assess, from a holistic perspective, the potential impacts of climate-related risks and opportunities on the Group’s operations, procurement and service processes, and customer interactions. Within this framework, the financial effects of such risks and opportunities have been addressed in line with the principles set out in the Türkiye Sustainability Reporting Standards (“TSRS”).

Given the nature of the Group’s financial leasing and factoring activities, its value chain exhibits a multidimensional structure and is addressed within the framework of the following components:

Table 2. Group Value Chain

Value Chain Element	Sub-element	Description
Upstream	Product and Service Providers	Manufacturers of leased assets, consultancy and audit services, technology and software providers and leasing transactions carried out for internal use (including company vehicles and branch leases)
	Providers of Financial Resources	Lenders (IFC, EBRD, IBRD, World Bank, etc.), investors and shareholders
	Regulatory and Compliance Institutions	BRSA, CMB, FKB, POA, Rating Agencies
Direct Operations	Financial Leasing Activities	Asset management, insurance processes, lease contract management
	Employees	Human resources involved in the execution of operational processes related to financial leasing and factoring activities, management of customer relations and risk assessment activities
	Factoring Activities	Structuring of factoring transactions, customer assessment processes, management of receivables assignment and financing operations
	Second-Hand Sales Channels	Management of second-hand sales processes for repossessed assets following administrative follow-up, including pricing, marketing and sales operations
Downstream	Customer Support Services	Activities aimed at responding to customer requests, carrying out post-transaction support processes and ensuring service satisfaction
	Collection and Receivables Monitoring	Carrying out collection processes related to financial leasing and factoring transactions, monitoring receivables and tracking repayment performance

1.2 ABOUT THE REPORT

The Türkiye Sustainability Reporting Standards entered into force upon publication in the Official Gazette dated 29 December 2023 and are applicable for accounting periods beginning on or after 1 January 2024. As İş Leasing is subject to the regulation and supervision of the Capital Markets Board and has exceeded at least two of the threshold values defined under the TSRS for two consecutive reporting periods, the Company has become obliged to prepare sustainability reporting in accordance with the relevant standards. Accordingly, the report prepared for 2025 has been developed in line with the disclosure requirements set out in TSRS 1 “General Requirements for Disclosure of Sustainability-related Financial Information” and TSRS 2 “Climate-related Disclosures”. Within this framework, sustainability and climate-related matters have been addressed through a holistic approach covering governance structure, strategic approach, risk management processes, metrics and targets.

In addition to İş Leasing’s activities, the report has been prepared to include disclosures regarding climate-related governance, strategy, risk management, metrics and targets for the period ended 31 December 2025, also covering its subsidiary İş Faktoring. Unless otherwise stated, all information and statements included in this report also

covers İş Faktoring together with İş Leasing. The financial and non-financial information presented in the report has the characteristics of being comparable, verifiable, timely and understandable and has been faithfully presented in accordance with the principles specified in the TSRS.

With respect to the sector-based disclosures of TSRS 2, the applicability of guidance sources relating to the sectors in which İş Leasing and its subsidiary operate has been assessed. In preparing the report, İş Leasing considered all the sector-based Guidance for the Implementation of TSRS 2; however, as there is no dedicated sector specific volume directly applicable to the financial leasing sector and the risks within the consolidation structure were assessed as not creating a material financial effect therefore, no sector-based disclosure volume was deemed applicable.

Connection with Financial Disclosures

The sustainability and climate-related disclosures included in this report have been prepared for the Group and should be read together with the consolidated financial statements. The report covers a 12-month period for the year ended 31 December 2025 and is aligned with the reporting period of the [consolidated financial statements](#). Unless otherwise stated, all financial information in the report is presented in Turkish Lira (TRY).

Materiality Assessment

In determining disclosures related to climate-related risks and opportunities, the principle of financial materiality as defined under the TSRS has been taken as a basis, and the potential effects of such risks and opportunities on the Group’s financial position, financial performance and cash flows have been considered. Within this scope, qualitative and quantitative assessments were considered together based on management judgement and available data sets, and it was decided to include the relevant information within the scope of the report.

In its 2025 TSRS-compliant Sustainability Report, the Company considers a matter to be financially material if the actual or expected effect exceeds 5% of current-year consolidated profit before tax, in light of all these assessments. It has been concluded that this benchmark is appropriate from the perspective of financial soundness and risk management, taking into account the Company’s performance measurement criteria and sector benchmarks. In determining the financial materiality threshold, sector practices, international reporting frameworks and the Group’s risk profile were assessed together, and this threshold may be updated depending on future developments.

Transition Reliefs

The Group's TSRS-compliant Sustainability Report prepared for 2025 is its second report prepared under the TSRS. Under the Board Decision published by the POA on 25 December 2025 titled "Board Decision on the Exemptions to be Applied in the Preparation of Sustainability Reports for the 2025 Financial Year by Entities Reporting Sustainability Information in Compliance with TSRS for the First Time in the 2024 Reporting Period", it was decided that the transition reliefs envisaged for the first-year application of TSRS 1 would continue to be valid throughout the 2025 reporting period. Accordingly, the extension by one year of the transition provisions in paragraphs E4, E5 and E6(b) of TSRS 1 was enacted. In this context, İş Leasing benefits from the following exemptions in its 2025 TSRS-compliant Sustainability Report:

- **TSRS 1 E4:** The Company publishes its TSRS-compliant Sustainability Report after the issuance of financial statements for the period 1 January 2025-31 December 2025 have been issued.
- **TSRS 1 E5:** The Company has disclosed information only on climate-related risks and opportunities.
- **POA Board Decision Temporary Article 3:** Scope 3 greenhouse gas emissions are not disclosed within the scope of the 2025 TSRS-compliant Sustainability Report.

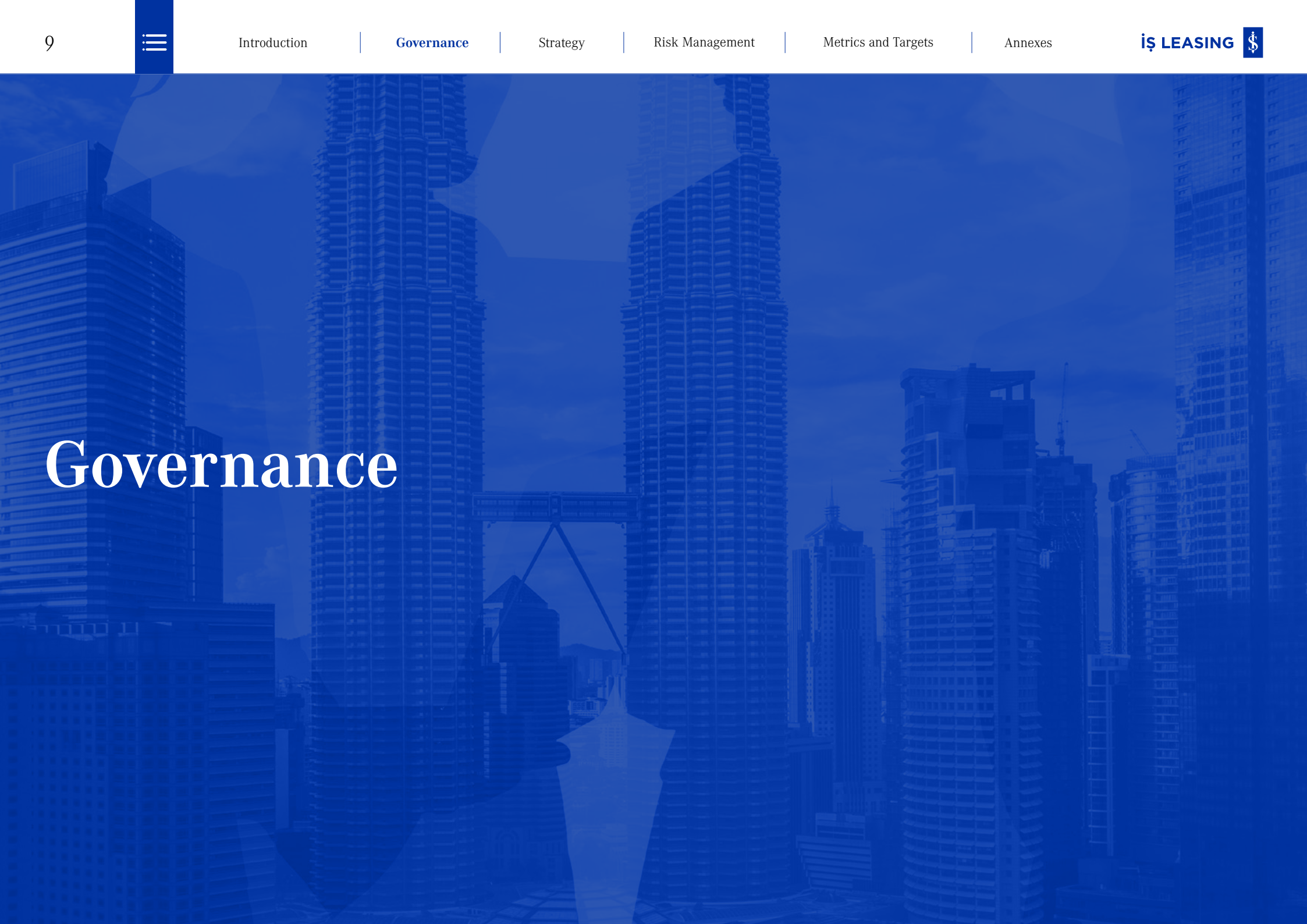
Reporting Entity Boundaries and Measurement Approach

In determining its organisational boundaries for greenhouse gas emissions reporting, İş Leasing has used the financial control approach. The Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004) allows the use of operational control, financial control and equity share approaches in setting scopes and boundaries. Accordingly, by selecting the financial control approach, İş Leasing includes in its GHG inventory the emissions arising from all operations under its financial control. Measurement inputs, assumptions, methodological approaches and measurement uncertainties used in the calculations are reviewed regularly in each reporting period and updated where necessary. No change was made in the current reporting period compared with the previous reporting period with respect to the methodology.

Assumptions and Measurement Uncertainties

During the preparation of the report, the processes for identifying climate-related risks and opportunities and determining the material information to be reported were submitted to Senior Management for review and approval, and decisions were taken in line with these assessments. In addition, reasonable assumptions and estimates were used for certain data that could not be measured or calculated directly. These assumptions and estimates were applied taking into account the entire value chain as well as the framework created by forward-looking information and data limitations. Disclosures regarding the key assumptions, estimates and measurement uncertainties used in the assessment of climate-related risks and opportunities are presented in detail in the "[Strategy](#)" and "[Annexes](#)" sections.

Governance



GOVERNANCE

In line with its corporate vision, İş Leasing considers sustainability as an integrated whole encompassing environmental, social and economic dimensions. In this context, sustainability is not viewed as being limited solely to operational practices; rather, it is addressed holistically through the corporate governance structure, decision-making mechanisms, risk management processes and performance monitoring systems. Long-term value created through activities and impacts on stakeholders is treated as key priorities, and strategic planning decisions are shaped with due regard to compliance with national legislation and international regulations and standards. By addressing the management of sustainability matters within the framework of corporate responsibility, the Company aims to establish a transparent and accountable governance structure aligned with its long-term growth objectives.

The Company's Board of Directors comprises members with a diversity of knowledge, skills, expertise and experience to oversee sustainability and climate-related risks and opportunities and the strategies to be adopted in response to these risks and opportunities. Four committees operate within the Board of Directors: the Corporate Governance Committee, the Audit Committee, the Early Detection of Risk Committee and the Credit Committee. Within these

committees, processes are carried out for the identification, assessment, monitoring and determination of the necessary actions regarding sustainability- and climate-related risks and opportunities. During 2025, the Board of Directors held a total of four meetings.

The Corporate Governance Committee ensures the effective implementation of corporate governance principles at İş Leasing and coordinates the conduct of sustainable communication with stakeholders by overseeing the activities of the Investor Relations Department. It also undertakes various activities such as training sessions and internal workshops in order to foster the adoption of a corporate governance culture among employees. The Committee consists of four members and also performs the functions of the Nomination Committee and the Remuneration Committee. It monitors İş Leasing's corporate governance practices and makes recommendations for improvement. Developments and processes related to sustainability are reported to the Corporate Governance Committee quarterly, four times a year.

The Audit Committee is responsible for overseeing the Company's accounting and financial reporting processes and the functioning and effectiveness of the independent audit,

internal control and internal audit systems. The follow-up and assessment of priority matters are carried out by this committee. In line with the annual audit plan, all departments and branches are subject to audit, and additional regulatory audits are also performed.

The Early Detection of Risk Committee conducts studies aimed at the early identification, monitoring and determination of the necessary measures in respect of risks that may affect the Company's existence, development and long-term sustainability.

The Credit Committee evaluates credit allocation processes within the framework of established authority and approval mechanisms and ensures that the Company's credit policies are implemented in line with its risk appetite.

Reports prepared as a result of audits are regularly submitted to the Board of Directors through the Audit Committee and the Early Detection of Risk Committee.

2.1. SUSTAINABILITY GOVERNANCE

İş Leasing positions sustainability as one of the cornerstones of its long-term strategy and accordingly adopts a comprehensive sustainability management system. This structure has been established to measure, monitor and manage economic, environmental and social impacts and has been developed in an integrated manner with the Company's overall business strategy and decision-making mechanisms. Sustainability studies within the specified scope are coordinated by the Sustainability Committee (hereinafter also referred to as the "Committee"), led by the Sustainability Manager. The Committee reports to the General Manager and, through the Corporate Governance Committee, to the Board of Directors. Decisions taken by the Committee in line with İş Leasing's sustainability targets are effectively implemented by the Sustainability Working Group. The Sustainability Governance Structure and the duties of the relevant bodies are framed by the Company's Environmental and Social Management System (ESMS) Procedure and the Sustainability Committee Terms of Reference.

With the establishment of the Sustainability Unit in 2024, sustainability governance was expanded in scope and was carried out in 2025 by three bodies:



- **Sustainability Committee:** In line with İş Leasing's sustainability priorities, the Committee evaluates corporate policies, strategies and roadmaps. It is responsible for determining sustainability policies, targets and practices, monitoring and reporting performance, and ensuring compliance with applicable legislation and standards. The Committee serves as the senior management body responsible for managing climate- and sustainability-related risks and

opportunities, determining strategic objectives and ensuring their integration into Company activities.

It monitors environmental and social targets and performance indicators determined by the Sustainability Unit and provides guidance in areas identified for improvement. It also monitors the implementation of sustainability strategies, reviews performance regularly and tracks progress through performance indicators.

The Committee regularly informs the Corporate Governance Committee on sustainability-related developments and performance results on a quarterly basis and reports to the Board of Directors through the Corporate Governance Committee. Although meeting frequency may vary depending on agenda, the Committee meets at least four times a year. In 2025, the Committee met 11 times to monitor sustainability performance.

- **Sustainability Working Group:** In order to support the effective implementation of the decisions taken by the Sustainability Committee in line with İş Leasing's sustainability goals, the Working Group is a working subgroup composed of individuals competent in their respective areas of responsibility and includes team members with expertise in sustainability. In addition, the Chair of the Working Group reports the work carried out to the Sustainability Committee on a monthly basis.
- **Sustainability Unit:** The Unit is responsible for determining the Company's sustainability targets, integrating these targets into strategic plans and establishing procedures and instructions related to ESG policy. The Unit follows legal developments in the field of sustainability and the practices of the Türkiye İş Bankası Group to ensure that policies and processes remain up to date; identifies priority issues; carries out the preparation, implementation and follow-up of improvement efforts related to such issues. By ensuring the collection, analysis and reporting of data related to sustainability performance, the Unit contributes to the integrated execution of controls and procedures across internal functions that support management's oversight of climate and sustainability-related risks and opportunities. The Unit supports E&S assessments related to allocation processes and, where

deemed necessary, ensures the preparation of E&S reports for financed projects. It undertakes coordination with relevant units for the execution of the Company's Sustainability Report as well as greenhouse gas inventory calculation and reporting processes, and contributes to the development of social responsibility projects. It develops continuous improvement proposals and monitors implementation in areas such as energy efficiency, waste management and water conservation within the scope of environmental management. The Unit organises training sessions, workshops and workshop-based sessions to increase sustainability awareness across the Company, and follows up the implementation of decisions taken by the Sustainability Committee. It also supports the development of collaborations related to sustainability activities and manages the processes for the preparation and publication of sustainability-focused social media content.

2.2. DUTIES AND COMPETENCIES OF SUSTAINABILITY COMMITTEE MEMBERS

The duties and powers of the Committee are clearly defined within the scope of the Company's sustainability policies, internal regulations and relevant role descriptions and are integrated with the management of climate- and sustainability-related risks and opportunities, strategic decision-making processes, risk management practices and related policies.

The Committee regularly assesses the effects of climate- and sustainability-related risks and opportunities on the Company's strategy, significant transactions, risk management and policy processes and determines remedial actions where necessary. The competencies of the Committee members in the field of sustainability are enhanced through training, workshops and active roles in reporting processes and, where needed, external expert opinions are used to strengthen these capabilities. Through this structure, sustainability-related responsibilities are integrated into the role descriptions of management bodies and relevant departments, and controls and procedures are implemented in an integrated manner with other internal functions.

Table 3. Duties and Competencies of Sustainability Committee Members

Name/Surname	Title	Professional Experience	Duties and Responsibilities	Competencies
F. Zeynettin Maraş	Executive Vice President	24 years	To lead the Company's sustainability processes; coordinate the development of sustainability policies, target-setting and performance monitoring processes; contribute to the preparation process of TSRS studies and reports	Sustainability strategy, sustainable finance, TSRS implementation
Sibel Doğan	Executive Vice President	27 years	To represent the Company in the 30% Club; contribute to work on gender equality, diversity and inclusion	Diversity and inclusion, corporate representation
Hasan Ketenci	Executive Vice President	28 years	To ensure the integration of E&S systems into operations; reflect sustainability policies into business processes; manage operational risks from an ESG perspective; ensure process improvement and cross-functional coordination	Operational efficiency, E&S integration, process management
A. Naci Narşap	Executive Vice President (Joined the Committee in 2025)	26 years	To ensure the effective management of customer and project assessment processes in line with ESG criteria within the scope of financial leasing activities; to lead the analysis and monitoring of the customer portfolio within the framework of sustainability principles	Customer and project assessment, ESG integration, portfolio analysis
Altan İyigün	Marketing Manager	22 years	To chair the Sustainability Working Group; increase sustainability awareness; ensure internalisation of targets and performance monitoring; represent the Company in the UN Global Compact Türkiye	Sustainability communication, stakeholder management, international sustainability trends

2.3. REMUNERATION

The integration of sustainability targets into the performance and bonus system is conducted in line with the authority structure defined in the İş Leasing Remuneration Policy, with ultimate responsibility resting with the Board of Directors, and is reviewed annually. While remuneration practices are monitored and audited by the Remuneration Committee, the implementation and updating of performance criteria are coordinated by the Human Resources Department and the Compensation Committee.

The [Remuneration Policy](#), which includes the criteria used in determining all rights, benefits and remuneration provided to İş Leasing employees, is available on the Company's website.

During the reporting period, there was no standardised system for the quantitative monitoring of senior executive remuneration in connection with climate-related matters. However, three core targets were defined in 2024 within the scope of the performance appraisal process for members of the Sustainability Working Group. The same three core targets remained in place in 2025 as part of the performance appraisal process. These targets support the operational integration of the institution's sustainability strategy and aim to track employee participation through measurable outputs. In addition, sustainability-related metrics have been incorporated into employees' bonus calculations.

The achievement rate of these metrics is directly linked to the reward system. These targets affect the performance appraisal score by 10%. By including sustainability performance indicators in the performance and remuneration system, progress towards climate and sustainability targets is monitored through employee performance appraisal processes. Details of the core targets are provided below.

Participation in Sustainability Working Group Meetings:

Members of the Working Group are expected to attend the Sustainability Working Group meetings planned throughout the year on a regular and uninterrupted basis. Within the scope of this target, continuity of attendance and active participation rate are monitored as performance indicators. Participation is important for the evaluation of sustainability- and climate-related matters on the Committee's agenda, the follow-up of duties and actions determined by the Committee and ensuring the flow of information on sustainability studies. In line with the issues discussed and the decisions taken at Committee meetings, the actions determined are followed up by the Working Group, and developments related to sustainability studies are regularly evaluated at Committee meetings.

Completion of Duties Assigned by the Committee:

Duties and responsibilities defined by the Sustainability Committee are expected to be fulfilled in accordance with the set timeline. This target supports the follow-up of actions

defined within the scope of sustainability activities and the execution of activities in line with the planned schedule. The duties and actions determined in line with the agenda items discussed at Committee meetings are followed up by the relevant units and the Sustainability Working Group; developments and ongoing activities related to sustainability are evaluated and monitored at Committee meetings. In this context, the status of fulfillment of duties assigned by the Committee is taken into consideration during the performance evaluation process.

Development of Sustainability-Focused Proposals and Projects:

Members of the Working Group are responsible for contributing to activities carried out within the scope of climate and sustainability studies, supporting projects and practices developed in line with sustainability targets and presenting proposals on areas for improvement to the Sustainability Committee. In this context, contributions are made to the implementation, monitoring and improvement of activities carried out in line with the sustainability roadmap; proposals related to projects developed within the scope of sustainability and corporate social responsibility activities are submitted for the Committee's evaluation.

İş Faktoring's sustainability management is carried out by the Sustainability Committee established on 10 January 2023.

The Committee is chaired by the Executive Vice President responsible for Financial and Administrative Affairs and consists of the General Manager, Executive Vice Presidents and managers of the Sales, Marketing, Credit, Human Resources and Financial Affairs departments. Reporting to the Committee, the Sustainable Development Working Group was established on 17 June 2022.

The Committee's responsibilities include

- The preparation of İş Faktoring's sustainability strategy and policies,
- Monitoring targets and action plans,
- Integration of sustainability themes into business plans,
- Monitoring national and international regulations and taking the necessary compliance actions,
- Stakeholder communication
- Evaluation of collaborations in the field of sustainability.

2.4. INTEGRATION INTO RISK MANAGEMENT

İş Leasing aims to effectively assess and manage risks arising from its activities by integrating the management

of sustainability- and climate-related risks into its corporate risk management processes.

The Early Detection of Risk Committee operating within the Company conducts activities aimed at the early identification, assessment, and mitigation of risks that may affect İş Leasing's existence, development and continuity. The Committee submits its assessments and recommendations regarding the establishment and development of the risk management system to the Board of Directors in writing and operates directly under the Board. Through the 12 monthly risk reports prepared each year, the Committee conveys to the Board its assessments regarding identified risks and its outputs on the actions to be taken in this context. In addition, the findings and assessments on risk management matters included in the Company's annual report are also reviewed by the Committee.

Climate change-related risks and opportunities are assessed within the scope of studies carried out within the Company, and analyses of the short-, medium- and long-term effects of these risks are being gradually integrated into corporate risk management processes. Work on the Climate Change

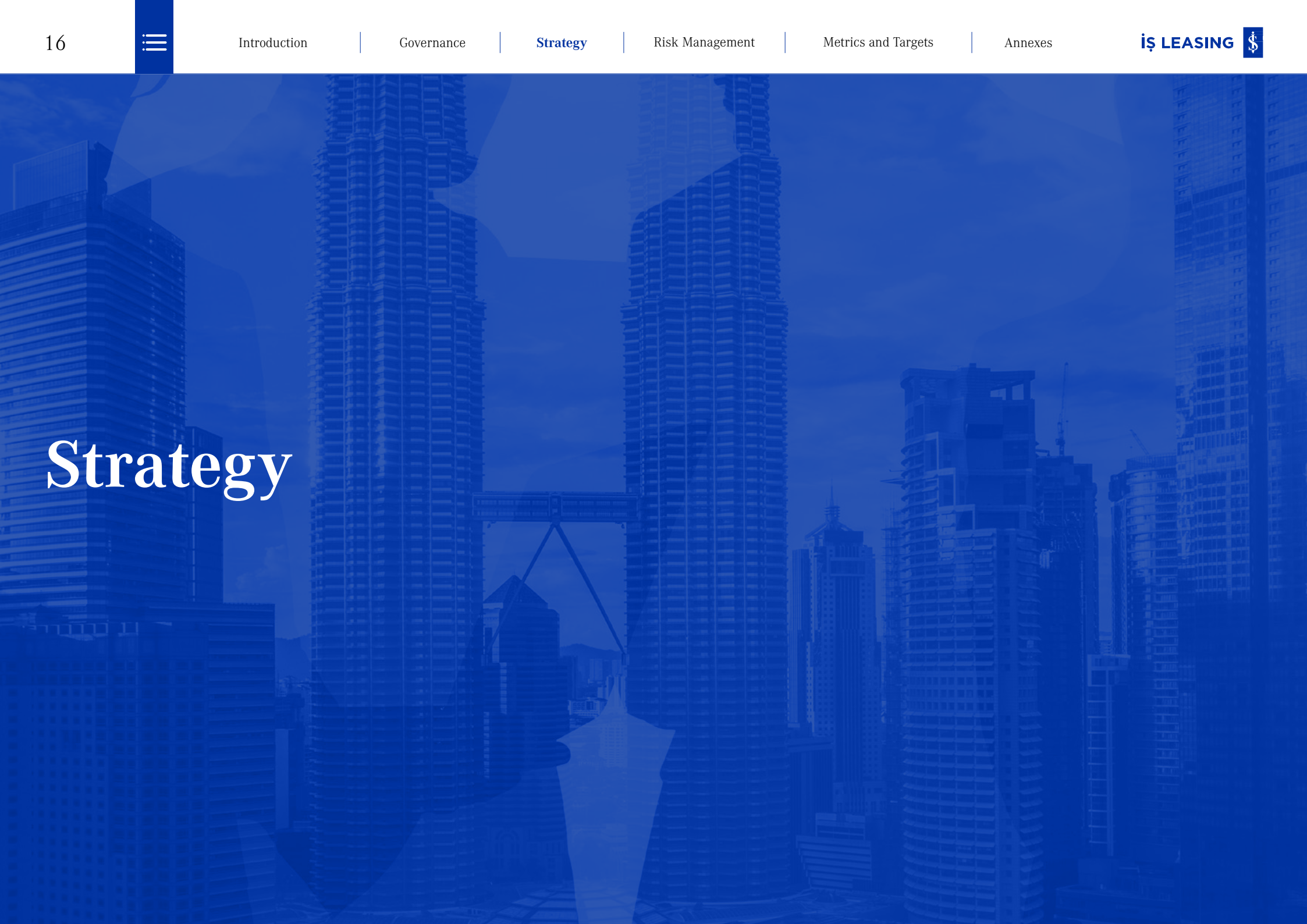
Risk Policy was completed in 2025 and became effective as of 2026. The framework for managing climate-related risks will be further clarified in subsequent reporting periods. In this process, climate risks, together with their financial and operational effects, continue to be taken into consideration within existing risk management practices and assessed by the relevant units (Internal Control, Risk Management, Compliance and Legislation Department and Sustainability Unit).

Findings and assessments identified within risk management processes are addressed at the level of relevant committees and senior management, and the management of sustainability-related risks and opportunities is carried out in alignment with the Company's strategic objectives and activities. Within this framework, operational, strategic and regulatory risks are reviewed and updated once a year through the Company's Risk Catalogue¹ established within İş Leasing.

Risk management practices managed by the Early Detection of Risk Committee are reviewed and revised at least once a year. All risk management processes are carried out in an ethical, transparent and regulatory-compliant manner in line with the Company's sustainability targets.

¹ Climate change risk, which is positioned as a strategic risk in the Risk Catalogue, is addressed with due regard to international best practices and is classified as transition risks and acute and chronic physical risks, and assessed in terms of its potential effects on the portfolio structure, customers' business lines, financed assets and operational processes. In this context, detailed disclosures regarding the identification, classification and analysis of such risks, as well as their integration into strategic planning and risk management processes, are presented in section "4.1.1 Identification and Determination of Risks".

Strategy



STRATEGY

İş Leasing places sustainability at the centre of its corporate strategy and accordingly implements a comprehensive sustainability management system. The Company systematically measures, monitors and manages its economic, environmental and social impacts, particularly in areas such as sustainable finance, diversity and inclusion.

İş Leasing does not assess its activities solely on the basis of financial performance; it also positions environmental responsibility and social value creation as integral elements of its strategic priorities. This strategy is developed, and regularly reviewed and updated in line with the United Nations 2030 Sustainable Development Goals (“SDGs”) and sustainable finance principles.

The Company’s sustainability approach is not limited to internal corporate practices; rather, it aims to create a broader impact through collaborations developed with all stakeholders, including customers, public institutions and civil society organisations. The embedding a sustainability culture throughout the organisation is considered a fundamental element for the long-term success of this strategy.

The key pillars of İş Leasing’s sustainability strategy are as follows:

- Financing of Renewable Energy Projects
- Energy, Water, Raw Materials and Resource Efficiency
- Financing of Projects that Support National Employment
- Support for the Transition to a Low-Carbon Economy
- Measurement of Environmental and Social Risks of Investment Projects
- Waste Management
- Corporate Integrity, Transparency and Innovation

As part of the preparations launched in 2021 to integrate E&S risk assessment processes into credit assessment and allocation processes, İş Leasing conducted work on establishing assessment criteria, structuring processes and developing control mechanisms and, as of 2025, has integrated E&S risk assessment processes into credit processes for all projects, regardless of the amount subject to credit assessment, in line with international practices. Accordingly, E&S risk assessments are applied across all credit processes as of 2025. The potential E&S risks and impacts of financial leasing transactions are evaluated within the framework of local and international

legislation and standards, taking into account criteria such as the nature of the activity, sector, level of environmental and social impact and compliance with the applicable legislation. For customers assessed as having a “High (A)” environmental and social risk level, environmental and social due diligence studies are conducted by external consultants during the financial leasing process, and due diligence reports are prepared.

Details of the projects assessed during 2025 are presented under the section titled [“4.3 Assessment of Environmental and Social Risks”](#) in the report.

3.1 IDENTIFICATION, ASSESSMENT AND ANALYSIS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

İş Leasing addresses climate change as a strategic issue in terms of the resilience of its business model and long-term value creation and evaluates climate-related risks and opportunities in connection with its corporate strategy, portfolio management and growth targets. In line with this approach, the effects of climate-related risks and opportunities arising from the Company's activities and financial leasing portfolio on strategic objectives in the short, medium and long term are analysed regularly.

Accordingly, in 2025 a comprehensive strategic assessment was carried out at Group level for the identification and analysis of climate-related risks and opportunities. During the study, both the current effects and potential future impacts of risks and opportunities were addressed based on time horizons, and their implications for the business model, portfolio structure, financial performance and growth strategies were assessed.

In the assessments, probability and impact criteria for each risk and opportunity were scored on a scale of 1 to 5, and prioritisation was conducted based on the resulting scores. In

analyses by term based, financial impact, capital allocation, portfolio transformation and impacts on the value chain were considered from a strategic perspective. This process supported decision-making mechanisms for managing climate risks and integrating climate opportunities into the Company's business strategy.

As a result of the updated risk and opportunity assessments carried out through workshops across the Group, action plans were developed for priority risks, and the steps to be followed to mitigate risks and increase the resilience of the business model were clarified. On the opportunity side, implementation-oriented initiatives that would support sustainable growth and value creation were addressed, and practical roadmaps were determined based on workshop outputs.

As part of this assessment, the general risks of the leasing sector, the sector-specific priority topics identified by the Sustainability Accounting Standards Board ("SASB"), and the risks evaluated under the World Economic Forum ("WEF") Global Risks Report were reviewed and analysed specifically for the Group's activities. The identified risks were further evaluated with a focus on the areas where they are concentrated, taking into account their impacts on İş Leasing's business model and value chain. Out of the total

of 15 risks assessed, two with high levels of impact and significance were identified as priority risks and included in the scope of reporting. These risks were defined as Physical Climate-Related Receivables Portfolio Risk and Physical Climate-Related Asset and Operational Resilience Risk.

As a result of the assessments made within the scope of the risk and opportunity workshop conducted for İş Faktoring, it was concluded that climate-related risks would not be material, taking into account the financial materiality threshold, when the short-term portfolio structure and effective liquidity management were considered together. It was assessed within the study that climate-related risks that may arise from İş Faktoring's activities did not have a material effect on the Group's activity structure, portfolio characteristics and financial performance in the current reporting period and were therefore not included among the priority risks within the scope of reporting.

On the opportunity side, assessments were made in line with the potential offered to the financial leasing sector by the climate-related transformation process. In this context, a total of five opportunities were assessed, and two opportunities supporting the transformation of the business model, portfolio quality and long-term competitiveness were identified as priorities. These opportunities were defined as Expansion of Sustainable Finance Opportunities and Supporting the Decarbonisation of the Portfolio, which contribute to business model transformation, increased operational efficiency and long-term value creation. The Company aims to strengthen its strategic positioning in these areas.

Within this framework, İş Leasing addresses climate-related risks and opportunities as an integral part of its strategic planning processes, aiming to enhance the resilience of its business model to climate change and to support long-term sustainable value creation.

Risks and opportunities are assessed based on probability and impact, both probability and impact are scored on a scale of 1 to 5.

3.1.1 Short-, Medium- and Long-Term Horizons

İş Leasing evaluates the possible impacts of climate change on its activities, portfolio structure and financial performance from a short-, medium- and long-term perspective. In identifying climate-related risks and opportunities, in addition to internal assessments and process analyses carried out within the Company, stakeholder engagement, national and international guidance and standards and sector trends are taken into account. In this context, the effects of climate change on financial leasing activities are assessed by considering the sectoral distribution of the portfolio, the sectors in which customers operate and the geographic locations of assets.

Table 4. Probability and Impact Score Definitions

Probability/ Impact Score	Probability (Probability definitions are always assessed with reference to the relevant time horizon)	Impact (The potential impact of the risk on the Company’s financial performance, operations and reputation should the risk materialise)
1	Unlikely (not expected to occur within the assessed time horizon)	No Impact (if realised, no financial, operational or reputational impact is expected within the assessed time horizon)
2	Low Likelihood (low likelihood of occurring within the assessed time horizon)	Insignificant Impact (if realised, would create a minor and tolerable impact would not require additional action)
3	Possible (may occur within the assessed time horizon)	Limited Impact (if realised, would create a limited and manageable impact)
4	Highly Likely (very likely to occur within the assessed time horizon)	High Impact (if realised, would create a clear adverse effect on financial performance, operations or objectives)
5	Almost Certain (expected to occur within the assessed time horizon)	Very High Impact (if realised, would create a severe adverse effect on financial performance, operations, or business continuity within the assessed time horizon)

By integrating sustainability into its business model, İş Leasing manages not only environmental and social risks but also the strategic impacts of opportunities in these areas on long-term financial resilience.

The time horizons used within İş Leasing's strategic planning and risk management processes are defined as follows:

- **Short Term (0–1 year):** Initial implications of climate-related risks for new financial leasing contracts; impacts on cash flows and insurance/operational costs together with increasing demand for energy-efficient and environmentally friendly assets.
- **Medium Term (1–5 years):** Transformation of the financial leasing portfolio towards lower-carbon and more sustainable assets; changes in the economic useful life and second-hand value of collaterals due to physical climate risks; and the impact of green leasing and sustainable finance products on portfolio quality and competitiveness.
- **Long Term (5 years and above):** Increasing need to comply with climate and sustainability regulations; the reshaping of the financial leasing business model around green transformation, circular economy and low-carbon investments; and the impact of investors' and lenders' expectations regarding ESG and climate performance on cost of capital and strategic positioning.

These time horizon definitions are aligned with the planning periods used in the Company's strategic planning, risk management and financial assessment processes and form the basis for determining the time horizons in which climate-related risks and opportunities may emerge.

As part of the climate-related risk assessment process, portfolio transactions were examined within the framework of the relevant risk factors, and key physical climate risks were taken into consideration.

In the short term, the impacts of climate-related risks on İş Leasing's portfolio are expected to remain at a limited level.

In the medium term, the impacts of climate change on sectoral transformations and market dynamics are expected to become more pronounced. In this context, the risks that may be faced by customers operating in climate-sensitive sectors, as well as the financing needs arising from the transition to a low-carbon economy, are gaining importance for portfolio management and financing decisions.

In the long term, it is anticipated that the physical impacts of climate change may arise on a broader scale and that, in particular, physical climate risks and the transition to a low-carbon economy may become increasingly decisive for the

financial system and investment decisions. In this regard, within the scope of sustainable finance practices, the financing of low-carbon investments and environmentally beneficial projects is considered among climate-related opportunities. Furthermore, the effective implementation of sustainability strategies contributes to achieving a more balanced portfolio structure in terms of environmental risks, while also supporting the diversification of funding opportunities in the eyes of international financial institutions and investors. In this context, expenditures made for compliance and capacity-building efforts in the field of sustainability may lead to cost increases in the short term; however, they are considered a strategic investments in terms of risk mitigation and strengthening financial resilience in the long term. These assessments contribute to understanding the potential effects of climate change-related physical and transition risks on the financial leasing portfolio over time and to managing the portfolio in alignment with the transition to a low-carbon economy.

As a result of the study, detailed analyses of the finalised risks and opportunities are presented under the section titled [“Climate-Related Risks and Opportunities”](#).

3.1.2 Impact on the Business Model and Value Chain

In addition to its core financial leasing activities, the Group offers integrated financial solutions to its customers through factoring, guarantee and collection services. Serving SME, commercial and corporate customers with a broad range of products and services, the Group is positioned as an integrated structure with global financial markets through its extensive customer reach across Türkiye, strong business partner network, international connections and diversified funding sources.

İş Leasing's business model consists of a multidimensional structure supported by sustainability-focused financing products. This model supports İş Leasing's position in the Turkish financial leasing sector and enables it to assume a strategic role in financing real-sector investments.

As a result of analyses carried out specifically with respect to financial services and the financed asset portfolio, various measures have been developed against potential climate-related risks. In this context, priority is given to financing investments that support sustainable development and contribute to energy efficiency and the low-carbon transition. At the same time, approaches are adopted to increase the share of assets with high resource efficiency and relatively low environmental impact within the portfolio. Through this holistic framework, İş Leasing contributes to the fight against climate change through both its financial sector activities and the real sector activities it finances, and aims to create environmental and social value.

3.2. CLIMATE RESILIENCE AND SCENARIO ANALYSES

3.2.1 Climate-Related Risks and Opportunities

Table 5. Risk 1 – Physical Climate-Related Receivables Portfolio Risk

Type of Risk	Physical Climate-Related Receivables Portfolio Risk (Acute and Chronic Risk)
Value Chain Component	Downstream and Direct Operations
Description	Increasing frequency and severity of extreme weather events, including rising temperatures, drought, water stress, heavy rainfall, floods, storms and other climate-related hazards, give rise to significant physical risks for assets financed by İş Leasing and its collateral structure. Such risks may lead to physical damage to financed assets, disruptions in their use and potential declines in value, thereby exerting pressure on customer cash flows and credit repayment performance. These effects may be concentrated particularly in assets located in geographies more exposed to climate risks and among customers operating in sectors sensitive to climate conditions and may create additional pressure on portfolio resilience in the long term.
Potential Financial Impact	Increase in expected credit loss allowances and, accordingly, a decline in profitability and cash flows
Projected Financial Impact	As a result of studies conducted to assess this climate-related risk, it was concluded that both the current and calculated expected effects of the risk on the loan portfolio and expected credit loss, under different scenario analyses and across different time horizons, remain below the financial impact materiality threshold. These studies are specific to the 2025 analyses; in 2024, the financial effect of the relevant risk could not be measured quantitatively despite reasonable efforts due to measurement uncertainty.
Scenario	IPCC RCP 8.5
Risk Measurement Method	Stressed probability of default and loss given default approach
Actions Taken by İş Leasing	In order to manage the potential adverse effects of physical climate-related risks on the loan portfolio, İş Leasing considers insurance of financed assets to be a fundamental risk mitigant. Under leasing legislation, financed assets are already secured by comprehensive insurance, and the existing high level of insurance coverage materially contributes to protecting the loan portfolio against physical risks. Nevertheless, it is considered that the main effect of climate-driven physical risks on credit risk arises through the weakening of the counterparty's repayment capacity as a result of deterioration in cash flows caused by damage to financed assets or their becoming unusable. Accordingly, securing assets through insurance is regarded as a risk mitigation mechanism that indirectly reduces default risk and expected credit loss by limiting value losses that may arise from physical damage.
Expected Time Horizon	Long
Level of Materiality	Medium
Tracking Metric	Percentage of leased equipment exposed to climate risks (%)

Table 6. Risk 2 - Physical Climate-Related Asset and Operational Resilience

Type of Risk	Physical Climate-Related Asset and Operational Resilience Risk (Acute and Chronic Risk)
Value Chain Component	Direct Operations
Description	Extreme weather events and long-term physical effects caused by climate change may result in physical damage to the Company's own assets (branch, offices, etc.), as well as losses in efficiency and value. These impacts may increase costs related to disaster prevention, adaptation and recovery processes and may create risks of weakening operational resilience and business continuity. In particular, this risk has the potential to create additional pressure on the operational resilience of offices, branches, field operations and the infrastructures supporting these activities. In addition, such risks also have the potential to cause operations to be interrupted or slowed down and create additional costs.
Potential Financial Impact	Increase in operational repair costs, expenses arising from business interruption and compliance costs, leading to a potential decline in profitability
Projected Financial Impact	Risk of an increase in operating expenses and a decrease in asset values in the medium to long term. As a result of assessments conducted to identify climate-related risks, it was concluded that the relevant risk does not create a material effect on the Company's operations and operational risk profile. It was also assessed in the previous reporting period that the relevant risk did not create a material effect. Due to data limitations and measurement uncertainty, no quantitative financial impact analysis has been conducted.
Scenario	IPCC RCP 8.5
Risk Measurement Method	Asset and Collateral Impairment Assessment
Actions Taken by İş Leasing	To mitigate the adverse effects of extreme weather events caused by climate change on operational continuity, İş Leasing strengthens its business continuity plans covering office, branch and field operations and updates these plans regularly to take physical climate risks into account. In this process, insurance coverage for the relevant assets is considered a complementary risk mitigant in order to limit the financial effects related to physical damage that may arise in the event of operational disruption. In addition, the Company undertakes improvement efforts to make its office, branch and Information Technology ("IT") infrastructure more resilient to extreme weather events and aims to minimise operational interruption risks by increasing infrastructural resilience and to ensure operational continuity in the long term.
Expected Time Horizon	Long
Level of Materiality	Medium
Tracking Metric	Percentage of Assets Located in High Flood Risk Areas (%)*

*The relevant tracking metric could not be assessed quantitatively, as calculations were not completed either in the previous reporting period or the current reporting period. Quantitative assessments will be added in future reporting periods.

Table 7. Opportunity 1 - Enhancing ESG Performance and Expanding Sustainable Finance Opportunities through Access to International Partnerships and Thematic Funds

Definition of Opportunity*	Enhancing ESG Performance and Expanding Sustainable Finance Opportunities through Access to International Partnerships and Thematic Funds
Description of Opportunity	Strengthening İş Leasing’s ESG performance and establishing an environmentally responsible investment portfolio enhances the Company’s credibility in the eyes of investors and financial institutions, thereby facilitating access to sustainability-linked financing sources. This strong performance also creates an opportunity to develop collaborations with IFC, EBRD, EIB, the Green Climate Fund and other thematic funds. Through such collaborations, access to cost-effective long-term funding, technical expertise, project development capacity and international best practices strengthens the Company’s sustainability-focused financing structure. This approach also reinforces İş Leasing’s integration with the global ecosystem for sustainable finance, creates a competitive advantage and supports the Company’s positioning as a regional player in green transition finance.
Time Horizon	Short, Medium, Long
Country/Region	Assessed across Türkiye
Affected Value Chain	Upstream and Direct Operations
Area of Concentration	Lenders
Tracking Metric	Work is ongoing to track this opportunity through various indicators (long-term international funding, ESG-aligned funding amount, international funding access ratio, etc.).

*The financial effects related to the opportunity have been assessed qualitatively in both the previous and the current reporting periods; no quantitative information has been disclosed due to the inability to separately identify these impacts and the presence of measurement uncertainty. In this context, the opportunity is expected to have positive impacts on financing revenues, funding structure, and access to sustainable finance sources.

Table 8. Opportunity 2 - Supporting the Decarbonisation of the Portfolio in Collaboration with Business Partners and Customers

Definition of Opportunity*	Supporting the Decarbonisation of the Portfolio in Collaboration with Business Partners and Customers
Description of Opportunity	Increasing the financing of low-carbon technologies and sustainable equipment together with business partners and customers presents an important opportunity to support the decarbonisation of the portfolio. Expanding leasing solutions for more efficient assets with low environmental impact and aligned with future requirements contributes both to customers' emission reduction targets and to strengthening İş Leasing's sustainable portfolio structure. This approach enhances the Company's competitiveness by meeting growing demand for low-carbon equipment and technologies, while also supporting long-term financial resilience, market diversification and sustainable growth potential. This transformation carried out together with customers and business partners accelerates sectoral decarbonisation and positions İş Leasing as a strong solution partner in the field of transition finance.
Time Horizon	Medium, Long
Country/Region	Assessed across Türkiye
Affected Value Chain	Downstream and Direct Operations
Area of Concentration	Equipment with low environmental impact
Tracking Metric	Work is ongoing to track this opportunity through various indicators (volume of financing for low-carbon equipment, share of low-carbon assets in the total portfolio, etc.).

*The financial effects related to the opportunity have been assessed qualitatively in both the previous and the current reporting periods; no quantitative information has been disclosed due to the inability to separately identify these impacts and the presence of measurement uncertainty. In this context, the opportunity is expected to have positive impacts on financing revenues, funding structure, and access to sustainable finance sources

3.2.2 Assessment of Physical Risks on a Geographic and Sectoral Basis

Within the scope of the risk assessment studies conducted at İş Leasing, among climate-related physical risks, extreme heat, drought, pluvial flooding, wildfires and water stress, which are considered to have relatively higher potential to create significant impacts on the portfolio, were included in the scope of analysis. These risks were identified as priority risk areas within the framework of climate change-driven physical risks, taking into account the structure of the İş Leasing portfolio.

Accordingly, by utilising ThinkHazard data sources, geographic risk assessments were conducted on a customer basis for each type of physical risk. These geographic assessments were designed to reflect physical risk exposure based on the locations in which customers operate, taking into consideration the regional concentration of the relevant physical risks. As a result of these assessments, the Marmara, Mediterranean and Central Anatolia regions were identified as the most exposed regions.

In addition, in order to reflect the impacts of physical risks on sectors, sectoral risk scores were developed using S&P sectoral data sources. Within this framework, the sensitivities

of the sectors in which customers operate to physical climate risks were assessed. As a result, it was observed that sectors such as construction and textiles exhibit higher risk profiles.

Damage functions were developed in order to quantitatively assess the potential impacts that physical risks may create at the customer level. These damage functions were modelled to incorporate both the probability and exposure dimensions of physical risks, and, within this scope, geographic risk scores and sectoral risk scores were calculated on a customer basis. These risk scores reflect the sensitivity of the locations and sectors in which customers operate to the relevant physical risks.

Following the individual assessments conducted for each physical risk type, a composite damage function is applied in order to capture situations in which the same customer may be exposed to multiple physical risks simultaneously. The composite damage function aims to evaluate the cumulative effect of different physical risk types from a holistic perspective and enables both acute and chronic physical risks to be considered together.

The composite damage function value obtained as a result of these assessments is defined as the Climate Impact Factor

(CIF), which quantitatively represents each customer's exposure to physical climate risks. CIF is used as a key indicator for monitoring, benchmarking and conducting advanced risk analysis of physical climate risks at both the customer and portfolio levels.

3.2.3 Assessment of the Potential Effects of Climate-Related Physical Risks on the Loan Portfolio

The impact of CIF values on Probability of Default ("PD") and Loss Given Default ("LGD") calculations is assessed in order to evaluate the effects of physical climate risks on credit risk. This approach is intended to enable the potential effects of physical risks on credit risk assessment processes to be analysed in a controlled and traceable manner through an Expected Credit Loss ("ECL") framework.

In this context, customer-level CIF scores are derived by using outputs obtained through damage functions, and these scores are categorised under certain risk levels in order to ensure comparability. Through this classification, customers' exposures to physical climate risks can be assessed on a relative basis.

After incorporating CIF into PD and LGD calculations, possible changes in customers' risk categories and credit ratings are analysed, and the potential effects on PD, LGD and ECL indicators are monitored. Accordingly, the financial impacts of physical climate risks are made traceable, and the reflection of these impacts on credit risk metrics is evaluated.

3.2.4 Climate Resilience

İş Leasing addresses climate resilience as a comprehensive management area aimed at preserving the continuity of its business model, portfolio quality and financial resilience. Within this framework, the Company evaluates physical and transition risks arising from climate change on a sectoral, customer and asset basis and integrates these risks into its monitoring processes. Through scenario analyses and risk assessment studies, İş Leasing considers the potential impacts of different climate pathways on its financial leasing activities and develops preventive and adaptive actions against potential operational disruptions.

Given that a significant portion of the assets financed within İş Leasing's operational structure are mobile in nature, the final locations of use of leased assets cannot be directly monitored. Accordingly, assessments of physical climate risks are primarily based on the head office addresses of

lessee companies, and this is considered one of the sources of uncertainty reflected in the risk analyses. In addition, the assumptions used in climate scenario analyses are based on projections related to climate policies, regulatory developments, market conditions and the manifestation of physical risks, and therefore involve a certain degree of uncertainty.

Accordingly, the potential impacts of climate change in the short, medium and long term are taken into consideration in İş Leasing's strategic planning, risk management and decision-making processes, and the assessment of climate-related risks and opportunities constitutes a key component of efforts to strengthen the Company's financial resilience. İş Leasing analyses the impact of physical climate risks on its credit portfolio using the CIF approach and monitors the potential reflections of these impacts on credit risk indicators. In addition, insurance mechanisms applied within the scope of leasing legislation, together with portfolio-based risk assessment processes, contribute to limiting the potential financial impacts of physical risks.

Regarding transition risks, the Company aims to strengthen its capacity to adapt to climate change through the financing of low-carbon investments, the development of sustainable

finance products, green leasing practices, and efforts to enhance energy efficiency in operational processes. In this regard, climate-related risks and opportunities are monitored regularly, and the outputs of these assessments are incorporated into processes related to portfolio monitoring, the evaluation of risk concentrations and the development of the sustainable finance approach. In this way, the Company aims to adopt an approach aligned with its sustainable growth objectives by taking into account the potential impacts of climate change on its operations and financial structure.

3.2.4.1 Scenario Analyses

İş Leasing utilises the RCP scenarios published by the IPCC, together with the scenarios developed by the Network for Greening the Financial System ("NGFS"), to assess the potential impacts of climate change on physical and transition risks. These scenarios enable a comparative analysis of risks that may arise under different temperature increase trajectories and policy approaches.

In climate risk analyses, the RCP 8.5 scenario is adopted as the primary scenario in order to provide a forward-looking assessment. This scenario represents a development pathway characterised by high levels of greenhouse gas emissions and limited policy intervention. In particular, it provides a framework in which the frequency and severity of long-term physical climate risks increase significantly, thereby enabling the assessment of potential risks such as declines

in repayment capacity and collateral values to which the İş Leasing portfolio may be exposed.

Accordingly, the selected scenarios cover a wide range, from low-emission orderly transition pathways under strong climate policies to high-emission pathways where current policies persist or climate action remains insufficient. The remaining scenarios presented in the table reflect alternative

climate pathways based on data sources used within the climate risk model. In this way, the relative magnitude, severity and potential impacts on the risk profile of both physical and transition risks that the İş Leasing portfolio may be exposed to under different climate and policy conditions are evaluated from a holistic perspective.

Table 9. Scenarios

Scenario Name	Estimated Global Temperature Increase by 2100 (°C)	Physical Risk Level	Transition Risk Level	Policy and Carbon Prices	Description
RCP2.6 (IPCC)	~1.3–2.4°C	Low–Medium	Medium	Early and gradual carbon pricing, strong climate policies	Sustainable development pathway; physical risks are limited owing to early climate action.
RCP4.5 (IPCC)	~2.1–3.5°C	Medium–High	Medium	Gradual policy increase, limited carbon pricing	An intermediate pathway in which current trends continue; physical risks become more pronounced.
RCP8.5 (IPCC)	~3.3–5.7°C	Very High	Low	Weak or virtually no climate policies	Fossil fuel-based growth; high and irreversible physical risks.
NGFS Current Policies	~3.0°C or above	High	Low–Medium	Only current policies continue	No additional climate policies; a “hot house world” dominated by high physical risks.
NGFS Net Zero 2050	~1.4°C	Low	High	Rapid policy tightening in the early period; rapidly increasing and high carbon prices	Net zero in 2050; transition-driven economic and sectoral transformation risks are high.
NGFS Below 2°C	~1.8°C	Low–Medium	Medium	Gradual but strong policy tightening	Orderly transition, with an approximately 67% probability of remaining below 2°C.

3.2.4.2 Uncertainties Relating to the Climate Scenario Analysis Approach

Scenario analyses used in the assessment of climate change-related risks are inherently based on forward-looking assumptions and limited observations. Studies conducted within this scope indicate that such projections are intended to illustrate possible development pathways rather than provide certainty and, therefore, involve a degree of uncertainty.

The key assumptions used in scenario analyses have been defined in a manner that ensures consistency with financial impact analyses and resilience assessments. In this context, the RCP 8.5 scenario, which is adopted as the primary scenario, represents a development pathway characterised by high levels of greenhouse gas emissions, limited climate policy intervention and, consequently, increasingly pronounced physical climate risks. Accordingly, the selected scenarios cover a broad spectrum, ranging from low-emission, orderly transition pathways driven by strong climate policies to high-emission pathways in which current policies persist or climate action remains insufficient. The other scenarios presented in the table reflect alternative emission and policy assumptions underlying the data sources used in the climate risk model. This enables a holistic evaluation of the relative exposure of the İş Leasing portfolio to physical and transition risks under different climate and policy conditions.

From the perspective of physical risks, climate models and scenarios are shaped by different methodologies and assumptions, which may result in varying estimates regarding the frequency, severity and geographic distribution of extreme weather events. In the case of Türkiye, the limited availability of long-term and granular climate data makes it challenging to clearly distinguish climate-driven physical impacts on an asset level. This limitation particularly affects the ability to fully capture location-specific differences at a granular level.

Transition-related risks, on the other hand, largely depend on the pace of development of regulatory frameworks, market conditions and the behaviour of economic actors. Uncertainties regarding the timing and scope of the low-carbon transition limit the ability to project the scale and timing of potential financial impacts. In addition, changes in customer preferences, technological transformation and climate-related reputational factors represent areas that are inherently difficult to quantify in financial terms.

The assumptions used in scenario analyses may not fully capture the simultaneous interaction of different risk channels. The modelling of cascading effects that may arise when physical and transition risks materialise concurrently is complex, and existing financial risk methodologies may only partially account for such interactions.

Furthermore, uncertainties regarding the timing of climate events and the speed at which regulatory or economic changes are reflected in financial statements reduce the adequacy of analyses based on a single scenario. Therefore, İş Leasing adopts a multi-scenario approach in the assessment of climate risks, incorporating different assumptions and allowing for revisions in response to changing conditions. The scenarios incorporating these assumptions are presented in the scenario table.

3.2.5 Strategy and Decision-Making

İş Leasing classifies its climate-related risks within its Corporate Risk Catalogue, and addresses these risks as an integral part of its strategic planning, adopting an approach aligned with its long-term sustainable growth objectives. Chronic physical risks arising from climate change—such as rising temperatures, water stress, drought and sea level rise—as well as acute physical risks such as wildfires, extreme precipitation, floods, inundation and extreme wind events, together with transition risks emerging during the transition to a low-carbon economy, are regularly analysed with due consideration of the portfolio structure and customers' lines of business. Based on the assessment of the potential impacts of these risks on financed assets, collateral structures, the business model and financial performance, strategic priorities are determined.

The Company monitors climate-related risks and opportunities on an annual basis and integrates such risks and opportunities into its business processes through targets such as reducing greenhouse gas emissions, increasing green leasing products, strengthening the leased vehicle fleet with electric and hybrid vehicles, and directing electricity consumption towards renewable energy sources. In addition, climate-related opportunities—such as energy efficiency and low-carbon technologies—are gradually incorporated into business processes and corporate risk management systems in order to support the development of financing solutions and enhance competitiveness.

Climate-related risks and opportunities are effectively incorporated into decision-making processes and are managed in alignment with İş Leasing's overall strategic objectives and activities. The prioritisation of risks, based on the likelihood and potential financial and operational impacts of physical climate risks supports the efficient allocation of resources while strengthening risk management practices. Furthermore, climate-related laws and regulations are closely monitored, and business processes are updated accordingly to ensure compliance.

This strategic approach, shaped by a climate focus and integrated into the Company's overall processes, not

only enhances İş Leasing's financial resilience but also strengthens its position within the sector, fosters stronger stakeholder relationships by building trust, and contributes to long-term value creation.

3.2.6 Transition Plan and Key Assumptions

İş Leasing has identified the climate transition as one of its strategic priorities in order to manage climate change-related risks, support the transition to a low-carbon economy and strengthen its sustainable finance approach. Although the Company does not yet have a formal transition plan, it is expected that the transition plan will evolve around the reduction of operational emissions, the expansion of sustainable finance practices and the integration of climate-related risks into decision-making processes. The work carried out in this respect is addressed under the section titled [“5.2.1 Transition Plan Towards the Net Zero Target”](#) of the report.

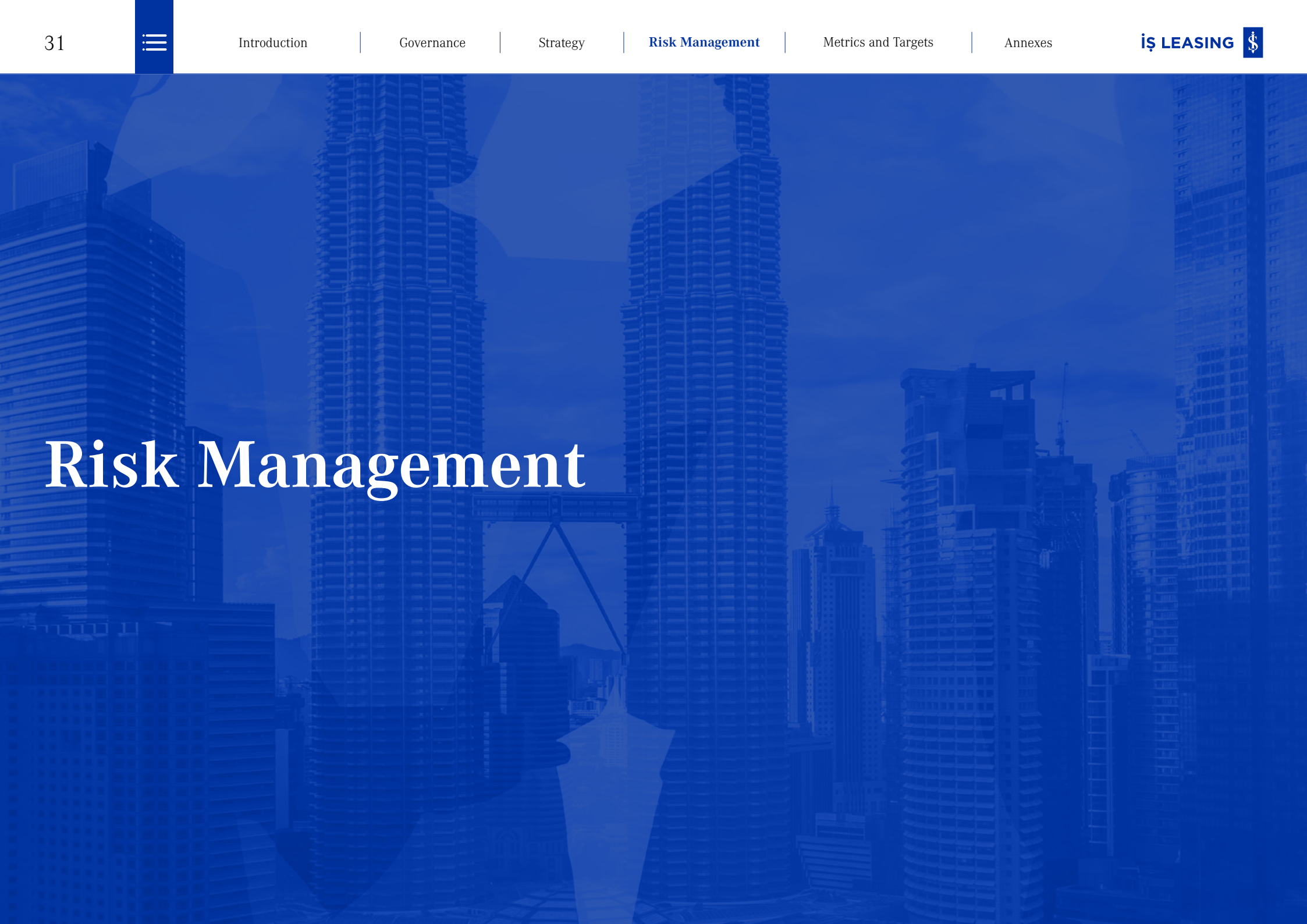
Key Assumptions

The studies forming the basis of the transition plan are built on the assumptions that climate-related regulations and reporting expectations will increase in the coming periods, that demand for financing low-carbon and environmentally beneficial investments will strengthen, and that the expectations of international lenders regarding sustainability,

climate risk and environmental and social risk management will become more decisive. In addition, it is anticipated that portfolio transformation will occur gradually and that renewable energy, energy efficiency, green leasing products and sustainable finance practices will continue to be strategic priorities areas within the Company's climate strategy.

Other key assumptions guiding the Company's transition process include the regular monitoring of greenhouse gas emissions, the tracking of carbon reduction targets through relevant performance indicators, and the alignment of progress in operational areas—such as supply chain and fleet transformation—with defined target periods, as well as the gradual strengthening of the integration of climate risks into financial analysis processes. In the assessment of physical climate risks, factors such as data availability, the mobile nature of financed assets and uncertainties related to climate scenarios are taken into account. Accordingly, it is envisaged that the approach to the transition plan will be reviewed regularly and updated in line with new data, regulatory developments and market conditions.

Risk Management



RISK MANAGEMENT

İş Leasing positions risk management as one of its core principles in line with the priorities established through its corporate strategy and stakeholder engagement, with the aim of securing its long-term success. Through risk-focused capital allocation, high asset quality and effective credit risk management, the Company aims to maintain a balanced funding structure and manages risks effectively by ensuring maturity, interest rate and currency alignment of its assets. This approach, in parallel with the development of climate strategies and the increasing importance attributed to climate change issues, not only supports the economic sustainability of operations but also enables the implementation of climate-related projects within a systematic and holistic framework, in line with the Company's objective of assessing climate-related risks and opportunities.

The Company has established comprehensive processes for the effective management of climate-related risks and opportunities in accordance with the TSRS. These processes encompass the identification, thorough assessment, prioritisation and regular monitoring of climate-related risks and opportunities.

4.1 RISK MANAGEMENT PROCESSES

İş Leasing's risk management practices contribute to the establishment of a consistent and shared risk culture across the Company. Within this framework, the ultimate responsibility for risk management activities, including climate-related risks, rests with the Board of Directors, while the Internal Control, Risk Management, Compliance and Regulatory, and Internal Audit functions operate in accordance with the three lines of defence model.

Physical and transition risks arising from climate change are among the key factors that may create impacts on the Company's activities, supply chain, operational continuity and financial performance in the short, medium and long term. In this context, climate risks are identified through a systematic approach and are assessed in a comprehensive manner, including physical risks such as extreme weather events, rising temperatures and water stress, as well as transition risks such as regulatory changes, carbon pricing and market transformations. The assessment process is carried out under the coordination of the Sustainability Unit, in collaboration with Internal Audit and/or all relevant departments.

The Company analyses climate-related risks and opportunities

within the framework of different climate scenarios. These scenario analyses aim to enhance the understanding of the potential impacts of climate change on the business model, operations and financial outlook, while the findings derived from these analyses provide input to strategic planning and decision-making processes. Where necessary, based on technical data requirements, the Company obtains external advisory support.

4.1.1 Identification and Determination of Risks

İş Leasing identifies and classifies climate-related risks that may arise during its operations through the Risk Catalogue for the purpose of assessing climate-related risks. In addition to financial risks, non-financial risks—such as environmental management risks, customer-related conduct and ethical risks, internal fraud and employee relations risks, and data protection risks—are defined in the Risk Catalogue and assessed as part of risk management activities. Climate change-related risks are positioned as a strategic risk in the Risk Catalogue and are integrated into İş Leasing's overall risk management system.

The potential adverse impacts of climate change on İş Leasing's business model, operations, assets and activities are defined under the heading "Climate Change Risk" in

the Risk Catalogue. Climate-related risks are classified into two main categories: physical risks and transition risks. Physical risks are assessed as both acute (such as floods, storms and extreme weather events) and chronic (such as rising temperatures, drought, water stress and sea level rise). Transition risks, on the other hand, arise from the transition to a low-carbon economy and encompass elements such as existing and emerging climate and environmental regulations, emission reduction targets, technological transformation requirements, changes in market and customer preferences, as well as reputational risks and stakeholder expectations. Within this framework, non-financial risks are structured under operational risk and strategic risk categories, and climate change risk is positioned under the strategic risk category.

4.2 ASSESSMENT AND MEASUREMENT OF THE EFFECTS OF RISKS

4.2.1 Climate Risk Model

İş Leasing uses a climate risk model to identify and measure the financial impacts of climate-related physical risks. The relevant model quantifies climate risks based on a methodology that incorporates geographic and sectoral data of customers within the scope of physical risks. The financial impacts calculated at the customer level through this model, together with the methodology and implementation details of the model, are presented in the [Strategy](#) section of this report.

4.2.2 Climate Risk Study

İş Leasing conducted an assessment and measurement study in order to evaluate the exposure of financial leasing transactions in its portfolio to climate change-related physical risks across sectoral and geographic dimensions. This study aims to assess the relative vulnerability of financed assets and the associated collateral structures to climate-related physical risks and to monitor risk concentrations across the portfolio.

Within the scope of the assessment, the cities, sectors, maturities and financing amounts of financial leasing

transactions were taken into account, and both acute and chronic physical risks arising from climate change were analysed. The relevant risk types were assessed using qualitative and quantitative indicators determined for each financial leasing transaction, and transaction-specific physical risk profiles were developed.

ThinkHazard data sources were utilised for geographic risk assessments, while climate scenarios and reference frameworks published by the IPCC were used for the classification of risk types and for considering long-term climate trends. Physical risks were rated using a simplified and standardised scoring approach to enable the comparison of different transaction and asset groups within the financial leasing portfolio.

The methodology and data sources used in the study on a risk basis are summarised below on a risk basis:

Heavy rainfall and flood risk: Assessed using 90-meter global flood hazard maps developed by SSBN Ltd., together with remote sensing data from the Global Urban Footprint (“GUF”) and NOAA DMSP “Stable Lights” (“NTLD”).

Wildfire risk: Analysed using MODIS and VIIRS satellite data provided by NASA FIRMS (Fire Information for Resource Management System).

Landslide risk: Included in the assessment using ERA5-Land reanalysis data and high-resolution climate projections supporting the IPCC Sixth Assessment Report (AR6).

Heatwave risk: Assessed based on the Wet Bulb Globe Temperature (“WBGT”) indicator, using outputs from five global climate models developed under Coupled Model Intercomparison Project Phase 5 (CMIP5). Projections were generated in line with the internationally recognised RCP4.5 and RCP8.5 climate scenarios (representing optimistic and pessimistic pathways, respectively).

Water stress risk: Measured using the Water Crowding Index (“WCI”), taking into account per capita water availability and water demand.

Sea level rise risk: Analysed using the GAR15 storm surge model, together with historical tropical cyclone data and information on topography, land roughness and bathymetry.

The outputs obtained at the level of financial leasing transactions were aggregated at the portfolio level and summarised across city and sector breakdowns, thereby facilitating the monitoring of the distribution and relative concentration of physical risks across the financial leasing portfolio. Within the scope of the analysis conducted in 2025, the assessment was carried out by considering customers

with a total exposure of USD 1 million or above (TRY 42.9 million as of the reporting date).

Considering İş Leasing’s financial leasing receivables and sectoral climate risk levels, detailed assessments focusing on four high-priority sectors—textiles, construction, basic metals, and food and beverages—are presented below.

Construction Sector

The construction sector accounted for the largest share of the portfolio in 2024, with a share of 26.51%. In 2025, it continues to hold the highest portfolio share among the four key sectors highlighted in terms of physical risks, with a share of 32.78%. This indicates that, within this sector group, the construction sector has the highest relative exposure to physical climate risks. City-based assessments reveal that, in the construction sector, acute physical risks—particularly heavy rainfall, flooding, and landslides—are present at high levels across many locations. In addition, chronic risks such as water stress and heatwaves are also assessed as high in certain cities, further elevating the sector’s overall risk profile. Due to the nature of construction activities being carried out in open environments and being directly dependent on physical assets, the sector is inherently more sensitive to physical climate risks.

Textile Sector

The assessment conducted for the textile sector indicates that physical climate risks show significant variation across cities within the sector. While the textile sector accounted for 9.65% of the portfolio in 2024, making it the third-largest sector, it represents 5.86% of the four priority sectors identified from a physical risk perspective in 2025. In this context, the sector is considered to have a relatively notable level of physical risk exposure within the relevant group. City-level breakdowns indicate that, in certain locations within the textile sector, chronic physical risks such as water stress and heatwaves are more prominent, while risks such as landslides and heavy rainfall are observed at a moderate level. Considering the water- and energy-intensive production structure of the textile sector, these risks are assessed to create a risk profile that is highly sensitive to geographic location.

Food and Beverage Industry

The food and beverage industry, which was included in the analysis in 2025, accounts for 4.46% of the four key sectors identified based on risk. The sector-specific assessment indicates that physical climate risks exhibit a heterogeneous distribution across cities.

The analysis shows that, particularly in cities located in the Marmara region, water stress poses a very high-level of risk, while chronic physical risks such as heatwaves are more prominent in certain locations. In addition, heavy rainfall as an acute risk is also identified as a significant risk factor for the sector. Given the sector’s dependence on water and agricultural inputs, these physical risks are considered to be critical in terms of production continuity and operational resilience.

Basic Metals Industry

The basic metals industry accounted for the second-largest share of the portfolio in 2024, with 10.32%. In 2025, it represents 7.84% of the four priority sectors from a physical risk perspective. Although it has a relatively smaller share, the sector’s exposure to physical climate risks shows meaningful variation across cities. City-based assessments indicate that, within the basic metals industry, acute physical risks such as wildfires and heatwaves are more prominent in certain

locations. In addition, chronic risks such as water stress affect the sectoral risk profile in specific regions. Considering the sector’s energy- and water-intensive production processes, physical climate risks are assessed to have the potential to create indirect impacts on sectoral operations.

Table 10. Sector-Risk Distribution

Sector	Risk Distribution	Province	Acute Risks				Chronic Risks	
			Landslide Risk	Heavy Rainfall and Flood Risk	Wildfire Risk	Heatwave Risk	Sea Level Rise Risk	Water Stress Risk
Construction Sector	32.78%	İstanbul						
		Ankara						
		Bursa						
Textile Sector	5.86%	Gaziantep						
		Kahramanmaraş						
Food and Beverage Industry	4.46%	Eskişehir						
		Ankara						
		İstanbul						
Basic Metals Industry	7.84%	İstanbul						

Very High	High	Medium	Low	N/A

4.3 ASSESSMENT OF ENVIRONMENTAL AND SOCIAL RISKS

İş Leasing applies the Environmental and Social Risk Assessment Procedure in order to systematically evaluate environmental and social risks that may arise from its financial leasing activities. Within this framework, all financial leasing requests submitted to the Company are subject to a preliminary review in line with the List of Non-Financeable Activities prepared under [the Environmental and Social Impact Policy](#), and applications related to activities included in this list are rejected.

For all transactions falling outside the List of Non-Financeable Activities, the Environmental and Social Risk Assessment Model is applied depending on the transaction amount. During the assessment process, factors such as the type of the leased asset, the sector in which the activity will be carried out, compliance with environmental and social regulations, and potential environmental and social impacts are taken into consideration. The risk assessment is conducted based on the potential impact of the risk, its manageability and its likelihood of occurrence.

As a result of the assessments, transactions are classified into A, B+, B- and C categories according to their environmental

and social risk levels. For transactions assessed as high risk (A and B+), detailed evaluations may be conducted by external environmental and social consultants where deemed necessary, and environmental and social action and monitoring plans are developed for the management of risks. The defined action plans are incorporated into financial leasing agreements to ensure their implementation by customers.

Within the scope of monitoring environmental and social risks, transactions classified as A and B+ are monitored and reported at least once during the project period by the relevant governance bodies. This approach supports the effective management of environmental and social risks and their

integration into risk management processes. The results of the assessments conducted within this scope are presented in the table below.

Table 11. E&S Assessment Results

E&S Assessment Rating	2025*			2024*		
	Project Count	Contract Amount (USD thousand)	Contract Amount (TRY million)***	Project Count	Contract Amount (USD thousand)	Contract Amount (TRY million)***
C	2,235	999,778	42,853	876	448,358	15,871
B-	38	46,469	1,992	22	56,098	1,986
B+	-	-	-	-	-	-
A	1**	6,252	268	1**	13,965	494
TOTAL	2,274	1,052,499	45,113	899	518,421	18,351

* Represents the number of contracts signed during the relevant reporting year.

** Due diligence reports for the relevant projects were prepared with the involvement of an external consultant.

*** The projects are monitored in USD, and the conversion into Turkish lira has been made using the applicable year-end exchange rates.

4.4 PRIORITISATION OF RISKS

Within the Risk Catalogue, climate change risk is addressed under the category of non-financial risks. However, risks arising from climate change may have direct or indirect impacts on traditional risk types such as credit risk, market risk, operational risk and reputational risk. This necessitates that climate-related risks be assessed from an integrated perspective within the institution's overall risk profile.

Climate-related risks are not evaluated in isolation from other risk categories; rather, their role as potential risk amplifiers or triggers of existing risks is considered in the identification and assessment of material climate-related risks. Accordingly, the impact of climate change on the institution's overall risk exposure is assessed in a holistic manner.

In addition, within the scope of materiality assessment, the Group identifies physical and transition risks related to climate change within the Risk and Opportunity Inventory and prioritises them based on their level of materiality. The outputs of this assessment are reflected in the Climate Risk Model presented in the [Strategy](#) section of the report. Through this approach, alignment between climate-related risks and the risk management framework is ensured, supporting their integration into strategic decision-making processes.

4.5 MONITORING OF RISKS

Climate risks are monitored through performance indicators such as carbon footprint, energy consumption, greenhouse gas emissions intensity, and the impacts arising from climate-related events are defined and regularly tracked. In response to identified risks, measures such as energy efficiency investments, renewable energy use and carbon reduction projects are planned and their implementation processes are monitored. This information is disclosed to stakeholders in a transparent manner.

Climate change-related risks are monitored and tracked through the Group's Risk and Opportunity Inventory, which consolidates risks and opportunities across the Group. Within the Risk and Opportunity Inventory, a total of 15 climate change-related risks—including 7 physical risks and 8 transition risks—as well as 7 climate-related opportunities, have been assessed.

4.6 PROCESSES FOR MANAGING OPPORTUNITIES

The management of climate-related opportunities is carried out under the oversight of the Group's Board of Directors. The Board regularly supervises the impacts of such risks on sustainability, financial performance and strategic objectives within the framework of the established policies. Senior Management is responsible for the implementation of these policies and for coordinating the relevant processes.

Climate-related opportunities are measured and assessed through analyses based on different climate scenarios. These evaluations are carried out to cover short-, medium- and long-term potential impacts, and assess their implications for the Group's financial targets and business model. Scenario analyses provide decision-makers with insights into portfolio resilience and risk profile. When assessing climate-related opportunities, measures are taken to minimise both direct and indirect impacts arising from operations to the greatest extent possible.

Metrics and Targets

METRICS AND TARGETS

The Group discloses its performance in relation to climate-related risks and opportunities and the progress made in this regard. Within this framework, it tracks quantitative metrics such as energy consumption and greenhouse gas emissions in order to monitor and manage the effects of climate change. The disclosed metrics and targets are measured based on these indicators and are aligned with the Group’s strategy and risk management approaches. In this way, a systematic framework is established for monitoring, comparing and improving climate-related performance. Within the scope of climate risks, metrics such as stressed probability of default, loss given default and asset/collateral impairment are used to monitor risks. These metrics serve to measure different types of risk and assess their effects. In addition, the metrics used to monitor climate-related risks and opportunities are presented in the section titled [“3.2.1 Climate-Related Risks and Opportunities”](#) of the report.

5.1 CLIMATE-RELATED METRICS

Greenhouse Gas Emissions

İş Leasing presents its emissions data on a Group basis. Emissions data covering the reporting period from 1 January 2025 to 31 December 2025 are disclosed. In addition, emissions data for the 2024 reporting period are presented for comparative purposes, reflecting the Group’s second year of reporting in alignment with TSRS.

Table 12. Scope 1 and Scope 2 Emissions Data

Emission Category	2025 (tonCO ₂ e)			2024 (tonCO ₂ e)		
	İş Leasing	İş Faktoring	Total	İş Leasing	İş Faktoring	Total
Scope 1	210.17	136.92	347.09	174.48	136.15	310.63
Scope 2 (Location-based)	44.31	46.29	90.60	35.90	45.13	81.03
Scope 2 (Market-based)	21.65	14.87	36.52	13.46	24.53	37.99
Total (Scope 1 + Scope 2 market-based)	231.82	151.79	383.61	187.94	160.68	348.62
Total (Scope 1 + Scope 2 location-based)	254.48	183.21	437.69	210.38	181.28	391.66
Emissions Intensity *(Consolidated)	0.023			0.030		

* Emissions intensity has been calculated based on consolidated core operating income using Scope 1 + Scope 2 (market-based) emissions data (tCO₂e / TRY million).

Within Scope 1, for İş Leasing, emissions arise from natural gas used as a heating source, gasoline and diesel consumption related to company vehicles, and emissions arising from refrigerants used in cooling systems. For İş Faktoring, Scope 1 includes natural gas used as a heating source, diesel consumption related to generator use, gasoline and diesel consumption related to company vehicles, and emissions arising from refrigerants used in cooling systems.

Within Scope 2, location-based electricity consumption from the head offices and branches of İş Leasing and İş Faktoring is included.

Scope 3 disclosures have not been included, as the exemption relating to the disclosure of Scope 3 data was applied during the relevant reporting period.

Greenhouse Gas Emissions Calculation Method and Scope

The Group applies the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) in the calculation of its greenhouse gas emissions and adopts the financial control approach for consolidation. In addition, due to the absence of country-specific emission factors for Türkiye, the 2025 greenhouse gas inventory was calculated, in line with 2024, using the values disclosed in the Sixth Assessment Report (2021). In line with the intended use of the greenhouse gas inventory, country-specific lower heating values and density data for fuels were used in the calculations. The following methodologies were applied within the established boundaries:

- For greenhouse gas calculations, the IPCC Tier 1 methodology was used within the boundary limits defined for İş Leasing, while the Tier 2 methodology was applied for activity data incorporating national factors.
- In the calculation of Scope 2 emissions, the electricity emission factor published by the Ministry of Energy and Natural Resources of the Republic of Türkiye in 2025 was used (0.434 tCO₂e/MWh) (2024: 0.442 tCO₂e/MWh).

As part of the Group's efforts to monitor and improve its sustainability performance, emissions intensity based on core operating income (tCO₂e / TRY million of core operating income) is calculated regularly each year. This indicator helps

assess environmental efficiency by reflecting the ratio of greenhouse gas emissions arising from the Group's activities to its financial performance.

5.1.1 Vulnerable Assets

The analysis of the impacts of climate-related risks on the leasing receivables portfolio constitutes an important component of the risk management approach. In this context, İş Leasing's leasing receivables portfolio has been assessed from a physical risk perspective. Climate risk assessments, including the sectors identified as material based on the Company's financial leasing receivables and sectoral climate risk levels, as well as the share of receivables related to these sectors within the total portfolio, are presented in the section titled "[4.2.2 Climate Risk Study](#)" of the report.

In addition, within the scope of analyses related to climate-related risks, expected credit loss provisions were also assessed in accordance with the risks defined in the previous sections. As a result of the assessments, as of 31 December 2025, the Stage 1 and Stage 2 ECL amount allocated for vulnerable assets within the performing leasing receivables portfolio was calculated at TRY 38.6 million, representing 7.2% of the total Stage 1 and Stage 2 ECL amount of TRY 532.5 million (as of 2024, despite reasonable efforts, a financial impact analysis could not be conducted).

These vulnerabilities relate to location- and sector-based climate-related physical risks (high and very high levels). Performance indicators associated with vulnerable assets are regularly monitored by İş Leasing. The vulnerable asset ratio was considered as a potential metric within the scope of climate-related operational risks. However, due to current data limitations and methodological constraints, it could not be measured with the desired level of accuracy and comparability. Therefore, the relevant metric has not been included in financial impact analysis and reporting. Nevertheless, efforts are ongoing to enhance the methodological approach and supporting data infrastructure in order to ensure that this indicator can be calculated reliably in future reporting periods.

5.2 CLIMATE-RELATED TARGETS

İş Leasing has defined certain metrics and targets to measure and monitor its performance within the scope of managing climate-related risks and opportunities. Sustainability- and climate-related targets were reviewed as of 2025, and progress compared to the previous reporting period has been disclosed. These targets cover actions aimed at reducing greenhouse gas emissions arising from operational activities, increasing energy efficiency, and managing climate risks

within the scope of financing activities. The defined targets are reviewed on a regular basis, and progress is monitored through the relevant performance indicators. The targets disclosed in the current reporting period were not subject to third-party assurance.

5.2.1 Transition Plan towards the Net Zero Target

İş Leasing continues its efforts with a focus on financing renewable energy projects, increasing energy and resource efficiency, and supporting the transition to a low-carbon economy in order to contribute to mitigating the impacts of climate change. In line with this approach, investments aimed at promoting a lower-emission economic structure and reducing carbon intensity are prioritised.

During the reporting period, no capital allocation, financing or investment amount was specifically dedicated to addressing climate-related risks. The Company finances its green leasing products through funding obtained from international financial institutions and other funding sources. Although the Company aims to transition towards net-zero emissions across Scope 1, Scope 2 and Scope 3 emissions over the long term, a specific target year for achieving net-zero emissions has not yet been established. In parallel with the development

of emission reduction practices, it is planned to establish a gradual and realistic roadmap in the coming periods.

Although a formal transition plan has not yet been defined, İş Leasing has undertaken several transition-related actions through the strategies it implements and the initiatives it carries out in line with its objectives. In this context, the Company has been calculating and reporting greenhouse gas emissions arising from its operations regularly since 2021. Starting from 2021, emissions from operational activities have been offset through carbon credits, and in 2025, greenhouse gas emissions were offset through the purchase of carbon credits. In the coming years, in addition to carbon offsetting practices, it is planned to increase efforts to reduce emissions and to carry out additional carbon credit purchases.

The Company does not currently apply an internal carbon pricing mechanism, as it is not considered relevant to its current business activities and decision-making processes. However, developments in this area are closely monitored, and evaluations will be made in future periods in line with these developments.

İş Leasing adopts a hybrid working model, which reduces the need for commuting and contributes to lower commuting-

related emissions. In addition, by supporting the use of public transportation, the Company aims to contribute to the wider adoption of environmentally friendly mobility options. This approach is supported by the fact that İş Leasing operates in İş Kule, a BREEAM-certified building, and is reinforced through resource-efficient consumption practices.

Through the financing it provides to investments in the renewable energy sector, İş Leasing contributes to the increase in Türkiye's installed renewable energy capacity. Within this framework, the Company has supported not only solar, wind and biomass power plants, but also cogeneration projects aimed at improving energy efficiency. With this perspective, İş Leasing continues to contribute to the country's energy security and energy diversification, in line with its environmental sustainability objectives.

Target 1

Heading	Description
Target Definition	30% reduction in Scope 1 and 2 emissions by 2030
Metric Used	tCO ₂ e
Purpose of the Target	To reduce the Company's operational carbon footprint
Business Segment	Whole company
Period of Target	2024–2030
Base Year	2019
Interim Targets	15% reduction by 2027
Target Type	Absolute
Review Process	Monitored and reported annually within the scope of sustainability performance assessment
Performance Metrics Used	Total Scope 1 and 2 emissions
Target Changes	Will be reviewed in the event of changes in legislation or methodology
Emission Scope	Scope 1 and 2
Emission Types	CO ₂ , CH ₄ , N ₂ O, HFCs
Gross / Net Target	Gross target
Action	Analysing energy consumption in branch buildings and developing carbon footprint measurement and reduction strategies
Responsible Unit	Administrative Affairs / Sustainability
2024 Status of the Target	Scope 1 + Scope 2 (Location-based): 210.38 tCO ₂ e
2025 Status of the Target	Scope 1 + Scope 2 (Location-based): 254.48 tCO ₂ e
Progress	No reduction was achieved during the reporting period.

Target 2

Heading	Description
Target Definition	100% of energy consumption used in branches to be sourced from renewable resources by 2035
Metric Used	Renewable energy use ratio (%)
Purpose of the Target	To make energy sources sustainable and reduce Scope 2 emissions
Business Segment	Whole company
Period of Target	2024-2035
Base Year	2023
Interim Targets	Transition to 70% renewable energy by 2030
Target Type	Intensity
Review Process	Evaluated annually within the scope of energy efficiency and resource use performance
Performance Metrics Used	Total energy consumption and renewable share
Target Changes	May be updated depending on developments in the energy market
Emission Scope	Scope 2
Emission Types	Indirect emissions from electricity consumption
Gross / Net Target	Net target
Action	Identifying a contracted energy supplier for the transition to renewable energy and conducting supplier assessment and contract processes in line with the target period
Responsible Unit	Procurement / Sustainability
2024 Status of the Target	-
2025 Status of the Target	-
Progress	No change has occurred toward the target.

Target 3

Heading	Description
Target Definition	25% of the leased vehicle fleet as lessee to be electric or hybrid by 2030
Metric Used	Share of electric/hybrid vehicles in the total fleet (%)
Purpose of the Target	To reduce direct and indirect transport-related emissions
Business Segment	Administrative Affairs
Period of Target	2024–2030
Base Year	2023
Interim Targets	No interim target can be provided
Target Type	Intensity
Review Process	Monitored within the scope of the annual fleet analysis and reporting process
Performance Metrics Used	Number of electric/hybrid vehicles / total number of vehicles
Target Changes	May be updated depending on technological developments
Emission Scope	Scope 1
Emission Types	CO ₂ , CH ₄ , N ₂ O
Gross / Net Target	Gross target
Action	Electric vehicle transition plan (personnel + leased fleet) and the launch of related practices by 2027
Responsible Unit	Administrative Affairs / Procurement
2024 Status of the Target	11.8% (34 vehicles, 4 hybrid)
2025 Status of the Target	11.8% (34 vehicles, 4 hybrid)
Progress	No change has occurred toward the target.

Target 4

Heading	Description
Target Definition	Integration of physical climate risk assessment into the financial analysis processes of transactions of USD 10 million (TRY 429 million*) and above by 2027
Metric Used	Number of transactions with integrated assessment / total number of transactions above USD 10 million
Purpose of the Target	To increase the Company's resilience against climate change-driven financial risks
Business Segment	Sustainability Unit and Sales Team
Period of Target	2026-2027
Base Year	-
Interim Targets	50% integration by the end of 2026
Target Type	Absolute
Review Process	Reviewed by the Sustainability Committee at six-month intervals
Performance Metrics Used	Number of integrated transactions, total number of high-amount transactions and classification by risk type
Target Changes	May be updated in the event of revisions in the financial threshold amount or methodology
Risk Types	Risks related to physical climate events (e.g. flood, heatwaves)
Gross / Net Target	Gross target (focused on integration, not direct reduction)
Action	Conducting sectoral climate risk scenario analyses (based on sectors with high portfolio concentration**) and integrating these analyses into financial analysis processes by the end of 2026
Responsible Unit	Sustainability / Internal Audit
2024 Status of the Target	-
2025 Status of the Target	Preparatory processes for 2026 have been initiated by the relevant teams.
Progress	No progress was made during the reporting period; preparatory processes have been initiated.

* Converted into TRY based on the year-end exchange rate of 2025.

** Construction, textiles, energy, basic metals, and food and beverage sectors

Target 5

Heading	Description
Target Definition	Development of carbon reduction plans with 5 large-scale suppliers by 2030
Metric Used	Number of suppliers implementing a reduction plan
Purpose of the Target	To keep indirect emissions in the supply chain under control
Business Segment	Procurement, supplier management
Period of Target	2024–2030
Base Year	2023
Interim Targets	Plans to be established with 3 suppliers by 2028
Target Type	Absolute
Review Process	Monitored within the scope of annual supplier sustainability assessments
Performance Metrics Used	Ratio of suppliers with a carbon reduction commitment
Target Changes	May be updated depending on supplier changes and new business partnerships
Emission Scope	Scope 3
Emission Types	Greenhouse gas emissions arising from procurement, production and transportation
Gross / Net Target	Gross target
2024 Status of the Target	-
2025 Status of the Target	No work was carried out toward the target in 2025, and no progress was achieved.
Progress	No change has occurred toward the target.

5.3 GROUP PRACTICES WITHIN THE SCOPE OF THE TARGETS

Within the scope of its Sustainability Policy, İş Faktoring has established measures aimed at monitoring and reducing greenhouse gas emissions, conducting financing activities in compliance with applicable regulations, supporting energy efficiency, and promoting low-carbon products and services.

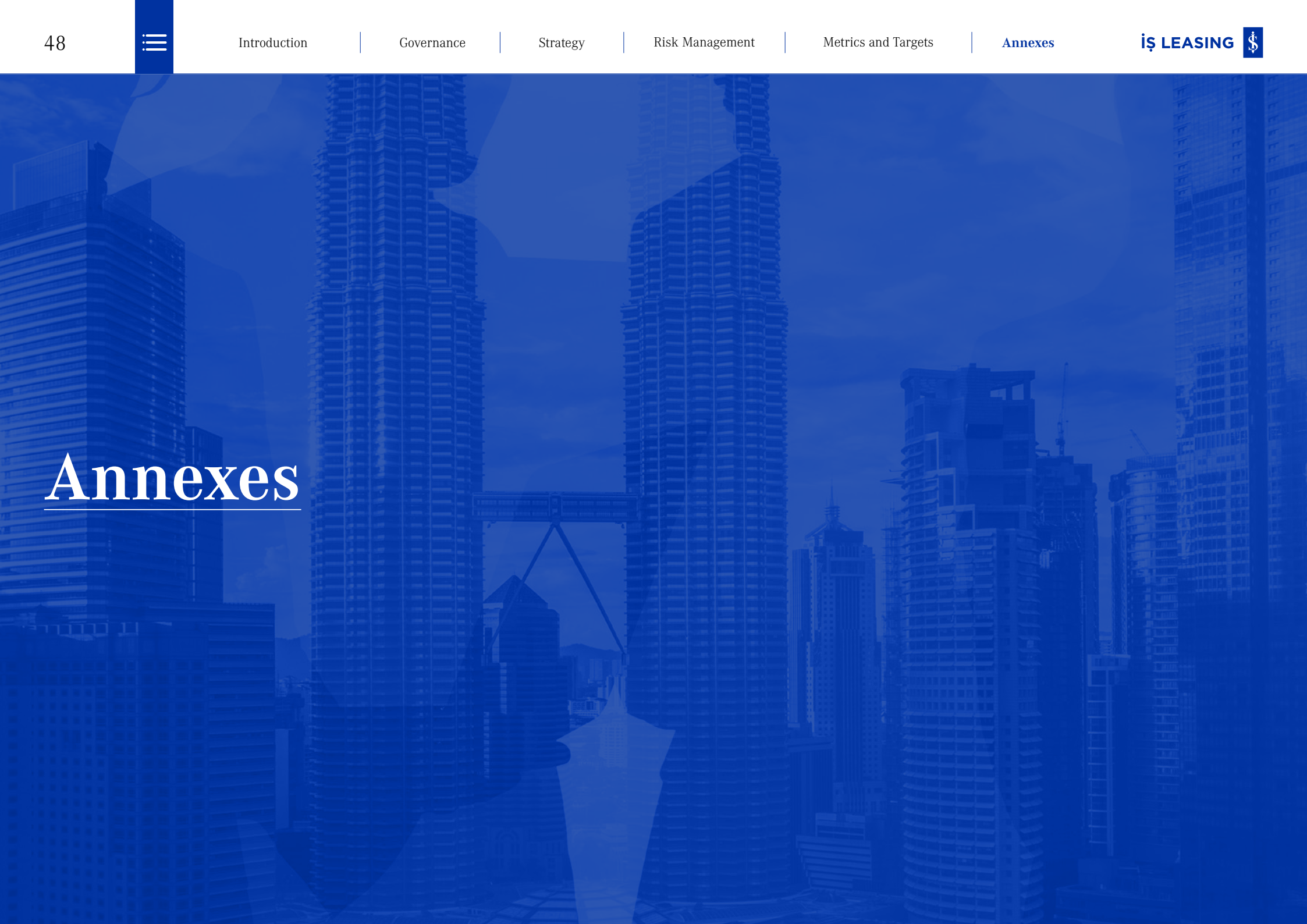
Efforts to establish quantitative climate-related targets are ongoing within İş Faktoring. These targets have not been publicly disclosed as of the current reporting period and are being managed internally. Progress is being monitored and pursued in alignment with targets consistent with those of İş Leasing.

In addition, İş Faktoring conducts assessments to evaluate the potential impacts of climate change on its business model and focuses on addressing both physical and transition risks through a holistic approach while continuing to enhance the related assessment and analysis processes.

5.4 SUBSEQUENT PERIOD

No significant events or transactions requiring disclosure have occurred between the end of the reporting period and the date on which this report was approved for publication.

Annexes



ANNEXES

Annex 1

6.1 Basis of Calculation for Metrics

The information presented in this guideline relates to the financial year ended 31 December 2025 and covers, as detailed in the section titled “Key Definitions and Reporting Scope”, the operations related to financial leasing and factoring activities carried out under the responsibility of İş Leasing and its subsidiary.

Subsidiary	İş Faktoring A.Ş.
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The following principles have been observed in the preparation of this guidance document:

- In the preparation of the information: to emphasise the fundamental principles of relevance and reliability for users of the information,

- In the reporting of the information: to emphasise the principles of comparability and consistency with other data, including prior-year information, as well as the principles of understandability and transparency that ensure clarity for users.

6.2 Key Definitions and Reporting Scope

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

Capital	Indicator	Scope
Environmental	Scope 1 Emissions of İş Finansal Kiralama A.Ş. and its Subsidiary (tCO ₂ e)	During the reporting period, this refers to the tonnes of carbon dioxide equivalent of direct greenhouse gas emissions arising from natural gas consumption tracked through invoices from stationary combustion sources at the specified locations of İş Finansal Kiralama A.Ş. and its subsidiary; generator diesel and gasoline tracked through invoices; diesel and gasoline consumption of leased and owned company vehicles tracked through invoices; and refrigerant gas refills to cooling equipment and operating emission quantities tracked through service forms. The Company calculates its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol, 2004). Biogenic emissions are not included within total Scope 1 emissions.
	Scope 2 Emissions of İş Finansal Kiralama A.Ş. and its Subsidiary – Market-based (tCO ₂ e)	During the reporting period, this refers to the tonnes of carbon dioxide equivalent resulting from indirect greenhouse gas emissions arising from electricity consumption tracked through invoices representing indirect energy consumption at the specified locations of İş Finansal Kiralama A.Ş. and its subsidiary, after deducting the amount of purchased renewable energy (I-REC). The Company calculates its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol, 2004).
	Scope 2 Emissions of İş Finansal Kiralama A.Ş. and its Subsidiary – Location-based (tCO ₂ e)	During the reporting period, this refers to the tonnes of carbon dioxide equivalent of indirect greenhouse gas emissions arising from electricity consumption tracked through invoices representing indirect energy consumption at the specified locations of İş Finansal Kiralama A.Ş. and its subsidiary. The Company calculates its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol, 2004).
	Total Energy Consumption (GJ)	During the reporting period, this refers to the value in GJ resulting from conversion after the consumption of energy sources that constitute Scope 1 and Scope 2, as noted above, at the specified locations of İş Finansal Kiralama A.Ş. and its subsidiary.

6.3 Preparation of Data

Environmental Indicators

Total Energy Consumption (GJ)

Within the scope of direct energy consumption of İş Finansal Kiralama A.Ş. and its subsidiary, primary fuel sources consisting of natural gas, electricity, vehicle fuels (diesel and gasoline) and generator diesel consumption are reported. The following calculations were used for energy conversions.

The table below sets out the references used in the calculation.

Energy Source	Net Calorific Value	Unit	Reference
Natural Gas	48	TJ/Gg	2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2, Chapter 1, Table 1.2
Generator Diesel	43	TJ/Gg	2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2, Chapter 1, Table 1.2
Gasoline Vehicle Fuels	44.3	TJ/Gg	2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2, Chapter 1, Table 1.2
Diesel Vehicle Fuels	43	TJ/Gg	2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2, Chapter 1, Table 1.2

Scope 1 Greenhouse Gas Emissions (tCO₂e)

Scope 1 emissions were calculated in compliance with TSRS, in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard, based on the operational control approach.

In the calculations, conversion factors were used to convert CO₂, CH₄ and N₂O into CO₂ equivalent. The emission factors applied were derived from the IPCC Guidelines for National Greenhouse Gas Inventories (2006), while the Global Warming Potential (GWP) coefficients were taken from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report.

Formula:

Emission Amount (tCO₂e) = Activity Data (litre-m³-tonne) × Emission Factor (CO₂-CH₄-N₂O) (kg/TJ)

The energy sources comprising Scope 1 emissions include natural gas consumption, diesel and gasoline consumption for generators, and diesel and gasoline consumption of both owned and leased vehicles.

Natural Gas:

Natural gas consumption is tracked in m³ based on invoices obtained from service providers at the locations where consumption takes place.

Generator Fuel:

Diesel and gasoline consumption for generators is tracked through invoices obtained from service providers at the relevant consumption locations.

Vehicle Fuels:

Diesel and gasoline consumption for both owned and leased vehicles is tracked through invoices obtained from service providers at the relevant consumption locations.



Emission Source – Scope 1	CO ₂ (kgCO ₂ /TJ)	CH ₄ (kgCH ₄ /TJ)	N ₂ O (kgN ₂ O/TJ)	Reference
Natural Gas (stationary combustion)	56,100	5	0.1	IPCC 2006, Volume2, Chapter 3
Diesel (stationary combustion)	74,100	3	0.6	IPCC 2006, Volume2, Chapter 2
Diesel (mobile combustion) On Road	74,100	3.9	3.9	IPCC 2006, Volume2, Chapter 3
Gasoline (mobile combustion) On Road	69,300	3.8	5.7	IPCC 2006, Volume2, Chapter 3

Emission Source – Scope 1 Refrigerant Gases	GWP (kgCO ₂ e/kg)	Reference
R-134A	1,530	IPCC 6th Assessment Report
R-600A	0.006	IPCC 6th Assessment Report
R-410	2,256	IPCC 6th Assessment Report

Scope 2 Greenhouse Gas Emissions (tCO₂e)

Scope 2 emissions were calculated in compliance with TSRS, in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard, based on the operational control approach.

In the calculations, conversion factors were used to convert CO₂, CH₄ and N₂O into CO₂ equivalent. The emission factors applied for electricity are based on the electricity emission factor for 2022, published in 2024 by the Ministry of Energy and Natural Resources of the Republic of Türkiye.

Formula:

Emission Amount (tCO₂e) = Activity Data (kWh) × Emission Factor (CO₂-CH₄-N₂O) (kg/TJ)

Within Scope 2 emissions, the amount of indirect greenhouse gas emissions arising from the Company’s electricity consumption is included.

Electricity:

Electricity consumption is tracked in kWh based on invoices obtained from service providers at the locations where consumption takes place.

Emission Source – Scope 2	Emission Factor (tCO ₂ e/MWh)	Reference
Türkiye Electricity Energy (Grid-based)	0.434	ETKB-EVÇED-FRM-042 Rev.01

6.4 Significant Judgements and Measurement Uncertainties

The process for identifying financially material sustainability-related risks and opportunities and determining the material information to be disclosed is based on estimates and forward-looking information that incorporate expectations over the short, medium and long term, with reference to 5% of consolidated profit before tax for the relevant year, which is considered a sectorally significant performance indicator. In addition, these assessments require the use of estimates for certain amounts that cannot be measured directly. Assumptions regarding operational boundaries and emissions calculations are provided under the section titled “Preparation of Data” in Annex 1, while information on metrics is disclosed on pages 39–40 of the report.

The Company utilises transition and global climate scenarios (RCP 4.5 and RCP 8.5) to estimate the financial and physical impact dimensions of its sustainability-related risks and opportunities. These scenarios involve uncertainties regarding how climate change—including the effects of increases or decreases in transition risks and greenhouse gas emissions—may influence the frequency and severity of climate events to which the Company may be exposed. Such uncertainties stem from variability in climate projections,

changing weather patterns and evolving climate conditions, as well as potential unexpected changes in the behaviour of natural and extreme weather events.

The financial impacts of physical climate risks and the potential changes in the Company’s financial performance arising from these impacts, as presented on pages 22–23 of the report, are based on estimates and forward-looking information that incorporate expectations over the short, medium and long term.

6.5. Restatement Statement

The measurement and reporting of assured data inevitably involve a degree of estimation. A restatement may be considered where there is a change exceeding 5% in data at Group level.

İŞ LEASING



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