

TürkTraktör

2025 SUSTAINABILITY REPORT



Prepares for the Future

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About the Report

Through this Sustainability Report, the sixth prepared by Türk Traktör ve Ziraat Makineleri A.Ş. (TürkTraktör), we present to our stakeholders our environmental, social and governance (ESG) performance, our sustainability approach and our strategic priorities relating to the operations we carry out in Türkiye. The report covers our activities between January 1 and December 31, 2025.

The reporting scope has been determined to include all our operations within the scope of full consolidation, in alignment with our financial reporting. This approach ensures that our sustainability performance is presented in a manner that is consistent and comparable with our financial reporting boundaries.

The report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, and the GRI reporting principles were taken as the basis in the content development process. The relationship between our sustainability priorities and the United Nations Sustainable Development Goals (SDGs) is also presented within the scope of the report.

We updated our sustainability priorities in line with the double materiality approach aligned with the European

Union Corporate Sustainability Reporting Directive (CSRD). Within this scope, we assess both the financial impacts of sustainability issues on our company and the impacts of our activities on the environment and society; and we take the resulting outputs into account when determining our strategic priorities and targets.

We continue to monitor and improve our sustainability performance on national and international platforms. In this context, we are included in the Borsa Istanbul (BIST) Sustainability Index and we are positioned in the upper segments of our sector in the London Stock Exchange Group (LSEG) and Sustainalytics assessments. We regularly respond to the climate change and water security programs under CDP, and we participate in platforms such as the S&P Corporate Sustainability Assessment (CSA) and the FTSE4Good Emerging Markets Index.

Limited assurance has been provided for selected environmental and social performance indicators for 2025. The related assurance statement is available in the **Annex**.

The TSRS-compliant sustainability report prepared within the scope of the Türkiye Sustainability Reporting Standards (TSRS) is presented to our stakeholders together with this sustainability report.

You may share all your questions, opinions and suggestions regarding the report with us via the e-mail address sustainability@turktraktor.com.tr



Message from the Company Leader



Dear Stakeholders,

2025 was a period in which the regulatory and institutional transformation in the field of sustainability in Türkiye gained momentum. While the effects of climate change, pressure on natural resources, technological transformation and changing stakeholder expectations reshaped the priorities of the business world, the entry into force of the Climate Law, the preparations for the Emissions Trading System and the publication of the first reports under the TSRS brought about a stronger link between sustainability issues and strategy, risk management and investment decisions.

As TürkTraktör, we address regulatory developments not merely as a compliance matter but as an area of strategic transformation that supports our long-term competitiveness and corporate resilience. With this understanding, we continue to share our sustainability performance and our work in the environmental, social and governance fields transparently with our stakeholders. This year, we are pleased to publish our second report prepared under the TSRS together with our Sustainability Report.

In line with our “Future Impact” sustainability strategy launched in 2022, we continue our efforts under the focus areas of Impactful Leadership for the Future, Impact the Future Competencies with Innovation, Impact Responsibly in Operations and Products, and Impact the Future of Agriculture. This year, we reviewed our set of targets in light of the progress we have made, changing operational conditions and our priorities for the period ahead. While setting new targets following our completed commitments, we updated the scope and timeline of some of our ongoing targets. While maintaining our climate and environmental targets for 2030, we updated our commitments in the areas of sustainability-oriented R&D, product life cycle, diversity, equity and inclusion, and precision agriculture. We also completed our target of providing ethical values training to 75% of our dealers and suppliers. We present our updated targets and our performance against these targets to our stakeholders through this report.

In 2025, we reached an important milestone on the path to decarbonizing our operations. By commissioning our solar power plant with an installed capacity of 13 MWe in Sivas, we completed our target of meeting all of our electricity

needs from renewable energy sources we generate ourselves one year ahead of schedule. Together with our rooftop solar investments at our Ankara and Erenler factories and our Sivas solar power plant, in 2025 we generated more renewable electricity than we consumed. In this way, while strengthening our renewable energy capacity, we are also increasing our long-term resilience against energy costs and climate-related uncertainties.

As of year-end 2025, we reduced our Scope 1 and Scope 2 greenhouse gas emissions by 44% compared to the 2021 base year, exceeding the 42% reduction level we had set for 2030. While focusing on sustaining this performance, we continue our work in the areas of energy efficiency, water management, circular economy and emission reduction.

We regard our strong R&D and engineering infrastructure as one of the fundamental components of our sustainable transformation. While investing approximately TL 922 million in R&D and innovation in 2025, we directed 82% of our investments over the last three years to sustainability-oriented projects. Going forward, we remain committed to maintaining the share of sustainability-focused R&D and innovation investments at no less than 70% by 2030. To manage the environmental impacts of our products more systematically, we aim to complete life cycle assessments for 45% of our domestically produced tractors by 2030 and for all of them by 2035.

Through our work in the fields of electrification, autonomous systems, artificial intelligence-supported agricultural applications and product life cycle assessments, we reduce the environmental impact of our products while supporting our farmers in achieving more efficient and resilient production; and we shape the future of agriculture with more technological, efficient and sustainable solutions. We also continue our efforts to expand the area reached by our precision agriculture solutions and the water and pesticide savings they deliver.

We do not view sustainability as limited to environmental transformation alone; we advance with the same determination in human-centered transformation as well. Within the scope of our targets in the field of diversity, equity and inclusion (DEI), we aim to increase the ratio of women employees in non-leadership roles in technology

and innovation fields to 50% and the ratio of women office leaders to 40% by the end of 2030, and to have all office employees participate in DEI Academy trainings. In 2025, we further strengthened our DEI approach by putting our DEI Policy into force, and we supported our inclusive corporate culture through practices such as the Birlikte Bir-İz Academy and DEI Awareness Day. In the same period, while expanding the Miracles of the Sprouts ecosystem with new projects, we continue to contribute to the empowerment of women in business life, technology and agriculture. With our Miracles of the Sprouts Technology and Innovation project, we exceeded our target of reaching 30,000 people in the STEM field by the end of 2026, having reached more than 38 thousand people as of year-end 2025. The awards our DEI efforts have received on national platforms have also been an important indicator of our long-term approach and tangible impact in this area.

Our sustainability performance continued to be recognized in international assessments as well. As of year-end 2025, we became the sector leader with a score of 92 in the ESG assessment carried out by LSEG under the methodology in effect at the time. In the CDP Climate Change and Water Security programs, we achieved a B – Management score in both areas, transparently demonstrating our approach to climate and water management on a global scale. In the S&P Corporate Sustainability Assessment, in which we participated actively for the second time in 2025, we ranked in the top 7% of our sector. At the same time, as a result of the assessment conducted by FTSE Russell, part of LSEG, we maintained our place in the FTSE4Good Emerging Markets Index since 2024, thereby sustaining our strong position in international sustainability indices.

I would like to thank our employees, business partners, farmers, customers and all our stakeholders who make this transformation possible. As TürkTraktör, by combining our strong manufacturing and technology capabilities with our sustainability approach, we will continue to prepare the sectors in which we operate for the future and to create long-term value for our country, our environment and our society.

Sincerely,
Matthieu Séjourné



About TürkTraktör

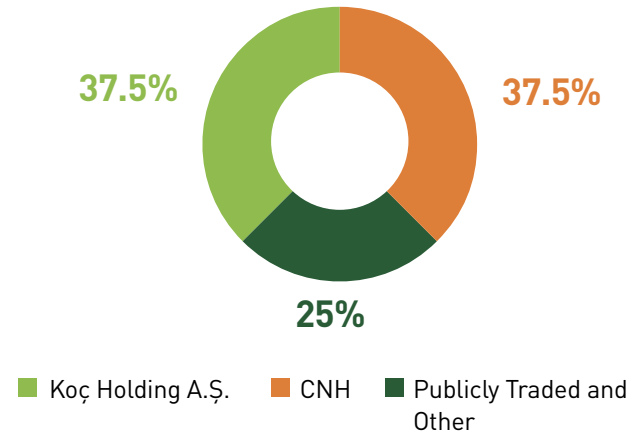
Our Purpose

TürkTraktör prepares for the future

We create value for our country, our customers, our employees, our dealers, our suppliers and our shareholders by leading the transformation in order to prepare our sectors of activity and areas of influence for the future.

Capital and Partnership Structure

TürkTraktör is managed by the equal partnership of Koç Holding A.Ş. and CNH. The Company's 25% shares are publicly traded on Borsa Istanbul. There is no real person shareholder with more than 5% share in TürkTraktör.



With over 70 years of experience, TürkTraktör is the oldest still-operating manufacturer of the Turkish automotive industry, the largest tractor manufacturer of Türkiye and the leader of the Turkish tractor market for 19 years in a row. TürkTraktör exports tractors to more than 125 countries, including North America and Europe.

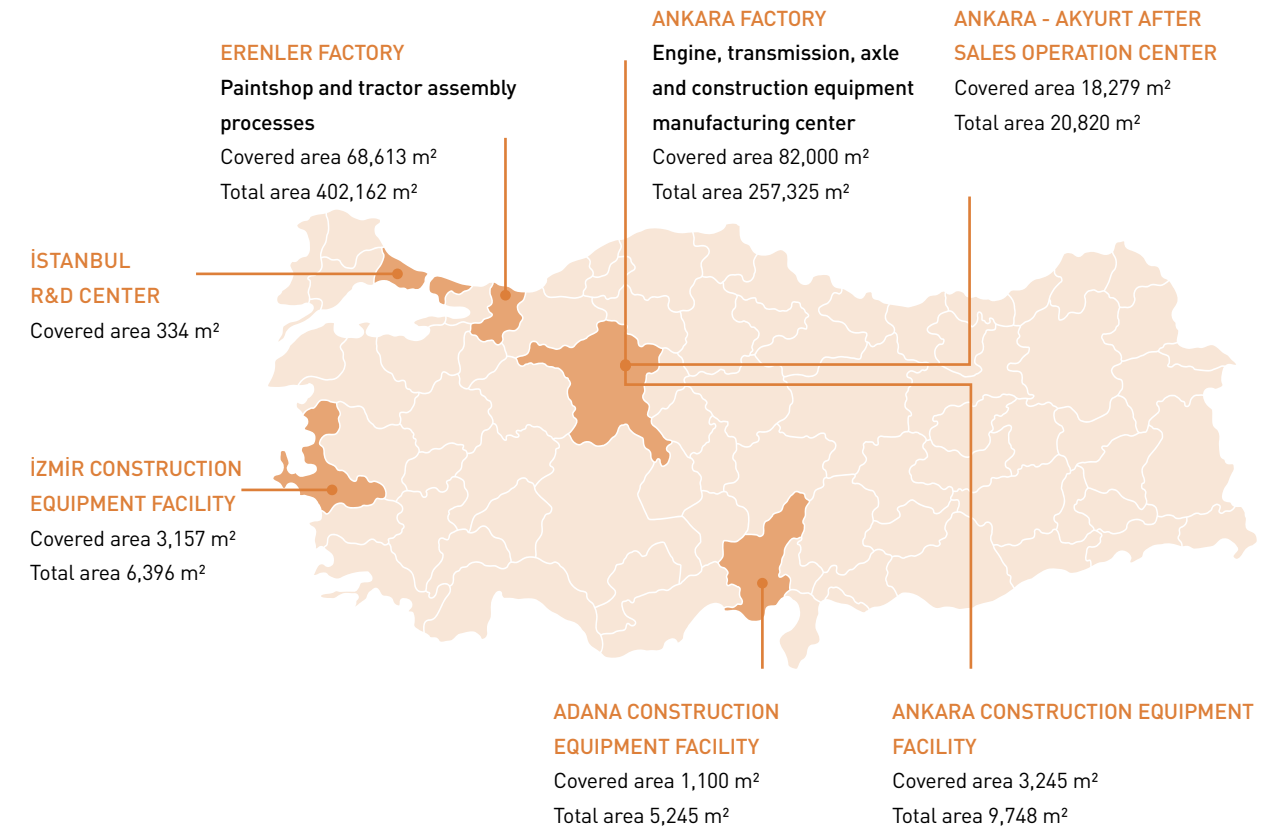
TürkTraktör is the manufacturer of New Holland and Case IH brand tractors. The Company is also the sole design and manufacturing center of New Holland TD series and Case IH JX series tractors in the world, the sole manufacturing center of Utility Light series tractors and transmissions and of New Generation Utility Medium series transmissions in the world, the sole engineering and manufacturing center for TD series transmissions in the world, the sole manufacturing center of Specialty Value series tractors in the world, and the sole manufacturing center of S8000 series Stage V engines.

In 2013, TürkTraktör entered the construction equipment market by becoming the Türkiye distributor of Case and New Holland brand products such as skid steer loaders, backhoe loaders, compact loaders, wheel loaders, mini excavators, crawler excavators and telehandlers. Achieving a rapidly rising track record of success in the field of construction equipment in a short time and adding a new investment in this area in 2020, TürkTraktör started domestic production in the backhoe loader product group at its Ankara Factory.

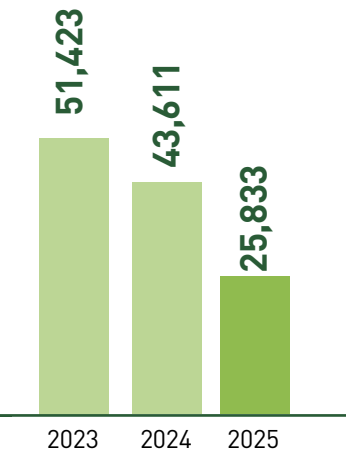
The TürkTraktör Ankara Factory is located on a total area of 257,325 square meters, including its open and covered sections. The TürkTraktör Erenler Factory, with a covered area of 68,613 square meters, has a total area of 402,162 square meters. The combined manufacturing capacity of the two factories is 54,000 tractors per year.

A powerhouse of production technologies, the Ankara Factory, which is TürkTraktör's manufacturing center for engines, axles, transmissions and construction equipment, houses gear and heat treatment facilities, engine manufacturing facilities, quality control laboratories, engine and body testing equipment, and computer-aided design and manufacturing infrastructure under its own production roof.

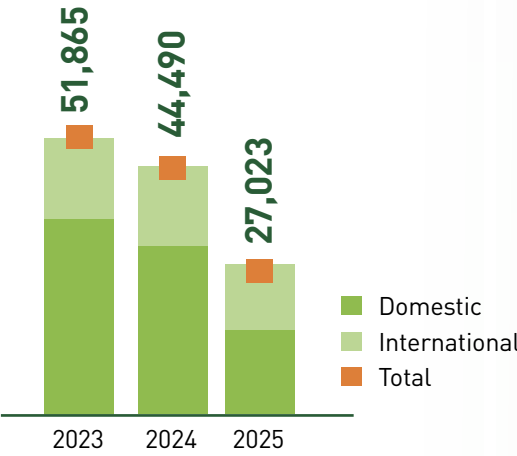
The TürkTraktör Erenler Factory offers high product quality through its state-of-the-art paintshop, assembly lines and quality control laboratories. In addition to low energy and water consumption, the Erenler Factory supports production with a low environmental impact through its "green building" concept by making maximum use of sunlight. Both the Ankara and Erenler factories contribute to renewable energy generation with rooftop solar panels.



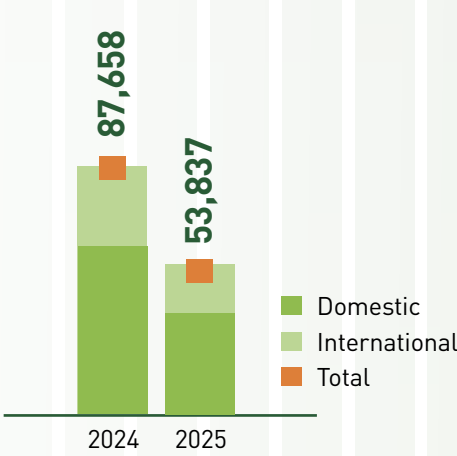
Production Volume (units)



Sales Volume (units)

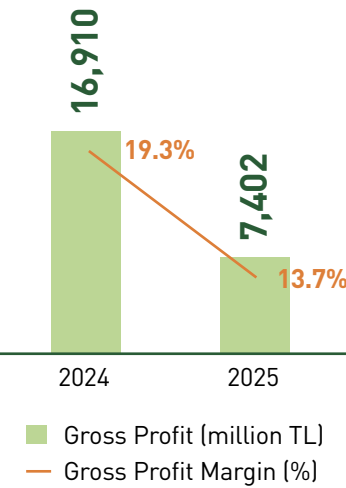


Sales (TL million)

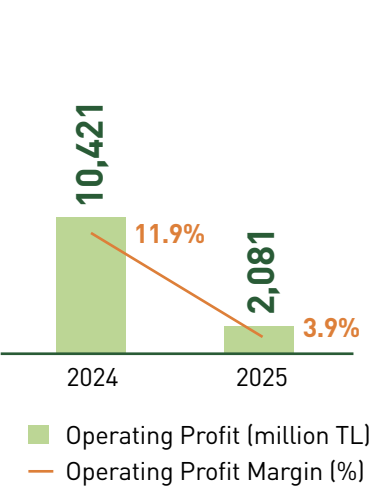


Profitability

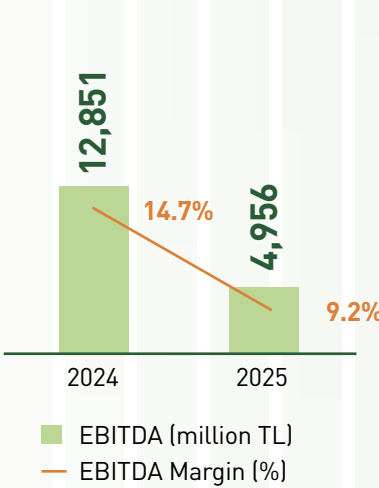
Gross Profit and Gross Profit Margin



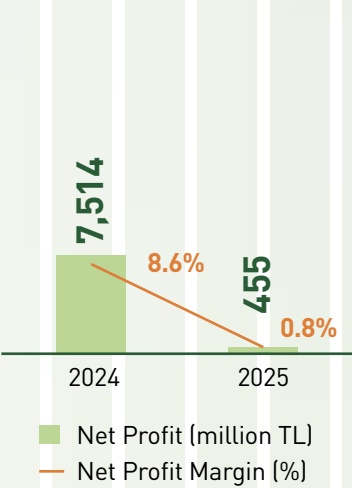
Operating Profit and Operating Profit Margin



EBITDA and EBITDA Margin



Net Profit and Net Profit Margin



*For more information, please see the 2025 Annual Report.



Sustainability Milestones

2016

- Inclusion in the BIST Sustainability Index



2021

- Publication of the first GRI-compliant Sustainability Report
- Becoming a signatory to the UN Global Compact
- Independent verification of Scope 1, 2 and 3 emissions
- Meeting 100% of electricity needs from renewable sources by purchasing Renewable Energy Certificates (I-REC) for the Ankara and Erenler factories for the first time, and reducing market-based Scope 2 emissions to zero

2017

- Becoming a signatory to the United Nations Women's Empowerment Principles (UN WEPs)

2022

- Inclusion in the BIST Sustainability 25 Index
- Becoming a signatory to the Task Force on Climate-related Financial Disclosures (TCFD) and publishing the first risk study aligned with the TCFD methodology
- Launch of work on solar power plant (SPP) projects to meet the electricity consumption of the Ankara and Erenler Factories
- Setting STEM (Science, Technology, Engineering, Mathematics) commitments within the scope of the Koç Holding Gender Equality Mobilization

2023

- Publication of the Future Impact sustainability strategy
- Publication of the sustainability targets
- Obtaining limited assurance for selected indicators in the 2022 Sustainability Report for the first time; becoming a UN Women's Empowerment Principles (UN WEPs) From Words to Action Ambassador
- First CDP Climate Change and Water Security reporting
- EUR 70 million green investment financing loan signed with the European Bank for Reconstruction and Development (EBRD)
- Commissioning of the rooftop SPP at the Erenler Factory



2024

- Launch of electric tractors and agricultural robots at the fairs held during the year
- Inclusion in the FTSE4Good Emerging Markets Index
- Identification of critical suppliers and initiation of sustainability assessments
- Responding to the S&P Corporate Sustainability Assessment for the first time
- Initiation of Life Cycle Assessment (LCA) studies for products
- Commissioning of the rooftop SPP at the Ankara Factory

2025

- Publication of the first sustainability report aligned with the TSRS (Türkiye Sustainability Reporting Standards)
- Commissioning of the SPP with an installed capacity of 13 MWe in Sivas
- Generating more renewable energy than the electricity consumed during the year
- Initiation of preparatory work for compliance with and certification to the SA8000 Social Accountability Standard



Participation in ESG Indices and Assessments

As of year-end 2025, with a score of 92 out of 100 in the ESG assessment of the **London Stock Exchange Group (LSEG)**, we became the **sector leader** in our industry.

Sustainalytics rated us in the top 2% of our sector with a score of 16.4, corresponding to a **“Low Risk”** rating.

Since 2016, we have been listed on the **BIST Sustainability Index**.

In the assessment conducted by FTSE Russell, part of LSEG, we have been included since 2024 in the **FTSE4Good Emerging Markets Index**.

CDP 2025 Climate Change and Water Security reporting: we received a **B – Management score**.

In 2025, we responded actively for the second time to the **S&P Corporate Sustainability Assessment (CSA)**, where with a score of 58 out of 100 **we ranked in the top 7% of our sector**.



Our Value Chain

Our value chain covers a holistic structure that starts with the design of our products and extends to raw material supply, production, distribution and use by customers. While this structure forms the basis of our business model, it also demonstrates how our value creation processes take shape at different stages.

Our activities are not limited to our own operations; they are carried out together with a broad stakeholder network extending from our suppliers to our dealers, and from our customers to regulatory authorities. In this context, our value chain presents an integrated structure that encompasses not only the operational processes in which inputs are transformed into outputs, but also the role of all stakeholders contributing to these processes.

Each stage of our value chain assumes a different role within our business model. While upstream processes enable the supply of inputs that ensure the continuity of operations, our operations transform these inputs into high value-added products. Downstream processes, in turn, cover the delivery of products to customers, the realization of their value during use, and their support through after-sales services.

Elements such as resource use, energy and emission intensity, product efficiency and customer user experience come to the fore at different stages of our value chain. Accordingly, we assess our activities not only in terms of operational performance but also together with our environmental and social impacts, and we adopt a holistic approach across our entire value chain.







Sectoral and Global Trends

We closely monitor the transformation in our industry and treat these developments as an input that shapes our strategy.

The increasing effects of climate change, the limited availability of natural resources, fluctuations in input costs and rapidly advancing technologies are triggering a profound transformation in the agricultural sector. This transformation goes beyond production processes to affect the entire agricultural value chain, making efficiency, sustainability and digitalization the key determinants of the industry. At the same time, it creates new requirements in many areas, from cost structures to product development processes and competitive dynamics.

At TürkTraktör, we address the dynamics of the sectors in which we operate from a holistic perspective; we closely monitor global trends and integrate these developments into our strategy, our product portfolio and our ways of doing business.

Transition to Low-Carbon and Alternative-Fuel Vehicles

Following the signing of the Paris Agreement in 2015, commitments to limit global warming to 1.5°C have led to stricter emission regulations across many regions, especially in the European Union. Expectations to

reduce the environmental impact of the agriculture and construction equipment sectors are steadily increasing. In the European Union, the Stage V emission standard, currently the most up-to-date regulation for engine-powered equipment, is in effect for non-road mobile machinery (NRMM). However, regulations that aim to limit the carbon footprint of products throughout their life cycle have not yet been introduced in this segment. Still, as in the automotive industry, similar developments are expected for non-road mobile equipment in the medium to long term. Climate policies introduced as part of the European Green Deal are shaping the future of the industry, while sustainability-focused product expectations from customers are also gaining greater significance over time. In the coming period, low- or zero-emission and alternative-fuel products have the potential to become more widespread in line with both regulatory requirements and market demand.

In line with our climate goals, we, at TürkTraktör, are accelerating our decarbonization process and treating the transformation of our product portfolio as a strategic priority under the Carbon Transformation Program led by Koç Holding. To evaluate the environmental impacts across the full product life cycle more holistically, we launched our first Life Cycle Assessment (LCA) studies in 2024. In 2025, we expanded these studies to cover three tractor models and two construction equipment models. Guided by our sustainable R&D vision, we focus on electric tractor and alternative-fuel vehicle technologies. The New Holland T3 Electric Power, Türkiye's first domestically manufactured electric tractor, introduced to farmers at the 2024 Konya Agriculture Fair, is a tangible outcome of these efforts. In addition, our strategic collaborations with our main shareholder CNH allow us to strengthen our global technology infrastructure and accelerate the development of environmentally friendly products.

Responsible Supply Chain Management

The global pandemic, geopolitical crises, and climate-related natural disasters have made supply chain vulnerabilities more visible worldwide. Increasing regulatory pressure and customer expectations now require not only supply security but also the establishment of more resilient and circular systems that account for the environmental and social impacts of supply chains. In markets such as the European Union, where carbon costs are a decisive factor, the environmental characteristics of production inputs, such as recycled content and traceability, have become critical for competitiveness. In this context, raw materials sourced from low-carbon and traceable sources reinforce the link between operational sustainability and commercial viability.

At TürkTraktör, we manage our supply chain in line with environmental and social responsibility principles, with an approach of end-to-end traceability and performance monitoring. In our supplier selection and evaluation processes, we consider sustainability criteria such as environmental impact, occupational health and safety, ethical standards, and human rights. Since 2024, we have been monitoring the performance of our critical suppliers through environmental and ethical indicators within the scope of the sustainability assessment process.

Beyond our supply chain, we also continue our efforts to promote a culture of sustainability across our entire value chain, including our dealer and service network, by implementing the necessary actions.

We manage our supply chain end to end in line with environmental and social responsibility principles.

Digitalization in Agriculture and Transition to Integrated Solution Models

Factors such as climate change, population growth, and limited natural resources are making it essential to produce more with fewer inputs in agriculture. Accordingly, the digital transformation process in agriculture known as Agriculture 4.0 is gaining momentum; technologies such as GPS-based guidance systems, sensors, AI-supported decision mechanisms, and remote monitoring are becoming an integral part of production processes. In addition to enhancing productivity, these technologies contribute to reducing environmental impacts by enabling more efficient use of inputs.

Along with this transformation, the agricultural machinery sector is also evolving from a traditional product-oriented business model toward integrated solution models encompassing digital solutions, data analytics and after-sales services. Equipment is moving beyond being a physical product to become data-generating and remotely monitored systems, while competition is now shaped not only by product performance but also by the scope of the services offered and by digital capabilities.

This transformation is not limited to the manufacturer side; it is also reflected in farmers' expectations and decision-making processes. Rising input costs, climate-related uncertainties and productivity pressures are leading medium- and large-scale agricultural enterprises in particular to give greater consideration, alongside product performance, to total cost of ownership, operational efficiency and data-driven decision support capabilities when selecting equipment.



At TürkTraktör, within the scope of our Future Impact strategy, we continue our investments in digital agriculture technologies and integrated solution models under the focus area “Impact the Future of Agriculture”. Through our precision agriculture solutions, we support our farmers in using inputs such as fertilizer, water, and crop protection products more efficiently and at the right time.

Tarlam Cepte (Mobile Field), the application we developed in this area, provides critical insights such as plant health analysis, nitrogen levels, water stress, and fertilization planning, serving as an effective decision-support mechanism. With our TT Connect system, we analyze tractor data to enhance the user experience, and through our TT Guide technology we optimize the use of pesticides and fertilizers. Through the drone spraying services we offer, we deliver operational efficiency and time savings on large agricultural areas. With our extensive dealer and service network, we also offer holistic solutions that support our farmers’ production processes.

Stricter Sustainability Regulations

Regulations in the field of sustainability have expanded significantly in scope and binding force in recent years on a global scale, evolving into a framework that directly affects companies’ operations. Carbon pricing mechanisms, emission regulations and sustainability reporting obligations developed within the scope of combating climate change are becoming factors that determine not only companies’ environmental performance but also their cost structure, competitiveness and access to finance.

Within this framework, the regulations implemented in many markets, particularly in the European Union, create operational and financial impacts for companies operating in export-oriented sectors in particular.

The Carbon Border Adjustment Mechanism (CBAM) launched by the European Union has the potential to create additional costs for exporters operating in carbon-intensive sectors, while also requiring companies to measure, report and effectively manage their emissions.

The regulatory framework in the field of sustainability is also developing rapidly in Türkiye. The first Climate Law, published in the Official Gazette and entering into force in 2025, provides a legal framework for greenhouse gas reduction, green development, the Emissions Trading System (ETS) and local action plans in line with the 2053 net zero emission target.

While the obligations regarding the monitoring and management of emissions have gained a more systematic structure with the Climate Law, work continues on the implementation of the regulations concerning the Emissions Trading System. In this context, preparations are under way for a pilot period covering 2026–2027. Within the same policy framework, work on establishing the Türkiye Green Taxonomy is ongoing and is expected to be put into effect in the near future. This framework is anticipated to play a decisive role not only in defining environmentally sustainable economic activities but also in directing investment and financing flows toward sustainable areas.

As an important part of this transformation, the Türkiye Sustainability Reporting Standards (TSRS) entered into force in 2024, making sustainability reporting mandatory for large-scale enterprises starting with the 2024 reporting period. Within this new framework, companies are expected to provide not just declarations of intent, but measurable, auditable information integrated with their strategies.

At TürkTraktör, in addition to addressing developments in sustainability regulations as a compliance obligation,

we regard them as a strategic area shaping our corporate transformation. We have been publishing our sustainability report regularly for the past five years. This year, we published our climate-related disclosures under the TSRS for the second time, strengthening our compliance with national regulations.

Within the scope of our responses to the CDP Climate Change and Water Security programs, we received a B

score in both areas, transparently demonstrating our climate and water management performance at the international level. At the corporate level, through our Sustainability Committee and working teams, we regularly monitor sustainability risks and regulatory developments and manage these elements in an integrated manner with our strategy. In addition to complying with new regulations, we adopt a proactive approach by shaping our strategic planning accordingly.





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Future Impact





Strategic Approach

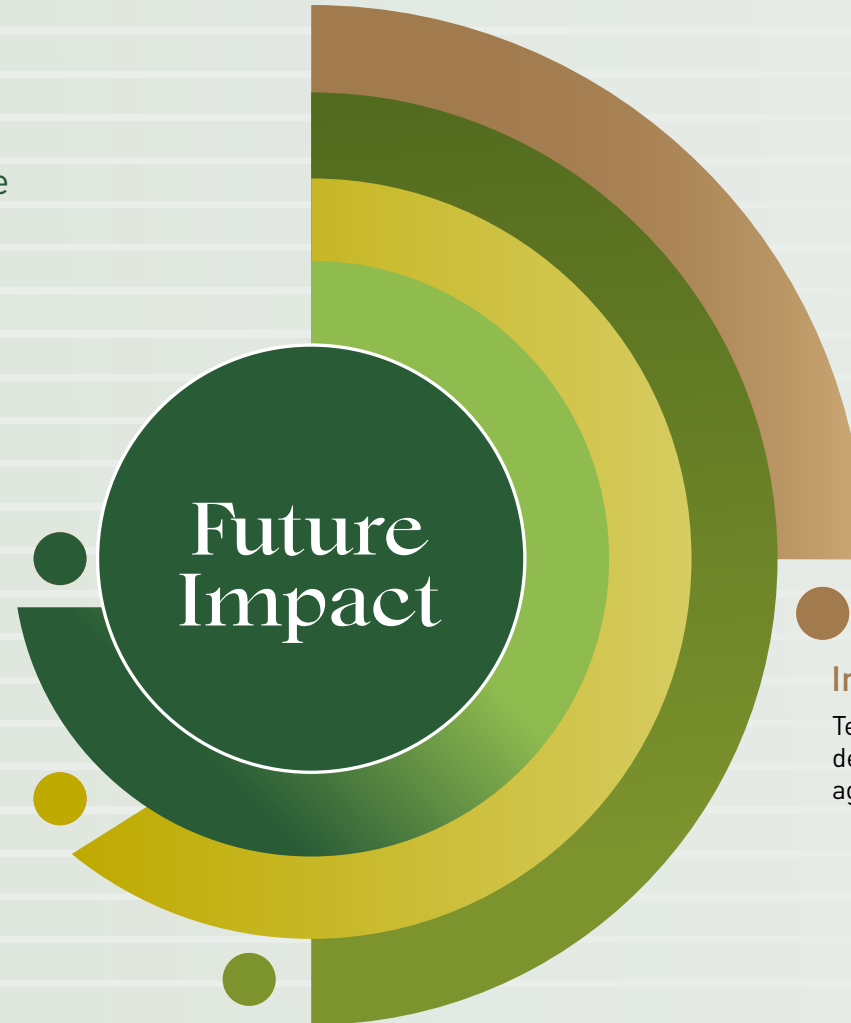
With our Future Impact strategy, we transform our activities within the scope of our impact model that radiates from the inside out; and we shape the future of agriculture together.

Impactful Leadership for the Future

Strong governance, risk and opportunity management, and an ethical and transparent leadership approach

Impact the Future Competencies with Innovation

A culture of innovation, R&D and technological strength, talent development, diversity and an inclusive culture



Impact the Future of Agriculture

Technological solutions, farmer-oriented development, and building the future of agriculture together with the ecosystem

Impact Responsibly in Operations and Products

Responsible production, resource efficiency, circular economy, environmentally friendly products and value chain management



We set the direction with our leadership approach.

We implement our strategy with strong governance and ethical values, creating long-term value.



We accelerate transformation with our competencies.

With our innovation and human capital, we develop future-ready, agile and innovative solutions.



We produce responsibly and create value.

We manage our operations and products in a way that minimizes our environmental and social impact.



We contribute to the future of agriculture.

We focus on creating value with our stakeholders in the agriculture sector and ecosystem.

Our Future Impact Strategy

Today's environmental and social challenges demonstrate that unlimited growth is unsustainable, and companies must not only be part of the solution but also lead the way. In addition to environmental problems such as climate crisis, extreme weather events, biodiversity loss and increasing pollution, social problems such as poverty, hunger and inequality continue to increase their impact on a global scale. We recognize that today, more than ever, it is both more difficult and more critical to create value while effectively using limited natural and human resources.

As TürkTraktör, we see it as one of our main responsibilities to play an active role in solving these problems that concern us all. We aspire to remain a pioneering leader in the sectors and areas of influence in which we operate, now and in the future. Based on this vision, we have launched the TürkTraktör Future Impact strategy in 2022.

Through TürkTraktör's Future Impact strategy, we share the steps of our journey to shape the future of the sectors we serve. We focus on four areas to create positive value across our sphere of influence, which spans our entire ecosystem.

FUTURE
Impact

Impactful Leadership for the Future

Our Future Impact strategy is based on a strong governance structure. To this end, we strive to manage our risks and opportunities with an integrated perspective. As TürkTraktör, we transform all our activities with a focus on creating value for our stakeholders in the short, medium and long term. While we manage our risks proactively, we consider new opportunities as new business areas.

Impact the Future Competencies with Innovation

In the second pillar of our strategy, we focus on innovation and human capital to address the growing risks posed by digital transformation and the talent gap across our sectors. We increase our R&D investments with our strong technology and innovation infrastructure. We accelerate our sustainability-oriented transformation by hiring competent employees in TürkTraktör and improving our skills while we adopt agile and lean business practices. We provide our employees with a fair, healthy, safe and equal environment, and we believe in the power of individual differences, thus creating an inclusive TürkTraktör culture.

Impact Responsibly in Operations and Products

We recognize that through our operations, value chain, and products, we are responsible not only to ourselves but also to the entire TürkTraktör ecosystem, both those we affect and those who affect us. Therefore, as TürkTraktör, we start with our own operations and aim

to minimize our environmental impact with responsible production principles in the entire value chain and focus on creating social benefits. To improve resource efficiency, we integrate circular economy models to our business processes and reduce waste and water use. We are leading the sector with products and technologies that will transform the agriculture sector and shape the agriculture of the future. Moreover, we contribute to the construction equipment sector with value-adding products.

Impact the Future of Agriculture

Drought, rising water stress, rapid population growth, and declining soil fertility threaten the sustainability of the agricultural sector, which is vital for all of us. As TürkTraktör, we believe that the future of agriculture lies in technological, sustainable and efficient solutions, and we are working hard to put these into practice. We believe in developing together with the ecosystem while shaping the agriculture of the future. Together with all our stakeholders, especially farmers at the heart of the TürkTraktör ecosystem, we continue to grow stronger. By understanding the expectations and needs of farmers, we increase the use of cutting-edge tractors and agricultural equipment. We enhance customer satisfaction through our products, support agricultural transformation, and help improve the environmental and economic efficiency of farmers. By increasing mechanization in agriculture and supporting innovative agricultural practices, we contribute to the development of a more efficient, more technological and more sustainable agriculture sector. Under our Future Impact strategy, we focus on creating value with our stakeholders in the agriculture sector and ecosystem.



Our Sustainability Goals

In 2025, we reviewed the sustainability targets we had set in line with our Future Impact strategic framework, taking into account the progress we have made, changing needs and our priorities for the period ahead. Within the scope of this exercise, we reassessed the scope, target year, performance indicators and target values of our existing targets; we updated the targets deemed necessary and set new targets supporting our strategic priorities. We also assessed in this process the initiatives that were completed or that reached their target level ahead of schedule.

Our current sustainability targets and our performance results for 2024 and 2025 are presented in the table below. By indicating separately whether the targets are new, updated, maintained or completed, we aim to enable transparent monitoring of the change in our target portfolio and of the progress achieved.

Strategic Area		Target Status	Current Target	Target Value	Target Year	Performance Indicator	2024 Performance	2025 Performance	Progress
 Impactful Leadership for the Future		Updated ¹	Increasing the rate of female members in the Board of Directors	25%	2030	Rate of female members of the Board of Directors (%)	25%	8%	33% of the target was achieved; a decline was recorded compared to 2024.
		Completed ²	Providing ethical values training to dealers and suppliers	75%	2025	The rate of dealers and suppliers who received ethical values training (%)	—	40%	53% of the target was achieved as of year-end 2025; the target was completed as of the publication date of the report.
 Impact the Future Competencies with Innovation		Updated ³	Maintaining the share of sustainability-oriented R&D and innovation investments	At least 70%	2030	The share of sustainability-oriented investments in total R&D and innovation investments (%)	79%	80%	The target level was maintained.
		New	Completing life cycle assessments for domestically manufactured tractors	Interim target: 45% Final target: 100%	2030 2035	The rate of domestically manufactured tractors for which life cycle assessment has been completed (%)	—	21%	47% of the 2030 interim target and 21% of the 2035 final target were achieved.
		Updated ⁴	Increasing the rate of women employees in technology and innovation fields, excluding leadership roles	50%	2030	The rate of women working in technology and innovation fields, excluding leadership roles (%)	36%	36%	68% of the target was achieved.
		Updated ⁵	Increasing the rate of women students in internship programs	50%	2030	The rate of women students in internship programs (%)	45%	45%	90% of the target was achieved.
		Completed	Reaching people through internship-employment opportunities and technical development, coaching and simulation-supported programs	30,000 people	2026	Cumulative number of people reached through the programs	19,370	38,514	The target was exceeded in 2025 (128%).
		New	Increasing the rate of first-level women office leaders	40%	2030	The rate of women office leaders (%)	31%	36%	75% of the target was achieved.
		New	Increasing the rate of women employees working at dealers	20%	2030	The rate of women technical personnel working at dealers (%)	—	15%	75% of the target was achieved.
		New	Ensuring the participation of women office employees in the Miracles of the Sprouts Women's Leadership Program	100%	2030	The rate of women office employees participating in the program (%)	0%	0%	The Miracles of the Sprouts Women's Leadership Program was launched in 2026.
		New	Raising the Diversity, Equity and Inclusion maturity level	4.0	2030	Diversity, Equity and Inclusion maturity score	—	3.5	88% of the target was achieved.
		New	Ensuring the participation of office employees in the Diversity, Equity and Inclusion Academy	100%	2030	The rate of office employees participating in the Academy (%)	0%	0%	The DEI Academy was launched in 2026.
		Updated ⁶	Reducing the Lost Time Injury Frequency Rate	80% decrease	2030	Lost Time Injury Frequency Rate; decrease compared to the 2021 base year (%)	77% decrease	93% decrease	The target level was exceeded.

¹ The target year has been updated from 2027 to 2030.

² As of year-end 2025, ethical values training had been provided to 40% of dealers and suppliers. Training activities continued in 2026 and the 75% target was completed as of the publication date of the report. For this reason, the target status is shown as “Completed”.

³ The previous 2023–2027 target has been updated as maintaining the share of sustainability-oriented R&D and innovation investments at a minimum of 70% through 2030.

⁴ The target year has been updated from 2026 to 2030 and the target scope has been updated to exclude leadership roles.

⁵ The target year has been updated from 2026 to 2030.

⁶ The target has been raised from a 70% reduction by 2026 to an 80% reduction by 2030.

Strategic Area	Target Status	Current Target	Target Value	Target Year	Performance Indicator	2024 Performance	2025 Performance	Progress
 Impact Responsibly in Operations and Products	 Maintained	Making Scope 1 and 2 greenhouse gas emissions carbon neutral	Carbon neutral	2050	Scope 1 and 2 greenhouse gas emissions (ton CO ₂ e)	24,791	18,588	Scope 1 and 2 emissions decreased by 25% in 2025 compared to the previous year; progress toward the 2050 carbon neutrality target is being monitored.
	 Maintained	Reducing Scope 1 and 2 greenhouse gas emissions	42% decrease	2030	Scope 1 and 2 greenhouse gas emissions; decrease compared to the 2021 base year (%)	25% decrease	44% decrease	The target level was exceeded as of 2025.
	 Completed ⁷	Meeting electricity needs with renewable energy generated by TürkTraktör	100%	2026	The ratio of renewable energy generated by TürkTraktör to total electricity consumption (%)	17%	101%	The target was achieved one year ahead of the planned target date.
	 Updated ⁸	Reducing electricity consumption per product	20% decrease	2030	Electricity consumption per product; decrease compared to the 2019 base year (%)	34% decrease	10% decrease	50% of the target was achieved; a decline was recorded compared to 2024.
	 Maintained	Reducing water consumption per product	40% decrease	2030	Water consumption per product; decrease compared to the 2019 base year (%)	45% decrease	5% decrease	13% of the target was achieved; a decline was recorded compared to 2024. ⁹
	 Updated ¹⁰	Increasing the use of recycled water in production and operations	50%	2030	The rate of recycled water used (%)	48%	36%	72% of the target was achieved; a decline was recorded compared to 2024. ¹¹
	 Maintained	Maintaining the recovery rate of waste generated by production activities	At least 99%	2030	Waste recovery rate (%)	99.9%	99.9%	The target level was maintained.
	 Updated ¹²	Integration of suppliers representing 80% of the domestic direct material purchasing volume into the supplier evaluation and development program	80%	2027	The share of direct purchasing volume represented by the suppliers included in the program (%)	67%	67%	84% of the target was achieved.
	 Maintained	Making emissions from logistics operations carbon neutral	Carbon neutral	2040	Greenhouse gas emissions from logistics operations (tCO ₂ e)	38,252	31,750	17% decrease compared to 2024; progress is on track toward the target.
 Impact the Future of Agriculture ¹³	 Updated ¹⁴	Achieving coverage area and water and pesticide savings with automatic steering systems	3,000,000 decares 25,000,000 liters	2030	Coverage area (decares) Water and pesticide savings (liters)	864,000 decares 11,016,000 liters	1,058,000 decares 13,489,500 liters	35% of the coverage target 54% of the savings target
	 Updated ¹⁵	Achieving coverage area and water and pesticide savings with agricultural drones	100,000 decares 4,000,000 liters	2030	Coverage area (decares) Water and pesticide savings (liters)	37,896 decares 1,440,048 liters	41,064 decares 1,560,447 liters	41% of the coverage target 39% of the savings target



⁷ In 2025, the total electricity generated by the solar power plants in Ankara, Erenler and Sivas exceeded TürkTraktör’s total electricity consumption in the same period. Accordingly, the company’s target of generating renewable electricity equivalent to its electricity requirement has been completed.

⁸ The target of reducing electricity consumption per product by 30% compared to the 2019 base year has been reassessed and updated to a 20% reduction in line with the new processes added to production processes and the electrification activities planned to be carried out in order to reduce natural gas use. Although electrification activities may increase electricity consumption, when the Company’s renewable energy generation is taken into account, they support the reduction of fossil fuel use and the associated direct greenhouse gas emissions.

⁹ In 2025, water consumption increased as a result of the construction work carried out within the scope of the office renovation at the Ankara Factory and the commissioning of the new paintshop process at the Erenler Factory; this increase caused the reduction rate in water consumption per product to decline compared to 2024.

¹⁰ The scope and implementation timeline of the planned investments in the use of recycled water were reviewed in line with the company’s budget planning; accordingly, the 2030 target of 100% has been updated to 50%.

¹¹ In 2025, the water recovery system was out of service for a certain period of the year due to the improvement work carried out at the Erenler Factory, which caused the rate of recycled water use to decrease compared to 2024.

¹² The target year has been updated from 2025 to 2027.

¹³ The data provided for both targets under the Impact the Future of Agriculture heading are cumulative: the 2024 performance covers the 2022-2024 period and the 2025 performance covers the 2022-2025 period.

¹⁴ The target year has been updated from 2027 to 2030.

¹⁵ In line with farmers’ current usage trends for agricultural drones through the dealer network and their expectations for the coming period, the target year has been updated from 2027 to 2030 and the target values for coverage area and water and pesticide savings have been updated.



Materiality Analysis

We shape our sustainability priorities in line with desk research, stakeholder feedback and strategic assessments.

At TürkTraktör, in order to establish our sustainability strategy on a solid foundation and respond comprehensively to stakeholder expectations, we conducted a comprehensive revision and update of our existing analysis framework in 2025. This analysis was carried out in alignment with the European Union's Corporate Sustainability Reporting Directive (CSRD), based on the "double materiality" approach. Within this approach, we evaluated both how sustainability issues affect our company (financial materiality) and how our activities impact the environment and society (impact materiality).

The analysis was structured by using a multi-layered methodology that incorporated desk research, external trend and peer benchmarking, internal and external stakeholder surveys, and executive interviews. With the support of external consultants, a material topic list of 22 issues was created, taking into account national and international reporting standards such as GRI, TSRS, and SASB; industry-specific priority frameworks of rating agencies such as S&P and MSCI; the Sustainable Development Goals (SDGs); and leading practices in our sector.

Collecting stakeholder feedback constituted a key step in our materiality analysis. To this end, online surveys were conducted with seven different stakeholder groups. The survey was distributed to a total of 2,817 individuals, including employees, dealers, Koç Group companies, investors and analysts, suppliers, media representatives, and NGOs. We received responses from 621 participants, yielding an overall participation rate of 22%.

We incorporated the views of 621 internal and external stakeholders into our materiality analysis.

Participation rates varied across stakeholder groups. The highest number of responses (512) came from employees, while the highest participation rate was among dealers, at 52%. Participation rates were 26% among suppliers, 32% in Koç Group companies, and 36% among NGOs. To ensure a balanced assessment of feedback from different groups, a weighting methodology was applied in the analysis.

To incorporate the strategic perspective of our senior management, the materiality survey was also shared with our executives, and insights were collected from six senior leaders to inform the analysis. This enabled us to more clearly identify the intersection between the company's strategic priorities and stakeholder expectations.

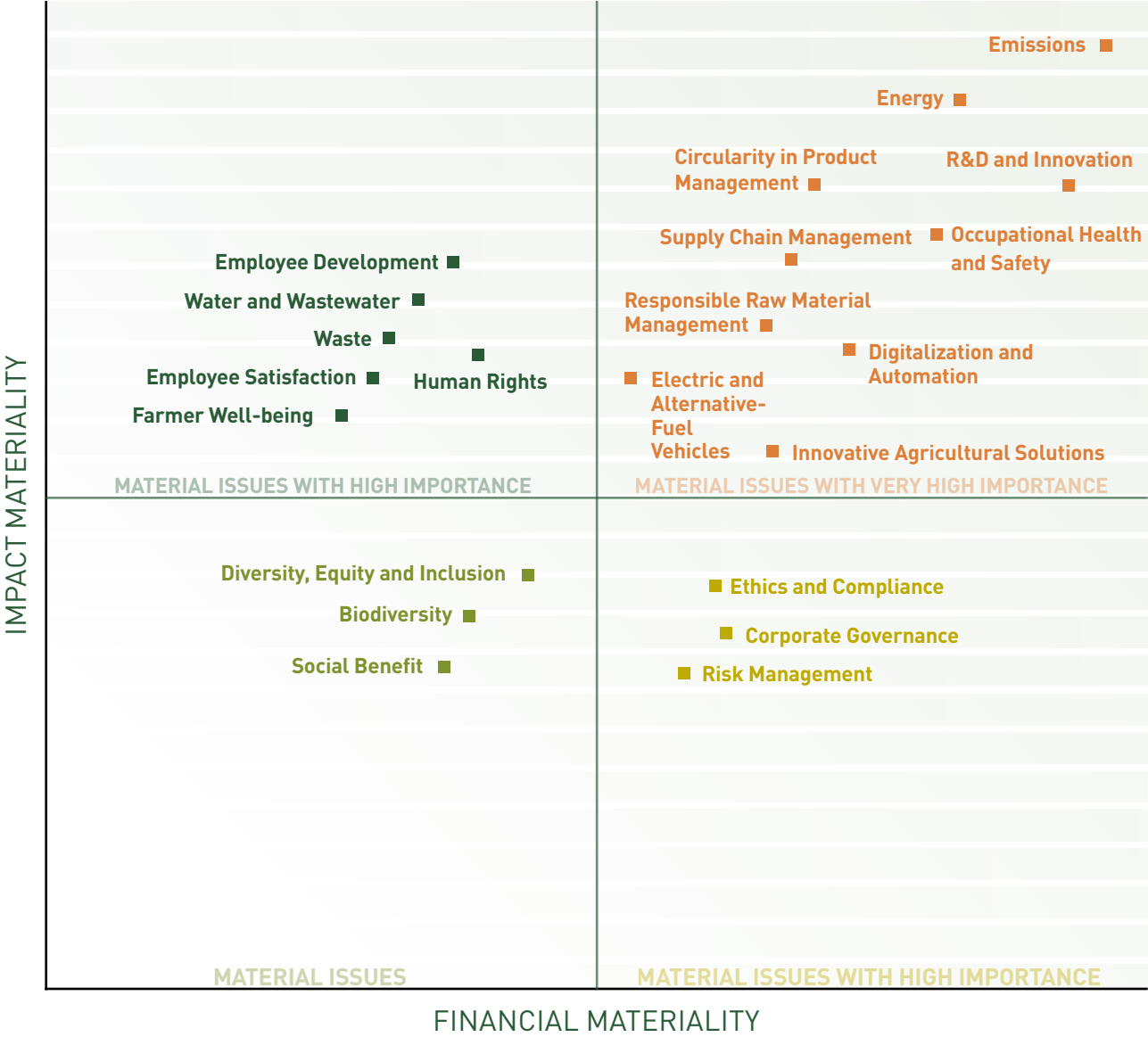
In our materiality matrix, the vertical axis (Y-axis) reflects the environmental and social impact of each topic, while the horizontal axis (X-axis) reflects its financial impact. Using desk-based analysis, we evaluated the risks and opportunities posed by the material topics for the company, as well as TürkTraktör's impacts on

the environment and society. In the impact materiality assessment, in line with CSRD guidance, criteria such as the scope, scale, duration, and reversibility of each issue's impact were taken into account. On the financial materiality side, the analysis was based on a risk and opportunity approach.

Looking ahead, we aim to update this study regularly every two to three years, to reassess our material issues based on emerging developments, and to strengthen engagement with our stakeholders.



MATERIALITY MATRIX



Materiality Matrix and Analysis Results

As a result of our materiality assessment, we identified topics that stand out in terms of both societal and environmental impact as well as relevance to our business strategy. The resulting matrix clearly shows which areas our sustainability approach focuses on and which topics require greater attention.

Material Issues with Very High Importance: The issues in the top right quadrant of the matrix represent those we consider highly material in both impact and financial terms. Key topics in this category include:

- Emissions and energy management – areas with high environmental impact,
- Occupational health and safety, digitalization and automation – topics that directly concern our employees and operations,
- R&D and innovation, electric and alternative-fuel vehicles, innovative agricultural solutions – topics that hold forward-looking opportunities,
- In addition, supply chain management, circularity and responsible raw material use – sustainability issues in our value chain – are also included in this group.

These topics closely align with both stakeholder expectations and our strategic priorities.

Material Issues with High Importance: Topics such as ethics and compliance, corporate governance, and risk management, which represent our corporate structure and ethical stance, are among the material issues with high importance. These areas directly influence our company’s long-term credibility and decision-making

processes. In addition, socially-oriented issues, including employee satisfaction, employee development, human rights, and farmer well-being, are also seen as important by our stakeholders. Although their financial impact may be more indirect, these topics contribute to strengthening corporate reputation and employee engagement, and are therefore among the material issues with high importance.

Assessment of Material Issues

According to the results of our analysis, the most material sustainability issues that stand out on both the horizontal and vertical axes are **Emissions, Energy** and **R&D and Innovation**. These three topics are considered to have the greatest impact from an impact materiality perspective, both in our long-term value creation processes at TürkTraktör and in the eyes of our stakeholders.

Emissions: For TürkTraktör, emissions are considered a significant transition risk area, particularly in light of increasingly stringent carbon regulations and shifting customer expectations toward low-emission products. Managing emissions is strategically important not only for legal compliance, but also for ensuring long-term operational sustainability in the industry and maintaining our position in the market. Moreover, effective emissions management offers opportunities such as cost reduction and revenue growth through the introduction of low-carbon products. For this reason, our efforts to reduce greenhouse gas emissions are treated as a key factor that influences our cost structure, regulatory compliance, and customer preferences. To this end, we pursue a comprehensive carbon reduction strategy through energy efficiency projects, procurement of I-REC-certified renewable electricity, and the development of low-emission products. We also monitor our Scope 1, 2, and 3 emissions regularly, verify them in accordance with international standards, and report them publicly. We



detail our approach, strategy and performance regarding emissions management in the Fight against Climate Change section of our report.

At TürkTraktör, the greenhouse gas emissions arising from our production activities and throughout the useful life of our products have both negative and positive impacts from the perspective of environmental stakeholders. The majority of our emissions occur under Scope 3, particularly during the use phase of products, and this constitutes a significant externality that increases climate change risk on a global scale. This impact affects not only environmental systems but also, indirectly, social and economic structures in markets where emission regulations are becoming stricter. In response, we develop energy-efficient and low-emission solutions in order to reduce the carbon footprint of our products, and we expand our alternative product portfolio, such as electric tractors. In addition, we increase energy efficiency in our operations, source 100% of the electricity we consume from renewable resources, and calculate and transparently disclose our total emissions annually. For this reason, the topic of emissions is assessed as an area that creates both negative and positive impacts for external stakeholders.

We develop low-emission solutions to reduce the carbon footprint of our products, source 100% of our electricity consumption from renewable resources, and report our emissions transparently.

Energy: Energy is a significant risk area that directly affects our production activities, both in terms of price volatility and energy supply security. At the same time, energy efficiency projects and the procurement of energy from renewable resources offer important opportunities in terms of long-term cost advantage and operational resilience. Energy consumption accounts for a significant share of our operational costs. Optimizing this consumption both enhances our competitiveness and aligns with our climate targets. We detail our approach, strategy and performance regarding energy management in the **Energy Management** section of our report.

The energy we use in our production activities has both negative and positive impacts on the environment and society, particularly through the choice of resources and the level of efficiency. In our energy consumption, the share coming from fossil fuels creates a negative externality for environmental stakeholders by contributing to indirect emissions and climate change. In contrast, thanks to our energy efficiency projects and our 100% renewable electricity supply, we reduce environmental pressure; and by increasing our own energy generation capacity, we lower dependence on local resources. In this way, we reduce not only our emissions but also the environmental impacts in our supply chain. The impacts associated with our energy use are assessed regularly and our performance is shared publicly. For this reason, the impact of energy on external stakeholders is addressed together with both its negative and positive aspects.

R&D and Innovation: R&D and innovation play a key role in long-term value creation in terms of developing low-emission, energy-efficient and sustainable products. Investments in this area are of critical importance both for maintaining market leadership and for adapting to increasing environmental expectations. Otherwise, failure to allocate sufficient resources to this area could give rise to reputational losses and market share risks. In order



to offer high-performance and environmentally friendly products in line with customer expectations, we use our R&D investments as a strategic lever. Thanks to these investments, we not only comply with regulations but also capture opportunities for entering new markets and achieving sustainable growth. As TürkTraktör, we aim for continuous improvement with an approach that places R&D and innovation at its center, and we work to produce innovative and technological solutions. By integrating our research and development activities into both our operations and our products, we focus on increasing the positive value we create across the entire TürkTraktör ecosystem. With our R&D centers in Ankara and İstanbul operating to international standards, we focus on innovative and sustainable technologies in line with the

needs of farmers, who are among our most important stakeholders, and of the sector, and we continue to work within the scope of our strategic roadmap. In order to bring modern agricultural technologies to our customers and to increase efficiency in agricultural practices, we continue to work on advanced technology projects such as electrification, the development of autonomous agricultural vehicles and the use of AI-supported agricultural applications. We detail our approach, strategy and performance regarding R&D and innovation in the **R&D and Innovation** section of our report.

Stakeholder Relations

At TürkTraktör, we attach great importance to maintaining continuous and transparent communication with our stakeholders and to developing trust-based, two-way relationships. We manage stakeholder relations in line with the Company’s ethical principles, corporate values and responsible business approach. This understanding ensures that our activities are built on the principles of transparency, accountability and mutual respect.

When identifying our stakeholders, we take an inclusive approach that considers all parties that have an impact on the Company’s activities or that are affected by these activities. Accordingly, employees, dealers, suppliers, customers, investors, public institutions and regulatory authorities, the media, non-governmental organizations, international organizations, universities and research institutions constitute our main stakeholder groups.

We tailor the form and frequency of our communication with each stakeholder group according to the nature of the relationship and stakeholder expectations. Details of the main communication channels with stakeholders are provided in the table.

We carefully evaluate the information requests, expectations and questions received from our stakeholders and take care to respond to them in the best possible way through all our communication channels. In the double materiality analysis we conducted, the feedback received from our stakeholders also played an important role in determining our material sustainability issues.

We regard stakeholder engagement as an integral part of our company’s strategic decision-making processes; we carry out projects and collaborations that create shared value with our stakeholders in social, environmental and sectoral areas; and we continuously strengthen these relationships in order to contribute to a sustainable agricultural transformation.

Stakeholder Groups and Our Communication Methods

Stakeholder Group	Main Communication Channels
Employees	- Internal corporate platforms - Suggestion, recognition and reward system - Internal publications such as announcements and notices - Social events (online or in person) - Performance Management System - Employee engagement survey - Open Door and Leadership Meetings - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report
Dealers	- Dealer meetings, dealer representative meetings and one-to-one meetings - Dealer satisfaction surveys - Dealer trainings and field demos - Dealer portal - Regional fairs - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report
Customers	- Social media and digital channels - Customer satisfaction surveys - Field events - Regional fairs - One-to-one meetings - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report
Suppliers	- One-to-one meetings and gatherings - Supplier days - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report

Stakeholder Group	Main Communication Channels
Shareholders, Investors and Analysts	- Corporate website - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report - Investor and analyst presentations - Material event disclosures - Financial results review meetings - One-to-one meetings and gatherings - General Assembly meetings
Press & Media	- Interviews and conversations - Press conferences and events - Press releases - Material event disclosures - Social media - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report
Public Institutions and Regulatory Authorities	- Meetings and discussions - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report
Non-Governmental Organizations and International Organizations	- Memberships - Joint projects, corporate social responsibility projects - Meetings and discussions - Communication events (conferences, webinars and workshops) - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report
Vocational Schools and Universities	- Articles and publications, academic research - Joint projects - Training and technical support - Sponsorships - Seminars and university events - Meetings and discussions - Annual Report - Sustainability Report and TSRS-Compliant Sustainability Report





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Impactful Leadership for the Future





Corporate Governance

At TürkTraktör, we embrace a fair, transparent, accountable and responsible corporate governance approach. Thanks to Koç Holding's well-established business culture and financial strength and CNH's technical know-how, sectoral expertise and international experience in agricultural equipment manufacturing, we have a solid partnership structure that will make our financial and operational success sustainable. We shape our management structure in line with the values of leadership, optimism, solidarity and value creation of the Koç Group, under whose roof we operate. We conduct our corporate governance model in compliance with local and international legal regulations. Within the framework of the principle of transparency, we take care to share accurate information about our activities with all our stakeholders, as well as with the public and other interested parties, in an understandable, accessible and timely manner. In 2025, our Corporate Governance Rating Score was 9.48 out of 10.

Following the General Assembly held in March 2026, the Board of Directors currently comprises 12 members, including two independent directors, one of whom is a woman. The positions of Chairman of the Board of Directors and Company Leader (CEO) are held by different individuals, and there is no restriction on their holding other position or positions outside the Company. The Chairman of the Board of Directors is not an independent member. Apart from the Company Leader, none of the Board members holds an executive role. The principles of diversity and inclusion are adopted in the process of

nomination to Board membership. Within the scope of the Board of Directors Diversity Policy, the aim is to increase the rate of female members to 25%.

You can access the [Board of Directors Diversity Policy here](#).

At TürkTraktör, all Board members, including the Independent Board members, are elected each year at the General Assembly. According to the Articles of Association, Board members may be elected for a maximum term of 3 years and may be re-nominated and re-elected. Each Board member is elected individually. There is 1 member on the Board of Directors who serves on the boards of more than four publicly traded companies¹, and the number of members serving on the boards of four or fewer publicly traded companies is 10. As of June 2026, the average board tenure of Board members is 5 years. Nine of the non-executive Board members have work experience in industrial sectors.²

In 2025, the TürkTraktör Board of Directors convened 3 times, with a 100% attendance rate.

Determining and implementing the Company's main strategic targets; ensuring the continuity of risk management and control systems, the reliability of the internal audit mechanism and compliance with corporate governance principles; and setting and monitoring corporate targets are the responsibility of the Board of Directors.

The TürkTraktör Remuneration Policy for Senior Executives and Board Members forms the basis for the remuneration of Board members and senior executives. Within the scope of the policy, the fixed remuneration to be paid to Board members is determined each year at the

ordinary general assembly meeting and disclosed publicly.

You can access the [Remuneration Policy for Senior Executives and Board Members here](#).

The remuneration of the executive Board member serving as Company Leader and of senior executives consists of two components: fixed and performance-based. Senior

executive remuneration is determined in accordance with international standards and legal obligations, taking into account macroeconomic data in the market, prevailing remuneration policies in the market, the size and long-term targets of the company, and the positions of the individuals. The financial benefits provided to Board members and senior executives are disclosed to the public through annual reports and financial statements.



¹ Chairman of the Board of Directors Levent Çakıroğlu serves on the Boards of Directors of Koç Holding, Arçelik, Aygaz, Otokar, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi.

² Levent Çakıroğlu, Gerrit Andreas Dr. Marx, Haydar Yenigün, Markus Dr. Müller, Özgür Burak Akyol, Stefano Pampalone, Vincent de Lassagne, Aykut Özüner, Osman Turgay Durak.

Sustainability Governance

In order to improve its performance towards sustainability targets and to ensure the effective management of non-financial risks and opportunities, TürkTraktör encourages participation from all levels within the organization, especially the Board of Directors. At TürkTraktör, sustainability governance is carried out under the responsibility of the Board of Directors, the Sustainability Council, working groups and the Leader of the Sustainability Center of Excellence.

Board of Directors

The TürkTraktör Board of Directors is the highest authority directly responsible for managing the company's climate-related risks and opportunities. The short-, medium-, and long-term climate and sustainability targets identified under the "Future Impact" sustainability strategy are approved and monitored by the Board of Directors. Climate-related issues are a standing item on the Board meeting agenda, and the Board receives briefings at least three times a year. A total of 3 Board of Directors meetings were held in 2025.

The Company Leader (CEO), who also serves as a member of the Board, plays an active role in the management of climate and environmental issues, and is assessed in the annual performance evaluation taking into account criteria related to the achievement of sustainability targets. The Company Leader also reports directly to the Board and regularly provides updates on all sustainability-related processes.

Various mechanisms are in place to strengthen the Board's competency on environmental and climate issues. Board members participate in national and international meetings to enhance their knowledge and expertise in the fields of climate change and sustainability, and share their experiences as speakers on these platforms. Several Board members have completed certification programs on sustainability and climate change at leading universities, and the Board's expertise is regularly enhanced with the support of both internal and external advisors. Through this approach, the company strengthens its governance structure in line with its strategic objectives and ensures the effective management of climate-related risks. Furthermore, in line with the TürkTraktör Board of Directors Diversity Policy, diversity is considered in the formation of the Board's membership structure.

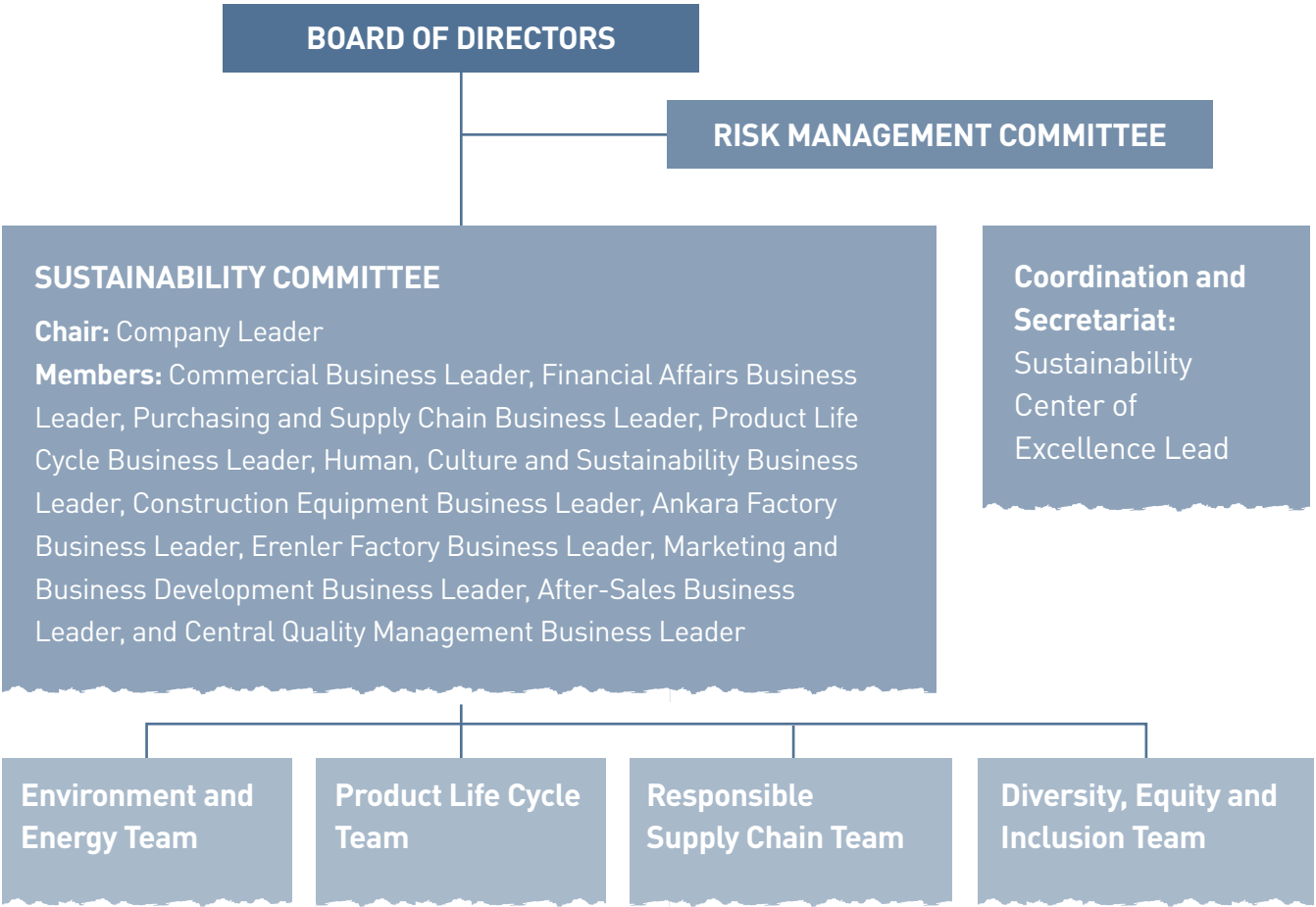
Risk Management Committee

At the Board level, the oversight of sustainability- and climate-related risks and opportunities is carried out through the relevant committees. In this context, the Risk Management Committee, which operates under the Board of Directors, plays an active role in addressing sustainability issues within the enterprise risk management framework.

The Risk Management Committee makes recommendations and proposals to the Board of Directors regarding the identification and assessment of strategic, financial, operational and compliance risks that may affect TürkTraktör, the analysis of their impact and likelihood, and the management of these risks in line with the company's risk appetite. In this context, risks and opportunities relating to climate change and other sustainability issues are also included in the Committee's scope of assessment and are addressed regularly.

The Committee is briefed regularly on climate-related risks and opportunities; these issues are assessed under the heading of sustainability. In addition, the Committee is periodically informed about the transition process to

a low-carbon economy, emissions management, the roadmap and target-setting efforts carried out within the scope of the Carbon Transformation Program.





Sustainability Committee

The Sustainability Committee is responsible for determining, implementing and monitoring the company’s sustainability strategy, targets and actions. The Sustainability Committee is chaired by the Company Leader (CEO). The Committee members are the Commercial Business Leader, Financial Affairs Business Leader, Purchasing and Supply Chain Business Leader, Product Life Cycle Business Leader, Human, Culture and Sustainability Business Leader, Construction Equipment Business Leader, Ankara Factory Business Leader, Erenler Factory Business Leader, Marketing and Business Development Business Leader, After-Sales Business Leader, Digital and Technology Solutions Group Leader, Central Quality Management Business Leader, and Legal and Compliance Group Leader.

The Committee meets at least four times a year and reports directly to the Board of Directors three times annually. The Committee’s responsibilities cover various areas such as identifying and evaluating climate and environmental risks and opportunities; setting corporate environmental and climate targets and monitoring related performance indicators; developing and implementing climate transition plans; defining strategies to reduce greenhouse gas emissions; integrating climate and sustainability considerations into the company’s long-term business strategies; updating corporate strategies in line with national and international sustainability trends, regulations and expectations; regularly reporting significant climate-related events and developments to the Board of Directors; providing recommendations to working groups; and coordinating adaptation and mitigation strategies for critical climate risks.

Working Teams

Four main sustainability working teams operate under the direct supervision of the Sustainability Committee:

- Environment and Energy Team
- Product Life Cycle Team
- Responsible Supply Chain Team
- Diversity, Equity and Inclusion (DEI) Team

Each team is led by a part-time Product Owner (PO), in addition to their primary role within the Company, and the teams hold monthly alignment meetings with the Sustainability Center of Excellence Lead. The Center of Excellence Lead reports the progress and findings from these meetings to the Sustainability Committee, which in turn presents this information to the Board of Directors.

The primary mission of the teams is to design, implement, and drive continuous improvement in projects that contribute to the goals defined within TürkTraktör’s “Future Impact” strategic framework. Each team monitors progress in a data-driven manner through annual performance targets and key indicators and identifies improvement actions accordingly.

Sustainability Center of Excellence

At the operational level, sustainability efforts are carried out under the coordination of the Sustainability Center of Excellence Lead (CoE Lead), who reports to the Human, Culture and Sustainability Business Leader.

The Sustainability Center of Excellence Lead (CoE Lead) is responsible for coordinating the entire sustainability governance structure at TürkTraktör. The CoE Lead is also responsible for ensuring the flow of information and coordinated operations between the Sustainability Committee, the Board of Directors, and the sustainability working teams.

The primary mission of the Center of Excellence is to design, implement, and continuously improve projects and initiatives, together with the teams, that support the achievement of the company’s sustainability goals, contributing to the “Future Impact” strategic framework. While leading this process, the CoE Lead is also responsible for both national and international sustainability reporting. The teams work in a data-driven manner in line with annual targets, regularly monitoring progress and taking necessary improvement actions. The CoE Lead reports the outcomes of these efforts to the Sustainability Committee and ensures strategic alignment.

In addition, monthly alignment meetings are held with representatives from the Occupational Health and Safety, Precision Agriculture Technology and New Business Development, Risk Management and Management Systems, Intrapreneurship and Innovation, and Legal and Compliance teams to ensure coordination across processes.

This structure enables TürkTraktör to implement a comprehensive, dynamic, and integrated management model for key sustainability focus areas such as climate change adaptation, emissions reduction, circularity, human-centeredness, and supply chain sustainability.

Performance and Remuneration

At TürkTraktör, climate and sustainability performance is positioned among the company’s strategic priorities and is integrated into the performance measurement and remuneration system with a holistic approach. Climate- and environment-oriented targets have been made an integral component of individual performance evaluations at senior management level.

Sustainability-linked criteria have been integrated into the performance and remuneration processes of all relevant business leaders in senior management, first and foremost the Company Leader (CEO). Executives in key

positions such as the Human, Culture and Sustainability Business Leader, Ankara Factory Leader, Erenler Factory Leader, Purchasing and Supply Chain Leader, and Product Life Cycle Leader are evaluated against these targets. Concrete climate and environmental targets such as reducing Scope 1 and Scope 2 emissions, implementing solar energy projects, reducing energy and water consumption, conducting Life Cycle Assessments, and evaluating critical suppliers from a sustainability perspective have been integrated into the OKR (Objectives and Key Results) structure.

This system demonstrates that climate and environmental performance is not merely an element of social responsibility but an integral part of TürkTraktör’s long-term success strategy. TürkTraktör manages climate and environmental risks at both the strategic and operational levels within the framework of a transparent, accountable and results-oriented management system.

Integration into Business Processes

TürkTraktör has integrated climate change and environmental issues into its company policies, procedures and operational processes within the framework of the Integrated Management System (IMS). At TürkTraktör, in addition to ISO 9001, ISO 14001 and ISO 45001 covered by the IMS, the processes of identifying, monitoring and continuously improving climate-related risks and environmental impacts are carried out systematically in compliance with international standards such as ISO 50001 and ISO 14064-1.

Within the scope of this system, environmental and climate-related risks are addressed in an integrated manner not only in stand-alone projects but also in TürkTraktör’s core processes such as quality management, occupational health and safety, energy efficiency and environmental management.



Risk Management

As TürkTraktör, we regard managing all our financial and sustainability risks and opportunities in an integrated manner with a holistic approach as a fundamental requirement. We act with an awareness of the potential impacts on our operations of environmental, social and governance (ESG) risks such as climate change-related transition and physical risks, the talent gap and human rights.

All financial and strategic risks to which TürkTraktör may be exposed are managed under the oversight of the Risk Management Committee, which reports to the TürkTraktör Board of Directors. None of the four members of the Risk Management Committee holds an executive role, and the chairmanship is held by an independent board member.

You can access the [Working Principles of the Risk Assessment Committee](#) **here**.

At TürkTraktör, risk management is carried out under the coordination of the Risk Management and Management Systems Team within the Central Quality Management Group Leadership structure. Process risks and strategic risks across TürkTraktör have been identified as a result of monitoring global risk reports, examples from the automotive sector and emerging global risk trends, together with workshops held with management teams. The periodic review of process risks and the reporting of strategic risks under the operational, strategic, financial and compliance headings to the Risk Management Committee and the Company Leader at meetings held three times a year proceed under the coordination of the Risk Management and Management Systems Team. At the highest level, the Central Quality Management Group Leader, who reports directly to the Company Leader, is responsible for representing and coordinating the

enterprise risk management process in this context.

At TürkTraktör, the structure of the management systems has been developed by systematically integrating risks into all processes within the scope of a risk-based assessment. In this context, within the framework of the integrated management systems implemented at TürkTraktör each year, risk management processes are also subject to audit by internal audit functions and independent auditors, together with the other processes within scope.

The risks we have identified within the scope of the risk management process are reviewed periodically; the Risk Management and Management Systems Team reports all risk management activities and changing risks to the Risk Management Committee three times a year. Non-routine risk assessment work is carried out by the relevant risk leaders.

In order to develop an effective risk culture at TürkTraktör, employees are regularly provided with training on enterprise risk management. Employees can complete their risk training by participating in the risk-based trainings registered on the TürkTraktör training portal. In addition, risk management occupies an important place within the Integrated Management Systems trainings; trainings are provided in this context to increase employees' awareness and understanding of risk management.

The risks that are or may be faced in the products and services developed in the different business units of the organization are taken into consideration both before a process begins and while it is ongoing. At TürkTraktör, risks are assessed under the headings of operational, strategic, financial and compliance risks.

Within the scope of our risk management, we identify, assess and define in advance the risks that may arise in

all business processes. We measure risks using an impact and likelihood matrix consisting of a 5x5 matrix and classify them as low, medium, high and extreme. We use a six-dimensional impact scale for impact analysis and a likelihood scale for likelihood analysis. In line with the identified risks, we carry out effective risk management by creating action plans for high- and extreme-level risks. Through Enterprise Risk Management, we effectively integrate the management of risks into all business processes of the company. In this process, we take global best practices as our basis, first and foremost the ISO 31000 Risk Management Standard and the COSO Enterprise Risk Management Framework.

Work has begun on implementing the Business Continuity process. Within the scope of this project, which takes a holistic perspective, the aim is to ensure that the business continuity documents existing in different business units of the company are executed in an integrated and coordinated manner. To this end, business impact analyses were completed in 2023 with the participation of different business units within the scope of business continuity, and crisis management and crisis communication plans were established as part of the crisis management component. In 2026, the aim is to complete the business continuity documentation in compliance with the ISO 22301 standard, prioritizing the Ankara location.

In our risk management processes, we take global best practices as our basis, first and foremost the ISO 31000 Standard and the COSO Enterprise Risk Management Framework.

We implement risk management within the framework of the policies approved by the Board of Directors. Taking internal and external factors into account in our risk identification work, we position risks under the following categories:

- **Operational Risk:** Risks that cause direct or indirect loss due to inadequate or problematic business processes, personnel, systems or external factors.
- **Strategic Risk:** Risks that pose a threat to the company's position in the sector, its profitability and its mission in the medium and long term.
- **Financial Risk:** Risks arising as a result of the company's financial position and choices in the face of changes in economic conditions.
- **Compliance Risk:** Risks that may affect the company's reputation or cause financial loss as a result of failures to comply with applicable laws, regulations and rules.

Risk Category	Definition of the Risk and Its Impact on TürkTraktör
Foreign Currency Risk	The Company is exposed to currency risk because it engages in commercial activities denominated in foreign currency with companies in Türkiye and abroad, and due to the long-term investment loan it has utilized in foreign currency. Currency risk arises from future commercial transactions and from recognized foreign currency assets and liabilities. The Company monitors and limits this currency risk by regularly analyzing its foreign exchange position.
Credit Risk	Holding financial assets also entails the risk that the counterparty may fail to fulfill the requirements of the agreement. The Company’s management addresses these risks by limiting the average exposure to the counterparty in each agreement and, where necessary, by obtaining collateral. The Company manages this risk, which arises mainly from its dealers, by limiting the credit limits it sets with the collateral received, updating collateral amounts at frequent intervals, and having the ownership of the tractors sold pledged in favor of the Company. The use of credit limits is continuously monitored by the Company, and the credit quality of customers is continuously assessed taking into account their financial position, past experience and other factors. Trade receivables are assessed by the Company’s management based on past experience and the current economic situation, and are presented net in the statement of financial position after an impairment provision has been set aside for trade receivables.
Liquidity Risk	Liquidity risk management refers to holding sufficient cash and marketable securities, ensuring the availability of funding sources through an adequate volume of credit transactions, and having the capacity to close market positions. The risk of being able to fund current and future potential debt requirements is managed by ensuring the continued accessibility of a sufficient number of high-quality credit providers and adequate levels of funds generated from operations. In order to ensure uninterrupted liquidity, the Company’s management closely monitors the collection of customer receivables on their due dates, works intensively to ensure that delays in collection do not impose any financial burden on the Company, and, as a result of its work with banks, determines cash and non-cash credit limits that are ready for use should the Company require them.
Reporting Risk	Reporting risk consists of risks that threaten the existence, accuracy, integrity, recording and confidentiality of the data affecting the Company’s financial statements.
Information Technology Risk	These are operational, technical and governance-related risks that may be encountered within the Company in information systems, hardware infrastructure, software applications, data management and information technology service processes.
Legal and Reputational Risk	This is the risk that the Company acts contrary to the laws with which it is obliged to comply and fails to fulfill its legal responsibilities.
Information Security Risk	These are risks that threaten the confidentiality, integrity and availability of the Company’s information systems, networks and data.
Business Continuity Risk	This is the risk of interruption to the Company’s core operations.
Climate Risk	The Company comprehensively assesses the physical and transition risks created by climate change, as well as the opportunities it presents. In 2022, the Company identified climate-related risks and opportunities in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework, and more detailed information is provided in the 2023 Sustainability Report. In addition, within the scope of the Türkiye Sustainability Reporting Standards (TSRS), published in the Official Gazette by the KGK on December 29, 2023 and entering into force as of January 1, 2024, TürkTraktör published its 2024 TSRS-Compliant Sustainability Report on July 28, 2025, covering its activities between January 1 and December 31, 2024. In that report, under the transition period exemption, information on climate change-related risks, opportunities, strategy, governance, risk management, metrics and targets was presented solely in line with TSRS 2 – Climate-related Disclosures. TSRS 1 – General Requirements for Disclosure of Sustainability-related Financial Information was also taken into account in the preparation of the report.



Emerging Risks

At TürkTraktör, within the scope of the risk management framework, emerging risks whose effects may become more pronounced in the medium and long term are also identified and assessed. In this context, we define the emerging risks that may affect our sector and our operations as: risks arising from increasing geopolitical tensions on a global scale and the related sanctions and export control regulations; and the proliferation of AI-supported misleading content as digitalization accelerates, along with the potential impacts of such content on customer trust and brand reputation.

Increasing geopolitical tensions on a global scale, regional conflicts and the related trade restrictions are among the emerging risks that TürkTraktör may face in the medium and long term. Ongoing wars in different geographies in recent years and increasing political uncertainty are making the international trade environment more unpredictable through mechanisms such as sanctions, export controls and supply chain constraints. These developments may create effects such as interruptions to operational processes in the markets where TürkTraktör operates, longer delivery times, restricted access to certain markets, and cost increases. In particular, the need to turn to alternative sources for the supply of raw materials and critical components may put pressure on the cost structure, while regulations applied in export markets may affect sales volumes and commercial continuity. In addition, there is a risk of being subject to financial and contractual sanctions in the event of non-compliance with sanctions and export control regulations.

As TürkTraktör, in order to manage these risks, we closely monitor compliance processes for international sanctions and trade regulations, and we strengthen origin and conformity checks in the supply chain. In this context, increasing supplier diversity, conducting risk-based assessments for critical inputs and systematizing compliance controls in export operations are among our priority action areas.

With the rapid development of artificial intelligence technologies, the risks that fake content capable of spreading rapidly through digital platforms may pose to brand perception, customer trust and commercial activities are becoming increasingly visible. As TürkTraktör, within the scope of our digitalization efforts, we conduct our communication with customers through various digital channels and widely share campaign and service announcements in digital environments. This may create an environment in which AI-supported misleading content (for example, fake campaign announcements, counterfeit service calls, manipulated technical information) can be used in ways that damage our brand image. Risks such as erosion of customer trust, deterioration in dealer relations, or a competitive disadvantage arising from information pollution in public tenders may arise. In order to manage this risk, we carry out work on the effective use of social media monitoring tools, verification of digital content, proactive communication practices against fake content, and systematizing dealer/customer information processes.

Internal Control
System and Internal
Audit

At TürkTraktör, the Audit Committee is in place to provide advice and recommendations to the Board of Directors on the establishment and integration of effective internal control systems. The Audit Committee identifies and assesses all types of strategic, financial, operational and similar risks that may affect the company. By calculating their impacts and likelihoods, it ensures that these risks are managed and reported in line with the company’s corporate risk-taking profile and taken into account in decision-making mechanisms. The Audit Committee, a sub-committee of the Board of Directors, periodically monitors all internal control and internal audit activities. It reviews and approves annual audit plans. The Committee conveys the necessary recommendations to the Board of Directors and provides an opinion on the appropriateness of financial reports. It also continuously oversees the functioning and effectiveness of the system and, where appropriate, conveys issues and proposed solutions relating to the risk management and internal control mechanism to the Board of Directors.

The internal audit function:

- Conducts independent reviews that provide assurance to the Board of Directors and the Company’s Senior Management regarding company operations, and provides detailed reporting on these reviews.
- Meets the need to safeguard the assets and records of the business.
- Ensures the reliability of financial and operational information and reporting.
- Meets the need to increase the effectiveness and efficiency of company activities.
- Supports compliance with the policies determined by the Company’s senior management.
- Helps the Company achieve transparent operations with high ethical values and a sense of responsibility.
- Under the responsibility of the Internal Audit Department established within the Company, Audit Committee meetings are organized regularly three times a year. At these meetings, if there is any case relating to corruption, bribery or other misconduct, the matter is conveyed to the most senior executives of the relevant departments. Dealer audits are also carried out under the responsibility of the same department, and supplier industry audits are likewise conducted regularly as cases arise.

Ethics and Compliance

As TürkTraktör, we conduct all our activities within the framework of internationally accepted ethical principles. Accordingly, the TürkTraktör Code of Ethics and Compliance Policies guide us in our work. We take care to ensure that all stakeholders, primarily company employees and including dealers and suppliers, embrace these principles.

You can access the [TürkTraktör Code of Ethics document here](#).

In this context, our employees receive training on the Code of Ethics, Anti-Bribery and Anti-Corruption, Prevention of Money Laundering and the Financing of Terrorism, Sanctions and Export Controls, Competition Law Compliance and Protection of Personal Data. In 2025, a total of 1,825 person*hours of training were provided to employees within the scope of the Compliance Program. The trainings provided in this context also include 708 person*hours of Code of Ethics training and 320 person*hours of Personal Data Protection Legislation training delivered to field employees. New employees and short- and long-term interns complete the same trainings during their orientation process. In addition to trainings, compliance awareness activities such as awareness surveys, posters and brochures are carried out. Classroom trainings on the legislation and practices relating to the Protection of Personal Data and Competition Law are also provided periodically to newly hired and existing employees at TürkTraktör. Employees' awareness of competition law is maintained through regular department-specific classroom trainings. Meetings are held on specific topics with the Personal Data Protection Committee and the departments, and awareness activities on the subject are carried out. The Personal Data Inventory is updated regularly, procedures are implemented by taking the necessary legal actions, and the compliance of new processes with the Data Controllers Registry Information System (VERBIS) of the Personal Data Protection Authority is ensured. Personal data protection and competition compliance monitoring activities are carried out

periodically within critical departments, and in this way each process is regularly reviewed and updated.

In line with our ethical principles and compliance policies, we do not tolerate any practice contrary to human rights, including child labor, forced or compulsory labor and discrimination. While carrying out all our activities in full compliance with the applicable labor legislation, we also ensure that our suppliers and business partners comply with the relevant policies and standards. We support the trade union rights of all employees by creating a suitable environment for them to exercise their rights to organize and to bargain collectively. We do not compromise on any behavior that could be considered discriminatory in any respect, first and foremost regarding gender equality, in practices concerning employees. We work to provide a safe and healthy working environment free from unsafe and distressing conditions such as harassment and violence.

We prioritize ensuring that our ethical principles and compliance policies are applied by employees in all our business and transactions. Likewise, we aim for all TürkTraktör business partners to be in full compliance with the Code of Ethics, national and international legislation and our compliance policies. To this end, we review our policies and procedures annually and audit business processes by identifying control points.

Agreements concluded with business partners state that ethical principles and compliance policies must be observed and that, if the business partner concerned acts in a manner inconsistent with these matters set out in the agreement, this shall constitute grounds for termination. In accordance with our internal systems and risk management procedures, risks relating to combating misconduct and corruption are also assessed regularly across all operations.

All stakeholders have easy access to reporting channels through which they can raise their concerns about any conduct that is not in line with the TürkTraktör Code of Ethics, Company policies and legislation, and the use of these channels is supported by TürkTraktör. There are different channels available to make it easier for stakeholders to submit reports. **TürkTraktör Whistleblowing Policy** provides

that all stakeholders may convey their observations and concerns through the form completed on the <http://www.turktraktor.com.tr/reach-us/audit-ethics-line> page of the Company and Koç Holding Ethics Line, or through the Koç Group Ethics Line operated by an independent service provider. In addition, ethics reports may be made directly to the TürkTraktör Internal Audit or Legal and Compliance departments, or TürkTraktör employees may contact their line manager.

We encourage the use of the Ethics Line so that situations that are not in line with the Code of Ethics and working rules can be reported. All reports, whether anonymous or made with a name, are examined in detail, and a zero-tolerance principle against retaliation is adopted.

Reports submitted to the ethics reporting channels are examined by the Internal Audit or the Legal and Compliance departments depending on the subject matter, except in cases specifically regulated in the Whistleblowing Policies of the main shareholders. In this context, we prepare a final report by also obtaining the opinions of the departments related to the case, and take action where necessary. If it is decided that the report written by the relevant department should be referred to the Ethics Board depending on the subject matter, that report is shared with all board members. The Ethics Board takes its decision on the case in written and signed form, and all necessary actions are taken based on the Ethics Board decision. If the matter concerns field employees, it is also referred to the Disciplinary Board. Union members are also represented on the Disciplinary Board. Dealer audits on ethics matters are conducted under the responsibility of the Internal Audit and the Legal and Compliance departments.

The Ethics Board is responsible for identifying employee violations and deciding on appropriate actions. The members of the Ethics Board are the Company Leader, the Financial Affairs Business Leader, the Internal Audit Center of Excellence Lead, the Chief Legal and Compliance Counsel, other relevant Business Leaders, the Human, Culture and Sustainability Business Leader and the Company's lawyers. In addition, at the invitation of the Company Leader, the Corporate Communications Center of Excellence Lead

serves as a permanent member of the Ethics Board on any matter involving a Disciplinary Offense committed against an employee or that could adversely affect the reputation of the main shareholders as a whole.

All notifications received through the reporting channels are examined in detail by the Internal Audit Department and the Legal and Compliance Department, depending on the subject matter. If, as a result of the review, it is concluded that a disciplinary offense has been committed in relation to an employee, the matter is referred to the Ethics Board and the Disciplinary Committee, and the necessary actions are taken.

In 2025, 55 violation reports reached TürkTraktör through various channels. All of these reports were examined, and it was decided that no action was required for 25 of them. As a result of the ethics reports, disciplinary sanctions, including termination, were applied to 2 supplier company personnel in line with 6 confirmed violation cases. In addition to disciplinary sanctions such as written or verbal warnings and termination of the employment contract, various steps such as legal actions, training and rotation, and process improvement initiatives were taken in respect of the identified violation cases.

The breakdown of the violations identified in 2025 by category is as follows:

Ethics Violation Subject	Number of Violations
Bribery or Corruption	0
Discrimination or Harassment	0
Customer Data Privacy	0
Conflict of Interest	0
Money Laundering or Insider Trading	0
Other Violations Related to Ethics and Compliance	6

Compliance Program

The TürkTraktör Compliance Program is a body of rules, policies and procedures that aims to identify and manage our company’s compliance-related matters with a risk-based approach. The Compliance Program brings together, with the participation of all employees, the corporate compliance culture supported by senior management and monitored by the Legal and Compliance Department, and the standards documented across TürkTraktör.

You can access the [TürkTraktör Compliance Policy here](#).

Compliance obligations are not limited to complying only with mandatory regulations (legislation, permits, licenses, guidance and guiding principles issued by regulatory authorities, court decisions, customary practices, etc.) or contractual obligations; they also cover organizational standards such as contracts concluded with third parties, policies and procedures that we have undertaken, as well as compliance commitments we have assumed voluntarily.

The Compliance Program consists of three components: prevention, detection and response. The compliance organization is run by the Company’s Legal and Compliance Department and the Risk Management Committee.

In line with the principle of accountability in our decisions and practices, we implement the TürkTraktör Code of Ethics and Compliance Policies, which are openly available to all stakeholders on the TürkTraktör website. We include policies under the TürkTraktör Code of Ethics and Compliance Policies, including the Donation and Sponsorship Policy, Gift and Hospitality Policy, Whistleblowing Policy, Disciplinary Policy, Human Rights Policy, Competition Law Compliance Policy, Anti-Bribery and Anti-Corruption Policy, Supply Chain Compliance

Policy, Community Investment Policy, Sanctions and Export Controls Policy, Personal Data Protection Policy and Board of Directors Diversity Policy.

You can access the [TürkTraktör Code of Ethics and Compliance Policies here](#).

Anti-Bribery and Anti-Corruption

As TürkTraktör, we adopt a zero-tolerance policy on corruption and bribery. We control the topic of bribery and corruption, which constitutes an important pillar of Internal Audit activities, within the scope of the internal audit process and the Compliance Program.

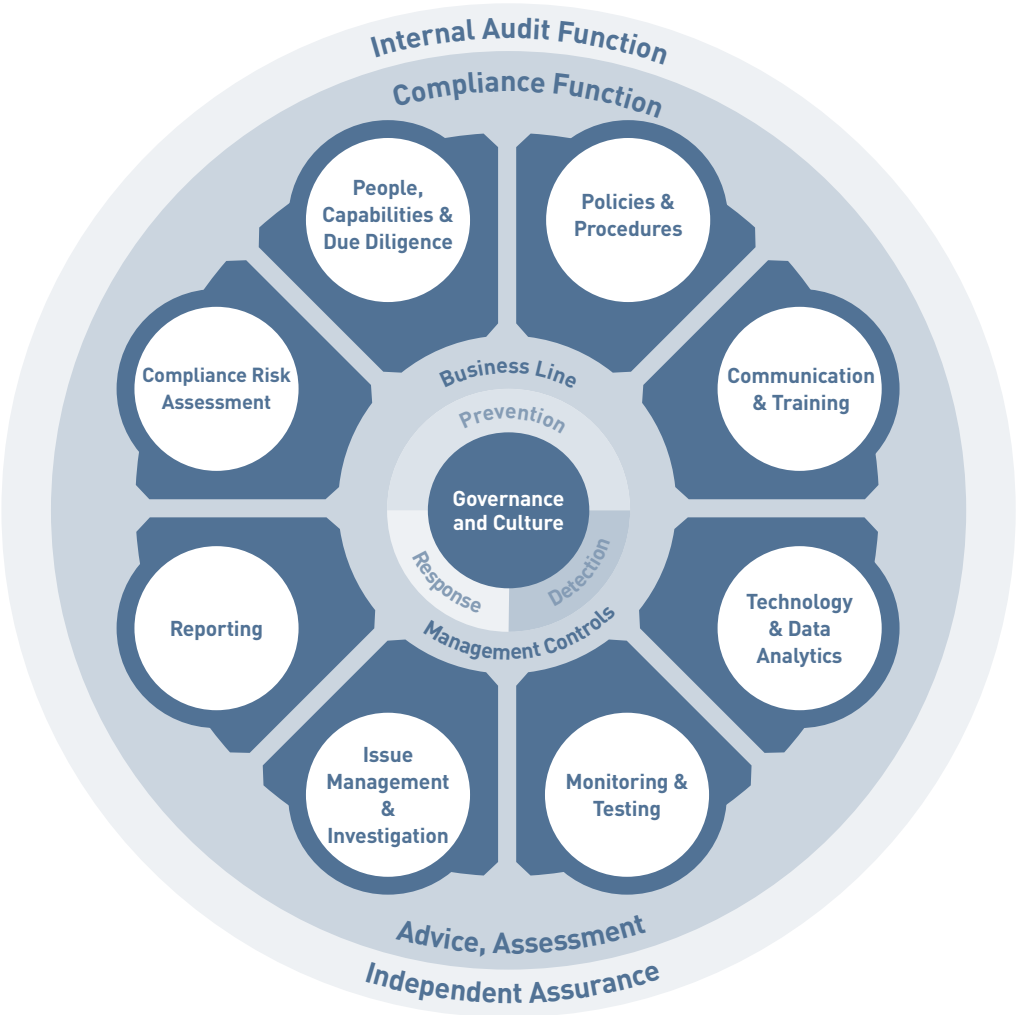
You can access the [TürkTraktör Anti-Bribery and Anti-Corruption Policy here](#).

In accordance with the provisions established for combating corruption within the framework of business ethics principles, employees are prohibited from receiving or giving gifts in kind that reach a significant monetary value, cash, or gifts that may substitute for cash, other than symbolic gifts of the minimum scale permitted by local culture. It is prohibited to encourage corruption by providing grants, donations or sponsorship to a public official or politically exposed person in return for any improper benefit, or to make facilitation payments. We ensure that all records relating to the transactions carried out are recorded in the accounting records accurately and transparently.

In accordance with the Code of Ethics, no political view or ideology may be supported, and no direct or indirect support may be provided to political organizations, parties or candidates. The use of Company resources for political activities or propaganda purposes is not permitted. We communicate with public institutions through professional

or non-governmental organizations representing the sector as a whole and, where requested, convey our opinions and information. Where public institutions are customers, we develop commercial relations in compliance with free competition conditions to the extent determined by the relevant laws. In accordance with our working principles, no employee of ours is held

responsible for, or subjected to sanctions in relation to, any direct or indirect loss incurred by the company as a result of acting in accordance with the company’s ethical rules. Over the past four years, TürkTraktör has not provided any direct or indirect support to any lobbying activity, any local or national political campaign or electoral process, or similar.





Information Security

At TürkTraktör, information security is addressed as an integral part of the enterprise risk management approach. Information security risks and the controls to manage these risks are regularly monitored and assessed under the oversight of the Risk Management Committee reporting to the Board of Directors. The Committee makes assessments in critical risk areas, including information security, and provides guidance and recommendations to the Board of Directors. Within this framework, effective and transparent oversight of information security matters at Board level is ensured. The management, coordination and oversight of information security processes are carried out, with the approval of the Board of Directors, under the responsibility of the Digital and Technology Solutions Group Leader, who reports to the Company Leader (CEO). Within this structure, information security is addressed as a clearly defined area of responsibility reporting directly to senior management; information security policies, processes and controls are monitored regularly and reported to senior management.

This governance structure aims to ensure the effective management of information security risks, their continuous oversight at senior management and Board level, and the sustainability of an information security management framework compliant with Capital Markets Board regulations.

All information security processes are managed by the Information Security Committee within the framework of the Information Security Policy and the ISO 27001 Information Security Management System.

At TürkTraktör, all information security processes are managed by the Information Security Committee within the framework of the Information Security Policy and the ISO 27001 Information Security Management System. The Information Security Committee is responsible for designing information security processes and for approving and publishing procedures and instructions within the scope of the standards and strategies set out under the Policy. The Committee also carries out the processes for fulfilling information security requirements and makes the necessary investments. The Information Security Committee is directly accountable and reports to the Company Leader (CEO).

You can access the [TürkTraktör Information Security Policy](#) **here**.

The Information Security Committee consists of a chair appointed by the Business Leaders and members including those responsible for Digital and Technology Solutions, Information Security, Legal, Human, Culture and Sustainability, and other units. Committee members are announced to all users by e-mail.

In order to establish an effective information security management structure, the Board of Directors approves the Information Security Policy, in which the information security strategy and roadmap are set out, and makes its implementation mandatory. Senior Management, consisting of the Company Leader (CEO) and the Financial Affairs Business Leader, has been authorized by the Board of Directors to approve all standards, procedures and instructions to be prepared under the Policy. The Business Leaders allocate the resources, authority and responsibilities required for the establishment and operation of the Information Security Management System.

Information security awareness trainings are organized regularly for all employees in order to raise the level of awareness on information security. No information security breach was identified during 2025.

Business Continuity and Incident Management

Business continuity plans for critical systems are designed to minimize downtime. Services are run on servers and systems operating redundantly in different data centers, ensuring that operations continue without interruption during planned maintenance or infrastructure issues. All data held in the systems is backed up within the framework of these plans; the accuracy and sustainability of the backups are tested regularly using two different methods.

Business continuity plans are tested at intervals determined according to system criticality, and redundant structures are verified. The actions to be taken against possible disruptions are defined in advance. Information security incident management is carried out in accordance with the procedures under ISO 27001; different response times have been defined according to the criticality of the incident. The actions to be applied by incident type and the responsible individuals and teams are clearly defined.

Audits and Assurance Mechanisms

TürkTraktör holds the ISO 27001 certificate, and an external independent audit is carried out every year in order to maintain the certification. In 2025, the validity of the certificate was renewed through the audit conducted by BSI (British Standards Institution). In addition, regular internal audits are performed within the company to verify the effectiveness of the information security management system.

Vulnerability Management and Testing

TürkTraktör regularly conducts vulnerability analyses within the scope of information security.

- A comprehensive vulnerability analysis is carried out once a year with an external service provider.
- Additional checks are performed weekly with automated scanning tools; identified vulnerabilities are prioritized according to their risk levels and remediated within the defined response times.
- Before a new application is put into service, an application-specific external vulnerability test is conducted, and only applications that successfully pass the test are moved into production.





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Impact the Future Competencies with Innovation



R&D, Innovation and Digitalization

R&D

As TürkTraktör, we position our R&D and innovation investments as a fundamental driver supporting the efficiency, competitiveness and sustainability transformation of the agricultural sector. Considering environmental and social impacts together, we develop innovative solutions that optimize resource use, reduce emissions and respond to the changing needs of our farmers. By adopting agile and lean ways of working, we strengthen our employees' competencies and accelerate our technology-driven transformation.

Our Ankara and İstanbul R&D centers, accredited by the Ministry of Industry and Technology of the Republic of Türkiye, operate to international standards and continue their activities under the Product Life Cycle Business Unit, which combines design, validation and project management capabilities. Both of our centers have the engineering competencies to design a tractor from scratch and make it ready for mass production. Different functions such as marketing, production engineering, after-sales, finance and purchasing also contribute end to end to R&D processes.

R&D projects focus on low-emission diesel engine technologies, efficient transmission systems, high-comfort cabs and high-capacity hydraulic power transmission systems, as well as on the application of Industry 4.0 technologies such as digitalization, electrification and autonomy in the agricultural sector. In this way, we aim to include modern agricultural machinery in our product range and to offer smarter, more efficient and more environmentally friendly solutions for the needs of our farmers and the sector.

As of year-end 2025, our R&D team operates with 165 full-time employees. Our intellectual property portfolio comprises 196 patents, 190 of which are domestic and 6 international, 71 trademarks, 23 utility models and 22 industrial designs.

In 2025, with our R&D and innovation investments of approximately TL 922 million, we continued to contribute to technological developments that will shape the agricultural sector. Approximately 82% of our investments over the last three years were made with a sustainability focus, and in the same period we generated over TL 21 billion in revenue from the new products and services we brought to market.



TL 922 million
R&D and innovation investment

82%
Sustainability-oriented R&D and innovation investment over the last 3 years





39
R&D projects

We structured the 39 R&D projects we implemented in 2025 under three strategic priorities:

1. Maintaining leadership in the national market: We continued our product development efforts in 2025 within the scope of adapting to changing market expectations and regulations. In line with Türkiye's off-road engine emission transition schedule, we launched our new tractor models compliant with the Stage V level.

By developing new models, we responded to customer demands across a broader spectrum by offering solutions addressing different agricultural needs.

In the multi-purpose tractor segment, we introduced three different models of the new generation Case IH JXE Multi 2WD series with 55 HP, 65 HP and 75 HP power ratings, offered with a two-wheel drive option and the domestically produced S8000 engine meeting Stage V emission level requirements.

In the open-field tractor segment, we completed the new bonnet design and digital instrument cluster work for the T5 and TR6 series.

In the vineyard-orchard tractor segment, we reached the final stage in the development of the new generation Case IH JXB series, which offers five different engine options and 32-16 and 44-16 transmission options. Launched at the Bursa Fair in October 2025, the product is planned to go on sale during 2026.

2. Developing high-tech products for modern agricultural practices: Our R&D centers focus on the application of advanced technologies such as electrification, autonomy and machine learning in agricultural machinery.

We continued our R&D work on the New Holland T3 Electric Power electric tractor, the New Holland R3S AI-supported agricultural robot and the autonomous spraying machine, which we introduced in 2024. With these products, we contribute both to reducing environmental impact and to enhancing the occupational safety of our farmers.

3. Sustainability and digitalization: We carried out projects focused on autonomy, electrification, alternative fuels and machine learning. Through features such as AI-based weed and plant detection, spot spraying and irrigation, we reduced environmental impact while increasing operational efficiency.

While continuing to support innovative ideas through our intrapreneurship strategy, with the engineering support we provide to CNH's R&D projects at its different locations, we are also increasing our contribution to the global R&D ecosystem.

Collaborations

We also strengthened our collaborations in the field of R&D and innovation. We continue to develop new collaborations and submit project proposals both to TÜBİTAK incentive programs at the national level and to the EUREKA and Horizon Europe programs at the international level.

Through joint studies conducted with universities and collaborations developed with suppliers, we deepen our technical know-how and increase our innovation capacity.

With these comprehensive technology and innovation investments, TürkTraktör continues to be a strong player not only in Türkiye but also on the global agricultural technologies stage.



Life Cycle Assessment (LCA) Studies

In 2025, we resolutely continued our efforts to reduce the carbon emissions and environmental impacts of the products we offer to national and international markets.

The Life Cycle Assessment (LCA) studies we launched in 2024 are among the first examples carried out in Türkiye in our sector and represent an important milestone in our sustainability journey.

We expanded the LCA studies we conducted in 2024 for four Stage V emission-level tractor model groups sold in the Turkish and European markets to cover three tractor model groups and two construction equipment model groups in 2025. As of year-end 2025, life cycle assessments have been carried out for 18% of our tractor product range and for the entirety of our domestically produced construction equipment product range. Thus, life cycle assessments have been completed for 21% of our total product range. Through these studies, we obtained significant outputs for reducing the carbon footprint of our products and began to evaluate the environmental impacts of our product portfolio with a more holistic approach.

In order to support our 2025–2030 recycled material use roadmap, which we established in 2024, we detailed our technical, supply chain and product development actions throughout 2025. Accordingly, in addition to the discussions held to develop collaboration opportunities with our local and international suppliers, technical tests on the product and supplier side continued.

In our greenhouse gas emission calculations carried out in accordance with the ISO 14064 standard, it is observed that 91% of our total emissions originate from the product use phase. The 2025 LCA results confirm this finding while enabling us to define our priority areas more clearly.

In the analyses conducted within the framework of the ISO 14040–14044 standards using Simapro 9.6.0.1 software, the Ecoinvent 3.10 database and the IPCC methodology, the system boundaries were defined as “cradle to grave”. Comprehensive discussions were held with our suppliers and their sub-suppliers in order to obtain primary data; where primary data could not be obtained, the Ecoinvent database and current literature sources were used. This approach preserved methodological integrity while also increasing the representativeness of the results.

The 2025 results are consistent with the assessments carried out in 2024 and show that emissions are concentrated primarily in the use phase and secondarily in the supply chain. With the studies carried out in 2025, it became possible to compare carbon footprint results for three different tractor segments, allowing segment-based differences to be analyzed more clearly.

As of year-end 2025, life cycle assessments have been completed for 21% of our total product range.

According to the consolidated results of the LCA studies we carried out in different segments in 2024 and 2025, the distribution of emissions by phase is as follows:

1. Use Phase (Gate to Grave): 70%-85%

Accounting for the largest share of emissions, this phase covers the emissions arising from fuel consumption during the use of the tractor. Engine efficiency, operating conditions and duty cycles directly affect the emissions in this phase.

2. Raw Material and Parts Manufacturing Phase (Cradle to Gate): 10%-25%

This covers greenhouse gas emissions from raw material extraction and production at suppliers, as well as from parts manufacturing and assembly processes at the supplier.

3. Other LCA Phases (Gate to Grave): 1%-10%

This covers emissions arising during the maintenance and service processes of the tractor, as well as emissions from tractor transportation and from recycling or disposal processes at the end of the product's life. Although the share of this phase in the total impact is more limited, material recovery rates and recycling infrastructure in particular are critical factors affecting the performance of this phase.

These comprehensive assessments enable us to identify more clearly our improvement opportunities relating to product design, material selection, supplier management and the use phase. In the coming period, we aim to accelerate carbon reduction projects both in our product development activities and in our supply chain.





Product Validation Infrastructure and Testing Investments

In 2025, we carried out a comprehensive modernization of our test infrastructure that significantly improved our product validation processes and made them sustainable. The capacity of the existing test systems was increased and technological gains were achieved by commissioning new test equipment.

- As part of the automation-oriented transformation in pump testing, a new pump test bench was commissioned; test processes were automated, operator-related errors and occupational safety risks were eliminated, and test durations were shortened.
- In order to observe the effects of environmental conditions on the product, investments were made in solar panels and the capacity of the climatic chamber was increased; combined tests in which temperature, wind and solar load can be applied simultaneously were made possible.
- Thanks to the new cold cabin test device, component-level low-temperature endurance tests were initiated. With the dynamometer capacity increase in the climatic chamber and investments in pressure sensors, testing is now supported across wider temperature ranges and with high-frequency data measurement.
- The bump test area was renewed for dynamic structural life tests of tractor components; significant improvements were achieved in terms of occupational safety and system automation. The capacity of the 4-poster area was increased, enabling equipment testing to be carried out.

→ With the new robotic test system, user movements can be simulated with high precision on 6 axes, and life tests are conducted in a way that most closely reflects real operating conditions. By eliminating operator intervention, continuity and efficiency in test processes have been significantly increased.

→ In order to optimize material management in the R&D Prototype Parts Warehouse and to increase efficiency in storage processes, an investment was made in vertical lift modules (Kardex). While ensuring maximum effective use of warehouse space, the new system enables operators to access the parts they need quickly, safely and without error.

→ A new three-dimensional (3D) printer investment was made so that prototyping activities can be carried out at high quality and in line with durability standards. In order to increase measurement accuracy in product development processes and to speed up prototype creation, an investment in a 3D scanner was also made during 2025.

In 2025, we carried out a comprehensive modernization of our test infrastructure that significantly improved our product validation processes and made them sustainable.

Intrapreneurship and Innovation

Integrating flexibility, agility and multidimensional approaches — the key elements of success in today's and tomorrow's business world — into its processes, TürkTraktör continues its work with teams that possess the competencies to respond not only to today's needs but also to those of tomorrow.

Accordingly, the realization of each individual's potential is supported through comprehensive trainings, mentoring mechanisms and innovative projects, with the aim of sustainably accelerating both personal and corporate growth.

In 2025, the company further advanced its intrapreneurship and open innovation activities by strengthening its focus on digital transformation and sustainability. A strong innovation culture was created through activities aimed at developing employees' competencies, innovative project development areas and strategic collaborations.

Intrapreneurship

TürkTraktör continues to strengthen its pioneering role in the field of intrapreneurship. Following the successes achieved to date on a journey that began with the Seed1 Program in 2020 and continued with Seed2, the Seed Program is preparing to move into the Seed3 phase in 2026.

Within the scope of the Intrapreneurship Program, employees are offered the opportunity to turn their innovative ideas relating to products, services, processes and business models into projects and bring them to life. The program has been strengthened with regular follow-up meetings, mentoring structures and strategic support mechanisms, and scaling activities have been carried out continuously by establishing sound business models for feasible projects.

Open Innovation

As TürkTraktör, we regard innovation as one of the fundamental elements of sustainable growth; with our open innovation approach, we develop new areas of value in collaboration with different stakeholders. In this context, we carry out our innovation activities in alignment with our strategic priorities and our future growth areas.

Throughout the year, the innovation team held comprehensive discussions with all business units in line with the open innovation strategy and updated the strategic growth areas under 16 headings. These areas include critical topics such as agricultural robots, drones, autonomous machinery, irrigation efficiency, farm management systems, digital customer solutions, green energy applications, circular economy and digital operations solutions.

In 2025:

- Work was carried out on agricultural robots, autonomous machinery, green energy and zero-carbon technologies.
- Digital customer experience and artificial intelligence integration were prioritized.
- Collaborations were established with various technology start-ups, and work was initiated on the integration of sensor and imaging technologies.
- More than 20 meetings were held with domestic and international start-up ecosystems, and joint projects were developed with technoparks and accelerators.
- Innovation Meetup events continued, and potential collaborations were evaluated with the Innovation Committee.
- Within the scope of sustainability, the development of irrigation and efficiency solutions continued, and information activities were carried out for business partners and customers.



In addition, the innovation team actively participated in fairs, workshops and talks in different countries in order to follow global trends and integrate sectoral developments into TürkTraktör, thereby reinforcing the company's vision of leadership in innovation.

Within the scope of its sustainability approach, in 2025 TürkTraktör addressed its intrapreneurship and open innovation activities not only with a focus on technological development but also in a way that encompasses environmental, social and governance dimensions. Energy and resource efficiency, circular economy principles and the life cycle approach were prioritized in innovative project development processes, and the potential to create sustainable impact was integrated into project evaluation criteria.

While training and information activities were carried out to increase sustainability awareness among employees, the inclusion of different perspectives in innovation processes was supported through inclusive and interdisciplinary team structures. In open innovation collaborations, responsible use of technology, an ethical approach and long-term value creation were taken as the basis, contributing to TürkTraktör's vision of sustainable growth.

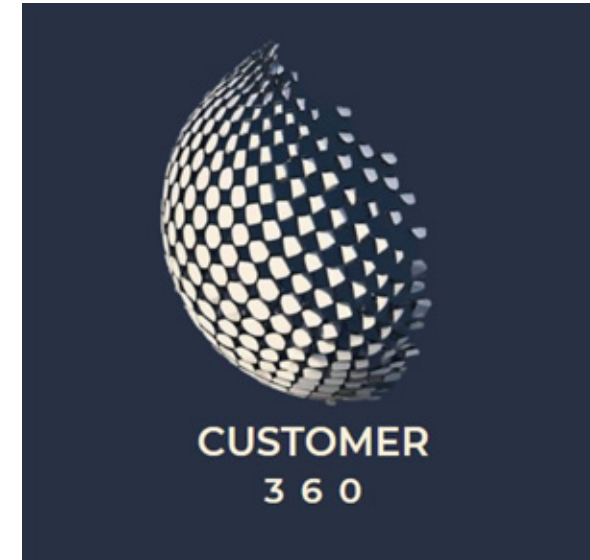
Digitalization

As TürkTraktör, with our digitalization investments we aim to transform our operational processes into a more transparent, traceable and data-driven structure. Our traceability system, which is improved every day, enables us to monitor our production processes and the flow of raw materials and components without interruption at every stage. Combined with our IoT infrastructure, this integrated structure allows both physical and digital data to be consolidated on a single platform. This strong technological foundation helps us build a sustainable,

scalable transformation model that sets an example for the sector.

With the **Dealer Shipment Optimization** project we implemented in 2025, we developed a comprehensive simulation platform that optimizes end to end the shipment processes carried out from the Erenler Factory to 126 dealers across Türkiye, minimizes costs and measures operational performance in real time. This project is positioned as an important part of TürkTraktör's goal of increasing end-to-end efficiency in supply chain management. By transforming planning processes previously carried out manually and dependent on individuals into a data-driven, consistent and scalable structure, we aimed to advance the digital maturity level of logistics operations. In the shipment operation, which amounts to approximately 500 trucks per month, a more optimized logistics model was created by addressing route planning, vehicle capacity, waiting times and delivery priorities in an integrated manner. Thanks to the improvements achieved within the scope of the project, savings of approximately TL 6.5 million were achieved in logistics costs, while vehicle utilization increased by 1.5 percentage points. In addition, within the scope of operational efficiency, average waiting times were reduced by 53% and the number of stops decreased, while cost per vehicle was improved. In addition to increasing the speed of operational decision-making, all these gains also contribute to reducing carbon emissions through fewer trips and lower fuel consumption. The project therefore plays a critical role in transforming the TürkTraktör logistics network into a more efficient, measurable and environmentally sustainable structure.

In addition to increasing the speed of operational decision-making, the Dealer Shipment Optimization project also contributes to reducing carbon emissions through fewer trips and lower fuel consumption.



As TürkTraktör, we continue to place the customer at the center of our digitalization journey as well. The **Customer 360** project we implemented in this context stands out as a multidimensional digital solution that brings together our customers' sales, after-sales, service and customer record data on a single platform, providing a 360-degree holistic view of the customer. The project is positioned as a strategic digital transformation project that improves the customer experience, creates a common data language across business units and provides competitive advantage. All critical customer-related information becomes accessible from a single point, supporting data-driven, fast and accurate decision-making in marketing, sales and after-sales processes. In this way, as TürkTraktör, we aim to get to know our customers better and offer them a more proactive, consistent and value-creating experience.

Within the Financial Affairs Business Unit, we commissioned our new budget planning system in order to strengthen our budgeting and reporting processes.

Artificial Intelligence Applications

By expanding the use of our corporate artificial intelligence applications across the company, we increase our operational efficiency and optimize the use of our resources. By carrying out document, presentation and report production processes digitally and rapidly, we minimize paper consumption and the need for physical archives. In this way, we enable our employees to use their time more efficiently while also indirectly contributing to the reduction of energy consumption and operational costs. This approach represents an important step that supports TürkTraktör's digitalization and sustainability goals together.

With the AI-supported agents we have developed, we contribute to reducing operational costs, increasing process efficiency and establishing faster and more accurate decision-making mechanisms. These solutions, which provide rapid access to data held in corporate information sources by asking questions in natural language, enable our employees to effortlessly reach the information they need on critical matters such as human resources and occupational health and safety.

At the same time, processes are being digitalized through agents that generate insights capable of lowering project costs in R&D activities and that offer intelligent solution proposals for newly encountered faults by drawing on solution information contained in past fault data. This digitalization approach significantly reduces the manual workload while also lowering error rates, rework and occupational accidents through self-service access to information and proactive guidance.

When this entire agent ecosystem is considered as a whole, a sustainable digital working model is created that places efficiency, safety and employee experience at its center and supports both economic and social sustainability.



Future Competencies

Employee Demographics

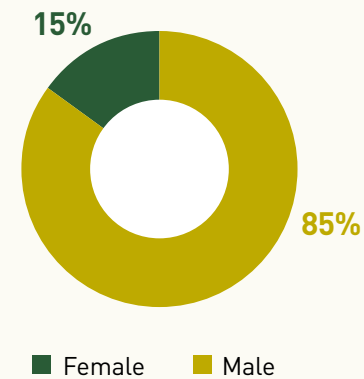
As TürkTraktör, we believe that sustainable success is only possible with qualified, competent and engaged employees. Accordingly, we place the development, well-being and job satisfaction of our employees at the center of our approach, knowing that the knowledge, experience and contribution of every individual strengthen our company's value chain. With this understanding, we implement continuously evolving human resources practices in order to provide a working environment in which employees can demonstrate their talents and feel safe and valued. Our structure, consisting of field and office employees, reflects a broad and diverse profile spanning different age groups and areas of expertise.

As of year-end 2025, the number of employees stood at 2,120 in total, comprising 1,485 field employees and 635 office employees. The share of women employees was 15% of total employees and 32% of office employees. The total number of women employees was 321 and the number of men employees was 1,799. In the same period, the number of subcontracted employees was 456.

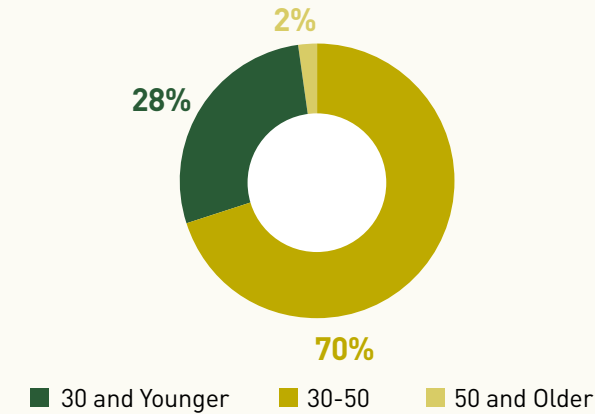
We believe that bringing together employees from different age groups and education levels nurtures diversity and a culture of learning from one another. Accordingly, we embrace a balanced employee structure that supports age diversity. As of year-end 2025, 28% of employees are under the age of 30, 70% are between the ages of 30 and 50, and 2% are aged 50 and over.

As of year-end 2025, 99% of the total 2,120 employees are Turkish citizens. The workforce includes employees of different nationalities, and in addition to 179 Turkish managers, managers of 5 different nationalities serve in the management team. For more information, you can review the **Social Performance Indicators**.

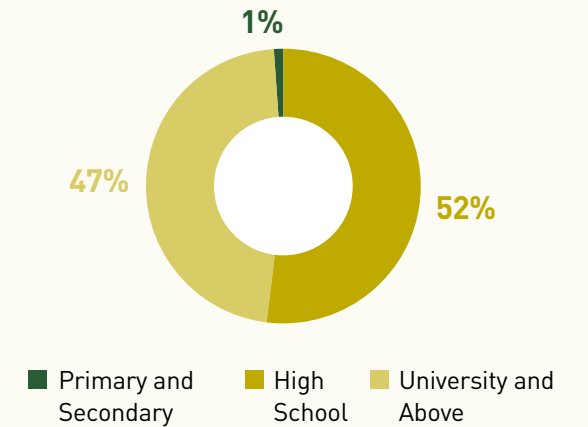
Employees by Gender



Employees by Age

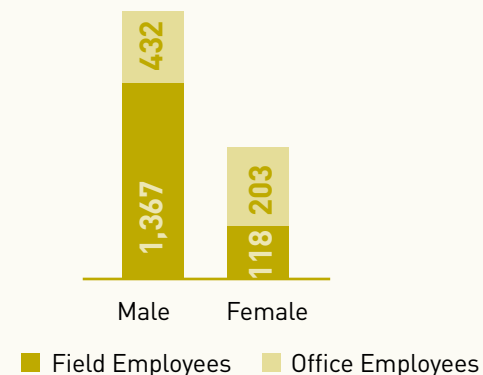


Employees by Education Level



As of year-end 2025, the share of women employees was 15% of total employees and 32% of office employees.

Employees by Category and Gender





Diversity, Equity and Inclusion

As TürkTraktör, with our vision of "Everyone Leaves a Different Mark, There Is Strength in Difference!", we believe that an inclusive culture is indispensable for sustainable corporate success. Throughout our well-established history of more than 70 years, we have embraced different perspectives, voices and equal opportunity as an integral part of our corporate identity.

The DEI (Diversity, Equity and Inclusion) approach lies at the heart of our corporate culture, our leadership approach and our ways of doing business. This approach is aligned with the TürkTraktör Code of Ethics and is safeguarded by international ethical standards. Creating an environment in which every employee feels safe, valued and a sense of belonging to the organization is the shared responsibility of all our stakeholders.

Last year, guided by the principles of "equal opportunity for all" and "visibility for all", we embarked on a comprehensive transformation journey in the field of

DEI. While strengthening existing policies, we broadened the scope of training and awareness activities and continued to develop practices that support inclusion. By establishing the DEI Team, made up of volunteer employees, in 2024, we advanced this transformation within a corporate systematic framework.

Within the scope of our DEI approach, we identified our strengths and areas open to improvement through the "DEI Maturity Analysis" conducted with external expert support. In line with this study, we established five main strategic axes covering DEI Governance, Equity, Inclusive Leadership, Accessibility and Dissemination to the Ecosystem.

Within this framework, the DEI Policy, which embodies DEI values as a corporate principle, entered into force. Diversity, equity and inclusion were positioned not merely as a matter limited to human resources practices, but as a fundamental value shaping the entire functioning of the organization, from the leadership approach to decision-making processes and day-to-day business practices.

The DEI Awareness Bulletins, prepared with a story-based narrative style and shared with employees, addressed topics such as neurodiversity, equal parenting, equal opportunity and microaggression. These bulletins made an important contribution to raising and spreading the level of awareness across the organization.

The TürkTraktör DEI Awareness Day held in 2025 brought together representatives from the private sector, academia and civil society, providing an environment for sharing knowledge and experience. While expert speakers shared their insights in areas such as technology, digital transformation and women's leadership, representatives from different sectors shared the inclusion practices in their own organizations.

Within the scope of our DEI approach, we launched the TürkTraktör Birlikte Bir-İz Academy in collaboration with different stakeholders. Under the Academy, our employees participate in a one-year development program consisting of the Awareness, Deepening and Perspective modules. Through this program, we aim to spread DEI-focused knowledge and awareness across the organization and to reflect it in our practices.

As TürkTraktör, we believe in the power of the language used within the organization. Accordingly, an Inclusive Language Guide, a DEI Glossary and an Unconscious Bias and Microaggression Guide were prepared in order to strengthen and disseminate the use of inclusive language. In addition, by partnering in the Inclusive Dictionary Project run by Workplace in Action® both globally and in Türkiye, we took a concrete step toward advancing our DEI culture. While highlighting the transformative power of language, this project aims to strengthen awareness of inclusive communication both within the organization and at the societal level.

Women's Empowerment

Today, when diversity provides a significant competitive advantage, we carry out comprehensive work on equal opportunity, gender equality and inclusion. We regard it as our fundamental responsibility to treat employees honestly and fairly and to provide a safe and healthy working environment that respects human dignity and avoids discrimination.

The Zero Tolerance Policy against Discrimination has been adopted as a fundamental principle in all recruitment, role change and training processes. In line with the principle of equal pay, no distinction in remuneration is made between women and men employees; the remuneration of employees performing the same role is determined on the basis of objective criteria such as seniority and performance.

We regard gender equality not merely as a target but as one of the core values of our corporate culture. Within this understanding, we signed the Women's Empowerment Principles (WEPs), aligned with the UN Global Compact, in 2017, and in 2023 we received the title of "From Words to Action Ambassador", placing equal opportunity at the center of all our human resources processes. As of year-end 2025, the number of women employees was 321, and the share of women among all employees was 15%.

We prioritize diversity in employment and, by carrying out our business processes in a way that embraces differences, we create opportunities for disadvantaged groups to be included in the TürkTraktör working environment. As of year-end 2025, our employees include 68 employees with disabilities, 6 of whom are women. Among all newly hired employees during the year, including office and field, the share of women was 23%, while the share of women office employees in STEM (Science, Technology, Engineering and Mathematics) positions was 34%.





The projects under **Miracles of the Sprouts**, launched in 2016 to support the empowerment of women in business life and in society, have today evolved into a broad ecosystem, creating a multidimensional sphere of impact extending from agriculture to technology and from education to entrepreneurship. With the **Miracles of the Sprouts Technology and Innovation** project, the target of reaching 30,000 people in the STEM field set for year-end 2026 was exceeded, with 38,514 people reached as of year-end 2025.

With the **Miracles of the Sprouts Everywhere** project launched in 2025, we aim for women to be strongly represented not only under the TürkTraktör roof but across our entire dealer and service ecosystem, and with the **Miracles of the Sprouts Podcast Series** we aim to bring the inspiring stories of women farmers to wide audiences.

The social impact of the projects was recognized on various platforms. The Miracles of the Sprouts Technology and Innovation project received an award in 2025 at the

Women-Friendly Brands Awareness Award and, in the Diversity, Equity and Inclusion category, at the Dünya Gazetesi Social Benefit Awards.

In addition, our work in the field of DEI was recognized with awards on two further platforms. Within the scope of the Corporate Social Responsibility Awards organized annually by the Automotive Manufacturers Association (OSD), the "DEI Program" project received an award in 2026. At the Equality Culture-Sensitive Workplace Award Ceremony organized by the Association of Women Employers and Industrialists (KAİSDER), we received the Private Sector Category Award for women's representation in management, corporate equality policies and exemplary practices in the areas of training, capacity building and social impact.

With the Miracles of the Sprouts Technology and Innovation project, we reached 38,514 people.



We set our STEM commitments in 2022 within the scope of the Gender Equality Movement launched by Koç Holding in the field of technology and innovation.

Within the scope of the Miracles of the Sprouts Technology and Innovation Project, we completed our target of reaching 30,000 people in the STEM field, set for year-end 2026, one year ahead of schedule, reaching 38,514 people as of year-end 2025.



Accessibility Practices

As TürkTraktör, we regard accessibility not merely as a physical requirement but as a responsibility to create an inclusive environment in which every individual can participate equally and feel safe and valued in the workplace. Accordingly, a holistic approach is applied across physical, digital and cultural dimensions in order to strengthen the working experience of individuals with disabilities.

All working environments, from production areas to offices, are systematically assessed in line with accessibility standards, and continuous improvements are made according to needs. Recruitment, orientation, training and OHS processes are redesigned taking into account the needs of employees with disabilities. **Safety Buddy** program supports the occupational safety of employees with disabilities and their integration into the working environment, while communication barriers are reduced through sign language trainings and visual communication materials. Empathetic and inclusive behaviors among teams are encouraged through disability-themed awareness trainings and the communication activities we carry out on special days. **Inspiring TürkTraktör People** series makes the achievements and experiences of employees with disabilities visible across the organization.

Through concrete projects that create measurable impact, we aim to directly improve the working-life experiences of individuals with disabilities. Within the scope of the **One Sign Is Enough** project, carried out in cooperation between TürkTraktör and the Turkish Employers' Association of Metal Industries (MESS) with EU Erasmus+ grant support, international sign language was developed for the 101 machine parts most commonly used in the metal industry; selected as a "Good Practice" by the European Commission, this project received the OSD Corporate Social Responsibility Project Achievement

Award in 2023. The **Barrier-Free Development Platform**, implemented in cooperation between TürkTraktör and the Turkish Confederation of Employer Associations (TİSK), offers free development content for individuals with disabilities with the participation of employees from different functions.

Our goal in the coming period is to enrich the organization's diversity by increasing the employment of individuals with different types of disabilities and of neurodiverse individuals, and to create an inclusive TürkTraktör experience in which everyone can contribute equally.

Human Rights

As TürkTraktör, we regard respect for human rights as one of our core values in carrying out our activities. This approach is shaped in line with international standards such as the United Nations Global Compact, the Universal Declaration of Human Rights, the ILO Conventions and the UN Guiding Principles on Business and Human Rights.

Within the framework of the TürkTraktör Human Rights Policy, we act with due sensitivity on preventing discrimination, supporting equal opportunity and ensuring safe and fair working conditions. A clear stance is taken against human rights violations such as forced labor, child labor and human trafficking.

In addition to our own operations, our expectations regarding human rights are also communicated in our relations with our suppliers and business partners. Accordingly, the areas of application of the Human Rights Policy are being expanded, and business relations are conducted in line with these values.

Internal communication and training activities are organized to raise awareness of human rights. Making the principles we have set out under the Policy a part of our corporate culture is among our priority objectives. Practices and developments in this area are reviewed at regular intervals and the process is improved.

You can access our detailed human rights commitments in our **Human Rights Policy**.

Employee Rights

As TürkTraktör, our approach to employee rights is defined within the scope of the publicly available TürkTraktör Human Rights Policy and our internal human resources policies and practices, and is observed in all our activities. In this context, ensuring that employees work under fair, safe and equitable conditions is among our fundamental priorities, and our related practices are monitored and improved regularly.

Accordingly, our main commitments are as follows:

- Providing employees with fair and competitive remuneration above the minimum wage,
- Making no distinction between women and men employees in line with the principle of equal pay for equal work,
- Managing working hours and overtime practices in compliance with the applicable legislation and limiting overtime,
- Encouraging employees to make effective use of their annual leave entitlements and supporting this through related practices.

Working hours, overtime practices and leave usage are monitored regularly; in overtime-related practices, overtime payments are made to employees in accordance with the applicable legislation. Practices relating to remuneration and fringe benefits, as well as gender pay gaps, are monitored and assessed regularly.

Through these practices, we aim to increase the well-being of our employees, protect the work-life balance and create a sustainable working environment.

Regular feedback mechanisms are operated through employee engagement surveys, open communication channels and employee representatives with a view to improving working conditions. Employee well-being is supported through the fringe benefits and social support provided to employees, and existing practices continue to be improved.

Our approach to human rights is not limited to our own operations; it is addressed in a way that also covers our business partners, suppliers and subcontractor employees. In this context, our relevant stakeholders are also expected to comply with similar standards, and the necessary assessment and monitoring processes are carried out accordingly.

We manage our approach to employee rights on the basis of fair pay, equal pay for equal work, statutory working hours and the effective use of leave entitlements.



Performance and Talent Management

At TürkTraktör, we adopt a talent management approach that enables and supports each employee in effectively demonstrating their potential and performance. We aim to develop and retain existing talent while also bringing new talent into TürkTraktör. Employee development is enriched through experiential learning, social learning and structured learning methods.

Performance Management

In recent years, ways of doing business have been transforming rapidly with digitalization, technological developments and changing market dynamics. As TürkTraktör, we are adapting to this transformation and adopting a performance management approach that focuses on shaping the future rather than measuring the past. In our performance evaluation system, which we have designed to be open to the participation of all office and field employees, we implement flexible and interaction-based practices that can be updated throughout the year. While the evaluation processes referred to as the “Dialogue Period” for office employees are carried out with the teams’ preliminary input and leaders’ calibration, including performance development discussions held at certain intervals during the year, competency- and indicator-based performance evaluation is applied for field employees.

The performance of office employees is monitored through the OKR (Objectives and Key Results) system developed by Koç Holding and applied across the Group. During five separate evaluation periods throughout the year, employees can update their targets and follow their own development journey. In the first period, targets are set together with the teams; in the second period they are reviewed; and in the third period employees carry out

their self-assessments. In the fourth and fifth periods, career and year-end performance evaluations are carried out as a team. This system attaches importance to both individual and collective performance. It is stated that, in addition to individual OKRs, each employee must have at least one collective OKR; in this way, a culture of success based on collaborative working is created. By including team input in performance evaluations, a transparent and participatory feedback environment is ensured. For field employees, a competency- and indicator-based evaluation model is applied twice a year with the participation of managers. In this way, all employees working at TürkTraktör go through a comprehensive performance evaluation process.

Our employees are supported throughout their career journeys, and internal candidates are given priority for the positions required. In 2025, of the 162 positions opened, 32 were filled by women and 83 by men internal candidates; the internal promotion rate was 71%.

Our remuneration processes are managed in a fair, transparent and systematic manner. When determining the remuneration levels of office employees, the nature of the work performed, the responsibility undertaken and market data are taken into account; in annual pay increases, business results and the manner in which these results are achieved are evaluated through systematic and objective approaches. The requirements of the Collective Bargaining Agreement are observed in determining the remuneration levels of field employees. The remuneration systems and practices for Board members and senior executives/leaders with administrative responsibility under the CMB regulations are also managed within the framework of our remuneration policy.

Talent Management

At TürkTraktör, we shape our talent management approach around the principle “TürkTraktör prepares for the future.” The talent pools created in this direction support the development of employees with potential, while at the same time focusing on the competencies that all employees will need today and in the future so that they can demonstrate their performance in the most effective way.

The 9-box model is used in creating the talent pool, and this process is monitored at the level of all business leaders through strategic planning meetings held regularly every year.

Employee development takes place on a competency basis according to need. It is supported by experiential learning, social learning and structured training models, and the development journey is enriched with different learning tools. With our competency- and development-oriented perspective, employees are encouraged to participate in training programs tailored to their needs, together with their leaders or agile teams, in line with the development areas identified according to performance and competency evaluation results. While the role-based behavioral competencies of office employees are shaped in line with the targets set for the relevant role, technical competencies are managed on an individual basis through the system. Following the technical competency assessments carried out by leaders, agreement is reached between the employee and the leader and the results are reflected in the employee’s radar chart.

In order to support behavioral and cultural development, a comprehensive behavioral training catalog is offered to employees. In addition, training and development programs are carried out that aim to strengthen respect for different cultures, identities, perspectives and ways of working; to create an inclusive working culture; and

to increase cultural awareness. In this context, in line with our DEI (Diversity, Equity and Inclusion) approach, a comprehensive development journey is offered to our employees through the TürkTraktör Birlikte Bir-İz Academy, implemented in collaboration with different stakeholders. Under the Academy, our employees participate in a one-year program consisting of the Awareness, Deepening and Perspective modules, developing their knowledge and competencies on DEI-focused topics such as inclusive language, unconscious bias, respect for different cultures and experiences, empathy, equity and inclusive leadership. Through these programs, the aim is to create a working culture that supports cultural diversity, encourages learning from differences and disseminates inclusive ways of working across the organization.

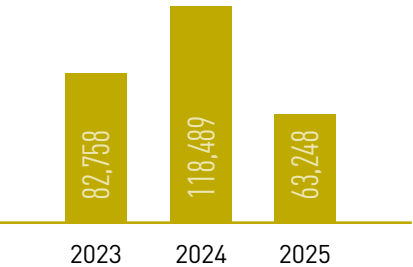
While the training programs cover full-time employees, where necessary the technical development of contracted employees within the scope of Future Driver is also supported through trainings.

All our training and development practices are planned in line with the needs of employees, primarily vocational trainings. Where necessary, a mid-year “Training Check-In” period is opened, allowing employees to update their development plans according to their current competency needs. The development planning process has been carried out twice a year since 2023; in parallel with agile working, employees’ potential development areas are identified through team meetings and leader input, and appropriate learning methods are recommended.

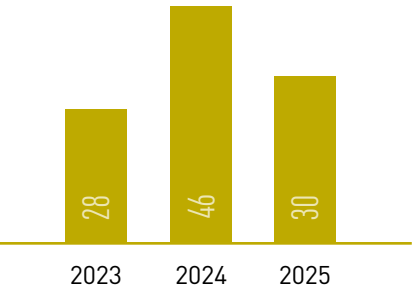
Competency development activities are continued in order to develop a qualified workforce and to build the new skills required. In 2025, the average training hours were 42.5 hours for women employees and 27.6 hours for men employees, while the average training hours per employee was 30.

At TürkTraktör, we believe that retaining existing talent is highly important. Providing employees with a good working environment is among our fundamental responsibilities. Accordingly, the employee turnover rate is monitored every year. In 2025, this rate was 21%.

Total Training Hours (person*hour)



Average Training Hours per Employee



Leadership Development Programs

At TürkTraktör, there are three different leadership academies dedicated to all leadership levels in order to develop leadership competencies.

Koç Holding Leadership (LEAD) Programs

Employees can benefit from the LEAD Leadership Programs run by Koç Holding.

Growth Leadership Academy

This is a strategic development program at TürkTraktör that brings together corporate priorities and individual development, aiming to develop leadership potential with a systematic, inclusive and experience-oriented approach.

The program aims not only to enhance leadership skills but also to deepen participants' self-awareness, broaden their spheres of influence and help them develop sustainable leadership behaviors.

Within this scope, there are 3 separate Academies suited to different potential groups:

- Growth – Discover Academy
- Growth – Empower Academy
- Growth – Pioneer Academy

Empowerment Programs

During the agile transformation process, a competency-based development program (the Empowerment Program) is implemented for Product Owners, Center of Excellence Leads, Scrum/Kanban Masters and Competency Area Leads. The program has been designed in a workshop format, based on interaction and application and supported by real-life examples.

Coaching & Mentoring Programs

Internal Coaching Process

As TürkTraktör, the internal coaching process, which focuses on awareness, motivation and adaptation, is implemented to ensure the continuity of employees' success. Internal coaches, designated by the Company and certified upon completing their training through accredited institutions, accompany volunteer employees on their career journeys. The process aims to maximize personal and professional potential, to encourage critical thinking and inquiry, and to support employees in discovering their individual paths by involving them in creative processes.

Mentoring

At TürkTraktör, a mentoring process is carried out so that more experienced employees can guide those with less experience. Bringing together employees from different functions and levels, this process provides a structured environment for mutual learning and the sharing of experience beyond day-to-day work roles. In this process, mentors contribute to mentees' self-discovery by offering advice and sharing their own knowledge and experience.

Rotation Program

In line with changing business dynamics, opportunities to move into different roles are offered so that employees can gain knowledge in different areas, acquire new skills and share their existing knowledge and skills more widely. While enriching the employee experience, this program also makes it possible to retain talent within the company.

Field Employees Talent Management

The 9-box model is used in creating the talent pool, and this process is monitored at the level of the relevant business leaders through human resources planning meetings held regularly every year.

The need to create development and career plans led to the implementation of a talent management model for field employees called "Stars of the Field". Within the scope of this model, leadership development programs are carried out through technical, behavioral and mandatory trainings. Covering all field employees, this model enables employees to map out a career path within the framework of the competencies and potential they possess. A 2-year development plan is created for employees on the leadership track, and the process is monitored on an individual basis. Employees included in the program increase their awareness by participating in activities such as assessment centers and personal development trainings.

The "Field Employee Competency Development Program" was launched in order to strengthen field employees' Lean, OHS and technical competencies, increase their engagement, raise their interest in technical positions and create a succession pool. Within the scope of the program, basic, intermediate and advanced level competencies are matched with the relevant trainings. All trainings for basic level competencies and the applicable ones for

intermediate level competencies are followed through the Koç Akademi digital platform.

In the program, which also includes in-person trainings at intermediate and advanced levels, the effectiveness of the trainings is measured through examinations, and employees’ competency development is monitored through radar charts and dashboards.

In accordance with legal legislation, field employees are required to work in departments matching their vocational qualifications and to carry out appropriate operations. Accordingly, regular needs analyses are carried out by the Training and Development Team and the required certifications are completed in line with the needs identified.

Field Employee Leadership Development Programs

Unit Team Leader/Production Team Leader Candidate Development Program

The Unit Team Leader/Production Team Leader (UTL/PTL) Candidate Development Program aims to develop the leadership competencies of candidates who will take part in the Development Center process. Through this program, the aim is for employees to gain awareness of leadership competencies.

Unit Team Leader/Production Team Leader Selection Process

Following the Field Employee HR Planning process, employees included in the succession plan first complete the UTL/PTL Candidate Development Program and then the UTL/PTL Development Center process. When a position becomes available, a selection is made from

among the candidates who have been successful in the process.

Unit Team Leader Development Program

This is a comprehensive development program that employees newly appointed as Unit Team Leaders attend in order to develop their leadership competencies within the scope of the “Stars of the Field” talent management program.

Rotation Program

An approval process is carried out through the SAP portal to confirm the eligibility of transfer criteria in the internal rotation processes of field employees. Requests submitted through the system are reviewed by the Training and Development Team, and the approval hierarchy continues for candidates found suitable in terms of vocational qualifications. Once all approvals are complete, system transfers are carried out upon submission of the signed documents to the relevant team.

Internship Opportunities and Specialization Programs

Test Drive

The Test Drive Internship Program has been designed in line with TürkTraktör’s working model and aims to ensure that all interns, whether joining on a short- or long-term basis, gain a valuable and high-quality experience. In this program, which aims to develop the TürkTraktör employees of the future, interns are included in internship processes within the relevant teams in parallel with their fields of study, supporting them in shaping their futures.

The program covers multidimensional processes such as orientation trainings, gamified applications, function

introduction panels, self-discovery programs, meetings with senior management, coaching programs, tractor driving training, agile awareness training and project competitions. Through this content, the aim is to bring interns into the Koç Group and TürkTraktör while also contributing to individual and social development. As of 2025, the program’s recommendation score ranks among the top 10 within the Koç Group.

Vocational School and High School

The internship period is planned as 3.5 months for Vocational School students and 9 months for high school students. The candidate evaluation process is carried out through a general aptitude test, an interview and the Vienna Psychotechnical Test; positive or negative feedback is provided to all candidates assessed. Once the process is complete, the official internship period begins with the collection of the required documents. Internships for high school students begin in September each year, while those for Vocational School students begin in September for the fall term and in February for the spring term.

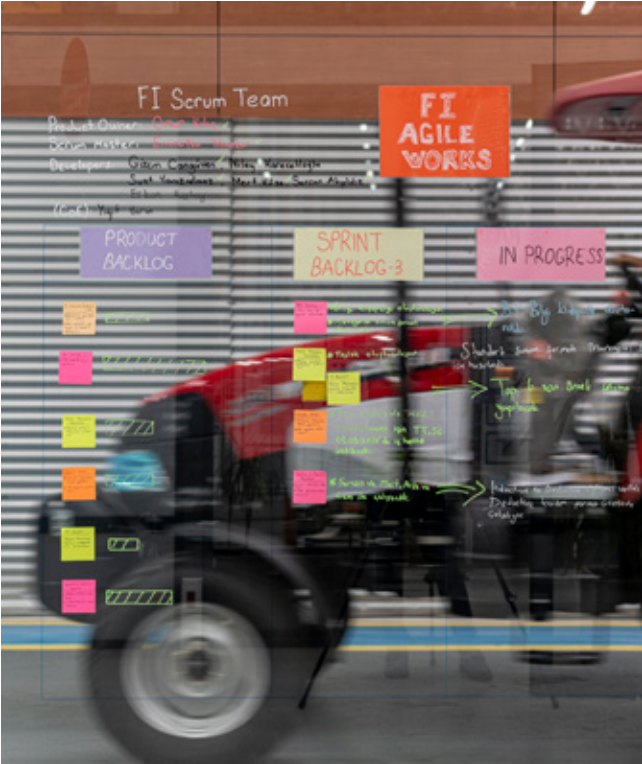
Orientation Program

Live Drive

An orientation program named “Live Drive” has been implemented to support the rapid adaptation to the company of every new office employee joining TürkTraktör. Within the scope of the program, welcome processes, training content, the welcome kit, events attended by senior management and department introductions have been renewed. This process, which begins upon acceptance of the job offer and covers the first 90 days of new employees, is monitored through an online platform, and experiences are evaluated through surveys conducted at certain intervals. In addition, volunteer employees known as “Co-mates” provide support to new employees during their adaptation and development processes.

In orientation trainings, behavioral trainings are also offered to all office employees, together with mandatory trainings and general information content.

Within the scope of the business unit-specific orientation program, the technical trainings required for new employees to perform their duties effectively are organized according to need; both online platforms and hands-on methods are used in these trainings.





Employee Experience

Guided by its vision of “designing together the distinctive working experience of the future and creating a sustainable, productive and happy working environment”, TürkTraktör implements experience designs based on communication, analysis and action that are aligned with the needs and expectations of employees and their families.

The Employee Experience Governance Model consists of four components:

- Employee Experience Action Coaches
- Human, Culture and Sustainability Teams
- Sponsorship of Business Leaders
- Agile Coaches

TürkTraktör regards employee experience not merely as a part of human resources but as a process carried out collaboratively together with action coaches selected from different business units. Accordingly, the Company carries out work in many areas in order to bring the employee experience to the highest level.

The activities in 2025 include the TürkTraktör Sports Festival, in which employees could participate in multiple disciplines; alignment of cafeteria practices with Koç Holding standards; instant treats distributed at certain intervals; a variety of breakfast experiences; meal card support for hybrid working days; and balance support for the snack vending machines accessible to all employees.

Communication and Listening Mechanisms

TürkTraktör carries out its communication activities in line with the principles of equality, transparency, fairness and inclusion.

Employees are offered various channels through which they can obtain information about all company developments, share their expectations and views, and follow individual and corporate achievements.

Communication activities are carried out through channels such as Communication Meetings held every quarter of the year with the participation of the Company Leader, Open Door or Focus Group Meetings, BizBize (Just Between Us) Gatherings, in-house events, the intranet page, SMS messaging, surveys, the BizBize Line, in-house notice board applications and mass e-mail communication. Motivational events that bring employees together are also organized during the year.

Employee experience action workshops attended by all business units are held every year, and the outputs from listening mechanisms and employee engagement surveys are evaluated.

With the motto “Employee Partner by Your Side”, the employee partners in the Human, Culture and Sustainability team work in different business units on certain days and hours of the month, listening to employees on site.

Digital Listening Tools

TürkTraktör’s intranet was renewed under the name TTBiz as of 2025, offering employees an easier-to-use, centralized and accessible communication experience. Strengthening rapid access to information, this platform has become the main channel of internal communication.

The People Chatbot application provides quick answers to frequently asked questions on recruitment, training, development, fringe benefits, performance, DEI and many other topics. By bringing technology together with a people-centered focus, the application contributes to creating a more inclusive, digital and sustainable culture.

The HelpDesk-HR system provides a platform through which employees can submit their support needs. Tickets are opened for the matters requiring attention and directed to the relevant teams; the status of the request and response times can be monitored through the system.

The BizBize Line is an anonymous feedback channel that remains open throughout the year. Employees can share their feedback, complaints and suggestions through this line.

Comments, questions and feedback received from all listening mechanisms are monitored and shared with the relevant teams for action. These methods aim to strengthen internal interaction and employee engagement by increasing the flow of information.

Well-Being at TürkTraktör

At TürkTraktör, a holistic approach to well-being is prioritized, and the social, physical, mental and financial well-being of employees and their families is addressed as a whole.

Psychologist and dietitian services are offered to employees and their families whenever they need them. Within the scope of holistic well-being activities, a Well-Being Day event was held for the first time in 2025 in collaboration with many stakeholders. The event featured numerous workshops covering both mental and physical well-being and also offered employees a healthy dining experience.

The cooking workshops organized specially for employees provided both a learning experience and strengthened the culture of creating together within teams. Sessions held in areas such as breathwork therapy, aromatherapy and pilates, led by instructors from among the employees, also supported the well-being approach from within.

The BizBize Breakfasts, launched in 2025 specifically for business units, created a communication platform where employees could come together with senior management and the Human, Culture and Sustainability teams to share their views, strengthening feedback processes.

Picnic events held with the participation of employees were organized on a business unit basis in 2025 and brought teams together.

The Leaving a Mark Ceremony is held every year to recognize employees’ achievements in value-adding projects and to present service awards. At this ceremony, employees receive their service awards and the achievement awards for the top three places in the Most Successful TürkTraktör Employees process. Award categories are updated regularly according to needs and strategic priorities.



An employee engagement and well-being survey is conducted every year for all office and field employees in order to measure the employee experience. Feedback is collected across 9 different categories that assess the end-to-end employee experience under 3 main headings: Holistic Well-Being, Leadership Climate, and Purpose and Talent. The survey includes questions focusing on job satisfaction, finding meaning at work, stress management, work-life balance and employee happiness. In addition, employees' holistic well-being is assessed in terms of physical, mental, social and financial well-being. As of 2025, the employee engagement rate was 61%.



	2023	2024	2025
Employee engagement survey results	71.5%	74.8%	60.9%

Fringe Benefits

We attach importance to raising the living standards of our employees and their families and, accordingly, we offer many benefits beyond statutory entitlements. Together with their families, employees can benefit from the Koç Ailem intra-Group benefits program offered to Koç Group companies and from the Group-specific health insurance. In addition, they can benefit from the pension fund provided by the Koç Holding Pension and Investment Fund Foundation in order to obtain more comprehensive financial security in retirement.

In this context, employees participate in this fund through contribution payments they make to the company at a rate of 6% of fund income, together with the employer's contribution share. In addition, various forms of financial support are provided, such as marriage, birth, military service, bereavement and holiday allowances; annual paid leave and travel payments; a child allowance for employees who have a new child; education and stationery allowances for employees with children; Ramadan support; and footwear support twice a year. Meal card support was provided for teams working in the hybrid model and without access to the cafeteria. For employees at certain levels, additional benefits such as personal health check-ups, life insurance, a company car and fuel are also provided.

Processes for employees who retire are managed within the scope of the applicable legislation and internal human resources practices; in this context, severance pay is made to employees and the related processes are followed up by the human resources units.

At TürkTraktör, actions are taken to help employees who become parents establish a work-life balance and to facilitate their return to work. In 2025, a total of 149 employees, 13 women and 136 men, took parental leave; all those who took leave returned to work afterwards.

Within the framework of statutory leave entitlements, women employees are provided with a total of 16 weeks and men employees with one week of parental leave. In order to prevent employees from leaving working life because they have children, nursery support of up to 66 months is offered as childcare support to employees returning from maternity leave. In 2025, 41 women employees benefited from the nursery service. In line with Holding standards, there are nursing rooms at both locations, and both of our factories hold the "Baby-Friendly Factory" certificate.

In 2025, various practices were introduced for employees that increase social interaction and support working conditions. The Koç Group Sports Festival, organized to strengthen bonds between units, gave teams the opportunity to come together and spend time with one another.

Flexible Fringe Benefits Program (FLEXTRA)

The Flexible Fringe Benefits Program is a system in which office employees shape their fringe benefits at their own discretion according to their personal and family needs (discounted shopping vouchers, technological products on advantageous terms, etc.) by exchanging benefits such as annual leave, holiday and fuel allowances. Employees access this system through a portal and manage their fringe benefit budgets by making their choices within the framework of the defined rules. In 2025, 99% of office employees were included in the FLEXTRA program.

Working Models

At TürkTraktör, office employees follow a hybrid working model within the scope of the remote working procedure defined by the company. Hybrid working arrangements are updated according to the company's prevailing dynamics and the decisions taken, and are shared with employees.

Thanks to the "Office Free" practice, employees can work remotely on predetermined days and in cases where their work plans do not require them to be in the office, in agreement with their teams. This practice contributes to building a safe and productive working culture based on flexibility.

Agile Management

We act with the understanding that "the employee experience is a valuable journey"; work is carried out within agile structures together with employees from different functions in order to develop practices suited to needs and expectations.

Cultural Transformation and Governance Model

Following the organizational transformation it completed 100% at the end of 2024, TürkTraktör continues its cultural agility efforts in a multidimensional manner. In this context, a three-pillar governance model has been adopted.

Culture, Communication and Leadership Team: Change ambassadors who carry the culture, made up of volunteers from different disciplines (teams such as DEI and Employee Experience, and the Sustainability dimension)

Agile Studio and Design: An expert team providing coaching and organizational design support to agile teams

Employee Experience Team: A structure that designs, measures and continuously improves the employee experience together with human resources professionals

Within the scope of cultural transformation, quarterly or semi-annual review meetings are held at which business outputs are shared with other units, and feedback is obtained from stakeholders.

In order to strengthen the corporate leadership climate, the agile leadership manifesto is being expanded, and role modeling is being disseminated at the corporate level through leader empowerment programs and the Cultural Agile Leadership (CAL) team structure. Programs integrated with the Agile Academies are carried out to support leader development, making leadership development a living part of the culture. Senior management plays a critical role, giving both momentum and direction to the transformation through its active sponsorship.

According to the annual research conducted globally with the Business Agility Institute, as of 2025 TürkTraktör maintains its maturity in the field of business agility with a score of 63 out of 100 and is positioned at the four-star level as a result of the international assessment. According to the benchmark set comprising more than 2,400 organizations, this result shows that our company ranks in the top 25% in the Automotive and Machinery sector.

Cross-Functional Teams

At TürkTraktör, there are various cross-functional team and network structures that support employees in learning from one another, developing collaboration and creating shared value beyond their day-to-day roles. As an important component of our social sustainability approach, these structures strengthen employee participation, inclusion, continuous improvement and innovation.

At our company, the Kaizen teams involving field employees and the Cross-Functional Teams (Task Force) structures to which office employees contribute work actively to identify areas for improvement, design new processes and develop innovative solutions. Bringing together employees from different functions around shared goals increases knowledge sharing and

contributes to the creation of more holistic solutions.

In addition, structures such as the Culture and Communication Team, the DEI Team and the Miracles of the Sprouts Project Team are among the important platforms supporting internal interaction, diversity and voluntary employee participation. These teams enable employees to contribute not only in their own areas of expertise but also in the areas of corporate culture, inclusion and social impact.

Thanks to these cross-functional structures, our employees have the opportunity to work with different perspectives, develop new competencies and create value through collective intelligence. At the same time, these teams strengthen employee engagement, support the learning organization structure and contribute to spreading a culture of innovation across the company.

As TürkTraktör, we believe that these team and network structures, which bring together our employees from different functions around shared goals, play an important role in creating a more inclusive, resilient and future-ready corporate culture.

Remuneration

While acting on the principle of equal opportunity, the principle of equal pay for equal work is adopted in all performance and remuneration processes. Accordingly, the average salaries of women and men employees at different seniority levels are monitored regularly.

In calculating the gender pay gap, the average annual gross salaries of women and men employees are included in the assessment. Calculations are carried out separately for senior management, managers and non-managerial employees. In line with the results obtained, the root causes of pay differences are analyzed and priority actions are determined.

The remuneration of field employees is determined in accordance with the principles of the Collective Bargaining Agreement. Employees’ rights to organize and to bargain collectively are supported, and the process is conducted in a transparent and collaborative manner. There is one chief representative and one deputy chief representative at each of the Ankara and Erenler factories; in addition, 3 representatives in Ankara and 2 in Erenler serve actively. Communication is maintained through structures

such as the OHS and Leave Boards, on which union representatives also serve. As of year-end 2025, 70% of employees are employed under the Collective Bargaining Agreement. TürkTraktör is subject to the group collective bargaining agreement signed between the Türk Metal Union and the Turkish Employers’ Association of Metal Industries (MESS). The terms of the agreement covering the period September 1, 2025 – August 31, 2027 were announced and entered into force in January 2026.

Salaries by Seniority Level	Gender Pay Gap (Average Female Employee Salary/Male Employee Salary)
Executive level (base salary only)	0.92
Executive level (base salary + other cash incentives)	0.90
Other non- executive employees (base salary)	0.98

We conduct our remuneration processes on the principle of equal pay for equal work and regularly analyze gender pay gaps.

Occupational Health and Safety

As TürkTraktör, the health and safety of employees, subcontractors and stakeholders under our supervision are prioritized in all production and service processes. The Occupational Health and Safety (OHS) policy is not limited to internal operations but is implemented across the entire value chain in full compliance with national and international regulations, first and foremost the ISO 45001 standards.

At TürkTraktör, we set our occupational health and safety management targets within a holistic structure that extends from the Company Leader across the entire organization. This approach aims to establish a strong occupational safety culture that encourages the active participation in the process not only of senior management but of all employees.



Occupational Health and Safety Policy

TürkTraktör undertakes to maintain its Occupational Health and Safety management approach in alignment with the Koç Group OHS Management System and to ensure continuous improvement accordingly.

As TürkTraktör, we structure our Occupational Health and Safety policy within the framework of the ISO 45001 Occupational Health and Safety Management System, in alignment with national and international standards. We carry out our OHS processes within the framework of a management system based on employee participation and supporting continuous improvement. In this context, we regularly evaluate the feedback received from the field through structures in which our employee representatives actively participate, identifying risks in advance and determining the necessary areas for improvement.

Within the scope of our activities, we regard the following as our core principles:

- Systematically identifying and assessing occupational health and safety risks and developing actions to eliminate them,
- Continuously improving OHS performance and setting measurable targets accordingly,
- Creating action plans to achieve the defined targets and monitoring progress regularly,
- Ensuring the participation of our employees, subcontractors and relevant stakeholders in OHS processes,

- Supporting safe working habits by disseminating the OHS culture across the organization,
- Developing our employees' competencies through training and awareness activities,
- Implementing the necessary planning and practices in order to be prepared for emergencies,
- Separately assessing occupational health and safety risks for employee groups requiring special policies and taking the necessary protective measures and providing appropriate working conditions in line with the relevant legislation and good practices,
- Regularly monitoring indicators such as accident frequency, lost time injury frequency and total recordable injury frequency rates, and training hours in order to track OHS performance.

Our OHS approach is not limited to our own operations; it is addressed in a way that also covers our suppliers and business partners. Accordingly, our business partners are also expected to comply with similar standards, and the related processes are monitored.

Our occupational health and safety activities are carried out under the supervision of senior management, and performance results are evaluated regularly and improved in line with a continuous improvement approach.



The OHS Team, consisting of occupational safety specialists and health center personnel, is responsible for the management of OHS matters. The OHS Team reports to the Human, Culture and Sustainability Business Leader, who reports directly to the Company Leader. The business plans defined within the scope of the renewed operational risk management were integrated into the performance indicators of all relevant functions and their results were analyzed, with the aim of strengthening a risk-focused continuous improvement approach.

We manage our OHS processes through a system that continuously evolves with the participation of our employees. In our 3 OHS boards, 75 members and 13 employee representatives serve actively, and areas for improvement are identified in line with the feedback received from the field.

Through the internal and external audit activities carried out during the year, safe behaviors in the field are made permanent and identified risks are eliminated rapidly. The daily field inspections carried out by OHS teams within the scope of the Safe Working Area Project are implemented at all facilities with an approach of continuous supervision. In 2025, a total of 2,678 field inspections were carried out, comprising 1,600 at the Ankara Factory, 900 at the Erenler Factory and 178 at the Akyurt Warehouse. In addition, through the annual internal and external audits conducted within the framework of the ISO 45001 standard, OHS processes are addressed comprehensively and the effectiveness and conformity of the system are regularly assured.

A systematic and structured investigation process is carried out for all occupational accidents and near-miss events. Following an incident, a field observation (Gemba) is conducted at the scene by the relevant teams to assess the existing conditions on site. Subsequently, the root causes of the incident are analyzed in detail through a root cause investigation form. In line with the analyses

carried out, countermeasures to prevent recurrence are determined; the necessary standardization and dissemination activities are implemented, and the process is completed with a holistic approach. The findings obtained, the actions taken and the improvement activities are shared with the Company's senior management.

In supplier and subcontractor selection processes, occupational health and safety criteria are addressed as an integral part of purchasing processes. In this context, the OHS specification is sent by the purchasing teams to suppliers and subcontractors with whom work is planned, and it is assessed whether the relevant parties meet the requirements set out in the specification. Companies meeting the defined criteria upload their legal documentation and the documents and records requested within the scope of OHS to the system through a digital platform. Subsequently, the relevant documents, equipment and required conformity criteria are checked in detail by the OHS teams; and the necessary approval processes are completed for the parties found suitable as a result of the assessments. With this approach, the aim is to disseminate occupational health and safety standards throughout the supply chain and to strengthen the culture of safe working among all stakeholders.

Awareness Trainings

We are aware that awareness and training are among the critical tools to be used in achieving the "Zero Occupational Accidents" target. Accordingly, employees' occupational health and safety awareness and competencies relating to the work they perform are raised to the highest level through the briefing talks delivered by Production Unit Team Leaders at the start of each shift. In order to ensure the sustainability of this level, we diversify our training programs and continue them without interruption. In 2025, a total of 30,060 hours of OHS training were provided to all stakeholders.

In 2025, a total of 30,060 hours of OHS training were provided to all stakeholders.

Digital Transformation Activities

The risk analysis module we developed within İSGPRO in order to digitalize risk assessment activities provides ease of access and storage, traceability, and ease of updating and reporting. Subcontractor management has been moved to a digital environment as an important step toward digitalization. Thanks to this transformation, processes have become faster, more transparent and more traceable. With the data tracking and reporting capabilities provided through digital platforms, both occupational safety performance and operational efficiency have been increased. While supporting TürkTraktör's digital transformation strategy, this application contributes to strengthening sustainability and effectiveness in subcontractor relations.

Disaster Management with the TAKSAR Team

Within the scope of disaster management preparedness, the TAKSAR (TürkTraktör Search and Rescue) team was established within the Company and trained to a professional standard by AFAD. As part of these efforts, special emergency containers have been positioned at the Ankara and Sakarya locations in order to respond rapidly to emergencies. In addition, vehicles and equipment to support search and rescue activities have been commissioned at both locations, raising the level of operational readiness. These strategic steps were taken to ensure the safety of employees in possible disaster and emergency scenarios and to make response processes more effective.

Safe Work Area Project

By developing a new module for field inspection, we launched the Safe Work Area project. With this project, we created an innovative field inspection system aimed at minimizing risks in the field, and by placing the active participation of employees at the center, we transformed inspection processes from being merely a control mechanism into a participatory and strong occupational safety culture. Within the scope of the Safe Work Area project, daily inspections are carried out through a model in which field supervisors and employees act together, potential hazards are identified on site and rapid actions are taken. The project also received an award in the Occupational Health and Safety category of the TİSK Ortak Yarınlar (Shared Tomorrows) Competition.

In 2025, a total of 2,678 field inspections were carried out, comprising 1,600 at the Ankara Factory, 900 at the Erenler Factory and 178 at the Akyurt Warehouse.

OHS Performance

In 2025, the total recordable injury frequency rate was 2.2 for direct employment and 1.2 for subcontractor company employees. The lost time injury frequency rate was recorded as 0.4 for direct employment and 0 for subcontractor company employees. No fatal accidents occurred, including among TürkTraktör employees and subcontractors.

OHS Performance	2023	2024	2025
Total Recordable Injury Frequency Rate (TRIFR)*			
Direct Employment	4.0	3.4	2.2
Subcontractor Company Employee	2.8	1.5	1.2
Lost Time Injury Frequency Rate (LTIFR)**			
Direct Employment	1.7	1.3	0.4
Subcontractor Company Employee	2.8	0	0
Accident Severity Rate***			
Direct Employment	55.3	29.6	16.8
Subcontractor Company Employee	21.3	0	0
Fatal Accident Number			
Direct Employment	0	0	0
Subcontractor Company Employee	0	0	0
Occupational Disease Rate****			
Direct Employment	0	0	0.2
Subcontractor Company Employee	0	0	0
OHS Trainings (person*hour)			
Total Hours of OHS Training Given to Employees	30,281	30,470	28,896
Total Hours of OHS Training Given to Subcontractors	2,012	4,016	1,164

*TRIFR: (Number of All Recordable Injuries / Total Hours Worked) * 1,000,000
**LTIFR: (Number of Lost Time Injuries / Total Hours Worked) * 1,000,000
***Accident Severity Rate: (Number of Lost Days / Total Hours Worked) * 1,000,000
****Occupational Disease Rate: (Number of Occupational Diseases / Total Hours Worked) * 1,000,000



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Impact Responsibly in Operations and Products



Environment Management

As TürkTraktör, we are aware of our responsibility to the ecosystem with regard to the outcomes of all our production activities. Accordingly, with our responsible production approach, we work to reduce our environmental impacts throughout our entire value chain, starting first with our own operations.

We shape our policies and principles on the environment, energy and combating climate change in alignment with the **Koç Group Environment Management Vision and the Koç Group Climate Change Strategy** determined at Koç Holding level. In addition, we integrate into all our processes the core principles set out under international conventions, standards and initiatives relating to environmental management and under national legislation, first and foremost the UN Global Compact of which Koç Holding is a signatory.

In all our business processes, including our design, production, marketing, sales and after-sales activities, we take as our basis the **TürkTraktör Environment Vision and Energy Policy** determined by senior management. The implementation of the policy and the setting and monitoring of performance targets are the responsibility of senior management. The environment and energy teams at our Ankara and Erenler factories continue their work to ensure the continuous improvement of performance. The Environment Vision and Energy Policy covers not only our own operations but also our suppliers and other business partners.

In line with this approach, we implement an environmental management system in compliance with international standards across all our areas of activity. We fully comply with local legislation on environmental management and report our performance transparently. We conduct our operations in line with the ISO 14001 Environmental Management System, the ISO 50001 Energy Management System and the ISO 14064-1 Corporate Carbon Footprint standards. While the ISO 14001 and ISO 50001 standards are certified by independent organizations, the ISO 14064-1 standard is verified and reported by independent organizations.

Holding the LEED Gold Certificate, the Erenler Factory continues its operations with energy efficiency practices and environmental protection strategies within the scope of the “Environmentally Friendly Green Building” concept. In 2020, as a result of the inspections carried out under the Zero Waste Regulation, the Ankara and Erenler factories received the “**Zero Waste Basic Level Certificate**” within the scope of the effective zero waste management carried out. In 2025, our Ankara and Erenler factories successfully carried out their waste management processes within the scope of the **Zero Waste Basic Level Certificate**.

In 2025, our total expenditure on environmental management was recorded as TL 321 million, and no violation relating to environmental protection was identified and no penalty was imposed during the reporting period concerned.

The Environment Vision and Energy Policy covers not only our own operations but also our suppliers and other business partners.

Environmental Trainings (person*hour)			
	2023	2024	2025
Hours of environmental training given to employees	2,199	2,897	3,813
Hours of environmental training given to subcontractor employees	110	45	40



In accordance with the Environmental Vision and Energy Policy, we

- also take into account the environmental impacts of our distribution and logistics network and place importance on making sustainability-focused improvements in these areas,
- meet the relevant requirements of the applicable environment and energy legislation, and comply with the laws and regulations in force by following publications on environment,
- work to continuously improve our environmental and energy management systems,
- provide the highest level of emergency and environmental risk management,
- provide human, technological and financial resources required for mitigating our impacts on the environment and ensuring efficient use of energy,
- try to minimize and control environmental pollution,
- assess the environmental impacts of every investment to protect the environment and ensure the establishment of sanitary, safe and environmentally-friendly companies,
- conduct activities that support the sustainable development principle,
- offer trainings to all employees and stakeholders to increase their awareness on environmental issues and efficient use of energy,

- announce our environmental objectives and targets to all employees, the public, the suppliers and the relevant organizations,
- guide our environmental activities so as to support other policy factors,
- commit to continuously improving our environment and energy performance,
- procure energy efficient products and services in manufacturing and all processes,
- ensure the efficient use of energy and materials, and continuously improve the energy performance,
- develop and carry out projects to improve energy efficiency for the efficient use of energy and activities to improve the use of renewable energy resources,
- prepare information notes and handbooks about the functioning of the environmental management systems, and present them to managers, employees and relevant stakeholders,
- guarantee the efficiency of systems and standards monitored by internal audits, Koç Holding's Environmental Audits and Environmental System Standards Independent Audit processes,
- take part in policy-making processes on environmental issues and play an active role in the Environment Board of Koç Holding and the Environment Board of the Automotive

Manufacturers Association (OSD), as well as the sub-working committees,

- determine measurable indicators for environment and energy targets and monitor performance on an annual basis,
- report the achieved performance outcomes to the senior management of TürkTraktör and Koç Holding at various intervals, and determine prospective activities by using performance feedback,
- carefully evaluate the information requests, expectations and complaints of our stakeholders on environmental issues so that our stakeholders can directly reach the relevant units or use the communication form provided on the website,
- carry out environmental impact assessment studies for all our new investments in compliance with the provisions of the relevant legislation and Koç Holding's Principles for the Assessment of Potential Environmental Impacts in New Investments, while evaluating impacts on biodiversity in this process,
- expect our suppliers to adopt similar principles and standards for environmental management, include environmental management criteria in supplier audit processes and provide coaching and consultancy to suppliers during the ISO 14001 compliance process to support them in establishing an environmental management system.

Policy-Oriented Collaborations

As TürkTraktör, we support the shaping of sustainability-oriented public policies with a constructive, responsible and transparent approach. Through the Environmental Board and the Energy Board in which we participate within the Koç Group, we contribute regularly to the position papers developed and the research conducted by the Turkish Industry and Business Association (TÜSİAD). In addition, our Sustainability Center of Excellence Lead serves actively in the Environment and Net Zero Policies Working Group under TÜSİAD, contributing directly to national policy development processes.

At the same time, within the OSD (Automotive Manufacturers Association) of which we are a member, we closely follow the legislation and practices in our sector through the Sustainability of the Supplier Industry Committee and the Environmental and Energy Boards; we prepare recommendations on draft legislation issued within the scope of legislation renewed during the EU harmonization process and share them with the relevant regulatory bodies, monitoring changes and developments in real time. Through these collaborations, we both contribute to the sustainable transformation of our sector and proactively manage compliance processes in our own operations.

We conduct our policy engagement processes within the framework of the principles of transparency and accountability. We review all our trade association memberships in terms of alignment with our company values and sustainability targets; where potential misalignments are identified, we consider the options of reducing our participation or withdrawing from membership. As a company, we do not support political organizations and campaigns, lobbyists or any structure established for lobbying purposes, and we do not cooperate with such organizations.

Fight Against Climate Change

We are aware that, through all our operations, our value chain and our products, we are responsible not only for our own operations but for the entire TürkTraktör ecosystem with which we interact. With this sense of responsibility, as TürkTraktör we adopt responsible production principles that extend from our operations across our entire value chain, and we aim to reduce our environmental impact and create social benefit. By growing stronger with our capabilities and technological infrastructure, we expand our sphere of influence and offer innovative and sustainable solutions to the agriculture and construction equipment sectors.

In combating climate change, we work with determination to reduce our greenhouse gas emissions and integrate resource efficiency and circular economy models into our business processes. While implementing efficiency projects in energy and water use, we are increasing our waste reduction and recycling activities.



44% Scope
1 and 2 greenhouse gas emissions reduction
rate compared to the previous year

101%
Ratio of electricity generation to
consumption in 2025



Our climate-related sustainability targets:

- To reduce Scope 1 and Scope 2 greenhouse gas emissions by 42% by 2030 compared to the 2021 base year,
- To supply all electricity needs from 100% renewable resources generated by TürkTraktör by the end of 2026,
- To reduce the electricity consumed per product by 20% and the amount of water by 40% until the end of 2030 compared to the baseline year of 2019,
- To use 50% recycled water in production and operations by the end of 2030 compared to the 2019 base year,
- To be carbon neutral in logistics operations by the end of 2040.

We adopt responsible production principles that extend from our operations across our entire value chain, and we aim to reduce our environmental impact and create social benefit.



Emissions and Energy Management

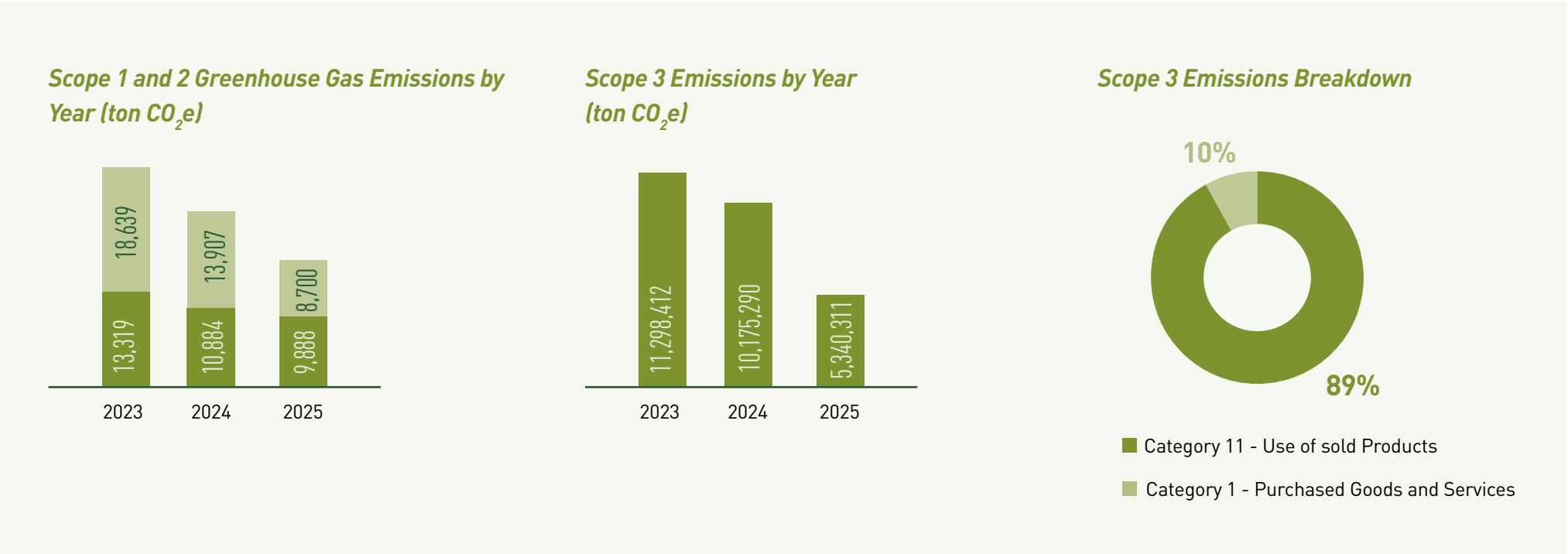
Emissions Management

As TürkTraktör, we are aware of our responsibility in combating climate change and attach great importance to managing our greenhouse gas emissions transparently. We calculate, monitor and regularly report our Scope 1, 2 and 3 greenhouse gas emissions within the scope of the ISO 14064-1 Corporate Carbon Footprint standard and the Greenhouse Gas Protocol (2004), and obtain independent verification services.

Within the scope of the Carbon Transformation Program launched by Koç Holding in line with its target of becoming carbon neutral by 2050, we have committed to reducing our Scope 1 and Scope 2 greenhouse gas emissions by 42% by 2030 compared to the 2021 base year. To achieve this target, we carry out renewable energy investments, energy efficiency projects across all our operations and process improvement activities. For our Scope 3 emissions, our target-setting and data improvement work continues rigorously.

As of 2025, our total location-based greenhouse gas emissions were 5,358,899 tons of CO₂e. Compared to the previous year, we achieved a significant reduction in our Scope 1, location-based Scope 2 and Scope 3 emissions. The main reason for this decrease was the decline in production volumes in 2025 compared to 2024. In addition, the renewable energy generation and use achieved through our solar power plant projects throughout the year, the energy efficiency projects we carried out and the low-carbon solutions we integrated into our processes also contributed to the reduction in emissions.

Greenhouse Gas Emissions (ton CO ₂ e)			
	2023	2024	2025
Scope 1	13,319	10,884	9,888
Scope 2 (Location-based)	18,639	13,907	8,700
Scope 2 (Market-based)	245	273	247
Scope 3	11,298,412	10,175,290	5,340,311
Total	11,330,369	10,200,081	5,358,899



Energy Management

In 2025, more electricity was generated from renewable energy sources through solar power plant projects than our total electricity consumption.

All energy management processes are carried out under the Integrated Management System, in line with the ISO 50001 Energy Management System standards. Within the scope of the ISO 50001 certificates we hold at our Ankara, Erenler, Akyurt and İzmir locations, we undergo regular audits and continuously monitor and improve our energy performance. By monitoring our energy data through analytical models, we focus on reducing energy consumption per product with our continuous improvement approach.

Energy audit activities are carried out to improve energy performance and loss analysis methods are used. The energy losses identified are turned into projects and improved in line with the prioritization of the energy management units.

In order to increase energy awareness and ensure employee participation, we organize on-the-job energy trainings, awareness events and energy efficiency competitions. In 2025, a total of 3,813 person*hours of environmental and energy training were delivered, an increase of 32% compared to the previous year, encouraging the active participation of field and office employees in the process.

In order to reduce greenhouse gas emissions arising from electricity consumption, for the past five years we have certified that the electricity purchased for the Ankara and Erenler factories is supplied 100% from renewable sources through Renewable Energy Certificates (I-REC). However, as a result of the solar power plant projects carried out, in 2025 the entire electricity requirement of the Ankara Factory was met from renewable energy

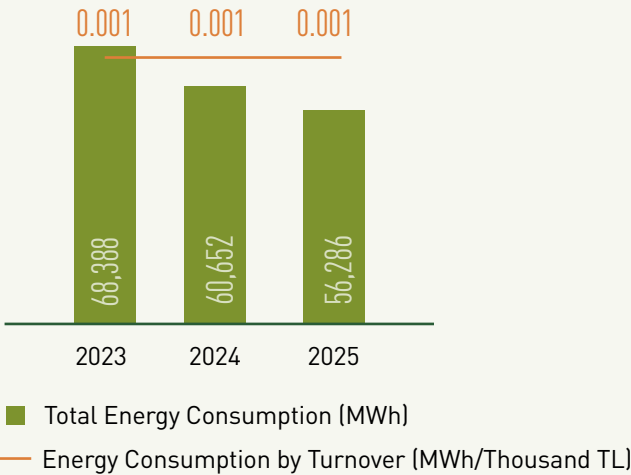
sources generated by TürkTraktör, and Renewable Energy Certificates were procured only for the Erenler Factory.

In addition to the rooftop solar power plant projects commissioned at the Erenler Factory in 2023 and at the Ankara Factory in 2024, the solar power plant established in Sivas came into operation in February 2025. With these solar power plants, more electricity than total electricity consumption was generated from renewable sources in 2025, and 6,023 MWh of electricity beyond company use was sold.

With our Sivas solar power plant investment implemented in 2025 and the Ankara Factory rooftop solar power plants, the entire electricity requirement of the Ankara Factory is met with renewable energy.

Within the scope of the TürkTraktör Sustainability Targets we announced in 2023, we achieved our goal of meeting 100% of our electricity demand with renewable energy generated by TürkTraktör by the end of 2025, one year ahead of schedule.

Energy Performance by Year



Energy Consumption (MWh)				
	2023	2024	2025	
Purchased Renewable Energy Biomass	42,469	31,722	5,743	✓
Purchased Non-Renewable Energy Natural Gas	25,919	22,672	24,946	✓
Produced Renewable Energy Solar	-	6,258	31,620	✓
Sold Renewable Energy Solar	-	-	6,023	
Total	68,388	60,652	56,286	

✓ Limited assurance is provided by the Independent Audit Firm.





Energy Efficiency Projects at TürkTraktör

Through the energy efficiency projects we carried out at the Ankara and Erenler factories in 2025, we both achieved energy savings and significantly reduced our greenhouse gas emissions, moving one step closer to our net zero vision.

Through the 15 energy efficiency projects we carried out at the Ankara and Erenler factories in 2025, a total of 21,520 MWh of energy savings were achieved and approximately TL 84 million of financial gain was generated in 2025. In addition, an emission reduction of 8,544 tons of CO₂e was achieved during the reporting period.

Selfie Project – Commissioning of the Sivas/Hayranlı Solar Power Plant (Ankara Factory)

Within the scope of the Selfie Project, the installation of a 13,000 kWe Solar Power Plant (SPP) in the Sivas/Hayranlı region was completed and commissioned in 2025. As of year-end, the entire energy requirement of the Ankara Factory was met, and the surplus energy generated was sold to the grid. The project's impact in 2025 was an energy gain of 25,567 MWh.

With the solar power plant commissioned in September 2023 for the Erenler Factory, 5,138 MWh of energy was generated in 2025, meeting 47% of the factory's annual electricity consumption. Renewable Energy Certificates (I-REC) were purchased for the remaining 5,743 MWh of electricity.

Compressed Air System Optimization (Ankara Factory)

Through the optimization work carried out on the compressed air system of the Ankara Factory, compressor set values were reduced by 0.5 bar and the air drying system was replaced. This project is expected to deliver

annual electricity savings of 213 MWh and a financial gain of TL 1 million. The project's impact in 2025 was energy savings of 33 MWh and a financial gain of TL 150 thousand.

Building Automation System Revision (Erenler Factory)

At the Erenler Factory, 159 facility equipment units (process, heating, ventilation and cooling systems) were optimized through smart management systems to ensure their efficient use, non-production energy losses were reduced and operational controls were improved. In this way, savings were achieved in water, natural gas and electricity consumption, and equipment ageing was reduced. Within the scope of the project, which has an annual electricity savings potential of 439 MWh, savings of 150 MWh were achieved in 2025.

Paintshop Burner Optimization (Erenler Factory)

Natural gas use was optimized by switching off two ovens in the Tractor Paintshop outside production hours. Through this practice, an annual energy savings potential of 131 MWh was projected, and the savings achieved in 2025 were recorded as 105 MWh.

Paintshop Process Optimization (Erenler Factory)

Depending on the metal surface temperature, in-oven heat transfer, process duration and temperature values were optimized in line with quality parameters. In this context, the oven temperature was lowered from 125°C to 112°C, and an annual energy savings potential of 60 MWh was identified. The savings achieved in 2025 amounted to 42 MWh.





Circular Economy and Use of Resources

We regard using our resources in the most efficient way, minimizing our waste and integrating circular economy principles into all our business processes as one of our priority objectives. At every stage, from our operations to our supply chain, we treat waste as a resource and generate both environmental and economic benefit through recovery, reuse and recycling methods.

We believe that the transition to a circular economy is not only an obligation but also an opportunity. With this approach, we both increase our operational efficiency and make rapid progress toward achieving our sustainability targets.

You can find the Product Life Cycle Assessment (LCA) studies we carried out in 2025 in the **R&D section** of our report.

Zero waste awareness is being built among employees, and environmental management trainings focus on the waste management hierarchy and prevention methods.

Waste Management

We manage the waste arising from all our activities in line with our zero waste target and our circular economy approach. By separating waste at source and raising employee awareness, we both reduce the amount of waste and gain a cost advantage. In line with the principles of “Industrial Symbiosis” and “From Waste Management to Resource Management”, we aim to recover all of the waste we generate. In 2025, our Ankara and Erenler factories successfully carried out their waste management processes within the scope of the “Zero Waste Basic Level Certificate” issued by the Ministry of Environment, Urbanization and Climate Change of the Republic of Türkiye.

Zero waste awareness is being built among employees, and environmental management trainings focus on the waste management hierarchy and prevention methods.

In 2025, online Sustainability Awareness webinars were organized to increase employees’ level of knowledge and awareness on sustainability topics. One of the sessions held in this context was on the theme of Waste-Free Living, aiming to raise employees’ awareness of preventing waste generation, using resources efficiently and adopting sustainable consumption habits in daily life.

Although TürkTraktör falls outside the scope of the Seveso Regulation, it continues to systematically develop its work in the field of chemical risk management. In line with the chemical risk analyses carried out annually, hazardous substances are replaced with safer alternatives and risks are reduced. In this context, the Chemical Management System established in 2024 has been in effective use as of 2025.

Thanks to the system, the chemical substance inventory at our factories is managed through a centralized

and digital structure; users can record, monitor and update chemicals through the cloud-based platform. The system also facilitates the management of new chemical requests, the transfer and control of hazardous substances, and warehouse arrangements.

Medical Approval: Factory physicians can instantly view carcinogenic and mutagenic properties and make decisions about the material.

OHS Specialists: Product risks can be examined in detail and the appropriate personal protective equipment identified.

Centralized Procurement: Chemical purchases for the factories are carried out centrally by trained personnel.

Trained Staff Operations: Trained staff can open new requests, access up-to-date material safety data sheets and print the required documents.

Thanks to this holistic approach, occupational health and safety performance is strengthened while efficiency and traceability in operational processes are increased.

Planning and Performance Monitoring for Waste Reduction

Improvement opportunities relating to waste management are addressed through the actions opened as a result of EMAT audits. The relevant departments manage and implement these actions through Kaizen activities or project-based improvement initiatives.

Concrete and measurable KPIs have been established for waste, water and energy consumption; these performance

indicators are shared with departments on a monthly basis and monitored regularly.

→ KPIs are monitored on a production equivalent product basis,

→ Detailed analyses are carried out by defining fixed consumption and production-related variable consumption.

In addition, through the Environment and Energy Committee Meetings held regularly, KPI deviations, the investments made and the improvement results achieved are conveyed to committee members; the necessary actions are evaluated within the scope of these meetings.

In 2025, in line with our circular economy approach, we carried out important projects in the field of packaging and waste management. We implemented various practices to reuse, recycle and recover the waste arising from our operations.

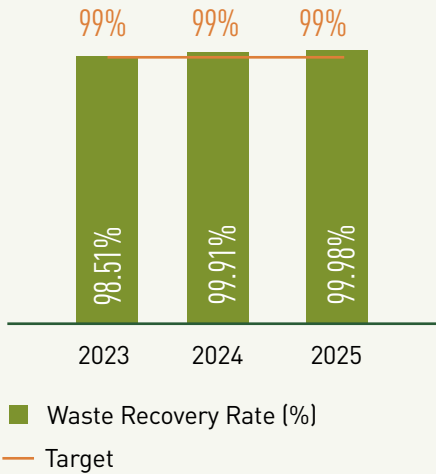
Within the scope of the sustainability efforts carried out at TürkTraktör, the packaging and handling equipment used in logistics operations has undergone an environmentally friendly transformation. This transformation is based on the introduction of long-lasting, reusable plastic and metal solutions in place of single-use wooden and cardboard materials.

Thanks to this approach, material consumption has not only been reduced; a circular use model has also been established across the supply chain, minimizing environmental impact while increasing operational efficiency.

In this context;

- The single-use wooden pallets and cardboard packaging used in domestic operations have been replaced with plastic and metal pallets supplied by TürkTraktör. These pallets are systematically collected back and reused, thereby implementing a circular logistics model. Thanks to this transformation, 99.5% of the domestic supply chain is managed with reusable pallets.
- With the significant reduction in single-use wood and cardboard, natural resource consumption has been lowered and waste generation minimized.
- The wooden separators used in parts supply are systematically reassessed throughout their service life and reintroduced into the cycle, thereby increasing material efficiency.
- Pallets arriving with wooden bases have been converted into plastic pallets, creating a more durable, long-lasting and reusable structure.
- The rate of plastic packaging use for parts arriving from abroad has also reached 11%, and the aim is to increase this rate.
- The plastic bags used for parts received from suppliers are being removed from the system without compromising the product quality of the parts supplied; in this context, the aim is to prevent the use of approximately 180,000 single-use bags per year.

Waste Recovery Rate by Year (%)



Waste Management (tons)

	2023	2024	2025	
Total waste	12,894	11,703	8,321	✓
Total recovered waste	12,702	11,693	8,321	✓
Disposed non-hazardous waste	192	0	0	✓
Disposed hazardous waste	0.1	9.6	0.3	✓
Recovered non-hazardous waste	12,037	11,031	7,893	✓
Recovered hazardous waste	665	662	428	✓

✓ Limited assurance is provided by the Independent Audit Firm.



Water Management

Protecting water resources and effectively managing water-related risks are among the fundamental elements of our sustainability strategy. Within the scope of our activities, a systematic water management approach is adopted with the aim of reducing water use, increasing recovery and minimizing the environmental impact on water resources.

Accordingly, we invest in next-generation technologies to increase water efficiency in our operational processes and implement innovative practices. In 2025, a total of 43,645 m³ of water savings was achieved as a result of the recovery of wastewater through the reverse osmosis systems installed at our Ankara and Erenler Factories. Mains water consumption was reduced by reusing the recovered water in processes.

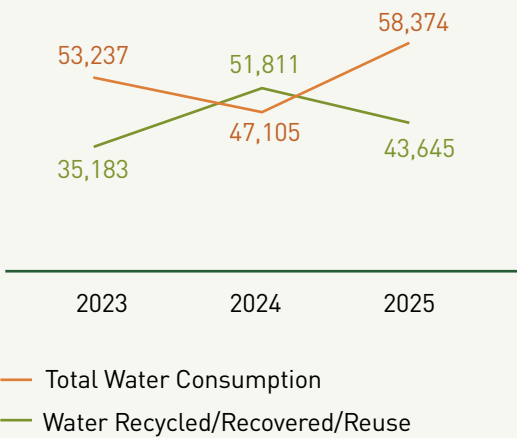
In addition, rainwater was collected in underground storage tanks and used in garden irrigation and treatment processes. Thanks to the system integrated into our natural spring water treatment facility, pure water production was achieved, thereby reducing the pressure on the basin we use.

In order to ensure the effective management of water consumption, monitoring and tracking systems have been established at our facilities; water consumption is regularly monitored and analyzed using data obtained from meters installed at different points. In this way, water use has been made transparent, measurable and traceable. Performance indicators (KPIs) are monitored in line with the concrete water management targets set, and these indicators are reported regularly to senior management and relevant stakeholders.

Photocell taps and dual-flush systems are used at our facilities in order to reduce drinking water consumption and increase efficiency. Through these practices, the aim is to make water consumption independent of individual habits and thus prevent unnecessary use.

All our water management practices are continuously reviewed and improved in line with the objectives of increasing resource efficiency, reducing environmental impacts and ensuring sustainable use of natural resources.

Water Consumption and Recovery by Year (m³)



Water Withdrawal (m³)

	2023	2024	2025
Water withdrawal (municipal water)	105,607	108,232	119,759
Water withdrawal (freshwater)	0	0	0
Water withdrawal from areas under high and very high-water stress*	105,607	108,232	119,759
Total water withdrawal	105,607	108,232	119,759

*Water stress for the Ankara and Erenler factories was recalculated using different sources. Both production facilities withdraw water from the Sakarya Basin, which is classified as under high water stress.

Limited assurance is provided by the Independent Audit Firm.

Water Discharge (m³)

	2023	2024	2025
Water discharge (municipal water)	29,679	38,766	17,340
Water discharge (surface water)	22,691	22,361	44,045
Total water discharge	52,370	61,127	61,385

Biodiversity

The effects of biodiversity loss are not limited to economic losses; they have significant consequences for food security, water resources, climate balance and ecosystem services. While the degradation of natural systems creates risks for the business world in many areas, from operational continuity to supply chain resilience, it also brings with it new opportunities for adaptation and transformation. In this context, identifying, assessing and effectively managing biodiversity risks is important for long-term corporate resilience.

TürkTraktör continues to assess the impacts of its activities on natural ecosystems and to integrate biodiversity-related risks into its management processes. Accordingly, the biodiversity risk analysis work initiated in 2023 remained current in 2025, and the assessments were reviewed again taking into account existing operations, production facilities and the scope of activities. During the reporting period, no new facility, investment or acquisition that would significantly change the company’s biodiversity risk profile took place.

During the reporting period, we did not undertake any new facility, investment or acquisition that would significantly change our biodiversity risk profile.

As of 2023, TürkTraktör carried out a detailed biodiversity risk assessment covering all its locations within the Koç Holding Biodiversity Working Group. Internationally recognized tools and methodologies were used in the study:

- Science Based Targets Network (SBTN) Prioritization Tool
- ENCORE Natural Capital Risk and Opportunity Tool
- WWF Biodiversity Risk Filter
- IBAT (Integrated Biodiversity Assessment Tool)
- Ministry of Agriculture and Forestry Noah’s Ark National Biodiversity Database

The following headings were assessed within the scope of materiality and impact scores during the analysis process:

- Change in land, water and sea use
- Resource use
- Climate change
- Pollution
- Invasive and other species

Within the scope of the analyses carried out, the production facilities in Ankara and Sakarya were examined in detail in terms of land and freshwater use, greenhouse gas emissions, water and soil pollution, resource consumption, climate change and other environmental factors. As a result of the study, it was determined that, according to IUCN Red List data, within a 50 km radius of the Ankara facility there are 5 critically endangered, 9 endangered, 17 vulnerable and 23 near threatened species, while around the Sakarya facility there are 14 critically endangered, 16 endangered, 39 vulnerable and 29 near threatened species.

In addition, Key Biodiversity Areas (KBAs), protected zones and local ecosystems within a 50 km radius of the facilities were analyzed. As a result of the assessments carried out, it was determined that the Ankara factory is located close to three key biodiversity areas and the Sakarya factory close to two key biodiversity areas; these areas have been addressed among the priority assessment areas within the scope of biodiversity management.

Within the scope of the work carried out:

- The existing and potential risks to ecosystem species at our locations and the significance levels of these risks were assessed.
- The proximity of our facilities to protected areas and important natural areas was analyzed and the relevant areas were identified.
- The potential impacts on biodiversity of planned investments, as well as of our existing activities, were examined.

In line with the analyses and assessments carried out, biodiversity continues to be addressed as an important part of our environmental management approach. In the coming period, the aim is to integrate the biodiversity-focused approach more holistically into business processes and to continue efforts to protect natural ecosystems.



Responsible Supply Chain

Supply chain management stands out as one of the most critical areas in combating climate change. The multi-layered structure of the supply chain, extending from raw material extraction to production, from logistics to waste management after the end of products’ useful life, accounts for a significant share of greenhouse gas emissions, natural resource consumption and social impacts. For this reason, companies are held responsible not only for their own operations but also for the environmental and social impacts arising from the activities of their business partners, suppliers and dealers.

As TürkTraktör, we manage our supply chain, as an integral part of our sustainability strategy, from the perspective of social and environmental responsibility. We assess the risks that may be encountered at every stage of our value chain from a holistic perspective and develop solutions to reduce our carbon footprint and minimize our environmental impacts.

We assess the risks that may be encountered at every stage of our value chain from a holistic perspective and develop solutions to reduce our carbon footprint and minimize our environmental impacts.

We regard issues such as human rights, occupational health and safety, environmental management and ethical values as fundamental components of our supply management, and we continuously improve our

sustainability performance across the entire product life cycle.

Supply Chain

We adopt a procurement approach based on the principles of transparency, traceability and sustainability across our entire value chain. We believe that the collaborations we establish with our suppliers carry responsibility not only in terms of quality and efficiency but also in terms of environmental and social impact. Accordingly, we regularly monitor risks in critical areas such as human rights and environmental impacts in our supply chain, and we develop supportive mechanisms to help our suppliers improve their performance in these areas.

Taking into account the life cycle of our products, we assess our suppliers’ ESG risks and opportunities within the scope of our business model, and we aim to create awareness in these areas and to support mutual capacity development. In supplier selection and evaluation processes, alongside traditional criteria such as quality, operational capability and competitiveness, sustainability-oriented criteria such as environmental impacts, occupational health and safety practices, ethical working conditions and respect for human rights are also taken into account.

In line with this approach, we aim to create shared value with all our business partners, primarily our suppliers and dealers, to increase mutual resilience through long-term collaborations, and to build a sustainable supply chain.

In our supplier selection processes, we consider environmental, social and ethical criteria alongside quality and competitiveness.

Our Supplier Selection Criteria

- comply with the general policies and strategies of Koç Holding and TürkTraktör,
- comply with the United Nations Global Compact,
- do not employ child labor,
- are not discriminatory,
- do not employ forced labor,
- comply with information confidentiality,
- do not prevent collective bargaining and unionization,
- comply with occupational health and safety rules,
- comply with the employee standards set forth by the laws and the sector,
- comply with legal working and operating hours,
- comply with ethical rules together with company employees,
- do not resort to psychological or physical pressure, abuse, etc. as company discipline practices,
- provide competitive advantage,
- invest in technology development and human resources,
- have the capability to provide quality products on time and under competitive conditions,
- attach importance to research and development in order to specialize in their own field,
- carry out production activities in accordance with national and international standards on environmental and occupational safety.



We conduct our supply chain management on the principles of end-to-end traceability and performance monitoring. We monitor performance indicators across all processes and tiers, and we create a sustainable and flexible supply chain thanks to the integrated structure linking our procurement, warehouse, packaging and logistics systems.

Within the scope of our green logistics approach, we regularly monitor vehicle utilization rates and equipment efficiency, and manage resource use in the most efficient way through recyclable packaging solutions and consolidation centers. With the Internet of Things (IoT)-based systems used in supply chain processes, we enhance occupational safety and manage risks proactively.

In order to strengthen our organizational structure, we added a supplier development function to our organization. In this way, we monitor the development of our suppliers and support their continuous improvement through training and audit mechanisms.

Working with local suppliers reduces supply chain risks while also contributing to local socioeconomic development. At TürkTraktör, we prioritize local suppliers in our purchasing processes.

In the process of identifying critical suppliers, we included the direct suppliers providing inputs to the production of TürkTraktör products, while indirect suppliers were not included in the scope, and we determined the suppliers taking into account their purchasing volumes.

In 2025, while approximately 80% of our suppliers were local suppliers, the share of payments made to local suppliers was 63%.

Supply Chain Indicators	2023	2024	2025
Total number of suppliers	2,120	2,049	1,978
Total number of local suppliers	1,682	1,630	1,573
Number of suppliers audited	32	23	25
Share of local supplier payments in all supplier payments	66%	73%	63%

Supplier Audit and Development Processes

We carry out regular audits of suppliers and evaluate them under 7 main headings: product engineering, process engineering, process development, process control, product control, quality management and logistics. We ensure the follow-up and control of the non-conformities identified through the audits and expect suppliers to bring their audit results up to a minimum level of 75%.

In 2025, we carried out audits at 25 suppliers within the scope of process auditing. In this context, four times a year, once every three months, we define suppliers with a quality score below 65 as TWS (Top Worst Supplier) in the system. Together with the suppliers defined as TWS, we carry out an assessment against the metrics we determine jointly at the beginning of the year and expect them to raise their scores above 65 by the next audit through quality improvement activities.

We have two different audit practices for suppliers: Potential Supplier Evaluation and Process Audit.

Potential Supplier Evaluation: We audit suppliers on production and quality matters through an audit standard containing 38 questions under the headings of documentation, dies, fixtures and equipment, process, human resources and organization, quality launch, logistics and continuous improvement. In this audit, environmental and OHS practices are also assessed separately in terms of risk analyses and the measures taken.

Process Audit: We audit suppliers on production and quality matters for a specific part through an audit standard containing 40 questions under the headings of part design, process improvement, process control, operations, logistics, verification and quality systems.

Suppliers' ESG Compliance

In the agreements we conclude with our suppliers, we operate processes for obtaining a commitment to comply with environmental legislation and with the requirements of TürkTraktör's ISO 14001 Environmental Management System, and for monitoring such compliance. In line with our "Green Procurement" approach, we encourage suppliers that provide more environmentally responsible

products and services, and we share question sets containing the relevant criteria with our suppliers.

We carry out training and audit activities so that sustainability is embraced across our supply chain, and we develop the corporate capacity of our suppliers through the Supplier Evaluation and Development Program. In this context, in 2024 we launched a comprehensive ESG assessment process for suppliers in cooperation with an independent audit and consultancy firm. In the first phase, 30 critical direct suppliers were integrated into the program and assessed. The results of the comprehensive supplier assessment carried out in 2024 remain valid as of 2025. The assessment process is conducted on a risk-based and periodic approach, and critical suppliers are reassessed at regular intervals.

During the assessment process, a sustainability survey and data forms in areas such as environment, energy and greenhouse gas emissions were collected; a business ethics audit was also included, and suppliers were given an overall sustainability score. By 2025, the aim is to integrate into this program the suppliers accounting for 80% of direct material purchases from domestic suppliers.

ESG Assessment	2025
Number of suppliers evaluated assessed	30
Share of critical suppliers* assessed	67%
Number of high-risk suppliers identified during the assessment	1

* Number of Critical Suppliers: The total number of suppliers accounting for 80% of the volume of direct material purchases from domestic suppliers.

Dealers and Services

As TürkTraktör, we operate at more than 500 points with our extensive dealer and service network. According to our business lines, we classify our main dealer types as Tractor, Equipment and Spare Parts Sales, Combine Harvester Sales, Construction Equipment Sales, and Spare Parts Sales. Apart from public sector sales, we carry out all our sales through our dealers, and for this reason we position our dealers as the most important component of our value chain.

We set out our dealers’ performance criteria and obligations under contract. The performance system we have designed for dealers plays a critical role in our company’s achievement of its strategic targets. We issue warnings to dealers in the event of breaches of obligations and create new business plans with those showing low performance. Customer satisfaction constitutes an important part of our performance criteria. We inform low-performing dealers on a quarterly basis and share our expectations regarding their improvement. We rapidly reflect the results of the customer satisfaction surveys we conduct for dealers on the Customer Experience Portal and make the portal accessible to our dealers so that they can assess themselves. We convey the comments of customers expressing dissatisfaction to the relevant dealers with red and yellow alarm labels. Dealers are expected to close these tickets on time and with a solution-oriented approach. We prepare action plans for dealers falling below average in the quarterly customer satisfaction survey results. The performance management system ensures that our dealers consistently provide high-quality service and maintain customer satisfaction at the highest level.

As TürkTraktör, we regard the development of our dealer and authorized service network — our closest points of contact with customers in the field — as a strategic priority. Through the training programs we run under the

TürkTraktör Academy, we aim to deepen the technical expertise of dealer and service teams, strengthen their commercial competencies and improve their behavioral skills, thereby enhancing the customer experience holistically. Throughout 2025, we delivered 94 technical trainings with the participation of 619 people from 286 different dealers, reaching a total learning volume of 19,263 person*hours; we also supported widespread development with 27 commercial trainings organized with the participation of 515 people from 125 dealers. With the TürkTraktör Academy Development Camp, which we launched for the first time this year, we further strengthened the behavioral development of our dealers, delivering 1,437 person*hours of training with the participation of 121 of our dealers, and over the course of the year we delivered a total of 23,508 person*hours of in-person training. In addition, by expanding technical e-learning content through the TürkTraktör Academy portal (64 technical e-learning videos and additional content), we ensure continuous access to information; on the documentation side, we manage critical resources such as user manuals, repair catalogs and assembly instructions, and we continuously improve the content and access experience in line with feedback.

In addition to the TürkTraktör Academy trainings, with the **Dealer Executive Program** we aim to enhance dealer owners’ capabilities in professional and corporate business management. The program, which began with Leadership Training in 2020, continued with Financial Literacy training in the 2023-2024 period. In 2025, the Customer Experience Training Program for our dealer owners was completed in person.

We organize various events and meetings for our dealers and farmers at regular intervals. At these meetings, which we hold to increase two-way communication, we receive dealers’ views, suggestions and feedback on business processes and introduce our new products and services to our farmers. In 2025, we hosted the Konya,

Bursa and Adana National Fairs. At these fairs, we promote our products, services and campaigns, launch new products and have the opportunity to come together with our farmers. By organizing field demonstrations at 14 locations for our New Holland and Case IH brands, we gave our customers the opportunity to try our products in the field with the support of our dealers at these events.

We believe that we will achieve our targets by auditing dealers and services regularly and by working to raise their sustainability awareness. Sales dealers, spare parts dealers and authorized services are audited every year by an independent audit firm. These audits are carried out on the basis of compliance with architectural processes and business management criteria, and our dealers’ alignment with the TürkTraktör vision is measured. Based on the scores dealers receive, we observe the extent to which they achieve their targets and reward them

in accordance with the bonus systems. Accordingly, we identify corrective actions for areas of improvement and carry them out as planned. We share audit reports with dealers in detail and ensure they are followed up by all regional managers.

We share the incentives we provide to our dealers through Marketing Bulletins published monthly according to market conditions. We pay a 3S Performance Bonus based on their quarterly/annual performance and a Customer Satisfaction Bonus based on their customer satisfaction performance. We also provide a Project Support Bonus for their active participation in TürkTraktör’s new projects. We also pay various bonuses to our construction equipment and spare parts dealers within the scope of their targets. We set out sales terms and other campaign/discount practices through monthly sales terms and share them with our dealers.

Dealer Management			
	2023	2024	2025
Total number of dealers	159	148	144
Total number of authorized services	217	199	191
Number of dealers receiving trainings by TürkTraktör Academy	56	125	128
Number of dealers participating in the Dealer Executive Program	131	128	128
Number of dealers audited under internal audit	12	16	16
Number of dealers audited by external audit	159	148	144

Customer Experience

As TürkTraktör, we position all our customers, first and foremost the farmers we work with, among our business partners, and we work to continuously increase their satisfaction and loyalty through the beneficial products we offer. For our more than 600 thousand customers to whom we provide products and services, we carry out our work within the framework of the ISO 10002 Customer Satisfaction and Customer Complaints Management System, making use of digitalization and technological developments.

At TürkTraktör, we work with the goal of “5 out of 5 customer satisfaction”. In line with our goal of continuously improving the customer experience we provide, we conduct regular customer satisfaction surveys, mystery shopper studies and, where needed, focus group studies. Under the leadership of Koç Holding, we conduct a Customer Satisfaction Survey and a Dealer Satisfaction Survey once a year. By auditing dealers and services regularly, we identify areas for improvement, enhance their processes with corrective actions and increase their competencies in customer experience through regular trainings.

Within the scope of our Customer Experience activities, we aim to improve the customer experience at every touchpoint, to enhance the aspects of service that fall short and to design processes that comply with the law.

2025 was a year in which the transition at TürkTraktör from customer satisfaction to customer experience management was strengthened with concrete steps and a data-driven, action-based approach was disseminated. In this context, structures and processes focused on improving the experience at all touchpoints through customer feedback were put into operation.

Through the Customer Experience Committee, which convened regularly throughout the year, Net Promoter Score (NPS) and customer satisfaction results were systematically evaluated; the actions derived from these results were taken up across the organization and followed up. Thanks to this structure, customer feedback has been integrated directly into decision-making processes and the continuity of actions to improve the experience has been assured.

In 2025, in order to respond rapidly to customers expressing dissatisfaction, the yellow/red alarm application covering sales and service processes continued to be used; low-scoring feedback was shared instantly with the relevant teams and managers. The aim was thus to take action while the customer experience was taking place and to prevent potential losses. Through regional customer satisfaction workshops, satisfaction results were shared with the field and dealer-based improvement areas were clarified.

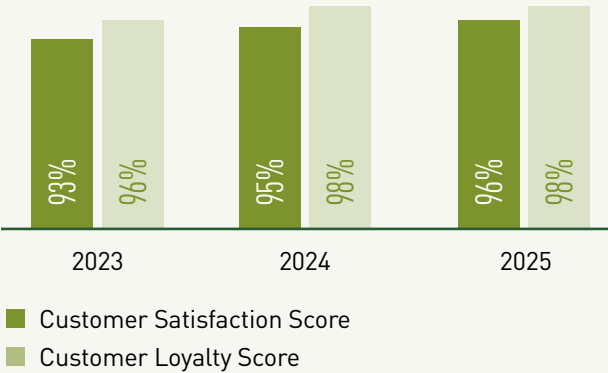
With the Customer 360 project, one of the data-driven steps we took in 2025, insights, service records and demographic data relating to customers held in different sources were brought together. This has made it possible for us to analyze our customers from a more comprehensive, in-depth and holistic perspective and to develop new services.

Improving the service experience customers receive from the call center was also one of the important focus areas of 2025. In this context, processes were reviewed in the areas of accurate information, solution orientation and timely response, which are customers’ most fundamental expectations. Customer feedback received through social media and digital platforms was monitored regularly; negative experiences that could affect brand reputation were brought to the agenda of the ‘Customer Experience Committee’ and holistic action plans were developed.

Customer Satisfaction

	2023	2024	2025
Total Number of Customers	547,537	594,271	629,003
Number of Customers Actively Using Online Sales/Service Channels	140,000	171,000	190,000

Customer Satisfaction and Loyalty Results



For our more than 600 thousand customers to whom we provide products and services, we work with the goal of “5 out of 5 customer satisfaction”.



Relational Net Promoter Score (NPS) Survey

In line with our approach that places the customer experience at the center, with the “Relational Net Promoter Score (NPS) Survey” we introduced in 2024 we established a long-term measurement system through which we can track not only immediate satisfaction but also our customers’ holistic assessments of our products and services. The survey is conducted through two separate interviews carried out in the 3rd and 12th months after customers begin using their tractors. In this way, we have the opportunity to observe how their first impressions of the product and service experience change over time. The data obtained from the survey both measures our customers’ overall satisfaction and helps identify product development needs on a series basis.

In line with the approximately 6,401 customer feedback items analyzed to date, 9 actions were defined in after-sales services and 37 in product development. Of these, 26 have been successfully completed. In addition, this survey, which is carried out by making use of idle periods in call center operations, offers an example of efficient resource use that requires no additional budget.

Through our Call Center service, we provide uninterrupted service to customers’ requests and expectations across different channels.

With the Relational Net Promoter Score (NPS) Survey, we measure our customers’ experience of our products and services from a holistic and long-term perspective.

With our vision of shaping the future of agriculture, we attach importance to ensuring that our customers are informed accurately and completely about our products so that they can access and use them seamlessly. We share product information documents containing the technical specifications, operating features, environmental impact characteristics, safe driving techniques and various other information about our products on our website. Through our Call Center service, we provide uninterrupted service to customers’ requests and expectations across different channels. In addition, with the question set we began using in 2023 to measure the satisfaction of customers benefiting from our call center services, we aim to understand customers’ requests and expectations in greater detail and to shape our services accordingly. We provide accessible communication channels such as the call center and social media accounts so that customers can easily convey matters they consider to be non-conformities in our products and services or that they believe do not meet their expectations, as well as their requests and complaints. The notifications submitted are systematically recorded and evaluated in line with the relevant requirements and customer expectations; where a non-conformity is identified, the necessary corrective and improvement activities are initiated and the results are shared with our customers.

Through all these efforts, in 2025 customer experience at TürkTraktör became a data-driven, proactive, owned and continuously evolving area of management.

Complaint Management			
	2023	2024	2025
Total Number of Complaints	10,539	8,458	7,642
Number of Complaints Resolved	10,539	8,457	7,642
Average Resolution Time (days)	1.9	1.7	1.9
Resolution Time Target	3	3	3





Product Quality and Safety

As TürkTraktör, offering our customers high-quality, safe and sustainable products is among our fundamental responsibilities. In the manufacture of tractors, agricultural equipment and construction equipment, we observe product safety at every stage of production and manage all processes, from design to the customer experience, in line with high quality standards.

We fully comply with the legal regulations and legislation applicable in all the regions in which we operate, and we manufacture within the framework of international quality standards. Within the scope of the Integrated Management System, we hold the ISO 9001 (Quality), ISO 14001 (Environment), ISO 45001 (Occupational Health and Safety), ISO 50001 (Energy), ISO 27001 (Information Security), ISO 10002 (Customer Satisfaction) and ISO 14064-1 (Greenhouse Gas Calculation and Reporting) certificates. The continuity of all our certificates is ensured through independent third-party audits.

We ensure product quality systematically not only at final inspection but throughout the entire production process. All our products undergo 100% inspection by expert control teams, and we adopt an approach of assessment through the customer's eyes at quality control points. Customer expectations are taken into account from the very first stage of the design process and reflected in the products, and we embrace a total quality management mindset at every stage.

Thanks to our production flexibility, we manufacture products of different brands and of various product segments belonging to those brands under a single roof, with high quality standards.

Lean Manufacturing at TürkTraktör

In today's manufacturing world, where diversity, technology and customer expectations are changing rapidly, we continuously improve all our ways of working, from production to support processes, with a lean manufacturing approach in order to increase efficiency, eliminate waste and enhance our competitiveness sustainably.

Accordingly, we adopt a data-driven decision-making culture by standardizing our processes; we monitor performance regularly and systematically assess improvement opportunities. With our continuous improvement approach, we base our work on root cause analyses, structured problem-solving techniques and the active participation of field teams; we not only solve problems but also develop permanent solutions that prevent their recurrence.

At the heart of our lean manufacturing practices lies continuously developing our employees' competencies, strengthening collaboration between teams and disseminating a culture of improvement at every level of the organization. Through error-prevention-focused approaches, standard work practices, visual management and practices that support process discipline, we assure quality at source and increase the sustainability of our processes.

In line with our manufacturing vision, we focus on operational excellence and develop efficiency, quality, safety and employee participation together; and with our world-class manufacturing approach, we continue to offer our customers high-quality and competitive products.





Products Creating Environmental Benefits

As TürkTraktör, we focus on responsibly managing the environmental and social impacts arising throughout the entire life cycle of our products. We aim to create environmental benefit across a broad framework extending from product design to production processes and to energy and emission performance throughout the product's useful life. With products that consume less water and energy, have low emission levels, improve soil fertility, and are user-friendly and accessible, we both support our farmers in reducing their environmental impact and contribute to the sustainability of agriculture.

As part of our sustainability strategy, we develop product and service solutions that take into account not only economic efficiency but also environmental management and social responsibility components. In this context, we prioritize reducing the emissions arising from the use of the tractors and agricultural equipment in our product range. In particular, the intensive project activities carried out to bring our diesel-engine products into compliance with the Stage V emission standard have been completed for the domestic market and the European market. In addition, in line with our 2050 carbon neutrality target, we continue our R&D investments in the development of next-generation alternative-fuel and zero-emission products within the scope of the Koç Holding Carbon Transformation Program.

For the New Holland T3 Electric Power, our first electric tractor developed by Turkish engineers and launched at the Konya Agriculture Fair in 2024, commercialization and market readiness activities continued in 2025. This fully

electric next-generation tractor aims to reduce farmers' operating costs with its zero-emission design, while also representing an important demonstration of our R&D capabilities in the field of alternative powertrain systems.

Throughout 2025, we continued our work in the field of modern agricultural technologies with a focus on digitalization and automation. Development and validation activities continued for the commercialization of the AI-supported New Holland R3S agricultural robot and the autonomous spraying machine introduced in 2024. Through spot spraying, precision fertilization and irrigation applications, these solutions aim to reduce chemical use, increase resource efficiency and minimize farmers' risk of exposure to chemicals. In addition, operational data obtained from the vehicles can be monitored through telemetry, software and control systems, and resource use and operational efficiency are optimized through digital decision support systems. Through the guidance systems developed, repeatability in agricultural operations is increased and optimization is achieved in the use of fertilizer, seed and pesticides.

A focus on sustainable product development and the circular economy also constitutes an important part of our sustainability strategy. Sustainability criteria are taken into account in product design processes, and work is carried out on recycling and reducing environmental impact. The environmental impacts of products are assessed through life cycle assessment studies, and the use of recyclable materials and sustainable design approaches are being developed.

More detailed information about our smart agriculture applications can be found in the **Sustainable and Technological Agricultural Practices** section of this report.

With these products, we aim to pioneer technology-driven agricultural practices with a low environmental impact not only in Türkiye but also in global markets. Thanks to the national and international collaborations, university partnerships and start-up projects carried out during 2025, work was undertaken that will advance sustainable agriculture solutions still further.

In addition, aware that reducing environmental impacts is not limited to product development, we are also expanding our second-hand and rental activities. By extending the product cycle through the rental model in construction equipment, we achieve resource efficiency, and by bringing refurbished machines back to the market we contribute to circular economy practices.

Noise Reduction Activities in Vehicles

Various activities are carried out to reduce noise levels in our products in order to increase user comfort and reduce environmental impacts. Accordingly, innovative solutions are developed in product design and production processes, and significant progress is achieved in sound levels through engineering improvements. In this context, as a result of the work carried out in product design processes, a reduction in noise levels has been achieved. In addition, significant sound reduction has been obtained through the sound insulation materials used in the relevant parts of the tractor. In addition to the projects implemented, the tests carried out within the scope of ongoing work show that the positive results achieved in noise reduction are being sustained.





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Impact the Future of Agriculture



Sustainable and Technological Agricultural Practices

The increasing demand for technological agricultural practices holds significant opportunities, particularly for the current development of sustainable agriculture practices. Technological advances in mechanization offer farmers more efficient and faster areas of application. In addition, developments in digital technologies in particular are enabling Industry 4.0 technologies to become widespread in agricultural practices. While technologies such as artificial intelligence, data analytics and the Internet of Things (IoT) help increase harvest productivity, they also improve water and raw material efficiency. Mechanization and digitalization, whose importance in the agricultural sector grows day by day, contribute to the spread of sustainable agricultural practices.

As TürkTraktör, in addition to being part of and supporting the solution, we work with the vision of pioneering the agriculture of the future; by supporting digitalization and mechanization in agricultural production, we offer products and services that will deliver economic and environmental efficiency to our farmers.

Technologies such as variable rate spraying and fertilization are also given importance in order to protect soil health, another element of sustainable agriculture. By spraying and fertilizing different parts of the field only as much as needed, input costs are reduced while the use of chemicals that threaten soil health is also decreased. We carry out open innovation activities and establish collaborations with various start-ups in order to bring

these technologies into our product range. We contribute to the dissemination of precision agriculture practices, the efficient cultivation of soil, the use of less water and the development of regenerative agriculture practices. We research the use of new technologies in agriculture, invest in new business areas and bring farmers together with technological and sustainable agriculture. We believe that the future lies in agriculture and continue our work with our vision of being a role model in the sector.

Digitalization in Agriculture

In recent years, particularly with the intensive use of Industry 4.0 technologies, the agricultural sector has become one of the areas experiencing digital transformation. Although farmers' adoption of fast, efficient and growth-oriented agricultural practices is an important step for the sector's transformation, it is not considered sufficient for the agriculture of the future, and the implementation of digital technologies is gaining importance in this area. In addition to supporting farmers' work, digitalization in agriculture will play an important role in significantly transforming life in rural areas. When farmers guided by accurate information fertilize, spray and irrigate at the right rate and with the right tools, the productivity and quality of the crop will increase and so will the farmer's income. In this way, developing new forms of production in agriculture and using resources correctly and effectively will make it possible to produce more with fewer inputs. The most important way to achieve this is through the integration of technology into agriculture and producers keeping pace with digitalization in agriculture. The smart and precision agriculture practices implemented through digitalization play a critical role in building a resilient and sustainable agricultural sector, in addition to reducing costs. At the same time, implementing digital technologies and reducing losses by making data-driven decisions across the agricultural value chain is gaining greater importance every day.

As the importance of digitalization in agriculture has grown in recent years, the use of drones — one of the newest technological developments — is becoming widespread in agriculture and, with the addition of new areas of application, is gaining an ever broader sphere of impact. Agricultural drones, which offer the possibility of spraying, fertilizing and seeding regardless of field conditions and time, provide farmers with a cost advantage. When fuel costs are also taken into account, drones provide their users with an advantage not only in terms of time but also economically. Thanks to the chemical storage capacity of agricultural drones and the use of a more concentrated mixture, savings on crop protection products are also achieved in the long run.

With the beginning of the integration of Industry 4.0 technologies into the agricultural sector, machine-to-equipment communication and plant health-based

applications are also coming to the fore. While plant health is determined using satellite imaging technologies, the field data obtained through image processing is transmitted to users in real time thanks to early warning systems. With the contribution of machine learning, yield forecasting is carried out particularly for grain crops and pre-harvest notifications are sent to users.

In addition, autonomous tractors, soil sensors and climate stations once again demonstrate the importance of data, particularly in agricultural applications. At the same time, precision agriculture applications also make it possible to analyze agricultural land accurately and to increase productivity. The automatic steering systems, yield mapping, flow control systems and farm management systems that fall under TürkTraktör's precision agriculture technologies help reduce input costs by minimizing errors made during agricultural activities.





Tarlam Cepte (Mobile Field)

The Tarlam Cepte mobile application, which we launched in 2019 in order to support digitalization in agriculture and to provide producers with “digital decision support” in agricultural activities, offers farmers recommendations that reduce input costs in agriculture and increase operational efficiency. With Tarlam Cepte, which we introduced as a first in the sector so that sustainable and technological agricultural practices would be adopted by farmers, we serve more than 190 thousand users as of the end of 2025, with 20 thousand new users joining.

The application provides farmers with many up-to-date developments such as the weather in their region, announcements about the Ministry of Agriculture and Forestry’s agricultural grants and subsidies, and wholesale market and commodity exchange prices as well as diesel, fertilizer and crop protection product prices. Enabling remote monitoring of the field through the early warning system it offers thanks to meteorological data received from satellites, Tarlam Cepte enables users to access information on many topics, including methods to increase the operational efficiency specific to their own field, crop cultivation recommendations for farmers, satellite-based plant health imaging, satellite-supported moisture and irrigation recommendations, plant water stress maps, digital display of the crops grown in their region, digital campaigns, and live rainfall and storm tracking. Accordingly, with its diversified features, the application guides farmers in their agricultural activities and provides indices under the following sub-headings:

Water Stress Index: The water stress indicator is a parameter that reveals a plant’s water requirement by

analyzing the changes occurring in the water content of its leaves. By examining these values, it is possible to understand the plant’s level of water deficiency and whether it is under the effect of drought. The more the measurement results move toward negative, the more it is interpreted that the plant’s water stress is increasing and the soil is becoming drier. Under ideal conditions, the values within a parcel are expected to be close to 1 and to show a homogeneous distribution across the area; this indicates that the plant has a healthy and balanced water status.

Nitrogen Status Index: This is an index that reveals a plant’s nitrogen nutrition status by analyzing the chlorophyll level in its leaves. Since the amount of chlorophyll is directly related to the nitrogen level in the plant, this indicator provides important information about the plant’s development status and photosynthetic activity. In this way, areas of the field experiencing nitrogen deficiency or requiring additional fertilization can easily be identified. This therefore enables fertilizer savings and increases crop yield.

Irrigation Recommendations: The Irrigation Recommendations feature analyzes the field’s water requirement on a data-driven basis, enabling irrigation at the right time and in the right amount. Thanks to the data obtained from satellite images and the plant moisture map, the water distribution across your land is examined in detail. In this way, rather than merely a general irrigation plan, more precise and efficient decisions can be taken according to the needs of different areas within the parcel. While assisting with irrigation requirements, this feature also makes it possible to see the effectiveness of the irrigation carried out throughout the growing season.

Plant Health Index: This is used to monitor the health status of the plant. In this way, early detection of and rapid response to development problems in the field are made possible. Since a homogeneous distribution across the field is required for healthy plant development, this

index helps users detect problems in their fields early and prevent yield loss.

The detailed features offered by Tarlam Cepte provide significant benefits to farmers. They support farmers in determining plants’ water and nutrient requirements more accurately and in avoiding unnecessary use of water and fertilizer. The correct use of the indices we offer in the application brings both environmental and economic benefits. In addition to providing farmers with cost savings, correct irrigation and fertilization practices help reduce environmental impacts by preventing unnecessary use of water and fertilizer. Accordingly, the advanced features and solutions offered by Tarlam Cepte contribute to accelerating digital transformation in the agricultural sector and to the dissemination of sustainable agricultural practices.

At the end of 2024, we launched TrakBot, Tarlam Cepte’s first AI-supported chatbot, developed specifically for the agricultural sector. Thanks to TrakBot, farmers’ questions on agricultural information, general agricultural topics, campaigns, crop cultivation recommendations, product prices and the dealer and service network can be answered 24/7 in real time. In addition, by combining agricultural knowledge with big data analytics, we offer farmers personalized solutions. As of 2025, more than 12,000 interactions have taken place between TrakBot and users.



In addition, we continue our work on precision agriculture applications in order to facilitate the transition of Turkish agriculture and Turkish farmers to advanced technology and to contribute to more efficient production. Precision agriculture systems offer farmers significant advantages by enabling more crops to be grown on existing agricultural land, saving on inputs such as crop protection products, fertilizer, seed and fuel, and reducing plant damage occurring during field operations. In addition to the Automatic Steering Systems, TTConnect, the domestically developed fleet and vehicle tracking system, TTGuide, the domestic smart guidance system, the New Holland R3S autonomous agricultural robot and the Flow and Rate Control Systems in our precision agriculture product range, with TTCenter, the new interface of the TTGuide smart guidance system, we support our farmers in growing more crops on their existing agricultural land while using inputs such as crop protection products, fertilizer, seed and fuel in the most efficient way.



Satellite-Supported Automatic Steering System

We contribute to the development of sustainable agriculture through precision agriculture solutions. With the products and services we offer in this direction, we aim to obtain higher yields from agricultural land. The satellite-supported automatic steering system, which enables agricultural inputs such as seed, crop protection products, fertilizer and fuel used in agricultural activities to be used at optimum levels, reduces total costs and thereby increases productivity, allows tractors to follow lines in the field with high precision, eliminates driver-related steering errors and prevents unnecessary use of crop protection products and water.



Agricultural Drones

We support innovative approaches and technological applications for the agriculture of the future. In this context, we continue to provide our farmers with drone spraying services under the “TürkTraktör Drone” brand launched in 2022. TürkTraktör Drone Services, which deliver savings in cost, labor and time in the spraying of large agricultural areas and offer benefits such as a wide range of applications, ease of use and maintenance, high efficiency and environmental protection, continue to stand by our farmers by providing drone spraying services at 7 pilot dealers as of year-end 2025.



TTConnect

TürkTraktör Connect (TTConnect), the domestic fleet and vehicle tracking system that represents an important step in the transition to data-driven agriculture, increases working efficiency by enabling farmers to analyze the data they receive from their tractors.

TTConnect supports farmers in planning more accurately by enabling them to monitor their tractors' fuel consumption and operating status through detailed reports. First introduced at national agriculture fairs in 2023, the TTConnect Fleet and Vehicle Tracking System was commercialized and put on sale as of the 2024 Konya Agriculture Fair. As of 2025, it has begun to be offered factory-fitted (mounted on the tractor) on certain tractor series. An important step in the digitalization process,

TTConnect also serves sustainability in agriculture both through the features it offers and through its compatibility with new-generation emission level engines.



Raven RCM Automatic Flow and Rate Control System

One of the integration efforts carried out to increase the use of technology in agriculture is the systems providing rate and flow control offered for spraying machines. The Raven Automatic Flow and Rate Control System can be used together with spraying machines and, with the information it receives from the tractor, ensures that the spraying operation is carried out correctly. Ensuring the correct use of agricultural chemicals and preventing already-sprayed areas from being sprayed again thanks to valve control, this system enables farmers to reduce their costs by preventing excessive spraying. At the same time, by ensuring that the correct chemical is used and preventing damage to the soil from unnecessary chemical use, the Raven Automatic Flow and Rate Control System also plays an important supporting role in the field of sustainability in agriculture.



TTGuide

TTGuide, part of the TürkTraktör Precision Agriculture product range, is a smart guidance system developed domestically in line with the needs of our farmers. While significantly reducing the use of chemicals such as crop protection products and fertilizer in particular, TTGuide contributes to increasing productivity and to monitoring plant health. By minimizing the errors made during agricultural activities and enabling work both day and night with a correction signal with unlimited coverage, TTGuide offers farmers a comfortable working experience.

With TTCenter, the new interface of TTGuide, our farmers can access applications such as YouTube, WhatsApp, Spotify, YouTube Music, Radio and Tarlam Cepte while at the same time continuing their agricultural activities through the smart guidance screen. Thanks to its phone holder feature, our farmers can secure their phones without needing any additional attachment. While equipment attachment can easily be carried out with the rear-view camera, spraying or fertilizing operations can be conveniently monitored on the screen. As of 2025, the TTGuide Smart Guidance System has begun to be offered factory-fitted (mounted on the tractor) on certain tractor series. Compatible with all tractor and combine harvester models, the TTGuide smart guidance system contributes to sustainable agriculture through the efficient working and savings it provides.



Stakeholder Welfare

We create value for our country, our customers, our employees, our dealers, our suppliers and our shareholders by leading the transformation in order to prepare our sectors of activity and areas of influence for the future. While implementing our projects, in addition to the active participation of academics, public institutions and non-governmental organizations and opinion leaders, we also encourage our employees, dealers, services and suppliers to take ownership of these projects and take part in them on a voluntary basis.

We attach importance to the role of social responsibility in societal development and, with this understanding, we contribute both to local development and to the future of sustainable agriculture. Through the work we carry out, we take a more sensitive and participatory approach to societal issues and support projects that will improve quality of life. In order to ensure the sustainability of agriculture, we prioritize the welfare and development of all our stakeholders in the TürkTraktör ecosystem, first and foremost our farmers. We continue our training, collaboration and support programs so that our farmers' competencies develop, young people and women take on more active roles in agriculture, and the level of awareness of all our stakeholders is raised.

We design our projects in a way that involves both our employees and all our stakeholders. As in previous years, in 2025 we continued, alongside the education, employment and gender equality activities we implemented, our activities aimed at raising the awareness of our sector and spheres of influence as well as of society and producers.

“Barrier-Free Development Platform” Project with TİSK

In 2020, TürkTraktör signed a cooperation agreement with TİSK for the “Barrier-Free Development Platform” project in order to contribute to the technical and social development of employees with disabilities, and has carried out activities within the scope of the project.

The “Barrier-Free Development Platform” project activities were carried out by a team formed with the participation of employees from different functions of the Company. Providing a free development service to society, the project also contributes to raising public awareness on this subject.

In 2021, a training design studio aiming to produce content for the TİSK Academy Training Platform was established at the TürkTraktör Ankara Factory. The training content designed was offered free of charge to individuals with visual, hearing and physical disabilities through the Barrier-Free Development Academy, a sub-platform of TİSK Academy.

Agricultural Machinery Laboratory

TürkTraktör has opened Agricultural Machinery Laboratories based on the school-enterprise matching model created within the scope of the “Vocational Education: A Crucial Matter for the Nation (MLMM) Project” that Koç Holding carries out with the Ministry of National Education and the Vehbi Koç Foundation. To date, a total of 685 students have been trained and 624 students have graduated from the “TürkTraktör Agricultural Machinery Laboratories” at Gazi Vocational and Technical Anatolian High School in Ankara, Gökhöyük Şehit Cemalettin Özdemir Vocational and Technical Anatolian High School in Amasya, and Şanlıurfa Altınbaşak Vocational and Technical Anatolian High School in Şanlıurfa.

The post-graduation employment processes of students who successfully completed the program have been taken into consideration. Of the students who applied and met the required criteria, 60% were employed at TürkTraktör factories and in the after-sales service network. Students outside this group either continued their undergraduate or associate degree education or began their working lives in the automotive sector.

Miracles of the Sprouts Technology and Innovation

TürkTraktör aims to lead a transformation that prepares the sector in which it operates and its spheres of influence for the future. Accordingly, the Company has committed to working with determination for the achievement of gender equality and the empowerment of women by reaching 30,000 people within 5 years through the projects it will implement in the field of technology and innovation, the collaborations it will develop, the internship and employment opportunities it will offer and its development programs.

Within the scope of the “Vision Development Journey Program” carried out with the support of the Women in Technology Association (WTECH), TürkTraktör organized

a series of awareness and training activities so that young women can have a say in the technology of the future. Acting on the fact that Türkiye's need for a specialized workforce in the field of technology and innovation will increase rapidly in the period leading up to 2030, TürkTraktör is taking the initiative to ensure that women can be represented equally in this area. In this context, through the awareness, career and vision meetings designed with WTECH, support on technology and innovation was provided to more than 5,000 participants studying in the STEM (Science, Technology, Engineering, Mathematics) field.

Another important component of the “Miracles of the Sprouts Technology and Innovation” project is the awareness series and Ideathon activities carried out with the Turkish Entrepreneurship Foundation (GİRPAK). Designed to support the innovative ideas that Türkiye needs in its technological transformation process, this program aimed to reach young people with ideas that will contribute to the transformation of agriculture and cities. The Ideathon program, carried out in cooperation with GİRPAK, in which game and application ideas relating to the agriculture and construction equipment sectors were developed, was successfully implemented.





The coaching and mentoring programs were designed to provide young people with the guidance they need on their career journeys through experience-oriented content. The special six-module program prepared by internal coaches at TürkTraktör includes a factory visit organized under the motto “A Day at TürkTraktör” and hands-on learning steps supported by the CV Simulation module. With five programs and a total of 30 modules completed to date, the process has been advanced in a way that offers a structured and sustainable learning experience.

With the Miracles of the Sprouts Technology and Innovation project launched in 2022, TürkTraktör aims to empower women in the fields of technology and innovation, to increase employment and entrepreneurship opportunities, and to encourage young women in the STEM field. Through the training programs developed and the opportunities offered within the scope of the project, a total of 38,514 people, 54% of whom were women, have been reached; the target set for the end of 2026 was exceeded as of 2025.

The Miracles of the Sprouts Technology and Innovation project received:

- the First Prize in the Most Successful TürkTraktör Employees – Adding Value to the Environment and Society category in 2023,
- the OSD Corporate Social Responsibility Achievement Award in 2024,
- and the Women-Friendly Brands Awareness Award in 2025.

In addition, within the scope of the Social Benefit Awards organized by Dünya Gazetesi in 2025, the project won the award in the Diversity, Equity and Inclusion category, presented for the first time this year, with “Miracles of the Sprouts: Technology and Innovation & DEI Program”.

Within the scope of the Miracles of the Sprouts project launched in 2016, a total of 40 students were supported with Turkish Education Foundation (TEV) scholarships in the 2024-2025 academic year.

New Holland Yaren Children's Libraries

New Holland, TürkTraktör's leading brand, has focused on developing a culture of reading, aware of the decisive role of the habits acquired by children particularly up to the age of 12. In 2016, the Company launched the “New Holland Yaren Children's Libraries” project in order to broaden the horizons of children growing up in the internet age, support their access to information and contribute to society's level of education.

More than 16,000 books have been donated to date to the New Holland Yaren Children's Libraries, which today have reached 26 different locations with the addition of Ankara, Ardahan and Bursa.

Within the scope of the project, which always aims to reach more children, schools are selected from among those with a high proportion of students who come from surrounding villages and neighborhoods to receive their education. In the libraries opened, the physical spaces are first renovated, and then the library's furniture and equipment needs are met.





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Annex

Greenhouse Gas Emissions (ton CO ₂ e)*	2023	2024	2025
Scope 1	13,319	10,884	9,888
Scope 2 (Location-based)	18,639	13,907	8,700
Scope 2 (Market-based)	245	273	247
Scope 3	11,298,412	10,175,290	5,340,311
Total	11,330,369	10,200,081	5,358,899

Air Emissions (kg)	2023	2024	2025
NOx	3.2	8.9	11.4
SOx	1.5	0.9	0.9
VOC	0	3.9	3.9

Category-based Scope 3 Emissions (ton CO ₂ e)*	2023	2024	2025
Category 1 - Purchased Goods and Services	833,317.1	815,254.5	556,711.6
Category 2 - Capital Goods	16,265.6	23,658.1	12,676.1
Category 3 - Fuel- and energy-related activities	2,055.6	3,654.1	2,654.5
Category 4 - Upstream transportation and distribution	18,678.1	17,560.9	12,370.2
Category 5 - Waste generated in operations	464.5	144.7	39.0
Category 6 - Business travel	610.7	703.2	574.2
Category 7 - Employee commuting	1,976.6	2,498.9	2,122.7
Category 9 - Downstream transportation and distribution	21,110.8	20,691.1	19,380.2
Category 10 - Processing of sold products	34.8	37.4	191.7
Category 11 - Use of sold products	10,417,217.1	9,289,930	4,729,708
Category 12 - End of life treatment of sold products	4,743.5	1,157.6	3,882.4



* Scope 1, Scope 2 and Scope 3 emissions have been calculated in accordance with ISO 14064-1, with the principle of operational control within the framework of the "Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard". In the calculations, CO₂, CH₄, N₂O, HFCs (SF₆ and refrigerant gas) CO₂ equivalent factors were used. Global Warming Potential (GWP) coefficients were calculated by multiplying the combined ton CO₂e value by the appropriate coefficients, using the 6th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), the Greenhouse Gas Protocol and the United Kingdom DEFRA 2020 Emission Factors.

Water Withdrawal (m³)	2023	2024	2025	
Water withdrawal (municipal water)	105,607	108,232	119,759	✓
Water withdrawal (freshwater)	0	0	0	
Water withdrawal from areas under high and very high-water stress*	105,607	108,232	119,759	✓
Total water withdrawal	105,607	108,232	119,759	✓

* For the Ankara and Erenler factories, water stress has been recalculated using various sources; both production facilities draw water from the Sakarya Basin, which is under high water stress.

Water Discharge (m³)	2023	2024	2025	
Water discharge (municipal water)	29,679	38,766	17,340	
Water discharge (surface water)	22,691	22,361	44,045	
Total water discharged	52,370	61,127	61,385	✓

Water Consumption and Reuse (m³)	2023	2024	2025	
Total water consumption	53,237	47,105	58,374	✓
Water recycled / recovered / reused	35,183	51,811	43,645	✓

Waste Management (tons)	2023	2024	2025	
Total waste	12,894	11,703	8,321	✓
Total recovered waste	12,702	11,693	8,321	✓
Disposed non-hazardous waste	192	0	0	✓
Disposed hazardous waste	0.1	9.6	0.3	✓
Recovered non-hazardous waste	12,037	11,031	7,893	✓
Recovered hazardous waste	665	662	428	✓

Disposed Non-Hazardous Waste (tons)	2023	2024	2025	
Amount of non-hazardous waste sent to solid waste site/ landfill	0	0	0	
Amount of non-hazardous waste burned for energy purposes	0	0	0	
Amount of non-hazardous waste burned without any energy purposes	0	0	0	
Other	192	0	0	
Total amount of non-hazardous waste disposed	192	0	0	✓

✓ Limited assurance is provided by the Independent Audit Firm.

Disposed Hazardous Waste (tons)	2023	2024	2025
Amount of hazardous waste sent to landfill	0	0	0.3
Amount of hazardous waste burned for energy purposes	0	0	0
Amount of hazardous waste burned without any energy purposes	0	0	0
Other	0.1	9.6	0
Total amount of hazardous waste disposed	0.1	9.6	0.3 

Environmental Trainings (person*hour)	2023	2024	2025
Employees	2,199	2,897	3,813
Contractors	88	45	40

Environmental Investments and Expenditures (Million TL)	2023	2024	2025
Total environmental investments	2.3	6.2	321.5

Environmental Fines (TL)	2023	2024	2025
Number of environmental violations	0	0	0
Environmental fines received	0	0	0 
Environmental fines paid during the year	0	0	0
Environmental fines accrued at year-end	0	0	0

Social Performance Indicators

Employee Demographics

Employees	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Number of employees	441	2,497	395	2,176	321 	1,799 
Total number of employees	2,938		2,571		2,120 	
Number of subcontracted employees	103	345	118	408	108	348
Total number of subcontracted employees	448		526		456	



Limited assurance is provided by the Independent Audit Firm.

Employees by Category	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Field Employees	215	1,980	170	1,706	118	1,367
Office Employees	226	517	225	470	203	432
Total	2,938		2,571		2,120	

Employees by Contract Type	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Employees under indefinite duration contracts of employment	347	2,313	374	2,147	320	1,796
Employees under definite duration contracts of employment	94	184	21	29	1	3
Total number of employees under the Collective Bargaining Agreement	2,195		1,876		1,485	

Employees by Employment Type	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Number of full-time employees	441	2,497	395	2,176	321	1,799
Number of part-time employees	0	0	0	0	0	0

Employees by Education Level	2023	2024	2025
	42	37	32
Primary & secondary	42	37	32
High school	1,617	1,375	1,084
University and higher	1,279	1,159	1,004

Employees by Tenure	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
0-5 years	294	1,052	260	890	187	463
5-10 years	87	707	67	284	67	449
10 years and longer	60	738	68	1,002	67	887

Employees by Age	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
30 and younger	227	805	181	645	129	471
30-50	208	1,616	211	1,507	191	1,303
50 and older	6	76	3	24	1	25

Employees with Disabilities	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Total number of employees with disabilities	8	84	9	66	6 	62 

Other Equal Opportunity Indicators	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Number of employees in STEM positions	127	286	152	296	136	262
Number of employees in revenue generating functions	294	2,239	260	1,950	174	1,424
Number of managers in revenue generating functions	18	83	21	96	19	87

Management Demographics

Managers by Age and Gender	2023		2024*		2025*	
	Female	Male	Female	Male	Female	Male
30 and younger	2	1	7	13	17	30
30-50	44	117	141	323	37	89
50 and older	1	18	1	14	1	10

*Until 2024, reporting was carried out on a role-based basis; as of 2024, it has been structured on a level-based basis.

 Limited assurance is provided by the Independent Audit Firm.

Managers by Management Level	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
First level managers	17	34	12	24	17 	30 
Middle level managers	29	92	40	102	37 	89 
Top management	1	10	1	10	1 	10 

Recruitment, Separation, and Employee Turnover

Recruitment by Age and Gender	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
30 and younger	129	249	49	76	8	27
30-50	28	54	14	32	4	13
50 and older	0	1	0	1	0	1
Total	461		172		53 	

Number of New Hires by Manager Level	2023		2024*		2025*	
	Female	Male	Female	Male	Female	Male
First level managers	1	0	0	0	0	0
Middle level managers	0	0	2	2	0	1
Top management	0	0	0	3	0	0
Total	1		7		1	

*All middle-level managers and the leader roles at first level are included in the reporting.

Number of Employees Leaving by Age and Gender	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
30 and younger	42	128	69	160	52	169
30-50	27	140	34	202	34	247
50 and older	0	87	6	68	1	3
Total	424		539		506 	

 Limited assurance is provided by the Independent Audit Firm.

Number of Managers Leaving by Manager Level	2023		2024*		2025*	
	Female	Male	Female	Male	Female	Male
First level managers	1	2	0	4	2	7
Middle level managers	0	8	3	19	3	17
Top management	0	2	0	5	0	0
Total	13		31		29	

*All middle-level managers and the leader roles at first level are included in the reporting.

Employees Leaving Voluntarily	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Number of employees leaving voluntarily	42	162	40	118	20	57

Internal Candidates	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Number of positions filled by internal candidates	20	46	16	45	32	83
Number of all open positions	149		107		162	

Employee Turnover	2023	2024	2025
Employee turnover rate	15%	19%	21% 

Performance Management

Number of Employees Undergoing Regular Performance Evaluation	2023	2024	2025
Field employees	2,195	1,876	1,485
Office employees	743	695	635

Training Indicators

Total Training Hours by Gender and Age (person*hour)	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
30 and younger	9,009	19,909	13,791	30,240	4,869	5,538
30-50	11,485	40,229	13,800	58,455	8,596	43,418
50 and older	120	2,006	361	1,842	180	647
Total training hours	82,758		118,489		63,248	

Total Training Hours by Manager Level (person*hour)	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Total training hours given to first level managers	1,586	3,872	9,926	18,717	5,595	11,655
Total training hours given to middle level managers	1,452	3,960	2,212	5,863	1,525	3,064
Total training hours given to senior management	82	504	109	489	62	66
Total training hours	11,456		37,315		21,967	

Training Cost (million TL)	2023	2024	2025
Total training costs	19.3	29.1	27.1

Expenditures/Investments on Employees (thousand TL)	2023	2024	2025
Total employee-related expenditures	2,635,669	5,142,832	5,821,459



Limited assurance is provided by the Independent Audit Firm.

Parental Leave

Maternity / Parental Leave	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Number of employees entitled to maternity / parental leave	23	151	14	147	13 	136 
Number of employees returning to work after the end of maternity / parental leave	22	151	14	147	17 	136 

Employee Engagement and Satisfaction

Engagement Survey Results	2023	2024	2025
Employee engagement survey results	71.5%	74.8%	60.9%

Occupational Health and Safety Performance Indicators	2023	2024	2025	
Total Recordable Injury Frequency Rate (TRIFR)*				
Direct Employment	4.0	3.4	2.2	
Subcontractor Company Employee	2.8	1.5	1.2	
Lost Time Injury Frequency Rate (LTIFR)**				
Direct Employment	1.7	1.3	0.4	
Subcontractor Company Employee	2.8	0	0	
Accident Severity Rate***				
Direct Employment	55.3	29.6	16.8	
Subcontractor Company Employee	21.3	0	0	
Number of Fatal Accidents				
Direct Employment	0	0	0	
Subcontractor Company Employee	0	0	0	
Occupational Disease Rate****				
Direct Employment	0	0	0.2	
Subcontractor Company Employee	0	0	0	
OHS Trainings (person*hour)				
Total Hours of OHS Training Given to Employees	30,281	30,470	28,896	
Total Hours of OHS Training Given to Subcontractors	2,012	4,016	1,164	

*TRIFR: (Number of All Recordable Injuries / Total Hours Worked) * 1,000,000
**LTIFR: (Number of Lost Time Injuries / Total Hours Worked) * 1,000,000
***Accident Severity Rate: (Number of Lost Days / Total Hours Worked) * 1,000,000
****Occupational Disease Rate: (Number of Occupational Diseases / Total Hours Worked) * 1,000,000

 Limited assurance is provided by the Independent Audit Firm.

Limited
Assurance
Statement



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(Convenience Translation of Auditor's Limited Assurance Report Originally Issued in Turkish)

Independent Assurance Report

To The Board of Directors of Türk Traktör Anonim Şirketi
İstanbul, Türkiye

This report is intended solely for the Board of Directors of Türk Traktör Anonim Şirketi (hereinafter 'Türk Traktör') for the purpose of reporting of Selected Sustainability Information ("Selected Information") listed below in its 2025 Sustainability Report (hereinafter 'Report') that has been prepared by Türk Traktör Anonim Şirketi for the period running from January 1, 2025, to December 31, 2025.

Subject Matter Information and Applicable Criteria

In line with the request of the Türk Traktör, our responsibility is to provide limited assurance for the Selected Information listed below within the scope of Environmental Performance Indicators and Social Performance Indicators in the Annex section of the Sustainability Report prepared in accordance with the Global Reporting Initiative Standards ("GRI Standards").

The Scope of Our Assurance

The scope of our assurance is limited to the examination of the Selected Information prepared as of December 31, 2025, which is shown below and reported in 2025 Sustainability Report.

Environmental Performance Indicators

- Energy Consumption (MWh)
 - Purchased Renewable Energy Biomass
 - Purchased Non-Renewable Energy-Natural Gas
 - Produced Renewable Energy- Solar
- Energy Consumption per Turnover (MWh/Thousand TL)
- Water Withdrawal (m³)
 - Water withdrawal (municipal water)
 - Water withdrawal from areas under high and very high-water stress
 - Total water withdrawal
- Water Discharge (m³)
 - Total water discharged
- Water recycled / recovered / reused
 - Water Consumption and Reuse (m³)
 - Total water consumption
- Waste Management (tons)
 - Total waste
 - Total recovered waste
 - Disposed non-hazardous waste
 - Disposed hazardous waste
 - Recovered non-hazardous waste
 - Recovered hazardous waste
 - Total amount of non-hazardous waste disposed
 - Total amount of hazardous waste disposed
- Electricity and Water Use Intensity
 - Amount of water used per product (m³/equivalent product)
 - Amount of electricity consumed per product (MWh/equivalent product)
- Environmental Fines (TL)
 - Environmental fines received

Social Performance Indicators

- Number of Employees
 - Female
 - Male
- Employees with Disabilities
 - Total Number of Employees with Disabilities
 - Female
 - Male

11. Managers by Management Level

- First level managersFemale
- First level managers-Male
- Middle level managers-Female
- Middle level managers-Male
- Top Management-Female
- Top Management-Male

12. Total Recruitment by Gender and Age

13. Total Number of Employees Leaving by Gender and Age

14. Employee Turnover Rate

15. Maternity / Parental Leave

- Number of employees entitled to maternity / parental leave- Female
- Number of employees entitled to maternity / parental leave- Male
- Number of employees returning to work after the end of maternity / parental leave-Female
- Number of employees returning to work after the end of maternity / parental leave-Male

16. OHS Performance

- Total Recordable Injury Frequency Rate (TRIFR)
 - Direct Employment
 - Subcontractor Company Employee
- Lost Time Injury Frequency Rate (LTIFR)
 - Direct Employment
 - Subcontractor Company Employee
- Accident Severity Rate
 - Direct Employment
 - Subcontractor Company Employee
- Number of Fatal Accidents
 - Direct Employment
 - Subcontractor Company Employee
- Occupational Disease Rate
 - Direct Employment
 - Subcontractor Company Employee

17. Total Hours of OHS Training Given to Employees

Türk Traktör's Responsibilities

Türk Traktör's management is responsible for the preparation, collection, and presentation of the information for the Selected Information. In addition, Türk Traktör's management is responsible for ensuring that the documentation provided to the practitioner (EY) is complete and accurate. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Report, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 and 3410 which is a part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Our firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance

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with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Procedures performed 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. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

The procedures selected depend on the practitioner's judgment. The procedures include inquiry of the personnel responsible for collecting and reporting on the Selected Information and additional procedures aimed at obtaining evidence about the Selected Information.

Procedures Applied

In respect of the Selected Information mentioned above the procedures performed include the following procedures:

- Interviewed select key senior personnel of Türk Traktör to understand the current processes in place for capturing the Selected Information pertaining to the reporting period;
- Reviewed Selected Information through online and face to face interviews with personnel at Türk Traktör's domestic and international locations, as well as through other available documentation for Türk Traktör's other locations in Türkiye, against evidence, on a sample basis;
- Undertook substantive testing, on a sample basis, of the Selected Information;
- Used Türk Traktör's internal documentation to evaluate and measure the Selected Information;
- Evaluated the design and implementation of key processes and controls over the Selected Information;
- Re-performed, on a sample basis, calculations used to prepare the Selected Information for the reporting period.
- Evaluated the disclosure and presentation of the Selected Information in the Report.

Our Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Selected Information for the year ended in December 31, 2025, has not been prepared, in all material respects in line with GRI Standards.

Limitations

We permit this report to be disclosed in addition to Türk Traktör's Report for the year ended on December 31, 2025; to enable the management of Türk Traktör Anonim Şirketi to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than to Türk Traktör Anonim Şirketi for our work, for this independent limited assurance report, or for the conclusions we have reached.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik
Anonim Şirketi
A member firm of Ernst & Young Global Limited



Cem Uçarlar, SMMM
Partner

30 July 2026
İstanbul, Türkiye

A member firm of Ernst & Young Global Limited

GRI Content Index

Statement of use	TürkTraktör has reported the information cited in this GRI content index for the period 01.01.2025-31.12.2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundations 2021

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
General Disclosures	2-1 Organizational details	About the Report, About TürkTraktör
	2-2 Entities included in the organization’s sustainability reporting	About the Report
	2-3 Reporting period, frequency and contact point	About the Report
	2-4 Restatements of information	Environmental Performance Indicators
	2-5 External assurance	About the Report, Annex: Limited Assurance Statement
	2-6 Activities, value chain and other business relationships	About TürkTraktör, Supply Chain
	2-7 Employees	Employee Demographics, Social Performance Indicators
	2-8 Workers who are not employees	Social Performance Indicators
	2-9 Governance structure and composition	Corporate Governance, Sustainability Governance
	2-10 Nomination and selection of the highest governance body	Sustainability Governance
	2-11 Chair of the highest governance body	Corporate Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance
	2-15 Conflicts of interest	Ethics and Compliance
	2-16 Communication of critical concerns	Ethics and Compliance
	2-17 Collective knowledge of the highest governance body	Sustainability Governance
	2-18 Evaluation of the performance of the highest governance body	Sustainability Governance
	2-19 Remuneration policies	Employee Experience - Remuneration
	2-20 Process to determine remuneration	Employee Experience - Remuneration

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
General Disclosures		
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	Not disclosed due to confidentiality.
	2-22 Statement on sustainable development strategy	Future Impact - Strategic Approach
	2-23 Policy commitments	https://www.turktraktor.com.tr/about-us/code-of-ethics-and-compliance-policies
	2-24 Embedding policy commitments	https://www.turktraktor.com.tr/about-us/code-of-ethics-and-compliance-policies
	2-25 Processes to remediate negative impacts	Ethics and Compliance
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and Compliance
	2-27 Compliance with laws and regulations	Ethics and Compliance
	2-28 Membership associations	Corporate Memberships
	2-29 Approach to stakeholder engagement	Stakeholder Relations
	2-30 Collective bargaining agreements	Social Performance Indicators
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Analysis
	3-2 List of material topics	Materiality Analysis
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	About TürkTraktör
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	About TürkTraktör
	201-2 Financial implications and other risks and opportunities due to climate change	TürkTraktör 2025 TSRS-Compliant Sustainability Report
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions and Energy Management
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Emissions and Energy Management, Environmental Performance Indicators
	302-3 Energy intensity	Emissions and Energy Management, Environmental Performance Indicators
	302-4 Reduction of energy consumption	Emissions and Energy Management
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Management

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
Water and Effluents		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management
	303-2 Management of water discharge-related impacts	Water Management
	303-3 Water withdrawal	Water Management, Environmental Performance Indicators
	303-4 Water discharge	Water Management, Environmental Performance Indicators
	303-5 Water consumption	Water Management, Environmental Performance Indicators
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Fight against Climate Change, Emissions and Energy Management
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions and Energy Management, Environmental Performance Indicators
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions and Energy Management, Environmental Performance Indicators
	305-3 Other indirect (Scope 3) GHG emissions	Emissions and Energy Management, Environmental Performance Indicators
	305-4 GHG emissions intensity	Emissions and Energy Management, Environmental Performance Indicators
	305-5 Reduction of GHG emissions	Emissions and Energy Management
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environmental Performance Indicators
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management
	306-2 Management of significant waste-related impacts	Waste Management
	306-3 Waste generated	Waste Management, Environmental Performance Indicators
	306-4 Waste diverted from disposal	Waste Management, Environmental Performance Indicators
	306-5 Waste directed to disposal	Waste Management, Environmental Performance Indicators
Environmental Assessment of Suppliers		
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Future Competencies
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators
	401-3 Parental leave	Fringe Benefits, Social Performance Indicators
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
	403-3 Occupational health services	Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
	403-5 Worker training on occupational health and safety	Occupational Health and Safety
	403-6 Promotion of worker health	Occupational Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, Social Performance Indicators
	403-9 Work-related injuries	Occupational Health and Safety, Social Performance Indicators
	403-10 Work-related ill health	Occupational Health and Safety, Social Performance Indicators
Training and Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Training and Development
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development, Social Performance Indicators
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance and Talent Management, Social Performance Indicators
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee Demographics, Diversity, Equity and Inclusion, Social Performance Indicators
	405-2 Ratio of basic salary and remuneration of women to men	Employee Experience - Remuneration

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers
Supplier Social Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supply Chain
R&D and Innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	R&D, Intrapreneurship and Innovation
Digitalization and Automation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Digitalization
Innovative Agriculture Solutions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable and Technological Agricultural Practices
Electric and Alternative-Fuel Vehicles		
GRI 3: Material Topics 2021	3-3 Management of material topics	Products Creating Environmental Benefits

TürkTraktör

TSRS-COMPLIANT
SUSTAINABILITY REPORT 2025



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(Convenience Translation of Auditor's Limited Assurance Report Originally Issued in Turkish)

LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON THE INFORMATION PRESENTED UNDER THE TURKISH SUSTAINABILITY REPORTING STANDARDS OF TÜRK TRAKTÖR VE ZİRAAT MAKİNELERİ ANONİM ŞİRKETİ

To the General Assembly of Türk Traktör ve Ziraat Makineleri Anonim Şirketi,

We have been assigned to perform limited assurance engagement on the information (“Sustainability Information”) presented in accordance with the Türkiye Sustainability Reporting Standards 1 “General Requirements for Disclosure of Sustainability-related Financial Information” and Türkiye Sustainability Reporting Standards 2 “Climate-Related Disclosures” of Türk Traktör ve Ziraat Makineleri Anonim Şirketi (“Company”) for the year ended December 31, 2025.

Our assurance engagement does not include the information related to other information associated with Sustainability Information (including any images, audio files, website links or embedded videos) .

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, as summarized under the section “Summary of the Work we Performed as the Basis for our Assurance Conclusion”, nothing has come to our attention that causes us to believe that Company's Sustainability Information for the year ending December 31, 2025, has not been prepared in accordance with the Türkiye Sustainability Reporting Standards (“TSRS”), as published by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (“POA”) in the Official Gazette dated December 29, 2023 and numbered 32414(M). We do not provide any assurance conclusion regarding the information related to any other information associated with the Sustainability Information (including any images, audio files, website links or embedded videos).

Inherent Limitations in the Preparation of Sustainability Information

The Sustainability Information is subject to inherent uncertainties due to lack of scientific and economic information. The inadequacy of scientific data leads to uncertainties in the calculation of greenhouse gas emissions. Additionally, due to the lack of data regarding the likelihood, frequency, and impacts of potential physical and transition climate risks, the Sustainability Information is subject to uncertainties related to climate-related scenarios.



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Responsibilities of Management and Those Charged with Governance Regarding Sustainability Information

The Company's Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Türkiye 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;
- Additionally, the Company Management is responsible for selecting and implementing appropriate sustainability reporting methodologies as well as making reasonable assumptions and suitable estimates.

Those Charged with Governance is responsible for overseeing the Company's sustainability reporting process

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

We are responsible for the following:

- 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 Company Management.

Since we are responsible for providing an independent conclusion on the Sustainability Information prepared by management, we are not permitted to be involved in the preparation process of the Sustainability Information in order to ensure that our independence is not compromised.

Professional Standards Applied

We performed a limited assurance engagement in accordance with the 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.



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Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors, issued by the POA, which is 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 control 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 management specialists. We have used the work of our expert team to assess the reliability of the information and assumptions related to the Company's climate and sustainability-related 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,

- Face-to-face and online interviews were conducted with the Company's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period.
- The Company's internal documentation was used to review and assess the sustainability related information.
- The disclosure and presentation of sustainability-related information have been evaluated.
- Through inquiries, we obtained an understanding of Company's control environment and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, we did not obtain evidence about their implementation or we did not test their operating effectiveness.
- The appropriateness and consistency of the Company's estimation development methods were evaluated. However our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Company's estimates.



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The procedures performed 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 we performed a reasonable assurance engagement.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Cem Uçarlar, SMMM
Partner

30 July 2026
İstanbul, Türkiye

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About the Report

This report is prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS), which entered into force on January 1, 2024, following the publication in the Official Gazette, and covers the activities of Türk Traktör ve Ziraat Makineleri A.Ş. (TürkTraktör) for the period between January 1 and December 31, 2025. The TSRS were developed by the Public Oversight, Accounting and Auditing Standards Authority (KGK), based on the international standards set by the International Sustainability Standards Board (ISSB). Under the transitional exemption, this report provides information solely in accordance with TSRS 2 – Climate-Related Disclosures Standard, including climate-related risks and opportunities, strategy, governance, risk management, metrics, and targets. The report also takes into account TSRS 1 – General Requirements for Disclosure of Sustainability-related Financial Information. The report was approved by the Board of Directors on July 30, 2026.

The scope of this report covers the activities included in TürkTraktör’s financial statements for the period between January 1 and December 31, 2025. This includes activities controlled and consolidated in the financial statements by TürkTraktör. The organizational boundary used for sustainability- and climate-related financial disclosures is consistent with the scope of consolidation in the financial statements.

The report also takes into account TSRS Industry Based Guidance Volume 50 – Industrial Machinery and Goods. In line with this sector guideline, disclosure topics and metrics aligned with TürkTraktör’s operations were evaluated, and those deemed appropriate were incorporated into the report.

The information presented in this report has been compiled based on environmental and operational data from TürkTraktör’s internal data systems, greenhouse gas emission calculations, strategy documents, risk analyses, management statements, and financial reports. In addition, scientific sources, national and international scenario sets, and open data repositories were also used as supporting information sources. The accuracy and consistency of the data were ensured through internal control mechanisms and advisory support processes.

Wherever possible, the data and assumptions used in preparing this report are consistent with the data and assumptions used in the preparation of the relevant financial statements, in accordance with the Turkish Accounting / Financial Reporting Standards.

The sustainability- and climate-related disclosures presented in this report are linked to the financial statements of Türk Traktör ve Ziraat Makineleri A.Ş. and are, to the extent possible, consistent with the data and assumptions used in the preparation of the financial statements. The information presented in this report pertains to the 12-month period from January 1 to December 31, 2025, and is aligned with the same reporting period. These disclosures should be evaluated together with the financial statements prepared for TürkTraktör. The relevant financial information is available [here](#).

The financial amounts for 2024 presented in the report have been restated in terms of the purchasing power as of December 31, 2025, in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies, to ensure comparability with 2025 data.

Transition Period Reliefs

In this report, TürkTraktör has made use of certain transitional exemptions as defined under Articles E4, E5, and E6(b) of TSRS 1. The transitional exemptions applied by the company are outlined below:

- In the relevant reporting period, information has been provided solely on climate-related risks and opportunities, and disclosures on other dimensions of sustainability topics have been excluded from the scope.
- The climate-related financial disclosures have been prepared and published after the release of TürkTraktör’s financial statements.

Limited Assurance

This report has been subjected to limited assurance in line with the principles of reliability and transparency. The reporting within the scope of TSRS has been subject to limited assurance in accordance with Assurance Engagement Standard 3000, “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”, as published by the Public Oversight Authority (KGK), and, with respect to the greenhouse gas emissions disclosed under sustainability information, in accordance with Assurance Engagement Standard 3410, “Assurance Engagements on Greenhouse Gas Statements”.

About TürkTraktör

Founded in 1954 and the first manufacturer still operating in the Turkish automotive industry, TürkTraktör operates in the field of agricultural and construction machinery, carrying out the development, production, and sale of tractors, equipment, engines, and related agricultural technologies. As Türkiye’s largest tractor manufacturer and the leader of the Turkish tractor market for 19 consecutive years, the Company serves its customers through a widespread dealer and service network across Türkiye. It is also present in international markets through its export activities. The Company exports tractors to more than 125 countries, primarily in North America and Europe.

TürkTraktör’s production activities are carried out at its production facilities in Ankara and Sakarya. In addition to the R&D Center located at the Ankara Factory, the Company has an After-Sales Operations Center in Ankara, an R&D Center in İstanbul, and facilities dedicated to construction equipment operations in Ankara, İzmir, and Adana.

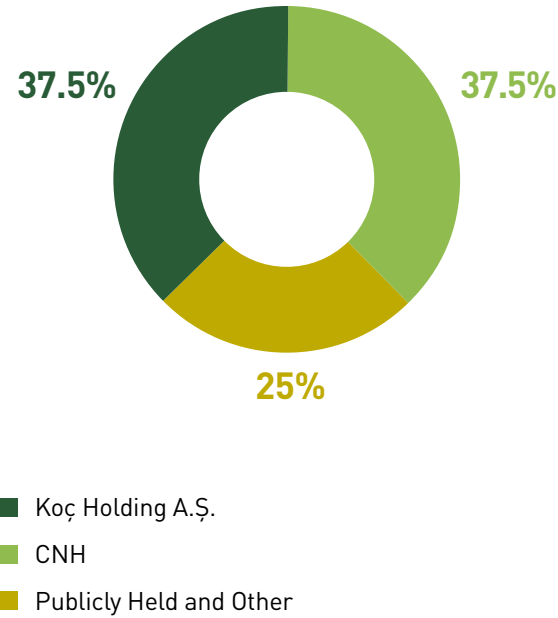
The Company focuses on developing products and technologies that increase the productivity of agricultural production and support sustainable agriculture, and conducts its activities with an approach that takes into account their environmental, social, and economic impacts.

The climate-related disclosures in this report cover TürkTraktör’s activities managed under the operational control approach and the related elements of its value chain.

Location	Activity
Ankara Factory	Tractor, engine, transmission, and construction equipment production; R&D Center
Erenler Factory	Tractor assembly and paint shop operations
İstanbul	R&D Center
Ankara Akyurt	After-Sales Operations Center
Ankara	Construction Equipment Facility
İzmir	Construction Equipment Facility
Adana*	Construction Equipment Facility

Capital and Shareholding Structure

TürkTraktör is managed under the equal partnership of Koç Holding A.Ş. and CNH. 25% of the Company’s shares are publicly held and traded on Borsa İstanbul. There are no real-person shareholders holding more than 5% of TürkTraktör’s capital.



Subsidiaries, Financial Fixed Assets, and Financial Investments

TürkTraktör has no subsidiaries as of the end of the reporting period. Information on the Company’s financial fixed assets and financial investments is presented below.

Trade Name	Agrovisio OÜ
Field of Activity	Providing high-technology agricultural production monitoring tools to increase productivity in agricultural production, manage risks, and ensure sustainable and profitable production
Paid-in/Issued Capital	10,000
Company’s Share in Capital	610
Currency	EUR
Company’s Share in Capital (%)	6.1
Nature of the Relationship with the Company	Financial Investment

* The Adana Construction Equipment Facility commenced operations in the last quarter of 2025. It will therefore be included in the greenhouse gas calculations as of 2026.



Governance

TürkTraktör places climate change and environmental issues at the core of its long-term corporate success and sustainable growth strategy. The company approaches the effective management of environmental and climate-related risks and opportunities not merely as a compliance requirement, but as a domain for creating strategic competitive advantage. Accordingly, all climate-related processes are conducted under the direct oversight of the Board of Directors, which is the company’s highest governance body, and a systematic governance model, performance monitoring, and a culture of continuous improvement are adopted across all levels of the organization.

Board of Directors

The TürkTraktör Board of Directors is the body directly responsible, at the highest level, for managing the company’s climate-related risks and opportunities. The short-, medium-, and long-term climate and sustainability targets identified under the “Future Impact” sustainability strategy are approved and monitored by the Board of Directors. Climate-related issues are regularly discussed in Board meetings, and the Board is formally briefed at least three times a year. In all three Board of Directors meetings held in 2025, briefings were provided on climate and sustainability matters.

The Company Leader (CEO), who also serves as a member of the Board, plays an active role in the management of climate and environmental issues, and the criteria for achieving sustainability targets are included as part of the annual performance evaluation. The Company Leader also reports directly to the Board and regularly provides updates on all sustainability-related processes.

Various mechanisms are implemented to ensure competency on environmental and climate issues within the Board of Directors and across the company. Among the members of the TürkTraktör Board and the Sustainability Committee (composed of top management) are individuals who actively participate in national and international platforms on climate and sustainability, and who closely follow global developments in the field. Some Board members have completed certification programs on sustainability and climate change at leading universities. The Board’s expertise is regularly enhanced with the support of both internal and external advisors. The Company Leader, who also serves as a member of the Board of Directors, holds the Best Practice Farming for Sustainable 2050 certification (University of Western Australia) and the Sustainability for Business – ESG Fundamentals certification (IMD Business School). Additionally, among the members of the Board are individuals who represent Türkiye in the Leaders for European Growth and Competitiveness group established under the Green Deal initiative of the World Economic Forum (WEF), and who have served as speakers and representatives at various international summits such as the Davos Summit and the United Nations Climate Change Conference (COP). Through this approach, the company strengthens its governance structure in line with its strategic objectives and ensures the effective management of climate-related risks. Furthermore, in line with the TürkTraktör Board of Directors Diversity Policy, diversity is considered in the formation of the Board’s membership structure.

You can access the Board Diversity Policy [here](#).

Risk Management Committee

At TürkTraktör, the management of climate-related risks and opportunities, together with the Company’s other risks, is carried out under the oversight of the Risk

Management Committee, which reports to the Board of Directors. The Committee is chaired by an independent board member and consists of non-executive board members. At the operational level, the Risk Management and Management Systems Team, which operates under the Central Quality Management Business Unit, is responsible for coordinating all risk management processes.

The Risk Management Committee’s assessments regarding the identification and evaluation of strategic, financial, operational, and compliance risks; the calculation of their impacts and likelihoods; the effectiveness of internal control systems; and the consideration of risks in decision-making processes are addressed at Board of Directors meetings.

Sustainability Committee

The Sustainability Committee is responsible for determining, implementing, and monitoring the company’s sustainability strategy, targets, and actions. The Committee is chaired by the Company Leader (CEO). The Committee members are the Commercial Business Leader, Financial Affairs Business Leader, Purchasing and Supply Chain Business Leader, Product Life Cycle Business Leader, Human, Culture and Sustainability Business Leader, Construction Equipment Business Leader, Ankara Factory Business Leader, Erenler Factory Business Leader, Marketing and Business Development Business Leader, After-Sales Business Leader, and the Central Quality Management Group Leader.

The Committee aims to meet regularly and report to the Board of Directors. Within this scope, the Committee convened once in 2025. The areas of responsibility of the Committee include: identifying and evaluating climate and environmental risks and opportunities; setting corporate environmental and climate targets and

tracking performance indicators related to these targets; developing and implementing climate transition plans; defining strategies to reduce greenhouse gas emissions; integrating climate and sustainability elements into the company’s long-term business strategies; updating corporate strategies in line with national and international sustainability trends, regulations, and expectations; regularly reporting significant climate-related events and developments to the Board of Directors; providing recommendations on development to working teams; and coordinating adaptation and mitigation strategies for critical climate risks.

Working Teams

Four main sustainability working teams operate under the direct supervision of the Sustainability Committee:

- Environment and Energy Team
- Product Life Cycle Team
- Responsible Supply Chain Team
- Diversity, Equity, and Inclusion (DEI) Team

Each team is led by a part-time Product Owner (PO), in addition to their primary role within the company, and the teams hold monthly alignment meetings with the Sustainability Center of Excellence Lead. The Center of Excellence Lead reports the progress and findings from these meetings to the Sustainability Committee, which in turn presents this information to the Board of Directors.

In 2025, the Environment and Energy Team, the Product Life Cycle Team, and the Diversity, Equity, and Inclusion Team convened through regular meetings. The Responsible Supply Chain Team is targeted to begin meeting actively and regularly in 2026.



The primary mission of the teams is to design, implement, and drive continuous improvement in projects that contribute to the goals defined within TürkTraktör’s “Future Impact” strategic framework. Each team monitors progress in a data-driven manner through annual performance targets and key indicators and identifies improvement actions accordingly.

Sustainability Center of Excellence

At the operational level, sustainability efforts are carried out under the coordination of the Sustainability Center of Excellence Lead (CoE Lead), who reports to the Human, Culture and Sustainability Business Leader.

The Sustainability Center of Excellence Lead (CoE Lead) is responsible for coordinating the entire sustainability governance structure at TürkTraktör. The Center of Excellence Lead ensures the flow of information and alignment between the Sustainability Committee, the Board of Directors, and the sustainability working teams.

The primary mission of the Center of Excellence is to design, implement, and continuously improve, together with the teams, projects and initiatives that support the achievement of the company’s sustainability goals, contributing to the “Future Impact” strategic framework. While leading this process, the CoE Lead is also responsible for both national and international sustainability reporting. The teams work in a data-driven manner in line with annual targets, regularly monitoring progress and taking necessary improvement actions. The CoE Lead reports the outcomes of these efforts to the Sustainability Committee and ensures strategic alignment.

In addition, cross-functional coordination is aimed to be ensured by holding regular alignment meetings with representatives from the Occupational Health and Safety, New Business Development and Technology Platform, Precision Farming, Risk Management and Management Systems, Intrapreneurship and Innovation, and Compliance and Competition teams.

This structure enables TürkTraktör to implement a comprehensive, dynamic, and integrated management model for key sustainability focus areas such as climate change adaptation, emissions reduction, circularity, human-centeredness, and supply chain sustainability.

Evaluation of Climate-Related Issues in Decision-Making Processes

At TürkTraktör, climate-related risks and opportunities are directly evaluated by top management in alignment with the company’s overall strategy, product and service portfolio, large-scale investments, and long-term growth targets. Initiatives carried out by the company in recent years, such as R&D projects on electric tractors, the green finance credit obtained from the European Bank for Reconstruction and Development (EBRD), investments in energy efficiency within production processes, and solar power plant (SPP) projects, have all been shaped in line with climate-related management priorities.

In this context, when assessing large-scale strategic investments, top management also considers sustainability and climate-related trade-offs. For example, in the case of SPP projects, short-term trade-offs such as capital investments and increased costs are evaluated alongside long-term opportunities such as reduced carbon footprint and lower energy costs, with final decisions made accordingly.

Performance and Remuneration

At TürkTraktör, climate performance is positioned among the company’s strategic priorities and integrated into the performance measurement and remuneration system through a holistic approach. Climate- and environment-focused targets have been made a part of individual performance evaluations at the top management level.

Sustainability-related criteria have been embedded into the performance and remuneration processes of all relevant business leaders in top management, including the Company Leader (CEO). Executives in key roles, such as the Human, Culture and Sustainability Business Leader; Ankara Factory Leader; Erenler Factory Leader; Purchasing and Supply Chain Leader; and Product Life Cycle Leader, are evaluated with these targets taken into consideration. Concrete climate and environmental goals, such as the reduction of Scope 1 and Scope 2 emissions, implementation of solar energy projects, reduction of energy and water consumption, execution of Life Cycle Assessments, and sustainability assessments of critical suppliers, have been integrated into the OKR (Objective and Key Results) framework.

For 2025, 25% (2024: 25%) of the Company Leader (CEO)’s annual performance objectives consist of sustainability-related OKRs. Among all performance indicators in the Company Leader’s performance scorecard, the share of climate-focused indicators in 2025 is 13% (2024: 15%). Considering that sustainability- and climate-related targets are integrated into the performance measurement and remuneration system through a holistic approach, the specific percentage of sustainability- and climate-related targets within the total remuneration of senior executives is not reported separately. Efforts in these areas will continue in the coming periods.

This system demonstrates that climate and environmental performance is not merely a matter of social responsibility, but an essential component of TürkTraktör’s long-term success strategy. TürkTraktör manages climate and environmental risks within a transparent, accountable, and results-oriented management system at both strategic and operational levels.

Integration into Business Processes

At TürkTraktör, the roles and authorizations related to the Board of Directors and the climate-focused governance structure are supported through company policies and procedures enacted by a resolution of the Board of Directors. In addition, TürkTraktör has integrated climate change and environmental issues into its corporate policies, procedures, and operational processes through its Integrated Management System (IMS). At TürkTraktör, in addition to the ISO 9001, ISO 14001, and ISO 45001 certifications covered under the IMS, the processes for identifying, monitoring, and continuously improving climate-related risks and environmental impacts are systematically carried out in alignment with international standards such as ISO 50001 and ISO 14064-1.

Within this system, environmental and climate-focused risks are not addressed solely through stand-alone projects but are integrated into TürkTraktör’s core processes, including quality management, occupational health and safety, energy efficiency, and environmental management.

Furthermore, TürkTraktör continues its efforts to ensure that climate risk management processes are internalized more strongly at the policy and procedural levels.

Strategy

Climate Risks and Opportunities

TürkTraktör evaluates the physical and transition risks posed by climate change, as well as the opportunities it presents, in a comprehensive manner. Analyses conducted within the framework of the company’s corporate risk management approach reveal the impact of climate-related uncertainties on strategy, taking into account short-, medium-, and long-term effects. In the assessments carried out within this scope, water stress stands out in particular among the physical risks, while under transition risks, increases in raw material costs associated with the transition to an Emissions Trading System (ETS) have been defined as a risk factor.

At the same time, climate-related opportunities are also systematically addressed and prioritized based on their value-creation potential. In this context, the strengthening of renewable energy production capacity is considered a strategic opportunity for TürkTraktör in terms of enhancing operational resilience, managing costs, and achieving sustainability targets. No risk is foreseen for a material adjustment to the carrying amounts of assets and liabilities reported in the financial statements for the current or subsequent reporting periods.

Term	Connection to strategic decision-making processes
Short Term: 0-3 years	TürkTraktör’s short-term planning includes initiatives related to operational efficiency, energy savings, transition to renewable energy, and regulatory compliance. This period aligns with the company’s annual budget and medium-term planning cycles. Given the nature of climate-related risks, whose impacts may not be fully captured by traditional risk management frameworks, the short-term definition has been slightly extended.
Medium Term: 3-10 years	TürkTraktör’s medium-term planning spans 3 to 10 years and focuses on managing risks and opportunities that require longer preparation periods. This period includes activities such as sustainable product development and commercialization, optimization of the supply chain based on sustainability criteria, and preparation for new regulatory frameworks. The medium-term horizon goes beyond traditional financial planning cycles and considers the gradually evolving impacts of climate-related issues over time.
Long Term: 10 years and longer	TürkTraktör’s long-term strategic planning covers a period of more than 10 years. This period addresses systemic changes such as sustainable product development and commercialization, decarbonization of logistics processes, and building resilience against the growing impact of climate change on agricultural practices. With its long-term planning approach, TürkTraktör maintains both its financial stability and leadership in sustainable production, ensuring its competitiveness in evolving market conditions.

Risk 1:

Water Stress Risk

Physical Risk - Chronic

Term:	Medium and long	Value chain step with concentrated risk: → Direct operations (Erenler and Ankara factories) → Downstream value chain (Products and services)
Impact:	Low	
Likelihood:	High	

Risk Definition	Impact of the Risk on Operations and the Value Chain
Direct operations: The level of water dependency in TürkTraktör’s production processes varies. In particular, the paint shop operations at the Erenler Factory use water intensively and as a critical resource, whereas the production processes at the Ankara Factory are less dependent on water compared to those at the Erenler Factory. According to the WRI Aqueduct Water Risk Atlas assessment, the Ankara Factory is located in an “Extremely High” water stress zone under both baseline and future scenarios, while the Erenler Factory is in a “Low” risk zone under the baseline scenario and a “Low to Medium” risk level under future projections. Both factories are located in the Sakarya Basin, one of the basins in Türkiye expected to experience the most severe water stress. These factors have required this risk to be addressed as a priority. Downstream value chain (Products and services): Water stress risk is significant not only for TürkTraktör’s operational activities but also for the agricultural ecosystem in which it operates. Increasing drought and water stress driven by climate change may put pressure on agricultural production processes, leading to reduced agricultural productivity, changes in crop patterns, and fluctuations in irrigation needs, production costs, and farmers’ income levels. These changes in agricultural production may affect the demand structure for agricultural machinery and investment decisions, leading to regional and seasonal changes in demand for TürkTraktör’s products and services. For this reason, water stress risk is evaluated in terms of both operational activities and the downstream value chain.	Direct operations: Increased water stress creates a risk of operational disruptions in TürkTraktör’s production processes, especially in water-intensive areas such as paint shop operations and component manufacturing. Rising water procurement costs may also exert upward pressure on the overall cost structure of production processes. Upstream value chain: The impact of water stress may not be limited to plant operations alone, but could also extend across TürkTraktör’s broader value chain. Production disruptions at water-dependent subcontractors and suppliers (for example, in industries such as paint, casting, and metal plating) may lead to delays in supply times and increases in input costs. Water-related cost increases could be passed on by suppliers in the form of higher product prices, which may indirectly increase TürkTraktör’s production costs. However, water dependency and water stress risks across the value chain have not yet been analyzed in detail and will be incorporated in the upcoming period as the scope of climate risk analyses is expanded. Downstream value chain (Products and services): The effects of water stress may also be felt across TürkTraktör’s downstream value chain. Increasing pressure on water resources due to climate change, more frequent drought periods, and restrictions on irrigation possibilities may have adverse effects on agricultural production volumes and crop yields. As a result, fluctuations may occur in farmers’ income levels and investment capacities. In addition, in some regions, a shift from water-intensive agricultural crops to crops that consume less water and changes in crop patterns over time are possible. This may affect agricultural mechanization needs and equipment preferences, and may also cause demand for TürkTraktör’s products and services to vary regionally and seasonally.

Impact of the Risk on Financial Position, Financial Performance, and Cash Flow	Mitigating Actions
Direct operations: Rising water stress, increasing water prices, and possible water outages during periods of very high water stress carry a potential impact in terms of short-term disruptions to TürkTraktör’s operations. No significant impact of this risk on the company’s financial position, financial performance, or cash flow has been identified for the reporting period. In the short to medium term, operational costs may increase due to rising water prices. In the medium term, an increase in water stress risk and potential water outages may lead to disruptions, particularly in the paint shop operations at the Erenler Factory, where water is used intensively. In the long term, potential issues in water supply may create a need for infrastructure investments and pose a risk of partial restrictions on production capacity. Rising water prices may also increase operational costs over the long term. Through its ongoing efforts at both production facilities, TürkTraktör is well-prepared for potential water outages and is mitigating the risks that difficulties in water supply may create on its financial position, financial performance, or cash flow. Quantitative impact calculations assessing the extent to which water stress–driven water price increases may affect operational costs have not yet been completed due to measurement uncertainties, and work on the quantitative impacts of price increases under different scenarios will continue in the upcoming period. Downstream value chain (Products and services): Due to the effects of water stress on agricultural production, potential changes in farmers’ income levels and fluctuations in agricultural activities may have indirect effects on TürkTraktör’s sales. Particularly during periods of yield losses in agricultural production caused by drought, tractor and equipment investments may be postponed or demand may weaken. For this reason, water stress risk is considered a long-term risk factor not only in terms of operational costs but also in terms of product demand and revenue structure. There is a high level of measurement uncertainty in quantifying this impact. The main sources of this uncertainty include: uncertainties regarding the timing and severity of the impacts of climate change on different agricultural regions, the unpredictability of changes that may occur in farmers’ crop patterns, and the fact that agricultural incomes are affected by numerous variables such as commodity prices, support policies, access to finance, and macroeconomic conditions, in addition to climate conditions. Furthermore, since the relationship between water stress and demand for agricultural machinery is not linear and may produce different outcomes across product groups and geographies, a reliable quantitative financial impact calculation could not be performed as of the reporting date.	Direct operations: TürkTraktör has developed a long-term water management strategy to address the risk of water stress. Through the reverse osmosis systems installed at the Ankara and Erenler factories, a total of 43,645 m³ of water was recovered from wastewater in 2025 (2024: 51,811 m³) and significant water savings were achieved as a result. The 16% decrease in wastewater recovery compared to 2024 stems from the fact that the reverse osmosis system at the Erenler Factory could not be operated due to improvement works on the system in 2025. The purified water obtained was converted into various forms in the integrated water facilities and used to meet the needs of production processes. The use of existing water storage tanks at both the Erenler and Ankara factories and of water recycled through reverse osmosis in processes enables the company to mitigate its risks against potential water outages. As part of water management efforts, trade-offs were taken into account in eliminating risks related to water stress, and investments in water storage infrastructure were made in previous periods within this scope. Even in the event of serious water outages, the existing water storage tanks can meet the water needs of the Erenler Factory for approximately 7-9 days and the Ankara Factory for approximately 8-10 days.

Impact of the Risk on Strategy and Decision-Making Processes	Metrics Used to Measure the Risk
Direct operations: Water management is addressed as a priority within TürkTraktör’s Future Impact sustainability strategy. Water recovery and efficiency targets are integrated into annual investment planning processes and progress in line with the company’s operational sustainability targets. TürkTraktör aims to meet 50% of the water used in its production and operations with reclaimed water by 2030. Moreover, by 2030, the company targets a 40% reduction in water consumption per product, using 2019 as the baseline year, and progress in this direction is monitored regularly. Progress toward the target is detailed in the Metrics and Targets section of the report. Total water withdrawal data are monitored regularly. In 2025, total water withdrawal was 119,759 m³ (2024: 108,232 m³). There are plans to reduce the impact of water stress risk and water-related costs through new investments such as a rainwater harvesting project, and investments to this end were made at the Ankara Factory in 2025. Water consumption performance is regularly monitored through annual water withdrawal and water use per product metrics and is taken into account in risk management and strategic planning processes. Within this scope, water stress risk plays a significant role in the management of TürkTraktör’s production capacity, cost structure, and long-term resilience strategies. In financing investment decisions, financial capacity, market expectations, long-term corporate strategy, investment and financing policies, and the company’s cash position are taken into account. Decisions related to water risks are also evaluated within this framework. Downstream value chain (Products and services): TürkTraktör takes the effects of climate change on the agriculture sector into account in its product development and technology investment processes. The development of precision farming technologies that support more efficient use of water resources, data-driven agricultural solutions, and products that increase resource efficiency is important for adapting to changing customer needs. In this context, the long-term effects of climate change on agricultural production are evaluated in strategic planning and product development processes.	• Annual water withdrawal (m³) • Water use per product (m³/product)

Risk 2:

Risk of increased prices of carbon-intensive raw materials due to the ETS planned to be established in Türkiye

Transition Risk – Market Risk

Term:	Short	Value chain step with concentrated risk: → Direct operations and supply chain (especially suppliers operating in carbon-intensive sectors)
Impact:	Low	
Likelihood:	High	

Risk Definition	Impact of the Risk on Operations and the Value Chain
As part of Türkiye’s efforts to combat climate change, the Climate Law entered into force in 2025, establishing the legal infrastructure for the creation of a national ETS. Secondary regulations on the implementation principles of the ETS are still being developed. Under the current regulatory framework, TürkTraktör’s production facilities are not expected to be included in the scope of the ETS. However, due to the iron and steel, electricity, and other carbon-intensive inputs used in its production processes, the company may be exposed to indirect carbon costs originating from the supply chain. The reflection of carbon costs that may arise in sectors covered by the ETS on raw material and energy prices constitutes a market-driven transition risk for TürkTraktör.	Under the ETS to be established in Türkiye, indirect cost increases in carbon-intensive sectors such as electricity and iron and steel may lead to supplier-driven increases in TürkTraktör’s production costs. Since TürkTraktör’s production facilities are not covered by the ETS under current regulations, the main source of the risk is cost increases that may occur across the supply chain rather than direct carbon costs. This may heighten pressure on energy costs in production processes requiring high energy consumption, particularly in the component production line and paint shop operations, and may create an upward effect on the cost of production per unit. However, as of the end of 2025, the Company generated more electricity from renewable sources through its own SPPs than it consumed, and the potential increase in electricity costs is not expected to pose a risk to the company. In TürkTraktör’s value chain, suppliers of iron and steel and other carbon-intensive materials in particular will face direct cost increases under the ETS. The reflection of these increases on procurement prices may indirectly affect production costs, leading to higher final product prices. The share of emissions from purchased goods and services within TürkTraktör’s Scope 3 emissions was 10% in 2025 (2024: 8%). This change stems from the different rates of decrease across Scope 3 emission categories. While emissions from purchased goods and services decreased by approximately 32% in 2025 compared to the previous year, emissions from the use of sold products decreased by approximately 49%. As a result of the higher rate of decrease in the use phase of sold products, the relative share of the purchased goods and services category within total Scope 3 emissions increased. This outlook reinforces the need to collaborate with low-carbon suppliers, shift toward the procurement of low-carbon materials, and develop carbon reduction projects jointly with suppliers in the medium term.

Impact of the Risk on Financial Position, Financial Performance, and Cash Flow	Mitigating Actions	Impact of the Risk on Strategy and Decision-Making Processes	Metrics Used to Measure the Risk
With the entry into force of the Climate Law and the progress of work toward the implementation of the ETS in Türkiye, additional carbon costs are expected to arise for suppliers operating in carbon-intensive sectors. Since TürkTraktör's production facilities are not subject to ETS obligations under current regulations, the risk stems from indirect cost increases that may arise through the supply chain rather than direct carbon costs. With the emergence of carbon pricing in ETS-covered sectors, indirect cost increases are expected to become more apparent. Potential increases in electricity prices and additional costs for carbon-intensive raw materials are expected to raise production costs and affect product prices. TürkTraktör has identified that it may face cost escalation risks under the ETS, which is expected to begin being implemented in the short term in Türkiye. However, calculating the quantitative effects of raw material price increases is hindered by obstacles such as limited access to accurate data and high measurement uncertainty. The fact that carbon prices under the ETS have not yet become clear, that the exact quantities of raw materials such as iron and steel and aluminum included in TürkTraktör's direct procurement have not been precisely determined, and the uncertainties regarding the degree to which suppliers will pass on cost increases into prices make it difficult at this stage to quantify the financial impact of this risk. As these uncertainties diminish in the future, TürkTraktör will be in a position to analyze the quantitative effects of this risk. Nevertheless, since such cost increases will apply across the sector, TürkTraktör expects that a portion of these cost increases will be reflected in product prices in a way that does not reduce competitiveness, and that pressure on profitability will therefore remain limited.	TürkTraktör implements various measures to mitigate the impacts of the ETS-related risk. Solar power plant (SPP) projects have been commissioned to reduce indirect carbon emissions from electricity, which is expected to fall under the ETS scope. In addition to the rooftop SPP projects commissioned at the Erenler Factory in 2023 and the Ankara Factory in 2024, the solar power plant established in Sivas became operational in February 2025. These SPPs supply part of the company's energy needs directly from renewable sources. As of the end of 2025, TürkTraktör's installed renewable energy capacity is 20.9 MWe (2024: 7.9 MWe), and the total renewable energy generated in 2025 was 31,620 MWh (2024: 6,258 MWh). For SPP projects, TürkTraktör invested TL 135 million in 2025 (2024: TL 162 million). In addition, TürkTraktör continues the supplier assessment process it launched in 2024 to strengthen carbon management in its supply chain. In 2025, the critical supplier group was maintained, and the results of the assessments conducted in the previous period were used as a reference in managing supplier relationships. Rather than repeating supplier audits every year, the principle is to conduct them periodically, taking into account the supplier's risk profile, performance, and changes in the business relationship. In the upcoming period, the aim is to increase data sharing with suppliers, carbon performance assessments, and joint improvement efforts, focusing on materials and processes with a high carbon footprint.	To manage the operational and strategic implications of policy changes such as the ETS, TürkTraktör integrates these considerations into its risk management and sustainability processes. Targets to reduce electricity costs and the carbon footprint have been set in alignment with the energy management and resource efficiency focus areas of the company's sustainability strategy. In the supply chain, the company aims to collaborate with low-carbon suppliers, shift toward the procurement of low-carbon materials, and jointly develop carbon reduction projects with suppliers. The Life Cycle Assessment (LCA) studies carried out since 2024 continued in 2025 with an expanded scope. Through these studies, processes and materials with high carbon intensity throughout the product life cycle are identified, and these analyses support decisions aimed at increasing the use of recycled and low-carbon materials and reducing supply chain-related emissions. In financing investment decisions, financial capacity, market expectations, long-term corporate strategy, investment and financing policies, and the company's cash position are taken into account. Decisions related to managing ETS-related risks are also evaluated within this framework.	• Scope 2 emissions (tons CO₂e) • Share of renewable energy (%) • Number of products subject to life cycle assessment

Opportunity 1:

Renewable energy generation and use

Term:	Short	Value chain step with concentrated opportunity: → Direct operations (Erenler and Ankara factories)
Impact:	Low	
Likelihood:	High	

Opportunity Definition	Impact of the Opportunity on Operations and the Value Chain	Impact of the Opportunity on Financial Position, Financial Performance, and Cash Flow	Impact of the Opportunity on Strategy and Decision-Making Processes	Metrics Used to Measure the Opportunity
The transition to renewable energy represents both an opportunity for TürkTraktör, enabling long-term control of energy costs, and a strategic area of action, directly contributing to climate goals by reducing operational emissions. Through SPP investments and green energy purchases, the company is progressing toward its goal of eliminating Scope 2 emissions, and views the energy transition as a lever in terms of both operational efficiency and reputation.	By using renewable energy, TürkTraktör keeps its energy costs at more predictable and lower levels, while also directly contributing to its sustainability targets by reducing its carbon footprint. In 2025, all of the electricity consumption of the Ankara Factory was met from renewable energy sources generated by TürkTraktör. Furthermore, in 2025, TürkTraktör generated renewable electricity in excess of its total electricity consumption. However, due to the current electricity supply and netting structure, not all of the renewable electricity generated is used directly across operations. In this context, 53% of the electricity consumption of the Erenler Factory was met from renewable sources through I-REC certificates purchased in 2025, while the electricity consumption of the Ankara Factory was met with renewable electricity generated by TürkTraktör.	TürkTraktör’s shift to sourcing electricity from renewable energy sources will allow for greater predictability in energy costs in the short term and reduce exposure to market price volatility. Sourcing 100% of purchased electricity from renewable sources will directly contribute to reducing the company’s operational carbon footprint. Through its renewable energy investments, TürkTraktör meets its electricity needs through self-generation, thereby lowering its operational costs. The SPP investments, carried out with the goal of covering all electricity consumption with self-generated renewable energy by the end of 2026, create a significant cost advantage in the medium term, while also enhancing the company’s energy supply security. This will enable TürkTraktör to eliminate its Scope 2 emissions in line with its carbon-neutrality targets and will have positive effects on investor confidence and the company’s capacity to access sustainable finance. Moreover, increasing energy independence will strengthen the company’s long-term competitiveness. The sale of excess energy to the grid could also provide additional revenue. Both financing provided by the EBRD and internal equity are being used to implement the SPP investments. In addition to the Erenler and Ankara rooftop SPP projects commissioned in 2023 and 2024 respectively, with the Sivas SPP commissioned in February 2025, renewable energy generation has begun to exceed total electricity consumption.	Renewable energy investments are included in TürkTraktör’s annual investment plans as one of the foundational pillars of the company’s climate transition strategy, and are monitored through performance indicators integrated with sustainability targets. SPP projects are regarded not only as emission reduction tools but also as strategically prioritized investments that ensure energy supply security and enhance operational resilience.	Annual SPP generation capacity (MWh)

Climate Resilience and Scenario Analyses

TürkTraktör leverages scenario analyses to manage its climate-related risks and opportunities more effectively and to assess the resilience of its business model and strategy against different climate scenarios. In 2025, scenario analyses were conducted for both physical and transition risks. Physical risk scenario analyses were carried out on a facility basis, drawing on internationally recognized climate scenarios and risk assessment tools, and the potential impacts of key climate hazards such as heat waves, water stress, and floods on operations were evaluated. Analyses of transition risks and opportunities were addressed within a workshop held with the participation of relevant teams, primarily sustainability, environment, product, R&D, and risk management, and were evaluated within the framework of different climate transition scenarios.

Transition Scenario Analyses

The scenario analyses were conducted across medium- and long-term horizons, covering the years 2030 and 2050. 2030 is recognized as the first threshold year for global climate targets, while; 2050 stands out as the focal point for countries’ net-zero emission targets. Accordingly, the analysis process was structured to evaluate TürkTraktör’s strategic resilience at these two critical junctures. The analysis included the Ankara and Erenler factories, supplier relationships across the value chain, and the product portfolio. The internationally sourced quantitative assumptions and inputs of the scenarios used were taken into account.

Under the International Energy Agency (IEA) scenarios, parameters such as global and regional economic growth rates, carbon pricing levels, fuel prices, projected capital expenditures for low-carbon technologies, sector-based emission intensities, and the share of fossil fuels in end-user consumption were incorporated into the analysis. Under the UN Food and Agriculture Organization (FAO) scenarios, assumptions related to the development of the agriculture sector, such as productivity, efficiency, land use, and the carbon footprint of agriculture, were evaluated. These inputs were assessed comparatively, and the potential impacts on TürkTraktör’s operations, as well as the company’s level of resilience against these impacts, were interpreted using a qualitative analysis approach. In the coming periods, it is planned to further develop the scenario analysis methodologies and focus on generating quantitative outputs.

As part of the transition scenario analyses, two primary scenarios were evaluated: an optimistic scenario aligned with the 1.5°C target, and a pessimistic scenario in which current trends continue. The optimistic scenario was constructed by aligning the IEA Net Zero Emissions by 2050 (NZE) scenario with the FAO Towards Sustainability Scenario (TSS); in contrast, the IEA Stated Policies Scenario (STEPS) and the FAO Business-as-Usual (BAU) scenarios were considered together, modeling a future in which current conditions and policies persist and global temperature rise reaches around 3°C. In this way, both the regulatory, technological, and cost pressures that TürkTraktör may face during a low-carbon transition, and the low transition risk-low opportunity environment that may arise under the scenario based on current policies, were evaluated holistically.

Comparison of Assumptions in the Climate Scenarios Used		
Topic	NZE + TSS Scenario (1.5°C)	STEPS + BAU Scenario (~3°C)
Global Temperature Increase	Temperature rise is limited to 1.5°C.	Reaches around 3°C.
Policy Approach	Carbon prices rise rapidly, new environmental regulations are implemented.	Current policies continue, with limited introduction of new regulations.
Technological Development	Electric and alternative-fuel tractors become widespread.	Electrification remains limited, and diesel engines continue to be used.
Energy Use and Resources	Electricity consumption rises, and the share of renewables increases.	The natural gas-dominated structure is maintained, and renewable energy investments progress slowly.
Carbon Prices	High cost pressure arises for Scope 1 emissions.	Carbon prices remain low or are applied only in select regions.
Customer Demand	Demand for low-emission and sustainable products increases.	Demand in this area remains more limited.
Financing Conditions	Access to green finance becomes easier.	Incentives for sustainable investments remain weak.
Physical Risk Outlook	The frequency of extreme weather events decreases, and pressure on water resources is limited.	Water stress and extreme weather events increase.
Economic Impacts	Long-term growth is supported through transition investments.	Although short-term costs remain low, long-term risks rise.

Outcomes of Transition Scenarios and Climate Resilience

Under the NZE + TSS scenario, it is projected that technological transformation and demand for alternative-fuel products will grow rapidly, carbon prices will reach higher levels, and significant cost increases will occur for carbon-intensive raw materials. At the same time, TürkTraktör may also be substantially affected by carbon pricing mechanisms within its direct operations. Under this scenario, alternative fuels such as hydrogen are being considered to replace natural gas, but this transition is expected to require significant investment. Nonetheless, TürkTraktör is already pursuing energy efficiency projects and SPP investments to reduce its Scope 1 and 2 emissions, accessing sustainable finance, and expanding its low-emission product portfolio. The company, which carries out its electric tractor R&D processes domestically in Türkiye, introduced its first electric tractor to farmers in 2024. However, as the electric tractor market has not yet reached sufficient maturity either in Türkiye or globally, the product was not commercialized in 2025. In line with the prototype it has developed and its R&D capabilities, the company continues its efforts toward commercializing the product in parallel with the emergence of market conditions.

The company’s ability to quickly transform its existing assets and production processes, even under net-zero emission scenarios that demand rapid action, indicates its capacity to adapt its production processes and business strategy to climate change. With the monitoring of policies and regulations, the continuation of R&D efforts within this framework, and the potential activation of incentives, this scenario presents both adaptation and opportunity spaces for TürkTraktör.

The results of the transition scenario analysis also confirm the strategic alignment of TürkTraktör’s investments to date. Through the electric tractor R&D investments it has carried out to expand its low-carbon product portfolio, the company has the technical and operational capacity to adapt to the rapid transformation environment projected under the 1.5°C-aligned transition scenario. This demonstrates the resilience of TürkTraktör’s current business strategy, particularly in the context of R&D and products, against scenarios targeting net-zero emissions by 2050. Being the first and only company in Türkiye to develop an electric tractor prototype highlights its high level of technological readiness and its potential to respond quickly to market demands. Moreover, the company’s leadership position in the Turkish tractor market strengthens its ability to guide the sector during the transition. Its achievement of full compliance with Stage V emission regulations ahead of other companies in the sector, transforming its production infrastructure during the transition process, demonstrates TürkTraktör’s capacity for proactive adaptation to new regulations. These investments have been evaluated as the key factors enhancing the company’s resilience against the carbon prices and product standards regulations projected in the scenario analysis.

In the STEPS + BAU scenario, however, a slower transition process is anticipated; carbon prices remain low and technological adaptation is more limited. While this provides TürkTraktör with more time to transform its product portfolio and invest in low-emission technologies, the lower transition pressure also brings the risk of failing to fully capitalize on opportunities due to reduced access to green finance, limited demand for alternative-fuel tractors, and weaker product regulations.

Physical Scenario Analyses

A physical climate risk scenario analysis was conducted to evaluate the potential impacts of climate change on operations, the value chain, and the business model. The analysis covered locations critical to our operations, namely our Ankara and Erenler production facilities.

The study was carried out using Shared Socioeconomic Pathway (SSP) scenarios consistent with the IPCC Sixth Assessment Report (AR6). The analysis considered the low-emission SSP1-2.6, medium-emission SSP2-4.5, and high-emission SSP5-8.5 scenarios. The physical risk assessments examined indicators of hot days (above 35°C), heat waves, water stress, floods, wildfires, and sea level rise.

In prioritizing the physical hazard indicators examined within the analysis from TürkTraktör’s perspective, facility and value chain exposure, the vulnerability of assets and activities, existing risk mitigation practices, and potential operational and financial impacts were evaluated together, in addition to the scenario results. As a result of this holistic assessment, water stress risk was classified as the priority physical climate risk for the 2025 reporting period. Heat waves and extreme heat, floods, wildfires, and sea level rise are evaluated within the scope of scenario analyses and monitored within the framework of risk management processes; they were not classified as priority physical climate risks in the current assessment.

Water Stress and Drought Risk

Water stress and drought stand out as one of the most significant physical climate risks for TürkTraktör. The analyses conducted show that the Ankara location in particular has higher exposure to water stress both currently and under future projections.

Changes that may occur in precipitation regimes due to climate change and an increase in drought conditions are

expected to intensify pressure on water resources. Risk levels are projected to rise over the long term, particularly under the SSP2-4.5 and SSP5-8.5 scenarios. Increasing pressure on water resources may create impacts on access to the water used in production processes, operational costs, water supply infrastructure, and business continuity.

For TürkTraktör, water stress is evaluated not only as an operational risk but also as a significant risk area for its business model, due to the vulnerability of the agriculture sector in which it operates to climate change. Potential yield losses in agricultural production and pressures on water resources may affect customers’ operating conditions and, over the long term, the demand dynamics for agricultural equipment.

Heat Waves and Extreme Heat Risk

Scenario analyses show that heat waves and extreme heat events pose an increasing long-term risk for both the Ankara and Erenler facilities. Significant increases in the frequency and severity of heat waves are projected toward 2050, particularly under the SSP5-8.5 scenario.

Rising temperatures may create impacts on employee health and safety, the efficiency of production processes, equipment performance, and energy consumption. In particular, it is assessed that the increase in cooling needs may create additional pressure on energy costs.

Temperature increases may also have effects on agricultural production activities, potentially leading to changes in crop patterns, productivity, and agricultural investment decisions depending on climate conditions.

In light of current assessments, heat waves and extreme heat have been classified as a monitoring topic for the 2025 reporting period, and have been assessed as falling below the materiality threshold set for the priority physical risks included in the risk table.

Flood Risk

In the analyses conducted, flood risk was evaluated as one of the physical risk areas that TürkTraktör needs to monitor. Potential increases in the frequency and severity of extreme precipitation events become more pronounced, particularly under the SSP2-4.5 and SSP5-8.5 scenarios.

Flood events may lead to consequences such as damage to facility infrastructure, temporary stoppages in production activities, disruptions in logistics operations, and supply chain interruptions. In line with this assessment, flood risk has been classified as a monitoring topic for the 2025 reporting period and is not currently classified as a priority physical risk.

Wildfire Risk

While wildfire risk is currently at manageable levels, risk levels are projected to increase over the long term, particularly under the SSP2-4.5 and SSP5-8.5 scenarios. Rising temperatures, drought conditions, and extreme weather events are among the main factors increasing fire risk. Wildfires may cause infrastructure damage in the regions where facilities are located, interruptions in transportation and logistics activities, and disruptions in the supply chain.

Within the scope of the assessments, wildfire risk has been classified as a monitoring topic for the 2025 reporting period and is not currently classified as a priority physical risk.

Sea Level Rise Risk

Sea level rise risk has been assessed as low compared to other physical risks, considering the geographical locations of our facilities. The scenario analyses conducted showed that this risk does not have a significant impact on TürkTraktör's operations, and it is not among the priority physical risk areas.

Key Areas of Uncertainty, Assumptions and Judgements

Although the findings obtained from the scenario analyses are based on assumptions from global sources, various areas of uncertainty and judgements have been taken into account in interpreting their impacts on TürkTraktör's operations.

Uncertainties, Assumptions and Judgements in Transition Scenario Analyses

→ Carbon Pricing Uncertainties: The scope of the Emissions Trading System (ETS) in Türkiye is initially limited to certain sectors, and the potential inclusion of industrial companies such as TürkTraktör in the system in the future remains uncertain. Moreover, in the event of inclusion in the ETS, the applicable carbon price levels, the allocation method (free/auctioned), the transition process, and sectoral differences also represent significant sources of uncertainty. Therefore, while the carbon price levels indicated in IEA scenarios are used as a reference in the analyses, uncertainties remain regarding the extent to which these prices will be applicable in the context of Türkiye.

→ Supply Chain Uncertainties: In raw material and component procurement processes, which account for a significant portion of Scope 3 emissions, it cannot be projected how the prices of carbon-intensive inputs (e.g., iron and steel) will be affected in the future and how supply security risks may evolve. In particular, factors such as the cost, availability, and technical suitability of low-carbon alternative materials have been carefully considered in the assumptions underlying the scenario analyses, and the related uncertainties have been addressed through qualitative analysis.

→ Technological Uncertainties: The applicability, technological maturity, and costs of transition tools such as electric tractors, alternative fuels, and precision farming technologies can vary significantly depending on sectoral developments. The extent to which these technologies will be commercialized in the short to medium term has been evaluated based on scenario-driven assumptions.

→ Product Lifetime and Performance Uncertainties: In the post-sales phase, the energy efficiency, emissions performance, and durability of products vary depending on user habits and operating conditions. For this reason, the long-term field performance and market adoption of innovative products developed by TürkTraktör, such as the electric tractor, have been evaluated in the scenario analyses based on assumptions.

→ Financial Uncertainties: While access to green financing sources may appear easier under low-carbon transition scenarios, uncertainties remain with regard to matters such as interest rates, collateral requirements, and the continuity of such funding sources.

Uncertainties, Assumptions and Judgements in Physical Scenario Analyses

→ Uncertainties Regarding Climate Risk Projections: The temperature, precipitation, drought, flood, and fire indicators used in assessing physical climate risks may vary depending on the selected SSP scenarios, climate models, time horizons, and the spatial resolution of the data. These projections do not provide definitive predictions of events that will occur at a specific date or location; rather, they indicate possible trends that may emerge under different climate conditions.

→ Location-Based Exposure and Vulnerability Uncertainties: The impact of physical risks on TürkTraktör's operations may vary depending on the geographical location of facilities, local topographic and hydrological conditions, the reliability of water and energy infrastructure, on-site drainage systems, the location of critical equipment, business continuity practices, and existing risk mitigation measures. Changes in these factors over time may create uncertainty in assessments of the facility-level impact of physical risks.

→ Uncertainties Regarding the Timing and Severity of Extreme Weather Events: The timing, frequency, severity, and operational impact of acute physical events such as floods, heat waves, and wildfires can vary considerably. The effects of such events on facility infrastructure, transportation routes, energy and water supply, and employee access may differ depending on the duration of the event and local conditions.



TürkTraktör's Climate Strategy

Climate change is one of the key external factors affecting TürkTraktör through both physical and transition risks. TürkTraktör addresses this issue under its Future Impact sustainability strategy, launched in 2022. Within this strategy, climate change is positioned as one of the priority themes under the focus area of "Impact Responsibly in Operations and Products". In this context, the company adopts a holistic approach that incorporates climate action targets not only into its own operations but also throughout the value chain and in product development strategies.

Reducing greenhouse gas emissions, lowering the environmental impact of products, and designing agricultural technologies to support climate adaptation constitute the main pillars of this strategy. The strategy is also shaped to align with the climate-related risk and opportunity analyses conducted by TürkTraktör, and in this context is integrated into decision-making processes across short-, medium-, and long-term planning cycles. Furthermore, the strategy is supported by the sustainability targets set by the company, including reducing greenhouse gas emissions, meeting electricity demand through self-generated renewable energy, improving resource efficiency, and conducting assessments and audits across the supply chain.

Ongoing and Planned Direct and Indirect Mitigation Actions

Reducing emissions from production activities is among the critical priorities of TürkTraktör's climate strategy. In line with rising regulatory pressure, energy costs, evolving market mechanisms for carbon pricing, and the 2050 carbon neutrality target, the company pursues a systematic strategy aimed at reducing carbon emissions in its production operations. This strategy has a multi-layered structure consisting of energy efficiency, transition to renewable energy, technological modernization, and performance monitoring mechanisms.

To reduce emissions from energy-intensive production activities, an energy management system aligned with the ISO 50001 standard is implemented across the Ankara, Erenler, Akyurt, and İzmir locations, and energy performance is monitored through regular internal and independent audits. Data are tracked with analytical models, and improvement projects are implemented in areas identified for reducing energy losses.

In 2025, a total of 15 energy efficiency projects implemented at the Ankara and Erenler factories (2024: 7 projects) achieved actual savings of 21,520 MWh (2024: 1,454 MWh) and an emission reduction of 8,544 tons of CO₂e (2024: 546 tons of CO₂e). These projects are calculated to have a total annual savings potential of 24,084 MWh. The main driver of the increase compared to the previous year is the renewable energy generation of the Sivas Solar Power Plant, which became operational in February 2025. At the Erenler Factory, natural gas consumption is being limited through inverters integrated into paint shop surface treatment pumps and the heat pump system. At the Ankara Factory, waste heat is used in washing benches to reduce electricity consumption.

In 2025, all electricity used at the Ankara and Erenler factories was sourced from renewable sources. Scope 2 emissions account for 47% (2024: 56%) of the company's total Scope 1 and 2 emissions as of 2025. This demonstrates that the renewable energy projects carried out to reduce Scope 2 emissions play a critical role in achieving the company's target of reducing gross Scope 1 and 2 emissions by 42% by 2030 compared to the 2021 base year – a target approved by the Board of Directors and publicly announced in 2023.

In line with this target, the company aimed to meet all of its electricity needs from self-generated renewable energy sources by the end of 2026; as of the end of 2025, the company generated renewable electricity in excess of its total electricity consumption, thereby achieving this target. Within this scope, the SPP commissioned at the Erenler Factory meets 47% of the factory's electricity consumption through the company's own generation (2024: 41%). The rooftop SPP installed at the Ankara Factory, together with the solar power plant that became operational in Sivas in February 2025, covers all of the Ankara Factory's electricity consumption (2024: 3%).

Climate Focus in Product and R&D Strategy

The vast majority of total greenhouse gas emissions stem from the use phase, which creates the most intensive impact throughout the product life cycle. This ratio reveals that the majority of the company's carbon footprint originates from tractors in use in the field, making it a strategic necessity to reshape the product strategy with a climate-focused approach. For this reason, the product strategy is being restructured to focus on reducing environmental impacts.

The Life Cycle Assessment (LCA) studies initiated for four tractor models in 2024 were expanded in 2025 to cover three tractor and two construction equipment model groups. The studies, conducted with a "cradle-to-grave" approach using the IPCC methodology within the framework of the ISO 14040-14044 standards, confirmed that the majority of total emissions originate from the use phase of the products, and revealed that, in addition to the use phase, raw material and parts production processes are also significant emission sources.

In TürkTraktör's product strategy, transformation projects directly impacting the use phase have been prioritized, based on the carbon footprint profile established through scientific analyses showing that product emissions largely originate from this stage. In this framework, following four years of R&D efforts, the electric tractor New Holland T3 Electric Power, developed by Turkish engineers, was launched at the Konya Agriculture Fair. Compared to its diesel counterparts, it is positioned as a zero-emission product alternative and also mitigates operational cost risks caused by fluctuations in fuel prices. In 2025, TL 76 million in R&D investment expenditure was made for the development of the electric tractor launched in March 2024 (2024: TL 75 million). The New Holland R3S agricultural robot and autonomous spraying machine, introduced in the same year, enable reduced agricultural inputs through targeted applications, minimize the use of chemicals, and enhance water efficiency. These products not only provide environmental benefits but also support a more climate-resilient agricultural production model. Through this technology-driven transformation, TürkTraktör aims to become a pioneer in sustainable agriculture in both local and global markets.

TürkTraktör also aims to allocate 70% of its total R&D and innovation expenditures between 2023–2030 to sustainability-focused investments. In this context, the share of sustainability-focused R&D investments within the R&D investments made in 2025 was approximately 80% (2024: 79%). These R&D investments include work on Stage V engine development and integration, agricultural robots, electric tractors, and smart farming products.

As of 2025, TürkTraktör has entered the commitment withdrawal process for its target on the SBTi (Science Based Targets initiative) platform, as the target-setting process for Scope 3 emissions is still ongoing. When assessed in terms of factors such as market demand, regulatory pressure, and technological feasibility, no concrete regulation and/or mandatory requirement for alternative-fuel or zero-emission tractors and construction equipment has yet been put into practice in the European Union and/or Turkish markets. The situation is similar across the sector, where best practices and product strategies remain limited. Therefore, TürkTraktör continues its product development and target-setting efforts.

In this context, efforts to define reduction targets for TürkTraktör’s Scope 3 emissions are ongoing. Given the high share of the product use phase in total GHG emissions, these targets need to be shaped by technical feasibility, market dynamics, and regulatory developments. Accordingly, the company’s comprehensive climate

transition plan has not yet been finalized. At present, the climate strategy remains limited to the operational strategies implemented to reduce Scope 1 and 2 emissions, while the strategic roadmap for transforming Scope 3 emissions is still at the analysis and target-setting phase. Once the plan becomes clear, the company aims to share its long-term transition planning with the public, integrated into its investment and product development strategies.

Sustainability-Oriented Technological Agriculture Practices

Technological transformation plays a fundamental role in advancing sustainable agriculture. In this regard, TürkTraktör promotes the widespread adoption of digital and precision farming technologies to support farmers in achieving climate-resilient, efficient, and resource-friendly production.

The Tarlam Cepte (Mobile Field) mobile application provides users with up-to-date information such as meteorological early warnings, weather forecasts, agricultural subsidies, and wholesale and market prices, as well as indexes generated from satellite data, including plant health, nitrogen levels, water stress, and irrigation recommendations, enabling users to optimize water and fertilizer use. Having reached approximately 190,000 users as of 2025 (2024: 170,000), the application contributes to climate-sensitive decision-making in agricultural production.

Under digitalization and precision farming practices, the locally developed fleet and vehicle tracking system TTConnect enables the analysis of data collected from tractors, while satellite-assisted auto-steering systems help minimize operator errors and prevent unnecessary use of water and chemicals. The TTGuide domestic smart guidance system enables day and night operations and helps reduce overlaps and skips, thereby contributing to savings in chemical inputs, while the Raven Automatic Flow and Rate Control System ensures precise application of agricultural chemicals, preventing excess chemicals that may harm the soil.

Additionally, through the TürkTraktör Drone service, large-scale precision spraying operations are carried out, reducing fuel and pesticide consumption while saving labor and time. Within the scope of Industry 4.0 applications, machine and equipment communication, image-processing-supported plant health detection, early warning systems, and AI-assisted yield prediction systems also enable data-driven agricultural operations that reduce environmental impacts.

The implementation of these technologies not only helps reduce environmental impacts but also contributes to the creation of a resilient infrastructure that ensures the continuity of agricultural production in the face of climate risks.

Collaboration in the Supply Chain

In TürkTraktör’s climate strategy, the supply chain is positioned not merely as a supporting element but as a strategic leverage point for emissions reduction and environmental impact management. Considering that a significant portion of Scope 3 emissions originates from the supply chain, efforts in this area play a decisive role in achieving the company’s climate targets.

For the supply chain, another significant source of Scope 3 emissions, the Supplier Assessment and Development Program was launched in 2024 under the Koç Holding Sustainability in Supply Chain initiative. In this program, conducted together with an independent audit and consulting firm, suppliers are analyzed with respect to GHG data, energy use, environmental certifications, and ethical matters. Under the program, critical suppliers are intended to be assessed periodically. The target previously set for the end of 2025 has been updated in line with the program’s implementation and monitoring schedule; from domestic suppliers, the audits of suppliers accounting for 80% of direct material purchases by volume are targeted to be completed by the end of 2027.

The data obtained through supplier assessments provide input for strategic decision-making processes in terms of reducing supply risks, minimizing environmental impacts, and ensuring compliance with environmental standards. Additionally, supplier contracts include commitments to ISO 14001 compliance, and environmentally friendly suppliers are supported under Green Procurement policies.

Financial Planning and Resource Allocation

Investment planning and resource allocation processes at TürkTraktör are structured to support the achievement of the emission reduction and energy transition targets set out in its climate strategy. In this context, the long-term loan agreement signed with the EBRD in 2023, amounting to a total of EUR 70 million, has been considered a key financing source for investments in low-emission engine production and the expansion of renewable energy capacity.

The EBRD financing, provided within the scope of capital allocation for climate-related risks and opportunities, covers modernization investments for the production of EU Stage V compliant engines, as well as solar power plant (SPP) projects installed on factory rooftops. Under the utilization plan covering the years 2023–2025, EUR 15 million was utilized in 2023, EUR 30 million in 2024 (2024: TL 1.1 billion), and EUR 25 million in 2025, reaching a total of EUR 70 million. In 2025, approximately TL 1.26 billion of loan financing was utilized, providing a financing cost advantage of approximately TL 26-27 million (2024: TL 18-19 million) compared to the average market interest rates.*

This financing facility provides flexibility in TürkTraktör’s capital cost management and enables the acceleration of investments aligned with its climate strategy. Through investments in the production of engines compliant with EU Stage V standards, the share of low-emission solutions in our product portfolio is being increased, while the SPP projects raise the share of our electricity needs met from renewable sources.

In addition, the internally funded budgets allocated for energy efficiency projects and other investments carried out under the climate strategy also indicate that climate risks and opportunities are taken into account in financial planning. In this process, factors such as the transition to an emissions trading system, carbon pricing, and regulations in export markets are also evaluated, with resource allocation decisions shaped in line with the requirements of the climate strategy.

Through this structured approach, TürkTraktör strengthens its position as a company with a sustainable investment profile in the eyes of financial markets and enhances its ability to access similar financing opportunities in the future.

* The Turkish lira equivalent of the 2025 loan usage was calculated using the CBRT foreign exchange buying rate of December 30, 2025 (EUR 1 = TL 50.4532), effective as of the balance sheet date, in line with the method applied in the financial statements.

Risk Management

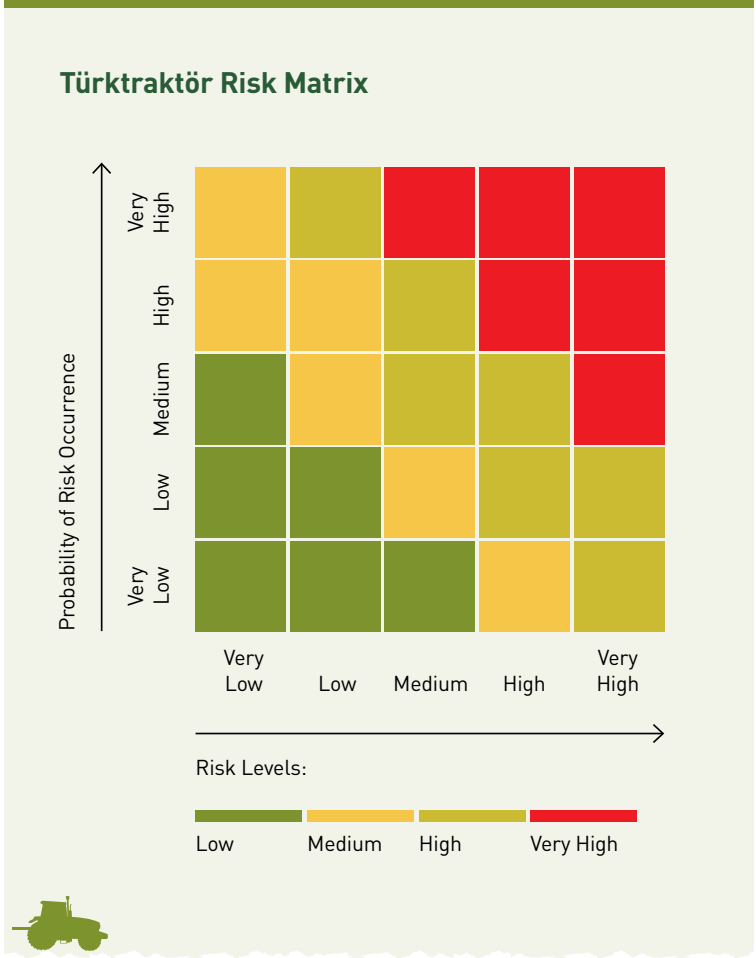
TürkTraktör adopts an integrated approach to managing all its financial and non-financial risks as a strategic requirement for ensuring its long-term success and sustainability. Environmental, social, and governance (ESG) risks, including climate-related transition and physical risks, are systematically identified, assessed, and managed within the company’s enterprise risk management system.

Risk Identification, Assessment and Management Process

TürkTraktör systematically evaluates its risks using a 5x5 impact and likelihood matrix. Impact assessment is carried out on five levels, ranging from very low to very high, based on how significantly the risk could affect the company’s operational and strategic objectives. Likelihood assessment is similarly determined on five levels, based on how frequently the risk may occur. Risks evaluated by impact and likelihood are classified into four categories according to their risk scores: extreme, high, medium, or low. These scales are used to define the criticality of risks, and high risks are prioritized by top management and the Risk Management Committee.

In the enterprise risk management process, impact assessments of risks are conducted by separately considering their potential consequences in the areas of finance, corporate reputation, people, environment, service continuity, and legal compliance. Within this framework, the following criteria are taken as a basis: the

impact of risks on the company’s net profit for the period, adverse effects on stakeholder relations and media exposure, occupational health and safety incidents that could result in fatalities or permanent injuries, accidents that could cause environmental pollution at production facilities, long-term business interruptions in production or the supply chain, and legal sanctions that could lead to the suspension of operating permits. The magnitude of impact is determined based on duration thresholds, such as production stoppages lasting less than one day or more than twenty days on the operational side, while on the financial side, risks are classified based on thresholds linked to the company’s net profit for the period. All these criteria are applied within the framework of the 5x5 impact-likelihood matrix, together with quantitative and qualitative assessments. For measurable financial impacts, in alignment with TürkTraktör’s enterprise risk management matrix, high-priority risks are defined as those with the potential to affect more than 1% of the company’s net profit for the period or more than 5% of EBITDA. The combined use of quantitative and qualitative evaluations demonstrates the company’s holistic perspective on its risk management process. When determining likelihoods, an assessment is made of the frequency of occurrence of the risk and the probability of its realization within a one-year period, and the risk is rated accordingly. The same matrix and assessment processes are also applied to the prioritization and monitoring of opportunities. The assessment criteria for likelihood and impact levels are presented in the tables below.



Score	Impact Level	Assessment Criterion
5	Very High	Consequences that could significantly affect the company’s strategic objectives in the areas of financial performance, reputation, employees, environment, service continuity, or regulatory compliance.
4	High	Situations that could lead to significant adverse consequences in one or more impact areas and may require top management intervention.
3	Medium	Situations that can be managed through operational or managerial measures but may create noticeable impacts on certain stakeholders or activities.
2	Low	Situations that create limited impact and can be managed within existing processes.
1	Very Low	Situations that do not create a notable impact on activities or stakeholders.

Score	Likelihood Level	Description
5	Very High	The risk is expected to materialize in the short term, or similar events are frequently observed in the sector and in the company’s activities.
4	High	The likelihood of the risk materializing is high, and it is probable that it will arise under certain conditions.
3	Medium	The materialization of the risk is possible, and past experience or current conditions support this possibility.
2	Low	The risk is not expected to materialize, but it may arise in certain situations.
1	Very Low	The likelihood of the risk materializing is quite limited, and it is expected to arise only under exceptional circumstances.

Risk identification and assessment processes are reviewed annually, and operational, strategic, financial, and compliance risks are reported to the Risk Management Committee 3 times a year. Risk management activities are carried out in accordance with the ISO 31000 Risk Management Standard and the COSO Enterprise Risk Management Framework. In the 2025 reporting period, the process used for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities has not been changed compared to the previous reporting period.

TürkTraktör integrates sustainability- and climate-related risks and opportunities into its overall risk management processes at the strategic and operational levels. Within this scope, teams such as the Sustainability Center of Excellence, the Environment and Energy Team, the Product Life Cycle Team, and Risk Management are involved in the risk and opportunity identification and assessment processes. Each team contributes to the enterprise risk management process by identifying and evaluating the climate and sustainability risks and opportunities relevant to its own processes.

Climate-related opportunities are addressed under a separate heading within TürkTraktör’s enterprise risk management structure; in this context, not only risks but also potential opportunities that may arise from the climate transition process are systematically evaluated. In meetings held with the participation of relevant departments, key risks that TürkTraktör may be exposed to, as well as significant areas of opportunity, were identified, and the impacts of these opportunities on operations were evaluated. The matrix and assessment methodology used in the enterprise risk management process was also adapted to opportunities in these studies, and the materiality level of opportunities was determined using similar threshold values and indicators. For each opportunity, the level of impact, likelihood of occurrence, and impact on strategy were discussed individually, and these assessments served as the basis for determining the actions taken regarding opportunities and their level of strategic alignment.

The Risk Management Team evaluates climate-related risks together with other financial and operational risks

and integrates them into the reports presented to the Risk Management Committee. As of the end of 2025, climate change risks continue to be reported under a consolidated heading. In the upcoming periods, it is planned to detail these risks and begin reporting physical risks, transition risks, and opportunities separately. In this way, the aim is to ensure more effective monitoring of climate risks in alignment with the strategic goals of the Board of Directors and top management, and to reflect them in decision-making processes.

Databases such as WRI Aqueduct, scenario analyses such as IEA NZE and STEPS, and internal data are used in the management processes of climate-related risks and opportunities, supported by external consultancy and stakeholder consultations. Evaluations are carried out both qualitatively and quantitatively, covering strategic, operational, and supply chain stages.

Integration of Risks into Business Processes

TürkTraktör has strategically and systematically integrated risk management into all its business processes. Before launching any new business process, risks are analyzed through risk assessment steps, and throughout the process they are periodically monitored using predetermined risk indicators. Based on the risk levels identified in the assessment, the necessary action plans are created, and their implementation is monitored. Risk management is not limited to operational activities but is also integrated into decision-making mechanisms such as strategic objectives, investment decisions, and project management. Risk review and improvement activities are supported by internal audit functions and independent audits, ensuring the effectiveness and continuous improvement of the system. Climate-related risks are also evaluated within the same framework and have been integrated into the enterprise risk management process. In this context, transition and physical risks are considered in the design of business processes and in operational and strategic decision-making mechanisms, and are monitored by relevant departments to develop risk mitigation plans.

Metrics and Targets

At TürkTraktör, we manage our greenhouse gas emissions transparently and regularly monitor our performance as part of our commitment to combating climate change. Our GHG emissions are calculated, reported, and verified in accordance with the ISO 14064-1 standard and the Greenhouse Gas Protocol (GHG Protocol), using the operational control approach. TürkTraktör does not have any subsidiaries or investments that must be included in the emission calculations under the TSRS.

Climate-Related Metrics

TürkTraktör regularly measures and reports its greenhouse gas emissions on an annual basis in line with international standards and methodologies.

Approach, Inputs and Assumptions Related to Greenhouse Gas Emissions

The measurement of TürkTraktör’s greenhouse gas emissions is carried out in line with the ISO 14064-1:2018 standard and the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004), based on the operational control approach. The measurement methodology is based on the IPCC TIER-1 approach, using emission factors from the IPCC Sixth Assessment Report (2021) and the UK DEFRA 2025 dataset. Additionally, sector-specific databases such as the USEEIO Model v1.1 by the U.S. EPA are used in certain cases.

Different activity data sources are used for Scope 1, 2, and 3 greenhouse gas emissions under this measurement approach. For example, for direct emissions, actual consumption data such as fuel use and stationary/mobile equipment operation are taken into account; for indirect emissions, electricity consumption and transport distance data; and for Scope 3 emissions, data on the supply chain, logistics, and product usage. For the calculation of Scope 3 Category 11 – Use of Sold Products emissions, the useful life of the tractors and construction equipment sold during the reporting period was assumed to be 10 years. Use-phase emissions were calculated over this life-cycle period, taking into account the fuel consumption and usage parameters of the relevant products. All activity data and emission factors used are monitored and recorded according to the procedures defined in TürkTraktör’s Integrated Management System.

The data sources and emission factors used in the GHG inventory are reviewed and updated during reporting periods. There were no changes in the methodology used for the 2025 reporting period. The inputs and assumptions used in the measurement approach are based on standard and up-to-date sources, such as lower heating values of fuels, average consumption coefficients, and sector-based emission factors.

Greenhouse Gas Emissions Data

TürkTraktör’s total greenhouse gas emissions for 2025 amounted to 5,358,899 tons of CO₂e. This total includes Scope 1, Scope 2 (location-based), and Scope 3 emissions. Greenhouse gas emissions decreased by approximately 47% compared to the previous year. A large part of this decrease stems from the decline in production levels.

TürkTraktör’s Scope 2 emissions are reported separately on a location basis and a market basis. Location-based Scope 2 emissions, based on the amount of grid electricity consumed, were determined to be 8,700 tons of CO₂e. In

2025, all of the Ankara Factory’s 20,460 MWh of electricity consumption was covered by the Ankara rooftop SPP and the Sivas SPP, while of the Erenler Factory’s 10,880 MWh of electricity consumption, 5,138 MWh was supplied by the Erenler rooftop SPP and the remaining 5,743 MWh from I-REC certified renewable energy sources. Therefore, the greenhouse gas emissions associated with electricity consumption at these facilities were zeroed out in market-based calculations. The use of this contractual instrument (I-REC) brings TürkTraktör’s 2025 market-based Scope 2 emissions to 247 tons of CO₂e. No renewable energy certificates were obtained for the Akyurt Depot and İzmir Regional Office for 2025.

Greenhouse Gas Emissions (tons CO ₂ e)	2024	2025
Scope 1	10,884	9,888
Scope 2 (Location-Based)	13,907	8,700
Scope 2 (Market-Based)	273	247
Scope 3	10,175,290	5,340,311
Total (Location-Based)	10,200,081	5,358,899
Total (Market-Based)	10,186,448	5,350,446

In reporting Scope 3 emissions, all categories defined under the Greenhouse Gas Protocol were assessed, and only those categories with a meaningful environmental and financial impact on the company’s activities were included in the calculation. Category-based Scope 3 data are as follows:

Category-Based Scope 3 Emissions (tons CO ₂ e)	2024	2025
Category 1 - Purchased Goods and Services	815,255	556,711.6
Category 2 - Capital Goods	23,658.1	12,676.1
Category 3 - Fuel- and Energy-Related Activities	3,654.1	2,654.5
Category 4 - Upstream Transportation and Distribution	17,560.9	12,370.2
Category 5 - Waste Generated in Operations	144.7	39.0
Category 6 - Business Travel	703.2	574.2
Category 7 - Employee Commuting and Shuttle Services	2,498.9	2,122.7
Category 8* - Upstream Leased Assets	-	-
Category 9 - Downstream Transportation and Distribution	20,691.1	19,380.2
Category 10 - Processing of Sold Products	37.4	191.7
Category 11 - Use of Sold Products	9,289,930	4,729,708
Category 12 - End-of-Life Treatment of Sold Products	1,157.6	3,882.4
Category 13** - Downstream Leased Assets	-	-
Category 14* - Franchising	-	-
Category 15*** - Investments	-	-

Vulnerability to Physical Risks

TürkTraktör’s main production facilities are located in Ankara and Erenler. According to WRI Aqueduct data, the Ankara Factory is situated in an area with an “extremely high” water stress level, while the Erenler Factory is located in a region with a “low” water stress level. Within this context, the proportion of TürkTraktör’s facilities exposed to high water stress within its total main production facilities is 50%.

However, when assessing an asset’s vulnerability to physical risk, not only the level of exposure to the risk but also its sensitivity and adaptive capacity regarding that risk are taken into account. The water storage tanks at the Ankara and Erenler factories support production continuity in the event of water outages that could last approximately 8-10 days. In addition, the adaptive capacity of the facilities is being strengthened through water efficiency projects carried out in water-intensive processes, such as the paint lines at the Erenler Factory.

These measures reduce TürkTraktör’s vulnerability to water stress and water outage risks. Nevertheless, since the Ankara Factory is located in an area with an extremely high water stress level, the facility is assessed as remaining exposed to water stress risk. Considering the existing measures, vulnerability to water stress risk is assessed as limited; however, it has not been entirely eliminated, depending on changing climate conditions, the availability of water resources, and the duration of outages.

*As TürkTraktör has no activities under Category 8 (Upstream Leased Assets) or Category 14 (Franchises), emissions related to these categories were not included in the calculation.
**Under Category 13 (Downstream Leased Assets), the financial values of the leased assets were negligibly small for the purposes of the emissions calculation and were therefore excluded from the calculation.
***Under Category 15 (Investments), potential emissions arising from the company’s 6.1% stake in Agrovisio Tarım Bilişim Sanayi ve Ticaret Ltd. were excluded from the calculation for the period, as the 2025 materiality assessment determined that their share of total Scope 3 emissions was very low and below the materiality threshold.

Vulnerability to Transition Risks

TürkTraktör’s climate-related transition risks mainly stem from its product portfolio, energy use, and carbon-intensive raw materials. As a result of the assessments conducted, it is projected that with the entry into force of the Türkiye Emissions Trading System, potential price increases, particularly in energy- and carbon-intensive raw materials, may increase TürkTraktör’s procurement costs and operational expenses in the short and medium term.

The fact that a large portion of TürkTraktör’s direct purchases consists of energy- and carbon-intensive raw materials shows that the company is exposed to transition risks through its raw material costs. However, since not all of these raw materials will be affected by ETS costs to the same extent, and since data on supplier-based emission intensity and cost pass-through rates are not yet available in sufficient detail, the exact percentage of assets and activities vulnerable to transition risks cannot be calculated.

Based on available information, TürkTraktör is assessed as being vulnerable to a certain extent to increases in carbon-intensive raw material prices; however, the magnitude of this vulnerability may vary depending on suppliers’ position under the ETS, the degree to which costs are passed on to prices, alternative supply options, and the company’s cost mitigation actions.

Climate-Related Opportunities and the Ratio of Aligned Activities

Furthermore, the EUR 70 million loan agreement signed with the European Bank for Reconstruction and Development (EBRD) in July 2023 also supports TürkTraktör’s sustainability transformation. This loan strengthens TürkTraktör’s overall financing structure and offers significant financial flexibility for energy efficiency and carbon reduction projects, particularly SPP investments. The amount utilized in 2025 is tracked under the short- and long-term financial liabilities items in the financial statements.

In addition, in 2025 TürkTraktör made TL 858 million (2024: TL 1,071 million) in sustainability-focused R&D and innovation investments, and this amount represents a share of 80% of all R&D and innovation investments (2024: 79%). This ratio includes investments made in projects aimed at reducing carbon emissions, in particular the development of electric tractors, the development of tractors with Stage V emission levels, the development of autonomous agricultural machinery, and the use of recycled materials.

While the exact percentage of assets and activities aligned with opportunities cannot currently be calculated, this ratio is expected to increase in the coming period. TürkTraktör is committed to closely monitoring climate-related opportunities and continuously improving this ratio through new investments.

TSRS 2 Sector-Based Implementation Guide: Volume 50 – Industrial Machinery and Products *

Metric	2024 Data	2025 Data	Code
Total energy consumed (GJ)**	282,562	247,856	RT-IG-130a.1
Percentage of grid electricity (%)**	43%	34%	RT-IG-130a.1
Percentage of renewable energy (%)**	48%	46%	RT-IG-130a.1
For off-road equipment: Sales-weighted fuel efficiency (liters per hour)***	13.8	14.5	RT-IG-410a.2
For other off-road diesel engines: Sales-weighted nitrogen oxides (NOx) (kJ/g)****	-	-	RT-IG-410a.4
For other off-road diesel engines: Sales-weighted particulate matter (PM) emissions (kJ/g)****	-	-	RT-IG-410a.4

Operational Metric	2024 Data	2025 Data	Code
Number of tractors produced	43,611	25,833	RT-IG-000.A
Number of construction equipment produced	417	362	RT-IG-000.A
Number of employees	2,571	2,120	RT-IG-000.B

*Since the products sold by TürkTraktör do not include medium- and heavy-duty vehicles, stationary generators, marine diesel engines, locomotive diesel engines, or on-road medium- and heavy-duty engines, only the applicable metrics within Volume 50: Industrial Machinery and Products have been reported.

**The 2024 total energy consumption data have been updated to include fuel consumption other than electricity and natural gas.

***Calculated based on domestically produced and imported tractors sold in the domestic market. Construction machinery was excluded from the calculation due to its limited share of total products sold.

****Nitrogen oxides (NOx) and particulate matter (PM) emissions are below the limit values specified in the applicable mandatory regulations.

Climate-Related Targets

TürkTraktör has set its climate-related targets in line with the goal of becoming carbon neutral by 2050, within the scope of the Carbon Transition Program carried out by Koç Holding, one of its main shareholders. The targets entered into force with the approval of the Board of Directors and are monitored regularly. The Sustainability Center of Excellence is responsible for tracking progress toward the targets, and regular reports on progress are made to top management and the Board of Directors.

TürkTraktör is working toward the goal of reducing its Scope 1 and 2 emissions to net zero by 2050, and has set interim targets and milestones within this scope. Accordingly, the Company discloses its targets for 2030 and 2040 regarding absolute GHG emissions, energy efficiency, and the decarbonization of logistics operations. TürkTraktör’s emission reduction and carbon neutrality targets cover all greenhouse gases.

TürkTraktör’s climate-related targets are shaped in line with the Paris Agreement goal of limiting the global

temperature increase to 1.5°C and Türkiye’s 2053 net-zero emissions target. These targets are also aligned with TürkTraktör’s 2050 carbon-neutral commitment under the umbrella of Koç Holding.

Additionally, the target of reducing Scope 1 and Scope 2 GHG emissions by 42% by 2030 compared to the 2021 base year has been set in alignment with the Science Based Targets initiative (SBTi) guidelines. Since the process of setting a reduction target for Scope 3 emissions is still ongoing, the SBTi target validation

process was not completed on time, and as of 2025, TürkTraktör’s current SBT status has been updated as commitment withdrawal. As also discussed in the Strategy section of the report, due to TürkTraktör’s limited market demand and the slow pace of transition in policies and regulations, the work on reduction targets for Scope 3 emissions has not yet been completed, and the target-setting process is ongoing.

Target	Metric	Aim	Scope	Base Year / Period	Gross / Net	2024 Performance	2025 Performance
Carbon neutrality by 2050	Scope 1 and 2 emissions (tons CO ₂ e)	Absolute reduction	All operations (Scope 1 and 2)	-	Gross	24,791	18,588 (25% decrease compared to the previous year)
42% reduction of Scope 1 and 2 emissions by 2030	Scope 1 and 2 emissions (tons CO ₂ e)	Absolute reduction	All operations (Scope 1-2)	Base year: 2021	Gross	24,791 (25% decrease compared to the base year)	18,588 (44% decrease compared to the base year)
100% renewable electricity generation by 2026	Amount of renewable energy generated (MWh)	Reduction and adaptation	All operations	Monitoring since 2022	-	6,258	31,620 (405% increase compared to the previous year)
20% reduction in electricity consumption per product by 2030	Electricity consumption per product (MWh / equivalent product)	Intensity	All operations	Base year: 2019	-	0.8 (34% decrease compared to the base year)	1.1 (10% decrease compared to the base year)
Carbon neutrality of logistics operations by 2040	Emissions from logistics operations (tons CO ₂ e, Scope 3 Category 4 and Category 9)	Absolute reduction	Downstream and upstream logistics processes	-	Gross	38,252	31,750 (17% decrease compared to the previous year)
40% reduction in water consumption per product by 2030	Water consumption per product (m ³ / equivalent product)	Intensity	All operations	Base year: 2019	-	2.4 (45% decrease compared to the base year)	4.3 (5% decrease compared to the base year)

TürkTraktör monitors its performance annually with respect to its climate-related targets and analyzes the progress made. The data for 2024 and 2025 show that performance toward the targets is monitored regularly and that significant progress has been achieved across different indicators.

Scope 1 and 2 emissions decreased by 25% in 2024 compared to the 2021 base year, and this rate reached 44% in 2025. Thus, as of 2025, TürkTraktör has exceeded its target of a 42% reduction in Scope 1 and 2 emissions by 2030. However, one of the most significant reasons for this decrease is the reduced production volume in 2025; therefore, total Scope 1 and 2 emissions may rise somewhat in the coming years as production increases. Nevertheless, TürkTraktör plans to continue its projects on energy efficiency, renewable energy, and the electrification of production lines in order to achieve its 2030 target.

On the renewable energy generation side, with the contribution of the additional investments commissioned in 2025, the amount of renewable energy generated increased significantly compared to the previous year, reaching 31,620 MWh. In addition, emissions from logistics operations decreased by 17% compared to the previous year, amounting to 31,750 tons of CO₂e.

TürkTraktör’s water performance is also tracked among its climate-related targets, under the Impact Responsibly in Operations and Products focus area of the company’s Future Impact strategy. In line with the company’s target of reducing water consumption per product by the beginning of 2030 compared to the 2019 base year, the 2024 performance was recorded as 2.4, representing a 45% reduction from the base year. In 2025, water consumption per product was 4.3 m³/equivalent product, representing a 5% reduction compared to the base year. The decrease in production volumes in 2025 led to a decline in water efficiency.

The electricity consumption per product indicator, which stood at a 34% reduction level in 2024 compared to the 2019 base year, was realized at a 10% reduction level in 2025 due to the decrease in total production. TürkTraktör aims to reach its 2030 targets by continuing its efforts to increase energy efficiency.

In its projects aimed at reaching its targets, TürkTraktör makes decisions by taking into account financial return rates, GHG reduction quantities, and financial savings. Although an internal carbon pricing mechanism has not yet been implemented, practices such as shadow pricing are planned to be evaluated in the upcoming period.

To meet its net GHG emission targets, TürkTraktör primarily focuses on direct GHG emission reductions. Within this scope, energy efficiency projects, renewable energy investments, and low-carbon product development activities are carried out across operational processes and continuously improved. As of the 2024 reporting period, TürkTraktör has not used any carbon credits, nor has any planning been made for the use of carbon credits in reaching future targets. The company’s emission reduction approach is based primarily on reducing GHG emissions through direct mitigation projects carried out under its own operational control.

Events After the Reporting Period

No event, development, or circumstance that could have a material impact on TürkTraktör’s financial position and operating results occurred after the relevant reporting period.

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2025 SUSTAINABILITY REPORT