



SHAPE TODAY
FOR TOMORROW



Stronger Together

2025
Integrated Annual
Report



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You can access
our previous
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Stronger Together

We believe that being stronger together enables us to achieve more, and with this understanding, we continue to produce, grow, and expand our impact.

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Introduction and About the Report

As one of Türkiye's and the world's leading manufacturers of building materials, we are pleased to share our 2025 Integrated Annual Report with our valued stakeholders. Covering the period from January 1 to December 31, 2025, this report presents a comprehensive overview of our financial and operational performance, strategic priorities, growth vision, and long-term value creation approach throughout the year.

This report has been prepared in line with the theme "Stronger Together", which we defined as our thematic framework for 2025. Our collaborative approach reflects the strengthened organizational structure we have built by working in alignment with our stakeholders, teams, and business partners, as well as our deepening value chain and our strategic progress aligned with long-term sustainability goals. The report outlines our value creation model from a broad perspective, covering governance, environmental and social responsibilities, current and potential risks and opportunities, as well as circular economy practices and innovative initiatives.

In 2025, with the full integration of Mannok Holdings DAC (Mannok) operations, we have not only strengthened our geographical footprint but also expanded our product portfolio to cover a broader value spectrum, including cement-based products, building materials, insulation materials, and recycled plastic packaging production. In this context, selected operational outputs for the period January 1 to December 31, 2025, for all production facilities related to these business lines have been included in the report.

This report reflects a comprehensive and transparent assessment of Çimsa's activities, ongoing investments, and international operations throughout 2025. In this context, our report provides a detailed overview of our global production and logistics network, which extends from 4 production facilities, 1 R&D center, and more than 30 ready-mix concrete stations in Türkiye to 1 production facility in Buñol, Spain; 1 integrated cement plant in Ireland; our production facilities operating in insulation, packaging, and other business lines; 2 grinding facilities in the United States; our terminals in Germany, Italy, Spain, and the Turkish Republic of Northern Cyprus (TRNC); and the Sabancı Technology Center located in Germany.

In preparing our 2025 Integrated Annual Report, we have adopted the IFRS Foundation's Integrated Reporting Framework (<IR> Framework) and the GRI Standards, as a member of the IFRS Foundation's Sustainability Alliance and a founding member of the Integrated Reporting Türkiye Network (ERTA).

Additionally, the principles and approaches established by the Global Cement and Concrete Association (GCCA) under the World Business Council for Sustainable Development (WBCSD) have been taken into consideration in the preparation of this report. During the content development process, guidance from the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP) Climate Change and Water Programs, and LSEG Data & Analytics valuation methodologies were utilized. The report also comprehensively addresses contributions to the United Nations Sustainable Development Goals.

In line with the announcement published by the Public Oversight Authority on November 23, 2023, and the "The Practical Guide on Financial Reporting in Hyperinflationary Economies", the consolidated financial statements for the year ended December 31, 2025, along with the comparative financial information, have been prepared in accordance with Turkish Accounting Standard (TAS) 29 "Financial Reporting in Hyperinflationary Economies." Unless otherwise stated, all financial impacts presented in the report have been adjusted for inflation accounting.

The report has been prepared in compliance with the minimum requirements for activity reporting set forth by the Turkish Commercial Code (TCC) and the Capital Markets Law (CMB). It has been reviewed within the scope of an independent audit conducted by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.; reasonable assurance has been provided for financial information, while limited assurance has been provided for selected non-financial information as specified in the limited assurance report.

The audited non-financial data for 2025 are clearly indicated in the performance tables included in the annex section. Within this framework, utmost care has been taken to prevent the risk of "greenwashing" and to avoid any misleading perceptions in the field of sustainability; transparency, comparability, and reliability of information have been adopted as fundamental principles.

In our 2025 Integrated Annual Report, while continuing our growth strategy in the markets where we operate at both global and national levels, our efforts carried out in line with our objective of being an active contributor to the transformation of the building materials sector are addressed under five main sections, structured around our "Stronger Together" approach.

In the section **"Strategic Value Creation Together"**, our value creation model reflecting the Company's long-term approach to value creation, along with our priority sustainability topics, stakeholder engagement approach, and evaluations of the economic and sectoral environment in which we operate, are presented from a holistic perspective. This section also includes initiatives and collaborations supported in the field of sustainability.

In the section **"Managing Together"**, the Company's corporate governance structure, decision-making processes, and the roles and responsibilities of governing bodies are summarized. Corporate risk management, ethics and compliance practices, and mechanisms for combating bribery and corruption are addressed together with regulatory compliance, internal control, and business continuity processes.

In the section **"Stronger Together for the Planet"**, our efforts regarding climate action, energy efficiency and the use of renewable resources, as well as circular economy practices and initiatives aimed at protecting waste, water, air, and biodiversity, are summarized from a perspective that supports sustainable growth.

In the section **"Stronger Together Through Innovation and Technology"**, a comprehensive overview is provided of our R&D and innovation-focused activities, the progress we have made in our digital transformation journey, applications that enhance customer experience and engagement, highlights from our sustainable and value-added product portfolio, and our sustainable supply chain approach.

In the section **"Stronger Together as an Organization"**, we present our people-centric practices, training and development programs that support competency development, initiatives implemented in alignment with next-generation working models, and our occupational health and safety performance. Our social responsibility efforts and activities focused on social impact are also summarized within this section.

 You can access our report on the Sustainability section at www.cimsa.com.tr/en/

Message from the Chair of the Board



Umut Zenar
Chair

“ We continue to pursue our growth strategy not only on a global scale but also with determination in the region where we were born and draw our strength. With the investments we have implemented and continue to carry out in Türkiye, we maintain our position of Türkiye not just as a strong production hub, but as one of the key pillars of our strategic growth journey. ”

Dear Stakeholders,

The year 2025 marked a period in which Çimsa took strong steps on its strategic journey and reflected its focus on sustainable value creation consistently across all processes. With our globally diversified and balanced portfolio, we maintained our financial resilience during this period of ongoing uncertainty, while steadily upholding our disciplined, data-driven decision-making approach and investment culture in human capital. Thanks to this holistic approach, we strengthened our stance against short-term fluctuations while continuing to focus on our long-term growth objectives.

This year also reinforced Çimsa’s commitment to collective intelligence, robust governance, and shared responsibility. Our organization, operating across different geographies, moved in alignment with common strategic objectives, enhancing our capacity to create sustainable value. Decisions made collectively under the motto “**Stronger Together**” across all regions where we operate further amplified the impact we generate through shared experiences, mutually reinforcing competencies, and inclusive leadership practices. In building the future Çimsa, we focused not only on growth but also on creating sustainable and responsible value, leveraging our strong financial structure, global footprint, and the contributions of our people.

Globally rising protectionist tendencies and geopolitical uncertainties caused fluctuations in the economic outlook throughout the year. In this environment, the building materials sector operated under low-demand predictability, cost pressures, and the growing influence of global regulations. This complex environment made scale, efficiency, and financial strength key determinants in our industry, while sustainability-focused business models evolved from a choice into a fundamental component of competitive advantage.

Despite challenging market conditions, Çimsa maintained strong financial performance in 2025 thanks to operational flexibility, an expanding global footprint, an enriched product portfolio, and a disciplined capital allocation approach.

In 2025, Çimsa continued to strengthen its global footprint and enhance operational capabilities through its ongoing investments. With the grey cement grinding facility we commissioned in the United States in the last quarter of 2025, we complemented our strong position in white cement production in North America with grey cement, thereby reinforcing our local production capacity in the region. This step strategically expanded our global production footprint while strengthening our competitive advantage in customer proximity and supply continuity through on-site production capabilities.

We continue to pursue our growth strategy not only on a global scale but also with determination in the region where we were born and draw our strength. In 2025, we progressed further with our Calcium Aluminate Cement investment for which we made a second capacity expansion decision. While commissioning renewable energy investments, which are an essential component of operational efficiency and support our sustainability targets, we also added the Kratos brand to our portfolio, enhancing our sustainable and innovative customer solutions and enriching our product offerings.

With the investments we have implemented and continue to carry out in Türkiye, we maintain our position of Türkiye not only as a strong production hub but also as one of the key pillars of our strategic growth journey.

Our international investments and capacity expansion initiatives built on this solid foundation are tangible results of our Board of Directors’ balanced growth and effective risk management approach. The Europe-focused growth initiative we began with the Buñol Production Facility in Spain was further strengthened with the Mannok investment, significantly expanding our presence in high value-added and complementary solution areas across the building materials value chain.

Today, Çimsa possesses a strong and integrated production capability spanning over half a century in grey and white cement as well as calcium aluminate cement. With the inclusion of Mannok in our portfolio, we have expanded into aerated concrete, precast, insulation solutions, and sustainable plastic packaging, creating a rich and robust materials technology ecosystem. This structure allows us to operate with a multi-segment, balanced business model that generates value across different stages of the value chain. Our position as the world’s second-largest player in white cement and among the top three globally in calcium aluminate cement is a tangible demonstration of our strong and lasting presence in international markets.

With our approach that addresses energy, technology, and digitalization on the same strategic axis, we adopt low-carbon production and a scalable business model across all our locations. Thanks to this holistic structure, we increased our long-term sustainable competitiveness while the positive effects of our strategic investments were clearly reflected in both our financial and operational results in 2025.

In this context, we support our technical investments with sustainable financing solutions developed together with our stakeholders. Following the collaboration with the European Bank for Reconstruction and Development (EBRD) for our Eskişehir Production Facility, which was the first financing provided to a cement company in Türkiye, we signed a new financing agreement worth EUR 50 million in 2025 as part of the decarbonization program implemented at our Mersin Production Facility.

Our sustainability approach has also been recognized by international assessment platforms. Çimsa was included on the A List for “Climate Change” and “Water Security” categories under CDP and achieved the best performance within the Turkish cement sector with a 20.7 ESG Risk Rating from Morningstar Sustainability.

At the core of Çimsa’s success is our people-focused corporate culture and management approach, which places sustainability at the center of all decision-making processes. In addition to efforts in employee health and safety, talent development, and social inclusivity, our holistic approach covering climate action, resource efficiency, circular economy, and biodiversity creates a strategic framework that strengthens both the resilience and competitiveness of our business.

As the Board of Directors, our priority is to maintain a governance approach that balances growth with risk management, adheres strictly to capital discipline, and ensures sustainable returns.

With the “**Stronger Together**” approach, we will continue to create value together with our colleagues and stakeholders and build the Çimsa of the future together.

I sincerely thank all our colleagues who contributed to this process and our stakeholders who supported us with their trust.

Respectfully,

Message from CFO



Mustafa Aydın
CFO

“In 2025, we made our access to sustainable and green financing one of the key enablers of our transformation investments. The EUR 50 million green financing provided by the European Bank for Reconstruction and Development (EBRD) enabled the implementation of the decarbonization program and emission reduction investments at our Mersin production facility.”

Dear Stakeholders,

The year 2025 was one in which global economic fluctuations, rising geopolitical risks, and increasingly restrictive trade policies directly shaped the business world. Tight financial conditions and a high-uncertainty environment reshaped companies' decision-making processes and operational priorities. This has led companies to adopt a more disciplined approach not only in cost management but also in capital allocation, risk management, and redefining their operational priorities.

In the United States, the strengthening of protectionist trade policies and the increase in additional import tariffs led to shifts in global trade flows and tendencies toward restructuring supply chains. Ongoing competition with China in technology, energy transition equipment, and strategic raw materials accelerated the diversification of production networks and regionalization trends. While this transformation created short-term cost pressures, it also compelled companies to take long-term, strategic steps to enhance operational resilience.

Meanwhile, the gradual easing of interest rates in the United States and the European Union, along with relatively stable energy prices, limited cost pressures, while green-transition-focused industrial policies became a key determinant of investment decisions. Incentives in clean technology, energy efficiency, and low-carbon production became important levers that redefined competitive advantage for industrial companies.

In Türkiye, export-oriented growth strategies and access to alternative markets came to the forefront. Tight monetary policies and steps to strengthen financial stability, implemented as part of inflation control measures, helped stabilize economic expectations in the final period of the year. Within this framework, policies aimed at enhancing industrial competitiveness, supporting efficiency-focused investments, and strengthening the foundation for sustainable growth remained a priority.

Our Strategic Direction: Implementing Transformation

In an environment defined by uncertainty and tight financial conditions, Çimsa concluded a year in which we advanced our strategy “Cement to Material Technologies, Local to Global, Grey to Green.” Together with our colleagues, we executed projects that further strengthened our performance and impact. In addition to the strategic transformation we began laying the foundations for investments initiated in previous years, the investments we made in initiatives supporting the transition to a low-carbon economy started to yield visible results in our operational outcomes and organizational agility in 2025.

Through this journey, guided by the “Stronger Together” approach, we take pride in steadily increasing the lasting value we create for our stakeholders, society, and the environment across our expanding global operations.

Deepening Our Global Footprint with Strength from Local Roots

We view the strengthening of our production infrastructure in Türkiye and our capabilities in high value-added products as the foundation of our global growth strategy. With the ongoing fifth kiln investment at our Mersin production facility, we are advancing our leadership in the field of Calcium Aluminate Cement (CAC), aiming to respond to growing demand with higher capacity, flexibility, and operational efficiency. We position Türkiye not only as a production hub but also as a center of excellence specializing in advanced material technologies.

As part of our goal to deepen our product portfolio, the integration of Kratos-branded advanced technology fiber solutions into Afyon Çimento represented a significant milestone. This step complements our strong position in white cement and CAC, enabling us to develop solutions that combine both performance and sustainability. In addition to product-based growth, this allowed us to progress in solution-oriented growth.

The grey cement grinding facility we commissioned in Houston, USA, in the last quarter of 2025, with an annual capacity of 600,000 tons, created a complementary production structure together with our existing white cement facility, strengthening our presence in the American market on a more resilient and competitive footing. As the first and only Turkish cement producer with on-site production capability in the United States, this investment stands as a tangible demonstration of our commitment to creating lasting global value.

As of 2025, we successfully completed operational and cultural integration with Mannok, a key component of our growth journey in Europe. This model, which preserves local management authority while operating in an integrated manner toward common goals, strengthened our position in the United Kingdom and Ireland, while enhancing our organizational agility and regional competitiveness.

Maintaining Our Financial Resilience and Balanced Growth

Today, Çimsa operates as a leaner, more integrated, and globally competitive organization. We support this transformation not only through strong operational performance but also with disciplined financial management. Our accelerating international expansion in recent years has been a strategic factor in balancing our financial structure amid increased global uncertainties in 2025.

We implemented our overseas operations and new investments within a framework of strong cash generation, controlled leverage, disciplined capital management, and a solid risk-return balance. While prioritizing growth, we maintained balance sheet resilience and liquidity as key reference points. The strong performance of Mannok, along with the growth potential created by the grey cement grinding facility we commissioned in the United States, reflects the tangible results of this balanced approach.

Our increasing sales volumes and the organic and inorganic growth achieved in export markets demonstrate that our long-term strategic initiatives successfully translated into operational results. Supported by revenue diversity across geographies and a disciplined financial framework, we continue to manage growth alongside financial strength.

With the support of our sustainability-focused investments and green financing sources, we maintained a strong connection between financial performance and environmental targets in 2025. We closed the year with approximately TL 45.9 billion in revenue and TL 8.2 billion in EBITDA, excluding one-off impacts, achieving real growth compared to the previous year in both revenue and EBITDA. During this period of continued growth investments, our strong operational profitability and disciplined working capital management allowed us to improve our financial leverage ratio, sustainability preserving the financial flexibility that supports our growth and transformation journey.

Message from CFO

Strengthened Sustainability Performance through Green Financing and Energy Transition

In 2025, our access to sustainable and green financing became a key enabler of our transformation investments. The EUR 50 million green financing provided by the European Bank for Reconstruction and Development (EBRD) enabled the implementation of decarbonization programs and emission reduction investments at our Mersin production facility.

At the same time, we completed our renewable energy and energy efficiency investments. Following the Afyon and Buñol Solar Power Plants (SPP) and the installation of a 14.2 MWp DC solar power system and a 5.5 MW waste heat recovery (WHR) system became operational at our Eskişehir facility in 2025. These investments enabled us to transform energy into production processes in a more environmentally friendly manner while directly reducing costs and supporting low-carbon production targets.

Our European operations have continued to be one of the key areas for implementing our transformation efforts. At the Mannok facilities, the FuelFlex® Pyrolyzer technology that was put into operation has increased the use of alternative fuels to approximately 70%, while at our Buñol Production Facility, we have achieved significant progress in feasibility and preparatory studies for hydrogen feeding systems.

We view the point we have reached today as a solid foundation for moving to the next technological steps in our net-zero journey. Within this scope, we have begun feasibility and technical assessment studies in advanced technologies such as carbon capture, utilization, and storage (CCUS), continuing to work on long-term solutions for emissions where direct reduction is not possible.

This approach, which addresses energy, fuel, and technology investments in a holistic framework, has made the circular economy an integral part of the way we operate, while also maintaining our determination to transition our product portfolio to low-carbon products.

Strengthened Governance and Decision-Making through Digitalization

We approach digitalization not merely as a tool for operational efficiency, but as a fundamental building block that strengthens corporate governance. Thanks to our SAP S/4HANA transformation, we are now able to monitor financial and operational data on a single integrated platform. This structure enhances the accuracy and speed of our decision-making processes through faster closing cycles, stronger internal control mechanisms, and real-time performance tracking. In line with our digital transformation strategy, we systematically strengthen agility and decision quality by effectively leveraging AI-powered analytics solutions in both our operational processes and management decisions.

“Centered on People and Ecosystems through ‘Stronger Together’”

We approach sustainable value creation as going beyond mere economic performance. With our human-centered approach, we prioritize employee development, occupational health and safety, and equal opportunities among our corporate priorities. Through the Smart Academy implemented at our Mersin Production Facility, we have transformed occupational health and safety into a technology-supported learning model.

We consider the preservation of biodiversity as a long-term strategic priority, extending our environmental responsibility beyond emissions and resource management. With the Biodiversity Management Plan applied at our Eskişehir Production Facility, we aim to make our nature-compatible production approach permanent in line with our 2030 and 2050 targets.

Today, Çimsa continues its journey with a vision that combines over 50 years of industry experience with advanced materials technologies on a global scale. While maintaining our approach as a reliable partner for our stakeholders, we will continue to grow in all regions where we operate, guided by an integrated and sustainable value perspective.

I would like to thank all my colleagues, business partners, and stakeholders who contributed to this journey.

Respectfully,



2025 Highlights



ESG RATINGS

	Çimsa reports its climate change and water management performance through CDP and, as in 2024, achieved A scores in the CDP Climate Change and Water Security categories in 2025. Additionally, Çimsa maintained an A score in the CDP Supply Chain Management category in 2025.
On the international EcoVadis platform, which evaluates corporate sustainability performance, Çimsa ranked in the top 15% in 2025, earning the Silver category.	
	
	FTSE4Good Çimsa continued its inclusion in the FTSE4Good Emerging Markets Index, which it joined in July 2024.
As the first cement company listed in the BIST 25 Sustainability Index, Çimsa achieved a score of 84 out of 100 in the LSEG rating, ranking 4th among 135 building materials companies.	
	
	Çimsa was included in the Equileap Gender Equality Rating, which evaluates corporate policies and practices on gender equality and diversity globally.
According to Morningstar Sustainability, Çimsa's ESG Risk Score was 20.7 (Medium Risk), marking the best performance in the Turkish cement sector and demonstrating the effectiveness of our sustainability approach and risk management capabilities.	
	

AWARDS AND ACHIEVEMENTS

Our awards and achievements in 2025 reflect our people-centered corporate culture, our sustainability and green transformation approach, our focus on talent and leadership development, and our work in corporate governance and reporting, recognized both nationally and internationally.

	Received the third-place award in the 'Adding Value to OHS through Digital Solutions' category at the ÇEİS OHS Value Awards Program in 2025.		At the Stevie International Business Awards 2025, Çimsa was honored with a Bronze Award in the "Best Annual Report – Private Companies" category.
At the 7 th Export Champions Awards, organized by the Cement, Glass, Ceramics, and Soil Products Exporters' Association, Çimsa received four awards in 2025.			Çimsa won a Gold Award in the "Integrated Presentation" category at the 2025 International Annual Report Design Awards (IADA).
	In 2025, Çimsa won first place in the "CAC / Economy Category" at the Future Investment Awards 2024, organized by Türkiye İMSAD.		Çimsa won the "Best Integrated Annual Report" award at the Integrated Reporting Awards Ceremony 2025, organized by the Integrated Reporting Association Türkiye.
The Çimsa Sailing Club Women Athletes received the 40 th Anniversary Admiral's Cup Special Award.			Çimsa won the "Acquisition Finance Deal of the Year" award at the 2025 Global Banking & Markets Awards, organized by Global Banking & Markets.
	At the Brandon Hall Awards 2025, Çimsa received 5 Gold, 4 Silver, and 5 Bronze awards.		At The Hammers Awards 2025, Çimsa won two Silver Awards in the "Best Marketing Team in B2B" category with two different products.

About Çimsa

2,000+
Number of
Employees

Exports
Reach Nearly
80
Countries

8¹
Production Facilities

29
Companies

¹In the cement business line, 6 integrated cement plants and 2 grinding facilities

Founded in Mersin in 1972, Çimsa operates in the building materials sector today, drawing on the strong corporate heritage of the Sabancı Group and holding a leading position among Türkiye's industrial companies. Combining over half a century of experience with a global growth vision, Çimsa creates sustainable value in the markets where it operates through its strategic focus, disciplined investment approach, and operational capabilities.

With four production facilities located in Mersin, Eskişehir, and Afyonkarahisar, Çimsa offers a diverse product portfolio in the building materials space, primarily including grey cement, white cement, and calcium aluminate cement (CAC). The integration of Mannok has further strengthened the product portfolio in terms of diversity. Innovative solutions added to the portfolio, building systems, and recycled plastic packaging products, together with Kratos construction solutions developed under Afyon Cement, further expand and complement this portfolio.

As one of the world's leading brands in white cement, Çimsa also ranks among the top three global producers of CAC. These areas of expertise form the technical backbone of the Company's building materials portfolio.

Çimsa's international operations are carried out through its Netherlands-based subsidiary, Çimsa Building Solutions B.V. (CBS B.V.). Within CBS B.V., a widespread and agile operational network is managed across Europe and the Americas through Mannok (Ireland) cement, cement-based products, and insulation materials; recycled plastic packaging production; the white cement production facility in Valencia (Spain); grinding facilities in Houston (USA) and Hamburg (Germany); and terminals in Trieste (Italy) and Seville (Spain).

In line with Sabancı Holding's new management model, under the Strategic Investments and Operations Presidency, the management approach focuses on strengthening portfolio focus and executing transformation projects with speed and discipline. As part of its growth strategy on the American continent, the Houston grey grinding facility commissioned in the final quarter of 2025 through its subsidiary Çimsa Americas Cement Manufacturing and Sales Corporation has increased regional supply capacity and operational flexibility.

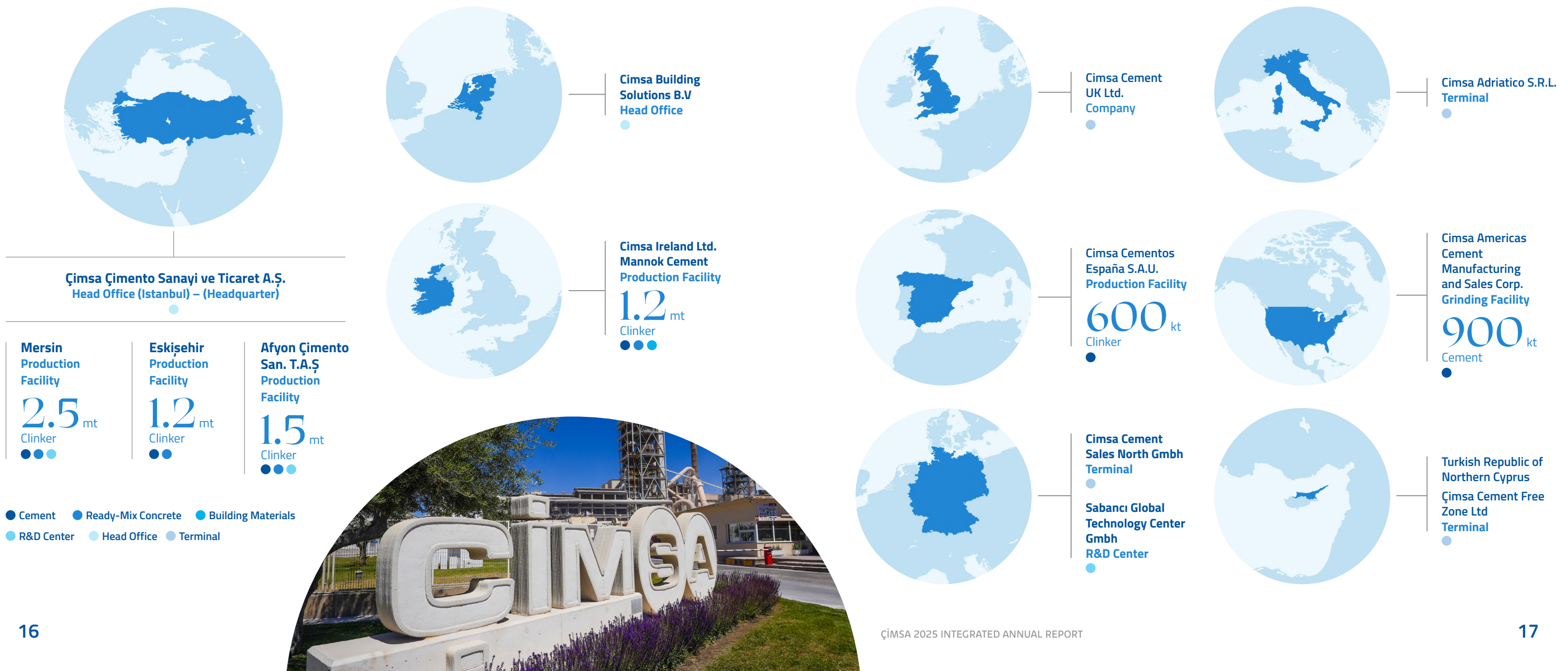
Innovation and R&D capabilities are among the key pillars of Çimsa's long-term competitive advantage. The Mersin Production Facility the only integrated facility in the world capable of producing grey cement, white cement, and CAC leads the

development of next-generation products and processes, together with its Ministry of Industry and Technology approved R&D Center (Formülhane). The Sabancı Technology Center in Germany further contributes to the global expansion of R&D capabilities through academic and industrial collaborations across Europe.

Çimsa continues to transform its building materials portfolio through innovative products and technologies, reducing environmental impacts with projects focused on resource efficiency, circular economy, and operational excellence. Leveraging its flexible production structure and extensive distribution network, the Company delivers reliable, fast, and sustainable solutions to its customers, while contributing to the construction of resilient cities, infrastructure, and living spaces.

As Çimsa advances into its second century, it is committed to further strengthening its portfolio and implementing transformation projects with determination and discipline, guided by a governance approach built on agility, collective intelligence, and shared responsibility. In line with this vision and strategic framework, Çimsa continues to create long-term, integrated, and sustainable value across all geographies in which it operates.

[Click here for Çimsa's missions and vision.](#)



About Çimsa

GLOBAL STRUCTURE

Cimsa Building Solutions B.V.

In line with Sabancı Group's goal to lead the global building materials sector, Cimsa Building Solutions B.V. was established in the Netherlands in 2020 to combine Sabancı Holding's strong financial structure with Çimsa's operational expertise.

Under this structure, Çimsa's international subsidiaries, including Cimsa Cementos España S.A.U., Cimsa Americas Cement Manufacturing and Sales Corporation, Cimsa UK Ltd, Cimsa Ireland Ltd, Cimsa Cement Sales North GmbH, Sabancı Global Technology Center GmbH, and Cimsa Adriatico S.R.L., have been brought together, centralizing the company's building materials investments outside Türkiye under a single umbrella.

Cimsa Cementos España S.A.U. (Spain)

Since 1996, Çimsa has directly served the white cement market in Spain through its terminal in Seville with a capacity of 5,000 tons. White cement produced at the Mersin Production Facility is shipped in bulk via sea to the Port of Seville and stored in silos owned by Cementos.

Buñol, one of Europe's leading white cement production facilities, operates both through domestic sales and exports of cement sourced from Türkiye, serving more than 65 countries in the Spanish market.

Cimsa Ireland Limited (Republic of Ireland)

Established in July 2024, Cimsa Ireland Limited is a 100% subsidiary of Cimsa Building Solutions B.V. As of October 1, 2024, 94.7% of the shares of Mannok Holdings DAC, based in Ireland, were incorporated into Cimsa Ireland Limited.

Mannok Holdings DAC

Mannok, with over 50 years of experience, has a strong position in its markets, offering a portfolio of cement, ready-mix concrete, extensive building materials such as precast, aerated concrete, roofing, and insulation, and recycled packaging production.

Mannok is the only aerated concrete block producer in Ireland with an annual capacity of 9.5 million units. In its precast operations, it provides integrated production, installation, and maintenance services with an annual capacity of 145,000 m² of concrete panels and 1,200 m³ of staircases and landings.

In the insulation segment, Mannok produces rigid foam insulation boards with an annual capacity of 800,000 m³ and expanded polystyrene insulation products with a capacity of 40,000 m³, offering a wide range of applications. In roofing, it produces 12 million concrete roof and ridge tiles annually, providing durable and aesthetic solutions in various colors and textures.

In the recyclable packaging segment, Mannok supplies major retailers and food manufacturers in the United Kingdom with an annual capacity of 14,000 tons of thermoformed products.

With Mannok joining Çimsa, our product diversity has significantly expanded, adding building materials and recycled packaging production to our portfolio. This diversification strengthens both our range of operations and our position in the global market.

Cimsa Americas Cement Manufacturing and Sales Corp. (USA)

Cimsa Americas Cement Manufacturing and Sales Corp. was established in the United States in 2017 to operate in cement production, sales, and marketing in the North American market. Çimsa participated as the 100% founding shareholder.

At the facility, white clinker sourced from Türkiye is ground and supplied to the market as bulk and bagged white cement products according to customer demand. With the investment completed on October 13, 2025, a grey cement grinding facility in Houston was commissioned, giving Çimsa its second production facility in the United States. The investment, approximately USD 82 million, created an integrated production structure complementing existing white cement operations with an annual grinding capacity of 600,000 ton of grey clinker. Local production capability improved logistics efficiency and increased flexibility in customer service.

 Detailed information about this investment can be found in the "Customer Satisfaction and Experience Management" section.

Cimsa Cement Sales North GmbH (Germany)

Cimsa Cement Sales North GmbH, one of Çimsa's well-established and strategic structures in the European market, was founded in 2000 in partnership with Cement Terminals North GmbH. In 2014, Çimsa acquired all shares, making it a 100% subsidiary. The company conducts marketing activities for white cement and calcium aluminate cement (CAC) in Northern and Western Europe, playing a key role in providing direct access to Çimsa's high value-added products in the European market.

Headquartered in Hamburg, Germany, the company operates under a terminal-based model with a bulk cement silo capacity of 9,000 ton. Alongside its administrative and sales office in Hamburg, and bagged product warehouses and transfer facilities located in Germany and the Netherlands, it has established an efficient logistics and distribution network across Europe.

Cimsa Adriatico S.R.L. (Italy)

To strengthen its white cement sales and distribution network in Europe, Çimsa acquired a majority share in Medcon Company on February 9, 2010, becoming the 70% owner of a terminal at the Port of Trieste with four silos, each with a capacity of 5,000 ton.

Following the acquisition, the company name was changed to Cimsa Adriatico S.R.L. on April 26, 2010.

The terminal at the Port of Trieste allows direct access to the Italian market, the third largest consumer of white cement in Europe, after Spain and Germany. Its strategic location enables sales not only to Northern Italy but also to Austria and the developing markets of Slovenia, Croatia, and Bosnia and Herzegovina, establishing an effective distribution and supply structure in Southern and Central Europe.

Çimsa Cement Free Zone Ltd. (TRNC)

Çimsa has been operating in the cement market of the Turkish Republic of Northern Cyprus (TRNC) since 2005 through a terminal located in the Gazimağusa Free Port and Zone. The terminal has a bulk grey cement storage capacity of 5,000 ton, allowing fast and reliable service to meet local customer needs.

Thanks to its strategic location in the Gazimağusa Free Port, Çimsa Cement Free Zone Ltd. is positioned as a reliable supplier in the TRNC market. High product quality and consistent service have enabled long-term customer relationships. This terminal-based structure serves as a key operational point supporting Çimsa's sales and distribution network in the Eastern Mediterranean region.

Cimsa Cement UK Ltd. (United Kingdom)

Established in July 2023, Cimsa Cement UK Ltd. is a 100% subsidiary of Cimsa Building Solutions B.V.

Sabancı Technology Center (Germany)

Sabancı Technology Center was established to support Sabancı Group's vision of achieving a strong and leading position in the global building materials sector. Sabancı Global Technology Center GmbH, a 100% subsidiary of Cimsa Building Solutions B.V., has been operating in Munich, Germany, since October 2022. Located on the campus of the Technical University of Munich, the center conducts research and development in the building materials field, primarily focusing on calcium aluminate cements (CAC). Projects concentrate on new-generation products, processes, and innovative technologies.



 Mannok - Cement Production Facility

About Çimsa

OUR PRODUCTION FACILITIES

Cement

Mersin Production Facility

At the Mersin Production Facility, grey clinker/cement, white clinker/cement, and calcium aluminate cement (CAC) are produced across a total of seven production lines. The facility has an annual production capacity of 2.9 million ton, including 1.1 million ton of white cement and 131,000 ton of calcium aluminate cement (CAC).

Mannok Production Facility

The Mannok Production Facility has an annual grey cement production capacity of 1.2 million ton and demonstrates performance above the European Union average through high alternative fuel utilization.

Eskişehir Production Facility

The Eskişehir Production Facility has an annual production capacity of 750,000 ton of white cement and 1.45 million ton of grey cement.

Americas Grinding Facility

In addition to an annual white cement grinding capacity of 300,000 ton, a 600,000 ton grey cement grinding capacity was added in 2025, strengthening our local production capability in the region.

Afyon Production Facility

Equipped with modern technologies, the Afyon Production Facility has an annual grey cement production capacity of 2.1 million ton. As of 2025, under Sabancı Holding's Materials Technologies Group, Çimsa continues to operate Kratos construction solutions, a business unit of the Afyon Production Facility, with global sales extending to more than 80 countries.

Building Materials

Mannok Holdings DAC

With over 50 years of experience in building materials production, Mannok Holdings DAC operates through facilities producing precast concrete, aerated concrete, roofing materials, insulation, and recyclable packaging.

Buñol Production Facility

The Buñol Production Facility, with an annual white cement production capacity of 750,000 ton, is one of Europe's leading production sites. In addition to serving the Spanish market, it exports to more than 65 countries across Europe, Africa, and the Americas.

Ready-Mix Concrete

Ready-Mix Concrete Stations

Çimsa Ready-Mix Concrete began production in 1988 with the Zeytinli Ready-Mix Concrete Station in Adana and now operates a broad distribution network with more than 30 ready-mix concrete stations. Çimsa closely follows technological and scientific developments, offering customers these innovations through new products, advanced machinery, and value-added services.

Strategic Value Creation Together

Through the strong partnerships we build with our stakeholders, we create strategic value alongside sustainable value, aligned with our global operations and priorities.

In This Section

- 24 Business Model and Strategy
- 26 Çimsa Value Chain
- 28 Value Creation Model
- 30 Sustainability Management and Strategy



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Business Model and Strategy

Çimsa's strategic transformation journey is built on a holistic vision that spans from cement to building materials, from local to global, and from grey to green. Guided by our "Transformation" vision, we place sustainability at the center of our operations, aiming to create lasting economic and social value for our stakeholders by effectively managing risks and opportunities. Through our strategic business model, we focus on maximizing value and optimizing costs across all processes.

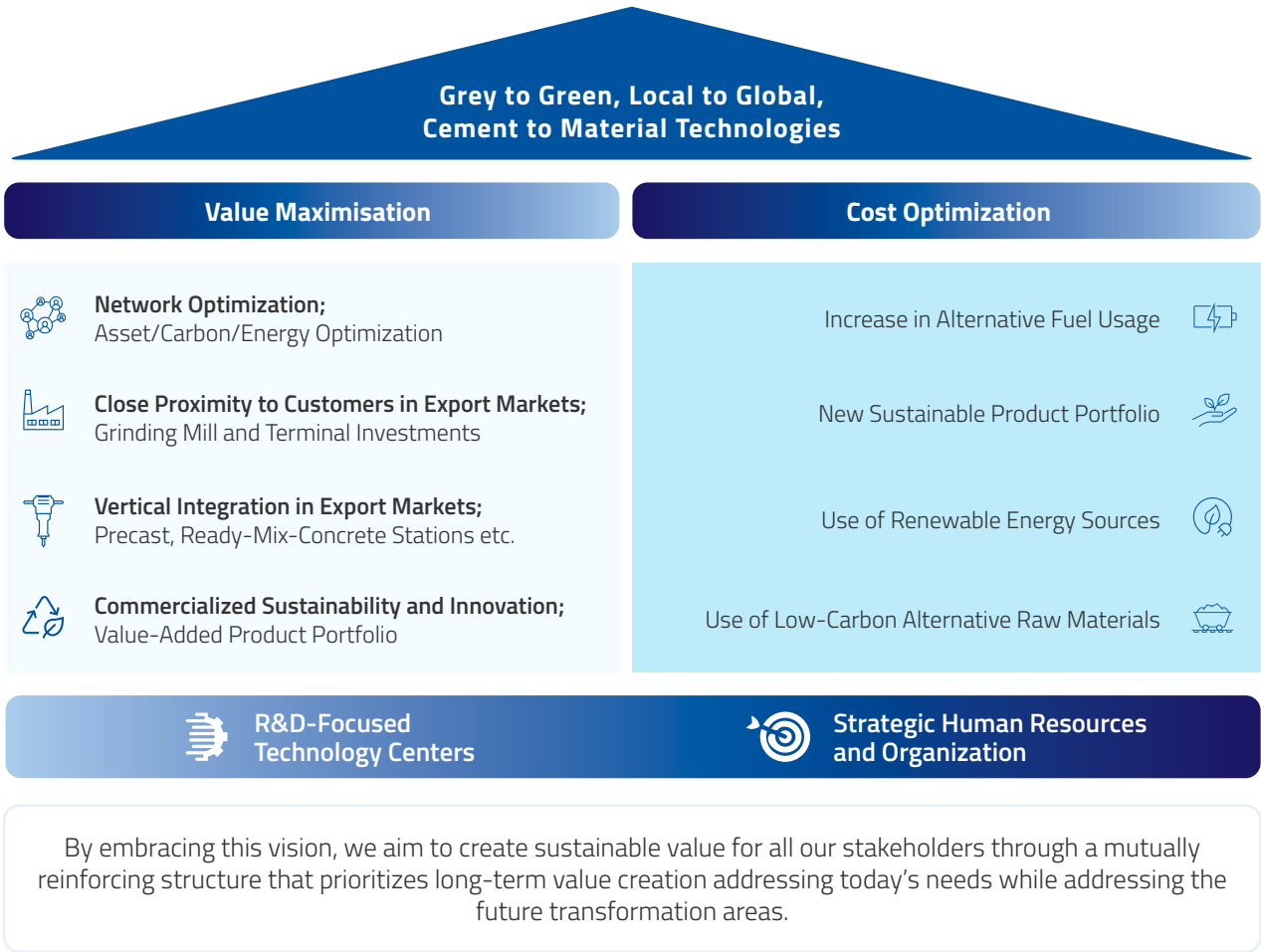
With our local-to-global transformation focus, we aim to strengthen and optimize our presence in Türkiye while expanding our global footprint through our international subsidiaries, enhancing our position in the building materials market. By continuously improving operational efficiency through our strategically positioned production and distribution network, we strive to be closer to our customers, thereby maximizing value creation for all stakeholders.

As we expand our activities on a global scale, we continuously develop our operations with a sustainability-centered approach that emphasizes innovation and digitalization,

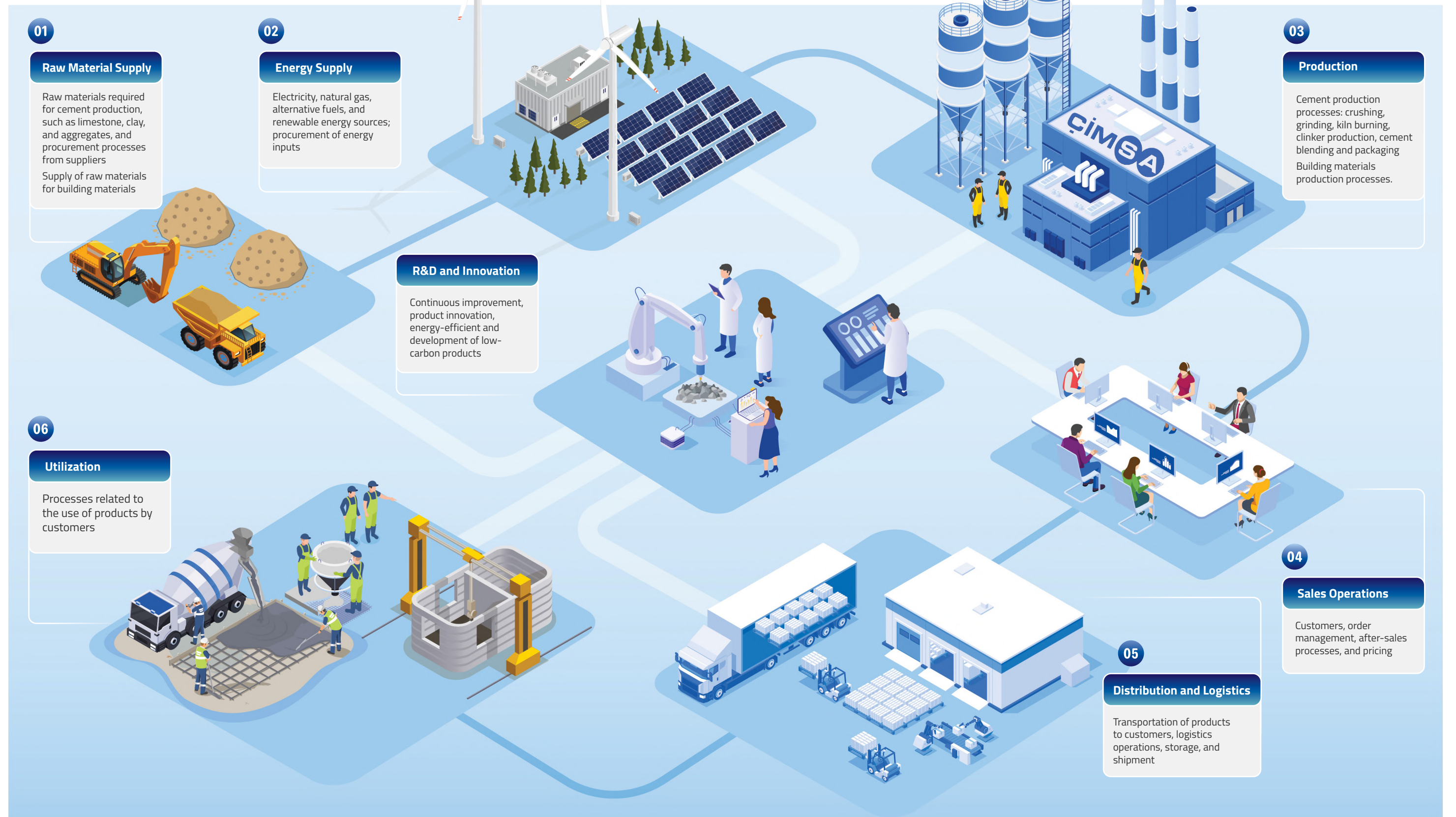
enhancing our effectiveness in international markets. At Çimsa, we support our global footprint and competitive strength through the customer-focused work of our international R&D centers. In this context, we aim to commercialize sustainable and innovative technologies and expand our value-added product portfolio with a focus on material technologies.

By increasing the use of low-carbon alternative raw materials, alternative fuels, and renewable energy sources, we view continuous improvement, operational efficiency, and sustainable growth as the fundamental pillars of our business processes and transform our operations accordingly. This approach maximizes operational benefits while supporting the development of a value chain that facilitates the transition to a low-carbon economy.

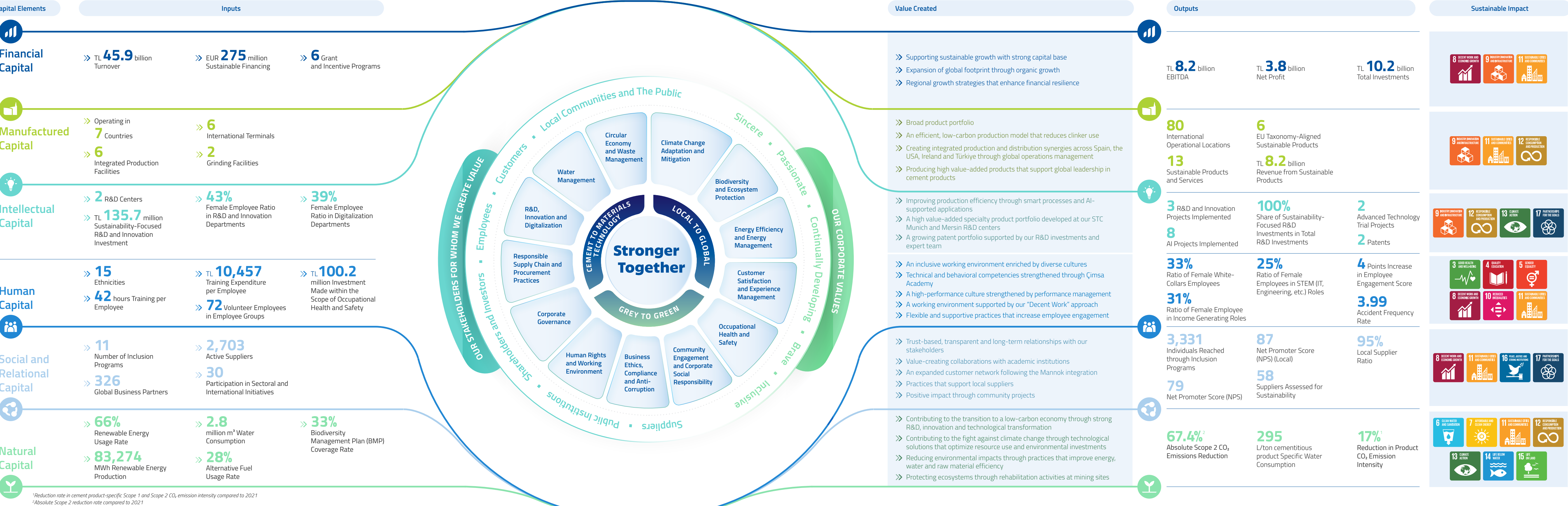
In this holistic approach, Çimsa's transformation capability is reinforced by strategic human resources. From R&D to operations, and from commercial activities to strategic planning, our agile, innovative, and collaborative working culture ensures the applicability and sustainability of these strategic initiatives.



Çimsa Value Chain



Value Creation Model





Sustainability Management and Strategy

At Çimsa, we address sustainability as an integral part of our business strategy and operational decision-making processes.

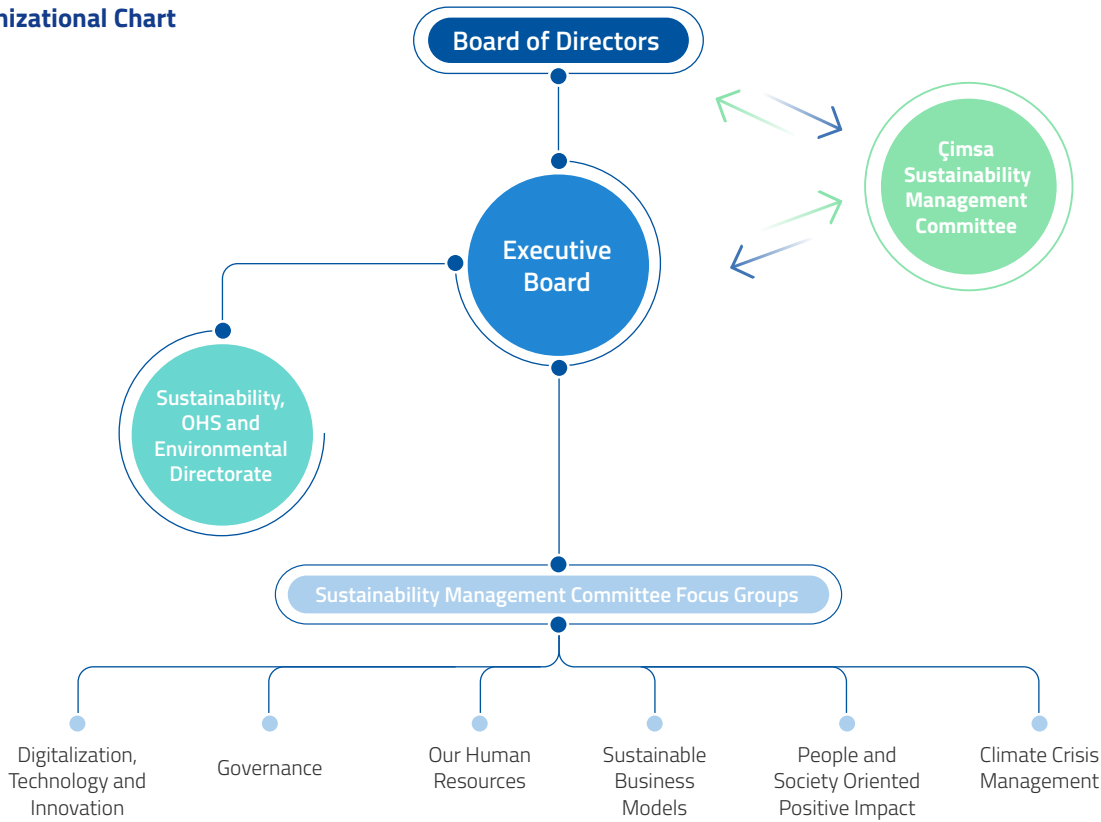
Starting from senior management and extending across the entire organization, this approach ensures that sustainability areas are managed holistically. Sustainability is not an independent activity area for our Company; rather, it is a fundamental management approach that supports our long-term value creation objectives.

Our sustainability governance is structured under the oversight of the Board of Directors. While the Board determines our sustainability vision, strategy and targets, it also provides guidance on the identification, prioritization and management of environmental, social and governance risks and opportunities. Sustainability performance is closely monitored through Sustainability Representatives within business units, and progress is regularly reviewed to ensure that necessary actions are implemented.

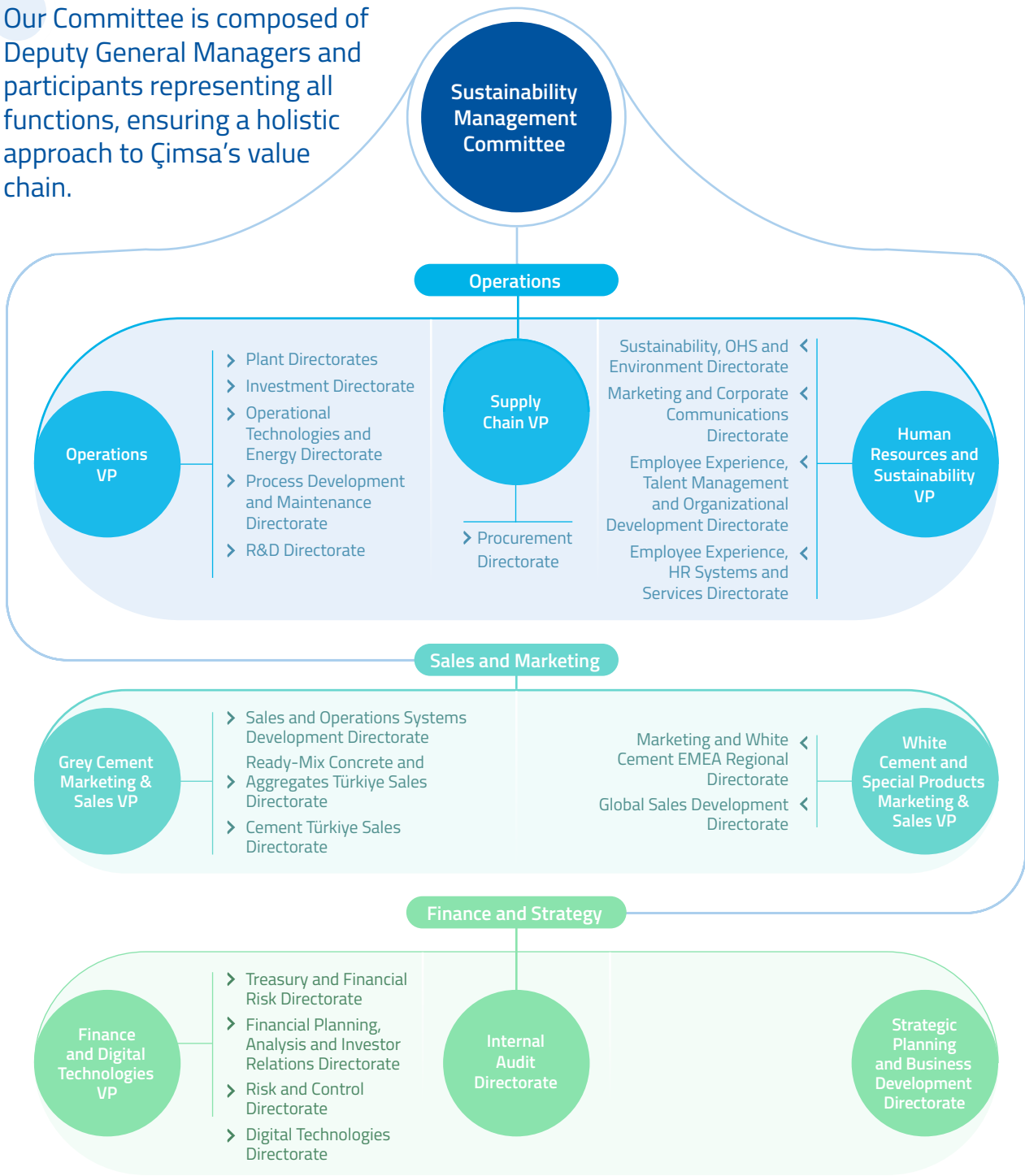
The defined strategy and targets are disseminated across the Company, integrated into all business processes and implemented under the responsibility of the Executive Committee. Under the leadership of the Executive Committee, sustainability is managed across the Company, coordination between functions is ensured, and progress towards targets is regularly monitored. The defined targets provide the basis for implementing the Company's strategy and measuring its progress. Achieving these targets is a shared responsibility of the entire organization. In line with these priorities, sustainability performance is embedded into the performance indicators of the Board of Directors and the Executive Committee and forms an integral part of employee performance across all functions.

At the core of our sustainability governance is the Sustainability Committee, which convenes at least four times a year. The Committee serves as the central body where environmental, social and governance dimensions are addressed together, priorities are determined, improvement areas are identified, and our sustainability performance is evaluated.

Organizational Chart



Our Committee is composed of Deputy General Managers and participants representing all functions, ensuring a holistic approach to Çimsa's value chain.



Our committee activities are supported through the Sustainability Management Committee Focus Groups, which are structured to deepen the key sustainability areas identified in alignment with our strategic priorities. These focus groups are organized under six main headings: climate crisis management; people and society-oriented positive impact; sustainable business models; our human resources; and digitalization, technology and innovation. The focus groups contribute to the implementation of our sustainability strategy and the achievement of our measurable performance targets by developing concrete projects and practices in their respective areas.

Detailed information on the Sustainability Management Committee Focus Groups and our activities in 2025 can be found in the Annex section.

Sustainability Management and Strategy

A UNIFIED APPROACH STRENGTHENED BY MANNOK INTEGRATION

With Mannok's addition into our organization, significant progress has been made towards a more integrated, group-wide sustainability management structure. Throughout the integration process, our sustainability approach has been aligned around shared objectives, supported by comparable data and performance monitoring systems, and shaped through the dissemination of best practices across the group.

In this context, the Çimsa and Mannok Executive Committee convene monthly to jointly evaluate operational and sustainability performance.

These meetings bring together Sustainability, Occupational Health and Safety (OHS), and Environmental Directorate, ensuring effective coordination and leadership at the group level on critical topics such as corporate risk management and internal control mechanisms, carbon management, sustainability performance, and sustainability-focused investment priorities.

This structure enables the timely identification and effective management of sustainability risks, supports the implementation of strategic actions at the senior management level, and strengthens the maturity of sustainability management and corporate resilience across Çimsa's group-wide operations.



In line with the expansion of our global footprint and the deepening of our business model across different geographies, we are taking steps to transform our sustainability governance into a structure that is more responsive to regional and local priorities. In this context, regional sustainability governance committees to be established across Europe, the US, and Türkiye are expected to operate in closer alignment with local dynamics and to report their outputs to the Executive Committee in a consolidated and structured manner.

Through this approach, we aim to embed sustainability management within a fully integrated framework covering strategy, risk management, and performance monitoring, while enhancing our ability to create shared value with our teams across different geographies. In doing so, we strive to position our corporate sustainability approach as more comprehensive, resilient, and future-ready, and to advance toward our global objectives in a consistent and impactful way.

SUSTAINABILITY STRATEGY

At Çimsa, we place sustainability at the very core of our business model, advancing with a holistic approach that supports our transformation vision built on the key pillars of **"Cement to Materials Technologies," "Grey to Green,"** and **"Local to Global."**

We manage our sustainability strategy through a comprehensive approach encompassing environmental, social, and governance dimensions. On the environmental front, we focus on reducing carbon emissions through science-based targets and increasing our resource

efficiency through low-carbon and circular production. In the social domain, we prioritize occupational health and safety and social benefit by providing a safe, inclusive, and equitable work environment. In governance, we integrate sustainability into our decision-making processes, managing risks and opportunities in a transparent and accountable manner. By supporting these areas with innovation and digital transformation, we aim to create greater value together with all our stakeholders.

Our strategy is built upon four core focus areas defined in alignment with our vision. Each focus area is reinforced with concrete goals and measurable outcomes, enhancing the traceability and accountability of our performance. Our initiatives are designed to create an impact that extends beyond our own operations to encompass the entire value chain.

Combating the climate crisis and transitioning to a low-carbon economy form the foundation of our sustainability efforts. Operating in the construction materials sector—a high-emission industry—places a significant responsibility on us in this regard. To achieve our net-zero carbon target, we are leveraging our R&D capabilities to develop innovation- and technology-driven solutions. Through technological transformations in our operations, we will expand the use of low-emission raw materials and fuels. Additionally, by utilizing advanced technologies such as carbon capture, utilization, and storage, we are moving steadily toward our goal of carbon neutrality.

Contributing to the transition to a low carbon economy through strong R&D, innovation and technological transformation

Pioneering the development of sustainable living spaces through our products

With the aim of creating sustainable living spaces, we are working to develop products with low emission intensity and reduced environmental impact throughout their lifecycle. Through our approach to responsible investment, we support projects that contribute to the protection of ecosystems, thereby also contributing to social sustainability. By collaborating with our suppliers, customers, and business partners, we aim to extend our sustainability goals across our entire value chain. Through this collaboration, we are developing new business models and creating new opportunities in the field of sustainability.



With the goal of creating a sustainable world, we carry out community- and people-centered initiatives and strive to make a positive impact. We operate with a culture that is equitable, respectful of diversity, and inclusive, and we reflect these values in every aspect of our work. Through the steps we take today, we are building a better future and shaping tomorrow.

Focusing on "Decent Work" and "Equality at Work" in all our business processes

Creating sustainable stakeholder value through our balanced and risk-sensitive governance model

To build a secure future, we have placed sustainability-based risk and opportunity management at the heart of our core strategy. As we tackle the climate crisis and transition to a low-carbon economy, we prioritize creating sustainable value for our stakeholders. The roadmap we have established in this regard enables us to focus on projects that contribute to social well-being through an effective governance model in the sectors where we operate.

We approach our sustainability strategy as a dynamic framework; we regularly review our focus areas in light of changing conditions, expectations, and developments. In this context, while continuing to advance within the focus areas we established for 2025, we have reassessed our material topics in light of current developments.

Sustainability Management and Strategy

OUR MATERIALITY ASSESSMENT STEPS



Materiality Assessment

In identifying our material sustainability topics, we systematically assessed developments affecting our business model, stakeholder expectations, and industry transformation. By reviewing our current scope of topics, we identified areas for simplification and created a clearer, more focused structure by grouping similar topics together.

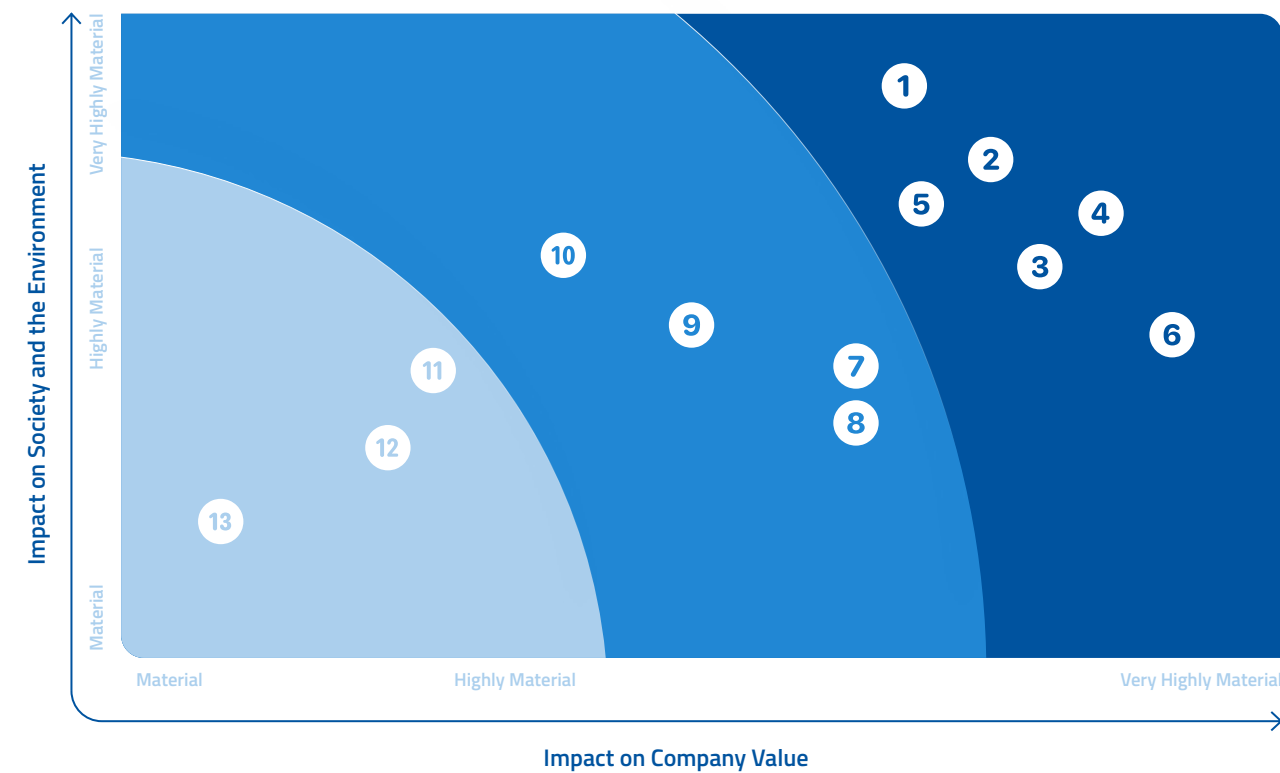
To make the impact of each material topic more visible, we defined subtopics that support the topics. This allowed us to create a more compact, understandable, and actionable set of sustainability priorities that aligns with our strategic goals and guides decision-making processes.



Sustainability Management and Strategy

As a result of the materiality assessment, sustainability topics were evaluated through a two-dimensional impact approach, forming the basis of our sustainability strategy, and a total of 13 material topics were identified. These material topics are addressed together with sub-topics in order to reflect their impacts in a more detailed manner.

Material sub-topics are defined as elements that enable risks and opportunities to be evaluated more concretely and indicate the level of implementation. The identified material topics were reviewed by the Sustainability Management Committee and finalized upon approval of the Executive Board.



Very Highly Material	Highly Material	Material
1 Occupational Health and Safety	7 R&D, Innovation and Digitalization	11 Customer Satisfaction and Experience
2 Circular Economy and Waste Management	8 Water Management	12 Business Ethics, Compliance and Anti-Corruption
3 Energy Efficiency and Energy Management	9 Human Rights and Working Environment	13 Social Impact and Corporate Social Responsibility
4 Climate Change Adaptation and Mitigation	10 Biodiversity and Ecosystem Protection	
5 Corporate Governance		
6 Responsible Supply Chain and Procurement Practices		

Another aspect of the materiality process involves evaluating the identified topics in terms of their financial and ESG impacts and incorporating them into strategic objectives. As part of this process, material topics with an impact score of 4 or higher on a 5-point scale are evaluated in detail and incorporated into strategic objectives.



Information on the relationship between our material topics and reporting frameworks can be found in the ANNEXES.

Managing Together

ÇİMSA



ÇİMSA

ÇİMSA

We embrace corporate governance principles as the guiding foundation of our business practices, and we manage our operations collaboratively by prioritizing transparency, accountability, and responsibility in all our processes.

In This Section

- 41 Corporate Governance
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- 50 Sustainable Finance
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PERFORMANCE DATA

WHY IS THIS IMPORTANT FOR US?

We believe that the sustainability of our operational success is made possible by a transparent and effective management approach, and we continue our work in this direction.

HOW DO WE MANAGE IT?

We conduct all our operations based on the principles of fairness, transparency, and accountability. In line with our corporate governance approach rooted in ethical values, we manage financial and non-financial risks and opportunities through an effective approach. Our corporate governance structure is designed in accordance with the Corporate Governance Principles established by the Capital Markets Board (CMB), and full compliance with these principles is ensured. Developments and practices implemented within this framework are regularly shared in the Corporate Governance and Sustainability Principles Compliance Report.

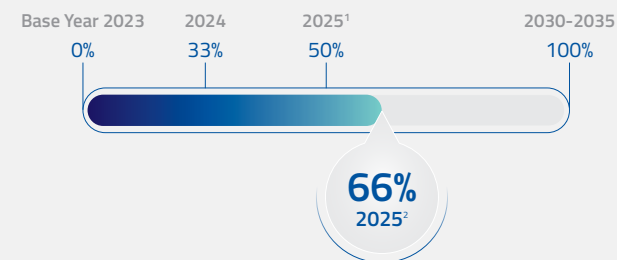
RELEVANT STAKEHOLDERS

- Employees
- Customers
- Shareholders and Investors
- Public Institutions

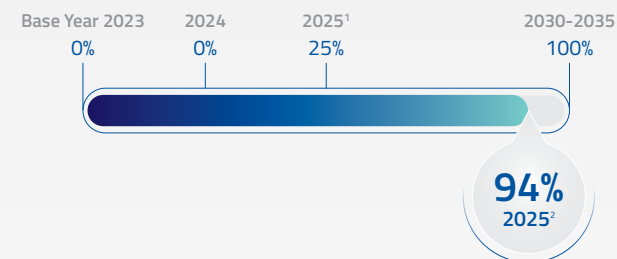
RELEVANT CAPITAL ELEMENTS

- Social and Relational Capital

The implementation rate of the location-based environmental and social complaint/feedback mechanism (%)



Human Rights Risk Assessment Completion Rate (%)



¹Targeted
²Realized

Corporate Governance

At Çimsa, we conduct our corporate governance in accordance with the principles of transparency and accountability, supported by internal control mechanisms that ensure effective risk management, and within a framework of ethical and fair practices. By maintaining regular and transparent communication with our stakeholders throughout our decision-making processes, we prioritize the creation of long-term and sustainable value as our fundamental objective.

CORPORATE GOVERNANCE AT ÇİMSA



Umut ZENAR
Chair



Burak Turgut ORHUN
Board Member



Demet ÖZDEMİR
Board Member
(Independent)



Gökhan EYİGÜN
Board Member



Seval KOR
Board Member



Yetik Kadri MERT
Board Member
(Independent)

In accordance with the decisions regarding the organizational structure adopted at the Board of Directors meeting held on December 30, 2025, the organizational structure disclosed on KAP is effective as of January 1, 2026.

Members of the Board of Directors are presented in alphabetical order.

Corporate Governance

BOARD OF DIRECTORS

We implement our corporate governance philosophy through our robust Board of Directors structure, which includes independent members, in accordance with the principles of transparency and accountability in strategic decision-making processes.

We prioritize compliance with the Corporate Governance Principles of the Capital Markets Board (CMB) and adopt these principles as a fundamental guide in all our business processes.

We structure our Board of Directors, which assumes responsibility for strategic direction, and our Senior Management team, which carries out executive functions, in accordance with their job descriptions, competencies, and experience.

Our Board of Directors consists of a total of six members, including two independent members who meet the independence criteria established by the CMB. All Board members are non-executive members as defined by the relevant CMB regulation, and this structure supports the Board's ability to effectively fulfill its oversight and guidance functions. Our Board of Directors includes two female members, and an approach that prioritizes diversity and inclusivity in decision-making processes is adopted.

Çimsa's Board Chairperson, Umut ZENAR, also serves as the Head of Strategic Investments and Operations at Sabancı Holding. Our Board Chair is responsible for managing sustainability-related risks and evaluating opportunities, while also shaping Çimsa's sustainability strategy. This approach enables us to effectively integrate our sustainability focus into our long-term business objectives and strategic decision-making processes.

EXECUTIVE BOARD

At Çimsa, we manage our business cycle at the core of our executive functions, guided by our five corporate values and two strategic pillars. We execute our activities planned in alignment with our strategic priorities with the goal of achieving operational excellence and creating sustainable value.

We conduct our operations under the leadership of our CEO, with the contributions of our Deputy CEOs and unit managers, within a structure where the roles and responsibilities of the entire organization are clearly defined. This approach enables a holistic perspective in decision-making and implementation processes, integrating high-quality and performance standards into all our business processes.

At the heart of our business cycle, we meet the expectations of our customers, employees, suppliers, and shareholders through an ethical, transparent, and fair approach. In line with our focus on sustainability, we aim to create long-term value, strengthen our corporate resilience, and provide lasting benefits for our stakeholders by integrating environmental, social, and governance dimensions into our business practices.

 You can access the status of compliance with the competency list established for the Board of Directors and the Executive Board in the "Competence Sets" section.



EXECUTIVE BOARD



Mustafa AYDIN
Finance, Financial Affairs
and Digital Technologies
(Acting General Manager)



Barış KARAHÜSEYİN
Vice President
(Grey Cement
Marketing & Sales)



Erdal ARAÇ
Vice President
(Supply Chain)



Onur YAZGAN
Vice President
(White Cement and Special
Products Marketing & Sales /
Buñol General Manager)



Ozan KESKİN
Vice President
(Operations)



Tuğba ÇÖRTELEKOĞLU
Vice President
(Human Resources
and Sustainability)

The members of the Executive Board are listed in alphabetical order.

Corporate Governance

COMMITTEES

Number, Structure, and Independence of Board Committees

The Corporate Governance Committee, the Early Early Detection of Risk Committee, and the Audit Committee, which operate under the Çimsa Board of Directors, are composed of members selected from among the non-executive, independent members of the Board of Directors.

These committees are structured in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Board's Communication on the Determination and Implementation of Corporate Governance Principles. All committees conduct their activities within the framework of their own established Meeting and Working Procedures Regulations.

Our primary corporate governance activities, conducted under the supervision and guidance of our Board of Directors, are listed below:

- Developing our corporate risk, compliance, and ethics culture; establishing, approving, effectively implementing, and monitoring strategy and target sets,
- Identifying, managing, and systematically monitoring risks that may impact our business operations in accordance with legislation and regulatory requirements,
- Assessing the expectations of all stakeholders within the framework of the principles of independence and diversity,
- Approving our sustainability goals and action plans, ensuring their implementation, and tracking performance

In line with our commitment to sustainable corporate governance, our Board of Directors regularly reviews our governance practices to ensure compliance with evolving legal regulations and global and national market conditions, and to implement necessary updates.

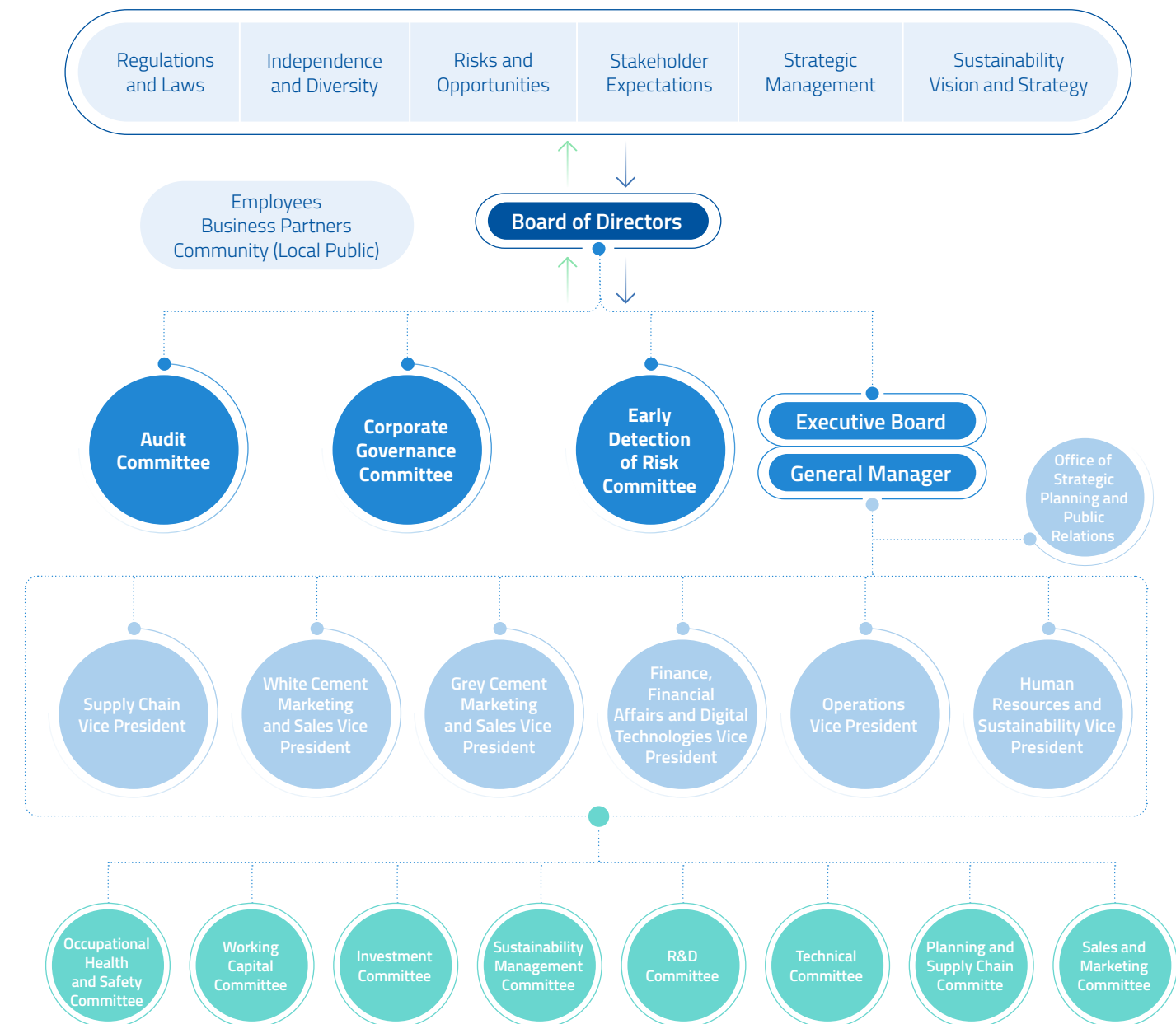
Outputs and recommendations generated throughout the year by committees operating under the Board of Directors are regularly included on the Board's agenda and evaluated. The committees focus on various topics in line with their areas of expertise and take an active role in shaping strategic decisions.

[You can access detailed information about the operating principles of our committees here.](#)

Guided by our corporate governance approach, which is rooted in transparency and ethical principles, we strive to balance the expectations of our shareholders and all our stakeholders while aiming to create sustainable, long-term value based on trust.

	Meeting Scope	Meeting Frequency	Members
	The effectiveness of our corporate governance practices is regularly assessed, needs for revisions to the Board of Directors' structure and operations are reviewed, Information regarding investor relations activities is received and evaluated, The compensation principles for members of the Board of Directors and the Executive Committee are addressed, The alignment of our sustainability strategy and practices with our corporate governance approach is evaluated.	Four times a year (At least once every three months)	Chair: Yetik Kadri MERT Member: Demet ÖZDEMİR Member: Mustafa AYDIN
	We establish systems for the effective management of risks, and our processes are developed and reviewed annually. Risks related to our company are identified and monitored within the framework of established risk management processes.	Six times a year (At least once every two months)	Chair: Demet ÖZDEMİR Member: Yetik Kadri MERT
	The effectiveness of our company's internal control and internal audit systems is regularly monitored, and recommendations are submitted to the Board of Directors based on evaluations regarding the selection of the Independent Auditor.	Four times a year (At least once every three months)	Chair: Demet ÖZDEMİR Member: Yetik Kadri MERT

ORGANIZATIONAL CHART



Board of Directors
6 Members

Different Citizenship Representation
1 Member

Number of Women
2 Member

Different Citizenship Representation
1 Member

Number of Women
1 Member

Executive Board
6 Members

Enterprise Risk Management

As Çimsa, with the sense of responsibility that comes with being a global company, we extend our risk management approach beyond our own operations and address it with a holistic perspective that encompasses our entire value chain. In line with this approach shaped by the understanding of “Stronger Together,” we position risk management not merely as a control mechanism developed against potential adversities, but as a fundamental management tool that also covers environmental, social, and governance (ESG) dimensions and supports the creation of long-term and sustainable value for our stakeholders.

We structure our corporate risk management approach in line with the Corporate Risk Management (CRM) framework, in which all risks are addressed within an integrated context, and in alignment with the COSO CRM framework. This structure operates in seamless integration with our strategic priorities, performance targets, and sustainability vision.

Within this scope, we address all environmental, social, and governance risks—including climate change, natural resource use, supply chain continuity, human rights, occupational health and safety, ethics, and compliance from an end-to-end perspective. By monitoring global trends, sectoral developments, and the evolving regulatory landscape, we identify potential uncertainties at an early stage and systematically assess and prioritize these risks.

While implementing risk mitigation measures in line with our action plans that align with our strategic objectives, we regularly review and continuously enhance our risk management structure. In this way, we strengthen our decision-making processes and, by increasing our corporate resilience, we build a more robust, resilient, and proactive business model against sustainability and climate-related risks.

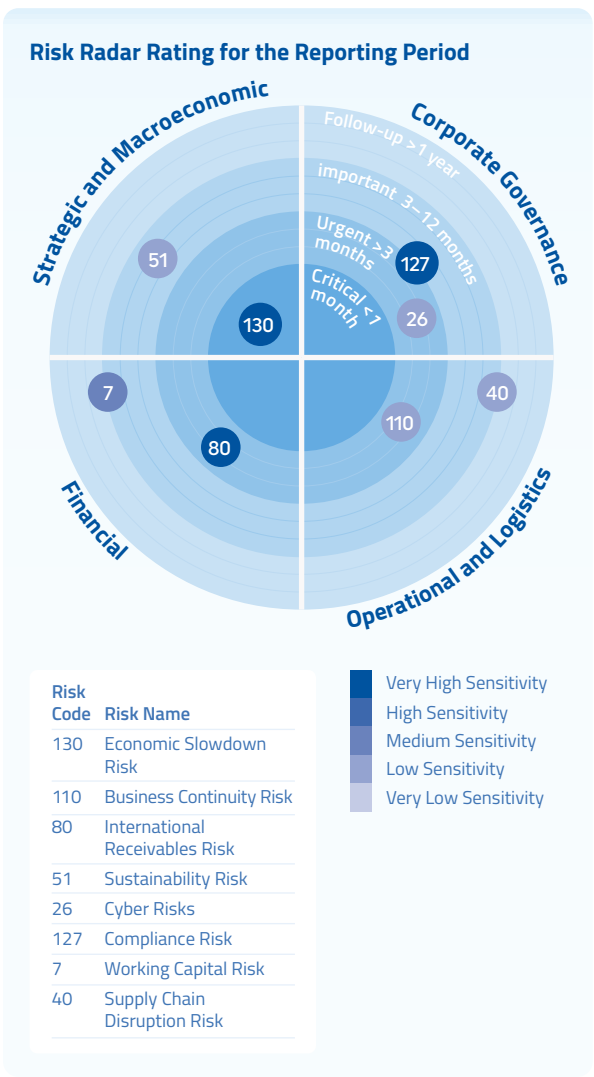
The Early Detection of Risk Committee, operating under the Board of Directors, provides strategic support to the Board in defining the company’s risk management approach and in the regular monitoring of critical risks. Through the Committee, the company’s risk appetite is defined, potential risk areas are evaluated, and the identified risks—along with the results of their monitoring and the actions required—are regularly reported to the Board of Directors.

To support the coordinated execution of Çimsa’s risk management approach at both the operational and strategic levels, the Risk Radar system is utilized. This structure strengthens senior management’s decision-making processes by ensuring that critical risks become visible quickly. Following their identification and classification, risks are analyzed based on impact and likelihood criteria and positioned on the Risk Radar accordingly.

In this way, a transparent, systematic, and comparable structure is established for the prioritization, management, and monitoring of critical risks across the company, ensuring that resources are strategically directed toward priority areas.

The Risk Radar offers a comprehensive evaluation mechanism that goes beyond impact–likelihood analysis by also considering factors such as the speed at which risks may materialize and the readiness level of the current internal control environment against critical risks. With the risk profile being updated at regular intervals, the positions on the radar are revised when necessary, thereby ensuring a comparable assessment standard. The resulting evaluation outcomes are periodically reviewed together with senior management based on predefined key indicators. In this way, a level of control aligned with our risk management approach is maintained, and additional actions are initiated in coordination with the relevant units for risks whose priority increases or which exceed acceptable thresholds.

In line with the rapidly changing conditions in the industry and the sustainability agenda, training and capacity-building programs for employees are also implemented, thereby supporting a strong, highly aware, and sector-aligned risk management culture across the company.



MANAGEMENT OF SUSTAINABILITY AND CLIMATE RISKS AND OPPORTUNITIES

We follow a methodology that aligns with our company strategy and corporate risk management principles in identifying sustainability- and climate-related risks and opportunities, assessing climate resilience, and conducting our adaptation efforts. To reflect the impacts of climate uncertainties on our business model and strategy, we regularly evaluate the company’s resilience every year. In cases where operational boundaries change, reference sources are updated, or significant developments occur

that may affect our value chain, we incorporate the relevant updates into our methodology and assessment framework. We monitor and prioritize our sustainability- and climate-related risks within the company’s risk radar.

We conducted a scenario-building exercise to better understand uncertainties and identify trends that may affect our company within the scope of key drivers. To assess climate-related risks and opportunities, we defined two separate scenarios under two different temperature pathways (<2.5°C and 3.5–4°C). While following the defined steps in scenario selection, we also evaluated conditions on a topic-specific basis for other matters related to sustainability and climate change.

We consider the time horizons for sustainability- and climate-related risks and opportunities as follows:

- Short Term (1 year)
- Medium Term (1–5 years)
- Long Term (5–10 years)

We recognize the importance of understanding how determining factors influence climate-related risks and opportunities in both local and global contexts. Through the future scenarios we use, we make the conditions shaped by the key factors that may affect our company more visible. In this context, we evaluate scenario sets that include both optimistic and pessimistic temperature-increase pathways, based on the frameworks of:

- ✓ Intergovernmental Panel on Climate Change (IPCC)
- ✓ Representative Concentration Pathways (RCP)
- ✓ Shared Socioeconomic Pathways (SSP)
- ✓ International Energy Agency (IEA)
- ✓ Network for Greening the Financial System (NGFS)

In line with these scenarios, we analyze the potential hazards that may emerge under different levels of temperature increase using “probability” and “magnitude” criteria. We conduct our risk and opportunity assessments in accordance with our adopted methodology and in alignment with scenario planning.

You can access our disclosures on sustainability - and climate-related risks and opportunities in the 2025 TSRS-Compliant Sustainability Report section.

Corporate Governance

2025 Corporate Risk and Opportunity Assessment

Financial Risks

	Definition of the Risk	Çimsa’s Approach	Our Strategy
INTERNATIONAL RECEIVABLES RISK	International receivables risk refers to the possibility that a company may be unable to collect trade receivables arising from its customers abroad. This risk may stem from commercial, political, economic, and legal factors. Commercial risks include situations such as the buyer’s bankruptcy, loss of payment capacity, or failure to fulfill obligations. Political risks may arise from developments such as wars, changes in government, or restrictions on foreign currency transfers in the buyer’s country of operation. Economic risks relate to factors such as fluctuations in exchange rates, depreciation of the local currency, or economic recessions and crises. Legal and regulatory risks also emerge from differing interpretations of international contracts and the complexity of judicial processes between countries.	Managing international receivables risk requires companies to take strategic measures to secure their receivables and prevent potential financial losses. Accordingly, various methods are implemented to minimize the likelihood of non-collection and to maintain financial stability. In its current practice, Çimsa mitigates this risk by securing it through insurance companies in exchange for cash collateral.	Cash Management, Operational and Technical Discipline

External Environment Risks

CYBER RISKS	Cyber risks refer to potential damages and losses arising from digital threats that target the information systems of individuals, organizations, or public authorities. These risks primarily focus on the core pillars of information security: confidentiality, integrity, and availability. Data breaches, ransomware attacks, phishing attempts, and system outages are among the most common cyber threats. In addition, internal threats resulting from intentional or unintentional actions by employees, as well as compliance risks stemming from regulatory non-compliance, also fall within the scope of cyber risks. Such risks may lead to financial losses, reputational damage, operational disruptions, and legal sanctions. Mitigating their impacts requires the implementation of comprehensive cybersecurity measures, continuous system monitoring, increased employee awareness, and the adoption of preventative approaches such as cyber insurance.	Çimsa adopts a multilayered approach that encompasses both technological measures and the human factor to ensure the effective management of cyber risks. Within this framework, a strong cybersecurity infrastructure has been established, supported by firewalls, antivirus solutions, data encryption, and access authorization systems. Regular trainings are conducted to enhance employee awareness of cyber threats, providing guidance on key topics such as phishing attempts, the use of strong passwords, and secure digital practices. Additionally, comprehensive security policies and procedures have been developed, and processes are regularly reviewed and audited with a continuous improvement mindset. Through this holistic approach, Çimsa has strengthened its corporate resilience against cyber threats and reinforced its information security.	Digital and Cultural Transformation
ECONOMIC AND POLITICAL RISK	Economic risk arises from macroeconomic uncertainties that may adversely affect an organization’s financial structure. These risks are linked to economic indicators such as inflation rates, interest levels, and fluctuations in exchange rates. Political risk, on the other hand, refers to the potential negative impacts that changes in a country’s political environment may have on business operations. Government changes, regulatory adjustments, tax policies, and geopolitical developments are among the primary sources of these risks. Global economic uncertainties, access to energy supply and volatility in energy prices, as well as geopolitical tensions, stand out as major factors that intensify economic and political risks.	With its broad product portfolio and flexible marketing strategies, Çimsa adopts a proactive approach to mitigate the impacts of economic and political risks on global markets and company operations. While ongoing geopolitical tensions between the United States and China, trade restrictions, and sanction practices create uncertainty in global supply chains and international trade, Çimsa closely monitors these developments and diversifies its operational and commercial structures accordingly. As a company operating internationally and holding significant investments abroad, Çimsa minimizes potential compliance risks by rigorously managing processes related to global regulations, sanction lists, and trade restrictions. To preserve financial stability, effective hedging practices are implemented against uncertainties arising from exchange-rate volatility and changes in interest rates, thereby supporting financial sustainability.	Cash Management, Operational and Technical Discipline

Operational Risks

	Definition of the Risk	Çimsa’s Approach	Our Strategy
BUSINESS CONTINUITY RISK	Business continuity risk refers to the threat to an organization’s ability to maintain its operations in the event of a temporary disruption or a complete halt in activities. This risk may arise from various causes such as natural disasters, cybersecurity breaches, disruptions in the supply chain, health-related crises (e.g., pandemics), technological system failures, and human errors. Because business continuity risk can have direct negative impacts on the company’s financial structure, corporate reputation, and customer trust, pre-established response plans and effective risk management practices play a critical role in minimizing potential impacts.	Çimsa adopts an approach based on proactive planning, preparation, and continuous monitoring to manage business continuity risks. As the company continues to grow with the integration of Mannok and the Çimsa Americas grey grinding facility, strategic steps are taken to ensure rapid recovery and uninterrupted operations in the face of potential operational disruptions. Business continuity planning, risk assessment and prioritization, and cybersecurity measures together form a holistic strategy that enables Çimsa to minimize business continuity risks and maintain operational stability in unexpected situations.	Digital and Cultural Transformation
SUSTAINABILITY RISK	Sustainability risk refers to environmental, social, and governance (ESG)-related threats that may prevent an organization from achieving its long-term sustainability objectives. These risks have the potential to negatively impact financial performance, operational continuity, stakeholder trust, and corporate reputation. The environmental dimension includes factors such as climate change, depletion of natural resources, and increasing environmental impacts; social risks encompass critical areas related to employee rights, societal impacts, and human rights; while governance-related risks stem from corporate governance threats such as lack of transparency, unethical practices, and corruption. Such risks can weaken an organization’s resilience and capacity for sustainable growth, lead to unmet investor and stakeholder expectations, and potentially result in regulatory sanctions.	Çimsa adopts a holistic approach across all ESG areas to reduce sustainability risks and strengthen long-term corporate resilience. In line with its emission-reduction targets aligned with the Science Based Targets initiative (SBTi), the company focuses on lowering carbon intensity and supports this goal by implementing product transformation through the transition to lower-clinker formulations in its grey and white cement product groups. In addition, by investing in Waste Heat Recovery systems and solar power plants to increase the use of renewable energy, Çimsa systematically strengthens environmental risk management through projects related to water management, biodiversity management plans, and dust-emission control. On the social dimension, the company positions employee health and safety as a top priority and aims to reduce corporate governance risks through an ethical business culture, compliance programs, and transparent governance principles. This approach contributes to maintaining stakeholder trust, supporting operational continuity, and enhancing the company’s capacity for sustainable growth. Çimsa’s ESG-focused risk management approach is supported by concrete actions aimed at reducing the impacts of sustainability risks, a continuous-improvement mindset, and strong corporate governance practices.	Low-Carbon Production and Resource Efficiency Balanced and Risk-Sensitive Governance Model Decent Work and Equality at Work
COMPLIANCE RISK	Compliance risk refers to the potential damage or loss that may arise if a company’s operations are not conducted in accordance with applicable laws, regulations, standards, and internal policies or ethical rules. This risk may lead not only to financial losses but also to reputational damage and exposure to legal sanctions. Sources of compliance risk include legal and regulatory non-compliance, violations of financial reporting and regulatory obligations, and non-adherence to internal policies and ethical guidelines. Managing these risks involves measures such as regular monitoring, auditing, employee training, and the updating of policies and procedures, thereby protecting the company from legal exposure while strengthening stakeholder trust and reputation.	Çimsa adopts a preventive and holistic approach to managing compliance risks. The company considers operating in accordance with legal regulations, industry standards, and internal policies and ethical rules as a fundamental principle. In this context, regular monitoring and auditing mechanisms are used to continuously ensure that activities comply with laws and company procedures. Third parties are regularly screened, and protective clauses granting audit rights are incorporated into contracts. Regular training programs for employees help strengthen compliance awareness and prevent potential violations. In addition, by updating internal policies and procedures, the company ensures rapid adaptation to changing legislation and regulations. This approach supports Çimsa in protecting itself against legal sanctions while enhancing stakeholder trust and strengthening corporate reputation.	Digital and Cultural Transformation

Sustainable Finance

Çimsa operates with a management approach that systematically monitors macroeconomic indicators and updates its budgeting, investment, and resource allocation through scenario-based planning in a multi-layered economic environment. In financial management, the primary focus is on cash-flow predictability, balance-sheet resilience, and maturity and liquidity management. In an environment where demand uncertainty is increasing, the company evaluates market dynamics in real time, maintains a balanced approach between domestic and international markets, and strengthens its resilience through product and geographic diversification.



OUR CORPORATE FINANCING AND CASH MANAGEMENT POLICY

To ensure effective working-capital management and the sustainable preservation of cash flow, we evaluate our financial indicators every three months through the “Working Capital and Cash Management Committee,” which operates with the participation of the Executive Committee. During committee meetings, we assess receivables and collateral structures, inventory turnover rates, working-capital ratios, and other key indicators for our domestic companies and international subsidiaries with a holistic perspective. Based on these evaluations, we implement action plans and regularly monitor their impact.

Çimsa’s cash-flow projections are reviewed periodically in weekly evaluation meetings led by the CFO, ensuring alignment with the budget, investment plans, and current financial data. In these evaluation meetings which take into account changes in market conditions we determine actions that will guide borrowing, deposit, and investment decisions. Through this structure, we aim to maintain our cash-flow balance and ensure continuity in financial management.

As Çimsa, we position sustainable finance as a strategic tool that accelerates our transition to a low-carbon economy and supports our long-term value creation. In this direction, we manage our financing structure with a holistic approach that simultaneously considers social and environmental impact, operational efficiency, and financial resilience.

SUSTAINABLE FINANCING

As part of the collaborations we have developed with the European Bank for Reconstruction and Development (EBRD), an international development finance institution, over the past two years, we secured a total of 75 million Euros in long-term green financing to support our sustainability-focused investments. The funding obtained in 2024 supported the decarbonization investments at our Eskişehir production facility, while the 50 million Euros secured in 2025 was directed toward projects that enhance energy efficiency and support emission reduction within the scope of the decarbonization program at our Mersin production facility. This financing structure strengthens both our low-carbon growth strategy and our long-term financial resilience.

“ The investments carried out with Çimsa are among the first exemplar projects implemented under the European Bank for Reconstruction and Development’s (EBRD) Türkiye Industrial Decarbonisation Investment Platform (TIDIP). With the new loan signed in 2025, we strengthened our collaboration and continued to support Çimsa’s carbon-reduction investments. The financing will support the solar power plant, the waste heat recovery facility, and resource-efficiency processes at the Eskişehir production facility, as well as the environmentally friendly investments conducted under the Green Financing Framework at the Mersin production facility.

The projects also aim to launch an internship program that will equip local students and recent graduates with new skills and to increase women’s participation in engineering and management positions. ”

Bahar Ulubay Güçlüsoy | Environment and Sustainability Department Senior Specialist, EBRD

WE CONTINUE TO ADVANCE SUSTAINABLE PROJECTS THROUGH GREEN FINANCING!

We have signed another green financing agreement with the European Bank for Reconstruction and Development (EBRD), supporting our sustainable growth objectives. This funding will contribute to the environmental transformation and energy-efficiency projects to be carried out as part of the decarbonization program at Çimsa’s Mersin production facility. The investment in the new Calcium Aluminate Cement (CAC) kiln represents a strategic step in Çimsa’s path toward reducing its carbon footprint and achieving its 2050 net-zero emissions target.



As of 2025, while increasing the share of long-term green financing sources that support our sustainability investments, we also restructured our existing loan portfolio in line with market conditions and our strategic priorities. Through this approach, we extended the maturity profile of our financial borrowings, optimized our financing costs, and strengthened our cash-flow predictability and financial flexibility.

One of the most strategic steps taken during this period was the financing structure implemented as part of Mannok’s integration into Çimsa. The 225 million Euro Sustainability-Linked Loan (SLL), structured through a bridge-loan mechanism established with BNP Paribas Fortis SA/NV, ING Bank NV, and QNB Bank A.Ş., enabled us to directly integrate our sustainability performance indicators into the financing terms.

This structure has demonstrated that our corporate capacity to access sustainable finance has strengthened, aligning our capital structure even more closely with our strategic objectives.

Thanks to this holistic approach, we are building a strong sustainable financing framework that supports the financial feasibility of our climate-transition investments, directly links our sustainability performance indicators to financing terms, and establishes a measurable value connection between our environmental and financial performance. In the coming period, in line with market conditions and our strategic direction, we aim to further advance our long-term value creation for investors by evaluating green bonds and similar sustainable financial instruments.

[Click here to access the Green Financing Framework document.](#)



Çimsa’s financing transaction related to the acquisition of Mannok, which strengthens the company’s presence in the United Kingdom and Ireland, was awarded the “**Acquisition Finance Deal of the Year**” at the Global Banking & Markets Awards 2025.



Business Ethics, Compliance and Anti-Corruption

As Çimsa, we place business ethics, compliance, and anti-corruption at the core of our corporate values, and we reflect the principles of integrity and honesty across all our processes in alignment with the Sabancı Holding Code of Business Ethics. While ensuring compliance with local legislation and international regulations in all the countries in which we operate, we manage our processes with an ethical, transparent, and accountable approach. Preventing corruption, managing conflicts of interest, and preserving a fair competitive environment are among the fundamental components of our ethical stance. In this context, we support our principles of “Decent Work” and “Equality at Work” through corporate policies and practices.

To prevent ethical violations, we operate mechanisms that enable the secure receipt of notifications and evaluate these notifications within impartial review processes. When deemed necessary, we apply appropriate sanctions, and we regard the violation-reporting procedures as an important component of our corporate governance. We act with a zero-tolerance principle in the fight against bribery and corruption, and we continuously improve our internal control mechanisms, third-party assessments, and reporting processes.

We identify ethical and compliance risks within our corporate risk inventory, monitor them regularly, and share them with our senior management. In our international operations, we adopt the principle of “global standards, local compliance”, aiming to establish a consistent, inclusive, and legally compliant ethical culture across all geographies.

ETHICS AND COMPLIANCE

We carry out our ethics and compliance efforts with a holistic approach aimed at the proactive identification of risks and the strengthening of the resilience of our processes. Our ethical rules, compliance programs, and business continuity practices form the core elements of this structure. By integrating the principles of ethical behavior which are an integral part of our corporate culture into all our business processes, we maintain transparent, trust-based communication with our stakeholders.

As part of our commitment to fostering a strong speak-up culture, we utilize the NAVEX ethics reporting platform, which enables employees and stakeholders to submit notifications securely either by calling designated telephone lines or by submitting reports online. Our employees and all stakeholders can submit notifications through these channels either anonymously or by disclosing their identity. Notifications submitted through the ethics line are first reviewed in detail by our Internal Audit Department; when necessary, the disciplinary process is carried out with the coordination of Ethics Board that is chaired by the Ethics Rule Advisor. All these procedures are conducted in line with the principles of confidentiality, anti-retaliation, and impartiality, and corrective and preventive actions are implemented in collaboration with the relevant functions where required.

All notifications submitted to the ethics line throughout 2025 were addressed in full, and all cases were closed.

We regularly monitor ethics-notification processes based on case types, resolution times, and closure performance, and we use the insights gained to improve our procedures. This approach helps prevent the recurrence of ethical violations and contributes to continuously strengthening our ethical culture across the company.

To establish a more effective, traceable, and standardized structure for our ethics-notification processes, we are implementing the NAVEX platform as of 2026. Through the NAVEX platform, we conduct a comprehensive screening and monitoring process for third parties, including checks against sanction lists, politically exposed persons (PEPs), and adverse media scans. With this system, risk-based reviews are carried out before establishing relationships with business partners, suppliers, and other third parties, and in high-risk situations, the necessary evaluation and approval mechanisms are activated. The platform enables the monitoring and reporting of screening results through a centralized system and ensures that required actions are documented, thereby contributing to the transparent, traceable, and data-driven management of our ethics and compliance processes. In this way, the early identification and effective management of potential sanction, corruption, and reputational risks are targeted.

Through the Ethics Line / SpeakUp channels, our stakeholders can securely submit their notifications anonymously.

 etik@cimsa.com.tr

WHAT IS THE NAVEX PLATFORM?

NAVEX is an advanced digital system widely used around the world in the fields of ethics reporting and compliance management. The platform enables the secure receipt of notifications submitted by employees and stakeholders, allows anonymous submissions, and ensures that the entire process is managed in accordance with the principle of confidentiality. All records submitted through NAVEX are collected within a centralized structure, shared in a controlled manner among authorized individuals, and each step is automatically logged to create an audit trail. The system supports the classification of notifications by type, the execution of trend and risk analyses, and the preparation of reports required to be submitted to international institutions in line with applicable standards.

LEGAL AND REGULATORY COMPLIANCE

As Çimsa, we regard compliance as a fundamental component of a reliable, ethical, and responsible business environment, and we aim to conduct all our activities in line with local and international regulations in a transparent and accountable manner. We regularly monitor changes in legislation and update our processes in accordance with legal requirements.

While closely monitoring regulatory developments published in Türkiye, we also evaluate third-party stakeholders for human-rights, environmental, and corruption risks in line with international frameworks such as the OECD Guidelines for Multinational Enterprises, the United Nations Global Compact (UNGC), and the International Labour Organization (ILO) principles. We manage compliance risks arising from sustainability regulations including the Türkiye Sustainability Reporting Standards (TSRS), the EU Taxonomy, the Carbon Border Adjustment Mechanism (CBAM), the Corporate Sustainability Reporting Directive (CSRD), and the Corporate Sustainability Due Diligence Directive (CSDDD) through legislative monitoring, risk analysis, and awareness activities.

Among our priorities for 2025 are preparing for TSRS- and EU Taxonomy-aligned reporting, strengthening CBAM internal-control processes, updating supply-chain monitoring and third-party compliance procedures within the scope of the CSDDD, and enhancing our ESG-focused compliance risk matrices.

In line with our international growth strategy, we evaluate our activities in new markets according to the legal requirements of the respective countries. We subject our third parties to risk-based due-diligence processes within the framework of the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, and global anti-money laundering regulations. Accordingly, we assess the compliance performance and ethical risk profiles of our suppliers, customers, and business partners, proactively managing corruption, bribery, money laundering, and sanctions-violation risks at every stage of our value chain.

As Çimsa, within the scope of the regular audit processes we carry out, we monitor and evaluate the compliance status of our suppliers with the requirements we have established, and we create action plans based on identified areas for improvement.

Policies established for production, trade, and stakeholder relations at Çimsa are implemented accordingly.

 [Please click here for details on these policies.](#)

In this context, together with our Risk and Compliance Department, we have undertaken the following actions in 2025:

- Expanded the systematic monitoring mechanism for regulatory developments in new markets.
- Aligned third-party risk screening and export control processes with international regulations (Office of Foreign Assets Control – OFAC, Export Administration Regulations – EAR).
- Updated the compliance risk matrix in line with new markets and product groups.
- Migrated data verification and monitoring processes across all our subsidiaries to a digital platform to ensure a standardized control framework. dijital bir platforma taşdıık.

In 2025, following the integration of Mannok into Çimsa, we reviewed our human-resources processes and practices in areas such as labor law, working hours, equal pay, and union rights in order to ensure compliance with local regulations. During this process, we adopted new working models that preserve the local work culture while supporting employee well-being and our sustainable growth objectives. As part of our international growth strategy, we also comprehensively evaluate our operations in new markets within the framework of the legal requirements of the respective countries.

Business Ethics, Compliance and Anti-Corruption

BUSINESS CONTINUITY

At Çimsa, we regard business continuity as a core management area that ensures our operations can continue reliably and without interruption under all circumstances. We structure our Business Continuity Policy by meeting the requirements of the ISO 22301 Business Continuity Management System standard, and in the event of a potential disruption or interruption, we prioritize the protection of life safety while managing our processes.

In this context, through the business impact analysis, we aim to restore the critical processes and assets identified to operational status within the targeted minimum timeframes, and we define the actions within a structured framework that will ensure the continuity of the essential services we provide to our customers, compliance with regulations, and the fulfillment of stakeholder expectations.

Central coordination of preparedness efforts related to crisis and incident management, business recovery, and emergency management; increasing response speed; effectively managing risks that could lead to reputational loss; and restoring critical services within acceptable timeframes and levels constitute the core elements of our business continuity approach.

We aim to build a resilient structure against risks such as natural disasters, power outages, and supply chain disruptions, and we support operational continuity by monitoring critical areas including raw-material supply, production, logistics, and customer deliveries through digital systems. Renewable-energy investments not only reduce environmental impacts but also contribute to business continuity by enhancing energy-supply security.

We approach business continuity from a human-centered perspective and prioritize employee health and safety. Through regular trainings, drills, and awareness activities, we keep our systems and employees continuously prepared, aiming to minimize the impacts of potential disruptions, ensure rapid recovery of our operations, and fully meet the service commitments we provide to our stakeholders.



INFORMATION AND DATA SECURITY

We consider the protection of our information assets as one of the core elements of our policy framework, and we manage information security systematically in line with the ISO 27001, ISO 27701, and ISO 22301 standards. Within this scope, we aim to ensure the confidentiality, integrity, and availability of information assets; to minimize the risks of loss, damage, and misuse; and to ensure compliance with legal requirements. Our policy covers both our employees and third-party service providers who have access to Çimsa's information.

Through regularly conducted penetration and phishing tests, we verify the security of our systems; no critical-level vulnerability was identified in the 2025 tests. Accordingly, with our Information Security Policy which covers all our employees and third parties with access to information we clearly define responsibilities and implement actions related to information-security incidents quickly and effectively.

Within the scope of our Personal Data Management Policy, we base our practices on a management-system approach aligned with the ISO 27701 standard, and we implement the technical and administrative measures necessary to ensure compliance with the Personal Data Protection Law (PDPL) and other relevant legislation, while supporting data security and accountability.

In addition, by integrating Mannok's Information Technology infrastructure with Çimsa's information-security standards, we ensure that our systems operate more securely and consistently on a global scale. We continue to strengthen the effectiveness of our Information Security Management System through regular audits and continuous improvement efforts.

[Please click here for the "Çimsa Information Security Policy."](#)

POLICIES AND INTEGRATED MANAGEMENT SYSTEMS

At Çimsa, we implement our policies and integrated management systems to manage our processes in a consistent, efficient, and continuously improving structure aligned with common objectives. By adopting a risk-based management approach in key areas such as environment, energy, quality, and occupational health and safety, we integrate sustainability requirements into our operations. Within this framework, we continue our efforts to increase both the number of internal auditors and the overall level of awareness through internal auditor and management-system standards trainings.

[Click here to access our Policies and Certificates.](#)

Within the scope of our Integrated Management System Policy, we commit to creating a safe and healthy working environment, preventing occupational accidents and environmental incidents, ensuring the quality of our products and services, managing customer feedback transparently and with strict confidentiality, protecting natural resources, increasing the use of alternative raw materials and fuels, monitoring greenhouse-gas emissions, and continuously improving energy performance. We integrate this entire approach with our sustainability objectives, which take stakeholder expectations into account.

We make our approach to establishing open, transparent, and trust-based communication with stakeholders explicit through our Stakeholder Engagement Policy. We maintain regular information exchange with our stakeholders including employees, investors, customers, suppliers, public institutions, academia, NGOs, and the media and strengthen feedback mechanisms through events, seminars, site visits, surveys, and social activities.

In our communication with capital markets, we adopt the principle of accurate, timely, clear, and equally accessible disclosure in line with our Disclosure Policy, and we act in accordance with the regulations of the Capital Markets Board (CMB), the Turkish Commercial Code, and Borsa Istanbul.

We strengthened our holistic management-system approach in 2025 with the external validations obtained in Mannok's operations. In this context, achieving the "Silver Level" in the "CORE: The Standard for Responsible Business" accreditation granted by Business in the Community Northern Ireland (BITC NI) represents an independent confirmation of our responsible-business approach, following a comprehensive assessment covering governance, environment, workplace, and community areas.

Integrated Management Systems

Production Facilities	TS EN ISO 9001 - Quality Management System	✓
	TS ISO 45001 - Occupational Health and Safety Management System	✓
	TS EN ISO 14001 - Environmental Management System	✓
	TS EN ISO 50001 - Energy Management System	✓
	TS ISO 10002 - Customer Satisfaction Management System	✓
Ready-Mixed Stations	TS EN ISO 9001 - Quality Management System	✓
	TS EN ISO 50001 - Energy Management System	✓
	TS EN ISO 14001 - Environmental Management System	✓
	TS ISO 45001 - Occupational Health and Safety Management System	✓
All Çimsa Operations	TS ISO 27001 - Information Security Management System	✓
	TS ISO 27701 - Personal Data Management System	✓
	TS ISO 22301 - Business Continuity Management System	✓

Business Ethics, Compliance and Anti-Corruption

INTERNAL AUDIT

At Çimsa, we position internal audit as a core governance function that supports and provides assurance to our corporate risk management approach. Our Internal Audit Department reports directly to the Audit Committee, which operates under the Board of Directors; through this structure, the principles of independence and impartiality are effectively ensured. The internal audit plan, budget, and audit results are subject to the approval of the Audit Committee.

We present the reporting on internal audit activities to the Audit Committee every three months.

We prepare our annual internal audit plan with a risk-based approach. In this process, we take the views of the Executive Committee, the Audit Committee, and the Chair of the Board of Directors, and together with the Risk Management Department, we identify the areas considered high-risk for the relevant period. Based on the data obtained, we prepare the audit plan using the Risk-Based Internal Audit Methodology and submit it to the Audit Committee for approval.

Our audit universe is structured with a consistent, holistic, and assurance-focused approach across the entire company, covering all processes of Çimsa. When determining the scope of the audit, we assess, with a comprehensive perspective, factors such as the date when the processes were last audited, significant risks identified in past audits, changes in the organizational structure, the implementation of new systems and applications, legislative updates, and the company's strategic priorities. Through this approach, we direct our resources toward high-risk and critically prioritized areas, increasing effectiveness while directly contributing value to the company's risk-management and control environment.

Within the scope of our 2025 audit plan the following areas were prioritized:

- ✓ Occupational health and safety
- ✓ Definition, measurement, and reporting of sustainability targets
- ✓ Compliance with the Sabancı Responsible Investment Policy
- ✓ Domestic sales operations
- ✓ Domestic logistics operations
- ✓ Çimsa Americas sales and operations
- ✓ Research and development activities
- ✓ Investor relations processes

Using the ACL Galvanize Data Analytics Tool, we identify exceptional transactions, anomalies, and potentially high-risk areas more effectively, expanding our audit coverage while enhancing the quality of findings. By applying data analytics alongside traditional internal-audit techniques such as review, interviews, recalculation, and sampling we strengthen the reliability and effectiveness of our audit results.

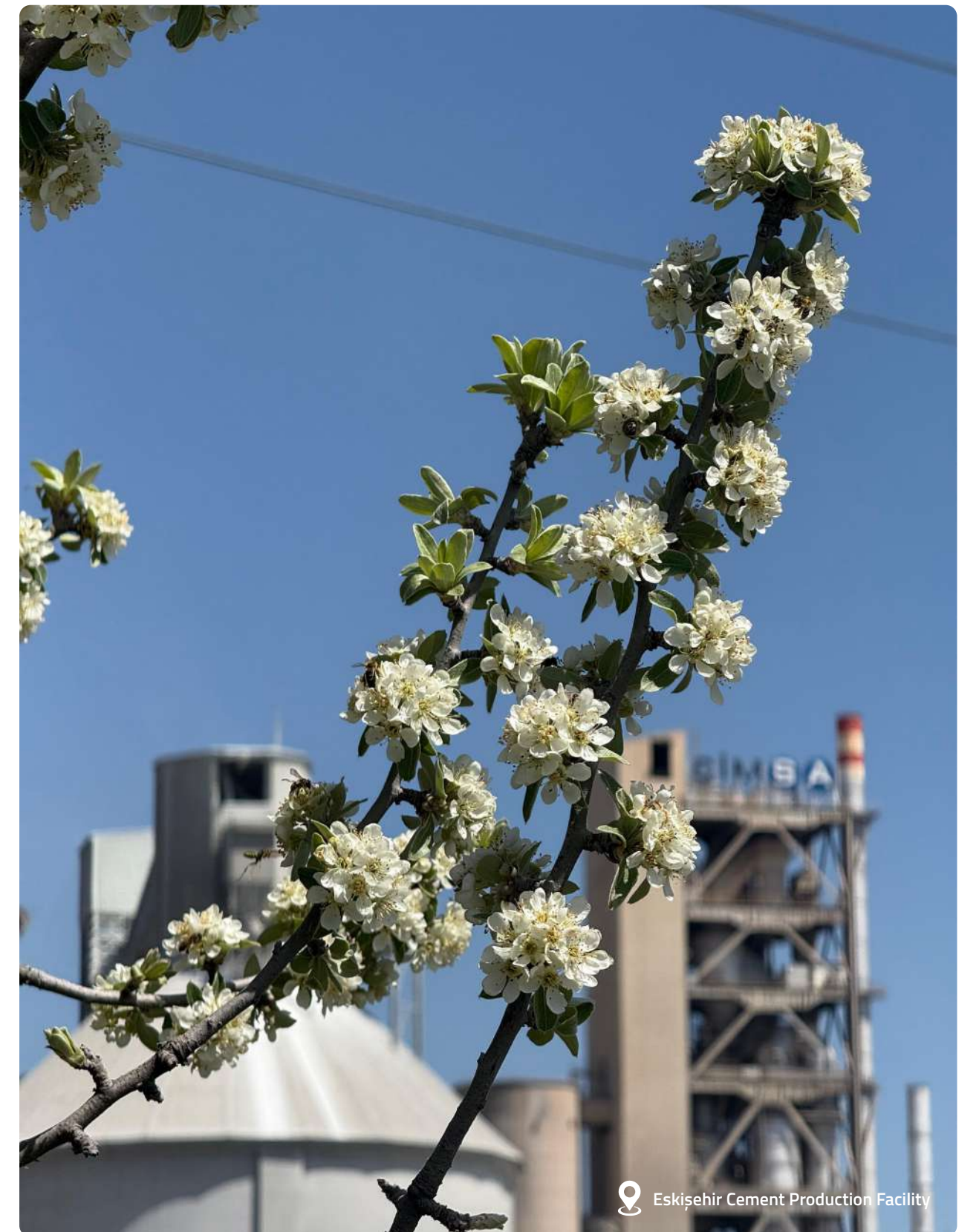
We make effective use of data analytics in our internal audit activities. Through the ACL Galvanize tool that we use within this scope, we conduct analyses on the entire dataset rather than limiting audit activities solely to sampling.

As part of the Quality Assurance Review (QAR) conducted in 2025, we evaluated the alignment of our internal audit function with the International Standards for the Professional Practice of Internal Auditing through an independent assessment process. As a result of this evaluation, we confirmed our compliance with the standards and gained the opportunity to objectively identify our areas for improvement.

We position internal audit not only as a control mechanism but also as a consultancy function that adds value to the organization.

Accordingly, we carry out our internal audit activities within a structure that considers the evolving risk environment, is based on prioritization, and is continuously reviewed, while making a concerted effort to support the effectiveness of our governance mechanisms with a holistic perspective.

As Internal Audit, we evaluate process designs from a risk and control perspective, contribute to the early-stage review of internal control points, and share our insights and recommendations to support the timely identification of potential operational and financial risks. Through this approach, we help ensure that project outputs are implemented in alignment with the company's risk management and internal control framework.



 Eskişehir Cement Production Facility

Stronger Together for the Planet

Through climate change adaptation and mitigation efforts, supported by environmental excellence practices, we aim to stand Stronger Together for the Planet.

In This Section

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PERFORMANCE DATA

WHY IS IT IMPORTANT FOR US?

Sustainable transformation requires an effective approach. Accordingly, we continuously monitor our environmental footprint, evaluate our performance, identify areas for improvement, and work to advance our environmental performance to higher levels.

HOW DO WE MANAGE IT?

Our environmental responsibilities and commitments are defined within the scope of our Environmental Policy.

Environmental performance is regularly monitored through our Environmental Management System (EMS) and is subject to compliance audits. All of our production facilities and ready-mix concrete stations are certified under the ISO 14001 Environmental Management System, and our production facilities also hold ISO 50001 Energy Management System certification.

Built on this strong infrastructure, our environmental excellence approach aims to continuously improve environmental performance and meet environmental protection standards by implementing best technical practices.

Within this framework, we systematically manage our environmental excellence efforts across four key focus areas: air emissions, water management, waste management, and biodiversity.

RELEVANT STAKEHOLDERS

- Shareholders and Investors
- Customers
- Local Communities and Public Opinion
- Public Institutions
- Suppliers

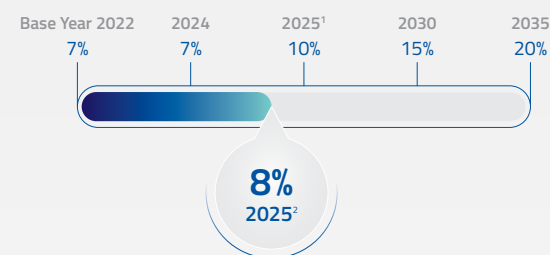
RELEVANT CAPITAL ELEMENTS

- Natural Capital
- Manufactured Capital

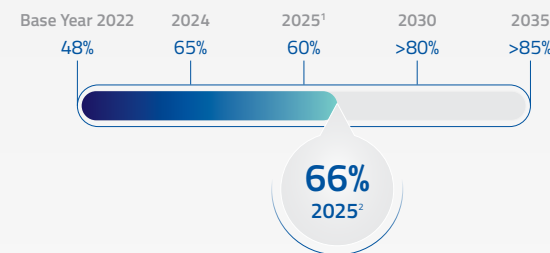
Scope 1 and Scope 2 Gross Specific Greenhouse Gas Product Emission Intensity (kg CO₂/ton cementitious)



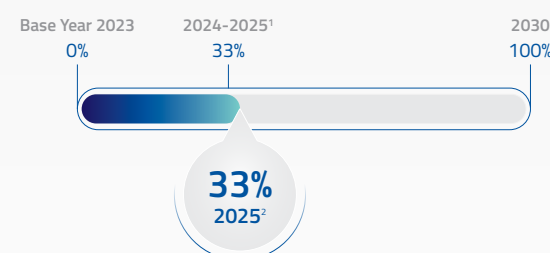
Alternative Raw Material Usage Rate (Grey Cement) (%)



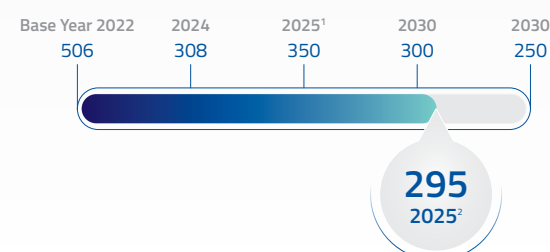
Renewable Electricity Usage Rate (%)



Percentage of Priority Locations with Biodiversity Management Plan Initiated (%)



Specific Water Consumption (L/ton cementitious)



¹Targeted
²Realized

Sustainability Trends

The year 2025 has been a period marked by significant global transformations, uncertainties, and disruptions in the areas of climate change and environmental sustainability. While the physical impacts of climate change have become more pronounced, countries' attitudes toward climate policies and sustainability approaches have varied regionally. These developments have made it necessary for organizations to adopt a more holistic perspective in managing environmental risks, adapting to climate change, and developing long-term value creation strategies.

In 2025, climate and environmental policies in the United States underwent significant shifts amid political changes. Federal commitments to combat climate change weakened, and discussions on the U.S. potentially rejoining the Paris Climate Agreement resurfaced. This created uncertainty in global climate diplomacy and international climate finance and raised questions about the consistency of national-level climate policies.

At the same time, 2025 was a year in which the physical impacts of climate change were strongly felt in the U.S. Wildfires, extreme heatwaves, floods, and storms exerted severe pressure on ecosystems, infrastructure, and economic activities. These events clearly demonstrated that climate risks have not only environmental but also economic and social consequences.

Despite the retreat in federal policy, certain states, cities, and private sector actors continued to improve their environmental performance through renewable energy investments, voluntary carbon markets, and climate commitments. This highlighted the multilayered nature of climate action, showing that both public policies and corporate initiatives play a decisive role.

In 2025, the European Union maintained a comprehensive and regulatory approach to combating climate change. Under the European Green Deal and the European Climate Law, efforts continued to reduce greenhouse gas emissions, increase the use of renewable energy, and advance toward a climate-neutral economy.

During this period, the expansion of the Emissions Trading System, strengthening of carbon pricing, and investments in energy transition came to the forefront. Renewable energy capacity increased, and a policy framework was adopted that simultaneously addressed energy security and climate objectives.

However, 2025 also saw intensified discussions on sustainability policies within the EU. Delays in certain regulations regarding sustainability reporting and supply chain obligations, revisions of implementation schedules, and debates on the cost-competitiveness balance drew attention. These developments indicated a need to reassess the pace and methods of transformation rather than a retreat from climate targets.

For Türkiye, 2025 was a year in which the institutional and legal infrastructure for combating climate change was strengthened. The Climate Law, which came into effect in July 2025, established the framework for reducing greenhouse gas emissions, climate adaptation, emissions trading systems, and carbon markets. This development was seen as an important step toward a more systematic and predictable climate policy framework in Türkiye.

In line with the 2053 Net Zero Emission Target, Türkiye updated its National Contribution Statement, raising its emission reduction target to 41%. Policies were also developed in alignment with the EU's Carbon Border Adjustment Mechanism, and infrastructure work for the emissions trading system, climate finance, and green transition were among the key topics in 2025.

Furthermore, 2025 marked a period in which the environmental impacts of climate change became more visible in Türkiye. Droughts, wildfires, pressures on water resources, and degradation of marine ecosystems increased environmental risks.

Backlash Trend Against Sustainability Policies

The year 2025 marked a period in which a global "backlash" against sustainability and climate policies became increasingly visible. In some countries and sectors, climate policies were criticized and reopened for discussion due to rising costs, competitiveness concerns, energy supply security, and short-term economic priorities.

Notable examples of this backlash include the USA retreat from climate policies and the EU's postponement and simplification of the implementation schedules for sustainability obligations. These developments indicate that sustainability policies are not being entirely abandoned; rather, they highlight the need to ensure social acceptance of the transformation process, equitable cost sharing, and attention to just transition dimensions.

For organizations, this backlash trend has made it increasingly important to approach sustainability and climate strategies not only from a regulatory compliance perspective but also in terms of long-term risk management, operational resilience, stakeholder expectations, and competitive advantage.

As of 2025, environmental and climate change issues continue to be among the key risks and transformation areas directly affecting global economic and social systems. Despite policy divergences and backlash trends, the physical impacts of climate change and environmental pressures have further emphasized the importance of sustainability-focused management approaches.

Within this context, our organization continues to adopt an approach that reduces environmental impacts, manages climate risks, and supports sustainable value creation while considering evolving global and national dynamics.

Climate Change Adaptation and Mitigation

Climate change presents significant risks and opportunities not only in terms of environmental impacts, but also with regard to operational continuity, cost structure, supply chain security, and long-term value creation. In this context, our Company addresses climate change adaptation and mitigation efforts through a holistic approach, positioning the management of climate-related risks and the reduction of greenhouse gas emissions among the core elements of its sustainability strategy.

Our approach to climate change adaptation encompasses identifying the potential impacts of physical climate risks—such as extreme weather events, water stress, rising temperatures, and potential constraints in access to natural resources—on our operations, and implementing preventive and corrective measures to manage these impacts. Accordingly, climate-related risks specific to our production facilities and supply chain are regularly assessed, and business continuity plans are reviewed with consideration of climate scenarios.



In our adaptation efforts, particular focus is placed on water management, facility and infrastructure resilience, energy supply security, and emergency management as priority areas. In facilities operating in regions with high water stress, practices aimed at improving water efficiency are promoted, while the use of alternative water sources and closed-loop systems is supported. Infrastructure improvements are implemented to reduce the impacts of extreme weather events on operations, and measures are taken to enhance operational resilience.

Mitigation efforts in combating climate change focus on reducing greenhouse gas emissions and transitioning to a low-carbon production model. In this context, projects are carried out to increase energy efficiency, expand the use of renewable energy sources, promote the use of alternative fuels and raw materials, and reduce process-related emissions. Mitigation activities not only support operational efficiency but also contribute to managing transition risks associated with climate change.

Climate change adaptation and mitigation efforts are integrated into our corporate risk management and governance framework. Climate-related risks and opportunities are regularly monitored and evaluated at the executive level. Through this holistic approach, our Company aims to build a more resilient structure against changing climate conditions, reduce its environmental impacts, and support long-term sustainable value creation.

MANAGEMENT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

Our efforts within the scope of climate change adaptation and mitigation are supported by the systematic identification, assessment, and management of climate-related risks and opportunities. Our approach ensures that the potential impacts of climate change on our operations, business model, and long-term value creation are addressed through a holistic perspective.

Our Company evaluates climate-related risks and opportunities under the main categories of physical risks, transition risks, and climate-related opportunities, and integrates these elements into its corporate risk management processes.

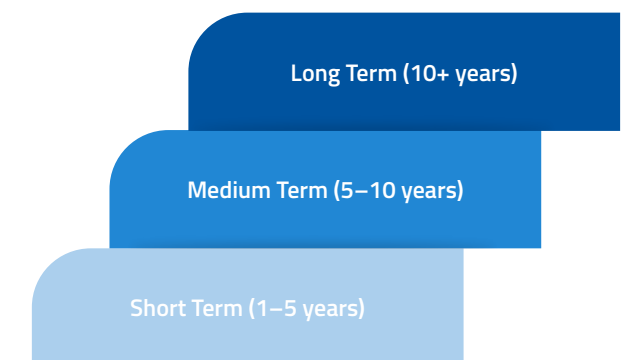
Within the scope of physical risks, the impacts of extreme weather events, water stress, and rising temperatures on operations are considered, while transition risks are assessed in line with regulatory changes, carbon pricing mechanisms, technological transformation, and shifts in market expectations. Climate-related opportunities are addressed in terms of operational efficiency, low-carbon products and processes, and the potential to create competitive advantage.

In the assessment of climate-related risks and opportunities, short-, medium-, and long-term perspectives are taken into account, and these evaluations are linked with strategic planning, investment decisions, and business continuity management processes. In this way, it is aimed to manage climate-related uncertainties more effectively together with their financial and operational impacts.

The outcomes derived within this scope contribute to the prioritization of our climate change adaptation and mitigation activities, while also supporting strategic decision-making processes. Regular monitoring and updating of climate-related risks and opportunities enable the establishment of a more flexible and resilient structure in response to changing external conditions.

Our Company approaches the management of climate-related risks and opportunities not merely as a risk mitigation tool, but as a strategic element that supports long-term sustainable value creation, and aims to continuously enhance this approach within its corporate governance structure.

Climate Risk and Opportunity Time Horizons





Climate Change Adaptation and Mitigation

CLIMATE-RELATED RISK AND OPPORTUNITY DISCLOSURES

Focusing on the risks and opportunities with the highest impact levels identified under TSRS, we have defined adaptation and opportunity assessment actions that cover our entire value chain. This approach enables the integration of relevant risks and opportunities into our financial planning processes, the updating of our calculations, and a holistic evaluation of their potential impacts on company performance. Detailed information on the scope, methodology, and financial impacts of climate-related risks and opportunities is provided in our TSRS report.

	Risk	Impact on the Value Chain	Adaptation Actions
Drought / Water Stress	The increasing intensity and frequency of droughts due to climate change may lead to disruptions in operations.	Within Çimsa's own operations, particularly in regions where our production facilities are located, limited access to water may increase water procurement costs.	At this stage, Çimsa has initiated its journey to improve water efficiency. In this process, efforts include identifying and reducing water losses, minimizing efficiency losses, and beyond that, assessing the suitability of technologies in terms of water use for future investment decisions, as well as evaluating access to water for new investment locations.
Increase in Greenhouse Gas Emission Pricing	Risks associated with the Emissions Trading System (ETS) and the Carbon Border Adjustment Mechanism (CBAM) during the export phase may create pricing risks for companies operating in certain sectors, including construction and building materials, by introducing carbon pricing on greenhouse gas emissions and increasing costs.	Rising carbon pricing may affect the cost structure across different stages of the value chain, particularly in our production activities. Energy-intensive production processes, upstream supply chains, and export activities to the EU may face more pronounced financial impacts due to carbon-related costs.	Emission levels of our facilities under the EU ETS are regularly monitored and aligned with the system's implementation requirements. Within the scope of CBAM, analyses of product carbon intensity for products exported to or with the potential to be exported to the EU are conducted, and product-based embedded carbon calculations are being verified. In line with SBTi targets, site-specific decarbonization plans are implemented, investment needs are identified, and R&D projects focused on product transformation are carried out. Carbon pricing scenarios are incorporated into daily S&OP processes through analytical studies, ensuring that carbon costs are integrated into decision-making.
Disruptions in the Supply of Raw Materials	In the transition to a low-emission economy, increasing demand for cementitious materials, rising raw material prices, and/or potential slowdowns and disruptions in raw material supply chains in the cement industry may occur.	The growing demand for low-emission cementitious materials may affect the availability and price stability of certain raw materials. This situation may create uncertainties, particularly in upstream supply chains, in terms of supply continuity and cost management.	Long-term supply agreements are being established to ensure the procurement of sustainable alternative raw materials, while R&D activities continue to explore alternative materials. R&D efforts for new cementitious materials are ongoing. Scenario analyses are conducted within decision-making processes to maintain financial flexibility.

CARBON PRICING AND TAXATION

In a period where costs arising from carbon pricing and taxation are becoming increasingly decisive on a global scale, we closely monitor developments related to the European Union Emissions Trading System (EU ETS), the Carbon Border Adjustment Mechanism (CBAM), and carbon markets planned to be implemented at the national level. We assess the operational, commercial, and financial impacts of these obligations through a holistic perspective. Through this approach, we position carbon pricing not merely as a cost element, but as a strategic lever that accelerates the transition to low-carbon production and products.

As of December 31, 2025, with the transition period covering only reporting obligations evolving into an implementation phase that entails financial responsibilities, the Carbon Border Adjustment Mechanism (CBAM) is considered a transformative regulation affecting not only cement producers in Türkiye but also our customers operating in the European Union and third-country producers outside the EU. With the regulation coming into force, significant changes are expected in cost structures, pricing mechanisms, and competitive conditions for carbon-intensive products in markets covered by CBAM.

Rather than addressing this process solely as a compliance requirement, we adopt a market-shaping approach and maintain close and transparent communication with our customers. We address the potential impacts

of CBAM together with our decarbonization strategies and emissions reduction roadmap, and carry out regular communication and assessment activities with our customers. Through our low-carbon product portfolio and mitigation strategies, we develop solutions aimed at balancing the financial impacts of the regulation.

With the gradual phase-out of free allocations under the EU Emissions Trading System (EU ETS) starting in 2026, we are aware that market price perceptions and demand structures may change significantly. Accordingly, we manage our pricing decisions through a flexible and balanced approach that takes into account different market and product segments.

In an increasingly uncertain environment, we manage the impacts of carbon mechanisms with an approach that particularly considers our production presence in Europe, in order to ensure business continuity. Local production capacity, low-carbon production infrastructure, and proximity to the market constitute the core elements of our approach to EU ETS and CBAM processes.

We evaluate the risks and opportunities related to carbon pricing and taxation in an integrated manner within our corporate risk management and investment planning processes, and review them regularly under the oversight of senior management. The outcomes obtained serve as key inputs in prioritizing decarbonization investments, developing our product portfolio, and shaping our long-term climate targets.



 Buñol Production Facility – Solar Power Plant

Climate Change Adaptation and Mitigation

DECARBONIZATION TRANSITION PLAN

The transition to a low-carbon economy is not merely a technical objective focused on emission reduction for our Company; it represents a strategic process that reflects the long-term transformation of our business model, investment priorities, and operational structure. In this context, the Decarbonization Transition Plan provides a comprehensive roadmap aimed at managing climate-related transition risks and maintaining competitiveness in the face of carbon regulations.

Our transition plan is structured to cover short-, medium-, and long-term perspectives, and is built around key focus areas such as energy transformation, process improvements, product portfolio transformation, and readiness for advanced technologies. This approach supports both the reduction of emissions arising from our current operations and alignment with future regulatory and market conditions.

The Decarbonization Transition Plan is addressed in an integrated manner with capital allocation and investment decisions, taking into account the financial impacts of mechanisms such as carbon pricing, emissions trading systems, and carbon border regulations. In this way, climate-related transition risks are managed proactively, while long-term value creation and business continuity are ensured through a business model aligned with climate targets, as well as resilience and sustainability principles.

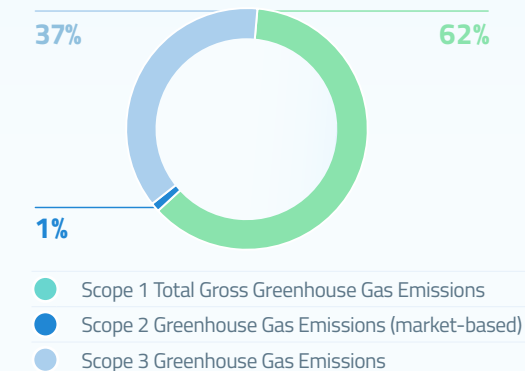
The priority areas and actions defined within the plan are monitored through measurable targets and performance indicators; the progress achieved is regularly evaluated, and necessary updates are made accordingly. Detailed implementations and concrete initiatives related to the decarbonization process are presented in the following sections under the relevant headings.

Our Decarbonization Transition Plan progresses in alignment with our near-term emission reduction targets, which were approved by the Science Based Targets initiative (SBTi) in April 2024 and are set in line with the goal of limiting global temperature increase to 1.5°C. In this context, progress is regularly monitored through emission intensity indicators, product-based carbon calculations, and scenario analyses.

The plan is implemented in an integrated manner with our corporate risk management and investment planning processes, under the oversight of senior management. Our decarbonization efforts, which are regularly reviewed through sub-working groups reporting to the Sustainability Management Committee, are updated on an annual basis and integrated into our long-term strategic plans.

During the 2021–2025 period, in line with the targets approved by SBTi, the Scope 1 and Scope 2 emission intensity of our cementitious products decreased by 17% compared to the 2021 baseline year. This progress demonstrates the effectiveness of our decarbonization transition plan and the feasibility of the defined roadmap.

Çimsa's Emissions Breakdown



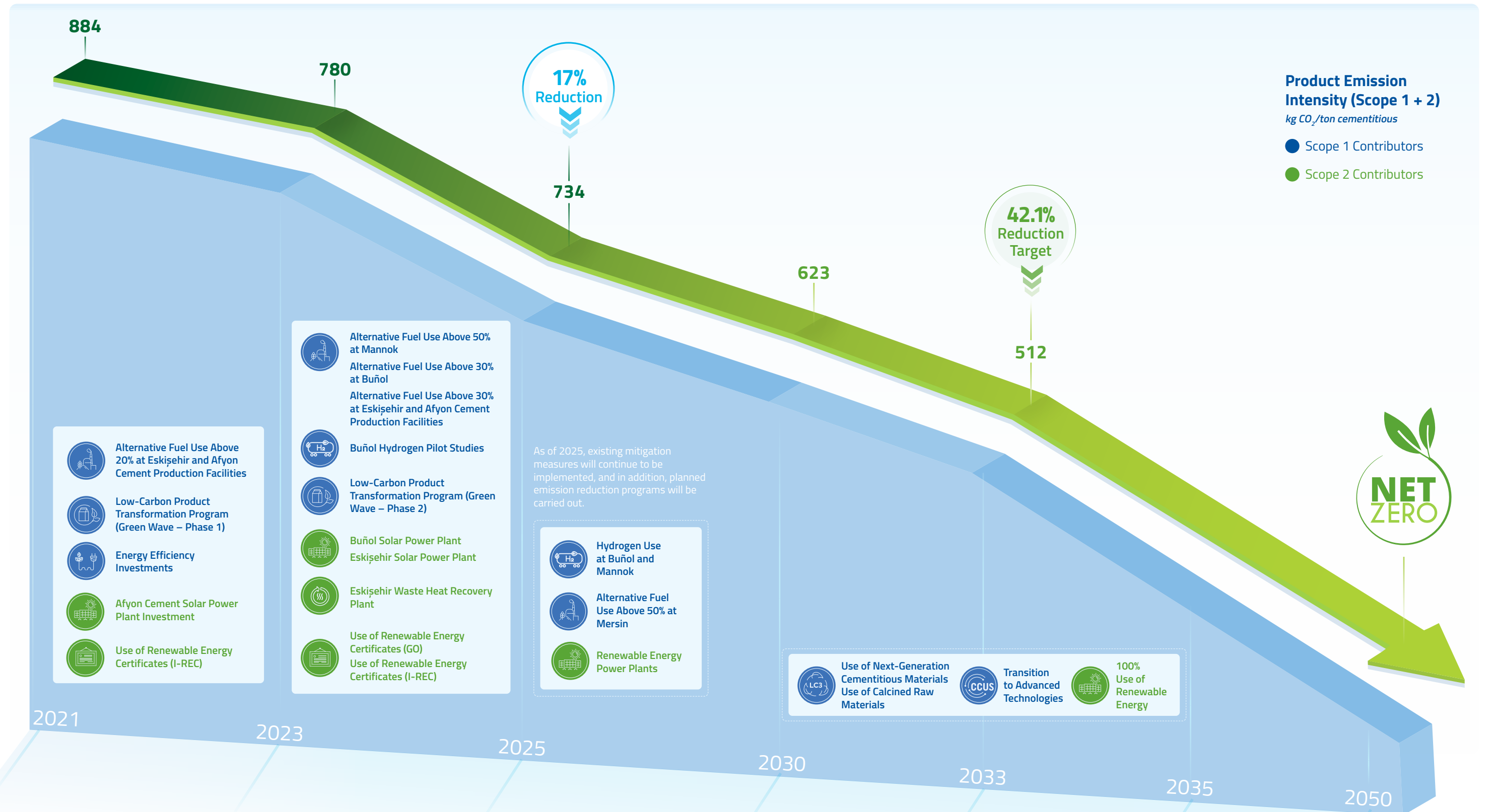
Scope 1 + 2 Specific Gross Greenhouse Gas Emissions (kg CO₂/ton cementitious)



Mannok Cement Production Facility

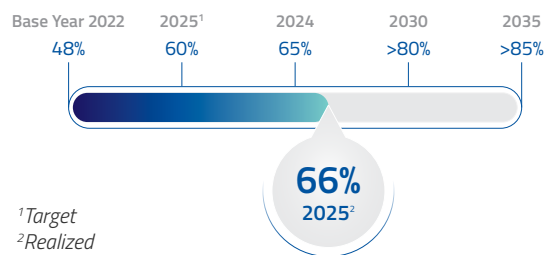
Climate Change Adaptation and Mitigation

DECARBONIZATION TRANSITION PLAN (SCOPE 1 AND 2)



Energy Efficiency and Renewable Energy Management

Renewable Electricity Consumption Rate (%)



As Çimsa, we address energy management as a strategic transformation area that enhances our operational efficiency, reduces our carbon intensity, and supports our long-term sustainability goals. While aiming to meet an increasing share of our energy demand from sustainable and renewable sources, we prioritize practices that strengthen our energy independence, ensure cost stability, and support the management of climate-related risks. In this context, energy efficiency, renewable energy, and the use of alternative fuels are among the key priority areas within our corporate strategy.

RENEWABLE ENERGY

Renewable energy is one of the key levers in reducing our Scope 2 (indirect) emissions and implementing our energy transition strategy. In this context, we aim to increase the share of electricity consumption sourced from renewable energy to 80% by 2030.

Our green electricity usage rate, which stood at 5% in 2021, has reached 66% as of 2025. This increase reflects the combined impact of certified green electricity procurement as well as the on-site renewable energy projects that we have implemented and planned.

As Enerjisa Customer Solutions, operating with a focus on sustainability, we provide our customers with integrated solutions in energy efficiency and renewable energy. In this context, we have established a strong partnership with Çimsa, which takes determined steps in line with its sustainability goals.

The project we initiated in 2023 was successfully completed as of 2025. Within the scope of the project, we installed a system at Çimsa's Eskişehir production facility that generates energy from waste heat, covering approximately one-quarter of the facility's energy consumption. This implementation not only improved energy efficiency but also led to a significant reduction in carbon emissions.

Throughout this approximately three-year process, our teams worked in close collaboration at all levels, demonstrating strong communication and a shared vision. This project not only delivered operational gains but also evolved into a success story that contributes to long-term sustainability goals and provides a solid foundation for future projects.

Cengiz Ören
Enerjisa Customer Solutions, Project Manager

Renewable Electricity Consumption Rate (%)



Through the use of renewable electricity, we achieved savings of 219 thousand tons of CO₂ compared to 2021 and reduced our Scope 2 emissions by 67.4%.

In 2023, we initiated solar power plant investments at our Afyon and Buñol facilities, followed by our Eskişehir production facility. In 2025, the commissioning of the Solar Power Plant (SPP) and Waste Heat Recovery (WHR) system at our Eskişehir production facility significantly contributed to our low-carbon energy use. The solar power plant generated 18.1 GWh, while the WHR system produced 13.5 GWh of electricity. As a result, 23% of the total electricity demand of the Eskişehir production facility was met through on-site renewable energy sources.

To ensure efficient management and optimization of renewable energy, our battery storage system investment currently under installation is expected to become operational in early 2026, maximizing renewable energy utilization. As a result of these investments, the share of on-site renewable energy in our total electricity consumption across Çimsa has reached 10%.

Looking ahead, renewable energy investments across various technologies particularly at our Mersin and Mannok facilities remain key priorities on our agenda.



Energy Efficiency and Renewable Energy Management

Amount of on-site renewable energy generated in 2025



ENERGY EFFICIENCY

Energy efficiency is one of the core components of our holistic energy management approach, which is addressed together with the transition to renewable energy. Evaluating energy efficiency projects alongside the shift from carbon-intensive energy sources to renewable resources supports the reduction of both our Scope 1 and Scope 2 emissions.

Within the scope of our efforts to improve energy efficiency, we utilize digital solutions that support process optimization in our production processes. Across all our plants, we optimize production parameters using autonomous Advanced Process Control (APC) systems, thereby reducing energy consumption and process-related fluctuations. At our Eskişehir production facility, a more advanced and cost-efficient application is being implemented by integrating an AI-supported solution into the existing APC infrastructure.

To enhance transparency and traceability in energy management, we are expanding energy audits and digital monitoring infrastructures. Based on the outcomes of energy audits conducted in Türkiye, a detailed energy audit has been completed at our plant in Spain. Key indicators such as electricity consumption, calorific values, water usage, and compressed air consumption are monitored through IoT-based measurement systems and tracked online via a centralized digital platform. This enables regular analysis of energy consumption trends and the implementation of targeted improvement actions.

Within the scope of energy transition, the completed clinker cooler upgrade at our Afyon production facility, along with improvements to the rotary kiln heat transfer system at our Buñol production facility, contribute significantly to the reduction of Scope 1 emissions.



ALTERNATIVE FUELS

The use of alternative fuels is considered a key component of Çimsa's energy transition and decarbonization strategy. By replacing fossil fuels with low-carbon alternatives such as biomass, waste tires, and fuels derived from municipal waste, we both reduce our greenhouse gas emissions and support a circular economy approach.

As Çimsa, we have increased our alternative fuel usage rate in grey cement from 13% in 2021 to 28% in 2025, demonstrating strong and consistent progress in our fuel transition strategy.

As we move toward our 2030 target of 40% alternative fuel usage, we reached an average thermal substitution rate of 28% in 2025. Among our facilities, the Mannok production facility, which performs above European Union average usage levels, achieved a rate of 67.6%, while our Buñol Production Facility reached a 30% thermal substitution rate despite challenging process conditions and high whiteness requirements in white clinker production.

Our Mannok Cement Production Facility increased its alternative fuel usage rate from 55% in 2024 to 68% in 2025, demonstrating a high-performance transformation that approaches leading practices in the sector and serves as a benchmark example.

We do not consider alternative fuel use solely as a quantitative increase; rather, we approach it as an integrated transformation area supported by infrastructure investments, process control, and quality management. To manage potential operational and technical risks arising from the use of different waste types, we implement technical improvements in kiln and feeding systems, strengthen operational monitoring and quality control processes, and closely follow new technological developments. Within the scope of Çimsa's alternative fuel usage strategy, the 2025 target of 35% for grey clinker production was achieved at 28%, considering regional commercial and market conditions.

Operating in the Irish market, Mannok Cement has achieved a leading position within the Group with a 68% thermal substitution rate. Our commitment to reaching 40% alternative fuel usage across our other locations by 2030 remains ongoing.

¹The alternative fuel usage in grey clinker lines refers to the thermal substitution rate.

Energy Efficiency and Renewable Energy Management

A New Era in Alternative Fuels: Hydrogen

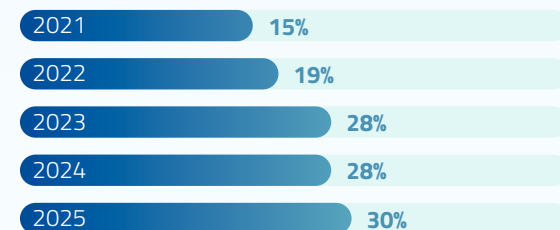
Following the successful completion of pilot studies at our Buñol production facility, we have decided to position the Hydrogen Utilization Project as a permanent component of our alternative fuel portfolio. In line with this decision, we have initiated feasibility studies for investments in hydrogen production and feeding systems at the plant. This step marks a new milestone in our alternative fuel strategy.

With the integration of hydrogen into the fuel mix, we aim to enhance combustion efficiency, particularly in white clinker production. This is expected to increase the thermal substitution rate at our Buñol production facility—from its current level of approximately 30% to 48%—and reduce annual CO₂ emissions by around 30 thousand tons. Rather than directly replacing fossil fuels, hydrogen acts as a catalyst that enhances the combustion performance of alternative fuels, contributing significantly to process stability and emission reduction.

Another factor increasing the strategic value of the project is the on-site production of green hydrogen, its integration as an integral part of the fuel mix, and its alignment with our long-term alternative fuel strategy. This approach enables hydrogen to be positioned not merely as a pilot application, but as a scalable and permanent energy transition solution. European Union incentive mechanisms and support programs have played an important role in accelerating this technical transformation and in advancing our investment decisions.

As Çimsa, we remain committed to expanding the technical capabilities and operational experience gained from hydrogen utilization at our Buñol production facility to other geographies where we operate, provided that similar regulatory and incentive frameworks are established. While aiming to increase the share of green hydrogen in our fuel composition, we continue to take a leading role in the transition to low-carbon production in the cement sector through our R&D efforts focused on hydrogen feeding systems and related technologies.

Alternative Fuel Usage Rate - Buñol



In 2025, alternative fuel usage reached 30% during white clinker production at our Buñol production facility in Spain and 68% during grey clinker production at our Mannok production facility in Ireland, making a significant contribution to our long-term targets.

Leading Performance in Alternative Fuels: 75% Thermal Fuel Substitution at Mannok

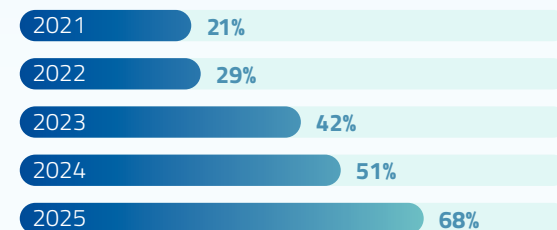
Our approach to increasing alternative fuel use at our Mannok production facility is built on the holistic and advanced technology-driven transformation of the cement kiln combustion system. At the core of this transformation is the FUELFLEX® Pyrolyzer technology recognized as the world's first staged fluidized bed system which has enabled a substantial replacement of fossil fuels with Refuse-Derived Fuel (RDF) during the precalcination stage, the most carbon-intensive phase of clinker production.

With the comprehensive system upgrades implemented as of 2025, the alternative fuel infrastructure at Mannok has been further strengthened. Through the integration of satellite burners and the Jetflex® main burner, RDF can now be used directly in the kiln as a substitute for coal for the first time. With this new combustion approach, coal has been operationally shifted from being the primary fuel to a backup fuel. The control systems have been configured so that coal feeding is activated only in exceptional cases, such as when RDF feeder capacity limits are reached or in the event of line blockages.

As a result of these technical transformations and optimization efforts, approximately 104 thousand tons of coal consumption have been reduced annually at our Mannok production facility, preventing around 98 thousand tons of CO₂ emissions. These achievements have enabled Mannok's alternative fuel rate to reach 75% on a daily basis, positioning the facility above European Union averages and establishing it as a strong benchmark for the sector in alternative fuel utilization.

The advanced technical capabilities and operational experience achieved at Mannok represent a tangible outcome of our alternative fuel strategy, which is developed by considering site-specific infrastructure investments and regional supply opportunities.

Alternative Fuel Usage Rate - Mannok



Circular Economy and Waste Management

STRATEGIC APPROACH AND MANAGEMENT MODEL

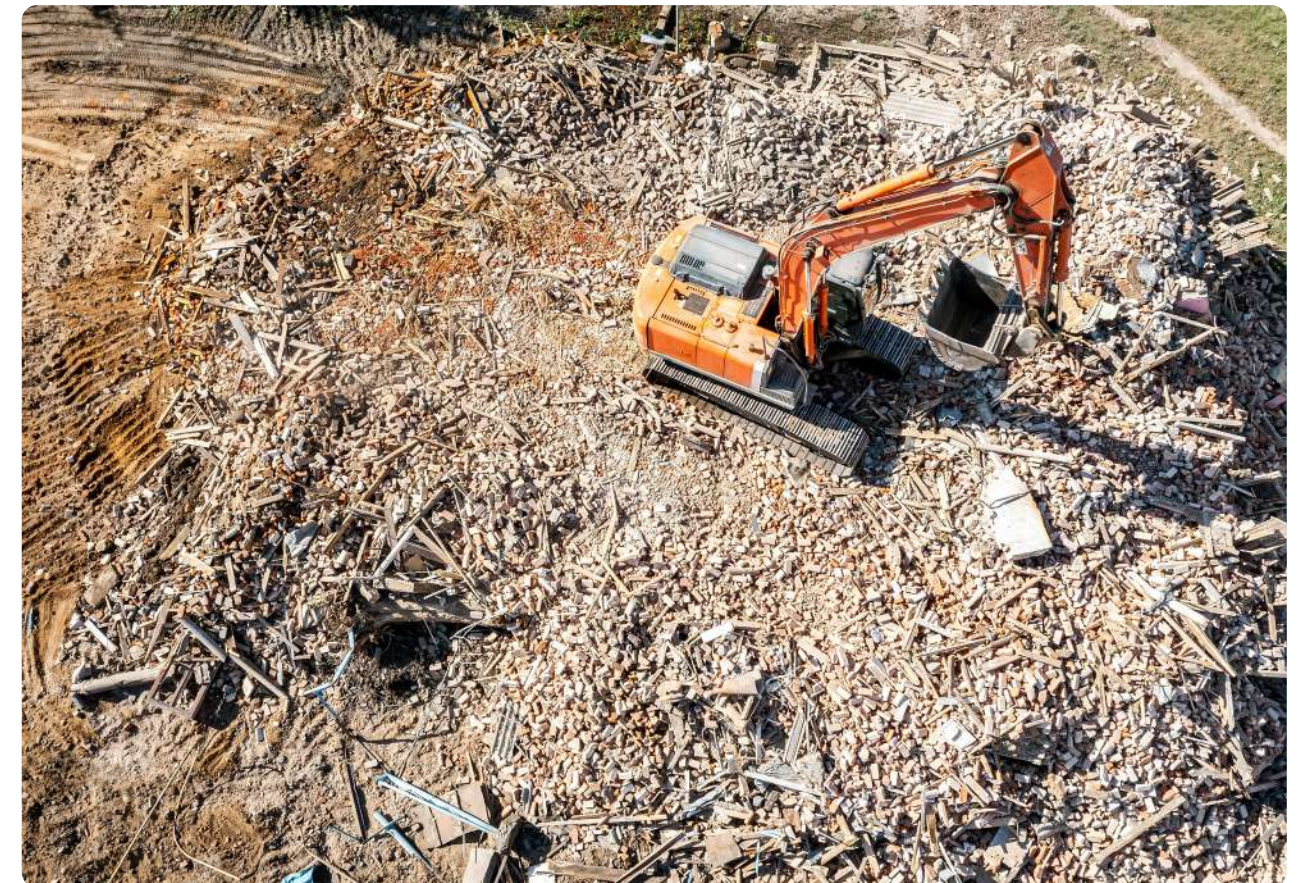
At Çimsa, we aim to reduce our environmental impacts and minimize pressure on natural resources by placing the circular economy approach at the core of our business models. In this context, we position circular economy and waste management among the high-priority areas of our sustainability strategy. By moving away from linear production models, we strengthen a value chain structure based on closed-loop systems.

We structure our circular economy roadmap under three main pillars: Circular Design, Circular Inputs, and Circular Outputs. Through this holistic framework, we implement an integrated transformation approach aimed at reducing resource consumption, integrating secondary and alternative materials into our value chain, and systematically eliminating waste generation.

As of 2025, we updated the scope of our waste management strategy by implementing our Circular Economy and Waste Management Policy, clearly defining our Zero Waste vision that encompasses all group companies and our entire supply chain.

Within the scope of our Circular Design approach, we developed an innovation project focused on the reuse of construction and demolition waste included in our 2025 targets and benefited from the TÜBİTAK grant program. Through this initiative, we aim to reintegrate these wastes into the building materials value chain in the medium and long term. Across all our operations, we adopt the waste management hierarchy as a core principle and prioritize controlling waste generation at the earliest possible stage.

[Please click here for the Circular Economy and Waste Management Policy.](#)



Circular Economy and Waste Management

USE OF ALTERNATIVE RAW MATERIALS AND REDUCTION OF THE CLINKER RATIO

Clinker, the main component of cement, is also the primary source of direct greenhouse gas emissions. Therefore, reducing the clinker ratio is one of the key pillars of the transition to a low-carbon product portfolio.

In this context, within our grey and white cement portfolios, we are accelerating the transition to blended cement by using limestone, pozzolanic materials, and slag, ash, and similar waste and by-products from various industries. Under our Green Wave product transformation program, we increase market access for composite cements through plant-based raw material optimization practices.

As a result of these efforts, we achieved our 2025 target by reducing the clinker ratio in our grey cement products to 80%. On the white cement side, we continue this transformation with a gradual approach, taking into account the quality criteria required by process conditions.

Clinker Ratio – Grey Cement



Another area of use for alternative raw materials is their incorporation into our clinker production processes in order to reduce calcination-related emissions, by utilizing wastes and by-products from various industries that have already undergone the calcination process. Particularly during white clinker production, we implement exemplary practices to reduce clinker emission intensity by using calcined wastes from the glass industry.

Alternative raw materials and cementitious materials not only reduce the carbon footprint but also decrease our dependence on natural resources, thereby enhancing resource efficiency. In 2025, by integrating approximately 530 thousand tons of alternative raw materials into our production processes, we made a strong and tangible contribution to the circular economy. In 2025, the rate of alternative raw material usage in grey cement was realized at approximately 8%. Due to regional market

conditions, limitations in access to circular economy-based cementitious materials slowed the achievement of the targeted level of 10%. At this point, as a Company, we have maintained our strong commitment to reducing the clinker ratio and continued the production of blended cement through the use of natural resources and supplementary materials.

MANNOK MECA-CLAY PROJECT

Modeling studies conducted in 2025 demonstrated that engineered Meca Clay solutions offer up to 80% CO₂ emission reduction potential through clinker substitution under the most favorable industrial scenarios. In this context, the Mannok Meca Clay Project is considered a strategic solution in line with our low-carbon cement development objectives. Mechanical-thermal activation and flash calcination studies developed in collaboration with Envicore, Carbon Upcycling Technologies, SEAM (SETU), and Boliden are paving the way for low-carbon, high-performance cements in the medium term.

WASTE MANAGEMENT AND OUR ZERO WASTE JOURNEY

Our fundamental approach to waste management is to follow a systematic roadmap based on the waste management hierarchy. Waste prevention is addressed as the primary step; where this is not possible, reduction, reuse, recycling, and recovery practices are implemented.

Through this approach, we position waste management not only as an environmental responsibility but also as a process that creates operational and economic value. By utilizing suitable types of waste as alternative fuels and alternative raw materials in our cement kilns, we reduce primary resource consumption and disposal costs, while offering sustainable solutions to our stakeholders through waste acceptance services for specific waste types.

All waste is managed in full compliance with applicable regulations; it is segregated at source, temporarily stored under appropriate conditions, and transported solely by licensed carriers to authorized facilities. Full regulatory compliance, traceability, and environmental safety are the core principles of our waste management practices.

Advanced Technologies

THE ROLE OF CCUS IN OUR DECARBONIZATION JOURNEY

At Çimsa, we regard Carbon Capture, Utilization, and Storage (CCUS) technologies as a strategic solution area on our journey toward achieving our long-term net-zero target, complementing our existing mitigation levers based on energy efficiency, the use of alternative fuels and raw materials, and the reduction of the clinker ratio. Due to the inherent nature of cement production, CCUS technologies are expected to play a critical role in the medium and long term in mitigating process-related CO₂ emissions.

In this context, we address CCUS not merely as a future-oriented technological vision, but through a phased and data-driven evaluation approach that considers plant-specific applicability, technical integration, and economic feasibility.

Our Approach to CCUS

We assess CCUS technologies within a holistic framework that encompasses carbon capture from flue gas, the utilization of captured CO₂ in products and processes, and safe storage options. Within this scope, post-combustion carbon capture, mineralization, and alternatives focused on the permanent sequestration of CO₂ in concrete are among the key technology areas analyzed in terms of technical and operational feasibility.

In parallel with the studies carried out within the Global Cement and Concrete Association (GCCA), of which we are a member, we closely monitor global developments in the CCUS field through national and international collaborations and innovative initiatives. We evaluate these developments by relating them to Çimsa's operational realities.

FORWARD-LOOKING CCUS ROADMAP

Plant-based decarbonization plans, together with assessments of our facilities' potential exposure to mechanisms such as the Emissions Trading System (ETS) and the Carbon Border Adjustment Mechanism (CBAM), enable us to prioritize facilities within our CCUS roadmap based on site-specific risks and opportunities.

CCUS Feasibility Studies at Buñol and Mannok Production Facility

To translate advanced technologies into practical applications, we have prioritized CCUS-focused preliminary assessments and feasibility studies at our Buñol (Spain) and Mannok Production Facility (Ireland).

At our Buñol production facility, preliminary assessments are being conducted regarding the integration of carbon capture technologies into existing production processes. Within the scope of these studies, flue gas characteristics, capturable CO₂ potential, energy and space requirements, and operational integration challenges are analyzed to assess the plant-specific applicability of CCUS. At the same time, potential on-site and off-site utilization scenarios for the captured CO₂ are also included in the evaluation.

In our Mannok operations, pre-feasibility studies on carbon capture technologies have been initiated, and a structured assessment process has been designed to evaluate the technical suitability of different technology alternatives, along with CAPEX- and OPEX-based techno-economic analyses. These efforts are supported through collaborations with consulting firms that possess global expertise in the CCUS field.

The studies carried out at Buñol and Mannok aim to demonstrate the medium- and long-term applicability of CCUS technologies across the Group, and to establish a robust technical and economic foundation that will serve as an input for future investment decisions.

Utilization of CO₂: Product and Value Chain Perspective

Within the "utilization" dimension of our CCUS approach, one of our primary focus areas is the integration of captured CO₂ into products and its evaluation in line with circular economy principles. Under the C-World Project developed by our R&D Unit, alternative solutions for the sequestration of carbon dioxide within concrete are being explored, and innovative designs aimed at increasing the carbon storage potential of our products are being developed.

Through this approach, we position CCUS not only as an emission reduction technology, but also as a strategic tool that supports product-based value creation and strengthens our portfolio of low-carbon solutions.

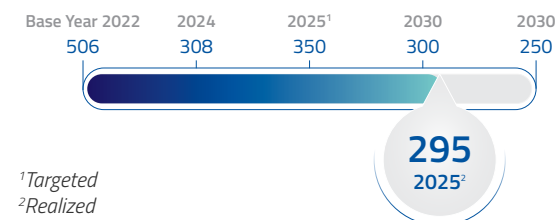
Our efforts related to CCUS technologies are addressed through a phased perspective: technical feasibility studies and preliminary assessments in the short term, plant-based integration scenarios in the medium term, and commercially scalable applications in the long term. In this context, we continue to view CCUS as an advanced technology area that complements our existing mitigation levers and provides strategic flexibility on our path toward achieving net-zero emissions.

Water Management

STRATEGIC APPROACH AND MANAGEMENT MODEL

At Çimsa, we consider water management as one of the most critical priority areas within our environmental agenda, alongside our objectives related to combating climate change, improving resource efficiency, and ensuring environmental sustainability. The protection and sustainable use of water resources across all regions where we operate constitute an integral part of our vision for environmental excellence.

Specific Water Consumption (L / ton cementitious)



¹Targeted
²Realized

We implement our Water Management Policy in line with the principles of sustainability, efficiency, social responsibility, transparency, and regulatory compliance, adopting the circular use of water and the reduction of our water footprint as our core approach.

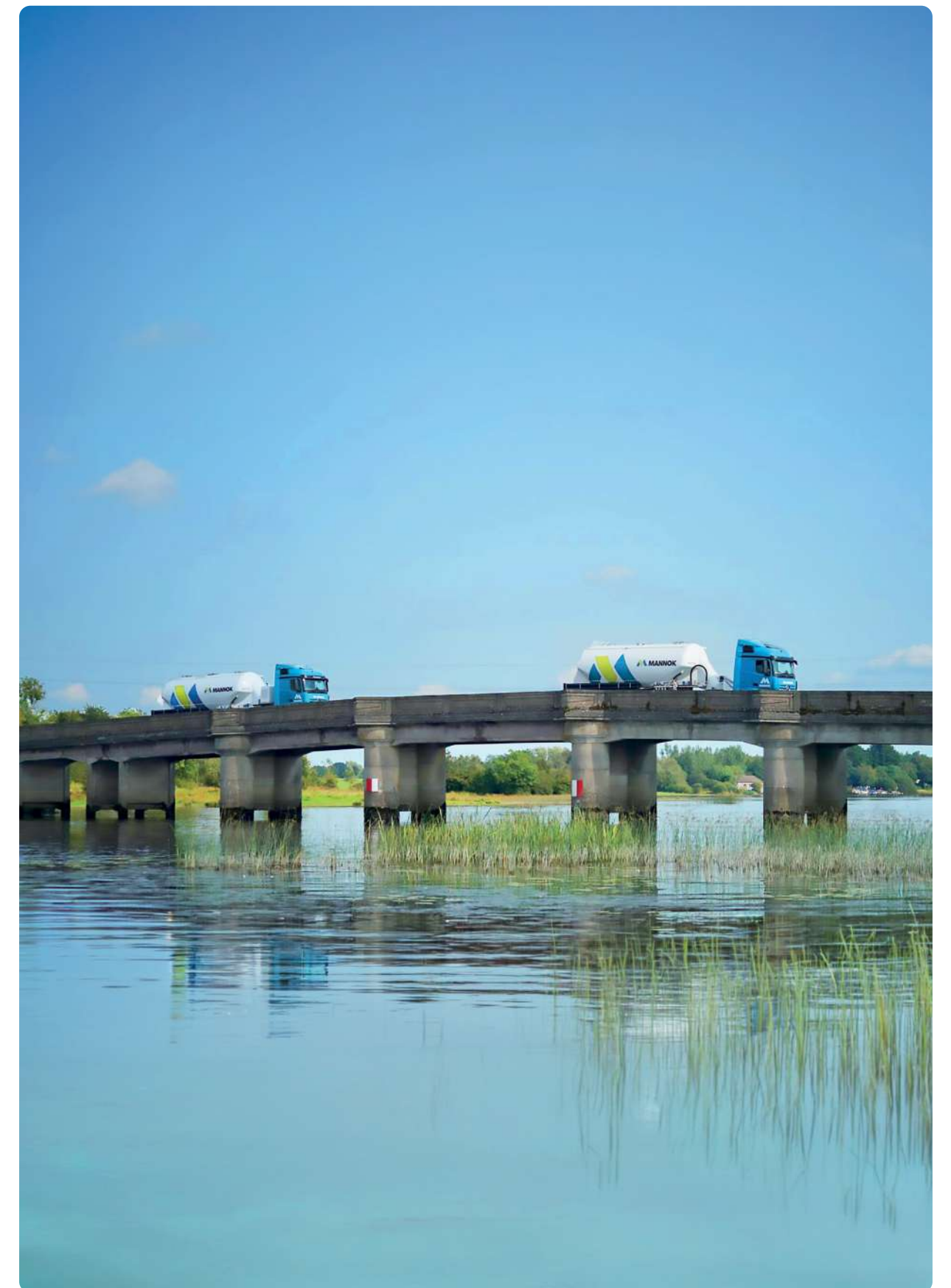
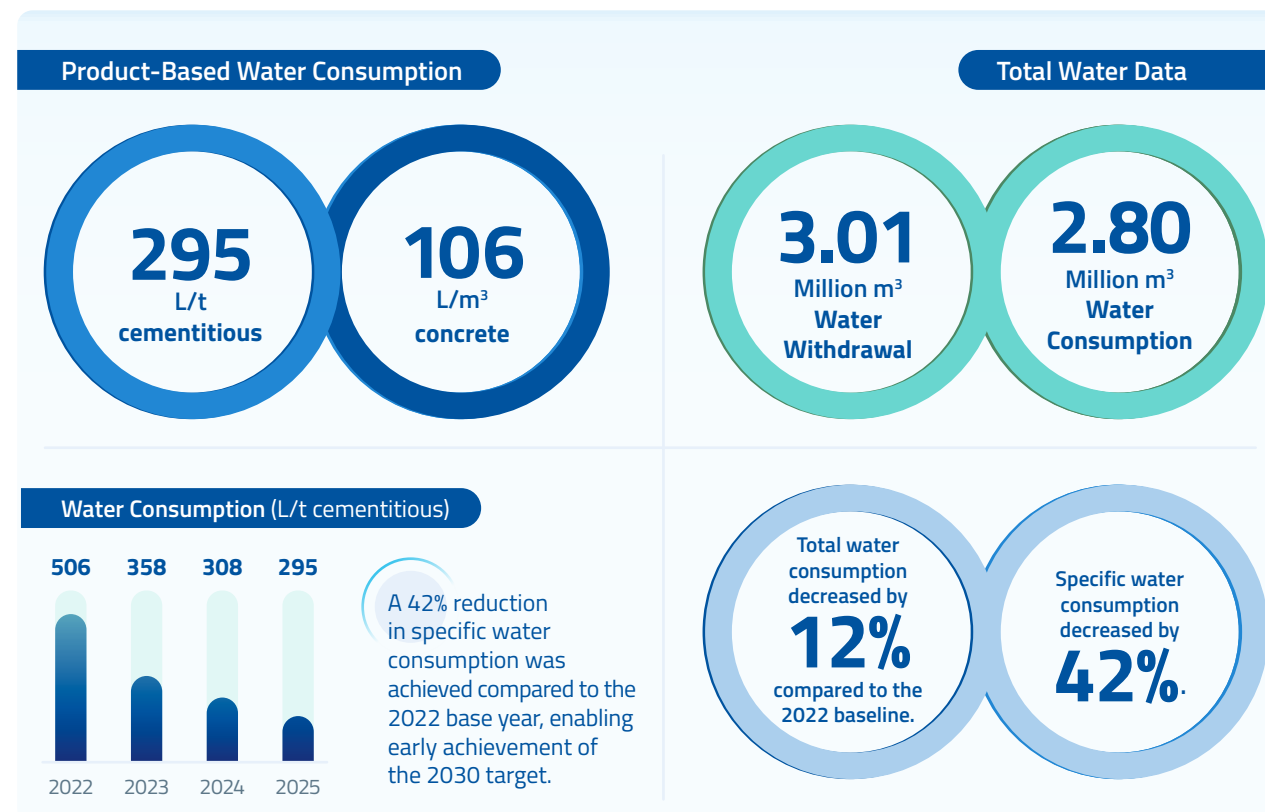
In this context, we use our calculations based on the ISO 14046 Corporate Water Footprint Standard, together with our reporting conducted within the scope of GRI and the CDP Water Program, as key tools for monitoring our 2030 environmental targets. We manage our water stewardship approach in an integrated manner with our overall sustainability strategy and long-term objectives.

We structure our water management strategy around four main pillars:

- Reduction of water consumption,
- Water recovery and reuse,
- Effective management of water stress risks,
- Protection of water quality and ecosystems.

Within this framework, we aim to reduce water consumption per unit of production and expand recovery and reuse infrastructure through plant-specific water management plans, digital monitoring systems, and process optimization initiatives. Particularly in regions experiencing high water stress, we conduct site-specific water risk analyses and implement measures to alleviate pressure on water resources.

- [Please click here to access our Water Management Policy.](#)
- [Please click here to access our CDP 2025 Report.](#)



Water Management

PROCESS EFFICIENCY AND CIRCULAR WATER MANAGEMENT

At Çimsa, we structure our practices aimed at reducing water consumption and improving water efficiency around enhancing process stability and a circular water management approach. By making process parameters in our production operations more stable and controlled, we significantly reduce unnecessary water use and water losses through minimizing operational shutdowns as well as sudden temperature and pressure fluctuations.

Within this framework, we reduce the need for fresh water through closed-loop and optimized cooling systems, and lower the volumes of water used in cleaning, cooling, and auxiliary processes by improving production stability via enhanced process control and automation. In this way, we strengthen water management not only through technical investments, but also through operational efficiency and process stability.

We further support circular water use through in-plant reuse of treated wastewater and suitably qualified grey water, as well as infrastructure investments for rainwater harvesting and surface water collection.

RAINWATER HARVESTING

We carry out our rainwater harvesting initiatives through site-specific studies and infrastructure assessments, prioritizing investments by taking into account water risk analyses and regional water stress levels.

In order to reduce the amount of freshwater withdrawn from regions experiencing high water stress, we perform detailed monitoring across all our facilities through digital water meters and sub-metering systems. Thanks to these digital monitoring and sub-metering systems, we can track water consumption points in real time, rapidly identify leakages and losses, and implement data-driven interventions.

CIRCULAR WATER SOLUTIONS IN MERSİN

In 2025, we implemented investments at our Mersin production facility aimed at the collection of surface water and the reuse of treated wastewater within the facility. In addition, wastewater discharged from the RO (Reverse Osmosis) unit was conveyed to the third facility through gravity flow without the use of energy and integrated into our production processes.

Furthermore, within the scope of a project designed to collect and reuse surface water and treated wastewater, we completed investments in oil separators and pre-sedimentation basins. With the commissioning of the project, we aim to reduce freshwater demand and strengthen circular water use across our operations.

MANAGEMENT OF WATER STRESS AND CLIMATE-RELATED RISKS

In the regions where we operate, we assess the increasing risks of drought and water stress driven by climate change under the physical–chronic risk category and address them as a critical risk area for operational continuity in the medium and long term. According to the scenario analyses we have conducted, water stress risk is projected to be medium under a <2°C scenario, while it is expected to reach a high level under a 3.5–4°C scenario.

These risks have the potential to lead to a reduction in production capacity, increases in water procurement costs, and additional pressure on operating expenses. From a value chain perspective, we observe that the highest impact of water stress risk occurs within our own operations, followed by upstream activities.

Our water supply management approach is built on site-based water risk analyses, comprehensive measurement infrastructures, the widespread implementation of water efficiency practices, increased use of grey water and treated wastewater, rainwater harvesting, and the evaluation of alternative water sources. While aiming to optimize water consumption and reduce specific water consumption, we regularly analyze the potential financial impacts of rising water prices and additional investment requirements.

WATER QUALITY

To protect the quality of groundwater and surface water located around our production facilities, we implement a holistic monitoring and control approach that considers water-related ecosystems. We regularly analyze effluents discharged from wastewater treatment plants in line with regulatory limits and systematically monitor parameters such as pH, suspended solids, oil and grease, and other relevant indicators.

In the event of any potential deviations, we promptly implement corrective and preventive actions, aiming to reduce pressure on water resources and ecosystems in the regions where we operate.



📍 Mannok-Cement Production Facility



Biodiversity and Ecosystem Protection

STRATEGIC APPROACH AND MANAGEMENT MODEL

At Çimsa, in line with our business model that is compatible with nature and focused on long-term value creation, we address biodiversity as a strategic priority area. While biodiversity loss and climate change stand out as two interrelated and mutually reinforcing global crises, their impacts are becoming increasingly visible through environmental risks such as droughts, mucilage, forest fires, and floods. Within this framework, we consider the protection of species and natural ecosystems, as well as the continuity of ecosystem services, to be a critical element in enhancing resilience and adaptive capacity to climate change.

Accordingly, we aim to integrate nature-positive practices into our operations and strengthen our long-term business resilience. Within the scope of our Biodiversity Management Policy, we seek to manage our impacts on biodiversity not only across our own operations but also throughout our supply chain and business relationships. By adopting contemporary approaches such as natural capital, ecosystem services, and nature-based solutions, we ensure that our impacts across all areas of operation are addressed through a systematic and holistic approach.

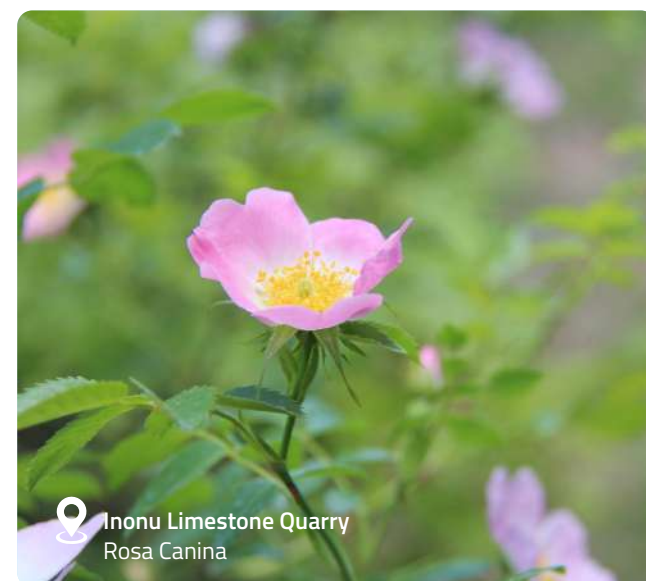
[Please click here to access our Biodiversity Management Policy.](#)

“ In 2024, Çimsa requested support to reduce its impacts on biodiversity across its investment and operational processes. Within this scope, in line with studies conducted according to the mitigation hierarchy of the International Union for Conservation of Nature IUCN, a Biodiversity Management Plan was prepared in 2025 based on research carried out at the Eskisehir production facility and material sourcing areas. The plan includes actions focused on protection, sustainable management and monitoring.

The implementation of this Biodiversity Management Plan, which sets an example for the sector, will contribute to the conservation of species and habitats at material sourcing areas both on site and outside the site. In addition, the transformation of a former material sourcing area within the plant boundaries into a wetland ecosystem that has gradually become a breeding and feeding area for many bird and mammal species stands out as a promising development in terms of conservation and sustainable management. This development will also turn the area into a model reclamation site for Türkiye.

Note: Reclamation refers to the process of converting, rehabilitating or developing a site for uses different from its former function. ”

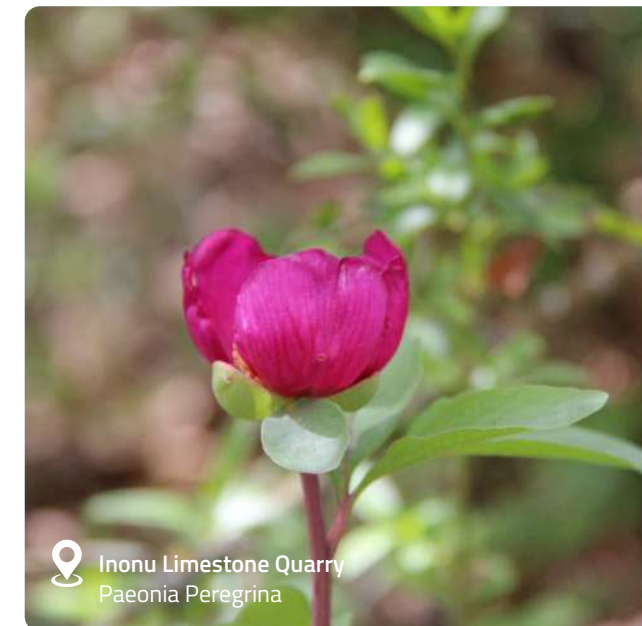
Yıldırım Lise | Deputy General Manager, DKM



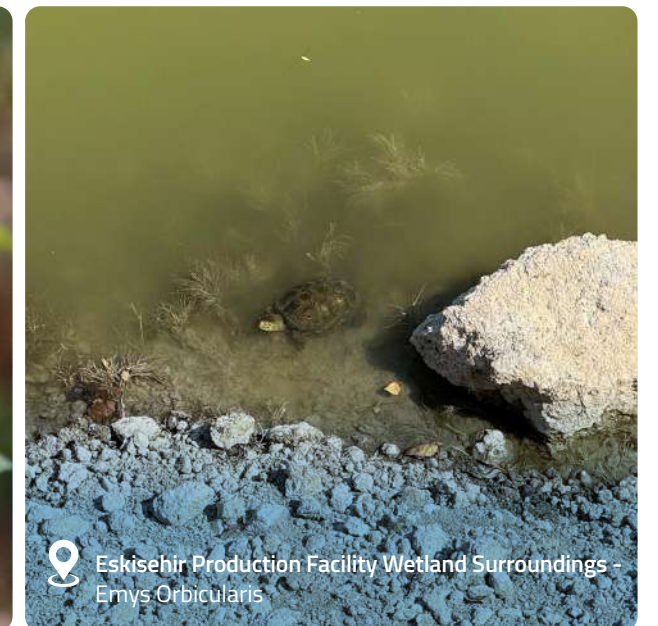
Inonu Limestone Quarry
Rosa Canina



Eskisehir Production Facility Wetland Surroundings -
Vulpes Vulpes



Inonu Limestone Quarry
Paeonia Peregrina



Eskisehir Production Facility Wetland Surroundings -
Emys Orbicularis

BIODIVERSITY MANAGEMENT PLAN AND IMPLEMENTATION APPROACH

At Çimsa operational sites, particularly quarry areas and locations with extensive land assets, practices aimed at the protection of biodiversity have been implemented for many years.

As a concrete outcome of this strategic approach, in 2025 we focused on preparing a Biodiversity Management Plan (BMP) aimed at reducing potential impacts on biodiversity at two separate locations within our Eskisehir Production facility. The plan was developed in line with the Biodiversity Management Plan Guideline of the World Business Council for Sustainable Development (WBCSD) and the Cement Sustainability Initiative (CSI), supported by the technical expertise and field experience of the Doğa Koruma Merkezi (DKM).

The main objective of the BMP is to prevent or minimize potential adverse impacts on flora, fauna and habitats within the direct area of influence and to ensure the continuity of environmental controls and practices accordingly. Within the scope of the plan, measures have been defined such as avoiding sensitive areas, preventing unnecessary damage to vegetation, planning operational timing by taking into account breeding and nesting periods of fauna species, conducting site assessments prior to project activities, and rehabilitating disturbed areas using native species.

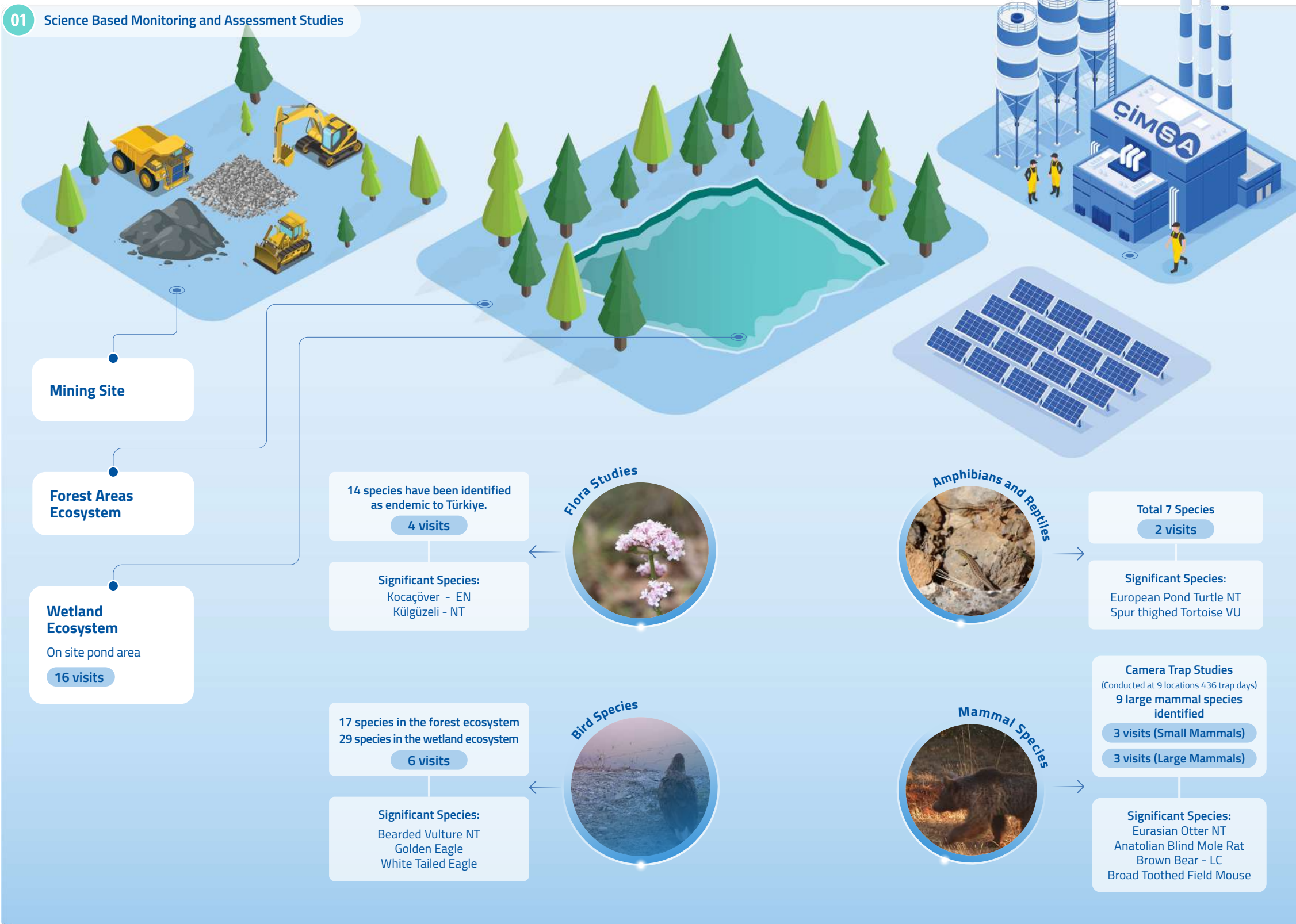
During the Biodiversity Management Plan studies:

34 site visits were conducted
76 different species were identified.

The foundation of our biodiversity management is based on the mitigation hierarchy approach aligned with international best practices. Within this framework, priority is given to preventing potential impacts at the planning stage, reducing the scope and intensity of unavoidable impacts, rehabilitating affected areas, and offsetting remaining permanent impacts. This approach is positioned as a strategic tool that guides our operational decision making processes and aims to ensure the highest possible level of biodiversity protection.

Biodiversity and Ecosystem Protection

01 Science Based Monitoring and Assessment Studies



02 Monitoring and Evaluation Program

The biodiversity surrounding the Çimsa Eskisehir production facility is regularly monitored and evaluated within the scope of the Biodiversity Management Plan that has been prepared. Through field studies conducted by expert teams, plants, birds, mammals, reptiles and the wetland ecosystem are monitored at specific intervals throughout the year.

Within this scope:

- Plant species present in the field are regularly observed, and species counts are conducted particularly for sensitive species.
- Birds, small and large mammals, and reptile species are monitored through field observations and recording activities.
- The wetland ecosystem formed within the factory site and the species it hosts are regularly assessed.
- Data obtained from field studies are analyzed by experts, and the status of biodiversity is reported accordingly.

03 Main Objectives of the Management Plan

Within the scope of the project, the following objectives are being pursued to protect biodiversity and support the sustainability of ecosystems:

- Protecting the habitats of flora and fauna species and minimizing potential impacts during project activities.
- Planning field studies by considering sensitive periods, such as bird breeding seasons and plant growth cycles.
- Implementing operational measures that allow wildlife to safely move away from the site.
- Providing habitat restoration by reclaiming disturbed areas with natural vegetation after activities.
- Creating a safe living space for birds and other creatures by preserving the wetland formed within the factory boundaries.
- Conducting awareness studies on biodiversity for employees, students, and the local community.

Biodiversity and Ecosystem Protection

NATURAL CAPITAL, CURRENT STATUS AND MONITORING

Within the scope of the Biodiversity Management Plan (BMP), we identified priority species and habitat types by conducting impact assessments in our project areas. Field studies, carried out by experts from the Nature Conservation Centre (DKM), were conducted across three different ecosystem types: wetlands, forests, and steppes. The wetland ecosystem encompassing the pond and its surroundings located south of the factory, the mixed oak-larch forest areas, and the mining sites with steppe characteristics were analyzed in detail in terms of biodiversity.

Field studies were planned considering the seasonal characteristics of ecosystems and the biological cycles of species. Priority species and habitats were determined through observation and inventory studies focusing on plants, birds, mammals, reptiles, and amphibians. Furthermore, to monitor the effects of potential post-extraction site degradation on biodiversity, it is planned to establish monitoring and control mechanisms, particularly for the spread of invasive and alien plant species.

In line with the adaptive management approach we have adopted within the BMP, we regularly review our management measures in light of monitoring results and new scientific findings; we increase the effectiveness of our biodiversity management by updating our plans when necessary.

ECOSYSTEM FRIENDLY SITE APPROACHES AT MANNOK

In 2025, we restarted the Kestrel Cam application, which continues to be a first of its kind in Ireland and has been implemented for the fifth consecutive year. Through this application, live footage of a kestrel pair nesting within the quarry is broadcast, with the aim of raising awareness for a species experiencing population decline and supporting educational and research activities. During the 2025 season, the return of the pair to the site and the successful rearing of their chicks once again highlighted the importance of protecting suitable nesting habitats within the operational area.

In addition, we continue to maintain beehives hosting local Irish honeybee colonies at our operational sites in Mannok. These hives are regularly monitored from spring through August and are regarded as a small yet meaningful contribution to the protection of biodiversity.

Wetland Ecosystem in Eskisehir

The wetland located to the south of our Eskisehir production facility is one of the areas that we address within the ecosystem approach and that stands out in terms of biodiversity. Although it was formed artificially, the ecological characteristics it has developed over time have turned it into a significant habitat for both aquatic and terrestrial species.

Observations have shown that the carp population in the wetland displays a healthy structure, water birds actively use the area, and terrestrial mammals utilize the wetland as a feeding and movement area. The presence of the Eurasian otter documented through camera trap records, along with the status of the European pond turtle population identified as a target species, further strengthens the ecological value of the area.

When evaluated within the scope of ecosystem services and assessed across the four main ecosystem service categories, the wetland demonstrates a multifunctional and highly effective structure.

Within the scope of **provisioning services**, although the area is not used directly as a source of drinking water or food, it functions as a source of freshwater and irrigation water and provides feeding and breeding opportunities for living organisms.

In terms of **regulating services**, the wetland performs important ecological functions such as supporting air quality, regulating surface water flows during periods of high rainfall, and naturally purifying water through macrophytes.

Within the scope of **supporting services**, it contributes to primary production, food chains, and habitats for numerous aquatic and terrestrial species. In particular, the presence of the Eurasian otter highlights the critical importance of the wetland and the riparian zone for biodiversity. In addition, bee populations that support pollination and the bee bricks installed for this purpose are among the practices that strengthen the ecosystem functions of the area.

From the perspective of **cultural services**, the wetland offers recreational and inspirational potential with its high aesthetic value and seasonal landscape diversity. With appropriate arrangements, it also has the capacity to be used for educational and awareness raising purposes.



 Eskişehir Cement Production Facility

Air Quality Management

“ The Dust Management Plan prepared for the Çimsa Eskisehir production facility is a comprehensive study that covers the identification of point and diffuse emission sources, risk prioritization, and the development of control strategies aligned with Best Available Techniques (BAT). In addition to national regulations, an improvement framework has been established with reference to the IFC Performance Standards and the World Bank Environmental Health and Safety Guidelines, incorporating real time monitoring of Continuous Emission Monitoring System (CEMS) data and KPI based performance tracking.

The study was conducted using a multidimensional approach that includes technical analyses as well as employee interviews, external stakeholder assessments, and sensitive receptor analyses. This approach demonstrates that Çimsa addresses its environmental performance not only from an operational efficiency perspective but also with a strong focus on social responsibility and stakeholder transparency. ”

Ahmet Korkmaz | Managing Partner, MACOM

STRATEGIC APPROACH AND MANAGEMENT MODEL

At Çimsa, we address air quality management as a holistic environmental management area centered on the effective control of dust emissions arising from cement production processes and combustion related gaseous pollutants such as NOx and SOx. We do not limit this approach solely to compliance with legal limit values. Instead, we evaluate it together with the objectives of protecting public health, reducing potential pressures on ecosystems, and supporting operational excellence.

Our priority in air quality management is the continuous monitoring of emissions, strengthening early intervention capabilities, and systematically ensuring long term performance improvement.

Monitoring Infrastructure and Continuous Control Mechanisms

At our facilities, we continuously monitor air quality through Continuous Emission Monitoring Systems (CEMS). These systems enable us to obtain real time data on key air pollutants, particularly dust, NOx and SOx, and to continuously track our emission performance.

The real time monitoring infrastructure allows potential deviations to be detected at an early stage and enables proactive management mechanisms to be put into operation. Through this approach, we keep potential impacts on air quality under control while also supporting operational continuity.



DUST EMISSIONS MANAGEMENT

We address the management of dust emissions through a holistic approach that is not limited to stack sources but also covers fugitive emissions. Within this scope, the Dust Management Plans implemented at our facilities are prepared and executed in alignment with the Best Available Techniques (BAT) approach.

As part of the Dust Management Plans, we comprehensively map all potential dust sources, including stockpile areas, dispatch and transportation lines, internal roads, and quarry sites. We regularly assess the performance of bag filters, electrostatic precipitators, and aspiration systems, and determine maintenance and modernization needs based on these evaluations. In addition, we strengthen dust suppression practices in stockpile areas and control diffuse dust emissions by standardizing speed limits, watering, and cleaning activities on internal roads.

ESKISEHIR PRODUCTION FACILITY DUST MANAGEMENT PLAN

In 2025, a comprehensive Dust Management Plan DMP was prepared for the Çimsa Eskisehir production facility based on national regulations, IFC Performance Standards, EBRD Environmental Requirements, and the principles of Best Available Techniques BAT.

Within the scope of this study carried out in cooperation with MACOM, 88 stack emission sources across the facility and all area based dust sources were mapped in detail. Continuous Emission Monitoring System CEMS data, meteorological measurements, near field and far field dispersion modeling, drone mapping outputs, and field observations were evaluated collectively.

The plan presents a multi layered management model that includes risk based prioritization for point and diffuse emissions, bag filter and electrostatic precipitator performance analyses, integration of maintenance and operational processes, PM10 and PM2.5 monitoring strategies, and corrective and preventive action cycles. Stakeholder engagement, identification of sensitive receptors, and environmental complaint management processes were designed as integral components of the plan. Based on the findings, both short term site improvements and the facility investment plans covering the 2025 to 2027 period were updated.

Digitalization and Data Driven Management

We position digitalization as a key enabler in air quality management. Within this scope, we are gradually implementing artificial intelligence supported dust concentration monitoring technologies. As part of a pilot implementation carried out at our Eskisehir production facility in 2025, continuous measurements focused on PM10 and PM2.5 were conducted through sensors installed in production and logistics areas.

By analyzing the data obtained together with meteorological conditions and operational impacts, we aim to gain a better understanding of dust dispersion, identify high risk areas at an early stage, and plan the maintenance needs of filters and kiln equipment based on data driven insights. Through this digital infrastructure, we continuously optimize our dust suppression strategies.

Proactive Intervention and Continuous Improvement

When there is a risk of exceedance or deviation in air quality parameters, simultaneous coordination is ensured between our environmental, maintenance, and operations teams based on notifications received from CEMS and digital monitoring systems. Where necessary, rapid actions such as reducing process loads, implementing equipment based optimizations, and carrying out urgent maintenance activities are put into operation.

In potential exceedance cases, a systematic continuous improvement mechanism is applied through root cause analyses and Corrective and Preventive Action processes. This approach aims to prevent the recurrence of similar situations and to achieve lasting improvements in our air quality performance.

Integration with Ecosystems and Biodiversity

We address air quality management through a holistic environmental assessment approach that also considers potential impacts on ecosystems surrounding our facilities. Dust deposition along with PM10 and PM2.5 measurements are used to evaluate cumulative environmental effects, while acidification risks that may result from NOx and SOx emissions are assessed together with meteorological data and dispersion analyses.

The outputs obtained are integrated into our Biodiversity Management Plans, providing input for the protection of sensitive areas and the planning of rehabilitation activities. In this way, we support air quality management through an ecosystem based approach.

Stronger Together Through Innovation and Technology

By combining the opportunities created by technological advancements with our R&D and innovation capabilities, we work to enable transformations that enhance the customer experience and to achieve more together with our entire value chain.

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- 93 R&D, Innovation and Digitalization
- 102 Customer Satisfaction and Experience Management
- 114 Responsible Supply Chain and Procurement Practices





PERFORMANCE DATA

WHY IS IT IMPORTANT FOR US?

We believe that closely following technological developments and strengthening our R&D and innovation efforts is a fundamental prerequisite for developing competitive solutions that protect our value chain and meet customer expectations and we work with this understanding.

HOW DO WE MANAGE IT?

We manage our R&D and innovation activities with a systematic approach that closely follows changing customer needs and global technological developments to maximize value across our value chain. By analyzing trends in local and global markets, we continuously improve our research and product-development processes and aim to embed an innovation culture throughout our organization. While carrying out all these efforts, we prioritize our responsible procurement practices.

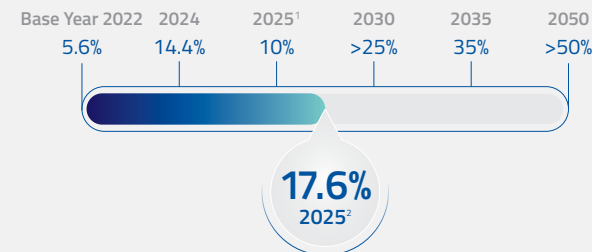
RELEVANT STAKEHOLDERS

- Employees
- Shareholders and Investors
- Local Community and Public
- Suppliers

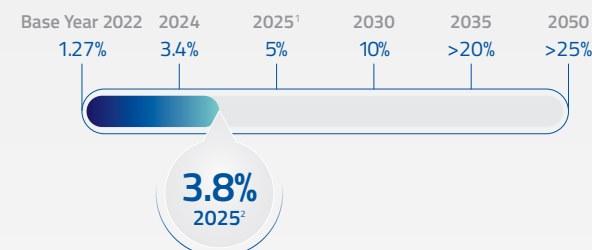
RELEVANT CAPITAL ELEMENTS

- Social and Relational Capital
- Intellectual Capital

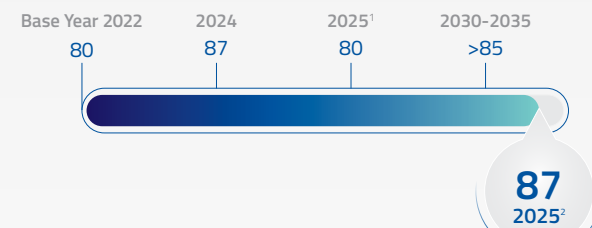
Ratio of Sustainable Product and Service Revenues (%) (Sustainable Product Revenue / Net Revenues)



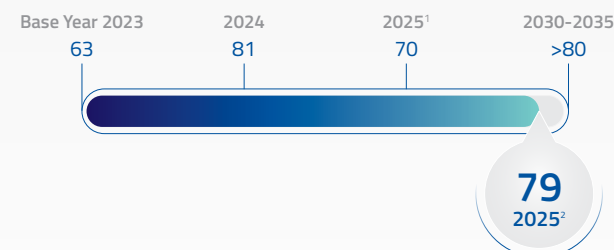
Ratio of EU Taxonomy-Aligned Sustainable Product and Service Revenues (%) (EU Taxonomy-Aligned Sustainable Product Revenue / Net Revenues)



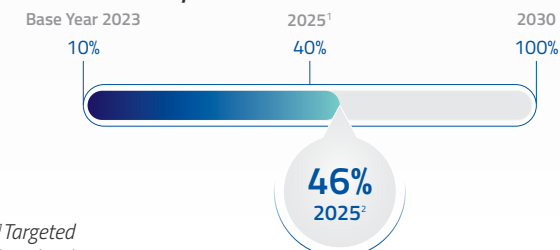
Increasing the NPS (Net Promoter Score) (Türkiye)



Increasing the NPS (Net Promoter Score) (Global)



Ratio of Priority Suppliers Subject to Sustainability Assessment (%)



¹Targeted
²Realized

R&D, Innovation and Digitalization

OVERVIEW AND VISION

R&D, innovation, and digitalization are the core driving forces that advance Çimsa's focus on decarbonization, circular economy, and high value-added building materials along its sustainable growth journey. In line with evolving global trends, R&D and innovation are regarded not merely as functions that respond to existing needs, but as strategic capabilities that shape the building materials of the future and enable long-term value creation.

The teams of the Sabancı Technology Center in Munich (STC Munich) and the Mersin Formülhane operate within an integrated structure and determine priority project topics by considering sectoral dynamics, customer feedback, sustainability requirements, and market needs.

Within this approach, our R&D activities are carried out within a holistic structure that covers product development, process improvement, the use of alternative raw materials and fuels, energy efficiency, carbon reduction, and digital decision-support systems.

While we focus on expanding our portfolio of low-clinker and low-carbon-footprint building materials, efforts to increase the use of supplementary cementitious materials (SCMs) and to reduce process-related emissions are positioned at the core of our carbon-reduction strategy. Thanks to our R&D and digitalization investments, operational performance is strengthened through advanced analytics and artificial-intelligence applications, creating a more transparent, measurable, and sustainable structure across the value chain from design to production and commercialization.



STC Munich is a strategic center that accelerates product innovation through co-development projects carried out with customers in Europe. The new mortar solutions developed with leading partners in the construction chemicals sector, along with the CAC 50 product variants, enable customer needs to be directly reflected in production.

R&D, Innovation and Digitalization

Carbon Capture, Utilization and Storage

Due to the limitations associated with reducing calcination-process emissions through conventional methods in cement production, Carbon Capture, Utilization and Storage (CCUS) is expected to become a strategic tool, particularly in the medium and long term. As industrial applications of CCUS technologies begin to emerge in the sector, their large-scale deployment after 2030 and their critical role in achieving the 2050 net-zero targets are anticipated.

Increasing carbon pricing and regulations such as the EU Emissions Trading System (ETS) and the Carbon Border Adjustment Mechanism (CBAM) position Carbon Capture, Utilization and Storage (CCUS) as a technology area that balances carbon-cost risks and supports preparation for the future low-carbon building-materials ecosystem.

With this perspective, Carbon Capture, Utilization and Storage (CCUS) technologies are closely monitored within the scope of our R&D infrastructure, and studies are carried out from a broader perspective that includes not only carbon capture but also solutions for binding and re-using carbon within concrete and building materials. Carbon mineralization and carbon-management approaches throughout the product life cycle are among the key application areas that extend the impact of the subject beyond the boundaries of the production plant.

Through collaborations established with the international technology ecosystem and the preliminary studies conducted, we aim to monitor the maturity levels of these technologies and build the technical readiness required to deploy scalable solutions when the appropriate conditions arise.



DEVELOPMENTS IN MANNOK OPERATIONS

In Mannok's operations, Carbon Capture, Utilization and Storage (CCUS) efforts are progressing at the R&D and technical-verification stage as of 2025, and preliminary feasibility studies are planned to be initiated in the upcoming period.

While prioritizing solutions compatible with the existing kiln infrastructure, which has a high alternative fuel usage rate, oxyfuel-based approaches are being evaluated within this scope. During this process, the flexibility offered by the existing FUELFLEX® technology is leveraged to strengthen the technical foundation for transitioning to a production model with a lower carbon footprint-one in which alternative-fuel use and carbon-capture applications can be integrated.

DEVELOPMENTS IN BUÑOL FACILITY

Within the initiative developed at the Buñol Production Facility focused on Carbon Capture and Utilization, preliminary feasibility studies have been launched on evaluating CO₂ emissions from the facility for microalgae production through a biological capture method. In this approach, the captured CO₂ is converted into biomass through photosynthesis, and the resulting biomass is used to produce biofuels and other value-added products that can be utilized across different industries.

The proposed model is based on capturing CO₂ generated from the process within the plant and integrating it directly into utilization processes. In this way, the aim is to reduce operational requirements related to transportation and storage by enabling the on-site utilization of carbon. In line with current projections, the objective is to evaluate the technical and economic feasibility of a scalable solution that requires limited land use and manageable energy demand.

R&D PROJECTS

Throughout 2025, the product, application, and process development projects carried out by the Çimsa R&D teams were addressed under four main categories:



Low-Carbon and Reduced-Clinker-Content Cements and Binders

These projects aim to reduce the embedded carbon of products by increasing clinker substitution and to promote the wider adoption of alternative binder systems.

➤ **The Snowflake Project** evaluated the potential use of supplementary cementitious materials such as ceramic waste, yalit (a pumice-derived material), and ground-granulated blast furnace slag to reduce the carbon footprint of white cement. As a result of studies carried out with different clinker substitution ratios, optimal formulations were identified that can be applied without compromising critical performance criteria such as strength and whiteness.

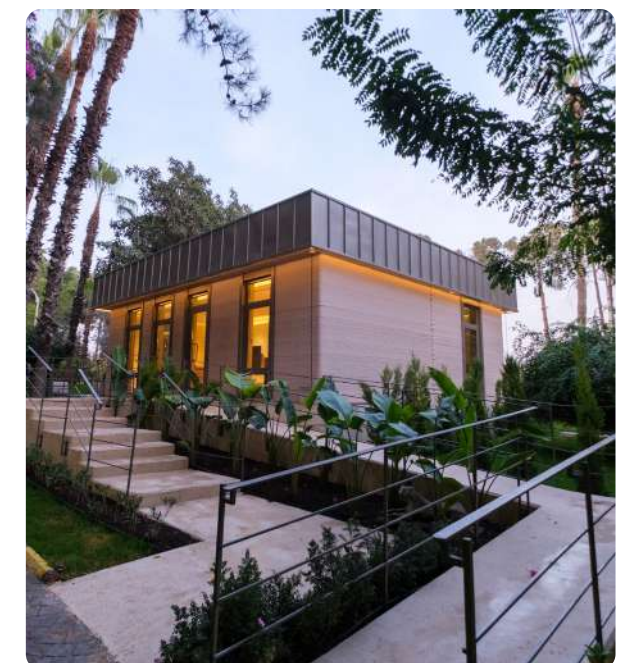
➤ **The White Star (white LC3) Project** focused on developing a low-carbon white cement containing calcined clay, and the compatibility of the developed product with cement, concrete, and construction-chemical applications was validated at laboratory, pilot, and industrial scales.

➤ **Within the scope of the EcoCAC Project,** new supplementary cementitious materials aimed at reducing the carbon footprint of the CAC product group were developed; the studies carried out in collaboration with Friedrich Alexander University (FAU) progressed to pilot-scale production and customer-sample stages in 2025.

➤ **With the ACTIVE Project,** mineral resources such as clay, slag, and fly ash were made more reactive through mechanical activation methods; in this way, while reducing clinker consumption, the aim was to achieve target strength levels and improve early-age performance.

An important component of the R&D efforts has been process-focused R&D activities aimed at developing production processes in alignment with low-carbon building-materials objectives. Analyses carried out through energy and CO₂ modeling revealed that the use of calcined clay can provide approximately a 40% reduction in process-related emissions; moreover, the engineering-driven Meca-Clay process route was shown to offer an additional reduction potential of up to 80% under suitable conditions.

In addition, alternative supplementary cementitious material (SCM) sources aligned with the circular-economy focus such as fine materials from precast production and the recovery of construction and demolition waste were also addressed from a process-development perspective. Through participation in the DETOCS and Construct Innovate programs, the alignment of the developed solutions with future European building-materials standards was supported.



R&D, Innovation and Digitalization



Circular Economy and Value-Added Use of Secondary Raw Materials

These projects aim to reintegrate waste and secondary resources into the building-materials value chain.

➤ **The Re-CON Project** aimed to reuse construction and demolition waste in non-load-bearing building elements, and the effects of recycled aggregates on concrete strength and durability were evaluated through laboratory tests and pilot castings.

The studies carried out within the scope of the ➤ **Snowflake and ACTIVE** projects also contributed to circular economy goals by supporting the more effective use of ceramic waste, slag, and other secondary raw materials in cement systems.



Resource and Process Efficiency Focused Solutions

These projects aim to reduce environmental impacts by optimizing material, water, and energy use during both the application and production stages of concrete and building materials.

➤ **The SmartCure Project** evaluated the performance of concrete cured without external water; as a result of mechanical and chemical tests, performance equivalent to reference concretes was achieved while delivering a significant reduction in the water footprint.

➤ **The Oli Green Project** investigated the CO₂-capture potential of olivine rock through carbon mineralization and provided technical findings aimed at developing carbon-negative products and supplementary cementitious materials.

➤ **The Cool Solution Project** developed an alternative cooling approach that reduces water consumption in white-clinker production; industrial trials demonstrated a reduction in the water footprint and an improvement in clinker whiteness.

➤ **The Fireball Project** aims to improve energy efficiency through raw material and process optimization efforts intended to reduce the clinkering temperature.



Maintaining Performance and Enhancing Durability in Low-Carbon Products

These projects focus on maintaining product performance, ease of use, and durability while achieving carbon reduction.

➤ **The LACA Project** developed solutions aimed at compensating for the early age strength loss observed in low-clinker cements through calcium-aluminate-based accelerators. The scientific findings obtained were presented at the 5th ICCM 2025 Conference.

➤ **The Repair Concrete Project** aimed to extend the service life of structures exposed to harsh environmental conditions by enhancing the sulfate and high temperature resistance of Calcium Aluminate Cement (CAC) based concretes. The formulations completed in 2025 were validated through field trials.

➤ **Within the Hydrophobic Cement Project**, the hydrophobic cement that was developed reduced the water absorption of concrete and enhanced durability, particularly in applications exposed to water; following field trials, it has been made ready for industrial production.

➤ **Within the scope of the ZinCem Project**, ZnO-enhanced raw-meal formulations were developed to increase process flexibility in white-cement production; although technical gains were achieved, the project was discontinued due to supply and cost constraints.



To support product development activities, application-development projects were carried out to validate the industrial applicability of different raw materials and activation technologies. In the studies conducted with Envicore, it was confirmed that thermally activated Arigna shale delivered high Strength Activity Index (SAI) performance at approximately 20% cement substitution. In initial tests carried out with waste materials sourced from Boliden Tara Mines, SAI levels above 90 were achieved, leading to the initiation of optimization studies.

In parallel, innovative application routes combining mechanical and thermal activation were tested with Carbon Upcycling Technologies; as a result of characterization studies carried out in collaboration with South East Technological University (SETU), candidates suitable for flash-calcination technology were identified, and the transition to pilot-scale testing was initiated.



R&D, Innovation and Digitalization

TÜBİTAK-Supported Projects

3D Mortar Project

Within the scope of the TÜBİTAK-supported 3D Mortar Project, the aim is to develop a sustainable concrete mortar suitable for use in 3D printers. Our project proposal, submitted under the SAYEM Green Transformation in Industry Call launched through the collaboration between TÜBİTAK and the World Bank as part of the green-transformation initiative has been approved for support. With the project planned to last two years, we focus on reducing the environmental impact of cement-based 3D-printing mortars and developing sustainable solutions that can be commercialized.

In this scope, by using secondary raw material sources particularly construction and demolition waste—the aim is both to reduce the use of natural resources and to reintegrate non-recycled waste into the circular economy. To ensure that the product is more environmentally friendly, the formulations to be developed will include blended cement types. In this way, a product with lower CO₂ emissions will be developed.

The carbon-footprint-reduction targets and the final printability performance are evaluated at laboratory and pilot scale according to key 3D-printing criteria such as flow stability, extrudability, layer adhesion, and early-age strength. In line with the project timeline, our efforts to determine the final 3D concrete-mortar formulation continued actively throughout 2025. The project aims to contribute to the wider adoption of more environmentally friendly, low-carbon-footprint 3D construction solutions.

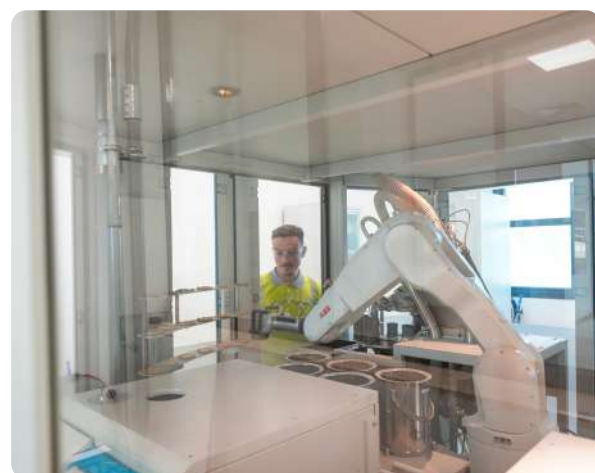
INTELLECTUAL PROPERTY RIGHTS

Mobile Production and Application Vehicle

With the “Mobile Concrete Production and Application Vehicle” patent we registered in 2024, we developed an innovative solution that enables fast, high-quality, and on-site concrete production in disaster zones, rural areas, and hard-to-access locations. The vehicle consists of a unit that allows raw materials to be stored, transported, and weighed in correct proportions, as well as a production section that enables the mixing and application of concrete. Thanks to automation and sensor systems, high-quality concrete production that meets standards is ensured, even under varying field conditions. Within the scope of the 2025 commercialization plan, it is targeted to apply **Flycrete** concrete on-site using the Mobile Concrete Production and Application Vehicle.

Analysis System for Clinker Petrographic Images – VisionCem

With the “Analysis System for Clinker Petrographic Images” patent application submitted in 2025, we developed an innovative solution that enables the structural characteristics of clinker to be evaluated more rapidly, consistently, and in a digital environment. This system is based on the principle of interpreting petrographic images with generative artificial intelligence, allowing clearer analysis of the relationships between production parameters and clinker quality. In doing so, it makes quality management, process optimization, and decision-making processes more data-driven. Offering a standardized, traceable, and scalable analysis infrastructure, the solution strengthens the technical capabilities of the R&D and production teams and is positioned as an important component of Çimsa’s digitalization and advanced-analytics-based production vision.



Energy Management System and Method for Industrial Facilities

Within the scope of our intellectual property titled “Energy Management System and Method for Industrial Facilities,” we developed an innovative energy-management system that holistically manages renewable and recovery-based energy sources such as the Solar Power Plant (SPP) and the Waste Heat Recovery (WHR) System—together with the facility’s energy demand. This system aims to increase operational efficiency and optimize energy costs by ensuring that energy is used in a planned, efficient, and predictable manner. At the same time, this solution is aligned with resource-efficiency goals and the reduction of carbon footprint, positioning it as a key technology that strengthens Çimsa’s digital and sustainable production vision.

The Mannok Invention Disclosure Portal was launched in 2025 to collect employees’ product-, process-, and business-model-focused invention and development ideas within a centralized and digital structure. Supported by dedicated intellectual-property leadership, the ideas submitted through the platform undergo AI-assisted preliminary evaluation processes and are analyzed for their innovation potential and protectability. Outputs deemed suitable are rapidly directed to patent and other intellectual-property procedures, ensuring that innovation is institutionally protected and prepared for commercialization.

OUR START-UP COLLABORATIONS

With an approach that goes beyond financial targets, Çimsa explores new technologies and business models through strategic start-up collaborations and an open-innovation model. By identifying growth opportunities at an early stage, the company prepares for new markets, while its focus on sustainability and innovation is strengthened through these partnerships. Within this scope, an active ecosystem has been established with entrepreneurship companies, start-ups, and venture-capital funds; throughout 2025, discussions focused on investment and collaboration were conducted with more than 20 start-ups.



In line with this approach, the collaboration carried out with **FenX** focuses on the development of the FoamRox product, which is based on the advanced recycling of construction waste. Within the scope of the project, the installation of the planned pilot facility in Spain is targeted to be completed by the end of 2025, followed by the transition to production in the next phase. During the process, one patent has been registered, and two new patent applications have been submitted.



Feasibility studies both technical and financial have been initiated with **C2CA (Everox)**, which transforms concrete derived from construction and demolition waste into high-quality building materials, for a potential collaboration in Ireland through Mannok operations. If the feasibility results are positive, the collaboration is planned to advance to a further stage within 2026.



Relationships with Germany-based **Ecoworks** and **Ecolocked**, which develops solutions aimed at reducing the carbon footprint, have been maintained as of 2025 within the framework of a financial investor role. Although there is currently no product-based collaboration with either venture, potential technological and commercial synergies are being closely monitored.



As a Limited Partner of **Zacua Ventures**, a venture-capital fund focused on the global construction and infrastructure ecosystem, Çimsa holds an indirect investor position in the start-ups funded by the platform. To date, Zacua Ventures has invested in 16 start-ups.



R&D, Innovation and Digitalization

GLOBAL INNOVATION ECOSYSTEM

In line with global technology transformation and decarbonization goals, we extend our R&D strategy beyond internal capabilities and develop collaborations with start-ups, technology ventures, universities, and sector platforms. Through these partnerships, we gain access to early-stage technologies, accelerate our transformation in low-carbon production, alternative binder systems, and process optimization, and play an active role in international innovation platforms.

Çimsa actively contributes to the identification and development of breakthrough technologies that support carbon reduction in cement and concrete within the Innovandi Open Challenge program, launched by the GCCA in 2021. Within this global innovation program, leading cement producers collaborate with selected start-ups to validate and scale promising solutions.

Our ongoing collaborations within this scope are:

- » **Carbon to Stone:** Developing a mineralization technology that converts captured CO₂ into stable mineral products that can be used in construction materials.
- » **RockXtract:** Developing a new geochemical binder based on an organic-acid dry-mix chemistry that eliminates the need for calcination.
- » **iConcreteTek:** Converting hydrated cement paste and fine recycled concrete particles into cementitious materials.
- » **Co-reactive:** Converting electric-arc-furnace slag into a low-carbon cementitious material through a carbonation method.

Through these collaborations, Çimsa accelerates the transformation of promising innovations into scalable industrial solutions, thereby contributing to a more sustainable cement industry.

DIGITAL TRANSFORMATION AND ADVANCED TECHNOLOGIES

Digitalization as a Strategic Lever

Çimsa approaches digital transformation not merely as a technology investment that enables operational efficiency, but as a strategic lever that creates carbon reduction, resource efficiency, and competitive advantage across the entire value chain from R&D to production, from energy management to commercialization. Through real-time data collection, advanced analytics, artificial intelligence, and digital-twin applications, processes become more predictable, decision-making mechanisms become faster, and environmental impacts become manageable starting from the design stage.

Data-Driven R&D, Product and Process Development

With the integration of digital-twin technology, advanced process simulations, and life-cycle assessment (LCA) tools into R&D processes, energy consumption, alternative raw-material use, and CO₂ emissions are analyzed and optimized at the design stage. The real-time collection and analysis of process data shorten product- and process-development cycles and enable more targeted planning of laboratory and field trials. On the commercialization side, a structure has been established where customer needs can be interpreted through data, product performance can be simulated, and field feedback can be rapidly transferred to R&D thus shortening time-to-market and enhancing technical reliability in the field.

AI-Powered Smart Operations

AI-supported applications are positioned as an important lever that enhances production stability across raw-material analysis, maintenance management, process control, and reporting. In particular, AI-based raw-material analyses used in calcium-aluminate-cement production facilities contribute to the early detection of process deviations and the strengthening of quality consistency. Through digital maintenance solutions, potential anomalies in equipment can be predicted in advance, reducing unplanned downtimes and increasing equipment reliability. The impacts of these systems are regularly monitored through indicators such as production stability, energy efficiency, and the accuracy of maintenance planning.

In Mannok's operations, the advanced process-control system and AI-based digital optimization tools commissioned as of 2025 support the stabilization of kiln operations and thermal efficiency. Through advanced process-control approaches, improvements aimed at reducing clinker ratio via chemical-admixture adjustments and grinding-fineness optimization are implemented, while maintaining product performance and ensuring more stable management of combustion conditions.

Smart Energy Management and Resource Efficiency

Within the scope of the Energy Optimization Project, the AI-supported energy-management system that has been developed addresses energy consumption from a holistic perspective. By forecasting the energy generated from the Solar Power Plant and the Waste Heat Recovery systems, the amount of electricity purchased from the grid is minimized; production-planning schedules are made more cost-effective by taking intraday electricity prices into account. This approach not only creates economic value but also supports sustainability objectives by increasing the efficient use of renewable energy sources. A patent application has been submitted for this AI-based optimization model, and the intellectual-property-protection process for the developed methodology is ongoing.

Within the ISO 50001-aligned energy-management approach implemented at Mannok, energy-efficiency opportunities are systematically monitored through the "Opportunities Register," and the performance of implementations is assessed in monthly KPI meetings. Within the VSD Compressor Upgrade efforts carried out in 2025, pressure tests, leak detection, and optimization of the compressor fleet were completed; early-stage measurement and verification results indicated confirmed energy savings.

Digital Decision-Support Mechanisms

With the Central Data Historian project one of the foundational pillars of our digital-transformation strategy process, quality, and energy data from all our facilities, from the United States to Spain and from Ireland to Türkiye, are collected in a central database through the Çimsa Manufacturing System (CMS) infrastructure. Thanks to this integrated structure, all plants can be monitored through a single platform, providing transparency, comparability, and the ability to intervene quickly on a global scale. In this way, holistic and data-driven management of operational performance has become possible.

Within the scope of the Digitalization of Quality Data project, data obtained from analytical instruments such as XRD and XRF at the Eskişehir and Mersin production facilities have been directly integrated into the database, eliminating the risk of errors that may arise from manual data entry. This digital infrastructure forms a strong foundation for AI-supported quality and process-development projects that will be integrated with production processes. With the VisionCem and SmartCem applications developed within this scope, clinker images, process parameters, and energy data are analyzed together, enabling early detection of quality deviations and process instabilities.

Within the scope of the **VisionCem** application, microscopic images of clinker are analyzed using advanced image-processing and artificial-intelligence algorithms and integrated with real-time process data. In this way, quality deviations and process instabilities are detected at an early stage, supporting a more stable and efficient kiln operation.

SmartCem applications process large-volume datasets obtained from different sources using advanced statistical methods, machine learning algorithms, and predictive-modeling techniques, providing a predictive and early warning mechanism that detects quality deviations, energy inefficiencies, and process instabilities at an early stage. This approach enables the development of proactive and preventative process-control strategies instead of reactive interventions.

Digital Plants and Operational Excellence

With the Digital Warehouse Project, a paperless, IoT-supported, end-to-end digital structure has been implemented in warehouse operations. Thanks to the SAP-integrated warehouse-management system and wearable display-glove technology, all logistics processes have become traceable in real time; significant improvements have been achieved in operational speed, inventory-count accuracy, and stock management. The performance dashboards generated from the collected data support anomaly detection and advanced business-intelligence applications.

At the Mersin production facility, the Phase-1 automation-systems modernization project is establishing a faster, more stable, and modular automation infrastructure, creating a scalable foundation for future advanced-analytics and artificial-intelligence integrations. These efforts in digitalization and automation have also been reflected in our intellectual-property portfolio; with the Cement Filling System patent developed in 2025, occupational health and safety risks have been reduced while operational continuity has been strengthened.

Customer Satisfaction and Experience Management

Çimsa's customer-experience approach considers product performance as an integral part of the total value delivered to the customer. Within this framework, the company's expertise and production capabilities in high value-added products have established a strong and sustainable foundation for the product dimension of the customer experience.

The production capacity and technical know-how held in the fields of white cement and Calcium Aluminate Cement (CAC) have positioned Çimsa as a reliable solution partner in these segments for many years. Especially in 2025, strong demand and effective sales strategies in white cement resulted in a period of high sales performance for this product group. Similarly, on the CAC side, the capacity expansion provided by the kiln investment commissioned in 2023 was utilized effectively in 2025, meeting the growing customer demand for high-performance and specialty-application products.

Building on this strong product foundation, the customer-experience approach has evolved into a structure that not only deepens existing products but also encompasses geographic and portfolio-based expansion. The experience and customer proximity gained in the U.S. white-cement market where Çimsa has long been a strong player have made it possible to enter this market with grey cement as well; the product portfolio has been expanded to respond more comprehensively to regional needs.

“As the Ciner Family, we view our long-standing collaboration with Çimsa as the natural convergence of two strong brands that make a difference in their respective sectors. In addition to offering products that comply with international standards and deliver high technical performance and sustainable quality, Çimsa's customer satisfaction, transparent communication, quick responsiveness, and effective logistics coordination make it a strong business partner. Its solution-oriented approach, working culture that values feedback, and sustainable product portfolio strengthen the solidity of our partnership and our shared commitment to long-term value creation. We are pleased to bring the strength of domestic production to international markets together with Çimsa.”

Murat Ciner | Company Director, Ciner

LOCAL TO GLOBAL: ÇİMSA AMERICAS GREY CEMENT INVESTMENT

In 2025, within the scope of our growth strategy, one of the key steps taken to strengthen our global footprint was our investment focused on the U.S. market. Through the Çimsa Americas investment, totaling 82 million USD, an annual grey cement production capacity of 600 thousand tons is targeted; this has both strengthened our local presence and enabled a service model closer to our global customer network. The fact that one out of every five white cement bags sold in the United States carries the Çimsa signature demonstrates our strong position in this market, and with the new facility, we aim to deepen our product portfolio and further expand this impact.

The commissioning of the grey cement grinding station in the United States a concrete reflection of our “Local to Global” strategy has enhanced logistical efficiency and delivery speed, enabling closer customer engagement in regional markets. This investment has created a strong operational foundation that supports sustainable and scalable growth for Çimsa.



With the integration of Mannok, the new products added to the building-materials portfolio have made Çimsa's solution offering more holistic for its customers. As a continuation of this approach, the inclusion of advanced-technology Kratos synthetic fiber solutions into the portfolio has incorporated complementary products that enhance concrete performance into the customer experience. In this way, Çimsa has strengthened its position not only as a cement supplier but also as a business partner that provides integrated building-materials solutions that enhance performance across different application areas.

This depth and diversity within the product portfolio not only provide customers with a broader range of solutions but also enable the consistent delivery of quality, technical reliability, and sustainable performance across different geographies and application areas. This structure has allowed Çimsa to create a strong value proposition within the product dimension of the customer experience, directly aligned with the company's growth strategy.

PORTFOLIO EXPANSION IN BUILDING MATERIALS: INTEGRATION OF KRATOS

In 2025, as part of our transformation efforts aimed at strengthening the customer experience and our product portfolio, we integrated the advanced-technology Kratos synthetic fiber solutions into our product range under Afyon Çimento. With 11 years of application experience in the construction sector, Kratos plays a complementary role in our existing product portfolio through its features that enhance concrete strength and performance.

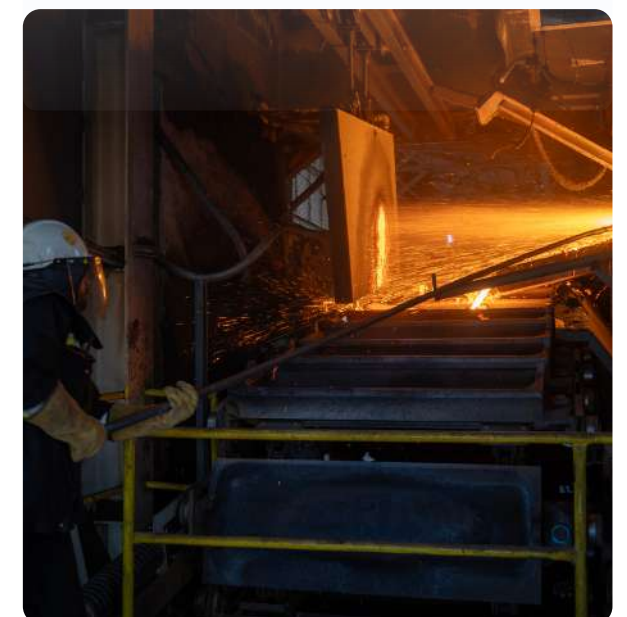
With this integration, our global sales network reaching 80 countries has been strengthened, and our capacity to offer sustainable and high-performance products in the field of building materials has expanded. The addition of Kratos to our portfolio not only increases our product diversity but also enables us to offer innovative solutions to a broader customer base. By integrating synthetic fiber reinforcement products into our building-materials product range, we aim to further elevate our brand value in global markets.

CAC NEW KILN INVESTMENT THAT ENHANCES THE CUSTOMER EXPERIENCE

In line with our goal of providing uninterrupted supply and long-term partnership to our customers, we continued to strengthen our CAC production capacity at the Mersin production facility through strategic investments. Following the commissioning of the 4th CAC kiln in 2023, the investment for the 5th CAC kiln progressed throughout 2025 and is planned to be commissioned in 2026.

These investments enable us to respond to growing global demand in a stronger and more flexible manner, while also serving as a concrete indicator of our long-term commitment to investing in Türkiye. Once the targeted capacity is reached, we aim to achieve a production capability that can meet approximately 20% of the total global CAC market consumption outside of China.

With this scale, we offer our customers a strong value proposition that provides higher supply reliability, predictability, and supports their sustainable growth.



Customer Satisfaction and Experience Management

HOLISTIC TRANSFORMATION SHAPED BY THE VOICE OF THE CUSTOMER

The year 2025 was a period in which we transformed our interaction with our customers into a more holistic, more data-driven, and more accessible structure. Through surveys conducted across our different business lines, our digital touchpoints, and international customer interviews, we gained a clearer understanding of our customers' expectations regarding product performance, sustainability, supply reliability, and technical guidance. These insights have evolved from being merely satisfaction measurements into a guiding mechanism that influences many areas of our business from product development and logistics to international positioning and communication strategies.

Throughout 2025, through our interactions in the field, in digital channels, and across global markets, we implemented customer-focused improvements, strengthened our sustainable product portfolio, and made our experience design more inclusive. In doing so, we took an important step toward building a structure that not only responds to our customers' expectations but also anticipates them.

All these investments and improvements support the core principle at the heart of our service infrastructure: a value-creation approach that focuses on product quality, safety, and sustainability, and that listens to the customer, understands their needs, and takes swift action. In this direction, we effectively operate feedback mechanisms that enable us to accurately understand customer expectations, and we rapidly reflect the insights we obtain into all processes from product development to logistics, and from field operations to digital touchpoints.

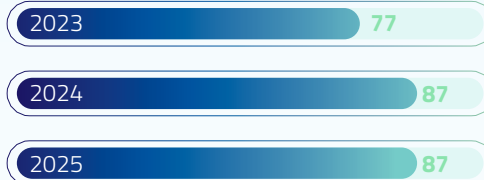
This approach, integrated with digital-touchpoint strategies, field practices, global customer interviews, and steps taken toward a sustainable product portfolio, has made 2025 a strong transformation year shaped by the voice of the customer.

Value-Creation Approach Based on Customer Feedback

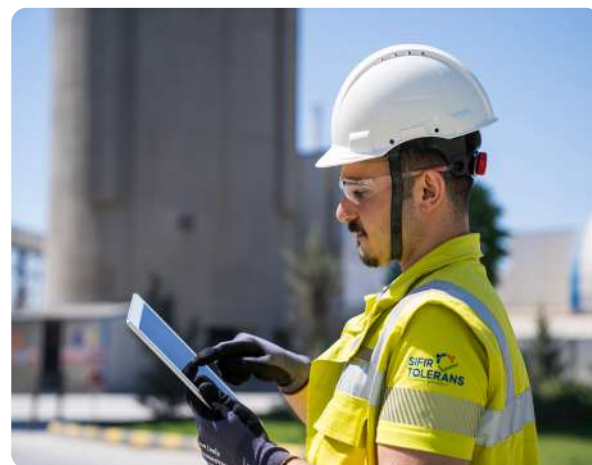
Throughout 2025, we collected customer feedback in a structured, multi-channel system. Satisfaction and product-experience surveys revealed the operational expectations of our customers in different segments as well as the key criteria behind their product preferences. This systematic flow of data went beyond merely measuring satisfaction and played a guiding role in critical areas such as product development, quality management, and supply planning.

In line with the insights gathered through the Net Promoter Score (NPS) survey, we took strong steps throughout 2025 with a focus on the quality consistency of our products, the reliability of our logistics processes, and technical-performance criteria. Improvements such as enhancing packaging processes, extending product shelf life, developing process-alignment mechanisms, and preparing customer-specific checklists were implemented as actions that directly improved customer satisfaction.

NPS (Türkiye)



NPS (Global)



A New Chapter in the Digital Customer-Experience Journey

2025 was a true transformation year for our digital customer channels. Every step we took throughout the year reshaped the ways our customers find us, understand us, and communicate with us.

The first step was the Chatbot the customer's initial point of contact. Its usage rate increased by 39% in one year, and nearly 900 users from 94 countries submitted their sales and technical-support requests through this channel. Faster responses, clearer need definitions, and higher-quality requests directed to the sales teams. Throughout the year, together with our customers, we experienced how a digital assistant can transform the global customer experience.

Behind the scenes, our CRM system continued to grow steadily. The number of registered users increased by 53%, and lead acquisition rose by 79%. Every interaction we established with a customer returned to our corporate memory as valuable data. A more personalized, more predictable, and stronger customer-management approach was adopted.

Our website and blog content became the window through which our brand opened to the world. We reached a total of 13.5 million impressions locally and globally through our site; our visibility increased by triple-digit rates in various markets such as the United States, the United Kingdom, and Brazil. We made our brand more discoverable and more trustworthy for both professionals seeking technical information and potential users.

[Click here for the Çimsa Blog.](#)

Building on this strong digital foundation, in 2026 we will further enhance accessibility by launching the mobile version of our customer portal. In the same period, by enabling customer complaints to be submitted directly through the portal, we aim to make the experience fully user-centric.

In short, in 2025, digitalization was not just a tool it became a story that redefined the customer experience. And the next chapter of this story points to a future in which we are even closer to our customers.



Customer Satisfaction and Experience Management

We achieved a 7% increase in email marketing, reaching more than 120,000 emails.

Calcium Aluminate Cement (CAC) Product Catalog

Our updated digital catalog for calcium aluminate cement (CAC) has become a strategic tool that modernizes our content structure and enables us to present our products to global technical decision-makers and potential customers with a far more accessible, user-friendly, and comprehensive digital experience.

The number of downloads of our renewed digital CAC catalog increased by 280%.

Through the digital product catalog, we strengthened our brand visibility across different geographies, communicated the technical value of our products more clearly, and responded more quickly to qualified, targeted customer requests that better define their needs.

[Click here to access the Calcium Aluminate Cement \(CAC\) Product Catalog.](#)

In 2025, we transformed our renewed "Frequently Asked Questions" section into an information hub that supports both the industry and users. As a result, we observed an increase in the number of visitors compared to the previous year.

The number of visitors to the Turkish FAQ page increased by **134%.**

The number of visitors to the English FAQ page increased **2.5 fold.**

STRONGER TOGETHER WITH GREEN WAVE: CREATING SHARED VALUE THROUGH SUSTAINABLE PRODUCTS

In 2025, the main driver behind the rise in customer satisfaction was the direct reflection of our Green Wave approach which strengthens our sustainability focus on business results. This approach, supporting compliance with the rapidly tightening environmental regulations in the countries where we operate, has enabled the repositioning of our product portfolio with low-carbon-footprint solutions.



17.6%
Ratio of Revenue from Sustainable Products to Total Revenue

This transformation has created a noticeable increase in satisfaction across a wide customer segment from construction-chemicals manufacturers to precast and block producers, and from distributors to construction companies. With strengthened product stability, enhanced technical-support capacity, and improved supply continuity, trust in our brand has been reinforced, while the updated Environmental Product Declaration (EPD) documents have made our environmental compliance even more visible.

All these steps contributed to strengthening Çimsa's position in international markets throughout 2025, both in terms of product performance and sustainability perception.



ÇİMSA MASTER POWER, ÇİMSA'S PRODUCT WITH A 50% REDUCTION IN CARBON EMISSIONS, IS NOW EPD-CERTIFIED

Çimsa Master Power has received the Environmental Product Declaration (EPD) certification with its sustainability-focused structure. This independently verified declaration provides transparent and comparable information on the product's environmental impacts throughout its life cycle. Offering up to 50% reduction in carbon emissions compared to conventional Portland cement, Çimsa Master Power contributes to the construction of more sustainable living spaces.

In 2025, seven new EPD certificates were published for our white-cement and value-added CAC product family. CAC Recipro 50, Recipro 40+, Çimsa Eco Shine, and our Super White Eskişehir products received international EPD certification for the first time. In addition, the existing EPD certificates for CAC Recipro 40, Isıdaç 40, and our Mersin Super White product were updated and renewed in accordance with international standards.

[The certificates can be accessed here.](#)



Customer Satisfaction and Experience Management

ROADMAP SHAPED BY GLOBAL INTERACTIONS

In 2025, the customer engagements we carried out across the globe provided strategic insights in many areas from new market expansions to product positioning. The promotions conducted at international events, terminal enhancements, and meetings with customers in more than 80 countries helped us understand technical requirements and market expectations more clearly. This feedback played a decisive role in shaping our product roadmap in a more targeted and competitive way.



Istanbul Intercem 2025

We participated in the Intercem 2025 Conference, held in Istanbul on September 10-11, 2025. At the event, we contributed to the industry's transformation by sharing our sustainability-focused innovative solutions and sectoral experience.



Germany-ULm BetonTage

As Çimsa, we participated as a Silver Sponsor at BetonTage, Europe's largest concrete industry congress, held in Ulm. Within the scope of the event, we presented the innovative applications of our Çimsa White Cement through our presentation titled "Sustainable Solutions with Advanced White Cement Technologies." We also recorded a special podcast in which we shared our sustainability goals.

[Click here for the podcast.](#)



Beton 2025

As the main sponsor of the BETON 2025 Summit, held on November 12-15, 2025, we came together with leading industry professionals, academics, and stakeholders. At the event, we shared our more than 35 years of experience in ready-mixed concrete, as well as the innovative applications we have developed in line with our sustainability and low-carbon goals.



Germany - Nuremberg 10th Drymix Mortar Conference

As Çimsa, we participated as a Gold Sponsor in the 10th Drymix Mortar Conference (idmmx), held in Nuremberg, Germany. This conference, one of the world's largest gatherings in the dry-mortar industry, focused on innovative technologies and trends in sustainable construction chemicals.

Within the scope of the event, our R&D team shared our calcium aluminate cement product family, the new-generation binder technologies we have developed for sustainable construction solutions, and the latest technical advancements in the sector with international participants. In addition, we exchanged knowledge with global industry experts and discussed innovative applications.



India - Mumbai International Suppliers Conference

As Çimsa, we participated as a Silver Sponsor in the International Suppliers Conference 2025, organized by the Construction Chemicals Manufacturers' Association in Mumbai on 19-20 May. At the conference, where next-generation raw materials for construction chemicals and dry-mix mortars were discussed, our R&D team introduced our calcium aluminate cement (CAC) product family and delivered a presentation on the innovative and high-performance applications of CAC in the sector.



Customer Satisfaction and Experience Management

Thailand- Bangkok Thailand Coatings and Construction Day

On 9 September, at the Thailand Coatings and Construction Day 2025 event held in Bangkok, we shared our sustainability- and innovation-focused approach with industry professionals. In our presentation, we introduced our Rapidhome solution developed using Çimsa White Cement and suitable for 3D-printing technology highlighting our innovative production methods, fast installation capability, and high surface quality.

We also highlighted our innovative product approach with Flycrete, our solution used in critical infrastructure applications that achieves high strength within just 3 hours.

The next-generation solutions we shared in our presentation received significant interest at the event.



Malaysia Southeast Asia Drymix Mortar

We participated as a speaker at the Southeast Asia Drymix Mortar Conference held in Kuala Lumpur. During the event, we shared the contributions of our CAC product family to sustainability, durability, and high performance in the construction sector, while also emphasizing the importance of knowledge exchange with industry professionals.

At Southeast Asia Drymix Mortar 2025,

We Presented Our Sustainable and High-Performance CAC Products!

Together we shape the future of the construction industry.



Germany- Aachen International Colloquium on Refractories (ICR)

At the International Colloquium on Refractories (ICR) 2025 held in Aachen, Germany, we met with leading professionals from the refractory industry. Our R&D team presented our calcium aluminate cement (CAC) product group including our Refro series, Rego, and Duro products and shared our technical advantages such as high-temperature resistance, rapid setting, and long-lasting performance, within the scope of our solutions for the refractory segment.

Our refractory solutions, which we presented at the event with a focus on innovation and sustainability, received great interest from the participants.



Germany- Düsseldorf European Mortar Summit

By participating in the European Mortar Summit 2025 held in Düsseldorf, we introduced our CAC product family to international industry professionals. At the event, our high-performance CAC solutions including Recipro40-S, ecoCAC, and others stood out, while in the Innovation Workshop session, we presented the technical advantages of CAC technology to more than 100 participants.



OUR EXPANDING PRODUCT PORTFOLIO AND OUR GROWING GLOBAL FOOTPRINT

ÇİMSA'S MANNOK PRODUCTION FACILITY IN IRELAND HAS BECOME A WHITE CEMENT PLAYER

Çimsa has begun integrating its product portfolio into the operations of Mannok, the Ireland-based company it acquired. White cement — in which Çimsa is the world's second-largest producer — has been introduced to the market under the Mannok brand with the name **Mannok Ultra White Cement**. Produced by Çimsa and launched as the first product sold under the Mannok brand, Ultra White Cement expands Mannok's bagged-cement product range and creates a strong commercial and operational synergy between the two brands.



Opening New Markets in the Asia-Pacific Region with Calcium Aluminate Cement (CAC)

Çimsa has taken an important step in its global growth journey by entering new markets in the Asia-Pacific region with its high-performance Calcium Aluminate Cement (CAC) products. Thanks to their high-temperature resistance, rapid early-strength development, and superior chemical and acid resistance, our CAC products have been preferred in construction chemicals, refractory applications, and technical concrete solutions and were introduced for the first time in countries such as Taiwan, the Philippines, Thailand, and Malaysia.

This customer acceptance in these markets demonstrates that Çimsa has successfully positioned its technical competence in the CAC segment and its innovative product approach in the Asia-Pacific region as well. Thus, following Europe, the Americas, the Middle East, and South Africa, Çimsa continues to expand its global footprint by strengthening its presence in the CAC segment across the Asia-Pacific region.

Çimsa White in New Markets: Expansion into Asia and Oceania



Çimsa's white cement products known for their high whiteness, stability, and superior strength expanded into new markets in 2025, strengthening the company's global footprint. Exporting its products to nearly 80 countries, primarily in the Middle East, Europe, North Africa, and the Americas, Çimsa has added a new continent to its markets by carrying out its first export to Australia, as the world's second-largest white cement producer.

During the same period, our high-performance Super White cement was introduced to the Taiwan market for the first time, strengthening our presence in Asia. These initial shipments to Australia and Taiwan demonstrated that Çimsa's technical expertise and brand reliability in white cement are recognized and valued by customers across different geographies.

These expansions have accelerated Çimsa's access to new markets with its high value-added products while further strengthening its global leadership position in white cement.

Customer Satisfaction and Experience Management



The New Highlight of the White Cement Product Group: EcoShine

EcoShine CEM II 52.5 R, produced with an environmentally responsible manufacturing approach and high quality standards, has expanded its access to international markets following Eskişehir, now also through the Mersin production facility.

EcoShine, with its sustainable production approach, consistent quality, and strong performance characteristics, has attracted significant interest especially in the European market thanks to its low-carbon footprint and environmentally friendly structure, positioning it as an important alternative to the CEM I 52.5 product group.



Innovative Move from CimSA: Xtruda-CAC-Based 3D Printing Mortar Crowned with a Patent

Çimsa, with Xtruda the CAC-based 3D printing technology we have developed offers structures that store and optimally manage thermal energy thanks to PCM (Phase Change Material) technology. This innovative solution, for which the patent application has been accepted, brings design freedom and sustainability together in a single structure and aims to build the structures of the future layer by layer.

[You can find detailed information about Xtruda in the "R&D, Innovation and Digitalization" section.](#)



Value-Creating and Sustainable Solutions on a Global Scale

Çimsa, with its high-performance white cement portfolio, offers an integrated value proposition of aesthetics, durability, and sustainability in prestigious projects extending from Türkiye to Europe.

In the Córdoba Public Library project in Spain, our CEM I 52.5 R Super Blanco produced at our Buñol Production Facility was selected; similarly, in the restoration project of the Hungarian Parliament, Çimsa Super White Cement was preferred. These choices demonstrate, on an international scale, the high aesthetic performance and technical expertise of our solutions, which align seamlessly with historical heritage. In the Real de La Quinta Lake Club project in Spain, the low-carbon Super Blanco Eco BL II/A LL 52.5 R white cement produced by Çimsa Cementos contributed to sustainable construction objectives.

New FlyCrete-Focused Ready-Mixed Concrete Station in Istanbul

Çimsa has commissioned a new ready-mixed concrete station in Istanbul dedicated to its high-performance, fast-setting concrete solution, FlyCrete. This investment addresses a critical need in urban applications by supporting operational continuity in time-sensitive infrastructure projects.

FlyCrete reaches a strength level that allows the area to be reopened to traffic approximately 3 hours after application and provides 25 MPa compressive strength within the same period. The product, which delivers high performance even under challenging weather conditions, is safely used in critical infrastructure applications such as airports, ports, tunnels, and industrial areas.

The new plant investment offers a strategic advantage by providing speed, reliability, and operational flexibility to projects racing against time, particularly within dense urban infrastructure.

[Application Introduction Video](#)

A First in the Ready-Mixed Concrete Sector from Çimsa: Electric Loader

Çimsa has successfully completed field trials with an electric loader in line with its sustainability targets and has now implemented this application. The electric loader, which stands out with its low carbon emissions, also contributes to reducing noise pollution thanks to its quiet operation. With this implementation, Çimsa has taken a pioneering step in the industry toward the use of environmentally friendly equipment.



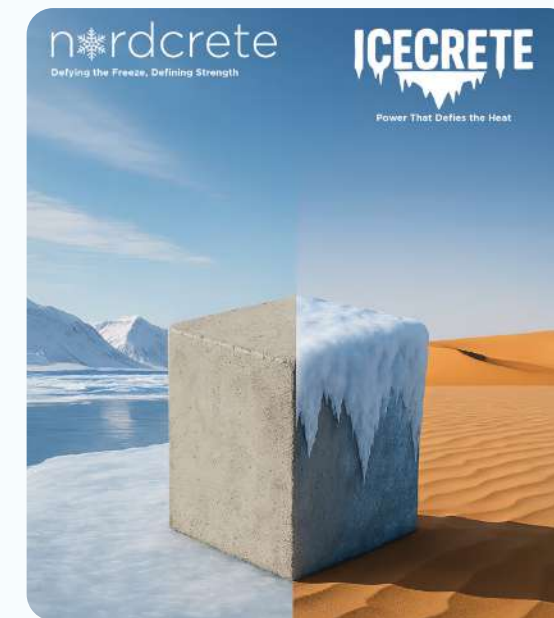
Innovative Concrete Solutions by Çimsa for Challenging Climates

Çimsa offers innovative concrete solutions specially developed for harsh climate conditions through Nordcrete and Icecrete, which have been added to the Iconicrete product family. Designed for extremely cold and hot environments, these two complementary products provide reliable performance across various application areas.

Developed with Çimsa's special formulation, Nordcrete has been added to the product portfolio to enhance concrete performance in cold weather conditions. By increasing freeze resistance and providing early strength, the product quickly reaches a minimum strength level of 4 MPa against freeze damage, helping

preserve concrete quality and ensuring uninterrupted project progress. With a wide range of applications from tunnel formwork systems to industrial flooring Nordcrete supports durable and safe construction in cold climate conditions.

Icecrete, on the other hand, is a special ready-mixed concrete solution developed for hot climate conditions. Thanks to its production technology, it minimizes the risk of early setting while ensuring that the aggregates and water are kept at controlled temperatures, thereby supporting the long-term durability of the concrete. Delivering stable performance even under high temperatures, Icecrete represents an important example of Çimsa's climate-sensitive product-development approach.



Responsible Supply Chain and Procurement Practices

As Çimsa, we advance our sustainability journey together with our suppliers who share the same values, adopting a responsible sourcing approach in the management of our value chain. We aim to build a supply-chain ecosystem that is committed to ethical principles, manages its environmental and social impacts, and is based on long-term business partnerships.

With the global increase in carbon-related regulations, the Corporate Sustainability Due Diligence Directive (CSDDD) that will come into force in the European Union and the German Supply Chain Due Diligence Act (LkSG) are shifting value-chain management from being merely a compliance requirement to becoming a central element of strategic risk management and corporate governance. These regulatory frameworks require companies not only to address their own operations but also to systematically identify human-rights and environmental risks across their entire supply and distribution networks, implement preventive and corrective mechanisms, and report transparently.

In addition to our production facilities in Türkiye, we evaluate the direct and indirect impacts of the regulatory landscape from a holistic perspective, considering our operations in Spain, Ireland, and Germany, as well as our strong position in the European market. To meet the increasing due-diligence, traceability, and data-sharing expectations of our customers and business partners in Europe, we prioritize managing our supply-chain processes with a risk-based, measurable, and data-driven approach. Accordingly, we position our supply-chain management not merely as a procurement function, but as a strategic governance area that holistically supports our objectives in risk management, compliance, carbon reduction, and long-term value creation.

We position our supply-chain approach as an integrated structure in which supply risks for critical inputs such as energy and raw materials are managed, cost volatility is contained, and transformation investments are supported. This framework is one of the key enablers of our long-term operational resilience and sustainable growth objectives.

The governance foundation of this approach is built on our Responsible Procurement Policy, along with the Supplier Code of Conduct Policy and the Supplier Management Policy published under this framework. In addition, within the scope of contractual processes, we obtain written commitments from our new suppliers regarding compliance with these policies and principles, thereby ensuring that ethical, environmental, and social standards within our value chain are secured starting from the contracting stage.

[You can access the Responsible Procurement Policy, Supplier Code of Conduct, Supplier Management Policy, and other related documents here.](#)

We shape our supply-chain strategy around three main focus areas:

- Ensuring energy-supply security and cost resilience by increasing the diversity of renewable sources in electricity procurement and strengthening on-site generation,

- Reducing emission intensity by accelerating the transition to alternative heat-generation sources with lower carbon intensity,
- Limiting external dependency and supply risks by diversifying the portfolio through alternative and supplementary raw materials in raw-material procurement.

In line with these strategic priorities, throughout 2025 we accelerated our energy transition through the investments made at our Afyon and Buñol production facilities and the commissioning of our 14.2 MWp DC Solar Power Plant and 5.5 MWp Waste Heat-to-Power Generation Facility at our Eskişehir production plant. By accelerating the efficiency projects carried out on our existing equipment, we implemented short payback-period investments. These steps not only strengthened our cost structure but also constituted an important part of the structural transformation that supports our energy-supply security and low-carbon production infrastructure.

SUPPLY360: OUR END-TO-END SUPPLIER MANAGEMENT INFRASTRUCTURE

To manage this transformation within our supply chain in a corporate and systematic framework, we implemented the Supply360 approach. Supply360 is an end-to-end supplier-management program that covers supplier selection, evaluation, performance monitoring, compliance, development, and digital process management.

Thanks to this structure, we integrate our sustainability expectations within the supply chain into our operational processes and manage them under a single integrated framework.

Local Supply and Continuous Improvement

We prioritize working with local suppliers in the regions where we operate and contributing to regional development. The fact that 95% of the 2,703 suppliers we actively worked with in 2025 were local suppliers, and that local procurement accounted for 75% of our total procurement budget, serves as a concrete indicator of this approach. Through our local-sourcing focus, we strengthen our supply continuity and operational resilience while supporting the retention of economic and social value within the regions in which we operate.

We manage our communication and interaction with suppliers through the Supplier Portal within a centralized and integrated structure. By consolidating operational touchpoints under a single platform, we strengthen process coordination and ensure a more streamlined flow of information.



[Click here to access the Supplier Portal.](#)

The AI-based Chainy chatbot application within our Supplier Portal continued in 2025 to support the uninterrupted progress of operational workflows by providing instant answers to our suppliers' questions regarding orders, deliveries, invoices, and documentation processes. As of 2025, we began monitoring chatbot performance using systematic metrics. In our performance measurement, we consider key interaction indicators such as session duration, interaction frequency, number of unique users, and user response rate after the welcome message.



Responsible Supply Chain and Procurement Practices

SUSTAINABLE SUPPLY CHAIN

We position our supply chain not merely as an operational structure that manages the flow of goods and services, but as a strategic lever that enables our low-carbon transformation goals while strengthening our cost resilience and supply security. In line with this approach, we go beyond cost optimization in supply-chain management and integrate carbon impact, transformation priorities, and long-term resilience into our decision-making processes as essential components.

This holistic perspective supports securing supply continuity in cost-critical areas such as energy and raw materials, while also accelerating our transformation steps aimed at reducing emission intensity through the wider adoption of alternative sources. In this way, we manage our supply chain as an integrated structure that strengthens both our financial and environmental performance.

“Çimsa’s approach to suppliers—one that not only audits but also educates and develops them—has been an important driving force in elevating our operational standards. In line with this visionary support and MET Group’s principles of “Human-Centricity, Quality, and Efficiency,” we have taken significant organizational steps over the past year. By adhering to international standards, we have implemented the Human Rights and Code of Business Ethics, Environmental and Occupational Health & Safety policies, Social Responsibility Standards, and the Feedback Procedure. Our aim is to make sustainability and ethical conduct an integral part of our company culture and all our business practices. We are pleased to have Çimsa as a value-adding partner alongside us on this transformation journey.”

Yiğit Bayezit
Organizational Development Specialist, MET Group

SUPPLIER COMPLIANCE AND DEVELOPMENT PROGRAM

Within the scope of our Supply360 approach, in 2024 we launched the preparatory work that would form the foundation of our supplier compliance and development journey. The Supply & Sustain event we organized in this context became an important step in guidance and awareness-raising, where we transparently shared our sustainability expectations, support mechanisms, and evaluation approach with our suppliers. The feedback we received during the event revealed that many of our suppliers were addressing sustainability expectations within such a holistic framework for the first time, and showed that this approach not only supports compliance but also contributes to building awareness and capacity.

After this preparatory phase, as of March 2025, we launched the Çimsa Supplier Compliance and Development Program. Within the scope of the program, we conduct systematic visits to our suppliers and assess their current status and areas for improvement in the areas of sustainability, occupational health and safety, human rights, and operational practices. Based on the findings obtained, we create action plans and closely monitor the improvement processes.

Thanks to this approach, we aim to establish a cooperation model with our suppliers that is centered on development rather than an audit-focused relationship. The primary goal of the program is to create a shared performance and sustainability standard across the entire supply chain and to build a long-term, transparent, and resilient procurement ecosystem.

In this context, in 2025 we organized trainings on sustainability, business ethics, and safe driving within the scope of the Supplier Compliance and Development Program.

Sustainability Assessments

We manage our supply chain not only from a regulatory-compliance perspective but within a holistic framework that assumes responsibility in the areas of human rights, environmental impact, and governance. Accordingly, we expect our suppliers to actively participate in our assessment processes covering labor-management practices, environmental performance, occupational health and safety, ethics, and management systems. The prevention of forced and child labor, combating discrimination, respect for freedom of association, fair wages and working-hours practices, as well as occupational health and safety and environmental obligations form the foundation of our assessment approach.

We address the findings obtained in our assessment processes through a risk-based approach that considers the nature of the risk and the severity of its potential impact. In identified priority risk areas, we work together with our suppliers to develop action plans aimed at prevention, mitigation, and improvement; we then monitor the implementation of these plans at defined intervals and evaluate progress. Our objective is not only to identify adverse impacts, but to develop solutions that permanently reduce their effects and generate sustainable outcomes.

Our priority in this process is to stay in collaboration with our suppliers, leverage the mechanisms that can

create impact, and support development. In cases where sufficient progress cannot be achieved, cooperation opportunities are exhausted, or the adverse impact We approach our assessment methodology with a continuous-improvement mindset, regularly reviewing and updating our sustainability data sets based on supplier profiles and risk priorities. In this way, we manage our performance measurement in a more inclusive, consistent, and comparable structure.

As of 2026, we aim to transition the assessment processes to a digital platform through the Supplier Portal, transforming them into a more integrated, traceable, and data-driven structure. This step is intended to enhance the effectiveness of the assessment processes and ensure that supplier performance is managed in a more systematic manner.

Supply Continuity

We consider supply continuity as one of the core components of our low-carbon production transformation and operational resilience. With the transition toward low-emission production processes, we closely monitor the potential impacts of the increasing demand for cementitious materials on raw-material prices and supply security, and we manage these risks with a proactive and predictable approach. In this context, while maintaining our efforts to strengthen long-term collaborations with our suppliers, we also deepen our engagement with producers and vendors by following sector trends and new technologies.



Responsible Supply Chain and Procurement Practices

To reduce the vulnerabilities arising from external dependence on cement-based raw materials, we focus on expanding the use of domestic and alternative sources. Together with our R&D teams, we conduct technical and commercial evaluations to identify alternative raw-material sources both in Türkiye and abroad; in this way, we aim to manage supply risks while building a more flexible raw-material structure that supports our low-carbon production goals.

In the scope of raw materials used in blended-cement production, we manage the supply of supplementary materials such as slag, fly ash, and pozzolana in a planned and balanced structure. We procure fly ash from thermal power plants, slag from iron and steel production facilities, and pozzolana from open-pit mining operations, thereby meeting the raw-material needs of our production processes through a diversified and secured supply portfolio.

In our European operations, within the scope of studies focused on supplementary cementitious materials (SCMs), we conduct energy and CO₂ modeling to reduce clinker ratios and process-related emissions. While evaluating the carbon-reduction potential of calcined clay and alternative mineral-based solutions through technical-validation processes, we also continue our preparations for pilot scale applications. This approach not only reduces our carbon intensity but also contributes to establishing a more resilient and sustainable raw-material supply structure.

Energy Supply and Renewable Sources

As part of our strategic priorities for a sustainable supply chain, we continued strengthening our energy-procurement strategy in 2025 in terms of both cost performance and carbon performance.

With renewable energy certificates:

- » We procured a total of 305,000 MWh of I-REC certificates in Türkiye:
 - » Eskişehir Production Facility: 85,000 MWh
 - » Mersin Production Facility: 152,000 MWh
 - » Afyon Production Facility: 65,000 MWh
 - » Ready-Mixed Concrete Stations: 3,000 MWh
- » Internationally, we procured 15,000 MWh of wind-based Guarantee of Origin (GO) certificates for Spain (Buñol).

Thus, we continue to certify through internationally recognized mechanisms that the electricity we use is sourced from renewable energy.

In this context, renewable energy certificates are positioned as a complementary tool that supports the reduction of emissions arising from electricity consumption and directly contributes to achieving our Scope 2 targets.

Thus, while transforming our energy portfolio into a lower-carbon structure, we position ourselves in a transparent, regulation-aligned framework that is fully compatible with developments in carbon markets.

Alternative Fuel Strategy

The use of alternative fuels is one of the fundamental components of our carbon-reduction roadmap.

The main challenges we face in alternative fuel procurement are waste sourcing, logistical requirements, and regulatory processes. We manage these risks through long-term agreements, regional collaborations, and investments in feeding infrastructure. In particular, our work continues on new feeding systems and biomass agreements aimed at increasing the alternative-fuel substitution rate in white-cement production. Through this approach, we diversify our alternative-fuel portfolio, strengthen our carbon performance, and enhance our resilience against energy costs.

Sustainability in Logistics

We consider our logistics operations not merely as an activity that manages shipment processes, but as a strategic structure that simultaneously safeguards supply continuity, operational resilience, and carbon performance. In this direction, we effectively use intermodal solutions in maritime transportation particularly on routes requiring door-to-door delivery as an established part of our operations. By flexibly combining different transportation modes, we support the continuity and predictability of our delivery processes.

Within maritime logistics, Ro-Ro (Roll-on/Roll-off) transportation has long been among the core solutions we prefer in our sales and shipment planning. Through this approach, we ensure flexibility and operational reliability in transportation processes, while also supporting the use of lower-carbon-intensity transport alternatives.

Through optimization work in transportation planning, digital tracking tools, and partnerships focused on emission reduction, we are gradually reducing the environmental impact of our logistics processes. By expanding the use of electric vehicles in our in-plant logistics operations, we are transforming material-handling activities into a more efficient and lower-emission structure.

While maintaining our current transportation volume, we continue to enhance the agility and efficiency of our logistics processes through operational optimization and digitalization-focused improvements. By closely monitoring developments in carbon markets and the increasing demand for low-carbon products, we aim for our supply-chain function to play an increasingly active role in carbon reduction, low-carbon product sourcing, and emission-data management.

Within this approach, by managing our entire value chain from production to logistics through a low-carbon, resilient, and data-driven structure, we address our environmental responsibilities and operational performance together from a long-term value-creation perspective.

Digitalization in the Supply Chain

To transform our supply-chain processes into a more transparent, traceable, and data-driven structure, we are accelerating our digital transformation efforts within the scope of the Supply360 approach. In this context, we manage supplier communication, order management, performance monitoring, and compliance processes under a single integrated infrastructure.

In 2025, with the Supplier Evaluation Module integrated into the Supplier Portal, we fully digitized supplier-compliance and performance processes end-to-end. Through the portal, we manage self-service registration, digital order management, real-time tracking, document management, and financial-reporting processes within a centralized structure, thereby increasing the transparency and traceability of our processes.

Our digitalization approach is supported by tools that cover end-to-end supply-chain management and make decision-making processes data-driven and predictable. Through the digital solutions we use within this scope, we are building an integrated and analytical management infrastructure across our finance, procurement, and operations teams.

With the Spend Analysis Platform (SpendAI), we increase visibility into our spending categories, enabling more analytical evaluations of payment terms, logistics costs, and procurement conditions, while strengthening our integrated reporting capability with the finance function.

With the Inventory Insight & Optimization Platform, we manage our inventory with a data-driven approach, by analyzing product-specific min-max parameters, we determine optimal reorder triggers and maximum stock levels. In this way, we prevent unnecessary inventory accumulation, ensure supply continuity for critical materials, and achieve an efficiency contribution of approximately 1.5 million euros.

In our warehouse operations, we adopt a paperless and IoT-supported working model through the Digital Warehouse approach. This structure increases our operational speed, significantly improves inventory-count accuracy, and reduces urgent procurement needs. As part of the ongoing enhancements, we aim to manage our warehouse operations more proactively and effectively by strengthening anomaly detection and automatic-action mechanisms with advanced querying and reporting capabilities.

With these digital tools, we are transforming our supply chain management into a more data-driven, agile, and resilient structure, while simultaneously building a digital capability set that supports our operational-excellence and financial-discipline objectives.

“The meetings held within the scope of the Çimsa Supplier Compliance and Development Program have provided significant value for our company. Throughout the process, thanks to the supportive approach of your managers, we had the opportunity to better understand the expectations of Çimsa's Supply Chain and to identify our areas for improvement.”

Accordingly, our company has obtained the following certifications: ISO 9001 – Quality Management System, ISO 14001 – Environmental Management System, ISO 27001 – Information Security Management System, ISO 28000 – Supply Chain Security Management System, ISO 29993 – Learning Services Management System, ISO 37001 – Anti-Bribery Management System, and ISO 45001 – Occupational Health and Safety Management System. Additionally, our senior management team has also obtained certifications from the Institution of Occupational Safety and Health (IOSH) and the National Examination Board in Occupational Safety and Health (NEBOSH).

We will continue our efforts with determination to enhance our service quality and support our organizational development.”

Murat Üstmaş | General Manager, Üstmaş Ready-Mixed Concrete

Stronger Together as an Organization

Through our approach that respects human rights, provides equal opportunities, and fosters safe work environments, we are building a stronger organization together—from our employees to our supply chain partners.

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Respect for Human Rights and Our Inclusive Work Environment

As Çimsa, we view the principle of equal opportunity and respect for human rights as an integral part of our corporate value chain and our approach to sustainable growth. Our human rights approach is systematically implemented through our corporate governance structure, human resources and organizational policies, and our ethics and hotline mechanisms. Strengthening mutual respect in the workplace, supporting psychological safety, and continuously improving occupational health and safety standards are key elements of our future-ready and inclusive organizational strategy.

All our policies and practices regarding human rights and the workplace are shaped within a framework aligned with national legislation, as well as the United Nations Global Compact, International Labour Organization (ILO) conventions, and the Sabancı Group's Ethical Principles. By applying these principles and standards within a common framework in all countries where we operate, we adopt a holistic approach that encompasses all our stakeholders, from our employees to our suppliers.

Our human rights management approach is structured in accordance with Human Rights Due Diligence (HRDD) principles; we conduct a systematic risk and impact management process that includes identifying, preventing, mitigating, monitoring, and, where necessary, addressing and remedying potential and actual impacts.

We address issues related to our employees' rights and our work environment within a multi-stakeholder and coordinated governance structure, with contributions from our Human Resources, Risk and Internal Control, Occupational Health and Safety, Supply Chain, and Internal Audit departments. The Human Rights Sub-Working Group we established in 2024 will continue its activities in 2025 with the aim of assessing human rights risks across our entire value chain in accordance with global standards and integrating necessary improvement actions into our business processes. The Sub-Working Group's activities are regularly reported to the Sustainability Management Committee; the integration of these activities into audit processes is ensured by our Internal Audit Department and linked to our corporate assurance mechanisms.

In 2025, the Human Rights Sub-Working Group assessed key risk areas identified with a focus on human rights and updated the relevant action plans accordingly.



PERFORMANCE DATA

WHY IS THIS IMPORTANT FOR US?

Recognizing that our strong global performance is made possible by our highly qualified workforce, we prioritize the development, safety, and satisfaction of our employees. We aim to further increase the value we create by growing together with our employees.

HOW DO WE MANAGE?

Guided by Çimsa's Values and Cultural Principles, we embrace a human-centered, transparent, innovative, and trustworthy approach to Human Resources. We aim to build a strong human resources infrastructure for the digital Çimsa of the future, designing and managing all our human resources processes within this framework. We focus on providing a creative and harmonious work environment that aligns with the new generation of work culture, where our employees can work in a safe and healthy manner, and where their well-being and happiness are prioritized.

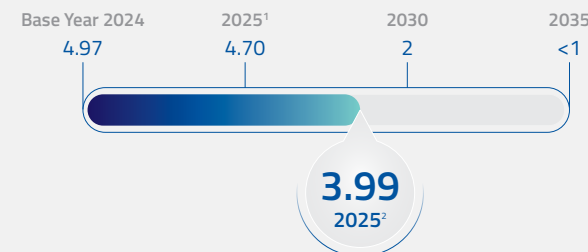
RELATED STAKEHOLDERS

- Employees
- Subcontractors
- Local Communities and the Public
- Suppliers

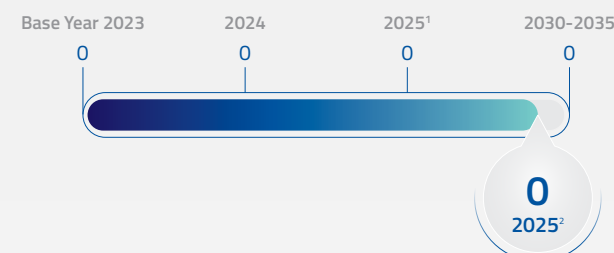
RELATED CAPITAL ELEMENTS

- Social and Relational Capital

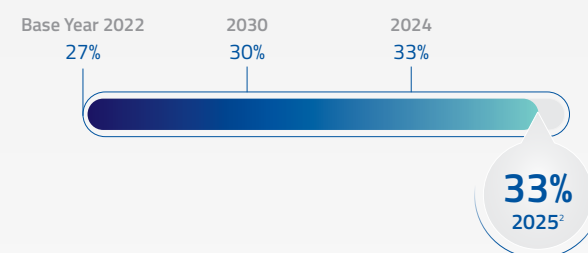
Lost-Time Injury Frequency Rate (LTIFR) (Number of Lost-Time Injuries × 1 M / Working Hours)



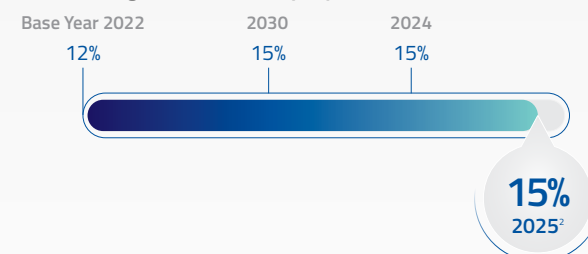
Zero Occupational Diseases (Number)



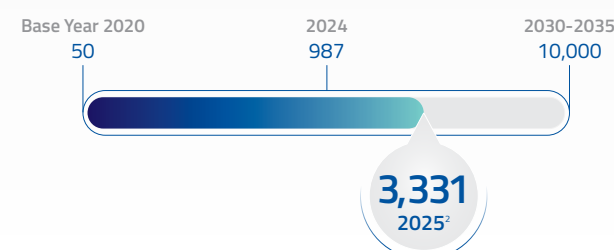
Percentage of female white-collar employees (%)



Percentage of female employees (%)



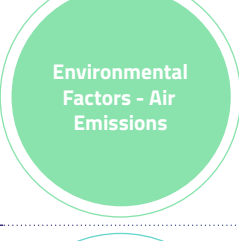
The number of vulnerable groups reached through inclusion programs (youth, women, and people with disabilities, etc.) (Number)



¹ Targeted
² Realized



Respect for Human Rights and Our Inclusive Work Environment

Key Human Rights Risk Areas	Definition for Çimsa	Çimsa's Actions
 Occupational Health and Safety	For Çimsa, the right to life and the physical and psychological well-being of its employees are among the most critical human rights issues. Workplace accidents and occupational diseases are key risk areas that can have serious and lasting negative effects on employees.	Çimsa adopts a “Zero Tolerance” approach, making the prevention of workplace accidents and occupational diseases its primary objective. Training, awareness-raising, and monitoring mechanisms are implemented to ensure that the 10 Golden Rules are applied across all operations. Accident rates, occupational disease data, and preventive measures are regularly monitored and reported.
 Working Conditions in Our Operations and Supply Chain	Our goal is to ensure that decent working conditions are established and maintained throughout all our operations and by our supply chain partners.	Çimsa operates with the goal of full compliance with national legislation and International Labour Organization (ILO) standards. We strive to improve working conditions across our operations and extend these improvements throughout our supply chain network. Compliance is ensured through internal procedures supported by human resources policies and internal audit mechanisms. We aim to ensure that our business partners within our supply chain maintain work environments consistent with the principles and practices adopted by our company.
 Compliance with Labor Rights in the Supply Chain	Our goal is to ensure that decent working conditions are established and maintained throughout all our operations and by our supply chain partners. We aim to ensure that our business partners in our supply chain fully comply with all legal rights and regulations regarding employee hiring.	As part of its Responsible Procurement Policy, Çimsa monitors suppliers' compliance with labor rights. Through contracts, clear expectations are communicated regarding risks such as child labor, forced labor, and excessive overtime. The company conducts regular annual assessment surveys and on-site inspections.
 Environmental Factors - Air Emissions	These are the effects of air emissions --one of the environmental factors arising during our operations --on employee and public health.	We continuously monitor, report, and submit data on dust emissions from our production processes at our facilities to local authorities using continuous measurement systems. Engineering controls, personal protective equipment, and dust management plans are implemented to reduce employee exposure. We are continuously working to improve operations at all our facilities to protect local communities and minimize impacts on neighboring areas.
 Climate Change and Its Effects	Climate change involves managing the increasing risks to worker health and safety posed by extreme temperatures, heat stress, and increasingly challenging working conditions.	We assess the impact of adverse weather conditions on our operations and employees through scenario-based analyses and monitor the financial consequences of these impacts. We implement measures to ensure suitable working conditions (such as climate control, shift rotation, adjustments to working hours, and dietary arrangements) for our facilities and operations that are highly exposed to heat stress.

We shape fair, safe, diverse, and inclusive working conditions rooted in respect for human rights around the principles of Decent Work and Equality at Work, which are fundamental elements of our sustainability approach; we treat compliance with ethical principles and a culture of transparency as integral parts of our corporate governance. In this regard, we operate a comprehensive complaint and reporting mechanism that enables our employees to report situations involving suspected ethical violations through secure, accessible, and confidential channels.

 You can find detailed information about Çimsa's feedback mechanism under the heading “Business Ethics, Compliance, and Anti-Corruption.”

Our Strategy for Future-Ready People and Organizations

On this journey we have embarked upon with the philosophy of **“Together, We Achieve More”** we position our strategy for future-ready people and organizations as one of the key driving forces behind our company's transformation—spanning from **“Cement to Building Materials,” “Grey to Green,”** and **“Local to Global.”** At the heart of this transformation lies our corporate culture, our values of “Sincerity, Collaboration, Courage, Passion, and Continuous Improvement,” and our qualified workforce—which creates value through its competencies and focus on high performance. From our global growth targets to our low-carbon transformation roadmap and our strategic focus on construction materials, we build all our priorities on this people-centered approach.

Our top priority for 2025 is to build an agile and resilient organizational structure that is ready for the future while we build it. With our approach defined as **“Grow-Transform-Strengthen Connections,”** we are focusing on five key areas.

In line with these five focus areas and guided by our Equality, Diversity, and Inclusion Policy, we provide a strong work experience; while systematically supporting talent development and the acquisition of new skills, our organizational economic goal serves as a natural complement to our talent ecosystem development strategies, enabling us to transform our workforce to align with the labor force needs of the future. Through our digital systems and applications, we manage our processes with a data-driven and transparent approach.

Global trends and the future of our industry are shaped by the low-carbon transition. By cultivating competent experts and leaders in sustainability and climate change, we manage our transformation projects more effectively; we are building an agile and resilient organizational structure aligned with our international growth goals.

Through all these efforts, we are bringing **“Stronger Together”** to life with a holistic human resources approach that maximizes both our employees' performance and potential while securing our company's sustainable future.



Our Strategy for Future-Ready People and Organizations

MANNOK INTEGRATION → FROM LOCAL TO GLOBAL

As part of the Mannok Integration initiative, we continued to maintain our “Agile” and “Robust” organizational structure by designing our transformation roadmap using hybrid and matrix models.

Throughout this process, we aim to achieve a comprehensive integration with Çimsa's existing policies and practices by taking into account the cultural dynamics, legal requirements, and business practices in the regions where we operate.



SAP SUCCESSFACTORS

With our “From Local to Global” perspective, we have prioritized globalization and digitalization in our Human Resources processes. By updating the SAP Analytics Cloud infrastructure which enables process management and KPI tracking within our international organizational structure we have taken the first steps toward migrating to the “SAP SuccessFactors” system, which facilitates a more comprehensive and effective system.

With this transformation, our goals are as follows:

Global Data Standardization: Standardizing our data sets and measurement criteria across all countries

where we operate By unifying these processes, we aim to establish a standardized system for analytical workflows.

Integrated Solution Architecture: We aim to build an end-to-end integrated system by eliminating reliance on third-party applications required for reporting processes.

Operational Efficiency: To achieve speed and time savings in processes, we are implementing an agile decision-making mechanism by using a single system.

The system was launched for Çimsa employees in 2025.

The system is scheduled to go live for Mannok employees in May 2026.

We support our transition from local to global through our various initiatives;

Launch of the Center of Excellence (COE) Structure

In line with our growth strategy spanning from local to global, we have initiated alignment processes across all our regions through specialized Center of Excellence (COE) structures to effectively respond to evolving needs. The COEs' areas of expertise --classified as performance management, talent management, leadership development, diversity, equity, and inclusion (DEI), cultural integration, organizational design, and employee experience --support the implementation of consistent and comprehensive practices on a global scale.

International Mobility and Cross-Functional Collaboration Models

At Çimsa, we have established working groups focused on supporting international mobility and cross-functional collaboration, centered around the strategic priority projects we have identified. Through the rotation and short-term assignment programs designed within these working groups, project adoption has been expanded across the organization, knowledge sharing has been accelerated, interaction between different work cultures has been strengthened, and the development of our corporate culture has been supported.

Global-Local Policy Harmonization Program

We have undertaken efforts to harmonize our policies and processes while taking into account the cultural, legal, and operational requirements of our operations in Turkey, Spain, the United States, and Ireland. As a result, we conduct our global operations within the framework of a unified work culture and a standardized management approach, grounded in shared principles.

Leadership Programs Within the “Lead the Future” Leadership Model

Through the “Çimsa Lead the Future” and “Inspire the Future” leadership development programs, we have established a shared leadership philosophy that will enable our leaders from different countries to effectively manage our international operations and our strategy for future-ready people and organizations.

Employee Experience, Collaboration, and Communication

To foster a culture of collaboration among our employees toward a shared goal, we are implementing various communication and engagement initiatives in addition to project-based working groups, including global newsletters, multilingual communication content, “Shape The Journey” onboarding sessions, and process and goal-sharing sessions designed to enhance collaboration and knowledge-sharing across all processes.



Our Strategy for Future-Ready People and Organizations

EMPLOYEE EXPERIENCE, EMPLOYEE ENGAGEMENT, AND WELL-BEING

We view employee engagement and well-being as a prerequisite for building a strong organizational culture and for our approach to creating sustainable value. In this regard, we prioritize continuously improving the employee experience, transforming our employees' feedback into meaningful insights, and incorporating these insights into initiatives that enhance the work environment.

At Çimsa, in line with our focus on attracting and retaining top talent, we periodically conduct employee satisfaction and engagement surveys through an independent research firm. Within this framework, employee engagement results over the past five years demonstrate a sustainable improvement in the employee experience. The improvement initiatives implemented based on feedback from employees demonstrate that our approach to strengthening employee engagement is resonating within the company.

The average length of service of our employees
9.26 years.

The fact that our employee satisfaction and engagement score is 4 points above the industry average and that we have achieved results above the national average in most of our international operations is a concrete indicator of our success in this area.

"A 14-point increase"
in our employee satisfaction and engagement score between 2023 and 2025



These data demonstrate that our initiatives, which prioritize the employee experience, make tangible and positive contributions to the workplace. Based on the survey results, we are continuing our improvement efforts in areas that support the employee experience in a multidimensional way, particularly in leadership development, open communication, employee engagement, and flexible work practices. One of our standout initiatives in this regard has been the launch of volunteer-based Employee Experience Groups since 2023, aimed at strengthening employee engagement.

As of 2025, 5 groups in Turkey and 3 groups in our international operations are actively working on areas such as improving working conditions, strengthening communication, increasing collaboration, and developing reward and performance processes.

The recommendations developed with the contributions of a total of 72 volunteer employees support the continuous improvement of our employee experience by aligning local needs with company priorities. The implemented actions demonstrate that employee feedback has been transformed into tangible improvements, and in 2025, this participatory structure has further strengthened the overall employee experience at Çimsa.

We evaluate and prioritize these groups' suggestions and action plans in alignment with our company strategy. In this way, we are taking concrete steps to translate Çimsa's "purpose-driven, high-performance culture" and "attracting and retaining top talent" approach into practice. All approved actions have been fully implemented, and this outcome highlights just how valuable our employees' active contribution to company management is.

Under the motto "Stronger Together," we design our processes through transparent and robust communication with all our employees.

In this regard, for Collective Bargaining Agreements (CBAs)¹, we are conducting negotiations for the new term based on open communication, transparency, and mutual dialogue. While conducting these negotiations, we hold meetings with employee representatives to listen to our employees' requests and demands. Additionally, our Employee Experience Groups continue their activities to directly hear and implement suggestions from employees aimed at improving the work environment. Through these mechanisms, we ensure that the voices from the field reach management directly, strengthen the sense of organizational belonging, and aim to sustain our success in a way that is both collaborative and sustainable with our employees.

¹Negotiations for the new-term Group Collective Bargaining Agreement between the Cement Industry Employers' Union (ÇEİS), of which we are a member, and the Turkish Cement Workers' Union concluded with an agreement as of February 2, 2026

As another key element supporting employee engagement, we structure our compensation approach in accordance with principles that are fair, objective, and designed to incentivize and reward high performance. Through this approach, we aim to enhance employee motivation and engagement while taking into account both internal and industry-wide compensation benchmarks.

We support all of these initiatives with our Job Family Model, which clearly defines job descriptions, areas of responsibility, and performance indicators, thereby ensuring that our human resources management is conducted within a consistent and comparable framework at both the national and international levels.

Our other initiatives related to employee engagement and well-being are detailed in our [2024 Integrated Annual Report](#), and the developments regarding these initiatives for 2025 are presented below.

Happy Days

Through the Happy Days Events, we came together with our employees to strengthen our unity and camaraderie while having fun. This year, we kicked off the first event with the "Welcome to the New Year" theme, and together with our employees, we completed a global puzzle made up of Çimsa production facilities.

Employee Photo Contest and the Mannok 2026 Calendar

In the photo contest we organized at Mannok in 2025, over 300 photos were evaluated with the participation of 42 employees. Through the Mannok 2026 Calendar, created as a result of the competition, and the exhibition held on-site, we aimed to showcase our employees' creativity, strengthen their connection with the local community, and reinforce their sense of belonging to the organization.

Çimsa Life App – Physical and Mental Well-being Around the World

The Çimsa Life app, which encompasses not only our employees' physical and mental well-being but also their social and family lives, continued to be actively used by all our employees this year.

We Listened to Our Employees

The Dialogue Line Recognizing that we are one with our employees, we continued to actively use communication platforms this year as well, in line with our principles of open and continuous communication, where they can comfortably share their ideas, suggestions, and feedback.

Throughout the year, employee feedback received via the Çimsa Dialogue Line was carefully reviewed, resulting in the resolution of 180 issues.

"Ya Tutarsa" Suggestion System

As part of the "What If It Works?" Suggestion System, we received 239 ideas from our employees; 65 of these were deemed worthy of an award, and 14 were implemented. We continue to enrich our organizational culture with diverse perspectives from various locations.

Invention Capture System

Implemented at Mannok through the Mannok Invention Reporting Portal and with the support of a dedicated Intellectual Property (IP) Leader. The portal is a central innovation tool that allows employees to easily submit their inventions and ideas related to products and processes, and features AI-powered innovation scanning.

Employee Experience Centre

At our Mannok Derrylin office, as part of a renovation project launched in 2025 with Calibro's expertise in workplace design, we have implemented a transformation centered on the hybrid work model and employee well-being. As part of this initiative, we have integrated flexible collaboration spaces, enhanced social areas, and improved acoustic designs with local landscape elements and the Mannok brand.

Our Strategy for Future-Ready People and Organizations

TALENT MANAGEMENT AND EMPLOYEE DEVELOPMENT

Our Talent Management and Employee Development approach is built on matching the right talent with the right responsibilities and roles, ensuring the continuity of our team members in critical positions, strengthening our leadership capacity, and proactively and systematically developing our employees' competencies to meet future needs, thereby ensuring the sustainability of our organization.

Through the assessment centers and development programs we launched in 2025, we have established a common language for development across both our domestic and international operations.

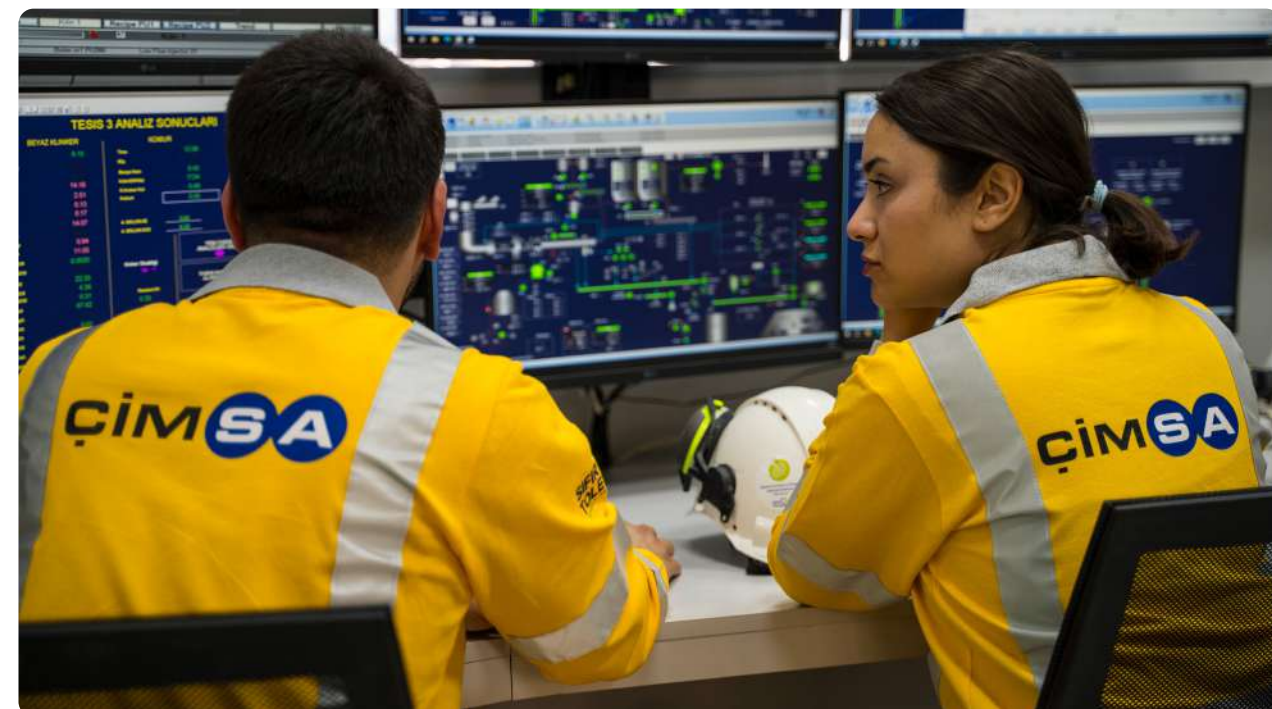
With the increase in cross-functional mobility, we have taken the first steps toward building a robust talent ecosystem within our multinational structure. In 2025, we achieved a 10% rate of career mobility within Çimsa.

We view this mobility as one of our key tools that supports Çimsa's global integration, enhances cross-functional experience diversity, and strengthens our "Future-Ready Talent" strategy.

Through our internal job posting application system, rotation programs, and international assignments, our employees have been directly involved in business processes and cross-functional collaboration by taking on roles in operations across the various countries where Çimsa operates. This has provided them with opportunities to experience different ways of working and operational dynamics firsthand, as well as to serve as bridges between teams.

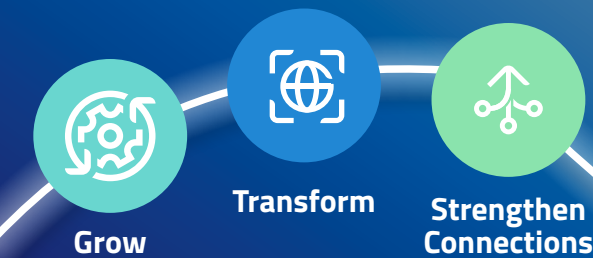
Under the Organizational Success Plan (OSP) and in line with succession planning initiatives, the succession rate for critical roles reached 85% in 2025, establishing this result as a key indicator of strengthened organizational resilience.

In 2025, our Leadership Development Programs designed to align with our talent management and development planning processes were at the center of our initiatives that generated the greatest impact in the area of employee development. We designed these programs to strengthen a leadership culture that supports Çimsa's global vision, to advance our managers' current leadership capabilities, and to develop their strategic competencies for the future.



LEADERSHIP DEVELOPMENT PROGRAMS (GROW-TRANSFORM-STRENGTHEN CONNECTIONS)

We view leadership development as a critical platform that supports our "development focus"—which fosters individual growth—while accelerating the pace of transformation within our organization and operations, strengthening connections, and aligning with our strategic goals. Designed based on the "Grow – Transform – Connect" leadership model—which forms the backbone of our Leadership Development Programs—the Lead the Future and Inspire the Future leadership development journeys focus on themes such as managing uncertainty and adaptation, decision-making, strategic thinking, sustainable and effective team management, stakeholder management, and equality, diversity, and inclusion.



In 2025, with the aim of strengthening our development-focused culture and establishing a systematic framework, we rolled out "Development Dialogues" and the "Development Planning Process" across all regions and throughout the company. Through this process, we aimed to manage employee development within a planned, trackable, and structured framework.

By taking ownership of the process through employee-manager collaboration, we positioned development as a shared responsibility. Supported by awareness sessions covering all our employees in Turkey and abroad, we aimed to sustain employee development within a sustainable framework through Individual Development Plans.

With this holistic development approach, we align our training and development initiatives including the new programs we launched in 2025 with our critical priorities; our goal is to build a robust talent structure that addresses today's needs and builds the competencies of the future.



In 2025, we included a total of 33 first-line leaders in this development journey. By enriching our programs with diverse learning experiences, we aimed to ensure that learning was not limited to classroom training alone, but was reinforced through practice, interaction, and hands-on experience.

Our Strategy for Future-Ready People and Organizations

Çimsa Academy

Çimsa Academy supports competency development as a digital learning platform accessible to all employees 24/7.

During the orientation process, mandatory training is provided on topics such as the Law on the Protection of Personal Data (PDPL), competition law, ethics, diversity and inclusion, basic finance, and digital competencies, in accordance with legal requirements, company policies, and corporate principles.

Throughout 2025, we provided training to our employees focused on sustainability and environmental excellence covering topics such as energy efficiency, water management, climate change, and sustainable materials while also offering training on current issues like disaster awareness. This has strengthened the competencies that contribute to corporate risk management and long-term value creation processes.

As part of Strategic Workforce Planning, role-based skill requirements have been defined, and a 100% completion rate has been achieved for the training programs assigned in accordance with these requirements as of 2025.

Our Continuous Performance Management Approach

At Çimsa, we view performance management as a systematic process that supports collective progress toward shared goals and objectives. Our employees' annual goals are continuously monitored through regular check-in meetings held throughout the year and a culture of open feedback. This structure supports teams in moving toward the same goals and fosters a strong sense of connection and shared ownership across the organization.

Objectives and Key Results (OKR) and the Organizational Success Plan (OBP) programs are key components of our performance management system.

Performance Management System (PerfX)

As one of the core digital platforms strengthening the high-performance culture at Çimsa, PerfX has made employee-manager communication continuous and transparent through its check-in-based structure. Throughout the year, we have ensured that goals are dynamically updated, feedback is integrated into business processes, and development needs are addressed in a timely manner.

This approach addresses performance within a holistic framework focused not only on results but also on

development, progress, and necessary support, enabling a strong alignment of individual goals with organizational priorities and allowing performance processes to be managed in a more transparent, agile, and effective manner.

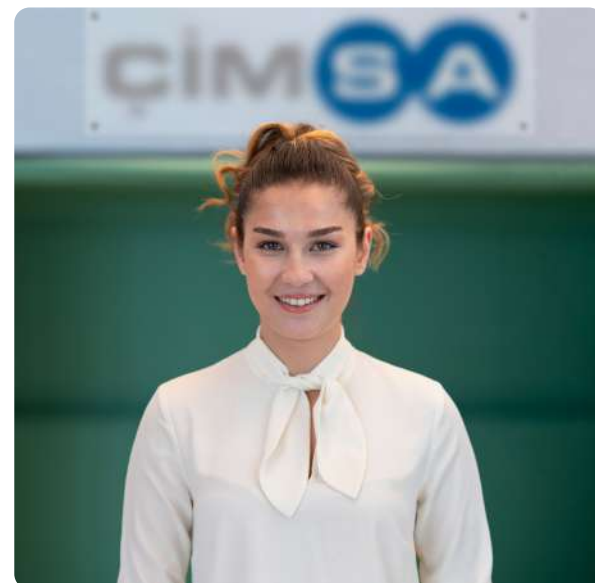
Our Objectives and Key Results (OKR) Methodology

The OKR-focused project teams established in 2024 successfully completed their projects in 2025. As part of the program set to begin in January 2026, 12 young talents selected from various functions will work in two project teams on the company's strategic and sustainability-focused topics.

Organizational Success Plan (OSP)

As part of the Organizational Success Plan process, through which we review talent and organizational structure annually, in 2025, we strengthened the perspective on competence, potential, and succession planning across the organization by conducting the process with the active participation of leaders at the entry-level, mid-level, and executive management levels; we positioned the process as a strategic tool supporting talent management and organizational decision-making processes. While comprehensively evaluating our employees based on their strengths, areas for development, and potential levels, we clarified the development and support areas tailored to different needs.

The outputs from the inventory studies conducted in accordance with international standards supporting this process contributed to the creation of targeted action plans, thereby enabling the strengthening of the talent pool and the support of leadership capacity.



EQUALITY, DIVERSITY, AND INCLUSION

At Çimsa, we view our equality, diversity, and inclusion policy as a fundamental management principle that guides our decision-making processes, leadership philosophy, and way of working across all matters within our company and sphere of influence. To create a fair, safe, and inclusive work environment for all our employees, we prioritize advancing gender equality, systematically combating all forms of discrimination and bias, and fostering a participatory organizational culture where differences can be freely expressed.

We position diversity as a strategic value that supports organizational creativity, innovation, and sustainable performance; respect for universal human rights and the principles of inclusivity are consistently applied throughout the company.

Through our adopted Equality, Diversity, and Inclusion policy, we aim to contribute specifically to the goals of SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities).

This vision serves as an integral part of the Sabancı Code of Business Ethics, guiding all our operations and throughout our value chain; the relationships we build with our business partners and stakeholders are shaped in line with these shared values.

 You can access our Equality, Diversity, and Inclusion Policy [here](#).

To ensure that our approach to equality, diversity, and inclusion is implemented consistently, effectively, and transparently on a global scale, we have established the Global Equality, Diversity, and Inclusion (DE&I) Committee within Çimsa. This structure, which includes representatives from employees of different nationalities and cultural backgrounds, serves as a fundamental governance mechanism that monitors the implementation of DE&I policies across the company, sets priorities, and ensures cross-border alignment. Through our Committee, we facilitate the sharing of best practices, the development of common standards, and the integration of inclusion goals with business outcomes, thereby bringing a sustainable and holistic perspective to corporate decision-making processes.

IN 2025,

through our governance structure comprising representatives from 15 countries, we facilitated the exchange of cross-border experiences and the dissemination of best practices. By addressing local DE&I needs within a framework aligned with shared corporate principles and sensitive to local dynamics, we strengthened the balance between global consistency and local impact.

These efforts went beyond evaluating our current practices to guide the identification of future priorities for the DE&I agenda. In this context, strengthening integration with Human Rights Due Diligence (HRDD) processes, developing inclusive competencies, and scaling up inclusive workplace practices across all countries were identified as key focus areas. Under the coordination of our Global DE&I Committee, we aim to establish a shared understanding of inclusivity across all our operations to strengthen a development environment based on equal opportunities, sustainability, and safety.

Through our Global DE&I Committee, we aim to strengthen a development environment based on equal opportunities, sustainability, and safety by fostering a shared culture of inclusion across all of Çimsa's operations.

Gender equality and diversity are addressed as one of Çimsa's primary strategic focus areas. A comprehensive approach has been adopted to strengthen women's access to employment, visibility, and representation at every stage of their career journey; internal initiatives are supported by programs that create sectoral and societal impact. In this regard, gender equality has been positioned as a fundamental business priority that supports talent strategy and sustainable growth.

Our Strategy for Future-Ready People and Organizations

Integration of Equality and Inclusion into Business Processes

At Çimsa, all recruitment, compensation, assignment, promotion, performance, and development processes are conducted in accordance with the principle of equality. In accordance with our Diversity, Equity, and Inclusion Policy, factors such as language, race, ethnic origin, age, gender, disability status, religion, marital status, or similar personal characteristics are not considered at any stage of candidate or employee evaluations.

At the same time, we treat the increase in women's employment and their representation—particularly in income-generating roles and STEM (Science, Technology, Engineering, Mathematics) positions—as a critical priority; we support the “equal pay for equal work” principle through a fair and transparent compensation approach. Supportive measures for underrepresented groups, the provision of accessible work environments and opportunities, and the protection of the rights of people with disabilities are among the core elements of our inclusive approach.

At the 2025 Brandon Hall Awards, it won a Silver Award in the “Best Diversity, Equity, Inclusion, and Belonging Strategy” category for the G-Localisation project.

Çimsa won an award in the “Best Recruitment Strategy for Diversity and Inclusion” category at the 2025 Brandon Hall Awards for its “We Are In This Business” project.

Çimsa won a Bronze Award in the “Best Competency and Skills Development Award” category at the 2025 Brandon Hall Awards for its Speaking Club project, recognized as the Best Learning Program Supporting and Promoting Diversity, Equity, Inclusion, and Belonging.

31%
Percentage of
Female Employees
in Revenue-
Generating
Roles

25%
Percentage of
Women in STEM
Roles



Çimsa won first place in the “Diversity and Inclusion” category at the 2025 ÇEİS Stars of Development Awards for its “Our Work is Equality” project.

Employee Experience, Work-Life Balance, and Support Mechanisms

At Çimsa, the employee experience is supported by initiatives that address employees' needs at different life stages through a holistic approach, in line with the principles of human rights, equality, inclusivity, and equal opportunity. Within this framework, we ensure support through maternity and parental leave, mentorship, and structured orientation programs following extended leaves; while phased return-to-work programs, childcare support, and flexible and hybrid work models strengthen work-life balance.

Compensation and benefits management is conducted based on the Work Family Model, which aligns with international standards and is grounded in a fair, objective, and performance-focused philosophy. This structure, based on job scope, performance, and competency criteria, offers a transparent and sustainable compensation approach.

To support our employees' long-term financial security, we offer the Employer-Contributed Individual Pension System (BES) as an additional benefit beyond legal obligations. Under this entirely voluntary system, both the employee and the company contribute 3% each. These funds are kept separate from the company's balance sheet and are professionally managed by independent pension companies authorized under legal regulations.

A DAY AT ÇİMSA

To support women's early access to the sector, we have established partnerships with universities and organized visits to production facilities, bringing together 135 university students studying engineering and STEM fields.

Through meetings held at our facilities in Turkey and abroad as part of the “A Day at Çimsa” program, we aimed to help female students get to know the sector up close, interact with role models, and increase their career awareness.

Additionally, to support career awareness at an early stage, we hosted 27 high school students at our production facilities. Through this program, we reached 135 university students and 27 high school students.

NEET Mentoring Program (in Partnership with the Sabancı Foundation)

In 2025, we strengthened our leadership development and mentoring initiatives by focusing on supporting women employees at various stages of their careers. We defined equal representation as a clear success criterion in our leadership programs and integrated this approach into our performance goals. As part of the “Young Women Shaping Their Future – 3rd Mentoring Program” conducted in partnership with the Sabancı Foundation, we provided mentoring support to 6 women aged 19–35 who were neither in education nor employment, and to 23 women in total across the project, helping them enhance their career awareness and support their journey toward employment.

Through collaborations with civil society organizations and universities, we expanded our gender equality approach beyond company boundaries by enhancing role model interactions and career awareness among female students in engineering and STEM fields.

IEP Blue-Collar Women's Employment Project – “We're In This Together!”

We prioritized extending our gender equality approach beyond office environments and integrating it into operational settings. As part of this effort, through our collaboration with İŞKUR on the IEP Blue-Collar Women's Employment Project “We're In This Business!”, we have increased female representation in production processes. By 2025, seven women will be employed under this project, and since its inception, a total of 14 women have joined Çimsa in various field roles.

Local and Global Alignment and Ecosystem Partnerships

By analyzing the dynamics of the workforce in the various countries where we operate, we have addressed our gender equality initiatives in a structure that aligns with our shared values and inclusive leadership philosophy, while also being sensitive to local needs.

Additionally, to strengthen global knowledge sharing and the transfer of best practices, we have initiated collaborations with platforms such as the 30% Club. We served as a sponsor in the “Technological and Innovative Solutions in Water” Competition organized by the Women in Technology Association (Wtech) to encourage new ideas, projects, products, and services that contribute to sustainability and amplify impact in the fields of clean water and wastewater management for women entrepreneurs. Through these partnerships, we aimed to support Çimsa's continuous development by aligning its approach to gender equality with international best practices.

Occupational Health and Safety

OUR OHS MANAGEMENT APPROACH

At Çimsa, Occupational Health and Safety (OHS) is treated as an integral and fundamental component of our operations, and all our activities are conducted in accordance with the “Zero Tolerance” principle. Under this approach, we continuously monitor and analyze our risks with a proactive mindset, and by systematically implementing preventive measures, we create safe and healthy work environments.

Structured around the “10 Golden Life-Saving Rules,” our OHS practices serve as a common guide not only for our employees but also for our suppliers, subcontractors, and visitors—who are an integral part of our value chain.

Through periodic OHS Committee meetings held at each production facility, facility-specific occupational safety and health issues are addressed; the critical topics evaluated during these meetings provide input for the monthly OHS Management Meetings conducted across Çimsa. The issues addressed are systematically reviewed based on importance and priority criteria; situations involving a high risk of serious accidents are addressed within the scope of investment requirements and short, medium, and long term planning efforts. Evaluations of OHS performance are brought to the agenda of the Board of Directors and the Executive Board monthly and monitored at the senior management level.



"10 Golden Life-Saving Rules"

10 GOLDEN RULES

ZERO TOLERANCE

- Take Action, Show Your Leadership!
- Drive Safely and Follow Speed Limits!
- Do Not Use Your Phone While Working or on the Move!
- Assess All Risk Factors!
- Keep Your Workspace Organized and Clean!
- Use Personal Protective Equipment Properly and Completely!
- Follow the Procedures—Do Not Start Work Without a Work Permit!
- Work in Compliance with Work-at-Height Safety Guidelines!
- Assess All Risk Factors!
- Be Aware of Machine Safety Requirements; Do Not Use Unsuitable or Damaged Equipment!

“The 10 Golden Life-Saving Rules” have been established as one of the cornerstones of the Mannok and Çimsa integration process, serving to align corporate culture, business practices, and the approach to occupational health and safety on a common ground.

This set of rules, established with the goal of reducing accident rates and lost workdays, has contributed to the development of a common approach to critical risk behaviors and the creation of a standardized operational framework across all operations. In line with this approach, which integrates occupational health and safety into all processes, we aim to advance our practices each year while maintaining our focus on learning, sharing experiences, and continuous improvement.



Occupational Health and Safety

CULTURAL TRANSFORMATION AND BEHAVIORAL SAFETY

Introduced in 2024 and serving as the foundation of our corporate occupational health and safety (OHS) approach, the “Zero Tolerance Approach” was expanded into a more comprehensive and systematic framework in 2025 in line with the “Be Proactive, React!” principle. This approach was closely monitored throughout the year via regular monthly meetings.

Safety Awareness Internalized at Every Level Through OHS Leaders

OHS Leaders were selected based on objective criteria during committee meetings held throughout the year; by recognizing employees who stood out for their exemplary practices, the visibility of safe behaviors was enhanced. This initiative has contributed to transforming the OHS culture into a strong and sustainable movement of change that extends from the field to management.

Hearing from Our Employees: From Feedback to Action

Feedback from the field has been systematically analyzed, and employee suggestions have been integrated into the OHS Management System. As a result, employee participation, a sense of ownership, and mutual interaction have been significantly strengthened.

As of 2025, Çimsa’s OHS committees across all operations have a total of 59 members, including 14 women and 45 men.



GLOBAL CULTURE-BASED OHS STRUCTURE

As part of the Mannok integration, Çimsa’s “Zero Tolerance” principle is implemented as a common occupational health and safety approach across all group subsidiaries. The 10 Golden Life-Saving Rules have contributed to sustainable improvements in OHS performance by establishing a common safety language across different regions and operations.

To support this approach, we are continuing the integration of our digital OHS management center, the Çimsa Manufacturing System (CMS) application; the goal is to transition OHS processes to a standardized, traceable, and data-driven framework. By extending its OHS culture designed with a global perspective beyond local regulations, Çimsa is strengthening its focus on continuous improvement across the entire group.

Our clear and consistent stance on OHS violations, supported by training, communication, disciplinary, and reward mechanisms, has established a single, robust Çimsa standard applicable on a global scale by consolidating the entire process under a single procedure. At the heart of these efforts lies the goal of a zero-accident and zero-violation workplace, alongside a safety culture that is deeply ingrained and sustainable across all locations.

INTEGRATED RISK, OPERATIONAL SECURITY AND RESILIENCE MANAGEMENT

At Çimsa, OHS is addressed through a comprehensive management approach that encompasses risk identification, operational practices, employee health, and emergency preparedness.

Management of Process and Technical Risks

At Çimsa, risks related to processes and equipment are addressed through a proactive approach. Through Hazard and Operability (HAZOP), Layers of Protection Analysis (LOPA), and Event Tree Analysis (ETA) studies led by our Eskişehir production facility, process safety has been systematically evaluated, and preventive control mechanisms have been strengthened.

Through the Material Safety Data Sheets (MSDS) prepared for the chemicals used at all our facilities, the effective management of chemical risks and the proper informing of employees have been established as a corporate standard.

In addition, the Change Management System (CMS) previously established across Çimsa ensures that OHS and process management are carried out within a standardized, traceable, and accessible framework. All these initiatives are supported by on-site training, ensuring that employees participate in the process with awareness, competence, and confidence.



Operational Security and Field Applications

Machine safety risk assessments are conducted with consideration of the entire lifecycle of the equipment. Technical and organizational improvements are implemented in accordance with action plans that serve as risk assessment outputs compliant with international standards.

Through task-based risk assessments, each work step has been analyzed in detail; safe and traceable work procedures have been established with the active participation of field teams.

DIGITAL WORK PERMIT PROCESSES

Through the digital work permit pilot program, work permits have been transitioned to a system that is faster, more traceable, and fully compliant with standards. Given the benefits achieved by this digitalization initiative which has strengthened operational control and sustainability plans are in place to roll out the program to other facilities.

Employee Health – Thermal Comfort and Heat Stress Management

Risks associated with heat stress are effectively managed through Wet Bulb Globe Temperature (WBGT) measurements, the use of appropriate Personal Protective Equipment (PPE), rest and cooling areas, and hydration support. Employee awareness is raised through training programs to ensure continuous safe working conditions.

Emergency and Crisis Management

At Çimsa, emergency and crisis management is addressed with a proactive approach to ensure the safety of our employees and maintain operational continuity. In this context, scenario-based drills covering firefighting, rescue, first aid, and emergency evacuation are conducted at our factories and ready-mix concrete stations in collaboration with the Disaster and Emergency Management Authority (AFAD). Through these exercises, which are conducted using realistic scenarios, our teams’ coordination and response capabilities are strengthened, and our level of preparedness for emergencies is continuously enhanced.

The SMS-based Emergency Management System, implemented to ensure rapid and effective communication during crises, enables our employees to transmit their location and needs via a single message. Thanks to this system, the information collected is evaluated in real time, allowing appropriate actions to be taken as quickly as possible. In addition, the continuity of our communication infrastructure and our response capacity are regularly tested through message-based drills.

This holistic approach strengthens Çimsa’s organizational resilience in the face of emergencies while contributing to the sustainable improvement of its occupational health and safety performance.

Occupational Health and Safety

A SECURE FUTURE THROUGH DIGITALIZATION AND ARTIFICIAL INTELLIGENCE

At Çimsa, digital transformation is treated as a key component of our occupational health and safety approach. As part of the Digital OHS Roadmap, AI-based solutions enable the early detection of risks and support the adoption of safe behaviors as standard practice. As a result, OHS is evolving from a reactive framework to a data-driven, proactive management system.

The AI-based Intenseye system used in our three integrated factories detects risky behaviors and OHS violations in real time, enabling rapid action through instant alerts. Thanks to the system, high-priority alarms have been reduced by up to 60%, and significant improvements have been achieved in critical areas such as hard hat usage, working at heights, and vehicle-pedestrian interactions.

Based on the data collected, the technical improvements and awareness initiatives implemented in the field demonstrate that technology has become a tool that guides safe behavior and strengthens the OHS culture.



LOTO Signaling System

The Energy Source Tagging and Lockout (LOTO) system implemented at the Afyon production facility has made energy isolation processes trackable in real time and visually. While the system enhances safety by preventing incorrect interventions, its integration with the Intenseye system will enable the immediate reporting of non-conformities.

ÇİMSAFE, YOUR TRUSTED OHS CONSULTANT

Çimsafe is much more than just a chatbot to us; it is an indispensable partner in creating a safe work environment. This AI-powered guide, available 24/7, is always there for us, providing quick, accurate, and effective solutions to OHS issues.

Since 2025, Çimsafe which is actively used at all our production sites has become one of the industry's best practices, with an **average response time of 5.6 seconds**. Across our global supply chain, we provide multilingual support in English, Spanish, and Turkish, ensuring that all our employees worldwide have access to this service at all times.

THE GO-TO SOURCE FOR CONTINUOUS IMPROVEMENT IN OHS: SMART ACADEMY

Smart Academy is an innovative learning platform designed to ensure that employees embrace occupational health and safety not merely as a legal obligation, but as a natural and integral part of their daily work routines. The Academy aims to help every employee understand the importance of safe behavior through hands-on experience and develop the reflexes needed to make the right decisions.

The Basic Occupational Health and Safety training completed by all employees marked the first step in this transformation. Going beyond traditional classroom training, participants observed how risks arise through 3D diagrams, experienced safe work scenarios in a virtual factory environment, and reinforced the impact of learning by directly experiencing potential hazards through Virtual Reality (VR) and Augmented Reality (AR) technologies. This approach provided employees with a multi-dimensional "five-sense experience."

Smart Academy goes beyond simply imparting knowledge to offer a development journey that strengthens employees' risk awareness, helps them internalize safe behavior, and transforms safety culture into action.

By integrating technical knowledge with behavioral safety competencies within a comprehensive framework, this platform provides a solid foundation for the sustainable development of OHS at Çimsa.

Through this learning approach, Smart Academy is creating an ecosystem that enables every employee to enhance their own safety awareness and helps foster a lasting culture of safety.

“Coming from a different industry and having just started this role, Smart Academy effectively conveyed through a high level of expertise and engaging presentation techniques the importance of compliance with workplace safety regulations in factories and the need for this mindset to become an integral part of our organizational culture.

Throughout the training process, a wide range of innovative methods were employed, from knowledge-based games to sensory experience zones, and from VR applications to technological demonstrations simulating potential losses. These applications clearly demonstrated just how critical immediate awareness, control, and discipline are.

In addition, automated, interactive presentations of models created using 3D printers and QR code-based interactive explanations made the training particularly engaging.”

Defne Yağmur Özgün | Marketing Specialist, Cement Marketing and Sales Management Department, MENA Region

To raise awareness among our employees and enhance both theoretical and practical learning, we conducted a total of 65,957 person-hours of training on Occupational Health and Safety for all our employees in 2025.

SAFETY FEST

At our festival, we offered a unique learning experience by combining games that employees enjoy in their daily lives with OHS content. Fun games like Taboo, VR experiences, Risk Hunt, Jenga, and Guess What were redesigned to reinforce LOTO, 10 Golden Life-Saving Rules, procedures, and fundamental OHS topics. This allowed our employees to enhance their occupational health and safety awareness through fun, interactive, and hands-on experiences.



Community Contribution and Social Responsibility

As Çimsa, we aim to make sustainable contributions to young people, our employees, and the future of society through our projects in the fields of education, technology, equality, and social solidarity. We carry out our social impact initiatives in collaboration with academic institutions, public bodies, and civil society organizations, with priorities focused on youth and education, gender equality, and equal access to opportunities. Our projects are designed in alignment with SDG 4: Quality Education, SDG 5: Gender Equality, and SDG 10: Reduced Inequalities.

Within the scope of our social investment approach, we strive to create long-term social value by considering sector and company needs analyses, local priorities, and scalable impact potential when selecting projects. Our social contribution portfolio is managed under the supervision of the Executive Committee and is disseminated across the organization through the Diversity, Equity & Inclusion (DE&I) and Sustainability Management Committee.

With more than 2,000 employees and a broad value chain, we contribute to economic and social development in the regions where we operate. Through regular dialogue mechanisms with local stakeholders, we shape our projects in line with regional needs and expectations.

In accordance with our sustainability roadmap, we regularly monitor and evaluate the impact of projects we develop in the areas of infrastructure, education, culture, environment, and inclusivity. Through a continuous improvement approach, we aim to create lasting and measurable social value.



Çimsa Technology and Impact Center

Launched on October 25, 2024, within the scope of Sabancı Group's Sabancı Youth Mobilization initiative and in collaboration with Eskişehir Technical University, the Çimsa Technology and Impact Center continues its operations today under the ownership and leadership of Çimsa. Built on a university–industry collaboration model, this structure is positioned as a strategic impact platform supported by structured training programs. The Center aims to reach 500 university students within five years, focusing on the development of both technical and behavioral competencies.

Our programs are structured across two academic terms per year (fall and spring). To date, a total of 40 students, with 20 students per term, have successfully completed the program. In addition to technical training, students are supported through personal and professional development programs aligned with a holistic learning approach, focusing on time management, effective communication, interview techniques, gender equality, project management, and leadership skills.

Furthermore, the Cement 101 trainings enabled access to a broader student audience, while ideathon activities and field applications enriched the program with hands-on learning experiences. During this process, internship opportunities were provided to 32 students, supporting the practical application of the skills and knowledge gained in a professional work environment.



Within the scope of our Center, we aim to encourage sustainability-focused initiatives, support students' career planning through role model meetings and mentorship programs, and enable direct interaction with industry professionals through technical factory visits. In this context, in addition to the programs conducted with students of Eskişehir Technical University Porsuk Vocational School, a technical field visit program was organized for students of the Chemical Technologies Department of Tarsus University Mersin Organized Industrial Zone Vocational School of Technical Sciences. Furthermore, through gender equality training programs and projects aimed at increasing women's employment, we contribute to strengthening female participation and employment within the industry.

MORE TOGETHER WITH YOUTH ÇİMSA 101

Çimsa 101 is a structured program delivered as an academic course within the academic calendar of relevant university departments. Through the program, we introduced students to our areas of operation, corporate culture, and our positioning within the industry. By reaching 150 university students studying in STEM fields, we contributed to enabling young people to become familiar with the industry and the business world at an early stage, supporting their early career awareness and preparedness.



GLOBAL BUILD-ON & GLOBAL BUILD-ON PLUS PROGRAMS

Within the scope of our university collaborations in 2025, we implemented our highest-impact practices through complementary programs focusing on early talent acquisition, global experience, and business culture. In this context, we launched the Global Build-ON and Global Build-ON Plus programs as long-term and short-term global internship programs for university students.

Through these programs, we aim to enable students to work within Çimsa's operations across different countries, experience an international business environment, develop cross-cultural competencies, and broaden their professional perspectives on a global scale. As of 2025, we provided global internship opportunities to 139 students under the Global Build-ON program and to 28 students under the Global Build-ON Plus program. Through these initiatives, we contributed to the early integration of young talent into the Çimsa ecosystem and to the strengthening of our long-term talent pool.



CO-LAB ACADEMIC COLLABORATION PROGRAM

The Co-Lab Program is implemented as a global academic collaboration model designed to support master's students' thesis and project work while strengthening university–industry collaboration. Within the scope of the program, students are enabled to develop practice-oriented projects by integrating their academic studies with Çimsa's sectoral needs and technical expertise. Through this approach, we contribute to establishing a direct and sustainable link between academic knowledge and industrial practice, fostering value creation for both academia and the industry.

Community Contribution and Social Responsibility

Education Ecosystem and Leading Collaboration

Central to Mannok's education and social impact efforts in 2025 is a long-term and strategic partnership with St Kevin's College. This collaboration serves as the flagship initiative of Mannok's education-focused activities and is positioned as one of the key pillars supporting local talent development and long-term succession planning. Within this framework, students engaged directly with manufacturing, sustainability, and engineering careers through site visits, project-based learning activities, and career talks. While the program aims to create tangible and accessible career pathways in STEM fields, it also stands at the core of a holistic education engagement model spanning from secondary to higher education.

This approach has been adopted across Mannok's broader education partnerships and has been systematically supported by facility tours, in-class engagements, interview simulations, and CV workshops delivered by Mannok employees, all designed to better prepare students for the world of work.

In this context, a total of eight school visits were organized throughout 2025 at Mannok's PIR Insulation, Packaging, Cement, and Precast facilities. These visits brought together 224 students and education stakeholders. The programs were delivered with contributions from 64 Mannok employees, amounting to 212 employee-hours, enabling students to observe production processes firsthand, understand occupational health and safety practices, and directly experience a wide range of professional roles.

To ensure that education activities aligned with curriculum requirements and students' progression pathways, coordination was maintained with relevant education authorities. In addition, by participating in award and recognition events held at local schools, academic achievement was actively encouraged, and relationships with education communities were strengthened through a long-term partnership approach.

Mannok Innovation Academy

STEM and robotics activities organized under the Mannok Innovation Academy have added a practical and innovative dimension to Mannok's education partnerships. In 2025, during the robotics and innovation challenge held at Mannok facilities, student teams from multiple schools designed and presented solutions to challenges focused on sustainability and manufacturing. Mannok engineers contributed by serving as mentors and jury members, supporting the development of students' technical skills and problem-solving capabilities throughout the program.



Higher Education, Apprenticeship and Work Placement Programs

Through collaborations with South West College and Ulster University, Mannok has offered work placements, apprenticeships, and higher-level apprenticeship programs across engineering, technical design, and business support functions. These partnerships enabled participants to apply their theoretical knowledge in real-world settings while contributing to the local development of the technical and operational talent required by Mannok.

Educational Scholarships

As Çimsa, we believe that a sustainable future is possible through education, and we provide education scholarships to high-achieving students who are in a disadvantaged position due to economic or other reasons. Through the scholarships we offer at both high school and university levels, we support young people in continuing their education without interruption.

Within the scope of our collaboration with TOÇEV, we provide scholarship support to 11 children of our employees who are currently pursuing their education. Through this support, we aim to contribute to the educational journeys of our employees' families and strengthen equal access to opportunities.

SOCIAL CONTRIBUTION THROUGH SPORTS

Çimsa ÇBK Mersin Name Sponsorship

As Çimsa, we consider the empowerment of women in sports and increasing their visibility a strategic priority. In line with this approach, we support the Çimsa ÇBK Mersin Women's Basketball Team by assuming the title sponsorship of Mersin Çukurova Basketball Sports Club, which has successfully represented Türkiye in Europe's most prestigious women's basketball competitions and has achieved a EuroLeague runner-up title. Through this collaboration, we aim to support the athletic development of female athletes, create a strong role model effect, and encourage young girls to participate in sports. The sponsorship is structured to also cover the Çimsa ÇBK Mersin Development Team, which operates as the club's pilot team, thereby enabling young athletes to be included in a sustainable development pathway and supporting long-term impact in women's sports.

“ Sport is not merely a competition won on the field; it is one of the most powerful tools for social transformation. Our collaboration with Çimsa stands as a tangible example of this belief. Through this partnership, we are able to provide stronger opportunities for our young athletes not only at the senior team level, but also across youth categories. Increasing girls' access to sports and ensuring a safe and sustainable development environment for them is a major responsibility we embrace wholeheartedly. The value we create with Çimsa's support is measured by raising disciplined, confident individuals who contribute to society. Together, we demonstrate how company–community partnerships, when designed thoughtfully, can generate lasting and meaningful impact.”

Aslı Inceer | Aslı Inceer General Manager, Çimsa ÇBK Mersin



Community Contribution and Social Responsibility

Çimsa Sailing Club

Throughout the year, volunteer employees from different locations and functions across Çimsa came together through the Sailing Club, embarking not only on a sports experience but also on a strong journey of learning and solidarity. By its very nature, sailing requires teamwork, strategic thinking, rapid decision-making, and coordination, enabling participants to experience leadership and collective action skills firsthand out on the water and in the wind. While promoting an active lifestyle and supporting employees' physical and mental well-being, the Club created an inclusive development environment through collaborations with professional trainers, volunteer employees, and sports clubs. Over the course of the year, 34 employees participated in basic and advanced training programs, a 10-member corporate team was formed, and two trophies were won across 17 national competitions, marking tangible achievements of this journey. Encouraging low-carbon habits, such as commuting to training sessions by bicycle, and conducting sailing-focused social responsibility activities extended the Club's impact beyond the field into the wider community. As a result, the Sailing Club has evolved into a shared space that strengthens employee engagement, enhances cross-departmental communication, and reinforces a sense of belonging within Çimsa's culture.

Afyon Cement Power

Efforts are carried out through the Afyon Cement Power Sports Club to increase young people's access to sports and to support the local sports culture in the Afyon location. Within this scope, the club achieved a notable success by winning first and second place in the U16 girls' category at the 3x3 Basketball Tournament held as part of the 19 May Commemoration of Atatürk, Youth and Sports Day celebrations. These achievements represent tangible outcomes of our approach to developing young athletes' competencies and strengthening women's sports at the local level, reflecting our commitment to inclusive and sustainable community engagement through sports.

Deportivo Buñol Football Club Jersey Sponsorship

Through our subsidiary Çimsa Cementos in Spain, jersey sponsorship has been undertaken for Deportivo Buñol Football Club, which operates in the Valencia region. This sponsorship aims to support local sports, contribute to the development of young football players at the grassroots level, and strengthen social ties within the communities where Çimsa operates.

“Being part of Çimsa's sailing team allows me to experience firsthand how powerful team alignment and collective action can be under any conditions. Competing toward a shared goal with colleagues from different departments is both highly educational and truly enjoyable. I believe this experience strengthens internal connections within the organization and enhances our shared sense of achievement.”

Büşra Bosna | Environmental Executive, Çimsa (Sailing Team Captain)

Sponsorship of the 2nd International Youth Football Tournament

With the sponsorship of our subsidiary Çimsa Adriatico, the 2nd International Youth Football Tournament held in Trieste, one of our terminal locations, was supported. The tournament aimed to increase young people's access to sports, encourage interaction among athletes from different countries, and strengthen an international sports culture. The event provided young athletes with the opportunity to gain international experience and foster cross-cultural interaction through sports, contributing to their personal and athletic development.

Fermanagh GAA Partnership

Mannok strategically expanded its long-standing partnership with Fermanagh GAA, which has been ongoing for over a decade, in 2025. As part of this expansion, the title sponsorship of the Fermanagh Senior Football Championship, the county's premier club competition, was renewed, continuing to support the visibility and sustainability of local sports.

In addition, Mannok assumed the role of key sponsor for the Fermanagh Development Squads (U13–U16), enabling at least 210 young athletes to access structured development programs. The expanded agreement extends beyond competitive events to include the enhancement of facilities across the county, the strengthening of coaching capacity, and the development of long-term growth pathways for young players.

Club Éirne – Brand Partnership

In 2025, Mannok continued its role as a Brand Partner of Club Éirne, the official fundraising organization of Fermanagh GAA. Funds raised through this partnership support the education, facilities, and development needs of athletes across all age groups, from grassroots to senior level, throughout the county. At least 200 athletes, including young players, are expected to benefit from this support. The partnership represents a key component of Mannok's commitment to strengthening community resilience and promoting equal access to opportunities through sports.



Community Contribution and Social Responsibility

ANGLO-CELT COMMUNITY AND SPORTS AWARDS SPONSORSHIP

Through its sponsorship of the Anglo-Celt Community and Sports Awards, Mannok has continued to support local volunteers, community groups, and sports initiatives. This awards program provides visibility to individuals and organizations that promote community engagement, volunteerism, and community-based sports activities across the region.

ACADEMIC SUPPORT AND EVENT PARTICIPATION

University Campus Events and Career Days

Throughout 2025, as Çimsa, we organized campus events and career days in collaboration with universities across our operating locations in Türkiye and globally. Through these initiatives, we aimed to engage with young talent at an early stage, increase awareness of the building materials sector, and strengthen university–industry collaboration in the regions where we operate. Through campus activities, we established direct interaction with students, providing information on career opportunities, internship programs, and early talent development initiatives, while fostering meaningful dialogue with future professionals.



MORE WITH YOUTH UNIVERSITY COLLABORATIONS

In 2025, approximately 40 activities were carried out through domestic and international university collaborations. These initiatives enabled active dialogue and engagement both on university campuses and across Çimsa locations. Through the Talent Club platform, continuous interaction is maintained, with ongoing support provided in the areas of career management, personal and professional development, and engagement with leaders.



Istanbul Technical University

As the Çimsa Human Resources Team, we met with students from the Chemical Engineering Department of Istanbul Technical University (ITU) within the scope of the Çimsa 101 course. During this session, we shared insights into our global footprint, corporate culture, and human resources approach, and introduced our young talent programs, offering students practical guidance on internship and recruitment processes.

Polytechnic University of Valencia

As Çimsa Cementos, we met with 100 high-achieving students at the Quédade 2025 event organized by the Polytechnic University of Valencia. As part of the event, which brought together companies from various sectors, we actively participated in a sustainability-themed workshop involving students. During the workshop, we observed students' collaboration, leadership, and decision-making skills, and at the end of the event, we shared career-oriented insights with participants, offering guidance on professional life and career development.



Technical University of Munich

As Çimsa, we participated in the IKOM BAU career event held at the Technical University of Munich, which focuses on the building materials and construction sector. During the event, which brought together students of architecture, civil engineering, and environmental engineering and hosted approximately 100 companies, we engaged with more than 200 students. Throughout the event, we introduced career opportunities at Çimsa, shared insights into our global operations, and presented the work and vision of the Sabancı Technology Center, fostering meaningful interaction with young talent.

“ The Mannok Mount Lourdes Sustainability Partnership has proven to be a dynamic and multifaceted collaboration that significantly enriches learning and teaching. Through a wide range of initiatives including educational talks, competitions, site visits, career fairs, work experience programs, and many others, students' understanding of economic, social, and environmental sustainability has been greatly enhanced.

The implementation of the curriculum has been supported, and learning processes have been strengthened through digital technologies, such as interactive smart boards used in classrooms. Awareness of local career opportunities has increased, and several Mount Lourdes graduates have gone on to pursue engineering and other roles within Mannok. In addition, female participation in STEM fields has been actively encouraged, with more than half of Year 14 students choosing to continue their education in STEM disciplines.

This partnership has also recently been recognized by the Education and Training Inspectorate (ETI) as a highly effective example of best practice that should be more widely shared among schools across Northern Ireland. ”

Mrs S Cullen | Principal, Mount Lourdes Grammar School



Kocaeli University

As Çimsa, we participated in MARMARAKAF, Europe's largest career fair, organized at Kocaeli University in collaboration with 15 universities. During the event, which attracted strong interest, we engaged directly with young talent, shared information on career opportunities at Çimsa, and held informative discussions on interview techniques and human resources processes.

Community Contribution and Social Responsibility



Çukurova University

As Çimsa, we participated as a Silver Sponsor in the Eastern Mediterranean Regional Career Fair (DABKAF) held at Çukurova University in Adana, organized under the coordination of the Republic of Türkiye Presidential Human Resources Office with the theme "Talent Is Everywhere."

Architectural Design Education Program (Cátedra Blanca)

The Architectural Design Education Program (Cátedra Blanca), organized at the Buñol production facility by our subsidiary Çimsa Cementos, brought together more than 300 architecture students from various cities across Spain, primarily Madrid, Valencia, and Barcelona, in 2025. Comprised of workshops, conferences, competitions, and architectural site visits, the program contributed to the development of the professional and creative competencies of future architects, fostering engagement with contemporary architectural practice and design thinking.

International Congress on White Architecture Sponsorship

By sponsoring the International Congress on White Architecture, organized by Cátedra Blanca Valencia, Çimsa Cementos has supported the exchange of knowledge in the field of architecture and contributed to the broader adoption of sustainable architectural practices. Through this sponsorship, Çimsa has continued to strengthen its engagement with both academic institutions and professional architectural communities, fostering long-term collaboration and dialogue.

HEALTH, WELLBEING AND MENTAL HEALTH FOCUSED PROJECTS

Cancer Focus NI Charity Shop Challenge

Mannok teams took over a Cancer Focus NI charity shop in Enniskillen for one day, carrying out sales and fundraising activities. These efforts were delivered in collaboration with student participation from St Michael's College, bringing together employees and young people around a shared social purpose. The financial contributions raised through the initiative were allocated to the local Therapeutic Support Centre, funding one-to-one counselling sessions for 42 local individuals. The initiative was supported by 31 Mannok employees, who contributed a total of 63 volunteer hours, reflecting Mannok's commitment to mental health, community wellbeing, and meaningful employee engagement.



Eskişehir Technical University

As Çimsa, we participated as the main sponsor of the Eskişehir Energy Summit, organized by Eskişehir Technical University. During the event, members of our Operational Technologies Team took part as guest speakers and shared insights into our production processes and energy investments with students. Throughout the event, our Human Resources Team also met with students to present career opportunities at Çimsa, fostering direct engagement and dialogue with young talent.

SUSTAINABILITY AND DEVELOPMENT FOCUSED PROJECTS

BMN (Builders Merchants News) Sustainability Partnership

Within the scope of the Sustainability Partnership carried out with BMN, Mannok linked its low-carbon product portfolio and decarbonization journey with school- and community-based tree planting programs implemented nationwide. Communication activities highlighted the carbon capturing capacity of afforestation and its positive impact on biodiversity, contributing to greater environmental awareness.

Ulster Wildlife and Business in the Community NI Collaborations

Through its strategic collaborations with Ulster Wildlife and Business in the Community NI, Mannok strengthened volunteering initiatives focused on environmental awareness and social impact. Throughout 2025, litter collection activities, biodiversity walks, and environmental awareness sessions were carried out with the participation of 64 employees. These initiatives contributed to building strong, sustainable, and meaningful connections between Mannok's operational sites and local communities.

BORMAC (Border Region Manufacturing Cluster)

Through its engagement within the Border Region Manufacturing Cluster (BORMAC), Mannok plays an active role in initiatives aimed at strengthening economic resilience in the border region and supporting long-term skills development. Conducted in collaboration with local authorities and regional development agencies, these engagements focus on developing the skills required by the manufacturing sector, increasing employment opportunities, and encouraging investment in the region.

Activities carried out under BORMAC position Mannok not only as an employer, but also as a responsible stakeholder contributing to regional development. This participation is directly aligned with the company's objectives related to climate transition, skills transformation, and the creation of competitive local economies.

Internal communications and 2025 newsletters highlight that Mannok's engagement within BORMAC extends beyond financial contributions. In this context, Mannok supports long-term relationships with schools, community organizations, and regional partners through in-kind contributions such as employee volunteering, sharing sector expertise, and leveraging company infrastructure.

Standing with Persons with Disabilities at Çimsa

At Çimsa, we prioritize awareness initiatives aimed at strengthening equality and inclusivity in the workplace by promoting effective communication with persons with disabilities. In this context, the "Inclusive Life Culture Training" was delivered to employees in collaboration with the Turkish Red Crescent Volunteer Services. The training addressed appropriate communication approaches, commonly encountered misconceptions, and sensitivity toward challenges faced in daily life, with the aim of fostering a more inclusive corporate culture.

Aligned with our social impact focus, the Powered Wheelchair Support Project for Persons with Disabilities, carried out in cooperation with the Mersin Metropolitan Municipality, has been among our key long-standing social responsibility initiatives. Implemented as part of Disability Awareness Week, the project aims to enhance independent mobility for people with disabilities and raise awareness around accessibility. As of 2025, the project has been implemented for the 11th time, providing powered wheelchairs to more than 500 individuals to date.

Through these initiatives, Çimsa continues to create sustainable value with a strong focus on accessibility and inclusivity, both within the workplace and across society as a whole.



Annexes

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Awards and Achievements

In 2025, we have once again demonstrated our people-centric organizational culture, our commitment to sustainability and the green transition, our focus on talent and leadership development, and our efforts in corporate governance and reporting on both national and international platforms.

In 2025, Çimsa was recognized as a Global Leader on the CDP (Carbon Disclosure Project) Platform, having received an “A” rating in the Climate Change and Water Security categories.



Çimsa earned an A rating in the Climate Change and Water Security categories on the CDP

(Carbon Disclosure Project) platform in 2025, securing its place among the Global Leaders. Thanks to its strong performance in combating climate change and water management, it achieved the distinction of being one of only 15 companies worldwide to receive the highest rating in these two categories and be included on the Global Leaders list.

Çimsa was recognized as a Global Leader in the CDP (Carbon Disclosure Project) 2024 Supplier Engagement Assessment Leaderboard after receiving an A rating in 2025.

Çimsa achieved a significant success in the 2024 Supplier Engagement Assessment conducted by CDP. Thanks to its strong practices in supplier engagement and supply chain management, Çimsa earned an A score in all relevant categories, qualifying it for the CDP Supplier Engagement Leadership Table in 2025. By making it onto the prestigious A List, Çimsa once again demonstrated its commitment to building a more sustainable and responsible supply chain in collaboration with its business partners.



Çimsa was honored with two awards in separate categories at the 2025 Global FutureCem Awards: “Decarbonization Project of the Year” and “Decarbonized Cement/Lime Product of the Year.”

Çimsa won two awards at the Global FutureCem Awards, held as part of the 5th Global FutureCem Conference organized by Global Cement Magazine with the support of Türkçimento and AUCBM. The “Project to Increase the Ratio of Alternative Fuels Using Hydrogen,” implemented at the Buñol production facility, was recognized with the “Decarbonization Project of the Year” award, and by winning the “Decarbonized Cement/Lime Product of the Year” award for its Ecofort CEM III Grey Cement product—containing 19% clinker—produced at the Mersin production facility, the company has validated its efforts toward the decarbonization of the cement industry on an international platform.

Çimsa received four awards at the 7th Export Champions Awards Ceremony organized by the Association of Exporters of Cement, Glass, Ceramics, and Earthenware Products in 2025.

At the 7th Export Champions Awards Ceremony, Çimsa was honored with the first-place award in the “Company with the Highest Export Volume” category within the white cement sector. The company also received awards in the white cement, general cement (including clinker), clinker, and grey cement categories, leaving the ceremony with a total of four awards.



Çimsa won the first-place award in the “CAC / Economy Category” at the 2024 Investment in the Future Awards organized by Turkey’s IMSAD in 2025.

Çimsa achieved a significant success at the 2024 Investment in the Future Awards organized by Turkey’s IMSAD with its value-added product, CAC. Thanks to the contribution it makes to the national economy with its CAC product—the only one of its kind in Turkey and



one of the top three producers globally—it was deemed worthy of the first-place award in the “Economy” category. This award once again underscored Çimsa’s vision for developing value-added products and its leadership on a global scale.

Çimsa received awards in four different categories at the ÇEİS Stars of Development Awards 2025.

Çimsa won first place in the “Talent Acquisition” category for its Future Shapers Management Trainee Program and first place in the “Diversity and Inclusion” category for its Our Work is Equality Project. The company was also awarded second place in the “Employee Experience” category and third place for its implementation of the Next-Generation Performance System OKR. As a result, Çimsa left the event with a total of four awards: two first-place awards, one second-place award, and one third-place award.



Dr. Erdal Araç, Vice President of Supply Chain at Çimsa, was included in the list of “Turkey’s 50 Most Powerful Procurement and Supply Chain Managers” compiled by Ekonomist Magazine in 2025.

Dr. Erdal Araç, Vice President of Supply Chain at Çimsa, was included in the “Turkey’s 50 Most Powerful Procurement and Supply Chain Managers” list compiled by Ekonomist Magazine in 2025. His inclusion in this list, which evaluates leaders who have restructured strategic procurement and supply chain processes in the face of changing conditions, highlights Çimsa’s effective and visionary approach to supply chain management.

Çimsa Wons 5 Gold, 4 Silver, and 5 Bronze Awards at the 2025 Brandon Hall Awards

Çimsa won a total of 14 awards—5 Gold, 4 Silver, and 5 Bronze—at the 2025 Brandon Hall Awards, organized by the Brandon Hall Group, for projects implemented in the areas of learning and development, competency management, diversity, equity, and



inclusion, employee well-being, and talent acquisition. The fact that all submissions were deemed worthy of an award demonstrates that Çimsa’s people-centric approach and its practices focused on employee development have been recognized on an international scale.

Tuğba Çörtelekoğlu, Vice President of Human Resources and Sustainability at Çimsa, was included in the “Turkey’s 50 Value-Creating CHROs” list compiled by Business Life in 2025.

Çimsa once again demonstrated its leadership and people-centric management philosophy on national platforms. Tuğba Çörtelekoğlu, Vice President of Human Resources and Sustainability at Çimsa, was included in the “Turkey’s 50 Value-Creating CHROs” list compiled by Business Life in 2025. This achievement demonstrates that Çimsa’s human resources practices, inclusive corporate culture, and employee-focused approach have been recognized at the national level.



Awards and Achievements

Çimsa won the Gold Award in the “Integrated Presentation” category at the 2025 International Annual Report Design Awards (IADA).



Çimsa’s 2024 Integrated Annual Report won the Gold Award in the “Integrated Presentation”

category at the 2025 International Annual Report Design Awards (IADA), which recognizes annual reports from around the world for their aesthetic and creative merit.

Çimsa was awarded the Bronze Award in the “Best Annual Report – Private Companies” category at the 2025 Stevie International Business Awards.



Çimsa’s 2024 Integrated Annual Report, prepared in line with the company’s vision of creating sustainable value, won the Bronze Award in the “Best Annual Report – Private Companies” category at the 2025 Stevie International Business Awards. The report, which presents performance in financial, environmental, social, and governance (ESG) areas through a holistic approach, demonstrated that Çimsa’s robust approach to integrated reporting has been recognized at the international level.

Çimsa won the “Acquisition Finance Deal of the Year” award at the 2025 Global Banking & Markets Awards organized by Global Banking & Markets.

Çimsa won the “Acquisition Finance Deal of the Year” award at the 2025 Global Banking & Markets Awards organized by Global Banking & Markets. This award recognizes the strategic and successful completion of the financing transaction related to Çimsa’s acquisition of Mannok, which strengthens its presence in the United Kingdom and Ireland, at the international level.



Our Integrated Vision has been Crowned with Integrated Reporting Association Türkiye’s “Best Integrated Activity Report” Award!



Çimsa won the “Best Integrated Annual Report” award at the Integrated Reporting Awards Ceremony organized by the Integrated Reporting Association Turkey in 2025.

Çimsa won the “Best Integrated Activity Report” award at the 1st Integrated Reporting Awards Ceremony organized by the Integrated Reporting Association of Turkey for its 2024 Integrated Activity Report. This award represents one of the valuable recognitions our transparent and comprehensive reporting approach which combines financial success with environmental and social impact has received at the national level.



Çimsa won a Silver Award in the “Best B2B Marketing Team” category at The Hammers Awards 2025 with two different products.

Çimsa received an award in the “Best Marketing Team in B2B” category at The Hammers Awards 2025 with two different products. The Silver Award we won with our Rapidome and FlyCrete projects highlights our team’s innovative approach and the value it brings to the industry. With Rapidome, we combine architectural aesthetics, speed, and sustainability by constructing future living spaces using 3D printing technology in just 48 hours; with FlyCrete, we set a new standard in infrastructure projects by enabling runway repairs without halting flight traffic and providing the durability to reopen to traffic in just 3 hours.



Çimsa was awarded the “Ehrenurkunde” (Certificate of Honor) by the Hamburg Chamber of Commerce in 2025.

Our German subsidiary, Çimsa Cement Sales North GmbH, was honored with the “Ehrenurkunde” (Certificate of Honor) by the Hamburg Chamber of Commerce in 2025. This award reflects our strong presence in international trade, our innovative vision, and our robust organizational structure, while also highlighting our dynamic work model that adapts quickly to changing conditions.

Çimsa won two second-place awards for two different facilities at the 2025 Blue Helmet Occupational Safety Awards Ceremony organized by the Turkish Ready-Mix Concrete Association (THBB).

At the 2025 Blue Helmet Occupational Safety Awards Ceremony organized by the Turkish Ready-Mix Concrete Association (THBB), our Mersin Tece and Adapazarı Ready-Mix Concrete Stations won two second-place awards, demonstrating our commitment to occupational health and safety. This achievement is further supported by certifications obtained under the Concrete Sustainability Council’s (CSC) Responsible Use of Resources Certification System at our Mersin and Eskişehir Production Facilities, as well as our Misis Ready-Mix Concrete Station. These awards, which validate our approach to occupational health, safety, and sustainable production against international standards, reinforce our commitment to developing low-carbon, safe, and sustainable construction materials for the future.



Mannok has been awarded the “Caring for the Environment Award 2025.”

The Worshipful Company of Builders Merchants recognized Mannok’s leadership in environmental responsibility and decarbonization, as well as its sustainable product initiatives and biodiversity efforts under the 2030 Vision and Energy Valley concepts.



Rapidome was honored with the “Star of the Construction Site” award.

Çimsa won the “Star of the Construction Site” award at the 5th Construction Site Awards for its Çimsa 3D Rapidome project, developed using 3D concrete technology. The living space created at the Mersin Production Facility and the Çimsa Technology and Impact Center, implemented at Eskişehir Technical University as part of the Sabancı Youth Initiative, were constructed using 3D Rapidome technology, contributing to the introduction of innovative and sustainable solutions to the sector.

Corporate Memberships

Organization Name	Membership Area / Focus
Foreign Economic Relations Board – USA Business Council (DEİK)	USA Business Council
Turkish Ready Mixed Concrete Association (THBB)	Concrete Sector
The Institute of Internal Auditing Turkey (TİDE)	Audit
Foreign Economic Relations Board (DEİK)	Foreign Trade
Turkish Foreign Trade Association (TURKTRADE)	
Global Cement and Concrete Association (GCCA)	Global Cement and Concrete Sector
Mediterranean Exporters’ Associations (AKİB)	Export
Central Anatolian Exporters’ Associations (OAİB)	
Cement, Glass, Ceramics and Soil Products Exporters’ Association (CCST)	Construction Industry
Association of Turkish Construction Material Producers (İMSAD)	
Irish Cement Association (BEC)	Irish Cement Sector
Spanish Cement Manufacturers’ Association (OFICEMEN)	Spanish Cement Sector
Foreign Economic Relations Board – Spain Business Council (DEİK)	Spain Business Council
Turkish Industry and Business Association (TÜSİAD)	Business Community
Corporate Governance Association of Turkey (TKYD)	Corporate Governance
Mineral Products Association Ireland (MPANI)	Mineral Products Sector
Corporate Risk Management Association (KRYD)	Risk Management
Istanbul Industrialists and Business People Association (İSİFED)	Industry
Cement Industry Employers’ Association (ÇEİS)	Labor Union / Industry Representation
Supply Chain Management Association (TEDAR)	Supply Chain
Mersin Chamber of Commerce and Industry (MTSO)	Trade
Turkish Cement Manufacturers’ Association (TÜRKÇİMENTO)	Turkish Cement Sector
Turkish Investor Relations Society (TÜYİD)	Investor Relations
Mersin Industrialists and Business People Association (MESİAD)	Local Industry
Turkish Marine Environment Protection Association (TURMEPA)	Biodiversity
Turkish Green Building Council (ÇEDBİK)	Environment
International Financial Reporting Standards Foundation (IFRS Foundation)	Integrated Reporting
Professional Women’s Network (PWN)	Women’s Leadership
Women in Technology Association (Wtech)	
United Nations Global Compact Turkey (UNGC)	Sustainability
Integrated Reporting Association Turkey (ERTA)	
Business for Sustainable Development Association (SKD Turkey)	Gender Equality
Yanındayız Association	

Relation of Material Topics to Reporting Frameworks

Topic	Sub-priority Topic	Reporting Framework						
		GRI	SASB	TCFD	SDG	UNGC	UN WEPs	TSRS
Climate Change Adaptation and Mitigation	Carbon Pricing and Taxation	✓	✓	✓	✓	✓		✓
	Air Quality Management	✓	✓	✓	✓	✓		✓
	Climate-Related Risks and Opportunities Management	✓	✓	✓	✓	✓		✓
Energy Efficiency and Renewable Energy Management	Alternative Fuels	✓	✓	✓	✓	✓		✓
Water Management		✓	✓	✓	✓	✓		✓
Circular Economy and Waste Management	Alternative Raw Material Use	✓	✓	✓	✓			✓
Biodiversity and Ecosystem Protection		✓	✓		✓	✓		✓
Occupational Health and Safety		✓	✓		✓	✓		✓
Human Rights and Working Environment	Employee Health and Well-being	✓			✓	✓	✓	
	Talent Management and Employee Development	✓			✓	✓	✓	
	Equality, Diversity and Inclusion	✓			✓	✓	✓	
Community Contribution and Social Responsibility		✓			✓	✓	✓	
Customer Satisfaction and Experience Management		✓	✓		✓	✓		
Business Ethics, Compliance and Anti-Corruption	Legal Compliance	✓			✓	✓		
	Data and Information Security	✓			✓			
Responsible Supply Chain and Procurement Practices		✓		✓	✓	✓		✓
R&D, Innovation, and Digitalization	Product Quality and Safety	✓	✓		✓	✓		✓
	Sustainable Innovative Products and Services	✓	✓			✓		✓
	Digital Transformation and Advanced Technologies	✓			✓			
Corporate Governance	Sustainable Finance	✓	✓	✓	✓	✓		✓
	Corporate Risk Management	✓	✓	✓	✓	✓		✓
	Business Continuity	✓			✓	✓		✓
	Stakeholder Engagement	✓			✓	✓	✓	

Stakeholder Engagement

At Çimsa, we prioritize building a relationship with our stakeholders based on regular, open, and mutually engaging interaction to holistically manage the environmental, social, and governance impacts of our operations. We treat this approach shaped by taking stakeholder expectations into account as an integral part of our business processes; we position stakeholder engagement not merely as a feedback-gathering process, but as a strategic tool that supports the creation of sustainable value.

To support stakeholder engagement, we establish regular communication mechanisms, feedback channels, and interaction platforms. While we monitor our local impacts through face-to-face engagements and assessment studies with stakeholders in the immediate vicinity of our production facilities, we utilize surveys and digital communication tools to reach broader stakeholder groups. In this way, we systematically gather our stakeholders’ views and take these inputs into account when determining our sustainability priorities.

Stakeholder Group	How Do We Create Value?	How Do We Communicate?	How Often Do We Communicate?	Stakeholder Priorities	How Do We Respond?	Relevant Sections
Our employees	By fostering an inclusive and equitable environment, we value our employees' ideas and encourage feedback through open and regular communication channels. We enhance their skills through ongoing training and development opportunities, and ensure a safe working environment by implementing the highest standards of occupational health and safety. We support work-life balance through programs that promote physical and mental well-being and flexible work arrangements.	» One-on-one meetings » Training and development programs » Performance evaluations » Employee satisfaction surveys » Digital communication channels (ÇimsaLife, WhatsApp hotline, Ya Tutarsa » Suggestion System, C-Hub, OSH Chatbot) » Social events » Internal communication channels (company policies, announcements, etc.), » Occupational health and safety meetings » Integrated Activity Report and other » global / financial performance reports » General meeting of shareholders » Investor presentations » Investor Day » Stakeholder surveys » Investor and analyst meetings » Digital platforms » Email and written notifications / » special situation disclosures	At least once a month	Occupational Health and Safety Human Rights and the Workplace Environment Corporate Governance R&D, Innovation, and Digitalization	» We are implementing occupational health and safety programs in line with our goal of zero workplace accidents and occupational illnesses. » We are integrating the principles of human rights, equality, diversity, and inclusion into our corporate policies. » We implement training and competency development programs that support employee engagement and growth. » We regularly monitor employee satisfaction through surveys and feedback mechanisms conducted with employee participation. » By digitizing business processes, we ensure that employees operate within a more agile and efficient organizational structure.	Occupational Health and Safety Human Rights and the Workplace Environment Corporate Governance R&D, Innovation, and Digitalization
Shareholders and Investors	With our strong financial performance, we are increasing profitability and continuing to grow in international markets while creating sustainable value for our shareholders. Through our sustainability-focused business model, we proactively manage risks and build a long-term, resilient value creation process by capitalizing on opportunities. By improving our performance based on environmental, social, and governance criteria, we are strengthening green financing opportunities and contributing to responsible investing.	» Customer satisfaction surveys » Dealer meetings and field visits » Product launches » Industry trade shows and events » Sales and support teams » Digital communication channels (Chatbot, Çimsa blog) and email » Feedback and complaint channels	Interview frequency at least on a quarterly basis	Climate Change Adaptation and Mitigation Corporate Governance Business Ethics, Compliance, and Anti-Corruption R&D, Innovation, and Digitalization	» While expanding our global footprint through our international investments, we strengthen our operational capabilities through strategic initiatives implemented locally. » To support our business strategy and financial resilience, we systematically assess the impact of risks and opportunities on our finances throughout the year. » By closely monitoring evolving regulatory frameworks and global and national market dynamics through transparent reporting and continuous communication, we are enhancing investor confidence. » As part of our efforts to address the climate crisis, we are implementing project and investment plans that support long-term value creation.	Climate Change Adaptation and Mitigation Corporate Governance Business Ethics, Compliance, and Anti-Corruption R&D, Innovation, and Digitalization
Customers	By leveraging R&D and innovative technologies to develop sustainable, value-added products, we help our customers achieve their transformation and sustainability goals. With solutions built on high quality, performance, and reliability, we streamline our customers' business processes; through our fast and solution-oriented approach, we deliver a strong customer experience.	» In line with our corporate social responsibility philosophy, we carry out projects that add value to society. » Through social investments, we create more sustainable and inclusive living spaces. » By maintaining the highest level of engagement with our stakeholders, we adopt an approach focused on transparent communication and collaboration. » We implement dust suppression and similar practices aimed at reducing environmental impacts » We monitor, measure, and keep air emissions under control. We implement practices aimed at the responsible use of resources » To contribute to the protection of biodiversity, we develop and implement Biodiversity Management Plans.	Meeting frequency in line with demand-driven schedules	Climate Change Adaptation and Mitigation Customer Satisfaction and Experience Management R&D, Innovation, and Digitalization Corporate Governance	» Through our digital and diversified customer communication channels, we are enhancing the customer experience and implementing initiatives aimed at increasing satisfaction and loyalty. » With our sustainable and value-added product portfolio, we help our customers contribute to their goals of combating the climate crisis and achieving a low-carbon transition. » Through our expanding product portfolio in the construction materials sector, our new investments and our strong distribution network, we are expanding our market presence while continuing to be a reliable solution partner for our customers.	Climate Change Adaptation and Mitigation Customer Satisfaction and Experience Management R&D, Innovation, and Digitalization Corporate Governance
Local Residents and the Public	By designing sustainable production processes, we fulfill our responsibilities toward society regarding the environmental and climate crisis. Through social and environmental projects tailored to the needs of the community, we create lasting, high-value-added impacts in the regions where we operate. By creating local employment opportunities, we contribute to the economic development of the regions where we operate. We strengthen social bonds through events and projects that support local culture and social life.	» Local events and projects » Meetings with local community representatives » Social responsibility projects » Press and media » Volunteer activities » Environmental management and impact assessment » activities	Meeting frequency in line with demand-driven schedules	Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Water Management Circular Economy and Waste Management Biodiversity and Ecosystem Conservation Corporate Governance Social Contribution and Social Responsibility	» Through the new policies and practices we have implemented, we are integrating environmental and social sustainability criteria into our supply chain. » We are enhancing transparency and traceability in the supply chain through digital platforms. » By designing programs aimed at mutual development with our suppliers, we are strengthening business processes through training and capacity-building initiatives. » We are increasing supply diversity by evaluating alternative energy and raw material sources. » We are developing a sustainable business model with our suppliers by establishing long-term, mutually beneficial partnerships	Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Water Management Circular Economy and Waste Management Biodiversity and Ecosystem Conservation Corporate Governance Social Contribution and Social Responsibility
Suppliers	By building strong partnerships with our local suppliers, we contribute to the development of the regional economy and support the growth of local businesses. By working alongside our suppliers to ensure compliance with environmental, social, and governance (ESG) standards, we are developing a sustainable and responsible supply chain structure. We provide information and training support to help our suppliers improve their business processes and assist them in optimizing their operations. By establishing long-term business partnerships, we embrace a business model that creates mutual value and fosters shared growth with our suppliers.	» Collaboration projects » Supplier meetings » Feedback and complaint management » Sustainability assessments surveys and development programs » Supplier Portal » Contract processes, corporate policies and procedures » Digital platforms and written communication	Meeting frequency in line with demand-driven schedules	Occupational Health and Safety Human Rights and the Workplace Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Corporate Governance R&D, Innovation, and Digitalization Circular Economy and Waste Management Responsible Supply Chain and Procurement Practices	» Through the new policies and practices we have implemented, we are integrating environmental and social sustainability criteria into our supply chain. » We are enhancing transparency and traceability in the supply chain through digital platforms. » By designing programs aimed at mutual development with our suppliers, we are strengthening business processes through training and capacity-building initiatives. » We are increasing supply diversity by evaluating alternative energy and raw material sources. » We are developing a sustainable business model with our suppliers by establishing long-term, mutually beneficial partnerships	Occupational Health and Safety Human Rights and the Workplace Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Corporate Governance R&D, Innovation, and Digitalization Circular Economy and Waste Management Responsible Supply Chain and Procurement Practices

Stakeholder Engagement

Stakeholder Group	How Do We Create Value?	How Do We Communicate?	How Often Do We Communicate?	Stakeholder Priorities	How Do We Respond?	Relevant Sections
Government Agencies	We demonstrate an exemplary approach that goes beyond full compliance with legal requirements to promote best practices in the industry. We contribute to sectoral development by sharing our insights and experiences in the processes of drafting laws and regulations. Through regular reporting and transparent communication processes, we support public institutions in making effective and sound decisions. In times of crisis and emergencies, we work in coordination with public institutions to contribute to initiatives that enhance the public good.	» Official meetings and visits » Technical reports and presentations » Workshops » Joint projects and collaborations » Audits » Official correspondence and notifications » Digital and written communication channels	The frequency of meetings, which varies depending on the schedule	Climate Change Adaptation and Mitigation Circular Economy and Waste Management Energy Efficiency and Renewable Energy Management Water Management Biodiversity and Ecosystem Conservation R&D, Innovation, and Digitalization Social Contribution and Corporate Social Responsibility	» By fully complying with national and international regulations, we contribute to the development of regulations through the industry initiatives of which we are a member. » By maintaining transparent and regular communication with public institutions, we ensure that legal reporting and notification processes are carried out in full. » To restore the land we use to nature, we carry out initiatives aimed at protecting and rehabilitating natural resources in accordance with our Land Restoration Plans. » In line with our goals for managing the climate crisis and achieving environmental excellence, we develop projects focused on reducing emissions and improving environmental impacts.	Climate Change Adaptation and Mitigation Circular Economy and Waste Management Energy Efficiency and Renewable Energy Management Water Management Biodiversity and Ecosystem Conservation R&D, Innovation, and Digitalization Social Contribution and Corporate Social Responsibility
Academic Institutions	Through our sustainability-focused partnerships and sponsorship relationships with universities, we support various academic projects by leveraging our R&D infrastructure and industry expertise	» University events » Career days » Workshops » Training programs » Field trips » Academic conferences » Online platforms and media channels	Frequency of meetings in line with the annual academic calendar	Climate Change Adaptation and Mitigation R&D, Innovation, and Digitalization Circular Economy and Waste Management Social Contribution and Corporate Social Responsibility Human Rights and Workplace Environment	» By developing partnerships with universities and research institutions, we contribute to sustainability-focused R&D, innovation, and sector-specific research initiatives. » In the areas of combating climate change and the circular economy, we strengthen knowledge sharing and support joint project development processes. » Through internship, training, and technical collaboration programs, we support the generation of scientific knowledge and academia–industry collaboration. » Together with our academic partners, we contribute to the development of sustainable business models that will support the sector's transformation.	Climate Change Adaptation and Mitigation R&D, Innovation, and Digitalization Circular Economy and Waste Management Social Contribution and Corporate Social Responsibility Human Rights and Workplace Environment
Community Companies	Under the leadership of Sabancı Holding, we are fostering a stronger culture of solidarity and learning within our community by focusing on mutual learning and support in our business processes, and by developing effective knowledge transfer and collaborations. Through this approach, we act as partners in our corporate social responsibility journey, enhance knowledge sharing, and create strong synergy within our teams.	» Joint project, investment, and knowledge-sharing meetings » Holding events » Workshops » As part of corporate social responsibility projects » Media channels	Frequency of meetings in line with project and annual planning schedules	Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Community Engagement and Social Responsibility Corporate Governance	» We are strengthening corporate collaborations in the field of sustainability through knowledge sharing and joint performance monitoring processes. » As part of our efforts to combat and adapt to climate change, we develop joint projects that support energy efficiency and resource efficiency, and ensure the dissemination of best practices across the group. » By working together with community-based companies on projects aimed at creating social value, we contribute to the generation of shared value.	Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Community Engagement and Social Responsibility Corporate Governance
Financial Institutions	Through our financial and non-financial reports, we respond quickly and transparently to information requests from financial institutions, establishing strong communication by providing a comprehensive understanding of our Company's performance, strategic direction, and operational achievements. In this way, we participate in detailed evaluation processes aimed at creating opportunities for sustainable and green financing.	» Meetings on topics such as loans, financing, green bonds, and sustainable finance » Project-based meetings » Meetings regarding financial agreements and negotiations » Interim activity reports » Online platforms, media channels	Frequency of meetings (scheduled or on-demand)	Corporate Governance Occupational Health and Safety Climate Change Adaptation and Mitigation	» Through our robust corporate governance structure and transparent business processes, we build trust-based relationships with our financial stakeholders. » In line with sustainable finance expectations, we regularly monitor and report on our environmental, social, and governance performance. » We prioritize occupational health and safety standards in our operational processes. » We effectively implement risk management and compliance processes that support long-term financial resilience. » By establishing accessible communication and feedback channels for all our stakeholders, we ensure that complaints and suggestions are effectively evaluated.	Corporate Governance Occupational Health and Safety Climate Change Adaptation and Mitigation
Nonprofit Organizations (NPOs), Sectoral Organizations, and Professional Associations	At Çimsa, we aim to contribute to social and sectoral development by fostering partnerships with civil society organizations, sectoral associations, and professional bodies. In line with the Sustainable Development Goals (SDGs) we have prioritized, we are developing partnerships with civil society organizations across various fields to advance our social impact initiatives and production-focused efforts. While the workshops we conduct with sectoral organizations support their development, the partnerships we establish with professional associations help foster the professional growth of our employees and promote the adoption of best practices within the sector.	» Joint corporate social responsibility projects » Awareness and collaboration events » Industry meetings with sectoral organizations » Working groups and joint projects » Training and certification programs with professional organizations » Conferences and workshops » Online platforms » Social media channels » Online and in-person meetings	Frequency of meetings with NGOs in line with project and request-specific schedules Frequency of meetings with sectoral organizations in line with working group schedules Frequency of meetings with professional associations at least on a quarterly basis	Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Circular Economy and Waste Management Biodiversity and Ecosystem Conservation Occupational Health and Safety Human Rights and Workplace Environment Social Contribution and Social Responsibility Corporate Governance	» We contribute to joint efforts to combat climate change by developing partnerships with sectoral organizations and civil society groups. » We play an active role in sectoral platforms aimed at promoting energy efficiency, renewable energy, and responsible resource use. » We participate in joint initiatives and knowledge-sharing processes that support the dissemination of people- and society-centered practices. » We participate in projects and initiatives that support sectoral development in line with the Sustainable Development Goals.	Climate Change Adaptation and Mitigation Energy Efficiency and Renewable Energy Management Circular Economy and Waste Management Biodiversity and Ecosystem Conservation Occupational Health and Safety Human Rights and Workplace Environment Social Contribution and Social Responsibility Corporate Governance
Media	We share our environmental, social, and governance-focused activities and the achievements we've made in these areas with the public through various media channels throughout the year. By adopting a transparent communication strategy, we ensure that these achievements reach a wide audience and make our environmental and social impact more visible.	» Press releases » Interviews » Media channels » Advertising campaigns » Industry events	Frequency of meetings at least once a month	Business Ethics, Compliance, and Anti-Corruption Social Contribution and Corporate Social Responsibility Climate Change Adaptation and Mitigation Corporate Governance	» We share updates on our business ethics, compliance, and corporate governance practices with the public through regular and transparent communication via media channels. » We raise awareness about our environmental and social impact by highlighting our climate change adaptation and mitigation efforts, as well as our social contribution projects. » By sharing accurate, reliable, and timely information about our sustainability performance and best practices, we contribute to raising public awareness.	Business Ethics, Compliance, and Anti-Corruption Social Contribution and Corporate Social Responsibility Climate Change Adaptation and Mitigation Corporate Governance

Contribution to Sustainable Development Goals

Contributed SDGs	Çimsa's Approach	Contributed Targets	Priority Topic	Sub-priority Topic	Relevant Section
3 GOOD HEALTH AND WELL-BEING	Çimsa aims to minimize the human health impacts of its operations. It manages emissions, hazardous chemicals, and environmental pollution risks through effective risk management systems. By placing employees at the center, it seeks to create a strong business culture that prioritizes physical and mental well-being. It aims to reduce occupational accidents and diseases through safe working environments, preventive practices, and a continuous improvement approach.	3.9 – Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination 3.4 – Reducing premature mortality from non-communicable diseases and promoting mental health	Climate Change Adaptation and Mitigation	Air Quality Management	Air Quality Management
			Occupational Health and Safety	Occupational Health and Safety	Occupational Health and Safety
			Human Rights and Working Environment	Employee Engagement and Well-being	Employee Experience, Engagement, and Well-being
			R&D, Innovation and Digitalization		R&D, Innovation and Digitalization
4 QUALITY EDUCATION	Çimsa believes that qualified human resources are the foundation of sustainable success. It supports the technical, professional, and personal development of its employees through training programs, talent management practices, and lifelong learning opportunities. At the same time, it contributes to social development through training, internship, and employment programs aimed at increasing the employability of young people.	4.4 – Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment.	Human Rights and Working Environment	Talent Management and Employee Development	Talent Management and Employee Development
5 GENDER EQUALITY	Çimsa believes that the equal participation of women and young people in economic and social life is one of the fundamental elements of sustainable development. While developing practices aimed at increasing women's representation and leadership in the workforce, it integrates the processes of equality, diversity, and inclusiveness. Through its social responsibility projects, it supports gender equality from a societal perspective.	5.1 – End all forms of discrimination against all women and girls everywhere 5.5 – Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life 5.5.2 – Proportion of women in managerial positions	Human Rights and Working Environment	Equality, Diversity and Inclusion	Equality, Diversity and Inclusion
			Social Impact and Corporate Social Responsibility		Social Impact and Corporate Social Responsibility
6 CLEAN WATER AND SANITATION	Çimsa considers water a critical natural resource and aims to increase water use efficiency across all its operations. It reduces the pressure on water resources through technological improvements aimed at reducing water consumption, along with recovery and reuse practices. It implements regular monitoring and control mechanisms to manage wastewater in accordance with regulations and to preserve water quality.	6.4 – Increase water-use efficiency across all sectors 6.3 – Improve water quality, reducing pollution, and increasing reuse.	Water Management	Water Management	Water Management

Contributed SDGs	Çimsa's Approach	Contributed Targets	Priority Topic	Sub-priority Topic	Relevant Section
7 AFFORDABLE AND CLEAN ENERGY	expanding the use of low-carbon energy sources among its priorities. While making investments aimed at reducing energy intensity in its production processes, it aims to reduce its environmental impact by increasing the use of renewable energy and alternative fuels. With this approach, it contributes to the fight against climate change and strengthens its operational efficiency.	7.2 – Increase substantially the share of renewable energy in the global energy mix 7.3 – Improvement in energy efficiency	Energy Efficiency and Energy Management		Energy Efficiency and Energy Management
8 DECENT WORK AND ECONOMIC GROWTH	Çimsa aims to create sustainable economic value by providing fair, safe, and decent working conditions. While increasing efficiency with its innovation and digitalization-oriented approach, it implements inclusive employment practices and policies that support employee development. It promotes safe working environments by strengthening its occupational health and safety culture. It also creates value through the fair and decent work environment it offers to its employees and its practices supporting the employment of disabled employees.	8.2 – Increasing economic efficiency through technology and innovation 8.5 – Creating employment for all segments of society 8.6 - By 2020, substantially reduce the proportion of youth not in employment, education or training 8.7 – Ending forced labor, modern slavery, and child labor 8.8 - Promoting safe and healthy working environments 8.8.1 – Frequency rates of fatal and non-fatal occupational accidents by sex and migrant status	Occupational Health and Safety	Occupational Health and Safety	Occupational Health and Safety
				Employee Engagement and Well-being	Employee Experience, Engagement, and Well-being
			Human Rights and Working Environment	Talent Management and Employee Development	Talent Management and Employee Development
				Equality, Diversity and Inclusion	Equality, Diversity and Inclusion
			Responsible Supply Chain and Procurement Practices	Responsible Supply Chain and Procurement Practices	Responsible Supply Chain and Procurement Practices
				Digital Transformation and Advanced Technologies	Digital Transformation and Advanced Technologies
			R&D, Innovation and Digitalization	Digital Transformation and Advanced Technologies	Digital Transformation and Advanced Technologies
				Carbon Pricing and Taxation	Carbon Pricing and Taxation
			Climate Change Adaptation and Mitigation	Climate-Related Risks and Opportunities Management	Climate-Related Risks and Opportunities Management
				Alternative Fuels	Alternative Fuels
9 INDUSTRY INNOVATION AND INFRASTRUCTURE	Çimsa adopts developing value-added and innovative products with reduced environmental impacts as a strategic priority. While supporting sustainable production processes through R&D and digital transformation investments, it contributes to the widespread use of clean technologies that increase resource efficiency. It offers products and solutions that support the development of sustainable infrastructures.	9.4 – By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities 9.4.1 – CO₂ emission per unit of value added 9.5 – Increasing the budget allocated to R&D activities 9.5 – Strengthening scientific research and technological capacity 9.c – Increasing access to information and communication technologies 9.1 – Developing quality, reliable, and sustainable infrastructure	Energy Efficiency and Energy Management	Alternative Raw Material Use	Alternative Raw Material Use
			Circular Economy and Waste Management	Digital Transformation and Advanced Technologies	Digital Transformation and Advanced Technologies
			R&D, Innovation and Digitalization	Data and Information Security	Data and Information Security
			Business Ethics, Compliance and Anti-Corruption	Business Continuity	Business Continuity
10 REDUCED INEQUALITIES	Çimsa aims to create an equal, inclusive, and fair working environment by standing against all forms of discrimination. It develops practices that respect human rights, supports the participation of disadvantaged groups in the workforce, and contributes to reducing social inequalities through long-term social responsibility projects.	10.2 – Strengthening inclusive economic growth, and social, economic, and political inclusion for all 10.3 – Preventing discrimination 10.4 – Adopting policies to prevent inequality	Human Rights and Working Environment	Equality, Diversity and Inclusion	Equality, Diversity and Inclusion
			Social Impact and Corporate Social Responsibility		Social Impact and Corporate Social Responsibility

Contribution to Sustainable Development Goals

Contributed SDGs	Çimsa's Approach	Contributed Targets	Priority Topic	Sub-priority Topic	Relevant Section
	Çimsa contributes to the construction of sustainable living spaces through its sustainable product portfolio and communication and collaborations aimed at matching the right product with the right projects. While supporting safe, durable, and environmentally friendly construction with its products that have reduced environmental impacts, it develops solutions compatible with climate change.	11.1 – By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	Climate Change Adaptation and Mitigation	Climate-Related Risks and Opportunities Management	Climate-Related Risks and Opportunities Management
		11.3 – By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries		Air Quality Management	Air Quality Management
		11.6 – By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Social Impact and Corporate Social Responsibility		Social Impact and Corporate Social Responsibility
		11.b – Development of policies resilient to climate change and disasters	Corporate Governance	Business Continuity	Business Continuity
			R&D, Innovation and Digitalization	Product Quality and Safety	R&D, Innovation and Digitalization
	By adopting a circular economy approach, Çimsa aims to increase the use of alternative fuels and raw materials. While developing production processes that support resource efficiency, it transparently shares its sustainability performance with its stakeholders through mandatory and voluntary reporting.	12.2 – By 2030, achieve the sustainable management and efficient use of natural resources	Circular Economy and Waste Management	Alternative Raw Material Use	Alternative Raw Material Use
		12.4 – By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	Water Management		Water Management
		12.5 – By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	Energy Efficiency and Energy Management	Alternative Fuels	Alternative Fuels
		12.6 – Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Responsible Supply Chain and Procurement Practices	Responsible Supply Chain and Procurement Practices	Responsible Supply Chain and Procurement Practices
		12.6.1 – Number of companies publishing sustainability reports	Customer Satisfaction and Experience	Customer Satisfaction and Experience	Customer Satisfaction and Experience
		12.7 – Promote public procurement practices that are sustainable	Corporate Governance	Sustainable Finance	Sustainable Finance
		12.8 – Increasing awareness and the level of knowledge on sustainable development	R&D, Innovation and Digitalization	Product Quality and Safety	R&D, Innovation and Digitalization
			Customer Satisfaction and Experience	Customer Satisfaction and Experience	Customer Satisfaction and Experience
			Climate Change Adaptation and Mitigation	Air Quality Management	Air Quality Management
				Carbon Pricing and Taxation	Carbon Pricing and Taxation
	By developing products and processes that support the transition to a low-carbon economy, Çimsa positions combating climate change among its strategic priorities. While aiming to reduce its environmental impacts through energy efficiency, alternative fuels, and emission reduction projects, it integrates climate risks and opportunities into its corporate governance processes.	13.1 – Strengthen resilience against climate-related disasters	Climate Change Adaptation and Mitigation	Carbon Pricing and Taxation	Carbon Pricing and Taxation
		13.2 – Integrate climate change measures into national policies, strategies and planning	Climate Change Adaptation and Mitigation	Air Quality Management	Air Quality Management
		13.3 – Improve the level of knowledge regarding climate change and adaptation.	Climate Change Adaptation and Mitigation	Climate-Related Risks and Opportunities Management	Climate-Related Risks and Opportunities Management
		13.a – Mobilizing financial resources for climate actions	Energy Efficiency and Energy Management	Alternative Fuels	Alternative Fuels
			R&D, Innovation and Digitalization	Sustainable Innovative Products and Services	R&D, Innovation and Digitalization
				Business Continuity	Business Continuity
			Corporate Governance	Sustainable Finance	Sustainable Finance
				Enterprise Risk Management	Enterprise Risk Management

Contributed SDGs	Çimsa's Approach	Contributed Targets	Priority Topic	Sub-priority Topic	Relevant Section
	Çimsa carries out preventive and remedial practices to manage the biodiversity and ecosystem impacts arising from its operations. It contributes to the protection of biodiversity by developing projects aimed at the conservation and rehabilitation of natural habitats and the reduction of land degradation.	15.1 – By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements			
		15.2 – By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally	Biodiversity and Ecosystem Protection		Biodiversity and Ecosystem Protection
		15.3 – Prevention and remediation of land degradation			
		15.5 – Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species			
	Çimsa adopts an ethical, transparent, and accountable corporate governance approach. By developing strong policies and practices in the areas of anti-corruption, regulatory compliance, information security, and the protection of stakeholder rights, it supports a business culture based on trust.	16.3 – Ensuring the rule of law and access to justice			
		16.5 – Substantially reduce corruption and bribery in all their forms	Business Ethics, Compliance and Anti-Corruption	Legal Compliance	Legal Compliance
		16.6 – Develop effective, accountable and transparent institutions at all levels		Data and Information Security	Data and Information Security
		16.b – Promote and enforce non-discriminatory laws and policies for sustainable development	Customer Satisfaction and Experience	Customer Satisfaction and Experience	Customer Satisfaction and Experience
		16.7 – Participatory and inclusive decision-making processes		Enterprise Risk Management	Enterprise Risk Management
		16.10 – Protection of access to information and fundamental freedoms	Kurumsal Yönetim	Stakeholder Engagement	Stakeholder Engagement
	Çimsa believes that achieving sustainable development goals is possible through multi-stakeholder collaborations. Through the partnerships it establishes with national and international stakeholders, it supports the sharing of knowledge, technology, and resources; it contributes to global sustainability goals through sustainable financing and social contribution projects.	17.6 – Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism	R&D, Innovation and Digitalization	Sustainable Innovative Products and Services	R&D, Innovation and Digitalization
		17.7 – Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed		Digital Transformation and Advanced Technologies	Digital Transformation and Advanced Technologies
		17.9 – Enhance international support for implementing effective and targeted capacity-building in developing countries to support national plans to implement all the Sustainable Development Goals, including through North-South, South-South and triangular cooperation	Climate Change Adaptation and Mitigation	Climate-Related Risks and Opportunities Management	Climate-Related Risks and Opportunities Management
		17.16 – Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	Corporate Governance	Sustainable Finance	Sustainable Finance
		17.17 – Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships bsp	Corporate Governance	Stakeholder Engagement	Stakeholder Engagement
			Social Impact and Corporate Social Responsibility		Social Impact and Corporate Social Responsibility
			Business Ethics, Compliance and Anti-Corruption	Legal Compliance	Legal Compliance

Sustainability Management Committee

Focus Groups Performance Outputs

Throughout 2025, the Sustainability Management Committee carried out sustainability activities in a holistic manner, aligned with our Company's strategic priorities. In this process, focus groups implemented important projects and practices and made significant contributions to achieving our Company's environmental, social and governance (ESG) objectives. Below are the key highlights of the completed projects.

1. CLIMATE CRISIS MANAGEMENT

Within the scope of combating climate change, efforts were carried out to strengthen the Company's low-carbon production model and adaptation capacity.

- ❖ **Decarbonization Projects:** Within the scope of transition plans, plant-based transition plans were prepared, carbon reduction steps were implemented and annual reduction performance was monitored.
- ❖ **Path2NetZero Program:** Within the scope of the decarbonization plan, short- and medium-term reduction opportunities were evaluated on a plant basis and planning was established accordingly.
- ❖ **CDP Climate and Water Programs:** Participation in CDP reporting was maintained, and transparency, comparability and international alignment were strengthened. A Global A score was achieved on both programs.
- ❖ **Circular Economy:** Record progress was achieved in projects that support increasing the use of alternative fuels and raw materials in production and procurement processes. In projects extending from alternative fuel use to alternative raw material use, the project aimed at product development from concrete waste was advanced to the technical stage with TÜBİTAK support.
- ❖ **Emission Trading System (ETS) and Carbon Border Adjustment Mechanism (CBAM):** Within the scope of ETS and CBAM processes, data preparation, reporting alignment, emission analyses and post-2026 cost management activities were carried out.
- ❖ **Science-Based Targets (SBTi) Tracking:** The company's climate targets were tracked in alignment with the SBTi, maintaining the intensity-based reduction trend through 2025.
- ❖ **Biodiversity:** Preparatory work for a Biodiversity Management Plan was conducted for priority sites; site analyses and risk assessments were performed.
- ❖ **Dust Management:** Work on developing a Dust Management Plan continued; improvement strategies and awareness programs were designed.
- ❖ **Industrial Emissions Management Regulation:** Plant-specific action plans were developed to ensure compliance.
- ❖ **Water Management:** As part of Strategic Water Management, water consumption analyses were conducted at facilities, areas for efficiency were identified, and management practices were strengthened in regions with high water risk.
- ❖ **Energy Transformation:** Renewable energy investments and facility-based I-REC Certificate implementation were carried out, including in our overseas operations. At our Eskişehir production facility, a solar power plant and a waste heat-to-energy plant were commissioned.

2. SUSTAINABLE BUSINESS MODELS

The implementation of low-carbon production practices, the circular economy approach, and the sustainable product portfolio have made significant contributions to the company's long-term value creation model.

- ❖ **Sustainable Product Transition:** By improving the C/K ratio in grey and white cement in 2025, the share of low-carbon products was increased. By increasing the share of sustainable product revenues within total revenue, a contribution was made to reducing the portfolio's carbon footprint.
- ❖ **Innovative Products:** In the construction sector, the 3D concrete printer-emerging as a new business segment within sustainable service-contributed to the development of new construction technologies by supporting digitalization and automation systems in the industry.
- ❖ In a TÜBİTAK-supported project aimed at obtaining alternative raw materials from concrete waste, technical design and process development efforts were advanced; preparations for industrial application were made.
- ❖ **Environmental Product Declaration (EPD) Certificates:** The certification processes for Environmental Product Declarations (EPDs) for sustainable products Mersin Super White, Eskişehir Super White, and Eco Shine were completed.
- ❖ **Responsible Supply Chain:** Assessment and awareness-raising processes were developed to support the sustainability transformation of the supplier network. We evaluated our suppliers' performance in the areas of Occupational Health and Safety (OHS), Human Resources, Environment, and Supply Chain through on-site physical audits. To manage supplier assessments more systematically and effectively, a collaboration was planned with a consulting firm possessing global expertise in ethics, sustainability, and OHS audits.

3. PEOPLE AND SOCIETY ORIENTED POSITIVE IMPACT

It is aimed to create positive impact and value for all stakeholders with high impact social projects.

- ❖ **Human Rights Sub-Working Group:** Risks that are expected to affect the company in the short, medium, and long term within the scope of human rights have been identified, and a financial impact analysis has been conducted. This information will be included in the company's TSRS reporting.
- ❖ **Corporate Social Responsibility:** Social impact projects targeting youth, women, and local communities have been continued; social benefit initiatives have been expanded across different regions through employee volunteer programs.
- ❖ **DE&I Strategies:** The Global DE&I Committee, comprising representatives from all countries, has adapted diversity and inclusion strategies to country-specific priorities. Diversity, equity, and inclusion metrics have been incorporated into regular assessments.

4. DIGITALIZATION, TECHNOLOGY AND INNOVATION

Through technology and innovation projects developed with a focus on digital transformation, the aim is to accelerate and enhance the effectiveness of sustainability processes.

- ❖ **Digitalization in Data Management:** Efforts have been completed to achieve digital transformation in carbon emissions management, making processes more efficient and transparent.

- ❖ To improve data quality in sustainability reporting, facility-based data collection processes have been digitized, automation rates have been increased, and the reporting infrastructure compliant with TSRS requirements has been strengthened.
- ❖ To prepare Çimsa for globalization, the company transitioned to the W-flow platform, developed using internal resources. The SAP migration to S4HANA was successfully completed.
- ❖ **Digital Infrastructure Projects:** Function-based digital infrastructure initiatives have been completed.
- ❖ **Sensor and Operational Monitoring Systems:** Digital monitoring systems have been expanded at facilities to track energy, water, emissions, and process performance; real-time monitoring capabilities for critical environmental indicators have been enhanced.
- ❖ **Artificial Intelligence Projects:** Nine AI projects have been implemented to improve efficiency in business processes.
- ❖ **ÇimSafe Platform:** Designed to further advance a culture of safe work by combining Çimsa's commitment to occupational health and safety with artificial intelligence.
- ❖ **Advanced Technology Integration:** Opportunities for utilizing advanced technologies in our production facilities were evaluated, and necessary actions were identified to conduct preliminary feasibility studies.

5. GOVERNANCE

The aim is to strengthen corporate governance standards by improving ethical principles, transparent management and risk management processes, and to ensure the Company's compliance with long-term sustainability strategies by making decision-making mechanisms more effective.

Green Financing

- ❖ **EBRD Partnership:** In collaboration with the European Bank for Reconstruction and Development (EBRD), detailed due diligence processes were successfully completed. Sustainable financing was secured for the decarbonization investment at the Mersin Production Facility.
- ❖ As part of the Program to Advance Decarbonization in the Turkish Cement Sector, work was carried out on a project to implement our investments-aligned with the priorities of the Sectoral Low Carbon Roadmap (LCP) and the Turkey Industrial Decarbonization Investment Platform (TIDIP)-using a blended financing mechanism that combines MAF investment grants with EBRD loans.
- ❖ Grant and incentive programs were closely monitored, and the requirements of the application process were fulfilled.

Sustainability-Oriented Management

- ❖ **Performance Management:** Sustainability-focused KPIs were integrated into the annual performance goals of the senior management team and employees.
- ❖ **Mannok Due Diligence:** Integration efforts were carried out following the acquisition of Mannok.
- ❖ **Policy Needs:** Policy requirements were reviewed with a focus on the environment, occupational health and safety (OHS), and sustainability, and new policies and policy updates were developed and published.

- ❖ **Compliance with New Reporting Standards:** Çimsa and Afyon Çimento reports were published in accordance with the requirements of the Turkish Sustainability Reporting Standards (TSRS S1, S2). The company's materiality framework was updated.
- ❖ Timeline changes related to the CSRD, CSDD, and the EU Taxonomy were closely monitored as part of the Omnibus proposal document.
- ❖ Regulatory and implementation plans for the TR ETS system and the TR Taxonomy were closely monitored.
- ❖ Due to Çimsa's growing structure, a new governance structure was established to diversify and make the Sustainability Management Committee more inclusive.

Communication

- ❖ **ESG Rating Mechanisms:** Comprehensive efforts were undertaken to maintain the company's strong position and improve its ratings.
- ❖ **Awards:** Throughout 2025, the company's sustainability efforts were recognized with awards on both national and international platforms.
- ❖ **Monitoring COP30 Outcomes:** Developments in the global carbon market and financial mechanisms were monitored and integrated into the company's long-term climate strategy.

6. OUR HUMAN RESOURCES

The training and talent management programs, as well as occupational health and safety practices implemented as part of preparations for the future of work, form the foundation for building a strong workforce.

Occupational Health and Safety

- ❖ **SMART Academy:** With the Center, which opened on April 28, 2025, we aim to help our employees understand the extent of risks and the necessary precautions before they encounter on-site conditions, thereby raising their awareness and understanding to the highest level.
- ❖ **Safety Fest Events:** Safety Fest events have been planned to strengthen the safety culture among employees and their families.
- ❖ **Zero-Tolerance Approach:** We continue to ground business processes in the "10 Golden Rules That Save Lives" and provide clear standards for all employees, temporary contractors, subcontractors, and visitors.

Working Life

- ❖ **Training and Development Programs:** University partnerships, leadership development programs, and the Womentoring 2, "Tomorrow Is Possible with You," and "The Future Is Possible with You" projects continued.
- ❖ **Glocalization in Human Resources:** As our global footprint expanded, we implemented a process to adapt our business practices to local cultures while respecting them in the regions where we operate.
- ❖ **Employee Experience Groups:** Within the framework of our value of participation, the outcomes of employee satisfaction assessments were reviewed by employee experience groups. Working groups comprising 72 volunteer employees from our global and local operations implemented action plans, resulting in a 14-point increase in our score.

Competency Sets

Board of Directors Skills Matrix

	Umut Zenar	Burak Orhun	Demet Özdemir	Gökhan Eyigün	Seval Kor	Yetik Kadri Mert
Gender	Male	Male	Female	Male	Female	Male
Citizenship	Turkish	Turkish and American	Turkish	Turkish	Turkish	Turkish
Executive Committee or Board Member	Board Member	Board Member	Board Member	Board Member	Board Member	Board Member
Type of Board Member	Not Independent	Not Independent	Independent	Not Independent	Not Independent	Independent
Accounting and Auditing			✓	✓		✓
Administration and Risk Management	✓		✓	✓		✓
Branding and Marketing	✓					✓
Business Strategy	✓	✓	✓	✓		✓
Construction and Building Materials	✓					✓
Corporate Governance	✓	✓	✓	✓	✓	✓
Corporate Communications	✓					✓
Data Privacy Management						✓
Diversity Strategies		✓	✓		✓	✓
Economics and Finance	✓	✓	✓	✓		✓
Energy						✓
Entrepreneurship	✓	✓	✓	✓		✓
Environmental, Climate Change, and Sustainability			✓			✓
Ethics and Compliance	✓				✓	✓
Global Affairs	✓	✓	✓			✓
Health and Safety	✓					✓
Human Resources / Labor Matters	✓		✓		✓	✓
Human Rights	✓				✓	
Information Technology, Cybersecurity and Telecommunications						✓
Investor Relations	✓	✓				✓
Logistics and Supply Chain	✓					✓
Manufacturing	✓					✓
Mergers and Acquisitions	✓	✓	✓	✓		✓
Other Board of Directors Experience	✓	✓	✓	✓	✓	✓
Public Affairs	✓					
Real Estate				✓		
Research and Development		✓				✓
Regulatory and Legal Matters	✓					✓
Sales	✓					
Social Impact and Work	✓				✓	✓
Supply System						

Executive Committee Skills Matrix

	Mustafa Aydın (Acting General Manager)	Barış Karahüseyin	Erdal Araç	Mustafa Aydın	Onur Yazgan	Ozan Keskin	Tuğba Çörtelekoğlu
Gender	Male	Male	Male	Male	Male	Male	Female
Citizenship	Turkish	Turkish and Italian	Turkish	Turkish	Turkish	Turkish	Turkish
Executive Committee or Board Member	Member of the Executive Committee	Member of the Executive Committee	Member of the Executive Committee	Member of the Executive Committee	Member of the Executive Committee	Member of the Executive Committee	Member of the Executive Committee
Accounting and Auditing	✓			✓			
Administration and Risk Management	✓	✓	✓	✓	✓	✓	✓
Branding and Marketing		✓	✓		✓		
Business Strategy	✓	✓	✓	✓	✓	✓	✓
Construction and Building Materials	✓	✓	✓	✓	✓	✓	
Corporate Governance	✓			✓			✓
Corporate Communications							✓
Data Privacy Management	✓		✓				
Diversity Strategies							✓
Economics and Finance	✓	✓	✓	✓	✓		
Energy	✓	✓	✓	✓	✓	✓	
Entrepreneurship		✓			✓		
Environmental, Climate Change, and Sustainability	✓	✓	✓	✓	✓	✓	✓
Ethics and Compliance	✓		✓	✓		✓	✓
Global Affairs	✓	✓	✓	✓	✓	✓	✓
Health and Safety		✓	✓		✓	✓	✓
Human Resources / Labor Matters							✓
Human Rights							✓
Information Technology, Cybersecurity and Telecommunications	✓			✓			
Investor Relations	✓			✓			
Logistics and Supply Chain			✓				
Manufacturing		✓			✓	✓	
Mergers and Acquisitions	✓	✓	✓	✓	✓	✓	
Other Board of Directors Experience							
Public Affairs	✓			✓		✓	✓
Real Estate		✓			✓		
Research and Development						✓	
Regulatory and Legal Matters	✓		✓	✓			✓
Sales		✓	✓		✓		
Social Impact and Work						✓	✓
Supply System			✓			✓	

Sustainability Related Incentives

To ensure the effective and efficient implementation of the company’s sustainability strategy, key performance indicators (KPIs)-defined with consideration of Çimsa’s priority sustainability issues-have been integrated into the annual performance evaluation processes of senior management, relevant business unit managers, and specialized staff. These indicators serve as a key tool for achieving sustainability goals and are directly linked to employees’ annual compensation and performance incentives. In this way, the commitment to sustainability is supported across the entire organization, and the creation of sustainable value is encouraged within the performance culture. At Çimsa, the percentage of employees with sustainability-focused goals among all employees included in the annual performance evaluation in 2025 is 71%.

Material Topic	KPI	CEO	Finance and Digital Technologies VP	Operations VP	Human Resources and Sustainability VP	Supply Chain VP	White Cement and Special Products Marketing & Sales VP	Grey Cement Marketing & Sales VP	Other Roles Receiving Incentives
Climate Change Adaptation and Mitigation	Reducing greenhouse gas emissions, improving monitoring processes, and managing carbon mechanisms; managing climate risks and opportunities	✓	✓	✓	✓	✓	✓	✓	Plant Directorates, Procurement Directorate, Sustainability, OHS and Environment Directorate, Risk and Internal Control Department, Technical Team, Marketing and White Cement MENA Regional Directorate
Energy Efficiency and Energy Management	Alternative Fuel Use	✓	✓	✓	✓	✓	✓	✓	Plant Directorates, Administrative Affairs Department, Procurement Directorate, Technical Team, Sustainability, OHS and Environment Directorate, Marketing and White Cement MENA Regional Directorate
Water Management	Reduction of water usage			✓	✓				Plant Directorates, Sustainability, OHS and Environment Directorate
Circular Economy and Waste Management	Research into and increased use of alternative raw material sources Waste Management		✓	✓					RMC and Aggregate Türkiye Sales Directorate, Procurement Directorate, Employee Experience, HR Systems and Services Directorate, R&D Teams, Technical Team
Biodiversity and Ecosystem Protection	Setting nature-based targets Developing biodiversity management plans	✓		✓	✓			✓	Plant Directorates, Sustainability, OHS and Environment Directorate
Occupational Health and Safety	Ensuring OHS excellence across the entire value chain	✓	✓	✓	✓	✓	✓	✓	Plant Directorates, RMC and Aggregate Türkiye Sales Directorate, Procurement Directorate, Administrative Affairs Department, Technical Team, Investments Directorate, Global Trade Directorate, Logistics Purchasing and Operations Directorate, Sustainability, OHS and Environment Directorate, Employee Experience, HR Systems and Services Directorate, R&D Teams, Talent Management and Organizational Development Directorate, Terminals, Marketing and White Cement MENA Regional Directorate
Human Rights and Working Environment	Management of Human Rights Risks		✓		✓	✓			Risk and Internal Control Department, Sustainability, OHS and Environment Directorate, Employee Experience, HR Systems and Services Directorate, Talent Management and Organizational Development Directorate, Procurement Directorate
Social Impact and Corporate Social Responsibility	Implementation of Corporate Social Responsibility projects				✓				Talent Management and Organizational Development Directorate
Customer Satisfaction and Experience	Customer support during the transition to a sustainable product portfolio Customer complaints management			✓			✓	✓	Plant Directorates, RMC and Aggregate Türkiye Sales Directorate, Marketing and White Cement MENA Regional Directorate
Responsible Supply Chain and Procurement Practices	Sustainability Assessment and Development of the Supplier Network	✓		✓	✓	✓		✓	Plant Directorates, Procurement Directorate, Logistics Purchasing and Operations Directorate, Sustainability, OHS and Environment Directorate, Financial Affairs and Accounting Directorate, Global Trade Directorate
R&D, Innovation and Digitalization	Implementation of Sustainability-Focused R&D Projects Transition to the Digitalization Process and Artificial Intelligence Projects			✓	✓	✓	✓	✓	Procurement Directorate, RMC and Aggregate Türkiye Sales Directorate, Sustainability, OHS and Environment Directorate, R&D Teams, Marketing and White Cement MENA Regional Directorate
Corporate Governance	Sustainability Investment Criteria TSRS Management Sustainability Risk Monitoring Infrastructure	✓	✓	✓	✓			✓	Risk and Internal Control Department, Financial Planning, Analysis and Investor Relations Directorate, Sustainability, OHS and Environment Directorate, Plant Directorates



BOARD OF DIRECTORS' ANNUAL REPORT

BOARD OF DIRECTORS'
ANNUAL REPORT

PREPARED IN ACCORDANCE WITH
COMMUNICATION NO. II-14.1

JANUARY 1 - DECEMBER 31, 2025

Deloitte.

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(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT ON THE MANAGEMENT'S ANNUAL REPORT

To the General Assembly of Çimsa Çimento Sanayi ve Ticaret A.Ş.

1) Opinion

As we have audited the full set consolidated financial statements of Çimsa Çimento Sanayi ve Ticaret A.Ş. ("the Company") and its subsidiaries ("the Group") for the period between 01/01/2025–31/12/2025, we have also audited the annual report for the same period.

In our opinion, the consolidated financial information provided in the Management's annual report and the Management's discussions on the Group's financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit.

2) Basis for Opinion

We conducted our audit in accordance with the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is disclosed under *Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report* in detail. We are independent of the Company in accordance with the *Code of Ethics for Independent Auditors (including Independence Standards)* ("Code of Ethics") published by the POA, as applicable to audits of financial statements of public interest entities, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3) Auditor's Opinion for the Full Set Consolidated Financial Statements

We have presented unqualified opinion for the Group's full set consolidated financial statements for the period between 01/01/2025–31/12/2025 in our Auditor's Report dated 26 February 2026.

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4) Management’s Responsibility for the Annual Report

The Group’s Management is responsible for the following in accordance with Article 514 and 516 of the Turkish Commercial Code No. 6102 (“TCC”) and “Communiqué on Principles of Financial Reporting in Capital Markets” with No.14.1 of the Capital Markets Board (“the Communiqué”):

- a) Preparing the annual report within the three months following the reporting date and presenting it to the General Assembly,
- b) Preparing the annual report with the all respects of the Group’s flow of operations for that year and the Group’s consolidated financial performance accurately, completely, directly and fairly. In this report, the consolidated financial position is assessed in accordance with the consolidated financial statements. The Group’s development and risks that the Group may probably face are also pointed out in this report. The Board of Director’s evaluation on those matters are also stated in this report.
- c) The annual report also includes the matters stated below:
 - The significant events occurred in the Group’s activities subsequent to the financial year ends,
 - The Group’s research and development activities,
 - The compensation paid to key management personnel and members of Board of Directors including financial benefits such as salaries, bonuses and premiums, allowances, travelling, accommodation and representation expenses, in cash and kind facilities, insurances and other similar guarantees.

The Board of Directors also considers the secondary regulations prepared by the Ministry of Trade and related institutions while preparing the annual report.

5) Responsibilities of the Independent Auditor on the Independent Audit of the Annual Report

Our aim is to express an opinion and prepare a report about whether the Management’s discussions and consolidated financial information in the annual report within the scope of the provisions of the TCC and the Communiqué are fairly presented and consistent with the information obtained from our audit.

We conducted our audit in accordance with the regulations of the Capital Markets Board and the SIA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Management’s discussions on the Group’s financial performance, are fairly presented in all material respects, and are consistent with the full set audited consolidated financial statements and the information obtained from our audit

The engagement partner on the audit resulting in this independent auditor’s report is Volkan Becerik.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Volkan Becerik, SMMM
Partner

İstanbul, 26 February 2026

BOARD OF DIRECTORS' ANNUAL REPORT PREPARED IN ACCORDANCE WITH COMMUNICATION NO. II-14.1
JANUARY 1 - DECEMBER 31, 2025

1. GENERAL INFORMATION

1.1. Reporting Period:	01 January -31 December 2025
1.2. Commercial Title of Company:	Çimsa Çimento Sanayi ve Ticaret A.Ş.
Trade Registry Number of Company:	İstanbul Ticaret Sicil Müdürlüğü, 708500
Central Registration Number of Company:	0257 0035 2450 0307
Website of Company:	www.cimsa.com.tr
Head Office Address:	Küçükbakkalköy Mahallesi Kayışdağı Caddesi No:1 Allianz Tower Kat: 23-24 34750 Ataşehir / İSTANBUL

1.3. Capital

Çimsa Cement Industry and Trade Inc. (hereinafter referred to as the “Company” or “Çimsa”) is subject to a registered capital system, with a registered capital ceiling of TL 10,000,000,000.00 and issued and fully paid-in capital of TL 945,591,094.00. (The Company’s previous authorized capital ceiling was TL 350,000,000, and it was increased to TL 10,000,000,000 pursuant to a resolution adopted at the 2024 Annual General Meeting held on March 27, 2025.)

1.4. Shareholder Structure

The Company’s capital structure is as follows.

SHAREHOLDER	SHARE RATIO (%)	SHARE AMOUNT (TL)	SHARE NUMBERS (QTY)
HACI OMER SABANCI HOLDİNG A.Ş.	54.54	515,719,405.10	51,571,940,510
AKCANS A CİMENTO SANAYİ VE TİCARET A.Ş.	8.98	84,913,920.00	8,491,392,000
OTHER SHAREHOLDERS	36.48	344,957,768.90	34,495,776,890
GENERAL TOTAL	100.00	945,591,094.00	94,559,109,400

1.5. Privileged Shares and Voting Rights

There are no privileged shares.

1.6. Board of Directors

Burak Turgut ORHUN	Chairman of the Board (Until December 31, 2025)
Gökhan EYİĞÜN	Deputy Chairman (Until December 31, 2025)
Şerafettin KARAKIŞ	Member (Until December 31, 2025)
Seval KOR	Member
Demet OZDEMİR	Independent Member
Yetik Kadri MERT	Independent Member

At the Ordinary General Assembly Meeting on April 25, 2024, as the terms of office of the Board members had expired, elections were held for the new Board members. The period of office for the elected new members has been determined as three years until the Ordinary General Assembly Meeting in 2027, where the results of 2026 activities will be discussed.

Following discussions regarding the allocation of duties at the Board of Directors meeting held on April 25, 2024, in connection with the election of new members, Burak Turgut ORHUN was elected as Chairman of the Board of Directors and Gökhan EYİĞÜN as Vice Chairman. At the Board of Directors meeting held on December 30, 2025, it was decided that, effective January 1, 2026, Mr. Umut ZENAR would be appointed to fill the vacancy on the Board of Directors created by the resignation of Board Member Mr. Şerafettin KARAKIŞ, subject to approval at the next General Assembly, and that Mr. Umut ZENAR as Chairman of the Board of Directors and Mr. Burak Turgut ORHUN as Vice Chairman of the Board of Directors.

As stated in the Company’s Articles of Association, the Board of Directors consists of six members elected in accordance with the Turkish Commercial Code and the Capital Markets Law. Among the members elected by the General Assembly, there are two independent members. The Chairman and Members of the Board of Directors possess the duties and authorities specified in the relevant provisions of the Capital Markets Law and the Turkish Commercial Code, as well as in the Company’s Articles of Association.



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Member of Board of Directors

Burak Turgut ORHUN (Until December 31, 2025)
Chairman of the Board

Burak ORHUN completed his undergraduate studies in the Department of Economics at Boğaziçi University; he earned his master's degrees in finance (MSF) from George Washington University and in Business Administration (MBA) from the University of Pennsylvania's Wharton School in the United States. Burak ORHUN began his professional career as a Financial Planning and Analysis Specialist at Mercedes-Benz Türk A.Ş. Following his master's studies, he held various managerial positions in the United States at Thomson Corporation (Reuters), Capital One Financial, and Cadence Quest, Inc., including Director of Finance, Director of Portfolio Management, Director of Corporate Development, and Assistant General Manager of Finance. He has held various managerial positions.

Burak Turgut ORHUN served as General Manager of Oyak Venture Consulting and Oyak Capital Investments from 2009 to 2018, overseeing all mergers and acquisitions (M&A) and new investment projects for the Oyak Group; concurrently, held senior management positions, served as an executive director, and chaired the boards of directors at Oyak Group's domestic and international chemical and energy companies. On September 3, 2018, he was appointed Director of Strategy and Business Development at Sabancı Holding.

Mr. Burak Turgut ORHUN was elected to the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. at the Ordinary General Meeting held on March 23, 2021, and served as Chairman of the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. from May 12, 2021, until December 31, 2025. At the Board of Directors meeting held on December 30, 2025, it was decided that Mr. Burak Turgut ORHUN would be elected as Vice Chairman of the Board of Directors, effective January 1, 2026.

Mr. Burak Turgut Orhun, who was appointed President of Strategic Investments at Sabancı Holding effective January 1, 2026, continues to serve as Chairman of the Board at Kordsa and Brisa, Vice Chairman of the Board at Afyon Çimento, and a member of the Board of Directors at Akçansa in addition to this role.

Gökhan EYİĞÜN (Until December 31, 2025)
Chairman of the Board

Gökhan EYİĞÜN graduated with honors from İstanbul Technical University, the department of Business Engineering in 1998. Between 2002 and 2004, he completed his MBA degree at Rotterdam School of Management and also took part in various manager training programs at Harvard Business School. In his career of close to 20 years, Gökhan EYİĞÜN has acted as manager in projects and transactions covering different industries especially on corporate funding, strategy and corporate business development.

He started his career at Arthur Andersen and primarily worked as consultant in the area of Corporate Funding. He was one of the founders of Corporate Funding and M&A Consultancy division at PricewaterhouseCoopers and worked as division manager. Since 2007, Gökhan Eyiğün has taken management duties at different levels at Sabancı Holding. Currently, he is working as Sabancı Holding Strategy and Business Development Group Chairman

Mr. Gökhan EYİĞÜN, who was elected to the Board of Directors of Çimsa Cement Industry and Trade Inc. on May 12, 2021, served as Deputy Chairman of the Board of Directors of Çimsa Cement Industry and Trade Inc. from March 25, 2022, through December 31, 2025. Mr. Gökhan Eyiğün has continued in his role as a member of the Board of Directors at Çimsa Cement Industry and Trade Inc. as of January 1, 2026.

Şerafettin KARAKIŞ (Until December 31, 2025)
Member

Şerafettin Karakış graduated from İstanbul University, Faculty of Political Sciences, the department of Public Finance in 1994. In 1996, he completed his master's degree in public finance policy and theory at the same university and Executive MBA degree at Sabancı University in 2008.

He started his career as Accounts Specialist at the Account Specialists Board of Ministry of Finance in 1995. In 2006, he started working as Financial Advisor at Sabancı Holding. He is currently working as Division Head in Financial Affairs, Accounting and Investor Relations at Sabancı Holding. Şerafettin KARAKIŞ has taken duties at the Board of Directors of Sabancı Group companies and is also the Tax Working Group President of TÜSİAD.

Mr. Şerafettin KARAKIŞ served as a member of the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. from February 16, 2022, to December 31, 2025.

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Seval KOR
Member

Seval Kor graduated in 2002 from İstanbul University, the department of Economics in English. She started her career as a specialist at the Behavioral Sciences Institute in 2002. Afterwards, Seval Kor started working as consultant at Şensezgin-Kurmuş Consultancy company in 2004 and joined the Sabancı Group in 2006. She worked as HR Specialist at Sabancı Holding from 2006 to 2010. Later, she joined Aksigorta as HR Manager. Seval Kor continued her career as Talent Manager and HR Business Partner at Coca-Cola İçecek company from 2011 to 2015. She worked at Borusan Holding as HR Director from 2015 until 2018. Seval Kor joined Sabancı Group again in 2018 and is currently acting as Sabancı Holding HR Director.

She has been a member of the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. since 25 March 2022.

Demet ÖZDEMİR
Independent Member

Demet Özdemir, a graduate of METU Business Administration, holds a postgraduate diploma in International Finance from the London School of Economics. During her nearly 30-year career, which started with Arthur Andersen and 15 years of which she spent as Senior Corporate Finance Partner at Ernst&Young (EY), she provided mergers, acquisitions, public offerings, restructuring and financial advisory services.

As Private Equity Sector Leader and Corporate Finance Partner at EY Türkiye and Central and South Eastern Europe, Demet Özdemir has led projects in the finance, energy and infrastructure, retail, consumer products and services sectors and also served as the Growth Markets Leader for EMEA (Europe, Middle East, India and Africa) region at EY. Demet Özdemir, who currently has independent board memberships at various institutions, serves as a board member of the British Chamber of Commerce in Türkiye and General Manager of BGN. She was a board member of the Women on Board Association Türkiye and the Young Achievement Education Foundation, a member of the EY Global Businesswomen Advisory Board and a member of the EY Women Fast Forward and Women3 Forum Management Committee. Özdemir, a former national skier who won Turkish championships between 1987-1991, is married and has one son. At the Ordinary General Assembly Meeting on 25 April 2024, she was elected as Independent Member of Çimsa Çimento Sanayi ve Ticaret A.Ş. Board of Directors.

Demet Özdemir's declaration of independence is included in the Information Document for the 2023 Ordinary General Assembly Meeting dated 25 April 2024.

Yetik Kadri MERT
Independent Member

After graduating with a degree in Mechanical Engineering from Middle East Technical University, he earned an MBA in Finance from Fairleigh Dickinson University in the United States.

Yetik Kadri MERT began his professional career working on large-scale construction projects in various Middle Eastern countries. He served as Deputy General Manager at the Sümertaş Group of Companies. He has held positions as General Manager and Board Member at Ortech in the U.S., Çamsan A.Ş. in Ankara, and the Doğan Group of Companies in İstanbul.

MERT joined the Sabancı Group in 2003 as Director of Strategic Planning and Business Development, and continued his career in 2004 as General Manager at Enerjisa Üretim A.Ş. In 2008, he joined Enerjisa Başkent EDAŞ as CEO, and in 2011, he was appointed CEO of Enerjisa Energy A.Ş.

From 2016 to 2018, he served as CEO of STFA Investment Holding A.Ş. and held the positions of Chairman and Vice Chairman of the Boards of Directors of the group companies.

He has been an independent member of the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. since March 23, 2021.

Yetik Kadri Mert's declaration of independence is included in the Information Document regarding the 2023 Annual General Meeting held on April 25, 2024.

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1.7. Auditor

Regarding the election of the auditor pursuant to Article 399 of the Turkish Commercial Code, the proposal of the Audit Committee and, and in accordance with the principles established under the Turkish Commercial Code No. 6102 and the Capital Markets Law No. 6362, the financial statements and reports of our Company for the 2025 fiscal year shall be audited, and within the framework of sustainability legislation and to conduct other activities falling under the relevant regulations, the selection of DRT Independent Audit and Certified Public Accountant Firm Inc. was approved at the 2024 Annual General Meeting held on March 27, 2025.

1.8. Executive Managers

Umut ZENAR	Umut ZENAR (Until December 31, 2025)
Mustafa AYDIN	Deputy General Manager (Finance and Accounting)
Erdal ARAÇ	Deputy General Manager (Supply Chain)
Ozan KESKİN	Deputy General Manager (Enterprises)
Tuğba ÇÖRTELEKOĞLU	Deputy General Manager (Human Resources and Sustainability)
Onur YAZGAN	Deputy General Manager (White Cement Marketing and Sales)
Barış KARAHÜSEYİN	Deputy General Manager (Grey Cement Marketing and Sales)
Umut ZENAR	General Manager

Umut ZENAR (Until December 31, 2025)
General Manager

Umut Zenar graduated from the Department of International Relations at Boğaziçi University and subsequently earned an Executive MBA from Boğaziçi University.

Mr. Umut Zenar began his professional career in May 2003 at Zorlu Holding as a Business Development Specialist.

Mr. Umut ZENAR joined the Sabancı Group in December 2004 and, until December 2016, held the following positions at Akçansa: Sales and Marketing Specialist, Marketing and Sales Planning Manager, Strategy and Business Development Manager, and Strategy, Business Development, and Marketing Manager at Akçansa, and subsequently assumed the roles of Deputy General Manager of Sales and Marketing and General Manager of Akçansa. Mr. Umut Zenar served as General Coordinator at the Oyak Cement, Concrete, and Paper Group from December 2016 to June 2018. From July 2018 to August 2020, he served as General Manager of Akçansa.

Mr. Umut ZENAR, who has served as General Manager of Çimsa Çimento A.Ş. since September 1, 2020, was elected Chairman of the Board of Directors of Çimsa at the Board of Directors meeting held on December 30, 2025, effective January 1, 2026.

Mr. Umut ZENAR, who was appointed Head of Strategic Investments and Operations at Sabancı Holding effective January 1, 2026, continues to serve as Chairman of the Board at Akçansa and Afyon Çimento in addition to this role, effective January 1, 2026.

Mustafa AYDIN
Deputy General Manager (Finance and Accounting)

He graduated in 2006 with a double major in Economics and Business Administration from Boğaziçi University and completed the Executive MBA program at Sabancı University in 2017. Between 2006 and 2007, he served as an Inspector on the Audit Committee of Garanti Bank. Subsequently, he served as an Accounting Specialist at the Ministry of Finance's Board of Accounting Specialists from 2008 to 2013, as a Financial Advisor at Sabancı Holding from 2013 to 2020, and as Group Director of Finance and Digitalization at Enerjisa Energy Production from 2020 to 2021. Director at Enerjisa Energy Production. Most recently, he has served as Director of Finance and Investor Relations at Sabancı Holding since November 2021. As of January 1, 2023, he has been appointed as Deputy General Manager (Finance and Financial Affairs) at Çimsa.

In addition, as of January 1, 2026, Mr. Mustafa AYDIN has been appointed to serve as Acting General Manager—a position vacated by Mr. Umut ZENAR's election as Chairman of the Board of Directors—in addition to his current duties.

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Erdal ARAÇ
Deputy General Manager (Supply Chain)

Erdal Araç graduated from Uludağ University, Department of Industrial Engineering in 2002. Between 2003 and 2005, he completed his master's degree in engineering and technology management at Çukurova University. He then completed his MBA program at Çağ University in 2012 and his PhD in Supply Chain Management at Çukurova University in 2022. Erdal Araç started his career as Production Planning Engineer at Bossa in 2003 and worked as Investment Planning Engineer, White Cement Export Chief and Export Manager at Oyak Cement Concrete and Paper Group between 2005 and 2018, respectively. Having started to work at Çimsa as Export Sales Manager in August 2018, Dr. Erdal Araç served as Export Sales Manager, Trade Marketing Manager, Türkiye & MENA & Russia & Ukraine Regional Sales Manager, Sales Marketing Group Manager, respectively. He has been working as Purchasing Group Manager since 01.02.2023. As of 15 December 2023, he was appointed as Çimsa Deputy General Manager (Supply Chain).

Ozan KESKİN
Deputy General Manager (Enterprises)

Deputy General Manager (Enterprises) Ozan Keskin graduated from Middle East Technical University, Department of Mechanical Engineering in 2000. He started his professional career as a Site Engineer at Odak Construction company in 2002 and worked as a Maintenance and Control Engineer at Istanbul Shipyard in 2003. Between 2004 and 2007, he worked as Mechanical Maintenance Engineer at OYAK Adana Cement and then as Maintenance Method Engineer and Mechanical Maintenance Chief Engineer at Lafarge Aslan Cement between 2007 and 2010. Between 2010 and 2018, he worked as Preventive Maintenance Chief Engineer, Project Chief Engineer, WHR (Waste Heat Recovery) Power Plant Chief Engineer, Technical Services Manager and Investments & Project Manager at Oyak Aslan Cement. Ozan Keskin, who joined Çimsa in 2018 as Investments Manager, successfully served as both Investments Maintenance Group Manager and acting Niğde Plant Manager between 2021 and 2022. Ozan Keskin, who has been serving as Investments Group Manager since January 2021, was appointed as Enterprises Deputy General Manager as of 1 November 2024.

Tuğba ÇÖRTELEKOĞLU
Deputy General Manager (Human Resources and Sustainability)

Tuğba Çörtelekoğlu graduated from Boğaziçi University, the department of English Language and Literature in 1997 and completed her master's study at the University of Leeds in the area of Human Resources. Before starting working as Çimsa Human Resources Deputy General Manager, Çörtelekoğlu worked at SAP Turkey, Doğan Yayın Holding, Arthur Andersen, Betek Boya and Toyota. From 2013 to 2018, she worked as Human Resources Director at Betek Boya. As of 2 January 2019, she has been assigned as Çimsa Human Resources and Sustainability Deputy General Manager.

Onur YAZGAN
Deputy General Manager (White Cement Marketing and Sales)

After graduating from Galatasaray University, the department of Industrial Engineering in 2005, Onur Yazgan completed the MBA program at Boğaziçi University in 2010. He started his career as Export Sales Manager at Unika Universal Cable in 2006. From 2010 to 2016, he worked at Akçansa respectively in the areas of Marketing, Strategy Marketing and Process Development, Marketing and Sales Development, North Marmara Region Sales. From 2017 to 2018, he worked as Marketing and Value-Added Products Director at Oyak Çimento, and from 2018 to 2019, he worked as Cement Sales and Marketing Deputy General Manager at Akçansa. On 1 August 2019, he was assigned as Çimsa Integration Management Office Deputy General Manager. On 1 January 2020, the position of Integration Management Office Deputy General Manager was abolished and Yazgan was assigned as Deputy General Manager White Cement Marketing & Sales. He is currently continuing this duty.

Barış KARAHÜSEYİN
Deputy General Manager (Grey Cement Marketing and Sales)

Barış Karahüseyin graduated from Istanbul Technical University, the department of Civil Engineering in 1996, and completed Istanbul University MBA program in 2007. From 1998 to 2009, he acted as Facility Chief in Italcementi Group. He worked as Region Manager (Ready Concrete) at Traçim Çimento from 2009 to 2010, Deputy General Manager at Boğaziçi Concrete from 2010 to 2013 and in senior roles at Cementir Group from 2013 to 2018, and finally as Sales and Marketing Deputy General Manager. Karahüseyin joined Akçansa as Ready Concrete and Aggregate Deputy General Manager in August 2018 and worked as Sales and Marketing Deputy General Manager at Akçansa from August 2019 to 2021. As of 11 August 2021, he has been assigned as Çimsa Grey Cement Marketing & Sales Deputy General Manager.

1.9. Prohibition of Transaction with the Company and Non-Competition:

During the term, Board of Directors Members have not made any transactions that were in the scope of the prohibition of transaction with the company and non-competition.

2. CORPORATE GOVERNANCE AND SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

2.1. STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Çimsa Çimento Sanayi ve Ticaret A.Ş. continuously strives to comply with the “Corporate Governance Principles” published by the Capital Markets Board. In this context, according to the Corporate Governance Communiqué (II-17.1) which was published and put in force on 3 January 2014, compliance works with mandatory principles have been completed, and other non-mandatory terms are mostly complied with. As for the non-compliant parts, although compliance cannot be achieved today due to the Company’s management structure and high costs, compliance efforts are ongoing.

Our company’s Corporate Governance Compliance Report for the period from January 1, 2025, to December 31, 2025, has been prepared in accordance with the Capital Markets Board’s Decision No. 2/49 dated January 10, 2019, and has been published on the Public Disclosure Platform (“KAP”). These disclosures can be accessed via the link: <https://www.kap.org.tr/sirketbilgileri/ozet/908-cimsa-cimento-sanayi-ve-ticaret-a-s>.

2.2. SHAREHOLDERS

2.2.1. Investor Relations Section

Our company has designated personnel to handle the conduct of General Assembly meetings, the exercise of shareholder rights, stock transactions, and the fulfillment of shareholders’ requests for information. Our staff responsible for these matters perform duties ranging from monitoring capital market regulations and maintaining relations with shareholders to maintaining records regarding shareholders in connection with capital increases, as well as ensuring public disclosure in accordance with the law and addressing shareholders’ requests regarding information regarding the Company, including via the website— among other matters. Shareholders’ questions regarding capital increases, dividend distributions, and participation in General Assembly meetings are answered in writing, verbally, or via email, excluding information falling under the scope of confidential or trade secrets. The website has been updated to enable investors to receive more regular information about the Company’s activities and access all relevant data. All written or oral requests from investors have been promptly addressed. The duties in this unit are carried out under the supervision of Deputy General Manager (Finance and Accounting) Mustafa AYDIN, who holds SPF Level 3 Certification No. 206849 and Corporate Management Rating Licenses, under the supervision of Deputy General Manager (Finance and Financial Affairs) Mustafa AYDIN, who holds SPF Level 3 License No. 206849 and Corporate Licenses No. 208683 (SPF Level 3) and No. 701667, and Investor Relations Manager Öktem SÖYLEMEZ, who holds Corporate Governance Rating Licenses No. 701667. You may contact them via email at m.aydin@cimsa.com.tr, o.ozcan@cimsa.com.tr, o.soylemez@cimsa.com.tr, or by calling the phone numbers 0(216) 5547016, 0(216) 5547064, and 0(216) 5547079.

The company takes great care to implement every possible measure to ensure investor satisfaction. In 2025, a total of 221 investor and analyst meetings were held with 88 different institutions, both in person and online. Additionally, nearly 30 of our shareholders submitted inquiries to the unit regarding matters related to shareholders, primarily concerning dividend payments and participation in General Assembly meetings, and all of these inquiries were responded to verbally and/or in writing.

2.2.2. Exercising Rights of Shareholders to Receive Information

Shareholders who register by having their names entered in the attendance roster for the General Meeting, as well as those who contact the Company by phone or email during the period, and those who visit the Company in person to request information, are informed regarding financial and administrative matters. To expand shareholders’ right to information and ensure their rights are exercised effectively, in addition to financial statements, necessary information and documents are continuously updated and made available to shareholders in both Turkish and English on the Company’s corporate website (www.cimsa.com.tr) as part of mandatory disclosure processes. In 2025, information requests regarding past capital increases, dividend distribution details, stock exchanges, the transition to the book-entry system, and the general meeting were addressed through telephone, email, fax, and in-person meetings. Shareholders can access up-to-date information about the Company via the website (www.cimsa.com.tr), special situation disclosures made on the Public Disclosure Platform (www.kap.gov.tr), and newspaper announcements. The Company’s Articles of Association do not contain any provisions regarding the appointment of a specialist. No requests regarding this matter were received from shareholders in 2025.

2.2.3 General Assembly Meetings

The Company makes General Assembly invitations in accordance with the Turkish Commercial Code (TTK), Capital Markets legislation and Articles of Association terms.

The Annual General Meeting was held on March 27, 2025, with a quorum of 57.75%. The results of the meeting were registered on April 2, 2025, and published in the Turkish Trade Registry Gazette dated April 3, 2025. The results of the meeting were made available to shareholders through the Public Disclosure Platform (KAP), our Company’s website (www.cimsa.com.tr), and the information portal of the Central Registry Agency (MKK) on the page dedicated to our Company.

Stakeholders who wished to do so participated in the General Meeting both in person and electronically after completing the necessary formalities. The invitation to the General Meeting was issued in accordance with the Turkish Commercial Code and the Articles of Association, and this was approved by the Ministry Representative. Prior to the General Meeting, the meeting notice and agenda were published on KAP, the Central Registry Agency’s (MKK) information portal, the Company’s website, and the Turkish Trade Registry Gazette to notify shareholders. Shareholders were granted the right to ask questions during the meeting, and the necessary explanations were provided. Shareholders were informed about the total donations made during the period (2024), and the limit for donations to be made in 2025 was added as a separate item on the meeting agenda. The activity report was prepared and distributed to shareholders attending the General Meeting, and information regarding the activities of the previous year was provided to the shareholders.

Decisions of a material nature under the Turkish Commercial Code are submitted to the General Meeting for shareholder approval. Once compliance with the Corporate Governance Principles is achieved, all decisions of a material nature that will be included in the amended laws will also be submitted to the General Meeting for shareholder approval.

Article 1527 of the Turkish Commercial Code (TCC) stipulates that participating in general meetings of joint-stock companies via electronic means, submitting proposals, expressing opinions, and casting votes produce all the legal consequences of physical participation and voting; furthermore, it establishes that the system for participating in general meetings and casting votes via electronic means has become mandatory for companies listed on the stock exchange.

The “Regulation on General Meetings to Be Held Electronically in Joint-Stock Companies” (EGKS Regulation), issued by the Ministry of Customs and Trade to establish the implementation guidelines for Article 1527 of the Turkish Commercial Code, was published in the Official; the “Communication on the Electronic General Meeting System to Be Applied in General Meetings of Joint-Stock Companies,” which regulates the establishment, operation, technical aspects, and security criteria of the electronic general meeting system, and No. 28396, and the effective date of these regulations has been set as October 1, 2012. Pursuant to the third paragraph of Article 5 of the EGKS Regulation, for general meetings held by companies listed on the stock exchange, participation in the electronic environment, appointment of representatives, submission of proposals, expression of opinions, and voting shall be conducted through the electronic general meeting system (EGKS) provided by the Central Securities Depository (MKK).

Articles 415 and 417 of the Turkish Commercial Code also provide for significant changes regarding participation in the general meetings of joint-stock companies whose shares are registered with the Central Securities Depository (CSD). Pursuant to Article 13 of the Capital Markets Law, the list of holders of registered shares eligible to attend the general meeting will be prepared in accordance with the first paragraph of Article 417 of the TCC, using the “Shareholders Schedule” to be provided electronically by the Central Securities Depository (CSD) via the EGKS. For natural people listed in this schedule who physically attend the meeting, presenting an identification document, and for representatives of legal entities, presenting a power of attorney, will be sufficient.

Paragraph 4 of Article 415 of the Turkish Commercial Code (TCC) stipulates that the right to attend the general meeting and vote may not be made contingent upon the submission of documentary evidence of share ownership or the “prior” deposit of share certificates. The new TCC has abolished the blocking system that was previously in use in the capital markets.

The system of granting power of attorney through a notary, which was in effect under the former Turkish Commercial Code, remains optional. However, a legal innovation—such as the ability to appoint a proxy electronically via the EGKS—which will provide significant benefits to general meeting procedures, has been introduced by the EGKS Regulation. A proxy appointed electronically may participate in the general meeting electronically, as well as attend the meeting in person in their capacity as a proxy. The list of shareholders that the company will obtain from the Central Securities Depository (CSD) via the EGKS will also include proxy information provided via the EGKS (such as the proxy’s name). A proxy appointed electronically via the EGKS is not required to present a physical proxy document.

General Assembly meeting method:

The Chairman of the Board is the Director of General Assembly meetings. When the Chairman is not present in the meeting, the Deputy Chairman of the Board performs this duty. When these people are not present, the director is elected by majority vote by the General Assembly

The Chairperson forms the presiding body by appointing a minute-taker and, if deemed necessary, a vote-counting officer. General Assembly Meeting the Chairperson is responsible for ensuring that the meeting complies with the law.

Financial statements and activity reports are made available at the Company’s headquarters at least three weeks prior to the General Meeting. Notices regarding the General Meeting are issued at least three weeks in advance.

Whether it involves the submission of financial statements to the Public Disclosure Platform (KAP) or the publication of the Annual Report, any information or reports to be discussed on the General Meeting agenda will be sent to the addresses of those who request them via mail, fax, or email using the fastest available delivery method. It is the natural right of shareholders to ask questions and express their opinions by speaking on the matter at our General Meetings. Therefore, our Company ensures that shareholders’ rights to ask questions at the General Meeting, submit proposals regarding agenda items, and discuss the proposals they have submitted are facilitated by the Board of Directors in accordance with proper procedures. Financial statements and independent audit reports, the dividend distribution proposal, and information and documentation regarding the General Meeting agenda including the distribution of capital among shareholders and the Corporate Governance Compliance Report are all available on the Company’s website.

All General Meeting Minutes and attendance lists for each year are available on our website and at our Company Headquarters; these records are also available in the archives of the Turkish Trade Register Gazette at the Istanbul Trade Registry Directorate.

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2.2.4 Voting Rights and Minority Rights

At General Meetings, each share carries one vote, and there are no preferential voting rights. Voting rights are exercised in accordance with the provisions governing representation and voting at General Meetings (Articles 19 and 20 of the Articles of Association). The regulations of the Capital Markets Board regarding proxy voting are followed. The Articles of Association do not contain any provisions regarding cumulative voting. Such a provision was not included because it was considered that granting cumulative voting rights under the current shareholding percentages and ownership structure would disrupt the Company's harmonious management structure.

2.2.5 Dividend Rights

The Company's dividend distribution has been established in article 26 of the Articles of Association. Accordingly, from the net profit remaining after deducting the taxes which are compulsory to be paid from the gross profit, profits are shared in the framework set by the Articles of Association with the offer of Board of Directors and at a rate approved by the General Assembly, also taking into account the provision of contingency reserves and Capital Markets Board's legislation. Our company shares profits within the legal periods. As a dividend distribution policy, our Company has adopted distributing at least 50% of the distributable profit to partners. This policy can be reviewed every year by the Board of Directors according to national and global economic conditions, projects in the agenda and the status of funds. There are no privileges in profit distribution.

2.2.6 Transfer of Shares

There are no provisions that limit the transfer of shares in the Articles of Association.

2.3 PUBLIC DISCLOSURE AND TRANSPARENCY

2.3.1 Company Website and its Content

Monitoring, overseeing and improving the public disclosure and notification policy of Çimsa Çimento Sanayi ve Ticaret A.Ş. are under the authority and responsibility of the Board of Directors. The Disclosure Policy has been formed and approved by the Board of Directors in scope of the SPK Corporate Governance principles on 30 April 2009, revised on 27 February 2017 and disclosed to public with a Material Event disclosure, and is published at (www.cimsa.com.tr). According to this policy, 6th and 12th month financial tables that have been independently audited and 3rd and 9th month financial tables that have not been audited are disclosed to public.

Announcement of the consolidated reports, prepared in line with the Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS/TFRS") published by the International Financial Reporting Standards Public Oversight Accounting and Auditing Standards Authority, has been made within the terms stated by the SPK.

Disclosure of company-related information is made by press bulletins, electronic mail, telephone communications and reviews with media companies and news agencies during the year.

Also, as recommended by the SPK Corporate Governance principles published under the Disclosure Policy, they can be accessed through the website.

Our company has a website (www.cimsa.com.tr). The content of our website is being improved in line with the Turkish Commercial Code, Regulation on Companies' Websites to be Established and SPK's Corporate Governance Principles as well as customers' requests. People and organizations that would like to receive information on our Company can find such information on our website. The last 5 years' reports and documents, published also on the Public Disclosure Platform according to SPK's Communiqué on Material Events Disclosure number (II-15.1), are present in Turkish and English on the website under the header Investor Relations as below.

- » Corporate Governance
- » Consolidated Financial Reports
- » Annual Reports
- » Material Event Disclosures
- » Information Society Services



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Under these headings:

- | | |
|--|------------------------------|
| » Company Information | Disclosure Policy |
| » Shareholder Structure | Dividend Distribution Policy |
| » Senior Management | Remuneration Policy |
| » Board of Directors | Donations Policy |
| » Board of Directors Committees | Frequently Asked Questions |
| » General Assembly Information | Financial Reports |
| » Trade Registry Information | Annual Reports |
| » Articles of Association | |
| » Corporate Governance Compliance Report | Material Event Disclosures |

sections are present.

Our website also includes information such as Corporate Profile, Products and Services, Sustainability, Human Resources and Contact.

2.3.2 Annual Report

In the Annual Report, compulsory information is presented under the Compliance with Corporate Governance Principles Report, and our studies to include non-compulsory information are ongoing.

2.4 STAKEHOLDERS

2.4.1 Notification of Stakeholders

Notifications to all stakeholders are made as periodical public notifications and material event disclosure forms, through the Public Disclosure Platform (KAP) as required by the related legislation. Issues such as Ordinary and Extraordinary General Assembly meetings and dividend distribution are announced on the Turkish Trade Registry Gazette and the Company website as required by related legislation and the Articles of Association. Also, notifications are made with press meetings, press bulletins and interviews with media corporations.

Company employees are notified with the Company bulletin published once in three months, information sent by e-mail, internal training provided, through the Çimsa portal and annual notification meetings as well.

For customers, notifications are made with annual meetings and presentations as well as training and seminars.

Partners are informed in real time in a correct and comprehensible way except if the information is rated as classified and trade secrets. The Company has created the necessary mechanisms to allow stakeholders to forward Company's operations against the legislation and those that are ethically unacceptable to the Corporate Governance Committee or the Audit Committee.

2.4.2 Participation of Stakeholders in Management

Meetings are held with employees at least once a year where previous year's activities are assessed and targets for the next year are shared, and feedback is collected.

In scope of business excellence, learning organization efforts and the suggestion system; teamwork is encouraged and participation of project teams is ensured in issues affecting the Company such as determining targets, process improvement and investment.

Partners' participation in Company management is ensured by Ordinary and Extraordinary General Assembly Meetings. Customers' participation in Company management is provided by dealer meetings and customer loyalty surveys.

2.4.3 Human Resources Policy

The Corporate Development and Human Resources vision of the Company is to create a culture of high performance, and the mission is to ensure organizational change and development. In this scope, individual business and competency targets determined in line with the company strategy and company targets ensure an efficient and well-ordered structural performance management. Policies towards organizational change and development, in scope of increasing the competency of the company and responding to changing needs are planned and applied.



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2.4.3. Human Resources Policy (Continued)

Issues regarding unionized (in scope) employees are managed in scope of the Group Collective Employment Agreement in effect. Also, Employee Representation, Corporate Development and Human Resources, Corporate Communication, Code of Ethics Consultancy and Occupational Health and Safety units in the organizational structure manage the relations with all employees. Detailed, written and current regulations and procedures that cover arrangements and applications related to work life are present.

Çimsa considers diversity as a source of richness across all its operations and acts with a zero-tolerance policy toward any form of discrimination. As a reflection of our commitment to equal opportunity and ethical working principles, which are the cornerstone of our corporate culture, no negative feedback or complaints related to discrimination have been recorded within our Company to date.

2.4.4 Code of Ethics and Social Responsibility

2.4.4.1 Code of Ethics

The Company has established and implemented a Code of Business Ethics. The code of business ethics have been published on the website and disclosed to the public. Employees are informed about the code by publishing it on the Company's internal communication portal, distributing printed booklets to all employees and by carrying out trainings. Our Company conducts regular trainings to raise the awareness of its employees on business ethics and to ensure sustainable compliance with ethical rules. Accordingly, at the end of each year, employees are assigned a Year-End Briefing Training via Sabancı Holding's online training portal on business ethics principles, aiming to renew and strengthen the awareness and knowledge of all employees.

In addition, Code of Business Ethics Information Training is assigned to new employees who join Çimsa in the relevant year in order to inform them comprehensively about ethical processes and business ethics rules. A signed Ethical Compliance Declaration/Survey is obtained from all our employees at the end of the training.

Locations of Çimsa facilities have further importance than just being physical plant locations. In these regions, Çimsa's stakeholders and employees continue their lives and bring up young generations that will work in the Company in the future.

For Çimsa, being an active and respected member of society holds great importance. Çimsa is a leading employer in locations where its factories are present. Regions where the Company operates are affected directly and indirectly from operations. Çimsa is focused on correctly detecting the expectations of society and answering its stakeholders' needs and expectations wherever it operates

2.4.4.2 Çimsa's Corporate Social Responsibility Approach

Çimsa considers social responsibility as an integral part of its activities and conducts all its efforts with an approach that takes into account economic, environmental, and social impacts. Based on delivering the greatest benefit for society and the environment, the Company develops projects in the areas of education, technology, equality, and social solidarity—particularly focusing on empowering youth, promoting gender equality, and strengthening equal opportunities. These projects are designed in alignment with SDG 4 (Quality Education), SDG 5 (Gender Equality), and SDG 10 (Reduced Inequalities). Through collaborations with academic institutions, public bodies, and civil society organizations, Çimsa aims to create long-term social value by leveraging synergies, sectoral needs, and priority areas. The social impact portfolio is managed under the oversight of senior management and is expanded across the organization.

Social Responsibility

As Çimsa, we carry out projects based on nature and people, aiming to raise the level of individual and social welfare, and we aim to expand the impact of our social responsibility efforts to reach a wider audience with the benefits they create.

Çimsa Technology and Impact Center

Within the scope of the Sabancı Youth Mobilization, the Çimsa Technology and Impact Center, established in collaboration with Eskişehir Technical University, operates as a strategic education and production platform aimed at integrating young talent into the sector through university–industry cooperation. At the center, which is built on the infrastructure of one of Türkiye's largest pilot plants, trainings have been provided on topics such as cement production, sustainability, R&D, and Industry 4.0, strengthening students' technical and innovative perspectives. With its scalable structure, the program aims to reach 500 students within five years.

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Innovation Academy

Within the scope of the Mannok Innovation Academy, STEM and robotics activities have transformed education partnerships into a practical and innovative learning environment. During the robotics and innovation challenge organized at Mannok Holdings DAC facilities in 2025, student teams from different schools developed and presented solutions focused on sustainability and production. Our engineers actively contributed to the process by taking on mentorship and jury roles, supporting students' technical competencies, problem-solving skills, and teamwork.

Battery Powered Wheelchair Support for Disabled Individuals

In collaboration with Mersin Metropolitan Municipality, Çimsa supports the Smart Wheelchair Support Project for Individuals with Disabilities, aiming to improve the quality of life of individuals with disabilities and support their participation in social life. Through events regularly organized during Disability Week, and as of 2025, more than 500 individuals have been provided with smart wheelchairs across 11 events, contributing to the strengthening of accessibility and inclusion.

Charity Shop Challenge

Volunteers working within Mannok Holdings DAC actively take part in the Charity Shop Challenge, organized in collaboration with Ireland-based Cancer Focus NI and Business in the Community, by supporting donation-based stores. Through these activities, we aim to strengthen social solidarity, support civil society organizations, and promote a culture of volunteering.

Contribution to Sports and Cultural Life

Çimsa ÇBK Mersin Naming Sponsorship

As Çimsa, we consider strengthening women's participation and visibility in sports as a strategic priority. In this context, by assuming the naming sponsorship of Mersin Çukurova Basketball Club at one of Europe's most prestigious organizations in women's basketball organization we support the Çimsa ÇBK Mersin Women's Basketball Team, which successfully represents Türkiye in the EuroLeague and EuroCup. This collaboration aims not only to support the sporting development of female athletes but also to increase their role model impact and encourage young girls to participate in sports. The sponsorship is structured to also include the Çimsa ÇBK Mersin Development Team, enabling young athletes to be part of a sustainable development pathway.

Fermanagh Senior Football Championship Sponsorship

Mannok continued its main sponsorship of the Fermanagh GAA for the Fermanagh Senior Football Championship in 2025 and supported the Fermanagh Development Squads (U13–U16), enabling at least 120 young athletes to access the programs. The partnership also covers facilities, coaching, and long-term player development.

Some of the awards received by Çimsa in 2025 are presented below.

Awards and Achievements

Çimsa Master Power, a Product with 50% Reduced Carbon Emissions, Now EPD Certified

Çimsa Master Power has obtained an Environmental Product Declaration (EPD) certification with its sustainability-focused structure. This independently verified declaration provides transparent and comparable information on the environmental impacts of the product throughout its life cycle. Compared to conventional Portland cement, Çimsa Master Power enables up to a 50% reduction in carbon emissions, contributing to the development of more sustainable living spaces.

Çimsa Received 2 Awards at the Global FutureCem Awards

Çimsa received two awards in two categories at the Global FutureCem Awards, held during the 5th Global FutureCem Conference organized by Global Cement Magazine, focusing on the decarbonization of the cement sector. Çimsa's Buñol facility received the "Decarbonization Project of the Year" award for its Alternative Fuel Usage Increase Project, while its Mersin plant received the "Decarbonized Cement/Lime Product of the Year" award with its Ecofort product, a CEM II Grey Cement containing 19% clinker.

Çimsa Became Champion in White Cement Exports at the "7th Export Champions Awards Ceremony"

At the 7th Export Champions Awards Ceremony organized by the Cement, Glass, Ceramic and Soil Products Exporters' Association, Çimsa was awarded first place in the "Top Exporting Company" category in the white cement sector. Receiving awards in four different categories—white cement, general cement (including clinker), clinker, and grey cement—Çimsa continues to contribute to both the sector and the national economy by exporting its products to more than 70 countries.

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Çimsa Received First Prize in the Economy Category at the Türkiye İMSAD Future Investment Awards 2024 with CAC

Thanks to its high value-added product CAC of which it is the sole producer in Türkiye and one of the first three producers worldwide Çimsa was awarded first place in the Economy category at the Türkiye İMSAD Future Investment Awards 2024. Produced at Çimsa's own raw material sites, CAC has secured a position in global markets and reaches customers in more than 70 countries, contributing significantly to Çimsa's export performance.

Çimsa Became One of 15 Companies from Türkiye to Enter CDP's Global Leaders in "Climate Change" and "Water Security" Categories

At the 15th Climate Change & Nature Conference and award ceremony organized by CDP Türkiye, Çimsa was recognized as one of the 15 companies from Türkiye that succeeded in entering the Global Leaders group in the "Climate Change" and "Water Security" categories. As one of the world's largest environmental reporting platforms, CDP included Çimsa in its A List for both Climate Change and Water Security, and this achievement was honored at the ceremony.

Çimsa Achieved First Place in Two Categories at the Cement Industry Employers' Association Award Program

At the Development Stars Awards organized by the Cement Industry Employers' Association (ÇEİS), one of the most important platforms of the Turkish cement sector, Çimsa stood out among the companies receiving the highest number of awards and achieved first place in two categories. Çimsa's projects in the areas of Talent Acquisition, Diversity, and Inclusion were recognized for their success.

Çimsa Ranked Among the Best in CDP 2024 Supplier Engagement Assessment (SEA) with an A Score Across All Evaluations

Within the global evaluation conducted by CDP 2024 Supplier Engagement Assessment (SEA), which measures companies' management and collaboration on climate change and sustainability within their supply chains, Çimsa received an A score across all categories and was included in the A List. This achievement highlights Çimsa's strong collaboration with its partners for a sustainable supply chain and reinforces its commitment to continuous improvement.

Çimsa Received an Award at the Stevie International Business Awards

Çimsa's 2024 Integrated Annual Report received an award in the "Best Annual Report – Private Companies" category at the 2025 Stevie International Business Awards, one of the most prestigious awards in the business world. Organized since 2002, the Stevie Awards recognize successful organizations worldwide.

Çimsa Received 14 Awards at the Brandon Hall Excellence Awards

Çimsa received 14 awards at the Brandon Hall Excellence Awards 2025, one of the most respected awards in the field of human resources. With projects that reflect its people-focused approach and sustainable value creation vision, Çimsa achieved success across a wide range of areas—from leadership development in digital transformation to talent acquisition through diversity and inclusion initiatives. This achievement stands out as a strong indicator of the impact created in the sector by practices focused on employee experience.

Çimsa Received the "Acquisition Finance Deal of the Year" Award at the Global Banking & Markets Awards 2025

The financing transaction carried out for the acquisition of Mannok, which strengthened Çimsa's presence in the United Kingdom and Ireland, was awarded the "Acquisition Finance Deal of the Year" at the Global Banking & Markets Awards 2025. Completed with a sustainability-linked loan, the transaction demonstrated international confidence in Çimsa's global growth strategy and sustainability approach.

Çimsa Received ERTA's "Best Integrated Annual Report" Award

Çimsa received the "Best Integrated Annual Report" award at the 1st Integrated Reporting Awards Ceremony organized by the Integrated Reporting Association Türkiye. Çimsa's CFO, Mustafa Aydın, shared the Company's sustainable and transparent approach in areas such as capital allocation, digital transformation, data-driven optimization, risk management, and financial transformation at the "Green Roof for the Future" panel. By combining financial success with environmental and social impacts, Çimsa continues to shape the future through green finance and technology.

Çimsa Received 2 Awards at The Hammers 2025 with FlyCrete and Rapidome Projects

Çimsa received awards with its Rapidome and FlyCrete projects in the "B2B Team of the Year" category, where the success of teams operating in B2B marketing is evaluated across digital and traditional marketing projects. By winning awards with two different projects at The Hammers Awards, one of the most prestigious organizations in the marketing world, Çimsa once again demonstrated that it continues to create impact on a global scale through its customer-focused strategies and creative marketing approach.

Çimsa Awarded Honor Certificate by Hamburg Chamber of Commerce for Its Successful Commercial Activities in Germany

Çimsa's subsidiary in Germany, Çimsa Cement Sales North GmbH, was awarded an "Ehrenurkunde" (Honor Certificate) by the Hamburg Chamber of Commerce in recognition of its successful commercial activities and business collaborations in Germany. This recognition symbolizes Çimsa's sustainable growth, entrepreneurial spirit, and consistent performance in Germany.

Çimsa Recognized for Its Achievements at the Blue Helmet Awards Ceremony Held Within the Scope of the BETON 2025 Summit, Where It Was the Main Sponsor

As the main sponsor of the BETON 2025 Summit organized by the Turkish Ready-Mixed Concrete Association (THBB), Çimsa shared its practices in the sector aimed at sustainability and low-carbon targets at the opening of the event. At the THBB 4th Blue Helmet Awards Ceremony held within this scope, Çimsa's Mersin Tarsus and Adapazarı Ready-Mix Concrete Plants were deemed worthy of awards. By prioritizing occupational health and safety, Çimsa crowned this achievement with its strong safety culture.

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Çimsa Ranked in CDP 2025 Global Leaders List with an A Score in Climate and Water Categories

Çimsa was included in the Global Leaders List by receiving an A score in both Climate Change and Water Security categories in the 2025 CDP scores announced by the Carbon Disclosure Project (CDP), the world's largest environmental reporting platform. This achievement once again confirms Çimsa's consistent sustainability performance and its ability to manage climate- and water-related risks and opportunities at a leadership level.

2.5 BOARD OF DIRECTORS

2.5.1 Structure and Forming of the Board of Directors

Information on the Board of Directors structure has been presented in the "1.6. Board of Directors" section.

2.5.2 Board of Directors' Operating Principles

The Çimsa Board of Directors is comprised of 6 members elected by the General Assembly as mentioned in the Articles of Association. Among the members elected in the General Assembly are two independent members. As mentioned in the Articles of Association, Çimsa Board of Directors Members are elected for at most three years and members whose terms have expired can be elected again. As stated in the Articles of Association, Board of Directors members elect a Deputy Chairman to act as a proxy when the Chairman is not present. The Board of Directors meets at least once in three months (as per the Articles of Association) to discuss monthly activity results.

The agenda of the Company Board of Directors meetings is determined and suggested by the Company Chairman of the Board. Deputy General Manager (Finance and Financial Affairs) acts as secretary and provides the notification and communication of Board of Directors members.

The Company Board of Directors assembled 20 times in 2025 and taken 46 decisions. In the Board of Directors decisions and meetings, the quorums determined in the Turkish Commercial Code are applied.

In the meetings held in 2025, different opinions contrary to the decisions made by Board of Directors members have not been expressed. As Board of Directors members had no questions and different opinions were not expressed, these were not recorded in minutes. Board of Directors members were not provided weighed voting rights and/or veto rights related to the aforementioned decisions. Also, related to connected party operations and important operations submitted to the Board of Directors independent members' approval, there were no Board of Directors decisions that were not approved by independent members and directed to the General Assembly approval.

2.5.3 The Number, Structure and Independence of Committees Formed on the Board of Directors

Under the Board of Directors, the Audit Committee, the Corporate Governance Committee and the Early Detection of Risk Committee were formed from the non-executive independent members of the Board. Committee meetings of the Audit Committee and the Corporate Governance Committee are held at least four times per year at a location and time deemed suitable by the Committee Chairman. Committee meetings of the Early Detection of Risk Committee are held at least six times per year at a location and time deemed suitable by the Committee Chairman. The Audit Committee convened 4 times in 2025 and submitted a total of 4 reports to the Board of Directors on the activities of the committee. The Corporate Governance Committee convened 4 times in 2025 and submitted 4 reports to the Board of Directors on the activities of the Committee. The Early Detection of Risk Committee convened 6 times in 2025 and submitted a total of 6 reports to the Board of Directors on the activities of the Committee. While the committees perform their activities, each Committee follows its own Meeting and Operating Principles Charter.

Committee members are elected from independent members to benefit from their global experience and accumulated knowledge. As a result of the number of independent members of the Board, an independent member of the Board had to take duties in more than one committee. As a separate Nominating Committee and Remuneration Committee cannot be established due to the Board of Directors structure, the Corporate Governance Committee performs the duties of these committees as well.

There were no conflicts of interest in 2025 due to the existing membership structure of the committees.

2.5.4 Risk Management and Internal Audit Mechanism

The main function of the Internal Audit Department is to provide Çimsa Çimento San. ve Tic. A.Ş. with independent, objective assurance and consultancy service with the help of International Internal Audit Standards. The Internal Audit Department working under the Audit Committee consisting of Board of Directors members, performs audits, investigations and inspections to protect the rights and interests of the Company and develop suggestions related to internal and external risks for the Company. For this purpose, it carries out the below listed duties to contribute to the growth, development and institutionalization of the Company.



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2.5.4 Risk Management and Internal Audit Mechanism (Continued)

- a. To investigate the compliance of internal control systems of the Company's corporate functions, terminals, warehouses and plants, including its subsidiaries in Türkiye and abroad, with corporate governance principles and ethical values and the sufficiency and effectiveness of risk management programs, to prepare audit plans and programs, and apply them according to a predetermined schedule,
- b. To follow up the completion of the remedial action plans resulting from the audits and to ensure their execution within the framework of the agreement reached and the instructions of the Head Office,
- c. To examine and investigate the notifications received through the Company's ethics reporting channels within the framework of Sabancı Code of Ethics and Company Disciplinary Instructions and to submit the results to the Disciplinary Board,
- d. To check the application of the Company regulations, procedures, declarations and unit-specific instructions, ensure they remain in force and provide suggestions in areas which need to be corrected,
- e. To ensure the activities and transactions of all units are carried out in accordance with Board of Directors decisions, plan and budget targets, legal framework, regulations, procedures, declarations etc. instructions,
- f. To perform financial and economical analyses of works and operations performed and develop suggestions that will provide savings and increases in efficiency,
- g. To continuously inform the Audit Committee on the sufficiency of audit activities and internal control systems and apply their requests and suggestions on this issue,
- h. To provide consultancy and support services to the Board of Directors and senior management by conducting advisory studies for purposes that will create added value, such as achieving the Company's goals, increasing share value, improving corporate processes and activities, increasing service quality and customer satisfaction, etc.,
- i. To conduct investigations and reviews in response to notifications received by the Ethics Committee and/or directly, to prepare the relevant Investigation Report when deemed necessary, and to share it with the General Manager and the Committee Responsible for Audit.

Internal Audit Department's functional and direct reporting to the Audit Committee has been approved by the Board of Directors through the Internal Audit Regulation and Procedure.

Additionally, in line with the Corporate Governance Communique (II-17.1) of the Capital Markets Board, the Early Detection of Risk Committee was formed by the Board of Directors for the early detection of any kinds of risks, such as strategic, operational, and financial risks, applying necessary precautions and solutions for these issues, and managing the risk.

2.5.5 Strategic Objectives of the Company

Main strategic objectives:

To ensure operational excellence: Starting from raw material procurement, designating targets in production, sales and distribution, meaning all functions and management processes in our value chain processes, to monitor these targets with key performance indicators, making continuous improvements in the performance process, to form a corporate information/data base, to perform scenario-based close monitoring of cash flow and taking the necessary precautions and managing all these efforts with a "system approach" and ensuring operational excellence.

Being customer and market focused: Making the market and customers the focal point of its activities, listening and understanding the needs and requests of customers and thus, by creating added value for all customers, becoming a prioritized preferred business partner for customers.

Becoming a sustainable company: Starting with the stakeholders that are most affected in terms of social and environmental issues from our activities, actively managing our communication with all of our stakeholders to improve these effects and creating long term value both for our stakeholders and our Company. Foremost with our employees, implementing a concept of sustainable development in the daily life of the whole Çimsa family, including our customers, suppliers and local neighbors.

Growing profitably: Growing in a sustainable way by making new investments in new and attractive markets that will cause synergy with Çimsa's present operations in a way that will create added value also in other prioritized objectives.

2.5.6 Financial Rights:

It is decided by the General Assembly whether the Board of Directors Chairman and members will be paid a fee. During the year 2025, no Board of Directors member or Company senior manager was lent money, provided a credit, provided a benefit in the name of credit through a third party or was provided guarantee for their benefit.

The total of fees and similar benefits provided during the fiscal period to the Board of Directors chairman and members, as well as senior managers such as general managers and deputy general managers, is TL 381,064,103 TL (as of December 31, 2024 – TL 167,074,788), and the paid premiums are TL 35,816,104 (as of December 31, 2024 – TL 8,443,872 TL).

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2.6 Sustainability

2.6.1. Sustainability Approach

Çimsa Çimento Sanayi ve Ticaret A.Ş. carries out the activities of all its subsidiaries in line with the sustainability principles it has adopted with a focus on social, environmental and governance and places its sustainability strategy, which it has created with a holistic perspective, at the center of its activities throughout its entire value chain. In this context, Çimsa is a company that, by adhering to the principles of fairness, transparency, responsibility and accountability, conducts its operations within the framework of a corporate governance approach based on ethical values, values people and society, cares about natural resources, feels responsible for climate change and has always kept sustainability on its agenda from past to present. Çimsa creates sustainable stakeholder value with its products that support the low carbon economy for the development of sustainable living spaces in parallel with both its company and sustainability strategies and focuses on shaping today for tomorrow.

Çimsa continues to pursue its sustainability strategy through its Sustainability Management Committee Focus Groups in line with the priorities it has determined with a double materiality approach. The Sustainability Management Committee evaluates the topics tackled by focus groups in meetings held at least 4 times a year. To this end, Çimsa will announce its new targets, progress in its current objectives and its course towards its science-based emission reduction target in the relevant sections of the Integrated Annual Report 2025 to be published soon.

In 2025, Çimsa accelerated its strategic steps toward achieving its medium- and long-term targets, further strengthening its value creation through global growth initiatives and the addition of new business areas.

With the Spain-based Buñol cement production facility added to its portfolio in 2021, Çimsa strengthened its position in the white cement segment. In 2024, with the acquisition of a 94.7% stake in Mannok—one of the leading construction materials producers in the United Kingdom and Ireland—it diversified its product range beyond cement and cement-based products by expanding into insulation materials and recycled plastic packaging production. In 2025, as a concrete reflection of its growth and transformation strategy implemented with determination, Çimsa commissioned a grey cement grinding facility under its wholly owned subsidiary in the United States. With an annual grinding capacity of 600 thousand tons, this new facility has enabled Çimsa to expand its grey cement production footprint to the United States—one of the world's largest construction and infrastructure markets—following Türkiye and Ireland, thereby strengthening its position as the only Turkish cement producer with production operations in the U.S. In this way, Çimsa has accelerated its international growth under its "local to global" transformation strategy and further reinforced its position as a global player in building materials.

Within the scope of its decarbonization plans, efforts to transition to a sustainable product portfolio continued through the Green Wave program, which strengthens a customer-focused sustainability approach. In this context, Çimsa continued to offer customers its innovative low-carbon product range, including Master Power and Izo Power in the grey cement family; Eco White and Eco Shine in the white cement family; EcoCAC in the CAC family; and in the ready-mix concrete segment, products such as incicrete, Nauticrete, Subcrete, and Hypercrete.

Çimsa continues its operations with a sustainable and resilient value creation approach by placing circular economy principles at the core of its business model, aiming to meet not only today's needs but also those of future generations. In this context, the protection of natural resources and the efficient use of resources are adopted as fundamental priorities in production processes; by increasing the use of alternative raw materials and alternative fuels, both resource efficiency is strengthened and Scope 1 emissions are reduced. Within this scope, research activities are ongoing to identify resources for long-term agreements that will ensure sustainable supply, with the aim of reaching a 40% alternative fuel rate by 2030. Supporting this approach, the environmental impacts of Çimsa's products are documented through EPD (Environmental Product Declaration) certificates, and in 2025, 5 new EPD certificates were published for white cement and value-added CAC cement products. CAC Recipro 50 and Recipro 40+, Çimsa Coshine, and Süper Beyaz Eskişehir products hold international EPD certification, while the existing EPD of the Mersin Süper Beyaz product has been updated in accordance with international standards.

Through digitalization and process optimization, strategic steps have been taken in areas such as energy efficiency, renewable energy use, water management, biodiversity conservation, and air quality improvement, and efforts to minimize environmental impact have continued. While the Afyon Plant Solar Power Plant, the Mersin Plant Waste Heat Recovery Facility, and the Buñol Plant Solar Power Plant have continued high-efficiency energy production,

In 2025, the Solar Power Plant and Waste Heat Recovery Facility at the Eskişehir Plant were commissioned. With these steps, Çimsa continues to increase its use of clean energy and is steadily progressing toward its target of sourcing 80% of its electricity consumption from renewable energy by 2030. In addition, within the scope of 2025 electricity consumption, a total of 305,000 MWh of renewable energy certificates (International Renewable Energy Certificates – I-REC) were procured for the Mersin, Afyon, and Eskişehir Plants and Ready-Mix Concrete operations, while 15,000 MWh of Guarantees of Origin (GO) were procured for the Buñol Plant. Furthermore, self-consumption certificates are being generated for the Afyon Solar Power Plant, the Mersin Waste Heat Recovery Facility, the Eskişehir Solar Power Plant, and the Eskişehir Waste Heat Recovery Facility. These actions significantly contribute to the reduction of Scope 2 emissions.

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2.6.1 Sustainability Approach (Continued)

Within the scope of environmental excellence, water management practices have been structured in line with process stability and a circular water management approach. By making production parameters more stable and controlled, efficiency in resource use has been achieved and losses have been minimized. As a result, improvements in unit water consumption have been realized. In addition, in 2025, efforts to enhance biodiversity performance continued through roadmaps developed in collaboration with stakeholders, communities, sector platforms, and suppliers, structured under “Biodiversity Management Plans” that include location-based actions. In this context, at the Eskişehir Plant, a comprehensive “Biological Diversity Management Plan” was implemented to protect the ecosystem and minimize biodiversity impacts. Within the scope of the plan, clear targets were defined, comprehensive impact assessments were conducted in the field, priority species and habitat types were identified, and action and monitoring plans were established in line with the mitigation hierarchy.

Çimsa continues to position sustainable finance as a strategic tool that accelerates the transition to a low-carbon economy and supports long-term value creation through its Green Finance Framework. In 2025, a €50 million green loan agreement signed with the European Bank for Reconstruction and Development (EBRD) supported energy efficiency and emission reduction projects carried out at the Mersin Plant within the scope of decarbonization plans. In addition, within the scope of Mannok Holdings DAC’s integration into Çimsa, a 225 million Euro Sustainability-Linked Loan (SLL), structured through a consortium including BNP Paribas Fortis SA/NV, ING Bank NV, and QNB Bank A.Ş., enabled the direct integration of sustainability performance indicators into financing conditions.

Human resources and society remained among Çimsa’s core focus areas in 2025. Within the scope of the “Local to Global” transformation, initiatives were carried out to strengthen organizational alignment and global integration; alignment of policies, processes, and management approaches across operations in different geographies was ensured; and integrated practices were implemented in areas such as leadership development, cross-functional collaboration, and employee experience. Efforts to strengthen occupational health and safety performance and to promote a culture of safe and secure working continued through the implementation of practices under the Zero Tolerance vision.

By adopting an approach that creates value for both people and nature in its operations, Çimsa aims to enhance individual and societal well-being through its corporate social responsibility projects. In 2025, it continued its vision of creating social value by implementing projects aligned with this perspective across both domestic and international operations.

Çimsa’s achievements continue to be recognized through international platforms. Maintaining its presence in the Borsa Istanbul Sustainability 25 Index and the FTSE4Good Emerging Index, Çimsa has been rated at the Silver level by EcoVadis, an assessment that evaluates companies’ sustainability performance across environment, labor and human rights, ethics, and sustainable procurement, placing it within the top 15% of global companies. Çimsa considers this position across ESG rating platforms as an indication of the consistent progress of its sustainability strategy.

Within the scope of compliance with the Türkiye Sustainability Reporting Standards (TSRS), Çimsa publicly disclosed its first TSRS-compliant Sustainability Report for 2024. The report can be accessed via the following link on Çimsa’s corporate website: <https://cimsa.com.tr/wp-content/uploads/2025/08/TSRS-Uyumlu-Surdurulebilirlik-Raporu-2024-Cimsa-Cimento.pdf>

By supporting its commitment to continuously improving sustainability performance with strong target tracking systems, Çimsa will continue to achieve new milestones in line with its sustainability vision.

2.6.2. Compliance Status with Sustainability Principles

Çimsa Çimento Sanayi ve Ticaret A.Ş. has targeted 100% compliance with its environmental, social and corporate governance principles as part of the Sustainable Principles Compliance Framework prepared in accordance with the change the Capital Markets Board has made in its Corporate Governance Communique dated 02.10.2020 and has mostly achieved compliance with the actions taken during the year.

In this scope, in 2024, Çimsa achieved full compliance with all 56 principles that are not mandatory to be complied with as per the Communiqué, which more concretely demonstrated Çimsa’s sustainability-oriented approach in environmental, social and management areas.

With the Sustainability Principles Compliance Framework prepared by the Capital Markets Board and first put into practice in 2020, a worldclass sustainability compliance standard has been adopted in our country as well. Taking into account the benefit of all stakeholders starting with shareholders, Çimsa will continue its efforts to maintain the compliance with compulsory principles in 2026 as well.

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The compliance status with Çimsa Sustainability Principles in 2025 is summarized in the table below.

Type	Yes	No	Partially	Nor Related
General	12	-	-	-
Environment	24	-	-	-
Social	18	-	-	-
Governance	2	-	-	-
Total	56	0	0	0

The Sustainability Principles Compliance Report, which indicates compliance status with principles in the Capital Markets Board’s Sustainability Principles Compliance Framework, is at Çimsa’s website <https://cimsa.com.tr/yatirimci-iliskileri/surdurulebilirlikkilkelerine-uyum-raporu/>

3. COMPANY’S RESEARCH AND DEVELOPMENT STUDIES

As the first R&D center approved by the Ministry of Industry and Technology with EU-backed projects, Formülhane continues to create value in the fields of cement and concrete with advanced analysis methods in building chemicals, concrete, grinding, chemistry and mechanical laboratories. With its specialized R&D staff, Çimsa works on sustainable products, carbon neutrality, energy efficiency and digital transformation projects.

Çimsa focuses on producing sustainable building materials with a reduced environmental footprint by addressing its R&D activities in the categories of product, process, application development and digital transformation. Closely monitoring carbon capture, utilization and storage (CCUS) technologies, Çimsa reduces natural resource consumption and integrates new production technologies into its R&D projects.

R&D Targets in 2025

Numerous studies were carried out to increase the use of alternative fuels and raw materials, which are one of the priority agenda items of today’s cement industry, and to optimize their effects on products and processes. Studies are carried out on many issues such as the effect of alternative raw material and fuel use on production processes, new application methods in carbon dioxide fields, the reuse of recycled materials and development of cement types with low carbon content.

Brief information about 2025 R&D and Innovation projects is summarized below:

Ongoing R&D Projects of 2025

Novabind

This project, designed based on calcium aluminate chemistry, aims to develop an innovative binder/accelerator system that combines sustainability and high performance as a strategic objective. Within the scope of the project, which is shaped by a low environmental impact approach, it is aimed to establish an advanced formulation architecture with optimized setting times and enhanced mechanical strength properties.

The final product to be developed is expected to offer higher early strength performance, superior long-term durability, and application advantages compared to conventional solutions. In this context, it is aimed to build a strong scientific and technical infrastructure that will form the basis of an innovative and competitive material solution by leveraging advanced technologies in materials science and sustainable chemistry.

VisionCem

This project aims to evaluate the microstructural phase composition of grey clinker through artificial intelligence-supported digital analysis systems, in line with the digital transformation and Industry 4.0 vision in the cement sector. With the developed value-oriented analysis approach, reactivity levels will be analyzed in detail based on clinker mineralogy and granulometric properties, and clinker quality will be characterized in a comprehensive and highly accurate manner.

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The AI-based system to be implemented will reveal, in a much faster, more precise, and more predictive manner compared to conventional methods, the impacts of operational factors, such as changes in raw material sources, the use of alternative fuels, and variations in process parameters, on clinker quality. This approach will enable the activation of early warning mechanisms, allowing potential quality deviations to be detected at early stages of the production process.

As a result, by strengthening data-driven decision-making infrastructure, process optimization will be supported, production continuity and operational efficiency will increase, and final product quality will be ensured in a sustainable and reliable manner.

SmartCem

This project aims to establish an AI-based compressive strength prediction infrastructure by integrating cement and clinker quality analyses with production process data. Through the advanced analytical approach to be developed, it is targeted to predict the 28 day compressive strength values of cement with high accuracy without requiring a waiting period after production.

This approach will not only provide time and cost savings by enhancing predictive analysis capabilities in quality control processes but also enable the development of fast, data-driven, and proactive decision-making mechanisms. Within the scope of the project, it is planned to develop an advanced strength prediction model, specific to cement and clinker, capable of learning and continuously improving, by utilizing large-scale datasets obtained from XRF, XRD, and mechanical performance tests.

Active

Within the scope of our sustainability-focused corporate approach, reducing emissions arising from production processes is positioned among the Company's core operational and strategic priorities. In line with this vision, existing studies have been activated through mechanical and chemical methods in cement blend design, aiming to increase the use of raw materials. This approach reduces carbon footprint by increasing the mineral additive ratio in the product composition, while also offering an optimized material architecture to preserve mechanical performance and product quality.

This R&D initiative is carried out within the framework of a strategic collaboration model that brings together academic knowledge and industrial experience, under the consultancy of an academic with expertise and sectoral experience. In line with the defined project roadmap, all project phases, particularly raw material and product characterization, process optimization, and performance validation, are structured and executed with a holistic approach within a measurable timeline.

TÜBİTAK-SAYEM Green Transformation Projects

As a result of the collaboration established with TÜBİTAK under the World Bank's green transformation program, our "3D Mortar" project proposal submitted under the 1832 – Green Industry Transformation Call has been awarded support.

Within the scope of the project, which is planned to last two years, a new type of mortar incorporating waste materials will be developed to ensure the sustainability of cement-based mortars used in 3D applications. Project activities have been initiated, and the first evaluation visit conducted by TÜBİTAK in September to assess project work packages has been successfully completed.

List of Projects Completed in 2025

MgOflux

A next-generation product has been developed to increase cost efficiency and energy efficiency in iron and steel production processes, building on our existing calcium aluminate-based flux products and designed to meet different process requirements. In this context, raw material selection was carried out in line with targeted performance criteria, and the product formulation was defined, followed by comprehensive experimental studies at the laboratory scale.

As a result of the laboratory studies, the developed flux material was optimized through systematic performance evaluations and continuous feedback mechanisms, leading to the final product formulation. With the technical knowledge gained during the process and the Company's know-how, the project objectives were successfully achieved, and the project was completed and closed in line with the planned scope.



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SmartCure

An innovative concrete curing approach has been developed to reduce water consumption in concrete production and support the self-healing capabilities of concrete by using specially designed admixtures. The developed method significantly limits crack formation and mechanical performance losses caused by rapid water evaporation during the curing process, enabling successful concrete applications with approximately 20% lower water usage. The project was successfully completed as of the end of June 2025, achieving the defined technical and performance targets.

Hydrophobic Cement

A high-performance cement type with enhanced water-repellent properties has been developed through formulations created in R&D laboratories and validated through multi-stage testing processes. The water absorption behavior of concrete produced using this cement has been evaluated against standard concrete, and test results have shown that its impermeability performance is significantly higher compared to conventional concrete.

The developed hydrophobic cement reduces water absorption at the particle level, forming a microstructure that provides high resistance to water within the concrete matrix. This contributes to improved durability and extended service life. Based on long-term performance tests, the product is considered particularly suitable for structural elements exposed to continuous or intense water contact.

Cool Solution

Innovative alternative solutions have been developed to increase water efficiency in white clinker production processes, and these approaches have been successfully validated at the laboratory scale. The developed methods are evaluated as effective, scalable, and applicable solutions for reducing water consumption in production processes.

Within the scope of the project, through the implementation of chemical solutions, reaction kinetics have been controlled in a managed manner, making it possible to reduce the amount of water applied to clinker. This approach contributes to minimizing the use of natural resources while strategically supporting production efficiency and maintaining product quality.

4. SIGNIFICANT DEVELOPMENTS REGARDING COMPANY ACTIVITIES AND OPERATIONS

4.1. The Company's Subsidiary, Partnership and Long-Term Securities Information:

Company	Activity Region	Share Ratio (%)
Cimsa Building Solutions B.V.	Netharlands	68.31
Afyon Cimento Sanayi Turk A.Ş.	Türkiye	51.00
Cimsa Cement Free-Zone Limited	TRNC	99.99
Hacı Ömer Sabancı Holding A.Ş.	Türkiye	1.32

4.2. Information on the Company's Acquired Own Shares:

In the period of 01 January - December 31, 2025, the Company did not acquire its own shares.

4.3. Information on the Ordinary/Extraordinary General Assemblies Held During the Period:

On 27 March 2025, the Ordinary General Assembly Meeting for the year 2024 was held. The results of the meeting were registered on 2 April 2025 and announced in the Turkish Trade Registry Gazette dated 3 April 2025. The results of the Ordinary General Assembly Meeting were provided for the information of our partners on the Public Disclosure Platform (KAP), our Company's website (www.cimsa.com.tr) and the page for our Company in the information portal of the Central Registry Agency (MKK).

Between January 1 - December 31, 2025, no Extraordinary General Assembly meeting was held.

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4.4. Administrative or Legal Sanctions on the Company or the Board of Director Members for Operations Against Legal Provisions:

There are no administrative or legal sanctions on the Company or the board of director members for operations against legal provisions in the period of January 1 - December 31, 2025.

4.5. Declarations on Private Audits and Public Audit Performed within the Accounting Period:

In the related period, the Company did not undergo a private audit except for the intermediate period independent audit performed by the Company auditor. Also, public audits initiated in previous periods or current period on limited issues were finalized within the year. During this reporting period, the Company's tax audit for the year 2022 started.

4.6. Lawsuits Filed Against the Company That May Affect the Company’s Financial Status:

As of December 31, 2025, in line with legal advisors’ opinions, the Group set aside a provision of TL 54,657,889 for lawsuits that have the risk of resulting against the Company.

4.7. Donations Made During the Period:

In the period from January 1 to December 31, 2025, a total cash and in kind donations of TL 26,506,299 were made to various public institutions and organizations.

4.8. Information and Assessments on Whether the Objectives Set in Previous Periods Were Achieved, Whether General Assembly Decisions Were Implemented or the Reasons if the Objectives Were Not Met or Decisions Were Not Implemented:

The Company management is continuing its works to reach the objectives set in the previous terms. The decisions taken at the Ordinary General Assembly meeting on March 27, 2025 were implemented.

4.9. The Situation of Performing Operations and Taking or Avoiding Taking Precautions in All Operations Made with Controlling Shareholder and Subsidiaries of Controlling Shareholder in 2025:

In 2025, in all operations made with the controlling shareholder and subsidiaries of controlling shareholder during 2025, it was determined that when operations were made or precautions were taken or they were avoided, by the status and conditions known to the Board of Directors, a suitable benefit was received in return and there were no precautions that were taken or avoided that may have caused loss to the Company. In this framework, there are no precautions that require equalization.

4.10. Other Important Developments Within the Period

Developments within the period have been included in the relevant sections of the Report.

5. FINANCIAL SITUATION

5.1. Precautions Considered for Improving the Financial Structure of the Business:

Çimsa makes action plans aimed at active operating capital management and operational excellence within current market conditions and undertakes investments and studies to improve the infrastructure, marketing and costs to increase profitability. It is planning its current TL, foreign currency cash input and requirements and managing its financial structure in compliance with procedures.



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5.2. Fundamental Financial Rates:

	Consolidated as 31.12.2025	Consolidated as 31.12.2024
Net Operating Capital= Current Assets - Current Liabilities (TL Thousand)	2,342,874	7,140,018
I-Liquidity Ratios		
1-Current Ratio = Working Assets / Short-Term Liabilities	1.10	0.78
2-Liquidity Rate = (Working Assets-Stocks-Prepaid Expenses-Assets Related to Fiscal Period Tax-Other Working Assets)/ Short-Term Liabilities	0.80	0.57
II-Financial Structure Ratios:		
1-Total Liabilities / Equity Capital	1.13	1.11
2-Short-Term Liabilities / Total Assets	0.24	0.37
3-Long-Term Liabilities / Total Assets	0.29	0.16

Amounts and rates have been expressed in Turkish Lira (“TL”) based on the purchasing power of the Turkish Lira as of December 31, 2025, unless otherwise stated.

6. RISKS AND EVALUATION OF THE BOARD OF DIRECTORS

6.1. Risk Management Policy, if Present, of the Company to Apply Against Foreseen Risks:

The funding of the business’ investment and operating capital requirements is covered with short and middle-long term exports and Turkish lira and foreign currency loans.

Exchange risks that will arise from the Company's foreign currency based loans are naturally eliminated with export incomes, and suitable financial instruments are also evaluated.

Defining and monitoring the possible risks that may be faced by the Company form the basis of risk management. Corporate risk management applications are being carried out in parallel with the risk management and applications procedure carried out with the group companies of Hacı Ömer Sabancı Holding A.Ş. among the partners. Risks that may be faced by the Company are classified according to their priorities, and critical risks are being monitored by the Company's senior management and Board of Directors. The Company is being insured in scope of local and global policies in accordance with Sabancı Holding risk management policies to reduce risks that may directly affect the financial situation of the Company for all facilities.

The Corporate Risk Management Department is operating to ensure active corporate risk management. Processes that will be applied for active risk management on company basis have been developed and taken into operation within the Corporate Risk Management Department. The Corporate Risk Management Department systematically measures, evaluates and prioritizes operational, financial, strategical and external environment risks that may prevent the Company from achieving its general strategy and objectives and continuously monitors the determined critical risks.

The Corporate Risk Management Department reports its works, whether the current actions provide the desired effect and development on the risks, and the results obtained with meetings during the year to the Corporate Governance Committee, and risk management efforts and their effectiveness are evaluated by the related Committee and shared with the Board of Directors.

In line with the Corporate Governance Communique of the Capital Markets Board, the Early Detection of Risk Committee has been created, and the Committee is aimed to work in required coordination with the Corporate Risk Management Directorate.

With the creation of the Corporate Risk Management, the aim is to spread the culture and perspective of risk management to all Company units, to develop proactive approaches, to demonstrate possible opportunities, to protect and increase the Company value, to develop natural hedging and portfolio management and further increase the trust and confidence of stakeholders.

7. CHANGES IN THE ARTICLES OF ASSOCIATION WITHIN THE PERIOD

The application we made to the Capital Markets Board regarding the planned amendment to Article 26 of our Company's Articles of Association was approved on 20.01.2025, and the application we made to the Ministry of Trade, Directorate General of Domestic Trade was approved on 27.01.2025 and approved at the General Assembly meeting. At the Ordinary General Assembly meeting of our Company dated 3 April 2025, the decision regarding the amendment to Article 6 of the Articles of Association of our Company was registered on 2 April 2025 and published in the Trade Registry Gazette dated 3 April 2025 and numbered 11304.

8. COMPOSITION AND VALUE OF EXPORTED CAPITAL MARKET INSTRUMENTS, IF PRESENT

Not available.

9. DEVELOPMENTS IN THE SECTOR AND MAIN FACTORS AFFECTING THE SECTOR

The Turkish cement sector, with a production capacity of approximately 100 million tons, is Europe's largest cement producer and 5th in the world. According to TÜRKÇİMENTO data, at the moment there are 56 integrated cement plants and 21 grinding facilities active in our country.

According to sector data published by TÜRKÇİMENTO, in the January–November period of 2025, clinker production reached a total of 74.9 million tons, marking a 4.6% increase compared to the previous year. In the same period, cement production increased by 9.3% year-on-year, reaching approximately 85.8 million tons. During the January–November period of 2025, domestic sales rose by 8% compared to the previous year, reaching a total of 71 million tons. In the same period, cement exports increased by 15% compared to the same period of 2024, reaching 13.9 million tons, while clinker exports rose by 29.6% to a total of 6.2 million tons.

10. ÇİMSA’S POSITION IN ITS SECTOR

Çimsa, one of the leading establishments of Turkish industry, was founded in 1972. As of 31.12.2025, Çimsa has been continuing its operations with 3 integrated plants located in Mersin, Eskişehir and Afyonkarahisar.

Çimsa is among the first three brands in the world in the area of white cement, and with activities performed through Sabancı Building Solutions B.V., founded in the Netherlands with its main shareholder Sabancı Holding, it has reinforced its role of being an international player in cement.

Çimsa Ready-Mixed Concrete started production in 1988 in Adana, with the Zeytinli Ready-Mixed Concrete Station. With its readymixed concrete station, Çimsa has a widespread distribution network.

With its market-focused approach and wide distribution network, Çimsa covers its customers’ product and service needs completely and on time. As a reliable business partner of its stakeholders, it provides the necessary materials for living spaces and infrastructures that will remain to future generations.

Apart from grey cement, Çimsa leads the Turkish cement and building materials industry in innovation with special products such as white cement and calcium aluminate cement.

Çimsa focuses on profitable growth that creates value for all of its stakeholders and aims to continue this in the future.

11. FORESIGHTS ON THE DEVELOPMENT OF THE BUSINESS

Çimsa, a Sabancı Building Materials Group member, enriches its usual strategic planning process with its scenario-based approach. In the simplest description, scenario-based strategic planning is defined as developing the necessary strategical options to succeed in possible future scenarios. This way, instead of a single foreseen future-based planning, Çimsa will determine the best strategic direction for every scenario that may happen in the future, which provides Çimsa with flexibility in future-readiness and planning.

12. PRODUCTION UNITS OF THE BUSINESS

Mersin Plant

At the Mersin Plant, grey clinker/cement, white clinker/cement, calcium aluminate clinker/cement are produced with a total of four production lines. Grey clinker production capacity is 1.3 million tons/year, white clinker production capacity is 1.28 million tons/year and calcium aluminate clinker production capacity is 131 thousand tons/year.

The first facility production line, which began production in 1975, has a non-calcinating double cyclone pre-heated rotary kiln line with 5.25 meters diameter and 83 meters length. At the facility, two crushers, one pre-homogenization unit, two ball raw meals, two raw silos and one indoors clinker stock hall are present.

The 3.6 meter diameter, 49 meter long rotary kiln of the second facility production line, which can produce both grey and white clinker, was commissioned in December 1989. The facility consists of one raw material mill with crushers and pre-homogenization systems, one coal mill, two raw meal silos, rotary kiln and clinker stock hall. This facility, which can produce both grey and white clinker depending on sales demand, has a grey clinker production capacity of 1,845 tons/day and a white clinker production capacity of 1,470 tons/day. With improvement efforts in 2016, its capacity has reached 1,515 tons/day.



With the “Waste Gas Electricity Production Project” which was commissioned in the Çimsa Mersin Plant in April 2012, waste gases from 1st and 2nd facility production lines are converted to electrical energy, with the aim of covering 50% of the electricity consumed in these two lines. Also, with less carbon emissions, contributions are made to the environment.

Hacı Sabancı White Cement Production Line (Third Facility Production Line), brought into operation in 1999 December, has a rotary kiln with 3.75 meters diameter, 57 meters length and a production capacity of 2,000 tons/day. The facility consists of one raw material mill with crusher and pre-homogenization facilities, one coal mill, one raw meal silo, rotary kiln and clinker stock hall.

This production line, which serves as Calcium Aluminate Cement Production Facility, CAC Facility in short, started operations in 2002 with a kiln with 15,000 tons/year capacity. The 2nd Furnace with a capacity of 15,000 tons/year was commissioned in 2007 and the 3rd Furnace in 2013. In addition, the capacity of the CAC Facility was increased in 2021. With the 4th furnace investment completed in 2023, CAC production capacity reached 131 thousand tons.

With the packing unit built in 2009, the products started to be offered to customers in 25 kg bags, on pallets and in 1.5 and 1.0 ton bigbag packaging. In the year 2013, a third kiln with 15,000 tons/year capacity was also included in the system, bringing the total capacity to 45,000 tons/year. With modernization efforts, the capacity has been increased to 60 thousand tons in 2022. In 2023, a 4th kiln with 65,000 tons/year capacity was commissioned.

	Adress	Contact Information
Çimsa Mersin Plant	Toroslar Mah. Tekke Cad. Yenitaşkent/Mersin	Telephone: 0 (324) 454 00 60 Faks : 0 (324) 454 00 75

Eskişehir Plant

Founded in 1957, Eskişehir Plant was purchased from TMSF on 27 December 2005. The first production line with three stage preheater and a 3.6 meter diameter, 52 meters long dry system kiln was commissioned in 1976 with a 275 thousand tons/year capacity, increasing total capacity to 425 thousand tons/year.

After coming under Çimsa management, investments were made in the first production line on May 2007 that included adding a dynamic separator to the raw material mill, completely replacing the present clinker cooler, improving the rotary kiln combustion and dosing system and adding new electrofilter units to the kiln line, bringing the clinker production capacity to 1,750 tons/day.

Additionally, a new closed-loop cement mill with 85 tons/hour capacity was commissioned. In 2008, a 2nd clinker was brought into operation with a 750,000 tons/year capacity. In 2017 the vertical cement mill was commissioned with 1,050,000 tons/year capacity.

Grey clinker - white clinker alternating production investment for the 1st line was completed in 2018. This way, capacities of 400,000 tons/year white clinker and 750,000 tons/year grey clinker were achieved. With flame pipe modification in the 1st line combustion process, the capacity has been brought up to 500,000 tons/year white clinker in 2021. Additionally, the 2nd cement mill was modernized to be able to produce white cement.

	Adress	Contact Information
Çimsa Eskişehir Plant	İstanbul Karayolu 22. Km Çukurhisar/Eskişehir	Telephone: 0 (222) 411 32 00 Faks: 0 (222) 411 31 31

Afyon Plant

Founded in 1957, 51% of Afyon Çimento Sanayi Türk Anonim Şirketi shares were acquired by Çimsa on May 31, 2012. Afyon Çimento Sanayi Türk Anonim Şirketi has continued its operations as a subsidiary of Çimsa after this date.

A new production facility of Afyon Cement Plant was built outside Afyon city, in Halımoru village with a clinker production capacity of 1,649,950 tons/year and a cement production capacity of 2,000,000 tons/year and started production and sales

	Adress	Contact Information
Afyon Çimento Sanayi T.A. Ş	Halımoru Köyü Almacık Mevkii 03030 Merkez- AFYONKARAHİSAR	Telephone : 444 80 03 (0272) 220 80 00 Faks : (0272) 214 72 09

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Cimsa Cementos Espana S.A.U. (Spain)

Çimsa has been directly reaching Spanish white cement consumers since 1996 with its 5,000 tons terminal in Seville. White cement from the Çimsa Mersin Plant, arriving as bulk in ships to Seville Port from the Çimsa Buñol Plant, is transferred to the silos owned by Cementos.

The Buñol plant, whose acquisition was completed in July 2021, operates both as a terminal unit and a production facility. The Seville terminal functions in the Spanish market with a facility producing white cement-based flooring materials, as well as modern cement packaging lines and logistics infrastructure.

With a white cement production capacity of 750 thousand tons per year, the Buñol plant is among Europe’s leading production facilities. Through both production-based sales and sales sourced from Türkiye, it operates in the Spanish market and exports to more than 65 countries, particularly in Europe, Africa, and the Americas.

Cimsa Building Solutions B.V. has acquired 100% shares of Cimsa Cementos Espana S.A.U., which was previously a subsidiary of our Company, and the transfer operations related to this acquisition have been completed as of 30.06.2021.

Cimsa Americas Cement Manufacturing and Sales Corp. (USA)

In the United States, Çimsa became a 100% founding partner in 2017 by establishing Cimsa Americas Cement Manufacturing and Sales Corp., which operates in cement production, sales, and marketing. Following the completion of the investment phase in 2018 and 2019, the facility became operational in November 2019. Located in Houston, the facility offers white clinker supplied from Çimsa Türkiye to the market in both bulk and bagged forms, in line with customer demand. Thanks to its advantageous location close to both port and rail infrastructure, the Company has become a local player in the North American white cement market. Following successful test production, the grey cement grinding facility investment, with an average annual capacity of 600 thousand tons, was commissioned in October 2025. With the commissioning of this investment, part of the Company’s global footprint expansion strategy, Çimsa has started grey cement production activities in the U.S. in addition to its white cement operations.

Cimsa Building Solutions B.V. acquired 100% shares of Cimsa Americas Cement Manufacturing and Sales Corporation, which was previously a subsidiary of our Company, and the transfer operations related to this acquisition have been completed as of 30.06.2021.

Cimsa Ireland Limited (Republic of Ireland)

Various production activities are carried out within the company, which is a 100% subsidiary of Cimsa Building Solutions BV. The Company’s organizational structure is explained in the following section, while information regarding its production structure is presented below.

Mannok Product Portfolio

Cement: Mannok’s modern production facility, compliant with high sustainability standards, has an annual capacity of 1.2 million tons of clinker and 1.3 million tons of bagged and bulk grey cement. It is positioned as a preferred brand in the market with superior quality standards.

Precast: Mannok Precast serves the growing demand for off-site construction with high-quality precast concrete products. With an annual production and installation capacity of 145,000 m² concrete panels, 1,200 m precast stairs, and balconies, it provides both production and installation services. It offers speed and efficiency advantages on site and delivers comprehensive support through its expert team from design to installation and maintenance.

Aircrete Blocks: Aircrete blocks are produced with high precision using advanced technical processes with autoclaved lightweight concrete, offering high-performance thermal insulation. Mannok is Ireland’s only aerated concrete manufacturer, with an annual production capacity of 5 million blocks.

Roofing Materials: Mannok supplies concrete roof tiles and ridge tiles with an annual production capacity of 12 million units, offering high durability and aesthetic qualities in a wide range of colors and textures, in line with UK and European standards.

Insulation: Produced at Mannok’s PIR facility with an annual capacity of 800,000 m³, insulation boards with superior thermal conductivity are used for floor, roof, and wall insulation. These products provide long-lasting performance to meet low-energy building standards. Additionally, lightweight insulation boards produced at the EPS facility with an annual capacity of 40,000 m³ offer versatile solutions for floor, roof, and wall insulation.

Recyclable Packaging: Mannok is a leading food packaging manufacturer with an annual thermoform production capacity of 14,000 tons, supplying all supermarkets in the United Kingdom and major food processing companies in the sector.

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Ready-Mixed Concrete Stations

Çimsa Ready-Mixed Concrete started production in 1988 in Adana, with the Zeytinli Ready-Mixed Concrete Station. With its readymixed concrete station, Çimsa has a widespread distribution network.

The Company carefully monitors technological and scientific developments, and brings the developments to its customers as new products, new machinery and services. In these stations with experienced employees, a total of 153 truck mixers, 54 mobile and 2 stationery pumps are used.

13. OVERSEAS CONNECTIONS

Cimsa Building Solutions B.V. (Netherlands)

The Company, initially registered as Cimsa Sabancı Cement B.V., was renamed Sabancı Building Solutions B.V. on 06.12.2022 and subsequently changed its name to Cimsa Building Solutions B.V. on 06.09.2024.

Sabancı Building Solutions B.V. was founded in the Netherlands in 2020 in line with the target of uniting the financial power of our main shareholder Hacı Ömer Sabancı Holding A.Ş. and the operational capability of our company under a company founded abroad and thus creating a more efficient and stronger platform in order for the Sabancı Group to achieve its goal of becoming a global leading player in the field of building materials, especially white cement.

The establishment operations of Sabancı Building Solutions B.V., with a 60% share of Sabancı Holding and 40% share of Çimsa, were completed on 16.11.2020. Sabancı Building Solutions B.V. acquired 100% of the shares of Cimsa Cementos España S.A.U, Cimsa Americas Cement Manufacturing and Sales Corporation, Cimsa Cement Sales North GmbH and 70% of the shares of Cimsa Adriatico S.R.L, which were previously subsidiaries of our Company, and the transfer operations related to this acquisition were completed as of 30.06.2021.

This way, the restructuring process to unite Sabancı Group’s overseas building materials investments under the roof of Sabancı Building Solutions B.V. was completed and Sabancı Building Solutions B.V. commenced active operations.

With our Company’s Board of Directors’ Decision dated 23.10.2023, it was decided to purchase 18,887,000 shares representing 10.1% of the capital of Sabancı Building Solutions B.V. from Sabancı Holding and increase our Company’s shareholding to 50.1%, and the closing procedures regarding the share transfer transactions were completed as of 08 December 2023.

The Company’s capital was increased as of 26.09.2024. Sabancı Holding, the other shareholder, did not participate in the capital increase, and as a result of the capital increase, our Company’s shareholding ratio became 68.31%.

Cimsa Cement Sales North GmbH (Germany)

Cimsa Cement Sales North GmbH, which was established in 2000 in partnership with German Cement Terminals North GmbH and whose shares were completely transferred to Çimsa in 2014, continues white cement and calcium aluminate cement marketing activities in Northern and Western Europe with its 9,000 tons capacity bulk cement silo. Apart from marketing bulk white cement and calcium aluminate cement to Germany, France and Benelux countries, there are also sales into Norway, Denmark, Switzerland, Austria and Czechia. The Company is headquartered in Hamburg, Germany and it continues its operations with an administrative and sales office in Hamburg, various packaging product warehouses and cycling facilities in Germany and the Netherlands.

The white cement market of Germany and surrounding countries, along with the Spanish market, is one of the most important markets of Europe. Whereas the calcium aluminate cement market of Germany and surrounding countries is the most important market of Europe in this area. Çimsa has been selling to the market through terminal channel since 2000 and is among the players which reach customers in these markets directly with its own brand and is preferred both by its product quality and its service quality.

Cimsa Building Solutions B.V. has acquired 100% of the shares of Cimsa Cement Sales North GmbH, which was previously a subsidiary of our Company, and transfer operations regarding this purchase have been completed as of 30.06.2021.

Cimsa Adriatico S.R.L (Italy)

On 9 February 2010, Çimsa acquired the majority shares of Medcon Company and became the majority owner (70%) of the terminal with four 5,000 tons silos located at the Port of Trieste. The title of the Company was changed to Cimsa Adriatico SRL on 26 April 2010. The Terminal allows reaching into the Italian market, which is the third largest consumer of white cement in Europe after Spain and Germany, with the Çimsa brand. With its advantageous location, the Terminal sells not only to Northern Italy but also to Austria and the developing markets of Slovenia, Croatia, and Bosnia and Herzegovina. The Terminal is also suitable for storing grey cement as well as storing and packaging white cement and sells grey cement to these markets as well. Also, calcium aluminate cement is supplied according to customer demand. Cimsa Building Solutions B.V. acquired 70% shares of Cimsa Adriatico S.R.L., which was previously a subsidiary of our Company, and the transfer operations related to this acquisition were completed as of 30.06.2021.

BOARD OF DIRECTORS' ANNUAL REPORT PREPARED IN ACCORDANCE WITH COMMUNICATION NO. II-14.1
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Cimsa Building Solutions B.V. acquired 70% shares of Cimsa Adriatico S.R.L., which was previously a subsidiary of our Company, and the transfer operations related to this acquisition were completed as of 30.06.2021.

Sabancı Global Technology Center Gmbh (Germany)

In line with Sabancı Group's long-term strategy to become a leading player in the global building materials trade, Sabancı Global Technology Center Gmbh (SGTC), a 100% subsidiary of Sabancı Building Solutions B.V., was founded in Munich, Germany in October 2022.

Established on the campus of Munich Technical University, SGTC will carry out research and development activities in the field of building materials, especially CAC, as well as work on innovative technologies.

Çimsa Cement Free Zone Ltd. (TRNC)

Çimsa has been serving the market since 2005 with a terminal with 5,000-ton grey cement storage capacity established in Famagusta Free Port and Zone in the Turkish Republic of North Cyprus (TRNC).

Grey cement produced by Çimsa in Mersin Cement Plant is transferred from Mersin Port with ships to Cyprus Famagusta Port and is stored in the terminal's silo. Sales are made from the silos in bulk according to market demand.

Cimsa Cement UK Ltd (UK)

The Company was founded in July 2023 as a 100% subsidiary of Cimsa Building Solutions BV.

Cimsa Ireland Limited (Republic of Ireland)

Established in July 2024, it is a 100% subsidiary of Cimsa Building Solutions BV. Cimsa Ireland Limited acquired 94.7% of the shares of Mannok Holdings DAC ("Mannok") based in Ireland as of 2 October 2024. The information on Mannok Holdings DAC's direct or indirect subsidiaries is as follows.

Company Name	Country
Mannok Aggregates Limited	North Ireland
Mannok Build Holdings Limited	North Ireland
Mannok Build Limited	Great Britain
Mannok Build Limited	North Ireland
Mannok Build Limited	Republic of Ireland
Mannok Cement Limited	Great Britain
Mannok Cement Limited	North Ireland
Mannok Cement Limited	Republic of Ireland
Mannok Finance Limited	Republic of Ireland
Mannok Insulation Limited	Great Britain
Mannok Insulation Limited	North Ireland
Mannok Insulation Limited	Republic of Ireland
Mannok Pack Limited	Great Britain
Mannok Pack Limited	North Ireland
Mannok Pack Limited	Republic of Ireland



BOARD OF DIRECTORS' ANNUAL REPORT PREPARED IN ACCORDANCE WITH COMMUNICATION NO. II-14.1
 JANUARY 1 - DECEMBER 31, 2025

14. PERSONNEL MOVEMENTS AND COLLECTIVE EMPLOYMENT AGREEMENT APPLICATIONS

14.1. Number of Personnel

As of December 31, 2025, the total number of employees within the Group is 2,030 (December 31, 2024: 1,998). In terms of operational distribution, 1,243 are blue-collar employees (unionized/non-unionized) (2024: 1,238), and 787 are white-collar employees (non-unionized) (2024: 760).

14.2. Collective Employment Agreement Applications

In the Company's operations in Türkiye, the Group Collective Labor Agreement signed between the Cement Industry Employers' Association (ÇEİS) and the Türkiye Çimse-İş Union entered into force in January 2024 with the agreement reached between the parties. The agreement covers the period between January 1, 2024 and December 31, 2025 and is valid for two (2) years.

In the Company's operations in other countries, collective labor agreement practices are shaped in line with the relevant country's legal regulations and local labor relations frameworks.

14.3. Wages and Side Benefits Provided to Employees

Türkiye-Specific Practices:

For employees outside the collective agreement (white-collar), a compensation package consisting of 12 months of gross salary and 4 months of gross bonuses is provided annually. In addition, depending on role and position, various fringe benefits may be offered, including private health insurance, life insurance, individual pension contributions, company car, corporate communication equipment, meal card, and employee shuttle services.

For employees within the collective agreement (blue-collar), 12 months of gross salary and 4 months of gross bonuses are also provided. In addition, monthly gross social benefit payments, shift allowances, and incentive payments, as well as social benefits for events such as marriage, childbirth, relocation, and bereavement, are offered within the scope of the Group Collective Labor Agreement. All blue-collar employees are also provided with private health insurance and life insurance.

Global Practices:

In the Company's operations across different countries, practices related to compensation and fringe benefits are shaped in line with each country's legal regulations, sectoral dynamics, and the Company's global human resources policies. Accordingly, the total value proposition offered to the workforce may vary by location.

15. IMPORTANT EVENTS AFTER THE ACCOUNT PERIOD

Negotiations for the new term Group Collective Labor Agreement between the Cement Industry Employers' Association (ÇEİS), of which we are a member, and the Türkiye Çimsa-İş Union were concluded with an agreement as of February 2, 2026. In accordance with the Group Collective Labor Agreement signed for the period 01.01.2026 – 31.12.2027:

- » In the first year of the agreement, a 35% increase will be applied, effective as of January 1, 2026, to the base hourly wages of employees who were employed at the workplace on January 1, 2026 and whose employment contracts were ongoing as of the signing date of the collective agreement, based on their base hourly wages as of December 31, 2025,
- » In the second year of the agreement, the base hourly wages of employees who are employed at the workplace as of January 1, 2027 and whose employment contracts are ongoing will be increased by CPI + 3%, based on their base hourly wages as of December 31, 2026.



FINANCIAL STATEMENTS THE INDEPENDENT AUDITOR'S REPORT

(Convenience translation of the report and consolidated financial statements
originally issued in Turkish)

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER
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Deloitte.

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(CONVENIENCE TRANSLATION OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH)

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Çimsa Çimento Sanayi ve Ticaret A.Ş.

A) Report on the Audit of the Consolidated Financial Statements

1) Opinion

We have audited the consolidated financial statements of Çimsa Çimento Sanayi ve Ticaret A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards (TFRS).

2) Basis for Opinion

We conducted our audit in accordance with the Standards on Independent Auditing ("SIA") which is a part of Turkish Auditing Standards accepted by regulations of the Capital Markets Board and published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics for Independent Auditors (including Independence Standards)* ("Code of Ethics") published by the POA, as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements included in the regulations of the Capital Markets Board and other regulations that are relevant to audits of the consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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3) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Goodwill Impairment As of 31 December 2025, there is an intangible asset recorded as goodwill in the consolidated financial statements amounting to TRY 5,465,680 thousand. According to TFRS, goodwill with an indefinite life is subject to an annual impairment test. During our audit, we have focused on this matter for the following reasons: - The significant amount of goodwill recognized in the Group's consolidated financial statements as of 31 December 2025, - The use of significant forward-looking estimates and assumptions in the goodwill impairment testing. These assumptions include earnings before interest, taxes, depreciation, and amortization (EBITDA) growth expectations, long-term growth rates, and discount rates applied to cash flows, - The possibility that the estimates and assumptions used in the goodwill impairment testing could be affected by future sectoral and economic changes. The accounting policies related to the measurement of goodwill and disclosures, including sensitivity analysis, are provided in Note 2.5 and Note 17.	The following procedures were performed regarding the audit of the goodwill impairment test: - Discussions with Group management to assess the management's forward-looking plans and disclosures within the context of macroeconomic data. - Discussions with management regarding the structure of the discounted cash flow calculation model and the assumptions used and verifying the mathematical accuracy of the model. - Involving our valuation experts, the appropriateness of key estimates used in the calculations (such as EBITDA growth expectations, long-term growth rates, discount rates applied to cash flows, etc.) was assessed by comparing them with industry benchmarks. - Discussions with Group management to assess the feasibility of the projected future cash flows and investment projections. - Evaluating the reasonableness of the consolidated cash flow forecasts prepared by management by comparing them with historical financial performance results. - Reviewing the disclosures related to goodwill impairment tests and their results in the consolidated financial statement notes and evaluating the adequacy of the information provided in these notes in accordance with TFRS.



4) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the regulations of the Capital Markets Board and SIA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the regulations of the Capital Markets Board and SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



5) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



B) Report on Other Legal and Regulatory Requirements

In accordance with paragraph four of the Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), the auditor's report on the system and the committee of early detection of risk has been submitted to the Board of Directors of the Company on 26 February 2026.

In accordance with paragraph four of the Article 402 of TCC, nothing has come to our attention that may cause us to believe that the Group's set of accounts and financial statements prepared for the period 1 January-31 December 2025 does not comply with TCC and the provisions of the Company's articles of association in relation to financial reporting.

In accordance with paragraph four of the Article 402 of TCC, the Board of Directors provided us all the required information and documentation with respect to our audit.

The engagement partner on the audit resulting in this independent auditor's report is Volkan Becerik.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Volkan Becerik
Partner

İstanbul, March 23, 2026

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

ASSETS	Notes	(Audited) Current Period 31 December 2025	(Audited) Prior Period 31 December 2024
Cash and cash equivalents	6	9,736,668	10,062,308
Trade receivables	8	7,821,769	7,405,650
Trade receivables from related parties	32	6,396	569
Trade receivables from third parties		7,815,373	7,405,081
Other receivables		122,930	44,873
Other receivables from third parties	10	122,930	44,873
Derivative financial assets	23	26,428	28,725
Inventories	11	6,786,728	6,764,584
Prepaid expenses	12	250,028	559,621
Current tax assets	29	-	113,236
Other current assets	21	251,643	259,685
Non-current assets held for sale		2	2
Current Assets		24,996,196	25,238,684
Other receivables	10	13,612	19,239
Other receivables from third parties		13,612	19,239
Financial investments	7	2,607,640	3,672,789
Investment properties	16	83,904	78,586
Property, plant and equipment	13	42,919,558	36,792,761
Right-of-use assets	15	894,989	622,075
Intangible assets		19,119,248	18,049,857
Goodwill	17	5,465,680	5,596,002
Other intangible assets	14	13,653,568	12,453,855
Prepaid expenses	12	178,788	1,218,068
Deferred tax assets	29	1,757,643	2,764,310
Other non-current assets	21	29,290	32,025
Non-Current Assets		67,604,672	63,249,710
TOTAL ASSETS		92,600,868	88,488,394

The accompanying notes from an integral part of these consolidated financial statements.



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

LIABILITIES AND EQUITY	Notes	(Audited) Current Period 31 December 2025	(Audited) Current Period 31 December 2024
Short-term borrowings	9	3,882,887	9,185,309
Short-term portions of long-term borrowings	9	3,378,511	8,843,894
Short-term lease liabilities	9	209,644	127,060
Trade payables	8	8,551,156	8,699,324
Trade payables to related parties	32	183,081	407,426
Trade payables to third parties		8,368,075	8,291,898
Employee benefit liabilities	20	99,366	177,309
Other payables	10	529,103	468,596
Other payables to related parties	32	33,253	29,689
Other payables to third parties		495,850	438,907
Derivative financial liabilities	23	40,409	87,070
Deferred income	12	154,400	232,088
Current income tax liability	29	93,016	115,379
Short-term provisions	18	4,802,320	3,730,466
Short-term provisions for employee benefits		481,370	241,358
Other short-term provisions		4,320,950	3,489,108
Other current liabilities	21	912,510	712,207
Current liabilities		22,653,322	32,378,702
Long-term borrowings	9	20,706,402	9,340,811
Long-term lease liabilities	9	1,040,839	631,898
Long-term provisions	18,20	608,980	568,936
Long-term provisions for employee benefits	20	319,591	280,679
Other long-term provisions		289,389	288,257
Deferred tax liability	29	2,493,972	3,634,084
Other non-current liabilities	21	1,643,384	-
Other non-current liabilities to related parties	32	1,643,384	-
Non-current liabilities		26,493,577	14,175,729
SHAREHOLDERS' EQUITY			
Share capital	22	945,591	945,591
Adjustments to share capital	22	3,355,000	3,355,000
Share premiums		8,277	8,277
Effect of mergers involving undertakings or businesses under common control		(496,791)	(496,791)
Other comprehensive income and expenses to be reclassified to profit or loss		(5,075,155)	(3,491,565)
Foreign currency translation reserve		(2,980,788)	(3,214,589)
Cash flow hedge gain/loss fund		(2,094,367)	(276,976)
Other comprehensive income (expenses) not to be reclassified to profit or loss		(87,396)	(115,783)
Actuarial losses/gains on defined benefit plans		(87,396)	(115,783)
Restricted reserves		4,493,759	4,388,960
Retained earnings		26,977,583	24,277,760
Net profit for the year		3,102,162	3,518,172
Equity attributable to equity holders of the parent		33,223,030	32,389,621
Non-controlling interests		10,230,939	9,544,342
Total shareholders' equity		43,453,969	41,933,963
TOTAL LIABILITIES AND EQUITY		92,600,868	88,488,394

The accompanying notes from an integral part of these consolidated financial statements.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

	Notes	(Audited) Current Period 1 January- 31 December 2025	(Audited) Current Period 1 January- 31 December 2024
OPERATING INCOME			
Revenue	24	45,906,819	36,846,776
Cost of sales (-)	25	(36,915,465)	(28,935,475)
GROSS PROFIT		8,991,354	7,911,301
General administrative expenses (-)	25	(4,363,781)	(3,528,541)
Marketing, sales and distribution expenses (-)	25	(515,539)	(236,557)
Research and development expenses (-)	25	(47,485)	(52,891)
Other operating income	26	1,975,819	1,547,998
Other operating expenses (-)	26	(1,113,344)	(998,923)
OPERATING PROFIT		4,927,024	4,642,387
Income from investment activities	27	123,951	244,140
Expenses from investment activities (-)	27	(1,146,580)	-
OPERATING PROFIT BEFORE FINANCIAL INCOME/EXPENSE		3,904,395	4,886,527
Financial income	28	689,894	1,751,838
Financial expenses (-)	28	(2,284,557)	(3,167,866)
Net monetary position profit	31	2,242,667	1,640,191
PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS		4,552,399	5,110,690
Tax (expense)/income from continuing operations		(746,270)	(1,112,808)
- Current tax expense (-)	29	(484,409)	(319,773)
- Deferred tax income/(expense)	29	(261,861)	(793,035)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		3,806,129	3,997,882
NET PROFIT		3,806,129	3,997,882
Profit/loss for the period attributable to			
- Non-controlling interests		703,967	479,710
- Equity holders of the parent		3,102,162	3,518,172
Earnings Per Share			
Earnings per share from continuing operations (Nominal amount of 1 Kr)	30	3,28	3,72

The accompanying notes from an integral part of these consolidated financial statements.



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

	Notes	(Audited) Current Period 1 January- 31 December 2025	(Audited) Current Period 1 January- 31 December 2024
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS			
		3,806,129	3,997,882
Items to be reclassified to profit or loss		(1,367,867)	(4,968,857)
Cash flow hedge gain/(loss) fund		(2,423,188)	375,003
Share of other comprehensive income of investments in associates accounted for using equity method that will be reclassified to profit/loss		-	(12,870)
Foreign currency translation reserve		449,524	(5,237,239)
Tax (income)/ expense		605,797	(93,751)
Items not to be reclassified to profit or loss		28,387	(301,020)
Share of other comprehensive income of investments in associates accounted for using equity method that will not be reclassified to profit/ (loss)		-	(406,294)
Actuarial losses/gains on defined benefit plans	20	37,850	4,934
Tax (income)/ expense		(9,463)	100,340
OTHER COMPREHENSIVE INCOME/EXPENSE (AFTER TAX)		(1,339,480)	(5,269,877)
TOTAL COMPREHENSIVE (EXPENSE)/INCOME		2,466,649	(1,271,995)
Total comprehensive income/(expense) attributable to			
- Non-controlling interests		919,690	(169,827)
- Equity holders of the parent		1,546,959	(1,102,168)

The accompanying notes from an integral part of these consolidated financial statements.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2025
(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

	To be Reclassified to Profit or Loss							To be Reclassified to Profit or Loss			Retained Earnings			Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
	Share capital	Adjustments to share capital	Share premiums / discounts	Foreign currency translation reserve	Cash flow hedge gains/ (losses)	Share of Other Comprehensive Income of Investments in Associates Accounted for Using Equity Method	Effects of Combinations of Entities or Businesses Under Common Control on Investments in Associates Accounted	Share of Other Comprehensive Income of Investments in Associates Accounted For Using Equity Method	Actuarial losses/gains on defined benefit plans	Restricted reserves	Retained Earnings	Net profit for the period				
1 January 2024	945,591	3,355,000	8,277	1,373,113	(558,228)	12,870	(496,791)	304,721	(119,484)	4,237,308	21,313,892	4,707,303	35,083,572	9,202,614	44,286,186	
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	4,707,303	(4,707,303)	-	-	-	
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	3,518,172	3,518,172	479,710	3,997,882	
Other comprehensive income/(expense)	-	-	-	(4,587,702)	281,252	(12,870)	-	(304,721)	3,701	-	-	-	(4,620,340)	(649,537)	(5,269,877)	
Total comprehensive income/(expense)	-	-	-	(4,587,702)	281,252	(12,870)	-	(304,721)	3,701	-	-	3,518,172	(1,102,168)	(169,827)	(1,271,995)	
Dividends	-	-	-	-	-	-	-	-	-	-	(1,591,783)	-	(1,591,783)	(124,796)	(1,716,579)	
Increases due to subsidiary acquisitions			-	-	-	-	-	-	-	-	-	-	-	636,351	636,351	
Transfers to legal reserves	-	-	-	-	-	-	-	-	-	151,652	(151,652)	-	-	-	-	
31 December 2024	945,591	3,355,000	8,277	(3,214,589)	(276,976)	-	(496,791)	-	(115,783)	4,388,960	24,277,760	3,518,172	32,389,621	9,544,342	41,933,963	
1 January 2025	945,591	3,355,000	8,277	(3,214,589)	(276,976)	-	(496,791)	-	(115,783)	4,388,960	24,277,760	3,518,172	32,389,621	9,544,342	41,933,963	
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	3,518,172	(3,518,172)	-	-		
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	3,102,162	3,102,162	703,967	3,806,129	
Other comprehensive income/(expense)	-	-	-	233,801	(1,817,391)	-	-	-	28,387	-	-	-	(1,555,203)	215,723	(1,339,480)	
Total comprehensive income/(expense)	-	-	-	233,801	(1,817,391)	-	-	-	28,387	-	-	3,102,162	1,546,959	919,690	2,466,649	
Dividends (*)	-	-	-	-	-	-	-	-	-	-	(713,550)	-	(713,550)	(233,093)	(946,643)	
Transfers to legal reserves	-	-	-	-	-	-	-	-	-	104,799	(104,799)	-	-	-	-	
31 December 2025	945,591	3,355,000	8,277	(2,980,788)	(2,094,367)	-	(496,791)	-	(87,396)	4,493,759	26,977,583	3,102,162	33,223,030	10,230,939	43,453,969	

(*) At the Ordinary General Assembly held on 27 March 2025, the decision to distribute a gross cash dividend of Full TL 600,000,000 (TL 713,550 after inflation) from the profit of 2024 was unanimously approved and the dividend payment was made on 2 and 4 April 2025.

The accompanying notes from an integral part of these consolidated financial statements.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

Notes	(Audited) Current Period 1 January- 31 December 2025	(Audited) Current Period 1 January- 31 December 2024
A. CASH FLOWS FROM OPERATING ACTIVITIES	8,404,187	8,341,462
Profit from continuing operations before tax	4,552,399	5,110,690
Adjustments to reconcile net profit/loss for the period	3,323,353	7,377,279
Adjustment related to depreciation and amortization expense	13,14,15	4,173,642
Adjustments for gains from the disposal of PPE classified for sale	27	(12,752)
Adjustments related to allowance of doubtful receivables	8	(21,424)
Adjustments related to provision for inventory impairment	11	5,009
Adjustments related to provision for litigations	18.a	(431)
Adjustments related to recultivation provision	18.b	6,812
Provision for expected credit losses		4,508
Adjustments related to retirement pay provision	20	75,626
Adjustments related to seniority provision	20	9,241
Adjustments related to unpaid vacation liability	20	41,256
Adjustments related to interest expense	28	2,055,964
Adjustments related to interest income	28	(689,894)
Dividend income	27	(98,768)
Adjustments related to fair value gains on investment properties	27	(3,346)
Unrealized foreign exchange (gains)/losses on financial borrowings		43,872
Adjustments related to fair value losses/(gains) on derivative financial instruments		(48,958)
Income from financial investments	27	1,137,495
Monetary (gains)/losses		(3,354,499)
Changes in working capital	1,083,189	(3,771,161)
Short-term trade receivables		(2,608,768)
Inventories		(27,153)
Other receivables/current assets/prepaid expenses		129,977
Short-term and long-term trade payables		1,889,928
Other short-term payables/liabilities/payables related to employee benefits		1,699,205
Cash flow from operations	8,958,941	8,716,808
Premiums and bonuses paid		(133,643)
Retirement pay provision paid	20	(15,607)
Seniority provision paid	20	(3,055)
Vacation provision paid	20	(8,913)
Taxes paid		(393,536)

The accompanying notes from an integral part of these consolidated financial statements.



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

Notes	(Audited) Current Period 1 January- 31 December 2025	(Audited) Current Period 1 January- 31 December 2024
B. CASH FLOWS FROM INVESTING ACTIVITIES	(8,577,795)	(19,085,820)
Cash outflows related to share purchases in subsidiaries	3	-
Cash outflows related to purchases of property, plant and equipment	13	(7,066,254)
Dividends received	27	98,768
Other cash inflows (outflows)		(1,137,495)
Cash received from sale of non-current assets		31,153
Cash outflows related to purchases of intangible assets	14	(1,255,769)
Change in advances given for the purchase of property, plant and equipment		751,802
C. CASH FLOWS FROM FINANCING ACTIVITIES	947,473	14,063,161
Proceeds from borrowings	9	21,624,296
Repayment of borrowings	9	(19,075,469)
Interest paid		(1,344,605)
Interest received		689,894
Dividends paid		(713,550)
Dividends paid to minority shares	4	(233,093)
NET INCREASE/(DECREASE) IN CASH AND EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A + B + C)	773,865	3,318,803
Effect of Foreign Currency Translation Differences on Cash and Cash Equivalents		1,655,005
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,428,870	3,850,760
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	10,027,942
Effect of monetary loss/gain on cash and cash equivalents		(2,752,827)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	9,703,985

The accompanying notes from an integral part of these consolidated financial statements.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

1. ORGANIZATION AND NATURE OF OPERATIONS OF THE GROUP

General

Çimsa Çimento Sanayi ve Ticaret A.Ş. ('Çimsa' or the 'Company') was founded with a declaration of the trade registry on 16 December 1972 which was announced at Turkish Trade Registry Gazette numbered 4729 and dated 21 December 1972. Operations of the Group consist of production and sales of cement, clinker and ready-mix concrete. The ultimate shareholder of the Group is Hacı Ömer Sabancı Holding A.Ş. ('Sabancı Holding').

The registered office address of the Group is Allianz Tower Küçükbakkalköy Mah. Kayışdağı Cad. No:1 Kat: 23-24 34750 Ataşehir/İstanbul.

A certain amount of the shares of the Company is traded on Borsa İstanbul A.Ş. (BIST). In accordance with Article 82 of the BIST Basic Principles of Share Indexes, the shares of Çimsa are included in the BIST 100 index by the Directorate General of the Stock Exchange.

The upper limit of registered share capital of the Company is TL 10,000,000 (31 December 2024: TL 350,000).

As of 31 December 2025 and 31 December 2024 the information related to the Company's subsidiaries and joint venture is as follows:

Company	Date of acquisition	Location of the operation	Principal Activities	Effective shareholding of the Company	
				31 December 2025	31 December 2024
Çimsa Cement Free-Zone Limited (Çimsa Cement) (*)	12.10.2005	NCTR	Cement sales and marketing	99.99%	99.99%
Çimsa Mersin Free-Zone Branch (Çimsa Mersin) (*)	12.12.2007	Mersin	Cement export	100%	100%
Çimsa Building Solutions B.V. (*)	16.11.2020	Holland	Cement production and sales	68.31%	68.31%
Afyon Çimento Sanayi Türk Anonim Şirketi (*)	31.05.2012	Türkiye	Cement production and sales	51%	51%

(*) Recognised using the full consolidation method. The name of Sabancı Building Solutions B.V. has been changed to Çimsa Building Solutions B.V. effective from 6 September 2024.

The Company's associate, Exsa Export Sanayi Mamülleri Satış ve Araştırma A.Ş. ('Exsa') (effective ownership: 32.875% is consolidated by the equity method. Our main partner Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding), its subsidiary Exsa Export Sanayi Mamulleri Satış ve Araştırma A.Ş. The Board of Directors has taken a decision to carry out the merger transaction by taking over (Exsa), and in this context, Sabancı Holding applied to the Capital Markets Board on 21 June 2023 to obtain the necessary permissions and approvals for the merger transaction. In line with the Sabancı Holding PDP (Public Disclosure Platform) statement dated 30 October 2023, the application made to the Capital Markets Board to ensure that the necessary permissions and approvals for the merger are obtained has been updated in line with the revised documents. As a result of the merger, the payment process to Exsa partners was given to Exsa shareholders other than Sabancı Holding, with Sabancı Holding shares in exchange for the Exsa shares they held, and the process was completed with the registration process dated 15 January 2024. In this context, the Capital Markets Board approved the issuance of shares by Sabancı Holding due to a capital increase, which were allocated to Exsa's shareholders other than Sabancı Holding. The approval document was received on 2 February 2024, and with the completion of share trading on 5 February 2024, the merger transactions were finalized. As a result of the capital increase by Sabancı Holding due to the merger, our company was allocated shares with a nominal value of TL 27,690,740.94, representing 1.32% of Sabancı Holding's post-merger capital, in exchange for the existing TL 76,927,500 Full nominal value shares in Exsa's capital. The impact of this transaction has been recorded in the consolidated income statement under the account of Income from Investment Activities.

The General Assembly of the Company's Netherlands-based subsidiary Çimsa Building Solutions B.V. ("CBS B.V.") (formerly Sabancı Building Solutions B.V.) has decided to increase its capital in order to be used in current and ongoing investments, primarily the purchase of Mannok Holdings DAC shares, as announced on 28 August 2024. At the meeting of the Company's Board of Directors held on 26 September 2024, it was unanimously accepted to participate in the entire capital increase to be made in CBS B.V.

CBS B.V.'s other partner, H.Ö. Sabancı Holding A.Ş., did not participate in the said capital increase.

- CBS B.V.'s current capital of 187,000,000 Full Euros has been increased by Full EUR 107,486,502 with a premium, to Full EUR 294,486,502 and

- The Company completed the capital increase transaction by paying a total of Full EUR 150,000,000, including 107,486,502 Full Euros of capital and Full EUR 42,513,498 of issue premium to CBS B.V.



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

1. ORGANIZATION AND NATURE OF OPERATIONS OF THE GROUP (Continued)

Following the capital increase, the Company's current share in CBS B.V. capital increased from 50.1% to 68.31%.

The regulatory approvals and other closing conditions for the acquisition of 94.7% of the shares of Mannok Holdings DAC ("Mannok") by Cimsa Ireland Ltd., a 100% subsidiary of the Company's subsidiary Cimsa Building Solutions B.V., have been completed as of 2 October 2024.

According to the contract, the total company value of Mannok is EUR 330 million and after deducting the financial debts on the closing date and making other adjustments, the share purchase price corresponding to 94.7% of the capital was determined as Full EUR 253,481,140 and the transfer process was completed by making the payment.

For the purpose of presentation of the consolidated financial statements, Çimsa, its subsidiaries and its associate will be together referred as ('the Group').

The consolidated financial statements were authorized for issue by the Board of Directors of Çimsa on 26 February 2026. The General Assembly and certain regulatory bodies have the power to amend the statutory financial statements after issuance.

The average number of blue-collar employees (a union member/not a union member) of the Group for the year ended 31 December 2025 is 1,243 (2024: 1,238) and white-collar employees (not a union member) is 787 (2024: 760).

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

Preparation principles of financial statements

The accompanying interim condensed consolidated financial statements have been prepared in accordance with the communiqué numbered II-14,1 'Communiqué on the Principles of Financial Reporting In Capital Markets' ('the Communiqué') announced by the Capital Markets Board ('CMB') (hereinafter will be referred to as 'the CMB Reporting Standards') on 13 June 2013 which is published on Official Gazette numbered 28676. In accordance with article 5th of the CMB Reporting Standards, companies should apply Turkish Accounting Standards/Turkish Financial Reporting Standards and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority of Türkiye ('TFRIC'). TFRS is updated through communiqués to be in line with the changes in International Financial Reporting Standards ("TFRS").

The consolidated financial statements are presented in accordance with the "TFRS Taxonomy" published by POA and the formats specified in the Financial Statement Examples and User Guide published by CMB, based on the CMB's financial statement and note formats.

The Company's functional and presentation currency is accepted as Turkish Lira ("TL").

The functional currency of Cimsa Building Solutions B.V. is Euro ("EUR"). Based on TAS 21, the exchange rate used for translating the financial position items is the exchange rate at the balance sheet date; for income statement balances, the average exchange rate of the related period and the consolidated financial statements are presented in TL. The resulting foreign currency gain/loss are recorded under the 'Foreign Currency Translation Reserve' account in equity. Non-monetary items denominated in foreign currencies and measured at cost are translated into the functional currency at exchange rates on the date of the initial transaction.

The Group and the Group companies established in Türkiye maintain their books of account and prepare their statutory financial statements ('Statutory Financial Statements') in accordance with rules and principles published by POA, the Turkish Commercial Code ('TCC'), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. Subsidiaries that are registered in foreign countries maintain their books of account and prepare their statutory statements in accordance with the prevailing accounting principles in their registered countries. These consolidated financial statements have been prepared in Turkish Lira under the historical cost convention except for available for sale financial assets, assets acquired through business combination, carbon emission rights and obligations derivative instruments and cash flow hedge reserve that are carried at fair value.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

Financial reporting in high inflation economies

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2024. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2025 and 2024, on the purchasing power basis as of 31 December 2025.

Pursuant to the decision of the Capital Markets Board ("CMB") dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards will apply inflation accounting by applying the provisions of TAS 29 starting from their annual financial reports for the periods ending on 31 December 2023.

The adjustments made in accordance with TAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index ("CPI") of Türkiye published by the Turkish Statistical Institute ("TURKSTAT"). As of 31 December 2025, the indices and adjustment coefficients used in the adjustment of the consolidated financial statements are as follows:

Date	Index	Adjustment coefficient	Three Years Compound Inflation Rate
31 December 2025	3,513.87	1.00000	211%
31 December 2024	2,684.55	1.30892	291%
31 December 2023	1,859.38	1.88981	268%

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period separated financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The effect of inflation on the Group's net monetary asset position in the current period is recorded in the monetary loss account in the consolidated income statement.



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.2 Going concern

The Group has prepared its consolidated financial statements in accordance with going concern principle.

2.3 Offsetting

Financial assets and liabilities are offset and reported in the net amount when there is a legally enforceable right or when there is an intention to settle the assets and liabilities on a net basis or realize the assets and settle the liabilities simultaneously.

2.4 Changes in accounting policies, estimates and errors

Any change in accounting policies resulting from the first-time adoption of a new standard is made either retrospectively or prospectively in accordance with the transition requirements. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. If changes in accounting estimates are related to only one period, they are recognized in the period when the changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and in future periods prospectively.

2.5 Summary of significant accounting policies

Subsidiaries

As at 31 December 2025, the consolidated financial statements include the financial statements of Çimsa's subsidiaries. The consolidated financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements with adjustments and reclassifications for the purpose of fair presentation in accordance with Turkish Financial Reporting Standards and the application of uniform accounting policies and presentation. Subsidiaries are all companies over which the Group has directly or indirectly control The Group controls a company when the Group is exposed to, or has rights to, variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. The results of operations of the subsidiaries are included or excluded from the effective dates of the said transactions in accordance with the acquisition or disposal transactions.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. The consolidated financial statements are prepared using common accounting policies for similar transactions and events and are prepared for the same accounting system with the Company.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Subsidiaries (Continued)

The financial statements of the companies included in the scope of consolidation have been consolidated through full consolidation method and the book value of the shares of the Group and its subsidiaries is deducted from the related equity. Transactions and balances between the Group and its subsidiaries are mutually eliminated within the scope of consolidation.

Subsidiaries are consolidated from the date on which control is transferred to the Group until the date on which the control is transferred out of the Group. The shares of non-controlling shareholders in the net assets and operating results of subsidiaries are presented as non-controlling interest and non-controlling profit/loss, respectively, in the consolidated balance sheet and profit or loss statement.

Changes in the Group's shareholding in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book values of the Group's share and non-controlling interests are adjusted to reflect changes in share of the subsidiaries. The difference between the adjustment for non-controlling interests and the fair value of the consideration received or paid is accounted for directly in equity as the Group's share.

If the Group loses control of a subsidiary, profit/loss after sale transaction is calculated as i) the sum of the sales price received and the fair value of the remaining interest and ii) the difference between the previous book values of the assets (including goodwill) and liabilities of the subsidiary and the non-controlling interests. The amounts previously accounted for in other comprehensive income related to the subsidiary and collected in equity are recorded according to the accounting method to be used on the assumption that the Company has sold the relevant assets (for example, in accordance with the relevant TFRS standards, transfer to profit/loss or directly transfer to retained earnings). If the subsidiary has an investment remaining after the sale, its fair value at the date of loss of control is accepted as fair value in the initial recognition under TFRS 9 Financial Instruments or, where applicable, as the cost in the initial recognition of an investment in an associate or jointly controlled entity.

Associates

Investments in associates are accounted by equity method. These are entities in which the Group has significant influence, but not control, over company activities. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, and unrealized losses are also eliminated if the transaction does not indicate that the transferred asset is impaired. The Group has not taken any obligation or made any commitment regarding its Associates.

Investments accounted by equity method are presented in consolidated statement of financial position with additions or deductions of changes on share of the Group on net assets of the affiliate and with deduction of provisions for the decline in the value. The other comprehensive income statement presents shares of financial results of the Group's affiliates. The changes of the amount, not reflected on income or loss of the affiliate, on the equity of the affiliate can requisite an adjustment on the net book value of the affiliate in proportion of the Group's share. The share of the group from these changes is directly accounted under the Group's equity. Exsa's financial statements are prepared for the same period and with respect to the same accounting policies.

The Group considers at each balance sheet date whether there is impairment on the investments accounted by equity method.



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

(Unless otherwise stated, amounts are expressed in thousand Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2025. Currencies other than TL are stated as thousand unless otherwise stated.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents include cash and bank deposits, short-term and highly liquid investments that are easily convertible into cash, with an insignificant risk of change in value and with a maturity of three months or less.

Trade receivables

Trade receivables that are created by the way of providing goods or services directly to a debtor are measured at amortized cost, using the effective interest rate method.

The provision for doubtful receivables is reflected in the records as an expense. If there is a concrete indication that the outstanding receivables cannot be collected, provision for doubtful receivables is set for the company. The Company has preferred to apply 'simplified approach' defined in TFRS 9 for the expected credit losses. This method requires the recognition of expected lifetime losses for all trade receivables.

Inventories

Inventories are valued at the lower cost or net realizable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials – purchase cost on a monthly average basis.

Finished goods and work-in-process – cost includes direct material and labor cost, the applicable allocation of fixed and variable overhead costs (considering normal operating capacity) on the basis of monthly average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Property, plant and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property, plant and equipment comprises its purchase price and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenses for the repair of property, plant and equipment are normally charged against income. They are, however, capitalized in exceptional cases if they result in an enlargement or substantial improvement of the respective assets. Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their carrying amounts and are included in the related income and expense accounts, as appropriate.

Land is not subject to depreciation. Depreciation is calculated on all property, plant and equipment on a straight-line basis over the estimated useful life of the asset as below. The economic useful lives of property, plant and equipments are as follows:

	Useful Lives
Land improvements	8–50 years
Buildings	4–50 years
Machinery and equipment	2–50 years
Furniture and fixtures	2–50 years
Motor vehicles	4-14 years
Leasehold improvements	Leasing period

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Intangible assets

Intangible assets consist of mineral rights, rights, customer contracts and computer software and are initially valued at the purchase price. Intangible assets are capitalized if future economic benefits can be obtained and the cost can be determined accurately. After initial recording, intangible assets are stated at their cost minus accumulated amortization and accumulated impairment losses. Intangible assets, except for mining rights, are amortized using the straight-line method over the estimated economic life of the asset (5 years).

Where no internally generated intangible asset can be recognized, development expenditure is charged to the consolidated statement of profit or loss in the period in which it is incurred. The estimated useful lives of the intangible assets are determined as either a specific time or perpetual. Amortization is calculated using the straight-line method over the estimated useful life. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The amortization expenses of the intangible assets with certain estimated useful lives are reflected in the consolidated statement of profit or loss in accordance with the function of the intangible asset.

Mining rights are depreciated based on the ratio of the reserve consumed during the year to the total reserve. The remaining amortization period depends on the time the reserves are depleted.

The Group does not have any intangible assets with indefinite useful life.

The carrying values of intangible assets are reviewed for impairment when there is any event or changes in circumstances indicate that the carrying value may not be recoverable.

Carbon Accounting (Green House Gas Emissions)

Emission permits are included in the consolidated financial statements in accordance with "TAS 38 Intangible Assets Standard". Emission permits issued by the government are recorded at nominal value. If the emission permit is granted free of charge, it is recorded as zero. Purchased emission permits are accounted for as intangible assets. If actual emissions exceed the issued emission permits and are already retained, they are included in the consolidated financial statements as a liability. Since the Group produces emissions, it allocates provisions in accordance with "TAS 37 Provisions, Contingent Liabilities and Contingent Assets" and the provision in question will be the market value of the permits required to cover the emissions until the date of the statement of financial position.

Customer Relations

Customer relationships acquired as part of business combinations are reflected in the consolidated financial statements at their fair value at the date of acquisition. Customer relationships have limited useful lives and are measured at cost less accumulated amortization. Amortization of customer relationships is calculated using the straight-line method over their estimated useful lives (between 5 and 15 years).



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Derecognition of tangible and intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal.

Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment on non-financial assets

At each balance sheet date, the Group assesses whether there is any indication that book value of tangible and intangible assets, calculated by acquisition cost less accumulative amortization, is impaired. When an indication of impairment exists, the Group estimates the recoverable amount of such assets. When individual recoverable value of assets cannot be measured, recoverable value of cash generating unit of that asset is measured.

Recoverable amount is the higher of value in use or fair value less costs to sell. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit by using discount rates before taxes that reflect risks related to that asset. The main estimates that are used during these analyses comprise expected inflation rates, expected increase in sales and cost of sales, expected changes in export-domestic market composition and expected growth rate of the country.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in previous years. Impairment loss on goodwill cannot be reversed in the consolidated statement of profit or loss in future periods.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Foreign currency transactions

The Company and its subsidiaries translate the transactions in foreign currencies during the period at the ex-change rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated at the exchange rates prevailing at period-end and exchange gains or losses arising on the settlement and translation of foreign currency items have been included in the consolidated statement of profit or loss. Non-monetary items carried at cost that are denominated in foreign currencies are translated at the rates on the initial transaction date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined.

Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity. On the disposal of the foreign entity, the accumulated foreign exchange differences of that entity, recognized in other comprehensive income and accumulated in a separate component of equity, are reclassified from equity to profit or loss (as an adjustment for reclassification) when the gain or loss on the disposal is recognized.

Transactions in foreign currencies are translated into TL at the exchange rates on the date of the transaction. Assets and liabilities denominated in foreign currencies as of 31 December 2025, 2024 are valued with the buying rate of the Central Bank of the Republic of Türkiye on the balance sheet date, and the resulting foreign exchange differences are reflected in the relevant income and expense accounts.

Foreign currency translation rates used as of respective period-ends are as follows:

Date	31 December 2025 buy	31 December 2025 sell	31 December 2024 buy	31 December 2024 sell
USD /TL	42.8623	42.9395	35.2803	35.3438
EUR/TL	50.4532	50.5441	36.7362	36.8024
GBP/TL	57.8159	57.8122	44.2073	44.4378

Foreign currency average rates used in the consolidated financial statements are as follows:

Date	31 December 2025	31 December 2024
USD/TL	42,5854	32,7414
EUR/TL	49,8645	35,4110
GBP/TL	51,9557	41,8337



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Borrowing costs

The borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs include interests and other costs related to the borrowing activity.

General borrowings of the Group are capitalized to the applicable qualifying assets based on a capitalization rate. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other all borrowing costs are booked in the consolidated statement of profit or loss, when incurred.

Provisions, contingent assets and liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Income taxes

Tax provisions are all current period and deferred tax provisions taken into account in the calculation of profit or loss for the period.

Deferred tax is reflected by considering the balance-sheet liability method, taking into account the tax effects of temporary differences between the values of assets and liabilities reflected in the financial reporting and tax base in the legal tax account. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The Group's deferred tax assets are reviewed at the each balance-sheet period and are recognized by considering the possibility that it will be deductible in the future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted as of the balance-sheet date.

Deferred tax can be directly related to equity accounts if it's related to the transactions in connection with the share capital in the same or different period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Provisions for employee benefits/retirement pay provision

a. Defined benefit plan

In accordance with existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

The Group has reflected a liability using the 'Projected Unit Credit Method' based on the actuarial valuation performed by independent actuaries. The employee termination benefits are discounted to the present value of the estimated future cash outflows using the interest rate estimate of qualified actuaries.

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group.

The retirement benefit obligation recognized in the consolidated statement of financial position represents the present value of the defined benefit obligation. All actuarial gains and losses are recognized in equity.

b. Seniority provision

The Group has a liability to pay seniority incentive premium to the blue-collar workers for five years period in accordance with the collective labor agreement. The Group discounts each first future payment and records the amounts to its consolidated statement of profit or loss.

c. Vacation rights

Liabilities arising from unused vacation rights are accrued in the periods when they are deserved.

Leases

The Group – as lessee

The Group evaluates a contract whether the contract is a lease or whether it is a lease. In the case that the contract assigns the right to control the use of the identified asset for a period of time for a certain amount of time, this contract is a lease or includes a lease. The Group considers the following conditions when assessing whether a contract transfers the right to control the use of a defined asset for a specified period:

- a. The contract contains the defined asset; an asset is generally defined by specifying it explicitly or implicitly in the contract.
- b. A functional part of the entity is physically separate or represents almost all of the entity's capacity. An asset is not identified if the supplier has a principal right to replace the asset and provides economic benefit therefrom.
- c. Having the right to obtain almost all of the economic benefits to be obtained from the use of the defined asset.
- d. Have the right to manage the use of the identified asset. The Group considers that the asset has the right to use if the decisions about how and for what purpose the asset is used are determined in advance. The Group has the right to manage the use of the asset when:
 - i. The Group has the right to operate the asset during its useful life (or to direct others to operate the asset in its designated manner) and the supplier does not have the right to change these operating instructions or
 - ii. The Group has designed the asset (or certain characteristics of the asset) in advance to determine how and for what purpose the asset will be used during its useful life.

The Group recognizes a right of use and a lease obligation on the financial statements at the date of the lease.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Leases (Continued)

The Group – as lessee (Continued)

Lease liability

Extension and early termination options

The lease obligation is determined by considering the extension and early termination options in the contracts. Most of the extension and early termination options included in the contracts consist of options that are jointly applicable by the Group and the lessor. The Group determines the rental period by including the extension and early termination options in the Group's initiative according to the relevant contract and if the options are reasonably accurate, it is included in the rental period. If the conditions change significantly, the assessment is reviewed by the Group. There is no extension or early termination option used by the Group as of 31 December 2025.

Exemptions and simplifications

Short-term lease payments and payments for leases of low-value assets are not included in the measurement of the lease liabilities in the scope of TFRS 16. Lease payments of these contracts are continued to be recognised in the profit or loss in the related period.

Related parties

A party is related to the Company if:

- a. Directly, or indirectly through one or more intermediaries, the party,
 - ii. controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries),
 - iii. has an interest in the entity that gives it significant influence over the entity or
 - iv. has joint control over the entity,
- b. The party is an associate of the entity,
- c. The party is a joint venture in which the entity is a venture,
- d. The party is a member of the key management personnel of the entity or its parent,
- e. The party is a close member of the family of any individual referred to in (a) or (d),
- f. The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e) or
- g. The party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates, and other similar allowances.

Sale of goods

In accordance with TFRS 15 "Customer Contract Revenue Standard", the Company recognizes revenue in the financial statements in the five-step model below.

- » Identification of contracts with customers,
- » Identification of performance obligations in contracts,
- » Determining the transaction price in contracts,
- » Distribution of transaction fee to performance obligations,
- » Revenue recognition.

According to this model, the goods or services undertaken in each contract made primarily with the customers are evaluated and each commitment given to transfer the goods or services is determined as a separate act of obligation. Afterwards, it is determined that the fulfillment obligations will be fulfilled in time or in a certain way. Whether the control of a good or service is over time and the community fulfills its performance obligations in relation to the sale in time, the community measures the progress of the revenue and accounts in their consolidated financial statements. The Company has a performance obligation defined as delivering goods to its customers. According to the Customer's request, shipping and related costs are included exactly and he has no control over the service in question. The Group has a performance obligation defined as delivering goods to its customers. According to the customer's request, transportation and related costs are included directly in the price and he has no control over the service in question.

- » It is probable that the economic benefits associated with the transaction will flow to the entity and
- » The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Earnings per share

Basic earnings per share in the consolidated statement of profit or loss are calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period.

In Türkiye, companies can increase their share capital by making distribution of free shares to existing shareholders from various internal resources. For the purpose of the earnings per share calculation such share issues are regarded as issued stock. Accordingly, the weighted average number of shares used in earnings per share calculation is derived by giving retroactive effect to the issue of such shares.

Dividend

Dividend receivables are recorded as income in the period in which they are declared. Dividend payables are reflected in the consolidated financial statements as liabilities in the period in which they are declared as an element of profit distribution.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Subsequent events

Subsequent events occurring after the balance sheet date, and which may affect the Group's position at the balance sheet date are reflected in the consolidated financial statements. The issues that occur after the balance sheet date are disclosed in the notes according to their importance.

Trade and settlement date accounting

All financial asset purchases and sales are recognized at the transaction date, in other words, on the date when the Group commits to purchase or sell. Ordinary purchases and sales are purchases and sales where the delivery period of the asset is generally determined in accordance with legislation or regulations in the markets.

Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is:

- » Cash,
- » A contractual right to receive cash or another financial asset from another enterprise,
- » A contractual right to exchange financial instruments from another enterprise under conditions that are potentially favorable or
- » An equity instrument of another enterprise.

A financial liability that is a contractual obligation:

- » To deliver cash or another financial asset to another enterprise or
- » To exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

When a financial asset or financial liability is recognized initially, it is measured at its cost, which is the fair value of the consideration given (in the case of an asset) or received (in case of a liability) for it. Transaction costs are included (deducted for financial liabilities) in the initial measurement of all financial assets and liabilities.

The fair value is the amount for which a financial instrument could be exchanged in a current transaction between ceiling parties, other than in a faced sale or liquidation, and this best evidenced by a quoted market price, if one exists.

Fair value of financial instruments

The methods and assumptions in fair value estimation of the financial instruments of the Group are explained in Note 35.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Trade receivables included in the category of loans and receivables are recorded in the accounts with their invoiced amounts and are carried at net values discounted by the effective interest rate method in the following periods and if there is provision for doubtful receivables, it should be deducted.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Financial assets

Classification and measurement

The Group classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value though profit of loss, financial assets carried at fair value though other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

(a) Financial assets carried at amortized cost

Financial assets that are not quoted in an active market and are not derivative instruments that have fixed or fixed payments, in which management has adopted the contractual cash flow collection business model and the terms of the contract include only the principal and interest payments arising from the principal balance on certain dates, are classified as assets accounted for at amortized cost. If their maturities are shorter than 12 months from the balance sheet date, they are classified as current assets, and if they are longer than 12 months, they are classified as non-current assets. Assets accounted for at amortized cost include “trade receivables”, “cash and cash equivalents” Eurobonds classified as financial investments and “other receivables” items in the statement of financial position.

(b) Financial assets at fair value through other comprehensive income

Assets in which the management adopts the business model of collecting contractual cash flows and/or selling, are classified as assets accounted for at fair value. If management does not intend to dispose of the related assets within 12 months from the balance sheet date, the said assets are classified as non-current assets. For the investments made in equity-based financial assets, the company makes an unchangeable choice as an equity investment reflected in other comprehensive income or in the statement of profit or loss of the fair value difference of the investment during the initial recognition.

Financial assets, whose fair value is reflected in other comprehensive income, include ‘financial investments’ items in the consolidated statement of financial position. In the event that assets of which fair value difference is recorded in other comprehensive income are sold, valuation difference classified into other comprehensive income is classified into previous years profits.

The generally accepted valuation methods used in the calculation of fair value in cases where the assets of which the fair value difference is recorded in other comprehensive income do not have any market value, include some assumptions based on the best estimates of the management, and the values that may occur in the event of purchase/sale transactions may differ from these values.

(c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include currency protected deposit items classified under “financial investments” in the consolidated statement of financial position.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Impairment on financial assets

The Group chooses the simplified application for the impairment calculations and uses the provision matrix, since the trade receivables accounted from the amortized cost in the consolidated financial statements do not contain a significant financing component. With this application, the Group measures the expected credit loss allowance at an amount equal to lifetime expected credit losses when trade receivables are not impaired for certain reasons. In the calculation of expected credit losses, past experience of credit losses is taken into consideration, as well as the Group's forecast for the future.

Financial liabilities

Financial liabilities are recognized initially at fair value and at directly attributable transaction costs and after initial recognition, financial liabilities are subsequently measured at amortized cost by using the effective interest rate method.

Effective interest rate method is the amortized cost method and allocation of the related interest expenses to the related periods. Effective interest rate is the rate reducing the future expected cash payments to present value of the financial liability within an expected life of the asset or in a shorter period.

Bank borrowings

All borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognized, as well as through the amortization process.

Trade payables

Trade and other payables are carried at amortized cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

Derivative financial instruments and hedge accounting

The operations of the Group expose the entity to financial risks mainly due to the change in foreign currency exchange rates and interest rates. The Group mainly utilizes derivative instruments mainly foreign currency forward contracts to hedge its foreign currency risk associated with certain binding commitments and forecasted future transactions. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Summary of significant accounting policies (Continued)

Financial liabilities (Continued)

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is directly recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated statement of profit or loss. The Group's policy to hedge foreign currency risk associated with a binding commitment classifies the related risk as cash flow hedge. When the hedge transaction does not result in the recognition of an asset or a liability, the amounts in equity are recognized in the consolidated statement of profit or loss when the hedged item affects the statement of profit or loss. The changes in the fair value of derivatives that do not qualify as cash flow hedge are recognized in the statement of profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, or when it no longer qualifies for hedge accounting. The cumulative gain or loss related with hedge instrument accounted under equity as of such date is continued to be recognized under equity until the expected realization date of the transaction.

When the hedge transaction is no longer expected to occur, the net accumulated gain or loss in equity is recognized in profit or loss of the period.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are accounted directly in equity as 'Hedges funds'. Furthermore, the Group is protected from foreign net investment risk arising from changes in foreign currency financial liabilities and foreign exchange rates. The effective portion of changes in the foreign exchange rates of the foreign currency financial liabilities is accounted under equity as "Hedge funds".

Recognition and derecognition of financial instruments

The Group recognizes a financial asset or financial liability in its consolidated statement of financial position when it becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial asset or a portion of financial asset when and only when it loses control of the contractual rights that comprise the financial asset or a portion of financial asset and when risk and benefit related to property. The Group derecognizes a financial liability when a liability is extinguished that is when the obligation specified in the contract is discharged, cancelled and expired.

Research expenses and development costs

When research expenses realized, they are recorded as an expense. Project costs which are related to research of the product or design of the product are considered as an intangible asset if the project successfully applied from commercial and technological aspects. Other development expenses are recorded as an expense when realized. Development costs recorded in the prior period cannot be capitalized in the following period.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.6 Comparative Information and Restated Consolidated Financial Statements

The financial statements of the Group have been prepared comparatively with the previous period in order to enable information about financial position and performance trends. If the presentation or classification of the financial statements is changed, in order to be comparative, financial statements of the previous periods are also reclassified and significant changes are disclosed.

New and amended standards and interpretations

2.7 New and Amended Turkish Financial Reporting Standards

a) Amendments that are mandatorily effective from 2025

Amendments to TAS 21 Lack of Exchangeability
 The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

b) New and revised TFRSs in issue but not yet effective

The Company has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	Insurance Contracts
Amendments to TFRS 17	Initial Application of TFRS 17 and TFRS 9 — Comparative Information
TFRS 18	Presentation and Disclosures in Financial Statements
TFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to TFRS 9 and TFRS 7	Classification and Measurement of Financial Instruments
Amendments to TFRS 9 and TFRS 7	Power Purchase Arrangements
Annual Improvements	Annual Improvements to TFRSs – Volume 11
Amendments to TFRS 19	Subsidiaries without Public Accountability: Disclosures

TFRS 17 Insurance Contracts

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts on 1 January 2027.

Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before.

Amendments are effective with the first application of TFRS 17.

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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.7 New and Amended Turkish Financial Reporting Standards (Continued)

TFRS 18 Presentation and Disclosures in Financial Statements

TFRS 18 includes requirements for all entities applying TFRS for the presentation and disclosure of information in financial statements. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

TFRS 19 Subsidiaries without Public Accountability: Disclosures

TFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. This standard is effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to TFRS 9 and TFRS 7 Classification and Measurement of Financial Instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of TFRS 9 Financial Instruments. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Amendments to TFRS 9 and TFRS 7 Power Purchase Arrangements

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity. Amendments are effective from annual reporting periods beginning on or after 1 January 2026.

Annual Improvements to TFRSs – Volume 11

The pronouncement comprises the following amendments:
 TFRS 1: Hedge accounting by a first-time adopter
 TFRS 7: Gain or loss on derecognition
 TFRS 7: Disclosure of deferred difference between fair value and transaction price
 TFRS 7: Introduction and credit risk disclosures
 TFRS 9: Lessee derecognition of lease liabilities
 TFRS 9: Transaction price
 TFRS 10: Determination of a 'de facto agent'
 TAS 7: Cost method

Amendments are effective from annual reporting periods beginning on or after 1 January 2026..

Amendments to TFRS 19 Subsidiaries without Public Accountability: Disclosures

The amendments cover new or amended Turkish Financial Reporting Standards that were not considered when TFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

The Group evaluates the effects of these standards, amendments and improvements on the financial statements.

2.8 Significant accounting judgments, estimates and assumptions

- Provision for doubtful receivables is an estimated amount that management believes to reflect possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than the key accounts and related parties, are assessed with their prior year performances, their credit risk in the current market, their performance after the balance sheet date up to the issuing date of the financial statements and also, the renegotiation conditions with these debtors are considered. As of balance sheet date, provisions for doubtful receivables are reflected in Note 8. The Group also uses the simplified approach in TFRS 9 to calculate expected credit losses of trade receivables. This method requires the recognition of expected credit losses for all trade receivables (Note 8).
- In determining of provision for litigations, the Group considers the probability of legal cases to be resulted against the Group and in case it is resulted against the Group considers its consequences based on the assessments of legal advisor (Note 17).



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3. BUSINESS COMBINATIONS

The Group acquired 94.7% of the issued capital of Mannok Holdings Designated Activity Company (Mannok) effective from 1 October 2024 with the closing transaction dated 2 October 2024, thus gaining control of Mannok, which qualifies as a business as defined in TFRS 3 Business Combinations Standard.

As part of the Group's growth strategy in the global building materials market, the acquisition of Mannok, which operates in the production and sale of cement, cement-based products (such as terracotta, precast and aerated concrete) and insulation materials and recycled plastic packaging in the Republic of Ireland, aims to diversify the geography and sectors in which it operates and increase the share of foreign currency-based revenues in the total.

The amounts recognized in relation to the identifiable assets purchased and liabilities assume are disclosed in the financial statements as at 31 December 2024.

Cash and cash equivalents	451,263
Trade receivables	2,985,382
Inventories	2,351,487
Property, plant and equipment	6,975,384
Intangible assets	8,511,076
Trade payables	(2,450,591)
Other liabilities	(2,986,915)
Financial liabilities	(2,652,351)
Deferred tax assets/(liabilities)	(1,077,703)
Total value of identifiable assets and liabilities	12,107,032
Goodwill (Note 17)	1,073,507
Non-controlling interests	636,351
Total purchase price	12,544,188
Cash and equivalents - acquired	(451,263)
Cash outflow from acquisition (net)	(12,092,925)

As a result of the full consolidation transaction, the portion of the fair value of the acquired identifiable assets and liabilities exceeding the registered value of the Group's share in the amount of TL 1,073,507 (EUR 21.7 million) (31 December 2025: TL 1,094,460) was recorded as goodwill in the financial position statement as of 31 December 2024. The goodwill in question is not deductible for corporate tax purposes.

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4. SHARES IN OTHER ENTITIES

Information regarding the subsidiaries in which the Group has major non-controlling interests is as follows:

31 December 2025				
Subsidiary	Non-controlling interests %	Gain/(loss) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Afyon Çimento Sanayi T.A.Ş.	49	118,082	3,688,737	233,093
31 December 2024				
Subsidiary	Non-controlling interests %	Gain/(loss) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Afyon Çimento Sanayi T.A.Ş.	49	275,222	3,848,166	124,796

Condensed financial information of subsidiary Afyon Çimento T.A.Ş., is as follows:

Condensed balance sheet information (Before consolidation adjustments)

	31 December 2025	31 December 2024
Cash and cash equivalents	1,066,462	1,565,424
Other current assets	1,431,765	1,137,090
Non-current assets	6,184,560	6,132,221
Total assets	8,682,787	8,834,735
Short-term borrowings	2,110	7,637
Short-term trade payables	938,461	910,753
Other current liabilities	119,874	48,073
Long-term borrowings	4,525	16,380
Other non-current liabilities	40,494	41,211
Total liabilities	1,105,464	1,024,054
Total equity	7,577,323	7,810,681



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4. SHARES IN OTHER ENTITIES (Continued)

Condensed profit or loss information

	1 January-31 December 2025	1 January-31 December 2024
Net sales income	3,867,990	4,241,191
Gross profit	741,511	1,076,232
Operating profit/(loss)	549,568	814,394
Net financial income/(expense)	275,832	414,059
Net monetary position	(402,695)	(313,171)
Profit/(loss) before tax	422,705	916,386
Net profit for the period	240,983	561,678

Condensed cash flow information

	1 January-31 December 2025	1 January-31 December 2024
Cash flows from operating activities	613,644	1,548,271
Cash flows from investing activities	(602,326)	(393,994)
Cash flows from financing activities (excluding dividend)	(187,834)	85,371
Net increase/(decrease) in cash and cash equivalents	(176,516)	1,239,648

Information regarding the subsidiaries in which the Group has major non-controlling interests is as follows::

31 December 2025				
Subsidiary	Non-controlling interests %	Gain/(loss) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Cimsa Building Solutions B.V.	31.69	521,020	6,542,202	-
31 December 2024				
Subsidiary	Non-controlling interests %	Gain/(loss) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Cimsa Building Solutions B.V.	31.69	170,783	5,696,176	-

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4. SHARES IN OTHER ENTITIES (Continued)

Condensed financial information of subsidiary Cimsa Building Solutions B.V.is as follows:

Condensed balance sheet information (Before consolidation adjustments)

	31 December 2025	31 December 2024
Cash and cash equivalents	4,557,323	5,801,596
Other current assets	8,384,593	8,438,743
Non-current assets	33,399,524	31,035,424
Total assets	46,341,440	45,275,763
Short term borrowings	2,718,926	8,840,260
Short-term trade payables	2,997,527	2,923,064
Other current liabilities	6,538,163	7,900,570
Other non-current liabilities	14,850,857	9,112,891
Total liabilities	27,105,473	28,776,785
Total equity	19,235,967	16,498,978
Total liabilities and equity	46,341,440	45,275,763

Condensed profit or loss information

	1 January-31 December 2025	1 January-31 December 2024
Net sales income	27,378,675	15,487,244
Gross profit	5,018,133	2,686,405
Operating profit/(loss)	2,597,993	1,094,631
Net financial income/(expense)	(704,212)	(370,886)
Profit/(loss) before tax	2,042,823	744,129
Net profit for the period	1,644,114	538,916

5. SEGMENT REPORTING

Since the majority of the export sales of the Group are to the different geographic regions as one-off basis, the distribution of sales to specific locations is not consistent between years. Therefore, the details of sales are disclosed as domestic and export sales.

The Group manages and organizes its operations depending on the content of the services and goods provided. The Group prepares its segment reporting in accordance with TFRS 8. The transfer prices between segments are prepared on the same basis with third parties. For the years ended 31 December 2025 and 2024, the information about the Group's segments consists of sales and profits obtained from cement (including clinker and aggregate), building materials and packaging and ready mix concrete; segment assets and liabilities as of 31 December 2025 and 31 December 2024.

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5. SEGMENT REPORTING (Continued)

1 January – 31 December 2025	Cement	Ready-Mix Concrete	Building Materials and Packaging	Total
Sales	31,479,400	5,351,059	9,076,360	45,906,819
Cost of sales (-)	(24,782,932)	(4,428,668)	(7,703,865)	(36,915,465)
Gross profit/(loss)	6,696,468	922,391	1,372,495	8,991,354
General administrative, marketing, sales distribution expenses (-)	(3,485,418)	(432,476)	(961,426)	(4,879,320)
Other operating income/(expenses) (-), net	885,744	(631)	(22,638)	862,475
Research and development expenses (-)	(47,485)	-	-	(47,485)
Operating profit/(loss)	4,049,309	489,284	388,431	4,927,024
Income (expenses) from investment activities, net	(1,022,629)	-	-	(1,022,629)
Operating profit/(loss) before financial income/ expenses	3,026,680	489,284	388,431	3,904,395
Financial income/(expenses), net	(1,366,768)	-	(227,895)	(1,594,663)
Net monetary position gain	2,242,667	-	-	2,242,667
Profit/(loss) from continuing operations before tax	3,902,579	489,284	160,536	4,552,399
Continuing operations tax (expense)/income	(654,256)	-	(92,014)	(746,270)
Profit/(loss) for the period from continuing operations	3,248,323	489,284	68,522	3,806,129

1 January – 31 December 2024	Cement	Ready-Mix Concrete	Building Materials and Packaging	Total
Sales	28,159,926	6,991,622	1,695,228	36,846,776
Cost of sales (-)	(21,663,562)	(5,838,984)	(1,432,929)	(28,935,475)
Gross profit/(loss)	6,496,364	1,152,638	262,299	7,911,301
General administrative, marketing, sales distribution expenses (-)	(2,967,606)	(473,875)	(323,617)	(3,765,098)
Other operating income/(expenses) (-), net	539,686	6,074	3,315	549,075
Research and development expenses (-)	(52,891)	-	-	(52,891)
Operating profit/(loss)	4,015,553	684,837	(58,003)	4,642,387
Income (expenses) from investment activities, net	244,140	-	-	244,140
Operating profit/(loss) before financial income/ expenses	4,259,693	684,837	(58,003)	4,886,527
Financial income/(expenses), net	(1,412,869)	-	(3,159)	(1,416,028)
Net monetary position gain	1,640,191	-	-	1,640,191
Profit/(loss) from continuing operations before tax	4,487,015	684,837	(61,162)	5,110,690
Continuing operations tax (expense)/income	(1,114,703)	-	1,895	(1,112,808)
Profit/(loss) for the period from continuing operations	3,372,312	684,837	(59,267)	3,997,882

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5. SEGMENT REPORTING (Continued)

31 December 2025	Cement	Ready – mix concrete	Building Materials and Packaging	Undistributed	Total
Segment assets	76,218,986	2,453,639	9,314,840	-	87,987,465
Financial investments	-	-	-	2,607,640	2,607,640
Undistributed assets	-	-	-	2,005,763	2,005,763
Total assets	76,218,986	2,453,639	9,314,840	4,613,403	92,600,868
Segment liabilities	42,431,353	1,036,654	5,678,893	-	49,146,900
Undistributed liabilities	-	-	-	43,453,968	43,453,968
Total liabilities	42,431,353	1,036,654	5,678,893	43,453,968	92,600,868

31 December 2024	Cement	Ready – mix concrete	Building Materials and Packaging	Undistributed	Total
Segment assets	70,094,771	2,824,123	7,834,339	-	80,753,233
Financial investments	-	-	-	3,672,789	3,672,789
Undistributed assets	-	-	-	4,062,372	4,062,372
Total assets	70,094,771	2,824,123	7,834,339	7,735,161	88,488,394
Segment liabilities	40,865,332	1,158,845	4,530,255	-	46,554,432
Undistributed liabilities	-	-	-	41,933,962	41,933,962
Total liabilities	40,865,332	1,158,845	4,530,255	41,933,962	88,488,394

1 January - 31 December 2025

Other segment information	Cement	Ready – mix concrete	Building Materials and Packaging	Total
Property, plant and equipment	8,106,649	358,770	455,988	8,921,407
Intangible assets	1,165,647	-	90,122	1,255,769
Total investment expenses	9,272,296	358,770	546,110	10,177,176

Depreciation expenses	(3,054,535)	(153,945)	(237,037)	(3,445,517)
Amortization	(694,376)	-	(33,749)	(728,125)

1 January - 31 December 2024

Other segment information	Cement	Ready – mix concrete	Building Materials and Packaging	Total
Property, plant and equipment	4,640,735	237,938	49,873	4,928,546
Intangible assets	37,359	-	38,855	76,214
Total investment expenses	4,678,094	237,938	88,728	5,004,760

Depreciation expenses	(2,174,666)	(8,975)	(58,511)	(2,242,152)
Amortization	(308,873)	-	(13,292)	(322,165)



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6. CASH AND CASH EQUIVALENTS

The detail of cash and cash equivalents as of 31 December 2025 and 31 December 2024 is as follows:

	31 December 2025	31 December 2024
Cash	330	277
Cash at banks	9,736,338	10,062,031
Demand deposits	2,332,156	2,066,859
Time deposits	7,404,182	7,995,172
	9,736,668	10,062,308
Blocked deposits (-) (*)	(32,683)	(34,366)

Cash and cash equivalents in consolidated cash flow statements	9,703,985	10,027,942
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(*) Blocked deposits consist of the 1-day temporary balance of collections made within the scope of the direct debit system.

The detail of bank deposits is stated below:

	31 December 2025	31 December 2024
Turkish Lira	3,870,130	2,605,307
Euro	3,910,289	2,517,995
US Dollar	981,822	4,239,781
British Pound	500,635	683,424
Other	473,462	15,524
	9,736,338	10,062,031

Time deposits as of 31 December 2025 and 31 December 2024 are denominated in TL, EUR, USD and GBP with the maturity of less than three months. As of 31 December 2025, effective weighted average interest rate on time deposits is 49.07% for TL, 4.64% for USD, 2.07% for EUR (31 December 2024 TL: 46.74%, USD: 4.38%, EUR: 3.15%). The blocked deposit amount is TL 32,683 as of 31 December 2025 (The blocked deposit amount is TL 34,366 as of 31 December 2024).

Credit risks of banks with group deposits are evaluated by taking into account independent data. The market values of cash and cash equivalents approximate to their carrying values, including the interest income accrued at the balance sheet date.

7. FINANCIAL INVESTMENTS

Financial assets	31 December 2025	31 December 2024
Hacı Ömer Sabancı Holding A.Ş.	2,332,945	3,479,517
Other financial assets	274,695	193,272
	2,607,640	3,672,789

The shares of Hacı Ömer Sabancı Holding Anonim Şirketi, which are among the Group’s assets measured at fair value through other comprehensive income and are traded on the stock exchange, have been valued at fair value as of the balance sheet date using the best bid price on BIST. The fair value difference of TL 1,146,580 for the accounting period ended 31 December 2025, has been recognized under expense from investment activities account.

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8. TRADE RECEIVABLES AND PAYABLES

a. Trade Receivables

Short-term trade receivables	31 December 2025	31 December 2024
Trade receivables	7,341,166	7,430,634
Notes receivables	882,604	399,473
Trade receivables from related parties (Note 32)	6,396	569
Allowance for doubtful receivables (-)	(381,353)	(402,490)
Less: Provision for expected credit losses	(27,044)	(22,536)
	7,821,769	7,405,650

Collection terms of trade receivables’ , notes receivables’ and checks’ vary based on the type of the product and agreements made with the customers and the average term is 54 days (31 December 2024: 38 days). Effective interest rates used when determining the amortized cost are 37.96% for TL, 3.87% for USD and 1.93% for EUR (31 December 2024: TL: 49.25%, USD: 5.25%, EUR: 5.73%).

The movement of the provision for doubtful receivables for the periods ended 31 December 2025 and 2024 is as follows:

Movements of allowance for doubtful receivables	1 January- 31 December 2025	1 January- 31 December 2024
Opening balance	402,490	20,658
Provisions during the period (Note 26)	44,268	35,768
Reversal of the provision (-) (Note 26)	(65,692)	(759)
Monetary gain/(loss)	(94,992)	(16,349)
Foreign currency translation reserve	95,279	-
Increases due to subsidiary acquisitions	-	363,172
Closing Balance	381,353	402,490

b. Trade Payables

Short-term trade payables	31 December 2025	31 December 2024
Trade payables	8,368,075	8,291,898
Trade payables to related parties (Note 32)	183,081	407,426
	8,551,156	8,699,324

The average payment period of trade payables is 75 days (31 December 2024: 53 days). Effective interest rates used when determining the amortized cost are 37.96% for TL, 3.87% for USD and 1.93% for EUR (31 December 2024: TL: 49.25%, USD: 5.25%, EUR: 5.73%).



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9. FINANCIAL BORROWINGS

The detail of Group’s financial borrowings as of the balance sheet date is stated below:

Financial Borrowings	31 December 2025	31 December 2024
Short-term borrowings	3,882,887	8,515,013
Short-term portion of long-term borrowings	3,378,511	8,843,894
Short-term financial lease liabilities	209,644	127,060
Short-term issued bonds	-	670,296
	7,471,042	18,156,263
Long-term borrowings	20,706,402	9,340,811
Long-term financial lease liabilities	1,040,839	631,898
	21,747,241	9,972,709
Financial borrowings except TFRS 16	27,967,800	27,370,014
Total financial borrowings	29,218,283	28,128,972

The details of the borrowings as of 31 December 2025 are as follows:

Currency Type	Interest Rate Range	Short-Term	Long-Term	31 December 2025
TL	20.93%-24.12%	3,610,914	-	3,610,914
USD	6M SOFR+2.90%-3.40%	1,095,782	4,329,364	5,425,146
USD	7%	216,303	-	216,303
EUR	6M Euribor+2.60%-3.00%	1,523,814	16,066,727	17,590,541
EUR	3.60%-7%	770,057	252,721	1,022,778
Other	6.50%-7.55%	44,528	57,590	102,118
		7,261,398	20,706,402	27,967,800

The details of the borrowings as of 31 December 2024 are as follows:

Currency Type	Interest Rate Range	Short-Term	Long-Term	31 December 2024
TL	26.95%-32.5%	3,529,681	-	3,529,681
USD	5.25%-6.19%	1,191,759	952,510	2,144,269
USD	6M SOFR+2.90%-3.40%	322,397	2,754,681	3,077,078
EUR	5.75%-6.5%	3,446,149	1,396,436	4,842,585
EUR	6M Euribor+2.90%-3.45%	9,503,759	4,177,390	13,681,149
Other	7.19%	35,458	59,794	95,252
		18,029,203	9,340,811	27,370,014

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9. FINANCIAL BORROWINGS (Continued)

The details of the payback plan of credits as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Will be paid in 1 year (*)	7,261,398	18,029,203
Will be paid in 1 - 2 years	6,844,152	4,759,501
Will be paid in 2 - 3 years	4,913,300	2,232,401
Will be paid in 3 - 4 years	4,753,835	1,208,230
Will be paid in 4 - 5 years	4,116,649	909,710
Will be paid in more than 5 years	78,466	230,969
	27,967,800	27,370,014

(*) Short-term loans were used for the purchase of shares of Mannok Holdings DAC. The short-term loans used were closed using a 5-year term loan with a 2-year grace period within the framework of the loan agreement signed with the participation of 3 banks on 12 February 2025.

On 24 June 2024, the Company signed a loan agreement with the European Bank for Reconstruction and Development (EBRD) for the amount of 25 million Euros, with a maturity of 5 years, with a 2-year grace period for the financing of sustainability investments. With this agreement, EBRD has provided long-term financing to a cement company in Türkiye for the first time. On 5 November 2025, the Company signed a loan agreement with the European Bank for Reconstruction and Development (EBRD) for the amount of 50 million Euros, with a total maturity of 5 years with a 2-year grace period for principal repayment. The loan will be available in two equal tranches; the first tranche has been utilized, while the second tranche may be utilized in line with the Company's cash requirements.

The Company signed a green loan agreement with the International Finance Corporation (IFC) for a total of 5 years with a 2-year grace period for a total of 5 years, in the amount of 70 million USD on 1 November 2024. The loans received from EBRD and IFC will be used in renewable energy, alternative fuels, alternative raw materials, product transformation and other efficiency investments in the factories located in Mersin, Eskişehir and Afyon in line with the Company's greenhouse gas emission reduction targets.

With respect to the acquisition loan utilized for the purchase of the Buñol white cement plant, the acquisition of which was completed in July 2021, an amount of 29.8 million Euros was repaid on 30 September 2025 through the exercise of the early repayment option. The repaid loan was refinanced with a more favorable 30 million Euro loan with a maturity in 2029, obtained on 24 December 2025.

The movements of financial liabilities during the year are as follows.

	31 December 2025	31 December 2024
Borrowings at the beginning of the period	27,370,014	15,570,097
Borrowings received	21,624,296	24,322,766
Borrowings paid	(19,075,469)	(8,725,706)
Change in interest accruals	711,358	1,078,530
Foreign exchange	43,872	763,299
Monetary gain/(loss)	(6,354,815)	(6,465,577)
Foreign currency translation reserve	3,648,544	826,605
Total borrowings	27,967,800	27,370,014

10. OTHER RECEIVABLES AND PAYABLES

a. Other Receivables

Short-Term Other Receivables from Third Parties	31 December 2025	31 December 2024
Other miscellaneous receivables	80,475	42,897
Due from personnel	1,907	1,976
Receivables from insurance claims	40,548	-
	122,930	44,873

Long-Term Other Receivables	31 December 2025	31 December 2024
Deposits and guarantees given	13,612	19,239
	13,612	19,239



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10. OTHER RECEIVABLES AND PAYABLES (Continued)

b. Other Payables

Short-Term Other Payables	31 December 2025	31 December 2024
Taxes and funds payable	464,061	413,372
Deposits and guarantees received	31,789	25,535
Other payables due to related parties (Note 32)	33,253	29,689
	529,103	468,596

11. INVENTORIES

Inventories	31 December 2025	31 December 2024
Raw materials	2,467,092	3,297,246
Work-in progress	1,812,034	1,943,711
Finished goods	1,823,851	1,665,391
Goods in transit	639,651	311,990
Other inventories	183,094	229,033
Inventory impairment provision (-)	(138,994)	(682,787)
	6,786,728	6,764,584

Inventory impairment provision movement	1 January-31 December 2025	1 January-31 December 2024
Opening balance	682,787	46,421
Provisions during the period (Note 25)	38,622	1,387
Reversal of the provision (-) (Note 25)	(33,613)	(15,902)
Foreign currency translation reserve	(32,886)	-
Classifications (Note 13)	(515,916)	-
Increases due to subsidiary acquisitions	-	650,881
Closing balance	138,994	682,787

The Group allocates an allowance for the impairment on the inventories of finished goods, work in progress and raw materials in the cases when their net realizable values are lower than their costs or when they are classified as slow moving inventories. The provision has been recognized under cost of sales.

12. PREPAID EXPENSES AND DEFERRED INCOME

a. Prepaid Expenses

Short-Term Prepaid Expenses	31 December 2025	31 December 2024
Prepaid expenses	216,524	309,101
Advances given	33,504	250,520
	250,028	559,621

Long-Term Prepaid Expenses	31 December 2025	31 December 2024
Advances given for the purchase of fixed assets (*)	178,788	1,218,068
	178,788	1,218,068

(*) Mainly consists of the advance payment for the investment in the grey cement grinding plant at our factory in America.

b. Deferred Income

Short-Term Deferred Income	31 December 2025	31 December 2024
Advances received	154,400	232,088
	154,400	232,088

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13. PROPERTY, PLANT AND EQUIPMENT

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Cost value									
Opening balance as of 1 January 2025	1,203,486	3,114,224	12,837,525	46,840,028	1,670,622	1,067,530	1,473,625	2,487,869	70,694,909
Foreign currency translation reserve	-	37,146	7,485	379,614	25,008	365,183	104,895	121,495	1,040,826
Additions	11,699	64,923	22,994	1,549,466	56,000	290,363	12,845	6,701,348	8,709,638
Disposals	(358)	-	-	(55,722)	(15,565)	(74,864)	-	-	(146,509)
Transfers from construction in progress	-	398,027	1,381,965	3,248,826	134,575	74,031	-	(5,315,913)	(78,489)
Classifications (*) (Note 11)	-	-	-	211,769	-	-	-	-	211,769
Closing balance as of 31 December 2025	1,214,827	3,614,320	14,249,969	52,173,981	1,870,640	1,722,243	1,591,365	3,994,799	80,432,144
Accumulated depreciation									
Opening balance as of 1 January 2025	-	(1,576,416)	(5,237,091)	(24,181,965)	(1,271,183)	(473,809)	(1,161,684)	-	(33,902,148)
Foreign currency translation reserve	-	(62,330)	(89,958)	(118,020)	(15,273)	(253,747)	(3,896)	-	(543,224)
Charge for the period	-	(104,822)	(384,515)	(2,377,832)	(89,634)	(231,117)	(7,402)	-	(3,195,322)
Disposals	-	-	-	38,764	15,454	73,890	-	-	128,108
Closing balance as of 31 December 2025	-	(1,743,568)	(5,711,564)	(26,639,053)	(1,360,636)	(884,783)	(1,172,982)	-	(37,512,586)
Net book value as of 31 December 2025	1,214,827	1,870,752	8,538,405	25,534,928	510,004	837,460	418,383	3,994,799	42,919,558

At the meeting of the Board of Directors of the Group's subsidiary, Afyon Çimento, held on 1 October 2025, it was resolved to acquire the construction solutions (Kratos) business line of Kordsa Teknik Tekstil A.Ş., in order to expand its field of activity and product portfolio with sustainability and technology focused, innovative and value-added products. The acquisition was structured as a transfer of the assets included in the relevant business line (comprising certain machinery, fixtures and equipment, other intellectual property rights, inventories, spare parts and other related tangible and intangible assets) for a total consideration of USD 10,000,000, excluding VAT, based on the conclusions set out in the valuation report prepared by Ernst & Young Kurumsal Finansman Danışmanlık A.Ş. Following the payment made in accordance with the terms of the relevant agreement, the transfer of the assets was completed as of 3 November 2025.

(*) Classification has been made for plant, property and equipment based on the net values of the classified stocks.

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land	Land Improvements	Buildings	Machinery and Equipment	Vehicles	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Cost value									
Opening balance as of 1 January 2024	1,216,238	3,100,079	12,178,350	38,042,781	1,310,127	744,753	109,002	278,243	56,979,573
Foreign currency translation reserve	-	(157,137)	(565,523)	(1,955,236)	(67,777)	(40,948)	(5,907)	(40,655)	(2,833,183)
Additions	-	52,706	1,037,116	8,957,404	379,108	19,452	1,354,552	148,411	11,948,749
Disposals	564	21,695	70,409	880,805	53,668	333,148	15,978	3,552,279	4,928,546
Transfers from construction in progress	(13,316)	-	(335)	(211,196)	(4,504)	(10,867)	-	-	(240,218)
Classifications (*) (Note 11)	-	96,881	117,508	1,125,470	-	21,992	-	(1,450,409)	(88,558)
Closing balance as of 31 December 2024	1,203,486	3,114,224	12,837,525	46,840,028	1,670,622	1,067,530	1,473,625	2,487,869	70,694,909
Accumulated depreciation									
Opening balance as of 1 January 2024	-	(1,504,674)	(4,396,916)	(20,374,255)	(913,947)	(341,675)	(100,559)	-	(27,632,026)
Foreign currency translation reserve	-	42,236	93,910	525,219	24,339	2,807	2,978	-	691,489
Increases due to subsidiary acquisitions	-	(20,935)	(643,116)	(2,927,419)	(319,681)	(11,157)	(1,051,056)	-	(4,973,364)
Charge for the period	-	(93,043)	(290,970)	(1,525,139)	(64,946)	(131,440)	(13,047)	-	(2,118,585)
Disposals	-	-	1	119,629	3,052	7,656	-	-	130,338
Closing balance as of 31 December 2024	-	(1,576,416)	(5,237,091)	(24,181,965)	(1,271,183)	(473,809)	(1,161,684)	-	(33,902,148)
Net book value as of 31 December 2024	1,203,486	1,537,808	7,600,434	22,658,063	399,439	593,721	311,941	2,487,869	36,792,761

The distribution of depreciation charge for the property, plant and equipment is as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Cost of sales	(2,921,781)	(1,845,914)
General administrative expenses	(180,524)	(258,075)
Marketing, sales, and distribution expenses	(91,934)	(13,594)
Research and development expenses	(1,083)	(1,002)
	(3,195,322)	(2,118,585)

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14. INTANGIBLE ASSETS

Cost value	Mining Rights	Other Intangible Assets	Customer contract and relations	Rights	Brand	Total
Opening balance as of 1 January 2025	3,344,910	788,115	5,031,407	5,390,672	548,601	15,103,705
Foreign currency translation reserve	456,562	35,516	(205,268)	259,382	140,180	686,372
Additions	42,490	71,319	-	1,141,960	-	1,255,769
Transfers from constructions in progress	-	78,489	-	-	-	78,489
Closing balance as of 31 December 2025	3,843,962	973,439	4,826,139	6,792,014	688,781	17,124,335

Accumulated depreciation

Opening balance as of 1 January 2025	(1,583,069)	(534,418)	(492,086)	(27,125)	(13,152)	(2,649,850)
Foreign currency translation reserve	(176,823)	(24,208)	104,025	1,622	2,592	(92,792)
Amortization for the period	(66,120)	(108,519)	(503,289)	(50,197)	-	(728,125)
Closing balance as of 31 December 2025	(1,826,012)	(667,145)	(891,350)	(75,700)	(10,560)	(3,470,767)
Net book value as of 31 December 2025	2,017,950	306,294	3,934,789	6,716,314	678,221	13,653,568

Cost value	Mining Rights	Other Intangible Assets	Customer contract and relations	Rights	Brand	Total
Opening balance as of 1 January 2024	1,094,439	475,655	1,582,611	3,753,133	-	6,905,838
Foreign currency translation reserve	(45,144)	(21,067)	(939,654)	(526,597)	-	(1,532,462)
Increases due to subsidiary acquisitions	2,295,615	201,651	4,388,450	2,131,240	548,601	9,565,557
Additions	-	43,318	-	32,896	-	76,214
Transfers from constructions in progress	-	88,558	-	-	-	88,558
Closing balance as of 31 December 2024	3,344,910	788,115	5,031,407	5,390,672	548,601	15,103,705
Opening balance as of 1 January 2024	(662,431)	(305,027)	(323,874)	-	-	(1,291,332)
Foreign currency translation reserve	3,852	2,127	39,274	(27,125)	-	18,128
Increases due to subsidiary acquisitions	(891,903)	(162,578)	-	-	-	(1,054,481)
Amortization for the period	(32,587)	(68,940)	(207,486)	-	(13,152)	(322,165)
Closing balance as of 31 December 2024	(1,583,069)	(534,418)	(492,086)	(27,125)	(13,152)	(2,649,850)
Net book value as of 31 December 2024	1,761,841	253,697	4,539,321	5,363,547	535,449	12,453,855



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14. INTANGIBLE ASSETS (Continued)

The mining rights are amortized in proportion to the reserves consumed in the current year to the total reserves. The remaining amortization period depends on the duration of the depletion of the remaining reserves.

The distribution of amortization charge for intangible assets is as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Cost of sales	(635,629)	(281,238)
General administrative expenses	(62,032)	(27,447)
Marketing, sales and distribution expenses	(29,574)	(13,086)
Research and development expenses	(890)	(394)
	(728,125)	(322,165)

15. RIGHT-OF-USE ASSETS

Details regarding the right-of-use assets recognized on asset basis are as follows were as follows:

Right-of-Use Assets	1 January 2025	Additions	Depreciation Expense for the Period	Foreign Currency Translation Reserve	31 December 2025
Buildings	364,370	229,468	(160,629)	26,953	460,162
Vehicles	257,705	245,590	(89,566)	21,098	434,827
	622,075	475,058	(250,195)	48,051	894,989

The depreciation expense of TL 67,327 for the period ending on 31 December 2025 of the right-of-use assets has been included in the cost of the goods sold and the part of TL 182,868 has been included in the general administrative expense.

Right-of-Use Assets	1 January 2024	Additions	Depreciation Expense for the Period	Foreign Currency Translation Reserve	31 December 2024
Buildings	359,096	94,318	(51,918)	(37,126)	364,370
Vehicles	314,585	47,130	(71,649)	(32,361)	257,705
	673,681	141,448	(123,567)	(69,487)	622,075

The depreciation expense of TL 33,252 for the period ending on 31 December 2024 of the right-of-use assets has been included in the cost of the goods sold and the part of TL 90,315 has been included in the general administrative expense.

16. INVESTMENT PROPERTIES

	31 December 2025	31 December 2024
Opening balance	78,586	-
Fair value gains (Note 27)	3,346	5,780
Foreign currency translation reserve and inflation adjustment effect	1,972	-
Increases due to subsidiary acquisitions	-	72,806
	83,904	78,586

The fair value of Mannok Holdings DAC's investment properties in the Republic of Ireland as of 31 December 2025 was determined by a valuation firm independent of the Group. The independent appraisal company has sufficient experience and qualifications in measuring the fair value of real estate in the relevant regions. The fair value of the lands owned was determined according to the market comparative approach method, which reflects the current transaction prices for similar real estate. In determining the fair value of the lands, the highest and best of the current use value was used. No different valuation technique was used in the current period. In the current period, the fair value hierarchy level of investment properties measured with a different valuation technique as of 31 December 2025 is 2.

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17. GOODWILL

The goodwill amount presented in the Group’s financial statements as of 31 December 2025 is related to Eskişehir Cement Factory (‘Standart Çimento’) acquired in 2005, Çimsa Cement located in TRNC, Bilecik Ready Mixed Concrete Facilities acquired in 2008, Afyon Çimento Sanayi Türk Anonim Şirketi acquired in 2012, Buñol Factory acquired in 2021 and Mannok Holdings DAC acquired in 2024. The movement of goodwill for the periods ending 31 December 2025 and 31 December 2024 is stated below.

	31 December 2025	31 December 2024
Eskişehir	3,785,771	3,785,771
Afyon Çimento Sanayi T.A.Ş.	193,175	193,175
Bilecik Hazır Beton	97,094	97,094
Çimsa Cement Free Zone Ltd.	9,513	9,513
Buñol	285,667	436,942
Mannok Holdings DAC	1,094,460	1,073,507
	5,465,680	5,596,002

Goodwill amounts associated with cash generating units are subjected to an impairment determination study once a year or more frequently in December when the circumstances indicate impairment. The recoverable value of the cash-generating units has been determined on the basis of value in use or fair value less cost to sell. The recoverable value was determined according to the fair value calculations made according to the discounted cash flow analysis. These calculations include cash flow projections on a TL basis and are based on ten-year plans between 1 January 2026 and 31 December 2035. For the cash flow estimation, 24.4% weighted average cost of capital and cost and sales price increases in line with macroeconomic and market assumptions were taken into account. As a result of these impairment tests, the recoverable value of the goodwill was determined on the registered value as a result of the examination as of 31 December 2025, and no impairment was found.

In the valuation technique applied, the test for impairment of goodwill is based on the following assumptions:

These generally accepted valuation techniques are based on the changing EBITDA/net sales ratio on the basis of cash generating unit with a growth rate of 10% - 15% on the basis of each cash-generating unit and it is extremely sensitive to changes in the Weighted Average Cost of Capital values accepted as 24.4%.

While the EBITDA/Net Sales ratio is in line with the budgets prepared by the Group management on a cash-generating unit basis for 2025 and beyond, the Weighted Average Cost of Capital ratio depends on some macroeconomic and cement sector-specific variables.

When calculating the estimated recoverable amount, when the discount rate is increased by 1 point from the values used in the assumptions by keeping the other variables constant, or in the same way, when the growth rate is reduced by 1 point from the values used in the assumptions by keeping the other variables constant, the recoverable amount of the cash generating unit does not fall below the book value.

The fair value calculations of the cash-generating unit in question include after-tax cash flow projections, and these projections determined in Turkish Lira are based on ten-year plans approved by Çimsa management. The Group foresees that an analysis for a period longer than five years is more appropriate in evaluating operational results and forward-looking forecasts in the sector it operates in, and therefore bases the impairment test on ten-year projections.

18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a. Short-Term Provisions

Short-term provisions	31 December 2025	31 December 2024
Carbon liabilities (*)	3,951,800	3,233,335
Provision for litigations	54,658	72,054
Short-term employee benefits	481,370	241,358
Other provisions	314,492	183,719
	4,802,320	3,730,466

(*) Mainly consists of the carbon obligations of CBS B.V.



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18. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The movement of “Provision for the litigations” as of 31 December 2025 and 2024 is stated below:

Provision for the litigation movements	31 December 2025	31 December 2024
Opening balance	72,054	86,266
Additional provision (Note 26)	3,821	16,382
Reversal of provision (-) (Note 26)	(4,252)	(2,386)
Monetary gain/(loss)	(16,965)	(28,208)
Closing balance	54,658	72,054

As of 31 December 2025, the Group has provided a provision amounting to TL 54,658 for the risky cases against the Company with the opinion obtained from the Company’s legal counsels (31 December 2024: TL 72,054).

b. Long-term provisions

Long-term provisions	31 December 2025	31 December 2024
Long-term employee benefits	319,591	280,679
Other long-term provisions	289,389	288,257
	608,980	568,936
Other long-term provisions	31 December 2025	31 December 2024
Recultivation provision	289,389	288,257
	289,389	288,257

The operations of the Group such as mining, cement production are subject to the Environment Law, and to the Land Protection and Utilization Law. All liabilities such as taxes, duties and emission fees resulting from this legislation have been fulfilled by the Group. This legislation addresses the costs that could arise from recovering the damage and pollution in the land while vacating the mines. Accordingly, the management calculated the estimated cost of plans that are deemed to meet the requirements of legislation related to the mining areas in which the Group operates. The Group has accounted and disclosed the recultivation provision amounting to TL 289,389 under “Other Long-Term Provisions” as of 31 December 2025 (31 December 2024: TL 288,257).

Movement of recultivation provision as of 31 December 2025 and 31 December 2024 is as follows:

Recultivation provision movement	1 January-31 December 2025	1 January-31 December 2024
Opening balance	288,257	39,620
Additional provision (Note 26)	6,812	10,332
Foreign currency translation reserve and inflation adjustment effect	(5,680)	(13,176)
Increases due to subsidiary acquisitions	-	251,481
Closing balance	289,389	288,257

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19. COMMITMENTS

The collaterals, pledges and mortgages (CPM) received by the Group as of 31 December 2025 and 31 December 2024 are as follows:

	Currency	31 December 2025		31 December 2024	
		Original Amount	TL Amount	Original Amount	TL Amount
Guarantee letter received	TL	4,389,443	4,389,443	3,181,416	4,164,220
Guarantee letter received	USD	51,572	2,210,484	31,997	1,475,210
Guarantee letter received	EUR	11,232	566,690	11,252	541,144
Guarantee letter received	Other	276	4,555	276	14,075
Mortgages received	TL	73,070	73,070	72,516	94,918
Mortgages received	Other	14,877	187,124	-	-
Checks and notes received	TL	56,530	56,530	66,530	87,082
Checks and notes received	USD	47	2,027	41,859	1,929,889
Pledge	TL	763,165	763,165	1,059,653	1,387,000
Total CPMs received			8,253,088		9,693,538

As of 31 December 2025 and 31 December 2024, the details of the collaterals, pledges and mortgages (CPM) given are as follows:

	Currency	31 December 2025		31 December 2024	
		Original Amount	TL Amount	Original Amount	TL Amount
A. Total CPM given for the Company's own legal entity (*)	TL	3,709,170	3,709,170	6,970,410	9,123,709
	USD	3,500	150,018	3,400	156,755
	EUR	84,630	4,269,870	152,685	7,343,133
	Other	11,700	147,159	11,700	127,279
B. Total CPM given in favor of subsidiaries consolidated online-by-line basis (**)	EUR	167,420	8,446,875	191,500	9,209,908
	USD	38,360	1,644,198	45,500	2,097,755
C. Total CPM given in favor of other 3rd parties for ordinal trading operations	-	-	-	-	-
D. Other CPM given					
i. Total CPM given in favor of parent entity	-	-	-	-	-
ii. Total CPM given in favor of other Group companies not of scope of clause B and C	-	-	-	-	-
iii. Total CPM given in favor of other 3rd parties out of scope of clause C	-	-	-	-	-
			18,367,290		28,058,539

(*) It mainly consists of guarantees given for Exim loans.

(**) Consists of the guarantees given by our Company for the loans utilized by the associates of our subsidiary SBS B.V.

The ratio of other GPMs given by the Group to the Group's equity is 0% as of 31 December 2025 (31 December 2024: 0%).



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20. EMPLOYEE BENEFITS

a. Employee Benefit Obligations

	31 December 2025	31 December 2024
Social security premium payables	66,209	152,635
Wage accrual and income tax withholding payable to personnel	33,157	24,674
	99,366	177,309

b. Long-Term Employee Benefits

	31 December 2025	31 December 2024
Retirement pay provision	226,412	208,008
Provision for unpaid vacation liability	74,821	55,601
Seniority provision	18,358	17,070
	319,591	280,679

In accordance with the existing social legislation in Türkiye, the Group is required to make lump-sum termination indemnities to each employee who has completed over one year of service with the Group and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

Such payments are calculated on the basis of one month's pay limited to a maximum of TL 53,919.68 full as of 31 December 2025 (31 December 2024: TL 41,828.42 full).

In the consolidated financial statements dated 31 December 2025 and 31 December 2024, the actuarial assumptions used in calculating the severance pay liability are as follows:

	31 December 2025	31 December 2024
Net discount rate (%)	4	3

As at 31 December 2025 and 31 December 2024, the movement of "Provision for Employment Termination Benefits" is as follows:

	1 January- 31 December 2025	1 January- 31 December 2024
Opening balance	208,008	233,738
Service cost	32,577	33,734
Interest cost	43,049	43,148
Actuarial gain	(37,850)	(4,934)
Payments	(15,607)	(51,410)
Monetary (gain)/loss	(49,092)	(46,947)
Foreign currency translation reserve	45,327	679
Closing balance	226,412	208,008

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20. EMPLOYEE BENEFITS (Continued)

b. Long-Term Employee Benefits (Continued)

The movement of provision for unpaid vacation liability in the period is stated below:

	1 January- 31 December 2025	1 January- 31 December 2024
Opening balance	55,601	52,726
Additional provision	41,256	28,711
Provision paid during the period	(8,913)	(11,309)
Monetary (gain)/loss	(13,123)	(14,527)
Closing balance	74,821	55,601

The movement of ‘seniority provision’ in the period is stated below:

	1 January- 31 December 2025	1 January- 31 December 2024
Opening balance	17,070	11,120
Additional provision	9,241	15,941
Premium paid during the period	(3,055)	(4,646)
Monetary (gain)/loss	(4,898)	(5,345)
Closing balance	18,358	17,070

21. OTHER ASSETS AND LIABILITIES

a. Other Assets

Other current assets	31 December 2025	31 December 2024
Deferred VAT (*)	233,059	207,914
Other current assets	18,584	51,771
	251,643	259,685

Other non-current assets	31 December 2025	31 December 2024
Export VAT (**)	28,340	29,111
Other non-current assets	950	2,914
	29,290	32,025

(*) According to the estimates of the Group, the portion to be deducted from the VAT payables to be paid within one year is reclassified to other current assets.

(**) According to VAT Law no 11/c, the VAT amount regarding to the goods which are rendered to export dealers by manufacturers is not collected, and are recorded to export VAT and deferred VAT accounts. Uncollected VAT is declared on related VAT declaration; accrued VAT is deferred and recorded to deferred VAT accounts. After verification of the realization of export, tax administration makes cancellation for the deferred VAT.



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21. OTHER ASSETS AND LIABILITIES (Continued)

b. Other Liabilities

	31 December 2025	31 December 2024
Other short-term liabilities (*)	912,510	712,207
	912,510	712,207

(*) Liabilities related to the purchase of petcoke are followed among other short-term liabilities.

	31 December 2025	31 December 2024
Other long-term liabilities (**)	1,643,384	-
	1,643,384	-

(**) Liabilities related to waste heat to electricity investment are followed among other long-term liabilities.

22. EQUITY, RESERVES AND OTHER EQUITY ITEMS

As of 31 December 2025 and 31 December 2024, the composition of shareholders is as follows:

	31 December 2025		31 December 2024	
Shareholders (*)	(%)	Tutar	(%)	Tutar
Hacı Ömer Sabancı Holding A.Ş.	54.54	515,719	54.54	515,719
Akçansa Çimento San. ve Tic. A.Ş.	8.98	84,914	8.98	84,914
Other shareholders	36.48	344,958	36.48	344,958
Nominal share capital	100	945,591	100	945,591
Inflation adjustment		3,355,000		3,355,000
Adjusted share capital		4,300,591		4,300,591

(*) Public quotation of the Group is 45.06% as of 31 December 2025 (31 December 2024: 45.03%).

As of 31 December 2025, the Company's capital is composed of 945,591 units (31 December 2024: 945,591). The nominal value of the shares is TL 1 per share (31 December 2024: TL 1 per share).

In accordance with the Board of Directors decision dated 6 January 2025, the amendments planned to be made to Article 6 of the Company's Articles of Association in order to extend the validity period of the Company's registered capital ceiling to cover the years 2025-2029 and to increase the registered capital ceiling from TL 350,000 to TL 10,000,000 were approved at the Ordinary General Assembly meeting dated 27 March 2025. The decision of the General Assembly was registered on 2 April 2025 and published in the Trade Registry Gazette dated 3 April 2025 and numbered 11304.

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22. EQUITY, RESERVES AND OTHER EQUITY ITEMS (Continued)

Legal reserves

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company's share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's share capital. The legal reserves are not available for distribution unless they exceed 50% of the issued capital, other than that legal reserves cannot be used.

Profit Distribution

Listed companies distribute dividend in accordance with the Communiqué No. II-19.1 issued by the CMB which is effective from 1 February 2014:

Subsidiaries distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable instalments and advance dividend can be paid in accordance with profit on interim financial statements of the Company.

Subsidiaries should include at least the following in their profit distribution policies:

- a) Whether dividends will be distributed, and if distributed, the dividend distribution rate for shareholders and for others participating in the distribution.
 b) Payment type of dividend distribution.
 c) Time of dividend distribution; on condition that the distribution procedures to be started at the latest of the end of the annual period in which general assembly meeting was held in which the distribution was agreed upon.
 d) Whether dividend advances will be distributed, and if distributed, the related principles.

In accordance with the Turkish Commercial Code (TCC), unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

In accordance with Article 26 of the Articles of Association and in accordance with the CMB Communiqués, the Net Distributable Profit for the Period amounting to TL 2,653,880,881,69 remaining after deducting Legal Liabilities and Non-Controlling Interests from the said consolidated net profit for the year 2024 calculated in accordance with the CMB Legislation shall be distributed as follows,

First Dividend	TL 47,280
Second Dividend	TL 552,720
Total Gross Dividend	TL 600,000
General Legal Reserves (2nd Order)	TL 55,272
Extraordinary Reserve	TL 1,998,609

As a result of making the dividend distribution according to the above principles, from the Net Distributable Period Profit in our legal records prepared in accordance with the provisions of the Tax Procedure Law; After the Legal Liabilities are set aside, the gross dividend of TL 600,000,000 Full to be distributed shall be covered from the net profit of the period, and the remaining amount shall be transferred to extraordinary reserves,

Thus, it was decided at the Ordinary General Assembly meeting of 2024 held on 27 March 2025 to distribute TL 600,000,000 Full (TL 636,042 after inflation) (Gross) Dividend in cash to the shareholders representing TL 945,591,094.00 Full capital from the Profit of 2024, depending on their legal status, as of 2 April 2025.



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22. EQUITY, RESERVES AND OTHER EQUITY ITEMS (Continued)

Foreign currency translation reserve

According to TAS 21 'Effects of Changes in Foreign Exchange Rates', during the consolidation, the assets and liabilities of Group's subsidiaries and joint ventures in foreign countries are translated to Turkish Lira with respect to the exchange rates on the balance sheet date. Income and expense items are translated via the average exchange rates. The differences emerged as a result of using the closing and average exchange rates are accounted for as foreign currency translation reserves in the comprehensive statement of income.

Non-controlling interests

All non-controlling shares are eliminated from the equity accounts, including paid-in capital, of the consolidated subsidiaries and presented as a non-controlling interest in shareholders' equity in the consolidated balance sheet.

Value increase/(decrease) funds of financial investments

The subsidiary Exsa Export Sanayi Mamülleri Satış ve Araştırma A.Ş. ("Exsa") has been consolidated using the equity method with a share of 32.875%. The main shareholder, Hacı Ömer Sabancı Holding A.Ş. (Sabancı Holding), has made a Board of Directors decision to merge by taking over its subsidiary Exsa. In this context, Sabancı Holding applied to the Capital Markets Board on 21 June 2023, to obtain the necessary permits and approvals for the merger. According to Sabancı Holding's announcement on the Public Disclosure Platform dated 30 October 2023, the application to the Capital Markets Board for the merger has been updated in line with revised documents to obtain the necessary permits and approvals. As a result of the merger, Exsa shareholders were compensated by giving them Sabancı Holding shares in exchange for their Exsa shares, and the process was completed with the registration on 15 January 2024. In this context, the issuance document approved by the Capital Markets Board for the shares issued by Sabancı Holding due to the capital increase and allocated to Exsa's other shareholders was received on 2 February 2024, and the share exchange transactions were completed on 5 February 2024, finalizing the merger. In exchange for TL 76,927,500 full nominal value shares held in Exsa's capital, Sabancı Holding, as a result of the capital increase due to the merger, allocated TL 27,690,740.94 full nominal value shares representing 1.32% of Sabancı Holding's post-merger capital to our Company. The impact of this transaction has been recognized under Expenses from Investment Activities Account.

As of 31 December 2025, the historical amounts and the effects of inflation adjustment of the following equity accounts of Çimsa Çimento San. ve Tic. A.Ş., as presented under shareholders' equity in accordance with the TFRS and Tax Procedure Law financial statements, are as follows:

31 December 2025 (TFRS)	Historical Value	Inflation adjustment effect	Indexed value
Adjustments to share capital	41,742	3,313,258	3,355,000
Share Premiums	575	7,702	8,277
Restricted Reserves	416,933	4,076,826	4,493,759
31 December 2025 (TPL)	Historical Value	Inflation adjustment effect	Indexed value
Adjustments to share capital	54,800	6,193,352	6,248,152
Share Premiums	4,271	97,696	101,967
Restricted Reserves	460,492	5,267,764	5,728,256

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23. DERIVATIVE FINANCIAL INSTRUMENTS

	31 December 2025				31 December 2024			
	Fair Value				Fair Value			
	Contract amount	Currency	Assets	Liabilities	Contract amount	Currency	Assets	Liabilities
Short-term derivative instruments								
Interest rate swap	16.700	USD	9.132	-	20.750	USD	28.725	-
Interest rate swap	100.000	EUR	17.296	-	-	-	-	-
Interest rate swap	37.510	EUR	-	13.352	19.400	EUR	-	14.470
Forward foreign exchange transactions	9.600	USD	-	22.288	-	-	-	-
Forward foreign exchange transactions	22.500	GBP	-	4.769	18.750	GBP	-	23.376
Option		-	-	-	-	-	-	49.224
Total short-term derivative instruments			26.428	40.409			28.725	87.070

In order to hedge interest rate risk, the Group has signed an interest rate swap agreement amounting to EUR 45,750 on 6 December 2023 and 11 April 2025 in order to fix the floating rate (Euribor) portion of the loans used within the scope of Bunol Project financing. The contract maturity is 9 July 2029. The fair value increase/decrease of the contract is recognized under equity.

In order to hedge interest rate risk, the Group has signed an interest rate swap agreement amounting to USD 16,700 in order to fix the floating rate (SOFR) portion of the loans used for the financing of the White Grinding Plant in America project. The contract maturity is 20 February 2027. The fair value increase/decrease of the contract is recognized under equity.

In order to hedge interest rate risk, the Group has signed an interest rate swap agreement with a total value of EUR 150,000 on 3 April 2025, 13 April 2025 and 22 April 2025 in order to fix the floating rate (Euribor) portion of the loans used within the scope of Mannok project financing. The contract maturity is 13 February 2030. The fair value increase/decrease of the contract is recognized under equity.

The Group regularly enters into GBP/EUR forward foreign currency transactions with maturities of less than one year in order to hedge its exposure to foreign currency risk arising from trading outside its functional currency. As of 31 December 2025, the Group is a party to 18 forward contracts with a total contract value of GBP 22,500 equivalent to EUR 25,572. During the 2025 accounting period, income/ expenses arising from forward contracts and fair value increases/decreases of the contracts are recognized under Profit/Loss statement.

24. REVENUE

Revenue	1 January-31 December 2025	1 January-31 December 2024
Domestic sales	18,386,120	18,376,954
Export sales	32,417,842	22,012,853
Sales discounts (-)	(2,022,365)	(481,250)
Cost of sales and other discounts (-)	(2,874,778)	(3,061,781)
	45,906,819	36,846,776
Cost of sales (-)	(36,915,465)	(28,935,475)
Gross profit	8,991,354	7,911,301



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25. EXPENSES BY NATURE

The detail of costs of sales for the periods between 1 January – 31 December 2025 and 2024 is as follows:

Cost of sales (-)	1 January-31 December 2025	1 January-31 December 2024
Direct material and supplies expenses	(11,650,239)	(10,216,219)
Labor expenses	(2,956,549)	(1,895,127)
Energy costs	(7,207,512)	(7,096,595)
Depreciation and amortization expenses	(3,624,737)	(2,160,404)
Other production expenses	(8,810,941)	(6,086,942)
Total production cost	(34,249,978)	(27,455,287)
Change in provision for inventory impairment (Note 11)	(5,009)	14,515
Change in work-in process	(131,677)	538,013
Change in finished and trade goods	158,460	729,407
Cost of trade goods sold and other	(2,687,261)	(2,762,123)
	(36,915,465)	(28,935,475)

The details of general administration expenses for the periods between 1 January - 31 December 2025 and 2024 are as follows:

General administrative expenses	1 January-31 December 2025	1 January-31 December 2024
Personnel expenses	(2,262,358)	(1,425,038)
Consultancy expenses	(494,199)	(742,319)
Depreciation and amortization expenses	(425,424)	(375,837)
Insurance expenses	(214,542)	(159,561)
IT expenses	(153,936)	(77,171)
Communication and publicity expenses	(122,734)	(100,560)
Travel expenses	(120,797)	(112,724)
Rent expenses	(116,222)	(175,319)
Tax, duty and charges	(115,498)	(127,957)
Representation expenses	(85,767)	(86,378)
Maintenance and repair expenses	(16,669)	(32,696)
Other miscellaneous expenses	(235,635)	(112,981)
	(4,363,781)	(3,528,541)

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25. EXPENSES BY NATURE (Continued)

The detail of marketing, selling and distribution expense for the periods between 1 January – 31 December 2025 and 2024 is as follows:

Marketing, sales and distribution expenses	1 January-31 December 2025	1 January-31 December 2024
Personnel expenses	(253,739)	(116,627)
Depreciation and amortization expenses	(121,508)	(26,680)
Representation expenses	(105,407)	(56,251)
Consultancy expenses	(14,869)	(8,110)
Travel expenses	(5,485)	(10,758)
Rent expenses	(2,664)	(3,035)
Insurance expenses	(918)	(1,023)
Other miscellaneous expenses	(10,949)	(14,073)
	(515,539)	(236,557)

The detail of research and development expense for the periods between 1 January - 31 December 2025 and 2024 is as follows:

Research and development expenses	1 January-31 December 2025	1 January-31 December 2024
Personnel expenses	(31,476)	(43,591)
Depreciation and amortization expenses	(1,973)	(1,396)
Travel expenses	(923)	(1,034)
Other miscellaneous expenses	(13,113)	(6,870)
	(47,485)	(52,891)

26. OTHER OPERATING INCOME AND EXPENSES

Other operating income	1 January-31 December 2025	1 January-31 December 2024
Foreign exchange gains from operating activities	1,358,499	1,183,793
Reversal of the provision	69,944	3,145
Sales of scrap and miscellaneous material	34,445	35,145
Other income and profit	512,931	325,915
	1,975,819	1,547,998

Other operating expenses	1 January-31 December 2025	1 January-31 December 2024
Foreign exchange losses from operating activities	(868,282)	(679,127)
Litigation, levy, and court paid expenses	(12,658)	(10,927)
Provision expenses	(54,901)	(62,482)
Donations and grants	(26,506)	(126,527)
Other expenses and losses	(150,997)	(119,860)
	(1,113,344)	(998,923)



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27. INCOME AND EXPENSE FROM INVESTMENT ACTIVITIES

Income from investment activities	1 January-31 December 2025	1 January-31 December 2024
Dividend income	98,768	134,765
Fixed assets sales income	12,752	42,620
Income from financial investments	9,085	60,975
Gain on fair value of investment property	3,346	5,780
	123,951	244,140

Expenses from investment activities	1 January-31 December 2025	1 January-31 December 2024
Expenses from financial investments	(1,146,580)	-
	(1,146,580)	-

28. FINANCIAL INCOME/EXPENSES

Financial income	1 January-31 December 2025	1 January-31 December 2024
Interest income	689,894	1,751,838
Total financial income	689,894	1,751,838

Financial expenses	1 January-31 December 2025	1 January-31 December 2024
Interest expenses of bank borrowings	(2,055,964)	(2,690,835)
Foreign exchange loss on bank borrowings	(43,872)	(359,103)
Other financial expenses (*)	(184,721)	(117,928)
Total financial expenses	(2,284,557)	(3,167,866)

(*) Other financial expenses consist of credit card and POS commissions and letter of credit expenses.

29. INCOME TAXES

With the "Law on the Creation of Additional Motor Vehicle Tax and Amendments to Certain Laws and Decree Law No. 375 (Law No. 7456) for the Compensation of Economic Losses Caused by the Earthquakes that Occurred on 6 February 2023", published in the official newspaper dated 15 July 2023, corporate tax rate has been increased from 20% to 25% and the new rate has entered into force as of the 3rd provisional tax period of 2023 (applied as 23% in 2022 and 25% in 2021). With this; With the same Law, the corporate tax reduction, which was previously applied as 1 point for the earnings of exporting institutions exclusively from exports, was increased to 5 points. For institutions that have an industrial registry certificate and are actually engaged in production activities, the corporate tax rate is applied at a 1-point discount for the profits they obtain exclusively from production activities.

This rate is applicable to the tax base derived upon exemptions and deductions stated in the tax legislation and by addition of disallowable expenses to the commercial revenues of the companies with respect to the tax legislation.

Companies calculate provisional tax based on their quarterly financial profits with the current corporate tax rate and declare and pay it until the evening of the 17th day of the second month following the relevant period. The provisional tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If there is any provisional tax amount left after the deduction, this amount can be refunded in cash or offset against other tax debts.

Dividend payments made to resident companies in Türkiye, to those who are not liable for corporate and income tax and exempt from corporate and income tax, and dividend payments made to resident and non-resident real persons and non-resident legal entities in Türkiye are subject to a 15% tax deduction.

The law on amending the Tax Procedure Law and the Corporate Tax Law was published on 20 January 2022, Law No. It has become law with number 7352, and it has been decided that financial statements will not be subject to inflation correction, regardless of whether the conditions for inflation adjustment within the scope of Article 298 are met for the 2021 and 2022 accounting periods, including the provisional accounting periods, and the 2023 accounting period provisional tax periods. In line with Law No. 7352, inflation adjustment has been applied to the financial statements dated 31 December 2023, and the profit/loss difference resulting from the inflation adjustment has been shown in the previous years' profit/loss account and has not been subject to tax. Profit/loss differences arising from the inflation adjustment made as of the 2024 accounting period are subject to tax.

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29. INCOME TAXES (Continued)

Within the scope of the Law No. 6637 on the Amendment of Certain Laws and Statutory Decrees published in the Official Gazette dated 7 April 2015, as of 1 July 2015, the cash capital increases in capital companies and the portion of the paid-in capital in newly established companies are announced by the CBRT. Taking into account the weighted annual average interest rate applied to commercial loans, 50% of the amount calculated until the end of the relevant accounting period can be deducted from the corporate tax base. With the decision numbered 2015/7910 published in the Official Gazette dated 31 December 2021, to 50%;

a) For public companies whose shares are traded on the stock exchange, whose paid or issued capital ratio is 50% or less, registered in the trade registry of the nominal amount of shares tracked as tradable shares in the Central Registry Agency, as of the last day of the year in which the discount is benefited. 25 points, 50 points for those above 50%.

b) In case the capital increased in cash is used for investments in production and industrial facilities with investment incentive certificates and machinery and equipment of these facilities and/or investments in land and land allocated for the construction of these facilities, an additional 25 points shall be limited to the fixed investment amount included in the investment incentive certificate. The discount in question is applied.

c) With Article 49 of Law No. 7417, effective as of 5 July 2022, this discount cannot be benefited separately for the accounting period in which the decision on capital increase or the articles of association at the initial establishment stage are registered and the four accounting periods following this period, and this amendment provision will be effective as of 5 July 2022. It has been stipulated that it will be applied for 5 accounting periods, including the 2022 accounting period, for companies that increased their capital before 2022 or were established for the first time.

In addition, Pursuant to the Decree on State Aids in Investments dated 15 June 2012 and numbered 2012/3305, the income obtained from the investments granted with the incentive certificate is subject to corporate tax at reduced rates, starting from the accounting period in which the investment started to be operated partially or completely, until the amount of contribution to a certain investment is reached. In addition, for incentive certificates applied and received before 16 May 2025, reduced corporate tax may be applied to the income of the investor from other activities during the investment period, as a deduction from the investment contribution amount, not to exceed the amount of investment expenditure realized and not to exceed 80% of the total amount of contribution to the investment. For incentive certificates obtained by applying after the aforementioned date, discounted corporate tax may also be applied to the earnings of the investor from other activities of the investor during the investment period up to a maximum of 50% of the total investment contribution amount, provided that it does not exceed the investment contribution amount earned due to the investment expenditure realized, as an offset to the investment contribution amount.

The tax expense for the year comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in shareholders' equity.

As of 2025, a domestic minimum corporate tax to be applied at a rate of 10% has been enacted. In brief, the domestic minimum corporate tax is based on the principle that the corporate income tax calculated by corporations under the general tax rules on the basis of their tax-based financial statements (while the global minimum corporate tax has been sought at a minimum rate of 15% as of 2024 on financial statements prepared in accordance with international accounting standards, the domestic minimum corporate tax is sought at a minimum rate of 10% as of 2025 on tax-based statutory financial statements) must not be less than 10% of the corporate profit before the deductions and exemptions specified in the law; if it is less, it is required to be increased to 10%.

Due to the utilization of investment contribution amounts under investment incentive certificates obtained prior to 2 August 2024, the effective date of the Law (excluding investments made under revisions to such certificates after this date), the tax not accrued in the relevant accounting period will be deducted in the calculation, and the payable domestic minimum corporate tax will be determined accordingly.

Within the scope of the conditions set out in Provisional Article 32 and Repeated Article 298/Ç of the Tax Procedure Law, revaluation increases of real estate and depreciable assets recognized in the statutory financial statements prepared in accordance with the TPL have been taken into account in the calculation of deferred tax in the TFRS financial statements. Since the fund recognized under equity in the TPL statutory financial statements as of 31 December 2025 due to the revaluation increase under Article 298/Ç is not expected to reverse in subsequent periods, no deferred tax liability has been recognized in the TFRS financial statements.

The Group will not derecognize buildings, machinery and equipment, vehicles, fixtures, intangible rights, and leasehold improvements from the statutory books prepared in accordance with the Tax Procedure Law, even after they have been fully depreciated/amortized. The deferred tax effects of Article 298/Ç in the TFRS financial statements have been recognized through the deferred tax income/expense account.

As of 31 December 2025 and 31 December 2024, income tax provisions have been accrued in accordance with the prevailing tax legislation.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date.



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29. INCOME TAXES (Continued)

Deferred tax liabilities are recognized for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

As of 31 December 2025 and 31 December 2024 corporate tax payables are summarized as follows:

Distribution of tax expenses are as follows:

Assets related to the current period taxes	31 December 2025	31 December 2024
Assets related to the current period taxes	-	113,236
	-	113,236

Corporate tax liability	31 December 2025	31 December 2024
Current period corporate tax provision	(484,409)	(319,773)
Less: Prepaid taxes and funds	391,393	204,394
	(93,016)	(115,379)

Tax (expense)/income	1 January-31 December 2025	1 January-31 December 2024
Current tax (expense)/income	(484,409)	(319,773)
Deferred tax (expense)/income	(261,861)	(793,035)
	(746,270)	(1,112,808)

The details of the deferred tax assets and liabilities 31 December 2025 and 2024 are as follows:

Deferred tax assets	31 December 2025	31 December 2024
Property, plant and equipment and intangible assets	668,231	1,714,874
Tax losses carried forward	184,573	342,097
Available-for-sale financial assets	199,327	154,513
Investment incentives (*)	560,414	276,105
Provisions for employee benefits	64,926	57,119
Recultivation provision	283	10,672
Other	79,889	208,930
	1,757,643	2,764,310

Deferred tax liabilities		
Property, plant and equipment and intangible assets	(2,334,609)	(3,185,660)
Fair values of derivative products	(41,003)	(53,490)
Inventories	(22,692)	(29,702)
Other	(95,668)	(365,232)
	(2,493,972)	(3,634,084)

Net deferred tax asset/(liability)	(736,329)	(869,774)
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(*) Pursuant to the Decree on State Aids in Investments dated 15 June 2012 and numbered 2012/3305, earnings from investments subject to an incentive certificate are subject to corporate tax at reduced rates starting from the accounting period in which the investment starts to be operated partially or completely, until they reach a certain investment contribution amount. In addition, discounted corporate tax may also be applied to the earnings from other activities of the investor during the investment period, not exceeding the amount of investment expenditure incurred and not exceeding 80% of the total investment contribution amount. As of 31 December 2025, the deferred tax asset created within the scope of investment incentives is TL 560,414.

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29. INCOME TAXES (Continued)

Deferred tax asset / (liability) presentation at balance sheet	31 December 2025	31 December 2024
Deferred tax assets	1,757,643	2,764,310
Deferred tax liabilities	(2,493,972)	(3,634,084)
	(736,329)	(869,774)

The movement of the net deferred tax liabilities is as follows:

Deferred tax asset/(liability) movements:	1 January-31 December 2025	1 January-31 December 2024
Opening balance	869,774	(842,534)
Deferred tax (income)/expense	261,861	793,035
Accounted under comprehensive income	(596,334)	(6,589)
Increase due to acquisition of subsidiary	-	1,077,703
Other	201,028	(151,841)
Closing balance	736,329	869,774

Tax reconciliation:	1 January-31 December 2025	1 January-31 December 2024
Profit before taxation	4,552,399	5,110,690
Effective statutory income tax rate	25%	25%
Tax expense at the effective statutory income tax rate	(1,138,100)	(1,277,673)
Reconciliation of tax provision calculated with deductible:		
- Effect of assets from investment incentives	284,309	276,105
- Non-deductible expenses	(15,759)	(44,562)
- Other income exempt from tax	130,817	64,716
- Inflation effect and other	(7,537)	(131,394)
Tax expense in the income statement	(746,270)	(1,112,808)

30. EARNINGS PER SHARE

Earnings per share (EPS) is calculated by dividing the net profit for the period attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Earnings/(loss) per share from continuing operations	1 January-31 December 2025	1 January-31 December 2024
Number of shares	945,591	945,591
Profit attributable to equity holders of the parent - TL	3,102,162	3,518,172
Dividend per share with nominal value of 1 Kr - TL	3.28	3.72



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31. NET MONETARY POSITION GAINS/(LOSSES)

The details of the Company's net monetary position gains/(losses) in accordance with TAS 29 as of 31 December 2025 and 2024 are as follows:

Non-Monetary Items	1 January-31 December 2025	1 January-31 December 2024
Statement of Financial Position Items	634,364	560,842
Inventories	82,851	159,098
Prepaid Expenses	(12,182)	12,385
Investments in Subsidiaries	3,963,004	4,169,595
Financial Investments	38,152	864,734
Property, Plant and Equipment	3,863,475	6,125,376
Goodwill	916,409	1,193,504
Right-of-Use Assets	11,447	90,325
Deferred Tax Asset/Liability	52,431	261,717
Paid-in Capital	(1,876,873)	(2,444,402)
Share Premium	(7,468)	(9,725)
Gains/(Losses) on Remeasurement of Defined Benefit Plans	(820)	14,655
Hedging Gains/Losses	263,131	(3,274)
Restricted Reserves	(1,051,413)	(1,329,406)
Prior Years' Profit/Losses	(5,607,780)	(8,543,740)
Statement of Profit or Loss Items	1,608,303	1,079,349
Revenue	(2,420,483)	(3,357,726)
Cost of Sales	3,677,359	4,075,452
General Administrative Expenses	329,356	315,903
Marketing, Sales and Distribution Expenses	47,052	31,007
Research and Development Expenses	4,934	7,085
Other Operating Income/Expenses	(137,440)	(231,876)
Income/Expenses from Investing Activities	(50,403)	(40,882)
Finance Income/Expenses	157,928	280,386
NET MONETARY POSITION GAINS (LOSSES)	2,242,667	1,640,191

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32. RELATED PARTY DISCLOSURES

Entities are defined as related if one of the entities has control over the other entity or has a significant influence over the other entity's financial and administrative decisions. The Group is controlled by H.Ö. Sabancı Holding A.Ş. For the consolidated financial statements, shareholder companies and financial assets of H.Ö. Sabancı Holding A.Ş. and their associates and subsidiaries and also other companies of Sabancı Group are presented separately, and these companies and top management of the Group are referred to as related parties. The Group has various transactions with related parties. The related party balances as of 31 December 2025 and 31 December 2024 and the related party transactions for the periods ended 31 December 2025 and 31 December 2024 are mainly as follows:

Trade receivables from related parties	31 December 2025	31 December 2024
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	6,396	569
	6,396	569

Short-term trade payables to related parties	31 December 2025	31 December 2024
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	61,933	61,679
Enerjisa Müşteri Çözümleri A.Ş. ^{(2)*}	115,177	256,493
Akçansa Çimento Sanayi ve Ticaret A.Ş. ⁽²⁾	-	86,817
Other	5,971	2,437
	183,081	407,426

(*) Within the framework of the contract signed with Enerjisa Müşteri Çözümleri A.Ş. (Enerjisa), the Solar Power Plant (SPP) project built in the Afyon factory was commissioned and activated on 13 September 2023. Within the framework of the contract, maintenance and operation services of the facility will be provided by Enerjisa Customer Solutions for 9 years from the date of commissioning, and a monthly service fee will be paid to Enerjisa Müşteri Çözümleri accordingly. In order to benefit from regional incentives related to investment, an Investment Incentive Certificate was obtained and the incentive elements began to benefit.

⁽¹⁾ Subsidiary of the parent company; H.Ö. Sabancı Holding A.Ş.

⁽²⁾ Joint venture of the parent company H.Ö. Sabancı Holding A.Ş.

Other long-term liabilities to related parties	31 December 2025	31 December 2024
Enerjisa Müşteri Çözümleri A.Ş. ⁽²⁾	1,643,384	-
	1,643,384	-

Within the framework of the contract signed with Enerjisa Müşteri Çözümleri A.Ş. dated 26 September 2023, waste heat to power generation (WHR) investment continues at the Eskişehir Plant.

Other short-term payables to related parties	31 December 2025	31 December 2024
Sabancı Dx ⁽¹⁾	29,635	25,770
Teknosa İç ve Dış Ticaret A.Ş. ⁽¹⁾	2,823	2,055
Aksigorta A.Ş. ⁽²⁾	331	1,814
Other	464	50
	33,253	29,689



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32. RELATED PARTY DISCLOSURES (Continued)

Bank balances deposited in related parties	31 December 2025	31 December 2024
Akbank T.A.Ş. ⁽¹⁾	2,606,590	215,273
	2,606,590	215,273

Borrowings from related parties	31 December 2025	31 December 2024
Bank loans from Akbank T.A.Ş. ⁽¹⁾	45,000	1,916,285
	45,000	1,916,285

⁽¹⁾ Subsidiary of the parent company; H.Ö. Sabancı Holding A.Ş.

⁽²⁾ Joint venture of the parent company H.Ö. Sabancı Holding A.Ş.

Sales to related parties	1 January-31 December 2025	1 January-31 December 2024
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	27,425	5,285
Sabancı Dx ⁽¹⁾	3,111	2,189
Other	4,308	135
	34,844	7,609

Purchases and services received from related parties	1 January-31 December 2025	1 January-31 December 2024
Enerjisa Elektrik Enerjisi Toptan Satış A.Ş. ⁽²⁾	405,277	1,295,329
Akçansa Çimento Sanayi ve Ticaret A.Ş. ⁽²⁾	617,413	558,260
Enerjisa Müşteri Çözümleri A.Ş. ⁽²⁾	1,288,907	224,965
Aksigorta A.Ş. ⁽²⁾	143,346	148,314
Sabancı Dx ⁽¹⁾	94,591	73,735
Teknosa İç ve Dış Tic. A.Ş. ⁽¹⁾	7,476	13,704
Other	465,773	22,486
	3,022,783	2,336,793

Interest income from related parties	1 January-31 December 2025	1 January-31 December 2024
Akbank T.A.Ş. ⁽¹⁾	170,695	268,433
	170,695	268,433

Interest expenses from related parties	1 January-31 December 2025	1 January-31 December 2024
Akbank T.A.Ş. ⁽¹⁾	(107,923)	(59,028)
	(107,923)	(59,028)

⁽¹⁾ Subsidiary of the parent company; H.Ö. Sabancı Holding A.Ş.

⁽²⁾ Joint venture of the parent company H.Ö. Sabancı Holding A.Ş.

Compensation benefits to the top management

The total amount of salaries and similar benefits provided to the chairman and members of the Board of Directors and senior executives such as general manager, assistant general managers in the current period is TL 381,064 (31 December 2024 - TL 167,075) and the premiums paid is TL 35,816 (31 December 2024 - TL 8,444).

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33. EFFECTS OF EXCHANGE RATE CHANGE

The Group's foreign currency positions in original currency as of 31 December 2025 and 31 December 2024 are as follows:

As the national currencies of the Group's foreign subsidiaries are not considered as exchange rate risk, they are not included in the foreign currency position.

31 December 2025				
	TL equivalent (Functional currency)	USD (Original currency)	EUR (Original currency)	GBP (Original currency)
Trade receivables	2,238,289	41,992	8,343	304
Monetary financial assets	1,580,149	6,625	24,149	1,353
Other	173,043	2,785	1,064	-
Current Assets	3,991,481	51,402	33,556	1,657
TOTAL ASSETS	3,991,481	51,402	33,556	1,657
Trade payables	(2,955,574)	(52,474)	(13,735)	(141)
Financial liabilities	(9,829,219)	(70,000)	(135,000)	-
Other non-monetary liabilities	(186,664)	(1,257)	(2,625)	-
Current Liabilities	(12,971,457)	(123,731)	(151,360)	(141)
TOTAL LIABILITIES	(12,971,457)	(123,731)	(151,360)	(141)
Foreign currency asset/(liability) position	(8,979,976)	(72,329)	(117,804)	1,516
Off balance sheet derivative financial instruments asset/(liability) position	9,829,219	70,000	135,000	-
Net foreign currency asset/(liability) position	849,243	(2,329)	17,196	1,516
Export	10,905,165	94,651	136,856	965
Import	2,144,723	30,260	17,169	-



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33. EFFECTS OF EXCHANGE RATE CHANGE (Continued)

31 December 2024				
	TL equivalent (Functional currency)	USD (Original currency)	EUR (Original currency)	GBP (Original currency)
Trade receivables	3,039,658	40,971	23,861	5
Monetary financial assets	1,846,516	34,288	5,438	29
Other	70,101	312	1,158	-
Current Assets	4,956,275	75,571	30,457	34
TOTAL ASSETS	4,956,275	75,571	30,457	34
Trade payables	(2,594,726)	(44,790)	(10,577)	(307)
Financial liabilities	(8,550,753)	(45,782)	(133,860)	-
Other non-monetary liabilities	(46,735)	(256)	(723)	(3)
Current Liabilities	(11,192,214)	(90,828)	(145,160)	(310)
TOTAL LIABILITIES	(11,192,214)	(90,828)	(145,160)	(310)
Foreign currency asset/(liability) position	(6,235,939)	(15,257)	(114,703)	(276)
Off balance sheet derivative financial instruments asset/(liability) position	8,377,161	45,000	131,000	-
Net foreign currency asset/(liability) position	2,141,222	29,743	16,297	(276)
Export	10,788,417	88,818	150,607	25
Import	3,129,676	59,820	12,212	-

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33. EFFECTS OF EXCHANGE RATE CHANGE (Continued)

Exchange Rate Risk Sensitivity Analysis

The Group is mainly exposed to currency risk denominated in USD, EUR, and GBP.

The table below shows the Group's sensitivity to a 10% increase in USD, Euro, and GBP exchange rates. The 10% rate is the rate used in the reporting of the currency risk within the Group to the top management and represents the probable change that the management expects in foreign exchange rates. The sensitivity analysis only covers the monetary items denominated in foreign currency and presents the impact of the 10% change in foreign exchange rates of these monetary items at year-end. This analysis covers, as well as external loans, the loans denominated in a currency other than the functional currency of the parties taking the loan. Positive value represents the increase in other equity items in profit/loss.

31 December 2025	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
1- USD net asset/liability	(310,975)	310,975	(310,975)	310,975
2- Hedged portion of USD risk (-)	300,577	(300,577)	300,577	(300,577)
3- USD net effect (1+2)	(10,398)	10,398	(10,398)	10,398
4- EUR net asset/liability	(595,738)	595,738	(595,738)	595,738
5- Hedged portion of EUR risk (-)	682,345	(682,345)	682,345	(682,345)
6- EUR net effect (4+5)	86,607	(86,607)	86,607	(86,607)
7- GBP net asset/liability	8,715	(8,715)	8,715	(8,715)
8- Hedged portion of GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	8,715	(8,715)	8,715	(8,715)
TOTAL (3+6+9)	84,924	(84,924)	84,924	(84,924)

31 December 2024	Profit/Loss		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
1- USD net asset/liability	769,170	(769,170)	769,170	(769,170)
2- Hedged portion of USD risk (-)	208,180	(208,180)	208,180	(208,180)
3- USD net effect (1+2)	977,350	(977,350)	977,350	(977,350)
4- EUR net asset/liability	845,700	(845,700)	845,700	(845,700)
5- Hedged portion of EUR risk (-)	631,045	(631,045)	631,045	(631,045)
6- EUR net effect (4+5)	1,476,745	(1,476,745)	1,476,745	(1,476,745)
7- GBP net asset/liability	2,000	(2,000)	2,000	(2,000)
8- Hedged portion of GBP risk (-)	-	-	-	-
9- GBP net effect (7+8)	2,000	(2,000)	2,000	(2,000)
TOTAL (3+6+9)	2,456,095	(2,456,095)	2,456,095	(2,456,095)



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34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a. Interest rate risk management

The Group is exposed to interest rate risk due to the effect of changes in interest rates on the Group's assets and liabilities having interest returns. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate swap contracts and interest rate forward contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring optimal hedging strategies are applied, by either positioning the balance sheet or protecting interest expense through different interest rate cycles.

The distribution of interest rate sensitive financial instruments of the Group is as follows:

Interest position table	31 December 2025	31 December 2024
Fixed rate instruments		
Time Deposits	7,387,413	7,995,172
Borrowings	1,341,199	10,611,787
Floating rates instruments		
Borrowings	26,626,601	16,758,227

b. Capital management

The Group manages its capital by maintaining permanence of its operations and on the other hand by reviewing terms of the trade receivables, trade payables and financial liabilities and cash from operations by using the debt and equity ratio in the most efficient way. The Group's top management evaluates the cost of capital and the risks which are associated with every equity account and presents to Board of Directors those which depend on their decision. The Group's objective is to maintain the stability of capital structure by taking new debts or repayment of debts and also via dividend payments, depending on the decisions of Board of Directors.

The Company follows the debt-to-equity ratio in the capital management in parallel with other companies in the sector. Net debt is calculated by dividing net debt to total equity. Net debt/equity ratios at 31 December 2025 and 31 December 2024:

	Notes	31 December 2025	31 December 2024
Total financial borrowings	9	29,218,283	28,128,972
Less: Cash and cash equivalents	6	(9,736,668)	(10,062,308)
Net debt		19,481,615	18,066,664
Equity		43,453,969	41,933,963
Total liabilities		62,935,584	60,000,627
Net debt/Equity ratio (%)		45%	43%

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34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

c. Financial risk factors

The Group's principal financial instruments are cash, short-term time deposits and bank borrowings. The main purpose of use of these financial instruments is to raise finance for the Group's operations and to hedge interest rate risk. The Group has various other financial instruments such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from the Group's financial instruments are liquidity risk, foreign currency risk, interest rate risk and credit risk. As explained below, the Board of Directors is responsible from the procedures necessary to follow and manage these risks.

d. Credit risk management

The majority of the trade receivables are guaranteed by the bank letters and/or credit limits. The credit reviews are performed continuously over the accounts receivable balances of the customers. The Group does not have a significant credit risk arising from any customer.

The aging of the assets that are overdue but not subject to any impairment as of 31 December 2025 and 31 December 2024:

31 December 2025	Receivables		Deposits at Banks	Derivative Financial Instruments	Other	Trade Receivables
	Trade Receivables	Other Receivables				
Overdue 1-30 days	165,710	-	-	-	-	165,710
Overdue 1-3 months	480,045	-	-	-	-	480,045
Overdue 3-12 months	10,228	-	-	-	-	10,228
Total overdue receivables	655,983	-	-	-	-	655,983
Secured part via collateral etc.	470,045	-	-	-	-	470,045

31 December 2024	Receivables		Deposits at Banks	Derivative Financial Instruments	Other	Trade Receivables
	Trade Receivables	Other Receivables				
Overdue 1-30 days	451,216	-	-	-	-	451,216
Overdue 1-3 months	79,260	-	-	-	-	79,260
Overdue 3-12 months	8,241	-	-	-	-	8,241
Total overdue receivables	538,717	-	-	-	-	538,717
Secured part via collateral etc.	244,972	-	-	-	-	244,972



ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2025

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34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

d. Credit risk management (Continued)

Exposure to credit risks by types of financial instruments

	Receivables				Deposits at banks		
	Trade Receivables		Other Receivables				Derivative Financial Instruments
31 December 2025	Related Party	Third Party	Related Party	Third Party	Related Party	Third Party	
Maximum credit exposures as of report date (1) (A+B+C+D+E)	6,396	7,815,373	-	136,542	2,606,590	7,129,748	26,428
- Secured part of maximum credit risk exposure via collateral etc.	-	5,297,063	-	-	-	-	-
A. Net book value for the financial assets that are neither overdue nor impaired ⁽²⁾	6,396	7,159,390	-	136,542	2,606,590	7,129,748	26,428
B. Carrying amount of financial assets that are renegotiated, otherwise classified as overdue or impaired ⁽³⁾	-	-	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired		655,983					
- Secured part via collateral etc.	-	470,045	-	-	-	-	-
D. Net book value of impaired financial assets	-	381,353	-	-	-	-	-
- Overdue (gross carrying amount)		(381,353)					
- Impairment (-)	-	-	-	-	-	-	-
- Secured part via collateral etc.							
- Not Overdue (gross carrying amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- The part of net value under guarantee with collaterals etc.	-	-	-	-	-	-	-
E. Off-Balance sheet financial assets exposed to credit risk							

⁽¹⁾ When determining the amount, the guarantees received and factors increasing the credibility are not considered.

⁽²⁾ The guarantees consist of letters of guarantees, guarantee cheques and mortgages received from customers. The portion of the guarantee which covers the risk has not been taken into consideration.

⁽³⁾ The Group did not have any collection problems with these customers in the past.

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34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

d. Credit risk management (Continued)

Exposure to credit risks by types of financial instruments

	Receivables				Deposits at banks		Derivative Financial Instruments
	Trade Receivables	Other Receivables	Related Party	Third Party	Related Party	Third Party	
31 December 2024	Related Party	Third Party	Related Party	Third Party	Related Party	Third Party	
Maximum credit exposures as of report date (1) (A+B+C+D+E)	569	7,405,079	-	64,112	215,273	9,846,758	28,726
- Secured part of maximum credit risk exposure via collateral etc.		4,736,792					
A. Net book value for the financial assets that are neither overdue nor impaired ⁽²⁾	569	6,866,364	-	64,112	215,273	9,846,758	28,726
B. Carrying amount of financial assets that are renegotiated, otherwise classified as overdue or impaired ⁽³⁾	-	-	-	-	-	-	-
C. Net book value of financial assets that are overdue but not impaired	-	538,717	-	-	-	-	-
- Secured part via collateral etc.	-	244,972	-	-	-	-	-
D. Net book value of impaired financial assets	-	402,490	-	-	-	-	-
- Overdue (gross carrying amount)	-	(402,490)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Secured part via collateral etc.	-		-	-	-	-	-
- Not Overdue (gross carrying amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- The part of net value under guarantee with collaterals etc.	-	-	-	-	-	-	-
E. Off-Balance sheet financial assets exposed to credit risk	-	-	-	-	-	-	-

⁽¹⁾ When determining the amount, the guarantees received and factors increasing the credibility are not considered.

⁽²⁾ The guarantees consist of letters of guarantees, guarantee cheques and mortgages received from customers. The portion of the guarantee which covers the risk has not been taken into consideration.

⁽³⁾ The Group did not have any collection problems with these customers in the past.



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34. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

e. Foreign currency risk management

When necessary, the Group enters into derivative transactions to manage its exchange rate exposures. In this context, the Group's main preference is foreign currency forward transactions. The details of unrealized foreign currency purchase/sale forward contracts as of the date of the report are disclosed in Note 23.

f. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The current and prospective risk of funding the debts is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

The breakdown of derivative and non-derivative financial liabilities according to their maturities is shown by taking into account the period from the balance sheet date to the maturity date and are contractual undiscounted cash flows.

31 December 2025 Contractual maturities	Net Book Value	Contractual Total Cash Outflow (I+II+III+IV)	Less Than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More Than 5 Years (IV)
Bank borrowings	27,967,800	28,069,762	206,287	7,157,073	20,627,935	78,467
Finance lease obligations	1,250,483	1,250,483	-	209,644	1,040,839	-
Trade payables	8,551,156	8,551,156	8,551,156	-	-	-
Other payables, liabilities and deferred income	1,596,014	1,596,014	1,596,014	-	-	-
Total liabilities	39,365,453	39,467,415	10,353,457	7,366,717	21,668,774	78,467

Derivative financial liabilities						
Unrealized purchase/sale commitments (net)	40,409	40,409	-	-	40,409	-
	40,409	40,409	-	-	40,409	-

31 December 2024 Contractual maturities	Net Book Value	Contractual Total Cash Outflow (I+II+III+IV)	Less Than 3 Months (I)	3-12 Months (II)	1-5 Years (III)	More Than 5 Years (IV)
Bank borrowings	27,370,014	27,909,486	3,984,894	14,147,594	9,087,856	689,142
Finance lease obligations	758,958	758,958	-	127,060	631,898	-
Trade payables	8,699,324	8,699,324	8,699,324	-	-	-
Other payables, liabilities and deferred income	1,412,891	1,412,891	1,412,891	-	-	-
Total liabilities	38,241,187	38,780,659	14,097,109	14,274,654	9,719,754	689,142

Derivative financial liabilities						
Unrealized purchase/sale commitments (net)	87,070	87,070	-	-	87,070	-
	87,070	87,070	-	-	87,070	-

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35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)

31 December 2025	Cash and cash equivalents	Loans and receivables	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Derivative financial instruments accounted under equity	Derivative financial instruments through income statement	Financial assets through income statement	Carrying value	Note
Financial assets									
Cash and cash equivalents	9,736,668	-	-	-	-	-	-	9,736,668	6
Trade receivables	-	7,821,769	-	-	-	-	-	7,821,769	8
Financial investments	-	-	2,607,640	-	-	-	-	2,607,640	7
Other financial assets	-	565,358	-	-	-	-	-	565,358	10/12
Derivative financial assets	-	-	-	-	-	26,428	-	26,428	23
Financial liabilities									
Financial liabilities	-	-	-	29,218,283	-	-	-	29,218,283	9
Trade payables	-	-	-	8,551,156	-	-	-	8,551,156	8
Other liabilities	-	-	-	1,596,013	-	-	-	1,596,013	10/12/21
Derivative financial liabilities	-	-	-	-	40,409	-	-	40,409	23

31 December 2024	Cash and cash equivalents	Loans and receivables	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Derivative financial instruments accounted under equity	Derivative financial instruments through income statement	Financial assets through income statement	Carrying value	Note
Financial assets									
Cash and cash equivalents	10,062,308	-	-	-	-	-	-	10,062,308	6
Trade receivables	-	7,405,650	-	-	-	-	-	7,405,650	8
Financial investments	-	-	3,672,789	-	-	-	-	3,672,789	7
Other financial assets	-	1,841,801	-	-	-	-	-	1,841,801	10/12
Derivative financial assets	-	-	-	-	-	28,725	-	28,725	23
Financial liabilities									
Financial liabilities	-	-	-	28,128,972	-	-	-	28,128,972	9
Trade payables	-	-	-	8,699,324	-	-	-	8,699,324	8
Other liabilities	-	-	-	1,412,891	-	-	-	1,412,891	10/12/21
Derivative financial liabilities	-	-	-	-	87,070	-	-	87,070	23

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35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

The classification and fair value of the financial instruments

The Company estimated the fair value of financial instruments using available market information and appropriate valuation methodologies. However, market data, and judgment is required to estimate the fair values. As a result, the estimates presented here, may not be an indicative of the amounts by which the Company could obtain in a current market transaction.

Financial assets – The fair values of certain financial assets carried at cost, including cash and cash equivalents plus the respective accrued interest and other financial assets are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses. The carrying value of trade receivables along with the related allowance for doubtful receivables is estimated to be their fair values.

Financial liabilities – Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The bank borrowings are stated at their amortized costs and transaction costs are included in the initial measurement of bank borrowings. The fair value of long-term bank borrowings with variable interest rates are considered to state their respective carrying values since the interest rate applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. The fair values of long-term bank borrowings with fixed interest rates considered to approximate their respective carrying values due to the fact that fixed rate is the rate applicable as of balance sheet date. The fair values of short-term bank borrowings are considered to approximate their respective carrying values due to their short-term nature.

Fair value hierarchy table

The Company classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows.

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted),

Level 2: Other valuation techniques including direct or indirect observable inputs,

Level 3: Valuation techniques does not contain observable market inputs.

As of 31 December 2025 and 31 December 2024, the fair value hierarchy table of the Company's assets and liabilities at fair value are as follows:

Financial assets and liabilities at fair value	The level of fair value at the reporting date			
	31 December 2025	Level 1	Level 2	Level 3
Financial assets and liabilities at fair value through income/loss				
Derivative financial assets	26,428	-	26,428	-
Derivative financial liabilities	-	-	-	-
Financial assets and liabilities at fair value through other comprehensive income/loss				
Financial assets available for sale	2,607,640	-	-	2,607,640
Derivative financial liabilities	(40,409)	-	(40,409)	-
Total	2,593,659	-	(13,981)	2,607,640



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35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

Financial assets and liabilities at fair value	The level of fair value at the reporting date			
	31 December 2024	Level 1	Level 2	Level 3
Financial assets and liabilities at fair value through income/loss				
Derivative financial assets	28,725	-	28,725	-
Derivative financial liabilities	-	-	-	-
Financial assets and liabilities at fair value through other comprehensive income/loss				
Financial assets available for sale	3,672,789	-	-	3,672,789
Derivative financial liabilities	(87,070)	-	(87,070)	-
Total	3,614,444	-	(58,345)	3,672,789

Fair value of financial instruments

Fair value is defined as the price that collected from the sale of an asset or payable in the ordinary course of business at the measurement date between market participants.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, estimates are necessary to interpret market data to determine fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

Monetary assets:

It is foreseen that cash and cash equivalent recording prices are equal to their fair value due to their short-term nature.

It is foreseen that trade receivables recording prices are equal to their fair value due to their short-term nature.

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35. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (Continued)

Monetary liabilities

The carrying values of trade payables are estimated to reflect their fair value due to their short-term nature.

	31 December 2025	31 December 2024	Fair value level as of reporting date	
			31 December 2025	31 December 2024
Derivative financial assets and liabilities at fair value through other comprehensive profit/loss	(40,409)	(87,070)	Level 2	Level 2
Total	(40,409)	(87,070)		
Financial assets and liabilities at fair value through profit or loss			Level 2	Level 2
	26,428	28,725		
Total	26,428	28,725		

Fair value measurement hierarchy table

The fair value of the financial assets and liabilities is determined as follows:

First level: Financial assets and liabilities are measured at quoted market prices on the active market for identical assets and liabilities.
Second level: Financial assets and liabilities are valued using inputs that are used to determine directly or indirectly the marketable price of the related asset or liability other than the quoted price at the first level.
Third level: Financial assets and liabilities are valued at inputs that are not based on an observable asset in the market for the fair value of the asset or liability.



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36. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRM

	1 January - 31 December 2025	1 January - 31 December 2024
Independent audit fee for the reporting period	40,143	30,122
Fee for other assurance services	216	197
Fee for tax consultancy services	-	-
Fee for other services other than independent audit	-	-
Total	40,359	30,319

37. SUBSEQUENT EVENTS

At the Board of Directors meeting of Afyon Çimento, a subsidiary of the Group, held on 6 January 2026, it was decided to amend Article 6 of the Articles of Association to extend the validity period of the registered capital ceiling to cover the years 2026–2030 and to increase the registered capital ceiling from TL 800,000,000 Full to TL 3,000,000,000 Full.

PROFIT DISTRIBUTION SUGGESTION AND CONCLUSION

It is hereby resolved with the unanimous vote of the participants resolved that according to our financial statements for the accounting period 01.01.2025-31.12.2025 prepared by our Company in accordance with the Capital Markets Board's "Communiqué on Principles Regarding Financial Reporting in Capital Markets" (II-14.1) and independently audited by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., net profit for the period amounting to 3.806.129.000 TL was obtained.

Pursuant to Article 26 of the Articles of Association and in accordance with Capital Markets Board's Communiqués, after deducting Legal Liabilities and Non-Controlling Shares from the said consolidated net profit for the year 2025, the Net Distributable Profit for the Period amounting to 3.098.317.421,08 TL shall be distributed as follows

First Category Dividend For Shareholders	47,279,554.70 TL
Second Category Dividend For Shareholders	652,720,445.30 TL
Total Gross Dividend	700,000,000.00 TL
General Legal Reserves (Second Category)	65,272,044.53 TL
Extraordinary Reserve (Retained Earnings)	2.333.045.376,55 TL

As a result of the dividend distribution in accordance with the above principles, a gross dividend of 700,000,000.00 TL shall be distributed from the Net Distributable Period Profit in our legal records prepared in accordance with the provisions of the Tax Procedure Law, after the special funds and legal obligations are set aside, by adding extraordinary reserves and other distributable funds,

Thus, the issue of distributing 700,000,000.00 TL (Gross) dividend in cash from the Profit of 2025 to the shareholders representing the capital of 945,591,094.00 TL depending on their legal status, as of 01.04.2026, to be submitted to the approval of the Ordinary General Assembly to be held on 30.03.2026.

ÇİMSA ÇİMENTO SANAYİ VE TİCARET A.Ş.
 ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN
 Umut ZENAR

DIVIDEND DISTRIBUTION TABLE FOR THE YEAR 2025 (TL)

1. Paid-In / Issued Capital	945.591.094.00
2. Total Legal Reserves (According to Legal Records)	421.153.401,46
Information privilege in dividend distribution in accordance with the articles of association	No

	Based on CMB Regulations	Based on Legal Records
3. Current Period Profit	4,552,399,000.00	76,891,578.31
4. Taxes Payable (-)	746,270,000.00	0.00
5. Net Current Period Profit	3,102,162,000.00	76,891,578.31
6. Losses in Previous Years (-)		
7. Primary Legal Reserve (-)	3,844,578.92	3,844,578.92
8. Net Distributable Current Period Profit	3,098,317,421.08	73,046,999.39
9. Donations Made During The Year (+)	26,506,000.00	
10. Donation-Added Net Distributable Current Period Profit on which First Dividend Is Calculated	3,124,823,421.08	
11. First Dividend to Shareholders	47,279,554.70	47,279,554.70
-Cash	47,279,554.70	47,279,554.70
-Stock		
12. Dividend Distributed to Owners of Privileged Shares		
13. Other Dividend Distributed		
-To the Employees		
-To the Members of the Board of Directors		
-To Non-Shareholders		
14. Dividend to Owners of Redeemed Shares		
15. Second Dividend to Shareholders	652,720,445.30	25,263,162.92
16. Secondary Legal Reserves	65,272,044.53	
17. Statutory Reserves		
18. Special Reserves		504,281.77
19. Extraordinary Reserves	2,333,045,376.55	
20. Other Distributable Resources		627,457,282.38

(*) The Second Category Legal Reserves will be covered by Other Sources Intended for Distribution, in legal records.

	DIVIDEND PAYMENT RATES TABLE				
	CASH DIVIDEND AMOUNT (TL) - NET	STOCK DIVIDEND AMOUNT (TL)	TOTAL DIVIDEND AMOUNT (TL) / NET DISTRIBUTABLE CURRENT PERIOD PROFIT	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (TL)	DIVIDEND TO BE PAID FOR SHARE WITH PAR VALUE OF 1 TL - NET (%)
GROSS	700,000,000.00		22.59	0.7403	74.03
NET*	595,000,000.00		19.20	0.6292	62.92

* The withholding tax rate is assumed as 15% when calculating the net amount. Withholding tax will be applied at varying rates depending on the legal status of the shareholders and in accordance with the relevant double taxation avoidance agreements.

2025 TSRS-Compliant Sustainability Report

Türkiye Sustainability Reporting Standards (TSRS)

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ABOUT THE REPORT

This report has been prepared for Çimsa Çimento Sanayi ve Ticaret A.Ş. and its consolidated subsidiaries (collectively, the “Company”) in accordance with the Türkiye Sustainability Reporting Standards (TSRS). The purpose of the report is to transparently, consistently, and comparably present the current and potential impacts of climate-related issues and sustainability-related risks and opportunities on the Company’s financial condition, performance, cash flows, and long-term value creation capacity.

The report aims to provide current and potential investors, lenders, and other financial resource providers who are the primary users of general-purpose financial statements with the information they may need when evaluating decisions regarding resource allocation, borrowing, investment, and retention related to the Company. In this context, the disclosures focus on sustainability and climate related matters expected to affect the amount, timing, and uncertainty of the entity’s future cash flows.

The reporting approach is based on the principle that sustainability issues are not limited to environmental impacts, but must be addressed from a holistic perspective that also considers their connections to financial outcomes, strategic decision making processes, and the value chain. Within this framework, sustainability and climate related risks and opportunities have been assessed by taking into account the Company’s business model, operations, and geographic footprint.

This report presents information covered under both TSRS S1 – General Requirements on the Disclosure of Sustainability-Related Financial Information and TSRS S2 – Climate-Related Disclosures. In accordance with the TSRS framework, the report is structured under four key pillars: Governance, Strategy, Risk Management, and Metrics and Targets. In preparation of the report, the Sector-Specific Application Guide of TSRS S2 was taken as a basis; in line with the Company’s primary field of activity, the “Appendix Volume 8 – Construction Materials” guide was referenced.

Sustainability-related disclosures were subject to a limited assurance engagement conducted by DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in accordance with International Standard on Assurance Engagements (ISAE) 3000 and ISAE 3410 on Assurance Engagements on Greenhouse Gas Statements, and the limited independent assurance statement is included in the report.

In the reporting process, the transitional provisions and exemptions recognized under TSRS have been taken into account; however, the aim has been to enhance transparency and comparability using the broadest possible data set. There are no instances where information required to be disclosed under TSRS has been excluded from the report due to legal prohibitions or commercial sensitivity.

MATERIALITY ASSESSMENT

The sustainability and climate-related risks and opportunities described in this report include matters expected to have a reasonably significant impact on the Company’s financial position, performance, and cash flows in the short, medium, and long term, as well as issues that, while falling below financial impact thresholds, but which are assessed as having the potential to significantly impact the Company’s long-term value creation capacity from a regulatory, strategic, or operational perspective.

The materiality assessment was conducted with a focus on sustainability and climate-related risks and opportunities that could influence the decision-making processes of current and potential investors, lenders, and other financial stakeholders the primary users of general-purpose financial reports. In this context, climate-related issues and environmental, social, and governance topics within the scope of sustainability were addressed through a holistic approach.

During the assessment process, the current and potential impacts of these risks and opportunities on the Company’s financial statements were analyzed by considering short-term (1 year), medium-term (1–5 years), and long-term (5–10 years) time horizons. In determining these time horizons, the Company’s annual budget plans and the subsequent five-year strategic planning cycle were used as a basis; assessments were conducted separately for each time horizon.

In determining the materiality threshold, matters expected to have an impact exceeding 0.3% of total revenue for the relevant reporting period were considered as quantitative thresholds; however, qualitative criteria such as the impact on regulatory developments, strategic priorities, market access, operational continuity, and the capacity to create long-term value were also included in the assessment. Matters that fall below the quantitative impact thresholds but are deemed significant in terms of the Company’s business model and strategic direction under these qualitative criteria have also been included in the reporting scope.

In previous reporting periods, issues related to the use of alternative fuels were addressed under separate headings within the context of both climate-related risks and opportunities. This approach was adopted because, while the use of low-emission fuels presents an opportunity to contribute to emission reductions, there is also a risk that emission reductions could be limited due to potential constraints in accessing alternative fuels, and consequently, an increased exposure to carbon costs.

During the current reporting period, the use of alternative fuels was addressed under the heading “Transition Risk – Increasing Pricing of Greenhouse Gas Emissions,” and has been evaluated as an integral component of the decarbonization plan the Company has established to reduce its exposure to carbon costs arising from the EU Emissions Trading System (EU ETS) and the Carbon Border Adjustment Mechanism (CBAM). In this context, the use of alternative fuels is no longer viewed solely as a risk or opportunity, but rather as a strategic initiative and lever for managing the aforementioned transition risk.

For this reason, matters related to the use of alternative fuels were not presented under a separate risk or opportunity heading during the current reporting period, but were reported holistically within the framework of climate-related risk disclosures and the decarbonization strategy under the heading “Transition Risk – Increasing Pricing of Greenhouse Gas Emissions.”

The topics identified as a result of this assessment have been included in the report to reflect sustainability and climate-related risks and opportunities that are relevant to the Company’s business model and value chain and are considered meaningful for the decision-making processes of report users.

REPORTING ENTITY BOUNDARIES AND MEASUREMENT APPROACH

This report contains the climate-related financial disclosures of Çimsa Çimento Sanayi ve Ticaret A.Ş. and its consolidated subsidiaries for the year ended December 31, 2025. The names, places of incorporation and operation, and business activities of the subsidiaries included in the consolidation, as well as information regarding the Company’s equity stakes in them, are presented in the relevant sections of the report.

The Company bases its greenhouse gas emissions calculation and reporting process on internationally accepted methodologies. In this context, the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard is used as the primary reference for emissions calculations. The measurement inputs, assumptions, and calculation approaches used in emission calculations are regularly reviewed and updated as necessary for each reporting period. Emissions factors used in greenhouse gas emissions calculations and potential uncertainties in data collection processes have been minimized within the framework of internationally accepted methodologies (GHG Protocol) and disclosed transparently.

The Company adopts an operational control approach to emissions reporting; in accordance with this approach, the Company’s subsidiaries within the scope of consolidation are included in the reporting scope. As a result, the financial aspects of climate-related impacts associated with the Company’s operations are assessed within a comprehensive and consistent framework.

As of December 31, 2025, the Company’s ownership structure is as follows:

Table 1. Structure of Subsidiaries

Company	Locations of Operations	Share (%)
Cimsa Building Solutions B.V.	Netherlands	68.31
Afyon Çimento Sanayi Türk A.Ş.	Türkiye	51
Çimsa Cement Free-Zone Limited	TRNC	99.99
Çimsa Mersin Serbest Bölge Şubesi	Mersin	100

ABOUT ÇİMSA

Founded in Mersin in 1972, Çimsa, backed by the strong corporate heritage of the Sabancı Group, operates in the building materials sector today and ranks among Türkiye’s leading industrial companies. Combining over half a century of experience with a vision for global growth, Çimsa creates sustainable value in the markets where it operates through its clear strategic focus, disciplined investment approach, and operational excellence.

With four production facilities located in Mersin, Eskişehir, and Afyonkarahisar in Türkiye, along with our global production infrastructure, we offer a product portfolio focused on construction materials, primarily including grey cement, white cement, and calcium aluminate cement (CAC). The integration of Mannok Holdings DAC has further strengthened our construction materials portfolio in terms of product diversity. The addition of insulation solutions, building systems, and recycled plastic packaging products to the portfolio, along with the Kratos construction solutions developed within Afyon Cement, further expand and complement this portfolio.

Çimsa, one of the world’s leading brands in white cement, ranks among the top three global producers of CAC; these areas of expertise form the technical backbone of the Company’s building materials portfolio. International operations are conducted through the Netherlands-based subsidiary Cimsa Building Solutions B.V. (CBS B.V.). Under the umbrella of CBS B.V., operations include Mannok Holdings DAC (Ireland), which produces cement, cement-based products, insulation materials, and recycled plastic packaging; the white cement production facility in Valencia (Spain); grinding facility in Houston (U.S.); and terminals in Hamburg (Germany), Trieste (Italy), and Seville (Spain), enabling the management of a flexible and extensive operational network across European and American markets.

GOVERNANCE

OUR SUSTAINABILITY GOVERNANCE APPROACH

[TSRS S1 – 26 / TSRS S2 – 5]

Our Company's approach to sustainability is recognized as a strategic priority, embedded across all business processes, starting from the highest level of management. The management of risks and opportunities related to sustainability and the climate crisis is overseen by the Board of Directors and its affiliated committees. Environmental, Social, and Governance (ESG) matters are regularly addressed through the Sustainability Committee and are incorporated into strategic decision-making processes.

ESG risks and opportunities are identified and prioritized within the annual risk management framework. Reporting is conducted at regular intervals through committees reporting to the Board of Directors; these reports include environmental indicators, social performance, and governance practices. The internal audit unit regularly verifies the alignment of ESG data with reporting processes.

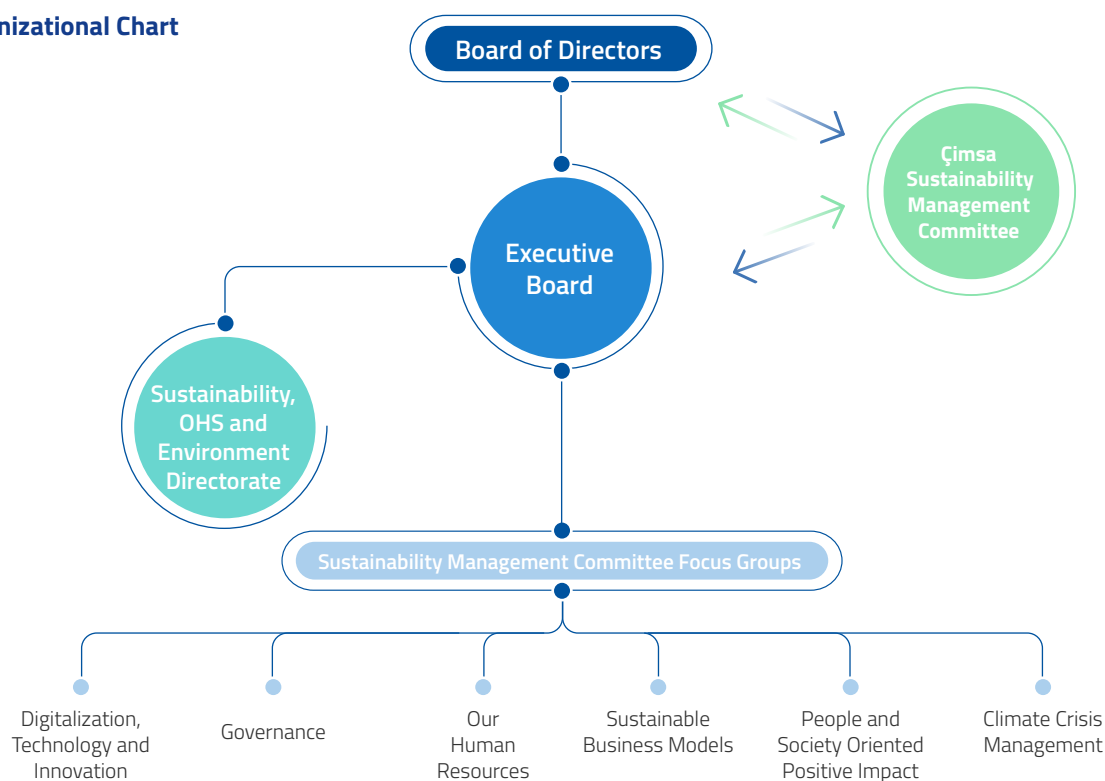
 For more information, please refer to the "Committees" section of the Çimsa 2025 Integrated Annual Report.

ORGANIZATIONAL STRUCTURE RELATED TO SUSTAINABILITY MANAGEMENT

[TSRS S1 – 27 (a)(i-ii) / TSRS S2 – 6 (a)(i-ii)]

The Board of Directors and the Executive Committee, which are part of the organizational structure responsible for sustainability management, consist of professionals selected based on their roles, areas of expertise, and prior experience. The Board of Directors is structured in accordance with the Capital Markets Board's independence criteria and is designed to include at least two members who hold the status of independent directors. All members of the Board hold positions that, by the nature of their defined scope of duties, do not entail executive responsibility.

Organizational Chart



The roles of Chair and CEO are held by separate individuals. In this context, the Head of Strategic Investments and Operations at Sabancı Holding, while continuing to serve as Chair, oversees the strategic aspects of sustainability within the scope of investments and operations. As a result, the identification of sustainability and climate-related risks and opportunities, as well as the integration of these elements into the Company's long-term strategies, is taken on at the highest level.

In accordance with corporate governance principles, the Board of Directors regularly reviews internal management models and governance mechanisms to adapt to changing regulations and market conditions, and makes decisions regarding areas requiring updates.

Policies and principles regarding sustainability are shaped under the approval and oversight of the Board of Directors, as the highest decision-making body. The Board is responsible for identifying, assessing, and managing ESG-related risks and opportunities. Additionally, by ensuring the regular monitoring of ESG performance, the Board assumes the role of providing strategic guidance aligned with stakeholder expectations. When setting goals in this area, the Board monitors performance and progress through the Sustainability Representative it appoints to oversee and track these processes.

The Executive Board is responsible for implementing the Company's established sustainability goals. The Executive Board ensures coordination between strategies and operational actions; it promotes the application of sustainability principles at every unit and process level within the Company.

 The division of duties and responsibilities between the Board of Directors and the Executive Board is outlined within the competency criteria for the relevant executives, and these matters are addressed under the heading "Competency Sets" in the Çimsa 2025 Integrated Annual Report.

INTEGRATION OF RISK AND OPPORTUNITY MANAGEMENT WITH THE SUSTAINABILITY MANAGEMENT COMMITTEE

[TSRS S1 – 27 (a)(iii), 44 (b-c) / TSRS S2 – 6 (a)(iii), 25 (a)(v), 25 (c)]

The Sustainability Management Committee, which operates within our company, meets at least four times a year under the sponsorship of the CEO. The Committee is chaired by the Vice President of Human Resources and Sustainability, and the Secretary is the Director of Sustainability, OHS, and Environment. The Committee serves as a decision-making platform that brings together stakeholders across environmental, social, and governance dimensions to evaluate sustainability performance from a holistic perspective and identify areas for improvement.

Through regular meetings with focus groups, the Committee systematically addresses sustainability and climate-related risks and opportunities; it monitors, evaluates, and reports on activities, performance indicators, and outcomes in these areas. The Company's sustainability strategy and the targets set in line with it are integrated into the corporate risk management framework and overall strategic planning processes. The analyses and assessments conducted in this context are regularly communicated to the the Early Detection of Risk Committee and addressed in coordination with senior management, thereby being integrated into the monitoring mechanism.

Table 2. Structure of the Sustainability Management Committee

Element	Description
Committee Name	Sustainability Management Committee
Reporting	Reporting to the Board of Directors through the Executive Committee
Frequency of Meetings	At least 4 times a year
Areas of Responsibility	Early identification and management of strategic, operational, financial, and regulatory risks
Coordination	Works in conjunction with the Early Detection of Risk Committee
Sponsor	General Manager
Committee Chair	Vice President of Human Resources and Sustainability
Secretariat	Director of Sustainability, OHS and the Environment
Outputs	It regularly analyzes sustainability and climate-related risks and opportunities. It monitors, evaluates, and reports on its activities, performance metrics, and results.

EARLY DETECTION OF RISK COMMITTEE

[TSRS S1 – 27 (b)(i-ii) / TSRS S2 – 6 (b)(i-ii)]

The Early Detection of Risk Committee (EDRC) is a body operating within the Board of Directors that reports directly to the independent members of the Board. The Committee regularly assesses the functioning of systems designed to ensure the timely identification, effective management, and control of strategic, operational, financial, and regulatory risks that could affect the continuity of the Company’s operations.

The Committee provides the Board of Directors with reasonable assurance regarding the effectiveness of risk management and internal control mechanisms; it oversees the adequacy of processes for identifying, reporting, and addressing risks. Without assuming executive responsibilities, it ensures the monitoring of risks on behalf of the Board of Directors and submits periodic reports at least once every two months.

The Company uses the “risk radar” methodology to classify and prioritize risks. Under this system, potential risks are identified, grouped into specific categories, and each risk undergoes a probability-impact assessment. The resulting data is visualized based on the severity of the risks and used to prioritize management actions.

The Sustainability Management Committee and EDRC work together to monitor sustainability and climate-related risks and opportunities, implement policies, and manage compliance processes in an integrated manner. This structure ensures that the sustainability strategy is addressed through a holistic approach and that an effective oversight mechanism is maintained across the organization.

Table 3. Structure of the Early Detection of Risk Committee (EDRC)

Element	Description
Committee Name	Early Detection of Risk Committee (EDRC)
Reporting	Reporting directly to the Board of Directors and its independent members
Frequency of Meetings	At least once every two months
Areas of Responsibility	Early identification and management of strategic, operational, financial, and regulatory risks
Method / Tool	Risk Radar methodology (probability–impact assessment)
Coordination	Works in coordination with the Sustainability Management Committee
Outputs	Regular risk reports, control system assessments, and recommendations for corrective actions

THE ROLE OF SUSTAINABILITY IN DECISION-MAKING PROCESSES

[TSRS S1 – 27 (a)(iv) 33 / TSRS S2 – 6 (a)(iv)]

The Company takes a holistic approach to assessing all potential factors when managing its sustainability and climate-related risks and opportunities, and aims to make balanced decisions based on these assessments. The Board of Directors evaluates its decisions regarding strategic capital investments such as mergers, acquisitions, and divestitures by considering not only financial sustainability but also environmental and social impacts, in accordance with the Environmental, Social, and Governance (ESG) Due Diligence Procedure, and shapes these decisions within the framework of the Responsible Investment Policy. This approach ensures that decisions align with the Company's long-term sustainability strategy and objectives.

SUSTAINABILITY-RELATED GOALS AND INCENTIVE MECHANISMS

[TSRS S1 – 27 (a)(v) / TSRS S2 – 6 (a)(v), 29 (g)]

Sustainability goals are among the key performance indicators used to assess the effectiveness of the Company's strategy. Achieving these goals is the shared responsibility of the entire organization. Sustainability performance criteria are incorporated into the individual target sets of members of the Board of Directors and the Executive Committee; similarly, all employees' key performance indicators (KPIs) are aligned with sustainability priorities. This approach promotes the adoption of a sustainability culture across the organization and supports a performance-oriented management approach.

The percentage of all employees included in the annual performance evaluation established to ensure the effective and efficient implementation of the Company's sustainability strategy, along with detailed information, is provided in the [“Sustainability-Related Incentives” section of the 2025 Integrated Annual Report](#).

STRATEGY

SUSTAINABILITY STRATEGY AND VISION

[TSRS S1 – 28 / TSRS S2 – 7,8]

The Company is shaping its strategic roadmap which centers on the transition from cement to material technologies, from local to global, and from grey to green in line with environmental, social, and governance principles, with a focus on combating climate change and creating social impact. In this context, the Company is implementing its strategic actions through a human-centered and inclusive organizational approach that supports the transition to a low-carbon economy and meets stakeholder expectations. By adopting an R&D-focused business model, the Company is simultaneously driving the creation of social value while achieving long-term financial value and cost optimization.

The Company views sustainability as a fundamental component of long-term value creation and positions climate-related issues as key factors in strategic planning, investment decisions, and business model transformation. In this context, both the physical impacts of climate change and the regulatory and market-driven transformations accompanying the transition to a low-carbon economy are regularly analyzed; their potential effects on Company operations are assessed using a multi-dimensional approach. Furthermore, while managing risks emerging in the sustainability domain, the Company also focuses on opportunities; innovative and inclusive business practices, the transformation of the value chain, and access to green financing tools are among the strategic priorities in this area.

The Company’s sustainability roadmap has been developed in alignment with Türkiye's published relevant strategies and action plans, as well as the international commitments established under the Paris Agreement.

In the transition to a low-carbon economy, investment needs and carbon-reduction project requirements that support our near-term emission reduction targets aligned with the Science Based Targets Initiative (SBTi) principles as well as project needs that will enhance positive, people- and society-focused impacts by supporting sustainable business models impact; such topics are reviewed and updated annually by focus groups under the Sustainability Management Committee. All resulting outputs are integrated into our long-term strategic plans to contribute to sustainability goals.

SUSTAINABILITY AND CLIMATE RELATED RISK AND OPPORTUNITY DISCLOSURES

[TSRS S1 – 29(a-c-d), 30(a-b-c), 31, 36, 37,38, 39, 40, 41, 42, 43, 44(a)(ii-iii), 46 (b) / TSRS S2 - 9 (a-c-d-e),

10 (a-b-c-d), 11, 12, 17,18,19,20,21]

When assessing sustainability and climate-related risks and opportunities, consideration is given not only to current conditions but also to potential future scenarios and uncertainties.

In the processes of identifying, prioritizing, and managing risks, we draw on industry experience, expert opinions, current scientific research, and international best practices. In particular, when analyzing the financial impacts of risks, we take into account the standards set by the TCFD (Task Force on Climate-Related Financial Disclosures) and the SASB (Sustainability Accounting Standards Board).

Through this approach, the potential impacts of both sustainability risks and physical and transition-related climate risks are systematically assessed. The management of identified risks and the evaluation of opportunities are integrated into the Company's risk management structure and decision-making mechanisms. Consequently, uncertainties related to sustainability and climate change are managed within a framework integrated with strategic planning and operational objectives.





Table 4. Risk and Opportunity Horizons

[TSRS 1 – 30(c),31 / TSRS 2 – 10(d)]

Time Range ¹	Year	Description
Short	1	This period refers to the timeframe during which the Company focuses on its annual budgeting processes, business plans, and daily/operational activities. Monitoring operational targets, managing cash flow, controlling costs, and ensuring rapid adaptation to legislative and regulatory developments are priorities during this period.
Medium	1-5	This period covers the timeframe during which the Company implements its strategic plans. The commissioning of investments, growth in existing and new business areas, and steps toward operational and organizational transformation take center stage during this period. Medium-term planning aims to strengthen the Company's strategic flexibility and sustainable growth potential by adapting to changes in market conditions and regulatory requirements.
Long	5-10	This period represents the timeframe during which the Company shaped its forward-looking vision, completed large-scale transformation projects, and solidified its long-term value creation goals. It encompasses the Company's future-oriented investments, R&D activities, and transformation projects focused on new technologies. In this context, investments in decarbonization, particularly carbon capture, utilization, and storage (CCUS) technologies, are priority areas.

Time horizons are directly linked to the corporate planning periods used in the Company's strategic decision-making processes. Budget preparations, risk management practices, and sustainability policies are shaped in accordance with these periodic structures; business processes are integrated through a time-based management approach. In risk calculation approaches, short-term calculations include a 1-year load, medium-term calculations include a 5-year load that also covers the short term, and long-term calculations include a 5-year load that covers the time period following the medium term.

For sustainability-related risks and opportunities to be considered financially material within the scope of this report, the relevant impacts must be of a nature that could reasonably affect the Company's financial position, performance, and cash flows. Accordingly, the financial materiality threshold for the Company has been defined as >0.3% of total revenue. All impacts with a high likelihood of exceeding this ratio have been deemed financially material and included in the risk and opportunity analysis tables.

All risks and opportunities with a high probability of occurrence and the potential to have a financial impact exceeding the >0.3% threshold are considered financially significant and are reflected in the relevant disclosures. However, even if they fall below the specified threshold in the short term, factors that could potentially exceed the 0.3% threshold in the medium and long term are also analyzed qualitatively and included in the disclosures.

The Company analyzed sustainability-related issues within its operations and value chain through a systematic materiality assessment; taking into account financial, operational, and ethical impacts, it identified five key risk areas from its existing risk inventory. As a result of the analyses conducted, although Occupational Health and Safety and Human Rights Violation risks fall below the financial threshold, they have been qualitatively prioritized and included in the report due to their potential operational impact, their human-centered effects on stakeholders, and their strategic importance for the sector.

By reviewing the Company's existing climate risk inventory, a qualitative risk map was created to identify the level of exposure to climate risks and opportunities. As part of this analysis, 9 transition risks and 7 physical risks were identified across the value chain. In addition, 8 strategic opportunities focused on decarbonization and the development of low-carbon products were identified.

The results of the exposure analyses identified water stress, carbon pricing, and supply chain disruptions as the areas posing the highest risk. Potential measures that could be taken to mitigate the impact of these risks and enhance adaptation capacity have been identified. High-impact risks and opportunities are detailed in the table below.

In the climate-related risk and opportunity scenarios, the financial impact has been calculated taking into account the mitigation actions planned as part of the strategic roadmap for the coming period.

The Company identifies its sustainability and climate-related risks and opportunities based on their position within the value chain, their impact on the value chain, potential financial impact, timeframe, likelihood of occurrence, and type of impact. The factors the Company considers when identifying these risks and opportunities are outlined in the tables below.

¹The time horizon used in the previous reporting period has been reassessed and revised in this reporting period in line with the Company's updated strategic planning and investment perspective.

Table 5. Value Chain Scope

Value Chain Scope	
Upstream	These are the processes in the early stages of the supply chain; they include the procurement, purchase, and transportation of raw materials and components to our production facilities.
Direct Operations	These are production processes directly linked to our internal operations, including production logistics and corporate functions.
Downstream	These are the processes in the final stages of the value chain; the distribution, sale, use, and end-of-life processes for products and services are carried out by our customers, business partners, and end users.

Table 6. Impact on the Value Chain

Impact on the Value Chain	
Applicable (✓)	The impact has an indirect or low level effect on the relevant segment of the value chain.
Relevant (✓✓)	The impact has a moderate effect on the relevant part of the value chain.
Highly Relevant (✓✓✓)	The impact has a direct and high-level effect on the relevant part of the value chain.

Table 7. Risk Type Classification

Risk Type Classification		
Physical Risks	Acute	Refers to the effects of climate change–related severe extreme weather events on production activities and other operations.
	Chronic	Refers to the impacts of long-term changes in climate models (such as rising temperatures, water stress, and changes in precipitation patterns) on production activities and other operations.
Transition Risks	Policies and Legal Processes	Refers to risks arising from current or expected climate and environment related regulations, obligations, and reporting requirements.
	Technology	Refers to risks arising from the inability to adapt to low-carbon production methods, alternative practices, and new technologies, or from difficulties that may arise in implementing these technologies.
	Market	Refers to risks arising from changes in the supply-demand structure, customer preferences, and competitive conditions driven by sustainability expectations and climate-related developments.
	Reputation	Refers to the risks that may arise regarding brand value, stakeholder trust, and corporate reputation due to the perception that environmental and climate-related impacts are not being adequately managed.
Other Sustainability Risks		Refers to risks arising from environmental, social, and governance issues other than climate change that could impact operations.

Table 8. Type of Effect

Type of Effect	
Actual	Refers to effects that have already occurred or are currently taking place.
Expected	Refers to the effects expected to occur in the future based on current trends, forecasts, or scenario analyses.



Table 9. Sustainability-Related Risk Disclosures

[TSRS S1 – 29(a-c-d), 30 (a-b), 34, 35, 44(a)(ii-iii), 46 (b)]

Risk Title	Risk Type	Definition of Risk	Risk Characteristics			Position in the Value Chain			Impact on Financial Performance	Calculation Method	Our Activities
Occupational Health and Safety	Sustainability	Due to the sector being classified under the 'high risk' category within the scope of the Occupational Health and Safety Law No. 6331 and the Communiqué on Workplace Hazard Classes, and given its inherently demanding working conditions, it carries the risk of occupational accidents that may result in fatalities	Time Horizon			Upstream	Direct Operations	Downstream	2025	The calculations are based on scenarios involving fatal workplace accidents and cases of permanent disabilities. The financial impact was calculated based on assumptions of 1 severe accident in the short term, 5 in the medium term, and 10 in the long term accidents. Costs per incident are based on compensation scenarios developed for two different monthly net income levels; these include legal proceedings, attorney fees, and reputational impact management costs, and a proportional approach to revenue has been applied.	We view the protection of our employees' health and safety not only as a legal requirement but also as an ethical responsibility. In this context, by adopting a "zero-tolerance" approach, which forms the foundation of our occupational health and safety culture we implement measures to prevent accidents and occupational illnesses, and conduct regular awareness campaigns to ensure that the "10 Golden Rules" become an integral part of our operations. Through these efforts, we aim to proactively manage risks and establish safe work practices as the standard across the entire organization. In doing so, we reduce the risk of accidents that could result in death or permanent disability as defined in the scenario to a low level.
			Short	Medium	Long				<0.3%		
									Impact on the Balance Sheet		
			Likelihood of Occurrence			✓✓	✓✓✓	✓	Long-Term Liabilities		
			Low						Impact on the Profit and Loss Statement		
			Type of Effect						Other Extraordinary Expenses and Losses		
			Expected								

Risk Title	Risk Type	Definition of Risk	Risk Characteristics			Position in the Value Chain			Impact on Financial Performance	Calculation Method	Our Activities	
Human Rights	Sustainability	We have taken into account the potential consequences that may arise in the event of a violation of the legal rights and regulations regarding workforce employment by our stakeholders within our operations and supply chain.	Time Horizon			Upstream	Direct Operations	Downstream	2025	The financial impact of human rights compliance risks has been assessed separately for employees and the value chain. For employees, the scenario assumptions have been set at 1 for the short term, 3 for the medium term, and 5 for the long term. These scenario assumptions were determined by taking into account historical sector data and country risk indicators. Within the value chain scope, an annual case assumption of 1 has been applied for each time horizon. Cost estimates per case include legal expenses, administrative penalties, operational downtime costs, and potential contract losses. Cost estimates per case were determined based on minimum and maximum cost estimates and adjusted for annual inflation rate. The total expected impact was calculated by multiplying the projected number of cases for each period by the cost per case; a proportional impact on revenue was assumed.	A Human Rights Policy is in place for all employees. To mitigate human rights risks, preventive control mechanisms are implemented for employees and throughout the supply chain. Human rights obligations are clearly defined in contracts with suppliers; monitoring activities are conducted to prevent violations related to child labor, forced labor, and working hours. Audits and site visits are conducted for high-risk suppliers. An anonymous reporting mechanism is in place. Supplier performance is regularly evaluated; detection and monitoring capabilities are strengthened through training, site visits, and established reporting mechanisms.	
			Short	Medium	Long							<0.3%
												Impact on the Balance Sheet
			Likelihood of Occurrence			✓✓	✓✓✓	✓✓				Long-Term Liabilities
			Low									Impact on the Profit and Loss Statement
			Type of Effect									Other Extraordinary Expenses and Losses
			Expected									

Table 10. Climate-Related Risk Disclosures (High Impact)²

[TSRS S2- 9 (a-c-d)] – 10 (a-b-c-d), 17]

Risk Title	Risk Type	Definition of Risk	Risk Characteristics			Position in the Value Chain			Impact on Financial Performance		Calculation Method	Our Activities	
Increasing Pricing of Greenhouse Gas Emissions	Transition Risk <i>Policies and Legal Processes</i>	Emissions Trading System (ETS) Risk and Carbon Border Adjustment Mechanism (CBAM) during the export phase could create pricing risks, and by imposing a carbon tax on greenhouse gas emissions for companies operating in certain sectors, including construction and building materials, it could impose additional costs on the Company	Time Horizon			Upstream	Direct Operations	Downstream		2024	2025	The financial impact on our facilities participating in the EU ETS includes the tax impact that the ETS system to be established in Türkiye will have, as well as the tax impact that products exported from Türkiye to the EU will face under the CBAM. Accordingly, the projected total impact on the Company’s financial performance in the short term under the EU ETS and the CBAM has been shared. This impact stems from the phased reduction of free allowances under the EU ETS system and the implementation of the CBAM. In the long term, this impact is expected to have a positive effect through the steps we will take as part of our strategic business plans and investments in the transition to a low-carbon economy, and to turn into an opportunity.	Regular monitoring and alignment of the emission levels of our facilities participating in the EU ETS system in accordance with the requirements of the ETS implementation schedule As part of the CBAM, conducting an analysis of the product carbon intensities of goods exported to the EU and those with export potential, and verifying product-based embedded carbon calculations Implementing factory-level decarbonization plans aligned with SBTi targets and identifying investment needs, as well as conducting R&D projects focused on product transformation Incorporating carbon costs into daily S&OP processes through analyses conducted using carbon pricing scenarios
			Short	Medium	Long					TL 0	>0.3% TL 216.4 million		
										Impact on the Balance Sheet			
			Likelihood of Occurrence							Equity			
			Low			✓✓✓	✓✓✓	✓✓		Impact on the Profit and Loss Statement			
			Type of Effect							Cost of Sales			
			Actual										
			Assumptions	In the calculation approach, the scenario calculations for our facilities covered by the EU ETS were based on emission intensity levels reflecting the decarbonization plan, and the calculations were performed taking into account the amount of free allowances allocated under the EU ETS, including phased reductions. For our facilities to be included in the Türkiye ETS system, the average clinker emission value published by Türkçimento was used as a benchmark, and the carbon exposure based on the difference between the free allocation and the emission volume was taken into account. Under the CBAM, for sales to the Company’s EU terminals, the actual sales volume figures for 2025 of products imported by the Company were used as the basis for calculations. Given current capacity conditions and operational constraints, no increase in these sales volumes is expected in future periods. The financial impact was determined based on the difference between the emission values of products subject to decarbonization plans and the EU benchmark values.									

²In the 2024 TSRS-Compliant Sustainability Report, information regarding the financial impact of the relevant risk was provided for the year 2028. However, in the 2025 TSRS-Compliant Sustainability Report, due to changes in the time horizons, the comparative financial impact of the risks is presented by time horizon based on the type of impact.

Table 10. Climate-Related Risk Disclosures (High Impact)²

[TSRS S2- 9 (a-c-d)] – 10 (a-b-c-d), 17]

Risk Management Framework												
Risk Title	Risk Type	Definition of Risk	Risk Characteristics			Position in the Value Chain			Impact on Financial Performance		Calculation Method	Our Activities
Potential Disruptions in the Raw Material Supply Chain	Transition Risk <i>Market</i>	The increasing demand for cementitious materials required for the low-emission transition may lead to rising raw material prices and/or slowdowns and disruptions in the raw material supply chain within the cement industry	Time Horizon			Upstream	Direct Operations	Downstream	2024	2025	Market losses that may arise from disruptions in the supply chain of alternative additives used in low-emission cement production (such as blast furnace slag, ash, and other cementitious materials) in the supply chain could result in market loss and, consequently, a potential decline in sustainable product revenues; while this is not expected to have a negative impact on the Company's revenue in the short and medium term, it does have the potential to create an impact in the long term. However, due to unforeseeable/uncertain market conditions over a time horizon of 5 years or more, the impact on financial performance cannot be reliably estimated.	Establishing long-term supply contracts for the procurement of sustainable alternative raw materials Conducting research on into alternative cementitious materials for raw materials with high price increase potential Continuing R&D efforts on new cementitious materials Conducting scenario analyses in decision-making processes to support financial flexibility
			Short	Medium	Long				-	-		
									Impact on the Balance Sheet			
			Likelihood of Occurrence			✓✓✓	✓✓		Inventory			
			Medium - High						Impact on the Profit and Loss Statement			
			Type of Effect						Cost of Sales			
			Expected									
			Assumptions	The sustainable product revenue ratio was calculated based on the following levels of 17.6% (exceeding the 2025 target), 25% (the 2030 target), and 35% (the 2035 target), in line with the Company's objectives. However, the calculation was based on the assumption of a 10% decline in sustainable product revenue due to long-term shortages in the supply of alternative raw materials particularly potential disruptions in the supply of slag and fly ash. In the event of a decline in sustainable product production in the short, medium, and long term, the revenue loss will be compensated by increased sales of Portland cement products. Regulatory changes have also been taken into account regarding the potential for sustainable products to achieve preferred product status after 2030, as well as in terms of product pricing. All these scenario analyses are more reliable for the short and medium term; however, due to uncertainties in market conditions, the financial impact in the long term remains uncertain.								

²In the 2024 TSRS-Compliant Sustainability Report, information regarding the financial impact of the relevant risk was provided for the year 2028. However, in the 2025 TSRS-Compliant Sustainability Report, due to changes in the time horizons, the comparative financial impact of the risks is presented by time horizon based on the type of impact.

Table 10. Climate-Related Risk Disclosures (High Impact)²

[TSRS S2- 9 (a-c-d)] – 10 (a-b-c-d), 17]

Risk Title	Risk Type	Definition of Risk	Risk Characteristics			Position in the Value Chain			Impact on Financial Performance		Calculation Method	Our Activities	
Drought/Water Stress	Physical Risk <i>Chronic</i>	Due to climate change, the intensity and frequency of droughts are increasing, leading to disruptions in operations	Time Horizon			Upstream	Direct Operations	Downstream		2024	2025	The calculation was based on the identified needs for investments aimed at increasing water rates due to water scarcity, promoting efficient water use, and developing alternative water sources. In this context, we anticipate that this could have an impact of approximately >0.3% of our revenue in the short term.	Separate monitoring of water consumption by source and by process Increasing the use of greywater and treated wastewater, and installing rainwater harvesting and storage systems Evaluating water risk as a critical criterion in decisions regarding new investments and capacity expansions Reducing specific water consumption per unit of production through water consumption optimization efforts
			Short	Medium	Long				>0.3% TL 181.1 million	>0.3% TL 224.6 million			
									Impact on the Balance Sheet				
			Likelihood of Occurrence			✓✓	✓✓✓	✓	Fixed Assets				
			Medium - High						Impact on the Profit and Loss Statement				
			Type of Effect						Operating Expenses				
			Expected										
Assumptions	Based on the assumption that the unit water price will rise in the coming period due to water scarcity and the adoption of technologies such as greywater treatment or seawater desalination, the unit price has been projected through 2035 based on estimated inflation rates. A reduction scenario has been developed in line with the target of reducing specific water consumption in cement production, with target levels of 300 L/ton cementitious for 2030 and 250 L/ton cementitious for 2035. To achieve this reduction level, investment costs related to rainwater harvesting and the use of treated greywater have been included.												

²In the 2024 TSRS-Compliant Sustainability Report, information regarding the financial impact of the relevant risk was provided for the year 2028. However, in the 2025 TSRS-Compliant Sustainability Report, due to changes in the time horizons, the comparative financial impact of the risks is presented by time horizon based on the type of impact.

Table 11. Climate-Related Opportunity Disclosures (High Impact)³

[TSRS S2- 9 (a-c-d)] – 10 (a-b-c-d), 17]

Opportunity Title	Opportunity Type	Definition of Opportunity	Opportunity Characteristics			Position in the Value Chain			Impact on Financial Performance		Calculation Method	Our Activities
Increased Demand for Construction Materials Driven by Climate Change Mitigation, Adaptation and Damage Repair	Transition Opportunity Market	Increased demand for cement-based products due to climate change: Achieving growth in sales and revenue through both mitigation and adaptation measures as well as repairs for damage caused by climate change	Time Horizon			Upstream	Direct Operations	Downstream	2024	2025	Demand for cement-based products is expected to increase due to climate change. However, no market research is available that could be included in scenario analyses regarding the rate of market growth, whether due to mitigation and adaptation measures or repairs for damage caused by climate change; therefore, no reliable calculation could be made.	Cement producers play a significant role in supporting green infrastructure projects aimed at mitigating the effects of climate change. Studies assessing demand for construction materials to build sustainable transportation systems, renewable energy facilities, and climate-resilient structures Long-term market needs analysis studies
			Short	Medium	Long		✓✓	✓✓✓	-	-		
				●	●				Impact on the Balance Sheet			
			Likelihood of Occurrence						Equity			
			Medium - High						Impact on the Profit and Loss Statement			
			Type of Effect						Sales			
			Expected									
Assumptions	As mentioned in the calculation approach, the relevant calculation could not be performed, so the assumptions have not been disclosed.											

Opportunity Title	Opportunity Type	Definition of Opportunity	Opportunity Characteristics			Position in the Value Chain			Impact on Financial Performance		Calculation Method	Our Activities
Changes in Consumer/ Business Partner Preferences	Transition Opportunity Market	Changes in the preferences of the Company's customers and business partners, along with growing awareness of climate change and increased demand for products and partnerships that align with sustainability goals, present an opportunity for sales and revenue growth	Time Horizon			Upstream	Direct Operations	Downstream	2024	2025	Due to changes in the preferences of customers and business partners, opportunities related to the growth of sustainable products and their revenue share are being assessed. Since there is no market research available regarding the extent of market growth, the relevant opportunity is tracked by monitoring the ratio of revenue from sustainable products to total revenue.	The Company adapts to evolving preferences by offering low-carbon products, embracing circular economy principles, and communicating transparently about its sustainability actions, which positively reflects on changing customer preferences.
			Short	Medium	Long				>0.3% TL 3.7 billion	>0.3% TL 6.2 billion		
				●	●				Impact on the Balance Sheet			
			Likelihood of Occurrence			✓	✓	✓✓✓	Equity			
			Medium - High						Impact on the Profit and Loss Statement			
			Type of Effect									
			Expected						Sales			
Assumptions	The ratio of sustainable product revenue to total revenue was calculated as 17.6%, exceeding the 2025 target and aligning with the Company's objectives. The 2030 target was set at 25%, while the 2035 target of 35% was revised to 50% during the opportunity calculation, reflecting expectations of rapid market growth after 2030. Regulatory changes were also factored in, considering the potential for sustainable products to achieve preferred product status after 2030, as well as their pricing implications.											

³In the 2024 TSRS-Compliant Sustainability Report, information regarding the financial impact of the relevant risk was provided for the year 2028. However, in the 2025 TSRS-Compliant Sustainability Report, due to changes in the time horizons, the comparative financial impact of the risks is presented by time horizon based on the type of impact.

SUSTAINABILITY AND CLIMATE-RELATED RISK AND OPPORTUNITY DISCLOSURES (CONTINUED)

Sustainability and climate-related risks and opportunities are integrated into our company's financial planning processes and are regularly monitored. Considering the time horizons of the disclosed risks and opportunities, these risks and opportunities are not expected to have a significant impact on the Company's financial position, performance, and cash flows for the 2025 reporting period. However, initiatives in areas such as low-carbon product development, energy efficiency, and the use of alternative fuels are aimed at capitalizing on climate-related opportunities. Our business model is structured to possess the flexibility and adaptability to address sustainability-focused risks including climate change, occupational health and safety, and human rights with the aim of mitigating risks and enhancing long-term corporate resilience.

BUSINESS MODEL AND VALUE CHAIN

[TSRS S1 - 29 (b), 32(a-b) / TSRS S2 – 9(b),13 (a-b)]

The Company assesses and reports on its sustainability and climate-related risks and opportunities using a holistic approach. In this context, the current and potential impacts of the risks and opportunities addressed on the Company's business model, strategic priorities, and value chain have been analyzed.

In the analyses conducted, the ways in which sustainability-related risks, as well as climate-related physical and transition risks and opportunities, could materialize in the short, medium, and long term across the Company's operations and value chain have been assessed. Within this framework, the geographic regions, operational facilities, and critical asset types where these impacts are concentrated have been identified.

As a result of the studies, the impacts of climate-related risks and opportunities on the Company's operational continuity, cost structure, supply chain, investment and capital allocation decisions, and revenue generation potential have been identified. The findings have been integrated into decision-making processes aimed at enhancing the Company's resilience to climate-related risks and strategically evaluating climate-related opportunities.

As part of this comprehensive assessment, the risk of human rights violations and the risk of workplace accidents that could result in death or permanent disability are addressed as key sustainability risks associated with the Company's operational structure and value chain. The risk of human rights violations is assessed particularly within the framework of the supply chain and third-party relationships, and, if realized, could have legal, reputational, and financial implications for the Company.

The risk of workplace accidents resulting in death or permanent disability, however, is considered within the scope of operational activities and the value chain due to the nature of sectors with heavy industry characteristics, such as the cement and construction materials sector in which the Company operates. It is assessed that the occurrence of this risk could result in operational, legal, and financial impacts on the Company. However, it remains below the established financial materiality threshold.

Assessments of these risks and opportunities are integrated into the Company's risk management and strategic decision-making processes, with the aim of supporting a sustainable and resilient business model.

Table 12: The Position of Sustainability-Related Risks and Opportunities in the Business Model and Value Chain

[TSRS S1 29 (b), 32(a-b)]

	Definition	Intensive Area	Value Chain
Risk	Sustainability - Occupational Health and Safety	Geographic Area: Türkiye and Europe Intensive Area: Türkiye and Europe	Upstream: In activities carried out through service providers and permanent subcontractors within the supply chain, the adequacy of occupational health and safety practices may pose a risk. Direct Operations: Occupational health and safety risks may arise during production, maintenance, and operational processes. Downstream: Customer relationships may be indirectly affected through operational disruptions and reputational impacts..
	Sustainability- Human Rights	Geographic Area: Türkiye and Europe Intensive Area: Türkiye and Europe	Upstream: Working conditions and practices in activities carried out through service providers and permanent subcontractors within the supply chain may pose a risk. Direct Operations: It is evaluated in the context of working conditions and employment practices. Downstream: Reputation can have indirect effects on customer and business partner expectations.

Table 13. The Position of Climate-Related Risks and Opportunities in the Business Model and Value Chain

[TSRS S2 - 9(b),13(a-b)]

	Definition	Current and Expected Impact	Intensive Area	Value Chain
Risk	Transition Risk - Increasing Pricing of Greenhouse Gas Emissions	Current Impact: The EU Carbon Border Adjustment Mechanism (CBAM) reporting requirements have come into effect, and the Company is implementing monitoring and reporting processes for carbon emissions in connection with its export activities to the EU. No financial impact has been observed to date. Expected Effect: Given the potential increase in carbon costs, the gradual reduction of free allowances under the EU ETS, and the transition to the phase of the EU Emissions Trading System (EU ETS) that will impose financial obligations, there may be an increase in carbon costs and additional tax liabilities that could be passed on to importers in the context of exports to the EU.	Geographic Area: Türkiye and Europe Intensive Area: Türkiye and Europe	Upstream: Rising raw material costs could increase COGS. Direct Operations: Carbon pricing for the cement sector under the CBAM, along with investments aimed at decarbonizing the electricity and fuels used in production, and the associated costs, may lead to an increase in operating costs. Downstream: For products exported to the EU under the CBAM scope, additional cost pressures may arise if companies exporting to the EU and subject to CBAM obligations pass on their carbon costs.
	Transition Risk - Potential Disruptions in the Raw Material Supply Chain	Current Impact: To date, no significant effect has been observed. Expected Effect: Fluctuations in raw material markets and potential delays in the supply chain can negatively impact production planning and profitability.	Geographic Area: Areas where production facilities are located Intensive Area: Areas where production facilities are located	Upstream: Increased demand for cementitious materials could lead to potential slowdowns and disruptions in the raw material supply chain, which could result in delays in the supply of necessary inputs. Direct Operations: Cement production may be negatively affected by fluctuations in the raw materials market, and production may slow down due to increases in input costs and/ or disruptions in the supply chain.
	Physical Risk - Drought/Water Stress	Current Impact: Base year for water consumption A 41.7% decrease in specific consumption was achieved compared to 2022. Expected Effect: Potential difficulties in water supply could lead to a decline in production capacity and, consequently, a decrease in sales and a loss of revenue.	Geographic Area: Türkiye and Spain Intensive Area: Türkiye and Spain	Upstream: Water scarcity may pose a risk of disruptions and/or slowdowns in raw material supply chains. Direct Operations: Water scarcity may pose a risk of slowing down production in manufacturing and operational processes. Downstream: This could lead end users to prefer products that use less water in the production process.

Table 13. The Position of Climate-Related Risks and Opportunities in the Business Model and Value Chain (continued)

	Definition	Current and Expected Impact	Intensive Area	Value Chain
Opportunity	Products and Services - Growing Demand for Construction Materials	Current Impact: To date, no significant effect has been observed. Expected Effect: The rise in climate-related physical damage could increase demand for building materials, creating opportunities for growth in sales volume and revenue.	Geographic Area: Türkiye and Europe Intensive Area: Türkiye and Europe	Upstream: In upstream operations, the anticipated effect has not yet been determined. Direct Operations: The expected effect of direct operations has not yet been determined. Downstream: Increased damage to the built environment (i.e., buildings and infrastructure) due to the physical effects of climate change could increase demand for construction materials as these buildings and infrastructure are repaired and rebuilt, which could create an opportunity to boost sales.
	Markets - Consumer/ Business Partner Changes in Preferences	Current Impact: 17.6% of revenue was generated from sustainable products. Expected Effect: Thanks to the demand for sustainable products, there is potential for growth in market share and brand value.	Geographic Area: Türkiye and Europe Intensive Area: Türkiye and Europe	Upstream: In upstream operations, the anticipated effect has not yet been determined. Direct Operations: Early-stage investments and actions in the areas of Life Cycle Assessments (LCA) and Environmental Product Declarations (EPD) can create opportunities for the Company to gain market share, thanks to consumers and business partners who consider environmental criteria or legal requirements in their supplier selections. Downstream: Growing awareness of climate change and the impact of the cement and construction materials sector may create opportunities by leading end-users to prefer suppliers and products with a documented lower environmental impact.

STRATEGY AND DECISION-MAKING

[TSRS S1 - 29(e), 33 (a-b-c), 34 (a-b), 35 (a-d)(c)(ii), 36, 40, 44 (a)(i-iv-v), 46(b)(ii), 51, 53 / TSRS S2 - 9(d), 14 (a) (i-ii-iii-iv-v), 14 (b), 14 (c) /,

15 (a-b), 16(a-c)(i)(ii-d), 22(a), 28(c), 29(e), 33, 34, 35, 36(a-b-c-d)]

The Company assesses the impact of sustainability and climate-related risks and opportunities on its strategy and decision-making processes within the framework of its business model, value chain, and long-term value creation objectives. In this context, goal-setting, resource allocation, investment priorities, and risk management practices are shaped with these risks and opportunities in mind.

Climate-related transition and physical risks and opportunities are addressed, particularly under the headings of carbon pricing, regulatory developments, resource efficiency, and low-carbon production; these elements are integrated into strategic planning processes in line with their impacts on cost structure, operational continuity, and market access. Areas such as the use of alternative fuels and the development of a sustainable product portfolio are evaluated as strategic opportunities from both a regulatory compliance and competitive advantage perspective.

Risks related to human rights violations and occupational health and safety addressed within the framework of sustainability are assessed by considering the nature of heavy industries, such as the cement and construction materials sector in which the Company operates, and the structure of the value chain; the potential legal, reputational, operational, and financial impacts of these risks are taken into account in strategic decision-making and prioritization processes.

In this context, analyses of the current situation, projected developments, and planned actions are regularly reviewed; climate and sustainability risks and opportunities are integrated into the Company's long-term strategy and decision-making processes.

Management of Sustainability Risks

[TSRS S1 - 29 (e), 33 (a-b-c), 44 (a)(i-iv-v)]

The Company addresses sustainability-related risks not only at the operational level but also as an integral part of strategic decision-making processes. In this context, the risk of human rights violations and the risk of occupational health and safety incidents that could result in death or permanent disability remain below financial impact thresholds. By adhering to the "Zero Tolerance" principle in the field of Occupational Health and Safety (OHS), a safe work environment is adopted as a top priority, and the goal is to establish and ensure the continuity of decent working conditions throughout all our operations and activities within our supply chain.

The risk of human rights violations is addressed within the scope of strategic assessments regarding the Company's operations, supply chain management, relationships with business partners, and the geographical regions where activities are conducted. This risk is evaluated as one of the prioritization criteria when making decisions regarding new partnerships, supplier selections, and operational expansion.

Assessments of human rights risks are integrated into strategic decision-making processes in alignment with the Company's Environmental, Social, and Governance Due Diligence Procedure and governance framework, taking into account potential impacts on reputation, regulatory compliance, and long-term business relationships.

 [The Responsible Procurement Policy](#) and  [Supplier Management Policy](#) published in this context establish the fundamental framework for ensuring compliance with human rights and sustainability principles throughout the supply chain; they define the key criteria considered in supplier selection, evaluation, and monitoring processes.

 [Click here for the Çimsa Human Rights Policy.](#)

The risk of workplace accidents that could result in death or permanent disability is addressed as a priority risk area in strategic decision-making processes, taking into account the nature of heavy industrial sectors such as the cement and construction materials sector in which the Company operates.

Standards established company-wide under the "10 Golden Life-Saving Rules" framework provide a clear and concise set of guidelines for all employees, temporary contractors, subcontractors, and visitors.

 [For detailed information on Occupational Health and Safety practices, please refer to the "Occupational Health and Safety" section of the 2025 Integrated Annual Report.](#)

Due to its potential impact on operational continuity, legal obligations, and reputation, this risk is considered as one of the evaluation criteria in investment planning, operational prioritization, and risk management decisions.

Human rights and occupational health and safety risks are integrated into the Company's risk prioritization, resource allocation, and corporate governance processes in alignment with its sustainable business model and long-term value creation objectives. This approach ensures that these risks are addressed not only from a compliance perspective but also through the lenses of strategic decision-making and business continuity.

The Current State of Climate Crisis Management

[TSRS 2 - 14 (c), 29 (e)]

The Company’s Decarbonization Transition Plan is being implemented in line with targets approved by the Science Based Targets Initiative (SBTi), within the framework of a transformation approach aligned with climate science. Under this plan, priorities for emissions reduction, technological transformation needs, and investment areas are regularly assessed and integrated into the corporate strategy.

Compared to the 2021 baseline year, a total reduction of 17% in Scope 1 and Scope 2 emissions intensity for cementitious products demonstrates the feasibility and effectiveness of the decarbonization transition plan. In line with this progress, the Company is on track to meet its targets of reducing cementitious product emission intensity by 39.3% for Scope 1 and 86.8% for Scope 2 by 2033.

The decarbonization transition plan is being implemented under the supervision of senior management, integrated with corporate risk management, investment planning, and capital allocation processes. The implementation and relevance of the plan are reviewed annually through sub-working groups under the Sustainability Management Committee; current performance, anticipated regulatory developments, and technological trends are taken into account and reflected in long-term strategic plans.

In this context, investments aimed at reducing greenhouse gas emissions by 2025 have been categorized under three main headings. For Mitigation Investments, which aim to directly reduce emissions, 327 million TL was allocated; for Transition Investments, which support the shift of carbon-intensive activities to a lower-emission structure, 15 million TL was allocated; and for Enabler Investments, which do not directly reduce emissions but facilitate reduction, 122 million TL was spent. These investments are among the key tools supporting the implementation of the Company’s decarbonization roadmap.

As part of the “Transition from Grey to Green” approach in energy, the Company continues to utilize international certifications verifying that electricity consumption in its domestic and international operations is sourced from renewable sources; as a result, the total renewable electricity usage rate has reached 66%. In addition to certified renewable electricity usage, on-site renewable energy investments are strengthening the transition to low-carbon energy.

In line with this, the solar power plant (SPP) investments launched at the Afyon and Buñol production facilities in 2023 were followed by the Eskişehir production facility. The implementation of the Solar Power Plant (SPP) and Waste Heat Recovery (WHR) power plant investments at the Eskişehir production facility in 2025 will significantly contribute to the Company’s use of low-carbon energy. In this context, the SPP investment generated 18.1 GWh, while the Waste Heat Recovery system produced 13.5 GWh of electricity during test production. Thus, 23% of the Eskişehir production facility’s total electricity demand was met by on-site renewable energy sources.

Additionally, the renewable electricity generated at the Waste Heat Recovery Facilities and Solar Power Plants is recorded through relevant certification processes, ensuring transparency and traceability. The battery storage system investment currently under construction, aimed at more efficient management and optimization of renewable energy, will be commissioned in the first months of 2026, contributing to the maximization of renewable energy usage.

Thanks to these investments and initiatives, the combined evaluation of on-site production and the use of certified renewable electricity has resulted in the share of on-site renewable energy sources reaching 10.5% of Çimsa’s total electricity consumption.

 You can access the Company’s audited performance metrics regarding renewable energy use in the 2025 Integrated Annual Report’s Environmental Performance – Energy Efficiency Tables.

In line with its strategy for transitioning to a low-carbon economy, the Company has continued its efforts to reduce the clinker usage ratio in cement production by 2025 and to enrich product formulations with alternative raw materials. The product transformation program, Green Wave, implemented within this framework, has been expanded to include white cement products in addition to grey cement products.

Under the program, the procurement of suitable alternative additives based on location has been secured; the product transformation process has been supported by the use of an 8% ratio of alternative raw materials in grey cement production. As a result of these efforts, the clinker usage ratio in grey cement products was reduced below the 80% level, achieving the 2025 target ahead of schedule. Thus, a significant milestone has been reached in the decarbonization roadmap established for grey cement products.

On the white cement side, conversion efforts are being carried out through a phased approach while adhering to the high-quality and performance criteria required by process conditions. In this context, progress is being made while maintaining a balance between low-carbon product development goals and product quality.

This product transformation has enabled the creation of a product portfolio compliant with the Green Cement Requirement for Public Tenders, which came into effect on January 1, 2025; thanks to the diversity of its product portfolio, the Company has demonstrated compliance with the requirements for public tenders. Environmental Product Declarations (EPD) were obtained for the grey and white cement products included in the Green Wave program, making the products’ environmental performance transparent, verifiable, and comparable.

In this context, driven in part by the growing demand for low-carbon and sustainable products, the share of revenue from sustainable products in total revenue has reached 17.6%. Product transformation initiatives not only improve environmental performance but also support the Company’s competitive strength in the market.

 You can access detailed, audited performance metrics related to sustainable products in the 2025 Integrated Annual Report’s Sustainable Business Model Table.

The protection and sustainable use of water resources are among the key elements of the Company’s approach to environmental excellence. Taking into account the growing impacts of water risks caused by climate change, efforts to improve water efficiency and reduce water losses particularly in regions under water stress have been prioritized.

In this context, while the volume of freshwater withdrawn from regions with high or extremely high water stress is projected to reach 76% by 2025, investments have been implemented to reduce climate-related pressure on water resources; these include preventing leaks and losses, monitoring water data via digital meters, reusing wastewater, and adopting partial circular water solutions.

To support this approach, circular water management practices where water is reused within facilities to the greatest extent possible are being expanded; additionally, investments in rainwater harvesting systems are being evaluated during the planning phase, with the goal of implementing them in the medium term. These investments are intended to contribute to reducing freshwater withdrawal, particularly in regions with high water stress.

In 2025, the Company withdrew a total of 3.1 million m³ of water and consumed 2.8 million m³ of water. Water consumption by product stood at 295 L/ton for cementitious products and 106 L/m³ for concrete. These indicators demonstrate the impact of initiatives aimed at more efficient water use and the improvement of water management in operational processes.

These water management efforts are carried out in an integrated manner with the Company’s risk management and sustainability strategies, with the aim of supporting operational continuity and enhancing resilience against climate-related physical risks.

Anticipated Changes in the Management of the Climate Crisis

[TSRS S2 - 14 (a)(i)]

To manage climate-related transition risks and strengthen compliance with regulatory developments, the impacts under the Carbon Border Adjustment Mechanism (CBAM) and the European Union Emissions Trading System (EU ETS) are being assessed specifically in relation to the current product portfolio and production processes. Risks related to carbon pricing are addressed within the framework of a dynamic ETS management approach; these assessments are integrated into production planning and investment decisions. In this context, increasing the use of alternative fuels, evaluations regarding the inclusion of hydrogen in the fuel mix, and the widespread adoption of cementitious materials are among the priority measures contributing to the reduction of emissions intensity. Additionally, to concretize the feasibility of advanced technologies, we have prioritized preliminary assessments and feasibility studies focused on Carbon Capture, Utilization, and Storage (CCUS) at our facilities in Buñol (Spain) and Mannok (Ireland). Our ongoing efforts regarding technologies such as CCUS are viewed as additional levers to support the transition process in the medium and long term.

In the field of water management, the Company continues to implement initiatives aimed at improving water efficiency through a holistic approach. In addition to efforts to detect and reduce water leaks at existing facilities, the expansion of partial water recycling solutions and the reuse of wastewater are among the priority areas. Furthermore, investments in rainwater harvesting systems are being evaluated during the planning phase; in new investment decisions and site selections, water access conditions and resource efficiency are considered as strategic criteria.

To enhance its resilience against climate-related physical risks, the Company is assessing the relocatability and adaptability of its assets through scenario analyses. The investment needs identified through these analyses to enhance resilience are prioritized by integrating them into annual investment plans.



Decarbonization Transition Plan

[TSRS S2 – 14 (a) (ii–iii–iv–v), 16 (a)]

In the effective management of climate-related risks and the transition to a low-carbon economy, the success of long-term strategies depends largely on transition plans grounded in solid foundations. In this context, the Company’s decarbonization transition plan has been developed by taking into account regulatory frameworks, technological advancements, market dynamics, and investment priorities, and the underlying assumptions and dependencies of the plan are regularly reviewed.

As detailed in the “Current Status of Climate Crisis Management” section, as part of the Company’s decarbonization transition plan, a total reduction of 17% in Scope 1 and Scope 2 emissions intensity per ton of cement-equivalent product has been achieved compared to the 2021 base year. Accordingly, the emissions intensity, which was 884 kg CO₂/ton of cementitious product in 2021, has been reduced to 734 kg CO₂/ton of cementitious product by 2025. The Company aims to reduce this emissions intensity to 512 kg CO₂/ton of cementitious product by 2033.

Emissions reduction plans that will contribute to achieving this goal are being developed around priority areas such as energy transition, product transformation, the use of alternative fuels and raw materials, process efficiency, low-carbon technologies, and innovative R&D initiatives, and constitute the core components of the transition plan.

Table 14. Decarbonization Transition Plan

Alternative Raw Material Use	The use of alternative raw materials and supplementary cementitious materials (SCM) in clinker production and cement grinding processes supports the circular economy approach, contributing to the optimization of natural resource use and the reduction of emissions intensity. In this context, by integrating suitable SCMs into product formulations, the demand for clinker is reduced while supporting low-carbon production by ensuring product performance and quality criteria are met.
Alternative Fuels Use	In line with decarbonization and circular economy strategies, low-carbon secondary materials such as biomass waste, waste-derived fuels (WDF), and end-of-life tires (ELT) are being used as sources of thermal energy. While this approach contributes to reducing carbon emissions and fossil fuel consumption, supply processes are regularly evaluated in line with regional market conditions to ensure supply continuity, and collaborations with ports and recycling facilities are being strengthened.
Product Transformation and Reduction of the Clinker Ratio	By developing and expanding the use of low-clinker products, the clinker ratio is targeted to be reduced; thereby supporting the transition to a low-carbon and sustainable product portfolio. Product transformation efforts take into account not only regulatory compliance but also changes in market and customer expectations.
Thermal and Electrical Efficiency	Based on energy audits and analyses conducted to improve thermal and electrical energy efficiency, strategies are being developed to optimize energy consumption. Real-time energy monitoring is carried out using advanced data analytics and automation systems; thanks to digital technologies and investments in energy efficiency, the carbon footprint is reduced while environmental and economic sustainability are supported simultaneously.
Transition to Renewable Energy	With the aim of reducing environmental impacts and strengthening energy independence, the goal is to increase the share of renewable electricity consumption to 80% by 2030. In line with this goal, on-site generation, the use of certified renewable energy, and supporting technologies are being evaluated together.
The Use of Advanced Technologies	As part of the decarbonization strategy, priority is given to advanced technologies; research and development efforts are ongoing in the areas of hydrogen utilization and Carbon Capture, Utilization, and Storage (CCUS). While these technologies play a critical role in permanently reducing emissions, CCUS in particular is viewed as a strategic solution for the cement industry to achieve its medium- and long-term climate goals.

Climate-Related Dependencies

[TSRS S2 – 14 (a) (iv)]

Regulatory Uncertainties Regarding Carbon Pricing Mechanisms (EU ETS and CBAM)

As the Company transitions to a low-carbon economy, the operation, scope, and financial impacts of regulations under the European Union Emissions Trading System (EU ETS) and the Carbon Border Adjustment Mechanism (CBAM) constitute a significant factor of external dependency. Fluctuations in carbon prices under the EU ETS, which are tied to market conditions, can create uncertainty regarding the cost structure of emission-intensive activities.

Specifically regarding the CBAM, while it is anticipated that financial obligations will be phased in following the reporting phase; details regarding implementation, calculation methodologies, product-specific emission factors, and how costs will be reflected throughout the value chain remain unclear. This situation is viewed as an area of uncertainty that could affect medium-term cost visibility and planning processes, particularly regarding export activities to the EU.

In this context, regulatory developments in the EU ETS and CBAM are being closely monitored; increased clarity regarding the final operation of these mechanisms will be decisive in the Company’s decisions regarding production planning, investment prioritization, and its decarbonization roadmap.

Alternative Fuel and Raw Material Supply Chain

The sustainable and reliable supply of low-carbon fuels and alternative raw materials is of critical importance both for the sector’s transformation and for achieving climate goals. The availability, quality, and cost of biomass and other alternative fuels can vary depending on regional resource structures, regulatory frameworks, and market conditions. For this reason, the establishment and diversification of resilient, flexible, and regionally adapted supply chains that support long-term decarbonization goals are among the Company’s priority risk management areas.

The Financing and Development of Carbon Capture, Utilization, and Storage (CCUS) Technologies

As part of the Company’s long-term emissions reduction strategies, the technical maturity and commercial viability of Carbon Capture, Utilization, and Storage (CCUS) technologies constitute a key enabling factor. In this context, preliminary feasibility studies on CCUS technologies are planned to be initiated specifically for the Buñol and Mannok facilities. These studies aim to provide assessments regarding facility-specific technical suitability, cost structure, and operational integration potential.

However, the high capital requirements and long payback periods of CCUS and similar advanced technologies make investments in this field dependent on financing options, support mechanisms, and partnerships. Therefore, the findings from these preliminary feasibility studies will be decisive for strategic decisions regarding investment prioritization, timing, and financing structure within the Company’s decarbonization roadmap.

Access to Water Resources

At facilities operating in regions with high water stress, the dependence of production processes on water is considered a significant sustainability risk. While grey cement production requires relatively low water usage, the process requirements for white cement production necessitate higher water usage. This situation makes access to water resources critical, particularly for white cement production, from the perspectives of operational continuity and environmental responsibility. It is assessed that potential constraints or interruptions in water supply could have negative impacts not only on production continuity but also on financial performance.

Current Commitments

[TSRS 1 - 46 (b)(ii) 51,53 / TSRS 2 14(c),28(c), 33, 34, 35, 36(a-b-c-d)

The Company is resolutely advancing the transition to a low-carbon and sustainable business model in line with its short-, medium-, and long-term goals, by adopting a holistic approach to address climate-related risks and opportunities, as well as environmental, social, and governance risks within the scope of sustainability. The targets established within this framework aim not only to combat the climate crisis but also to support the Company’s long-term resilience and capacity to create value.

The table below provides a summary of the scope, focus areas, and committed levels of improvement and reduction for the targets the Company has set in response to climate and sustainability risks. These targets and commitments have been established by taking into account the Company’s current performance, future investment and transition plans, growth strategies, as well as the requirements of local and global regulatory and voluntary standards.

In this context, the targets for Scope 1 and Scope 2 greenhouse gas emissions have been officially validated by the Science Based Targets Initiative (SBTi) and serve as one of the cornerstones for managing climate-related risks and facilitating the transition to a low-carbon economy.

Table 15. Current Commitments

Related Risk/ Opportunity	Key Performance Indicator	Unit	Base Year	2024	2025 Realization ¹	Targets			
						2025	2030	2035	2050
Sustainability	Zero Fatal Accidents	Number	2022	0	0	0	0	0	0
Sustainability	Reducing the Frequency Rate of Lost-Time Injuries (LTI FR) ⁷	Lost Days Number of Accidents x 1 M / Working Hours	2024	4.97	3.99	4.70	2	-	<1
Sustainability	Human Rights Risk Assessment Completion Rate	(%)	2023	0	100	25	100	100	-
Transition Risk -Pricing of Emissions	Scope 1 and Scope 2 specific greenhouse gas product emission intensity	kg CO ₂ /ton cementitious	2021	747 ³	734	740	623	441	Net Zero
Transition Risk -Pricing of Emissions	Scope 1 specific greenhouse gas product emission intensity	kg CO ₂ /ton cementitious	2021	735 ⁴	719	721	613	436	Net Zero
Transition Risk -Pricing of Emissions	Scope 2 specific greenhouse gas product emission intensity	kg CO ₂ /ton cementitious	2021	12 ²	14	19	10	5	Net Zero
Transition Risk - Raw Material Supply Chain Disruptions	Alternative raw material usage rate (Grey Cement)	(%)	2023	7	8	10	15	20	-
Transition Risk -Pricing of Emissions	Increasing the consumption of renewable electricity	(%)	2022	65 ⁵	66	60	>80	>85	-
Physical Risk – Drought /Water Stress	Reducing specific water consumption in cement production	L / ton cementitious	2022	308 ⁶	295	350	300	250	-
Physical Risk – Drought/Water Stress	Percentage of water withdrawn from areas with high or extremely high baseline water stress ²	Volume Withdrawn in High Stressed Areas / Total Water Withdrawal* 100 (%)	2022	99	76	90	85	85	-

¹Mannok Holdings DAC is included in the 2025 target achievement figures.
²Monitoring has begun in regions with high or extremely high water stress.
³⁻⁴⁻⁵⁻⁶The 2024 figure has been revised to include Mannok Holdings DAC.
⁷With the acquisition of Mannok Holdings DAC, the target has been updated, and the 2024 realized value has been shared based on Mannok's 12-month data.

Sustainability and Climate Finance

[TSRS S1 - 35 (c) (ii) / TSRS S2 – 14 (b) 16 (c)(ii)]

To implement its sustainability and decarbonization investments at its production facilities in Türkiye, the Company is developing long-term and strategic financial partnerships with international financial institutions. In this context, the USD 70 million green loan agreement signed with the International Finance Corporation (IFC) continues to support the financing of the Company's decarbonization and low-carbon transition investments planned through 2027.

In 2024, the Company became the first cement company in Türkiye to secure financing from the European Bank for Reconstruction and Development (EBRD) through a 25 million euro loan agreement. This financing was used to fund the Company's sustainability investments focused on energy transformation and efficiency, including the Solar Power Plant (SPP) and the Waste Heat to Electricity Generation Facility (WHR) implemented at its Eskişehir production facility.

In addition, the Company signed a new EUR 50 million loan agreement with the EBRD in 2025. This financing, provided under the Project Limestone, covers decarbonization investments being carried out at the Mersin Production Facility; it aims to implement projects focused on low-carbon production, energy transition, and emission reduction.

This financing provided by the IFC and the EBRD continues to support the implementation of investments envisaged under the Company's decarbonization transition plan; it serves as a critical financial lever that enhances the feasibility of investments in energy efficiency, renewable energy, low-carbon production, and advanced technology.

Quantitative and Qualitative Progress in the Decarbonization Plan

For qualitative and quantitative assessments obtained as part of the Company's decarbonization plans, please refer to the "Climate Change Adaptation and Mitigation" and "Energy Efficiency and Renewable Energy Management" sections of the 2025 Integrated Annual Report.





Financial Planning for Climate-Related Issues and Their Impact on Corporate Performance

[TSRS S1 – 34 (a-b), 35(a-d), 36 / [TSRS S2 – 9(d), 15 (a-b), 16 c(i)-d)]

Table 16. Financial Planning and Performance Impact

Financial Planning and Performance Impact	
Revenues	There is potential to generate different revenues from climate-related issues in various regions. While our facilities in the EU region generate positive revenue effects based on the use of alternative fuels, the same advantage does not exist in Türkiye regarding access to ready-to-use waste-derived fuels and waste with high biomass content. As the pace of the transition to a low-carbon economy accelerates, we anticipate that these dynamics will evolve positively in line with market developments. On the other hand, with the increasing demand for low-carbon premium cement and concrete products, we expect an increase in revenue from sustainable products.
Direct Costs	For our facilities located in the EU in particular, reducing fossil fuel consumption through the use of alternative fuels has a direct positive impact on our costs. In line with our investments in renewable energy, the reduction in our energy dependence and the use of the renewable energy sources we generate ourselves also contribute to lowering direct costs, thereby strengthening the sustainability of the Company's financials.
Indirect Costs	The use of low-cost alternative fuels at our facilities in the EU region is reducing indirect operating costs. Volatile prices in the Türkiye region have the potential to negatively impact indirect costs. With the Emissions Trading System (ETS) set to come into effect in Türkiye, there may be increases in indirect costs at some of our facilities. In this context, investment planning and energy optimization are our primary agenda items. While there is no financial impact based on the materiality threshold regarding occupational health and safety and human rights within the sustainability framework, preventive mechanisms are implemented in processes to address potential costs arising from workplace accidents, legal proceedings, compensation payments, and reputational damage should these risks materialize.
Capital Expenditures	As part of our decarbonization strategy, we are developing investment plans to enhance our facility infrastructure, particularly regarding the use of alternative fuels containing biomass. Additionally, investment plans may be developed to reduce the amount of clinker used and increase the use of cementitious materials. Our planned capital expenditures in the short and medium term will include investments in energy efficiency and renewable energy, as well as investments in new technologies to be identified by our R&D teams.
Capital Allocation	The transition to alternative fuels and renewable energy is strengthening our cash flow, making our capital allocation more robust. Thanks to the benefits that a low-carbon economy will provide, we are accelerating the pace at which we implement the investment initiatives outlined in our future plans.
Assets	We are developing plans to make all assets under our ownership more resilient to climate-related physical risks. In addition, we are implementing our insurance processes to ensure the creation of appropriate policies. Although there is no financial impact within the scope of occupational health and safety and human rights based on the materiality threshold, long-term provisions may need to be set aside on the balance sheet for potential claims and liabilities. To limit these impacts, processes related to a safe working environment and human rights compliance are being strengthened.
Access to Capital	The strategies and concrete steps we are implementing as part of our decarbonization efforts are facilitating access to lower-interest green financing sources linked to sustainability. The fact that we have begun to implement our decarbonization investments using these financial instruments also brings future opportunities within reach. Additionally, we are incorporating into our plans the potential additional costs associated with the carbon market burden that our facilities covered under the EU ETS may face, as well as the potential Carbon Border Adjustment Mechanism (CBAM) burden that our facilities exporting from Türkiye to the EU may encounter.

Risk: Pricing of Emissions

[TSRS S2 – 15 (b)]

As of 2026, financial obligations linked to carbon emissions will be phased in under the Carbon Border Adjustment Mechanism (CBAM) for products imported into the European Union. In this context, the aim of the CBAM is to align the carbon costs of products imported from outside the EU with the carbon pricing faced by domestic production within the EU.

Concurrently with this process, a the gradual reduction (phase-out) of free allowances under the EU Emissions Trading System (EU ETS) and the expansion of the Carbon Border Adjustment Mechanism (CBAM) scope at corresponding rates (phase-in) are planned. Under the current regulatory framework, the CBAM is projected to begin at 2.5% in 2026, reaching 48.5% by 2030 and 100% by 2034.

Carbon costs arising under the CBAM will be legally borne by the party importing into the EU (the importer), and by the design of the mechanism, no direct tax burden is imposed on the producer. However, it is possible for such costs to be passed on to prices (pass-through) within the framework of commercial contracts and market conditions. This situation implies that, in the supply of products covered by the CBAM to the EU market, importers have the potential to pass on these costs to the producer, either partially or in full.

These regulations are among the external developments closely monitored by the Company in terms of financial planning, pricing, and market strategies, and have the potential to impact competitive conditions in the EU market. In this context, the Company aims to adapt its operations and business decisions as the final implementation, application details, and market implications of the regulatory framework regarding carbon pricing become clearer.

According to current projections, no significant change in sales volumes to EU countries is expected by 2026. However, from the Company's perspective;

- » Carbon costs that may arise at facilities covered by the EU ETS,
- » The Emissions Trading System (ETS) planned to be established in Türkiye and
- » The potential for costs to be borne by the importer under the CBAM framework to be reflected in the commercial terms for products exported from Türkiye to the EU

are evaluated together.

According to current assessments, while no significant change in the Company's sales volumes to EU countries is anticipated as of 2026, a short-term financial tax burden is expected to arise under the Carbon Border Adjustment Mechanism. Conversely, no additional financial burden or revenue loss for the Company is anticipated under the EU ETS during the same period.

In this context, short-term financial risk assessments are conducted by considering the potential for carbon costs to be passed on to prices by importers within the framework of the CBAM. In the medium term, facilities covered by the EU ETS, the Emissions Trading System planned to be established in Türkiye, and the CBAM are evaluated together to continue financial planning and risk monitoring activities.

Detailed assessments of the financial impacts and risks anticipated under the CBAM are provided in the report's "Climate-Related Risk Disclosures (High Impact)" table.

Risk: Disruptions in the Raw Material Supply Chain

[TSRS 2 – 15 (b)]

The expansion of the sustainable product portfolio depends on the uninterrupted supply of alternative raw materials. Potential disruptions in the supply of these raw materials could limit the production of sustainable products, thereby potentially having an indirect impact on financial performance.

The Company's sustainable product revenue ratio has been assessed in line with the targets of 10% by 2025, 25% by 2030, and 35% by 2035. In the scenario analyses conducted, it was assumed that sustainable product revenues could decrease by up to 5% in the short and medium term and up to 10% in the long term. Under these assumptions, it is assessed that potential disruptions in the alternative raw material supply chain have the potential to exert pressure on revenue in the medium and long term.

You can find details regarding the projected financial impact and risks in the "Climate-Related Risk Disclosures (High Impact)" table in the report.

Risk: Drought/Water Stress

[TSRS S2 – 15 (b)]

Water scarcity and increasing water stress in the regions where the Company operates have the potential to create a financial impact on operational costs due to the need to source water from more expensive sources. In the coming period, it is anticipated that unit water costs will increase with the implementation of technologies such as greywater treatment or seawater desalination.

In the scenario analyses conducted within the scope of this risk, residual risk calculations were performed taking into account existing water conservation measures. Capital expenditures for initiatives such as rainwater harvesting and the reuse of treated water are expected to affect the cost structure in the short and medium term; the goal is to achieve savings of up to 50% in total water consumption during the 2028–2035 period.

Taking these factors into account, you can access details regarding the projected financial impact and related risks in the report’s “Climate-Related Risk Disclosures (High Impact)” table.

Opportunity: Products and Services - Growing Demand for Construction Materials

[TSRS S2 – 15 (b)]

Demand for resilient and sustainable cement-based products is expected to rise due to climate change. However, the extent of this increase depends on numerous uncertain variables, such as investments in climate change mitigation and adaptation, repair activities following extreme weather events, and regional market dynamics. In this context, since there is no sufficient sector- or region-specific market research available to reliably reflect this anticipated demand increase in financial projections, no quantitative calculation has been performed.

Explanations regarding the qualitative assessment of the opportunity and its strategic impacts are provided in the report’s “Climate-Related Opportunity Disclosures (High Impact)” table.

Opportunity: Changes in Consumer and Business Partner Preferences

[TSRS S2 – 15 (b)]

In 2025, the Company’s revenue from sustainable products accounted for 17.6% of total revenue. In line with the Company’s goals, this ratio is projected to reach 25% by 2030 and 50% by 2035. In this context, the increase in demand for sustainable products is viewed as a significant financial opportunity in the medium and long term.

Since there is no reliable and sufficient market data regarding the magnitude of this increase in demand, the financial impact of the opportunity has not been quantitatively calculated.

Qualitative assessments and strategic implications related to the opportunity are presented in the report’s “Climate-Related Opportunity Disclosures (High Impact)” table.



RISK MANAGEMENT

METHODOLOGY FOR ASSESSING SUSTAINABILITY AND CLIMATE-RELATED RISKS AND OPPORTUNITIES

[TSRS S1 – 29 (d), 44(a-vi), 42] [TSRS S2 – 22 (b)/ 25 (a)(b) /29 (f), 36(e)]

In identifying sustainability and climate-related risks and opportunities, assessing climate resilience, and conducting adaptation efforts, the Company has followed a methodology aligned with its corporate strategy and corporate risk management principles. The Company has continued to use the methodology it employed in the previous reporting period. To reflect the impacts of climate uncertainties on the Company’s business model and strategy, the Company’s resilience is assessed on a regular annual basis. In the event of changes to operational boundaries, updates to reference sources, or significant changes that could affect the value chain, necessary updates are implemented. Sustainability-related risks are included in the Company’s risk radar and prioritized.

Scenario Development Activities

[TSRS S2 – 25 (a)(ii) / 25 (b)]

A scenario analysis was conducted to understand uncertainties and identify trends that could impact the Company within the context of driving forces. To assess climate-related risks and opportunities, two separate scenarios were developed under two temperature trajectories: < 2°C and 3.5–4°C. The following steps were followed in selecting the scenarios. For other sustainability-related topics, conditions were evaluated on a topic-by-topic basis. The time horizons for sustainability and climate-related risks and opportunities, as presented in the report’s “Sustainability and Climate-Related Risks and Opportunities Disclosures” section, were selected as Short Term (1 year), Medium Term (1–5 years), and Long Term (5–10 years).

To effectively identify climate-related risks and opportunities, it is essential to define the impacts of drivers within both local and global contexts. Future scenarios illustrate the diverse drivers that could affect the Company.

[TSRS S2 – 22]

Table 17. Driving Forces Under Consideration

Driving Force		< 2 °C	3,5-4 °C	Key Outcomes
Social	Demographics/Urbanization	++	+	Population growth and urbanization, along with social pressures and stakeholder expectations, as well as sustainability practices, resource efficiency, and cement demand, are also having an impact.
	Stakeholders' requests and needs			
Technology	Renewable energy and groundbreaking technologies, including Carbon Capture, Utilization, and Storage (CCUS)	++	+	The pace of progress in the fields of renewable energy, resource efficiency technologies, carbon capture and storage, and the circular economy continues to depend largely on policy support.
	Circular economy and sustainable construction practices			
	The pace of progress in renewable energy technologies			
Economic	Management and availability of raw materials			In both scenarios, different economic forces work in opposite directions, leading to different responses in cement demand.
	Carbon pricing	++	+++	
	Including disposable income economic growth/ decline			
Environmental	Extreme weather events			The adverse chronic and acute effects of climate change, regardless of the scenario, are increasing—albeit to a greater extent for a world warming by 3.5–4°C—while varying depending on the region and time scale.
	Changes in weather models and rising sea levels	+	++	
	Access to water			
Political	Local and international climate change policy, including pollution regulations	++	+	Climate change and policy are closely linked and can have significant impacts on industries and production processes.

+ Important for the scenario ++ Moderately important for the scenario +++ Highly critical for the scenario

Assessment of Risks and Opportunities

[TSRS S2 – 25 (a)(iii-vi)/25 (b)]

The Company approached its risk and opportunity assessment from the perspectives of “hazard” and “impact.” For temperature scenarios of 2 °C and 3.5–4 °C, the Company has scored potential hazards based on “probability” and “severity,” while assessing impact under the headings of “exposure” and “vulnerability” for physical risks, and “exposure” and “readiness” for transition risks and opportunities. In the scenario plans prepared within the Company, the conditions we face were assessed by considering short-, medium-, and long-term trends, certain key assumptions, and the diversity of countries where our facilities are located.

The assessment of risks and opportunities and detailed scenario analyses can be accessed in the "Risk and Opportunity Analyses" section of the 2024 Integrated Annual Report (TSRS S1 and TSRS S2).

The primary scenario sources used in preparing the scenario plans are listed below.

Table 18. Main Scenario Sources

Source	Temperature Path (<2 °C)	Temperature Path (3.5–4 °C)
IPCC	SSP1–2.6 (radiative forcing, analogous to RCP)	SSP3–7.0
RCP	RCP2.6; RCP4.5 (only in combination)	RCP7.0; RCP8.5 (not in combination with the highest SSP)
SSP	SSP1 SSP2	SSP3; SSP4; SSP5 (SSP5 only in combination with lower RCPs)
IEA	NZE	STEPS (associated with “high” SSP)
NGFS	Below 2 °C	Current Policies

Use of Carbon Credits

[TSRS S1– 29 (d), 36 (e)]

For the Company’s facilities covered by the EU ETS, free allowances calculated annually based on historical activity data and EU ETS benchmark values are allocated to the facilities, and a carbon surplus or deficit is determined based on actual emissions. In line with the Company’s long-term carbon management strategy, excess carbon is banked, while a carbon deficit is balanced through carbon purchases or payments in the EU ETS market.

Taking into account the phased reduction of free allowances under the Carbon Border Adjustment Mechanism and the EU ETS, the Company prioritizes investments aimed at emission reductions and views carbon credit banking as a complementary management tool. With this approach, while 44,000 tons of EUA carbon credits were purchased from the EU ETS market in 2025, no carbon credit purchases were made for facilities in Türkiye due to the absence of an emissions trading system in that region. The Company will also evaluate the offset mechanisms expected to be implemented alongside the Climate Law in Türkiye based on emission outcomes. On the other hand, it is planned to use voluntary carbon markets as a complementary tool to balance remaining emissions in the long term, following emission reductions achieved through decarbonization investments and projects.

Internal Carbon Pricing

[TSRS S1 – 29 (d) / TSRS S2 – 29 (f)]

To assess its resilience to climate risks, the Company uses the shadow internal carbon pricing method in the decision-making processes for all investment feasibility studies and projects that may have a carbon footprint. For our subsidiaries covered under the EU ETS and CBAM accounts, the annual average of current carbon prices is taken into account, while for long-term planning, the averages of key data references are included in the calculations. Under the national emissions trading system expected to be implemented in Türkiye, a price range of 6.9 Euro/t CO₂ to 15.9 Euro/t CO₂ for the years 2028–2035 has been used as a reference. In the process of integrating the carbon price impact into investment decisions, impact analyses are primarily conducted based on EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization).

METRICS AND TARGETS

The effective management of risks and opportunities in the areas of climate change and sustainability depends on the systematic tracking of performance through measurable, traceable, and comparable metrics. In this regard, the Company regularly monitors performance indicators related to climate-related risks, sustainability risks, and climate-related opportunities; and evaluates progress toward applicable regulations and the strategic goals set by the Company.

The metrics and targets presented in this section are structured by taking into account common metrics that enable cross-sector comparisons, characteristic indicators of the sector in which the Company operates, and indicators used to track climate and sustainability strategies. These metrics serve to track the impact of sustainability risks and climate-related opportunities on performance, assess progress toward targets, and support strategic decision-making processes.

Table 19. Emission Values

	2024 Gross Emission Value	2025 Gross Emissions Value
Scope 1	5.5 million ton CO ₂ e	5.4 million ton CO ₂ e
Scope 2 (Location-Based)	277,276 ton CO ₂ e	271,387 ton CO ₂ e
Scope 2 (Market-Based)	89,069 ton CO ₂ e	105,878 ton CO ₂ e
Scope 3 ¹	2.15 million ton CO ₂ e	3.01 million ton CO ₂ e

CLIMATE-RELATED METRICS

[TSRS S2 – 29 (a)]

For Scope 1 and Scope 2 emissions calculations, the CO₂ Emissions and Energy Inventory – Cement CO₂ and Energy Protocol, Version 3.1, developed by the World Business Council for Sustainable Development – Cement Sustainability Initiative (WBCSD – CSI) in alignment with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (2004), has been used; Scope 3 emissions, on the other hand, have been calculated in accordance with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard. For Scope 1 greenhouse gas emissions, Carbon Dioxide (CO₂), Methane (CH₄), and Nitrous Oxide (N₂O) are expressed as CO₂ equivalents. During the calculations, emission factors were based on reference sources such as Defra 2025², Ecoinvent³, EPA 2025⁴, IPCC AR6⁵, national inventories, and accredited laboratory data. For Scope 3 calculations, a comprehensive calculation model was employed, utilizing activity data directly obtained by category and, where necessary, estimates. In addition, secondary data sources for emission factors were used alongside the company’s activity data. An operational control approach was applied for reporting emissions. Under this approach, the greenhouse gas emissions of subsidiaries have been consolidated at a 100% rate. There are no subsidiaries that have not been consolidated.

For the Eskişehir Production Facility, Mersin Production Facility, Afyon Production Facility, and 10 ready-mix concrete stations in Türkiye, electricity certified under the International Renewable Energy Certificate (I-REC) is procured; meanwhile, for the Buñol Production Facility in Spain, a Renewable Electricity Certificate (Guarantee of Origin-GO) compliant with European Union regulations has been obtained. The 83,274 MWh of renewable electricity generated from the Company’s own production has also been documented with the International Renewable Energy Certificate (I-REC), ensuring transparency and traceability.

¹The three categories of the calculated scope are: Purchased Goods and Services, Capital Goods, Fuel and Energy-Related Activities, Upstream Transportation and Distribution, Waste Generated During Operations, Employee Commuting, Business Travel, Downstream Transportation and Distribution, Processing of Sold Products, End-of-Life of Sold Products, and Upstream and Downstream Leased Assets.

²Department for Environment, Food and Rural Affairs, international database.

³Ecoinvent Association, international database

⁴Environmental Protection Agency

⁵Intergovernmental Panel on Climate Change 6th Evaluation Report

CLIMATE-RELATED TARGETS

[TSRS S2 – 33 – 34 – 35 – 36]

In line with the Paris Climate Agreement and Türkiye's 2053 net-zero emissions commitment, the Company has a near-term carbon emissions reduction target approved by the Science Based Targets Initiative (SBTi). Under this target¹, the Company commits to reducing gross Scope 1 and Scope 2 greenhouse gas emissions per unit of cement by 42.1% by 2033 compared to the 2021 baseline year. Under this target, the Company aims to reduce gross Scope 1 greenhouse gas emissions per ton of cement by 39.3% and gross Scope 2 greenhouse gas emissions by 86.8% per ton over the same timeframe.


 You can access the Company's other climate crisis-related goals and achievements in the “Current Commitments” section of the report.

SECTOR-BASED METRICS

[TSRS 1 46 (b), 50, 53 / TSRS S2 – 12 / 28 (b-c) / 32]

Explanations regarding the “Guidance on the Sector-Specific Implementation of Climate-Related Disclosures” have been shared by topic for the year 2025.

Table 20. Sector-Based Metrics

Activity Metrics	Production by Main Product Group		2024	2025
	Cement Production		5.31 million ton	6.8 million ton
Energy Management	Ready-Mix Concrete Production		2.48 million m³	2.9 million m³
	Energy Parameters		2024	2025
Greenhouse Gas Emissions	Total Energy Consumed		23.8 million Gj	26 million Gj
	Percentage of Grid Electricity		94%	90%
	Percentage of Alternative Energy	Grey Cement with 10% alternative fuel ²	Grey Cement 28% alternative fuel	
		White Cement 28% alternative fuel	White Cement 15% alternative fuel	
	Percentage of Renewable Energy		65 ⁵ %	66%
Greenhouse Gas Emissions	Disclosures Related to Emissions		2024	2025
	Gross total Scope 1 emissions, as a percentage of emissions covered by emission-limiting regulations	Çimsa's total gross Scope 1 emissions for 2024 amounted to 5.5 million tons of CO ₂ /year. Gross total Scope 1+2 emissions are monitored in accordance with current national greenhouse gas regulations and European Union CBAM mechanisms, and are managed in alignment with Çimsa's target to reduce emission intensity by 42.1% by 2033.		
		Çimsa's total gross Scope 1 emissions for 2025 amounted to 5.4 million tons of CO ₂ per year. Gross total Scope 1+2 emissions are monitored in accordance with current national greenhouse gas regulations and European Union CBAM mechanisms, and are managed in alignment with Çimsa's target to reduce emission intensity by 42.1% by 2033.		
	Negotiating long- and short-term strategies or plans to manage Scope 1 emissions and emission reduction targets, and analyzing performance against these targets		At Çimsa, in 2024, the total Scope 1 and Scope 2 emissions intensity per cementitious product was reduced by 16% compared to 2021.	At Çimsa, the total Scope 1 and Scope 2 emissions intensity per cementitious product in 2025 was reduced by 17% compared to 2021.

Table 20. Sector-Based Metrics (Continued)

Air Quality	Air Pollutant Emissions		2024	2025
	NOx (N ₂ O excluding)		1,659 ton	3,079 ton
	SOx		192 ton	185 ton
	PM10		294 ton	1,647 ton
	Dioxins/furans		0.018 ton	0.0000000012 ton
	Volatile Organic Compounds		28 ton	42 ton
	Polycyclic Aromatic Hydrocarbons		0.007 ton ¹	0.09 ton
Water Management	Heavy Metals		0.081 ton	0.05 ton
	Water Parameters		2024	2025
	Total Water Withdrawn		2,381 thousand m³	3,089 thousand m³
	Total Water Consumed		2,349 thousand m³	2,797 thousand m³
	Percentage of Water Withdrawn from Areas with High or Extremely High Baseline Water Stress		99,5% ²	76%
Waste Management	Percentage of Water Consumed from Areas with High or Extremely High Baseline Water Stress		98% ³	82%
	Waste Parameters		2024	2025
	Amount of Waste Generated		7,968 ton	10,637 ton
	Percentage of Hazardous Waste		6.20%	5.94%
Product Innovation	Percentage of Recycled Waste		83%	82%
	Product Innovation Parameters		2024	2025
	The percentage of products eligible for credits in sustainable building design and construction certifications		The percentage of our products eligible for credits in sustainable building design and construction certifications has not yet been determined. Our products with Environmental Product Declaration (EPD) certificates support the industry.	
	Total accessible market and market share for products that reduce the impact of energy, water, or materials during use or production		Although we have not yet been able to determine the total accessible market share for products that reduce the impact of energy, water, or materials during use or production, revenue from sustainable products is being tracked.	

¹Excluding Mannok Holdings DAC and the Buñol Production Facility.

²The metric tracked as the “Percentage of Water Withdrawn from Areas with Water Stress” in 2024 has been changed to the “Percentage of Water Withdrawn from Areas with High or Extremely High Baseline Water Stress” in 2025.

³The percentage of water consumed from regions experiencing high or extremely high water stress began to be tracked in 2025, and data from 2024 has also been included for comparative purposes.

[TSRS S1 50]

In addition to the statements regarding the “Guidance on the Sector-Specific Application of Climate-Related Disclosures,” the following metrics included in the Sustainability Accounting Standards Board (SASB) standards are tracked under the scope of Occupational Health and Safety.

Table 21. Sustainability-Focused Metrics

Occupational Health and Safety	OHS Parameters	2025
	Direct Employment Accident Frequency Rate (Number of Accidents × 1,000,000) / Working Hours	4.68

CROSS-SECTORAL METRICS

[TSRS S2 – 28(a-b),29 (b-c-d)]

Table 22. Cross-Sectoral Metrics

Greenhouse Gas Emissions (Scope 1, 2, 3)	This is explained under the heading Climate-Related Metrics .
Assets Vulnerable to Climate-Related Transition Risks	The Company has conducted analyses to assess the severity (probability + magnitude) and potential impacts (exposure + vulnerability) of climate-related risks and opportunities, taking into account the nature of its activities, business model, and operational locations. As a result of these assessments, no assets were identified as vulnerable to climate-related transition risks in the short and medium term. However, given the dynamic nature of the relevant analyses, assessments regarding the definition and identification of vulnerable assets will be reviewed in future periods.
Assets Vulnerable to Climate-Related Physical Risks	The Company has conducted analyses to assess the severity (probability + magnitude) and potential impacts (exposure + vulnerability) of climate-related risks and opportunities, taking into account the nature of its activities, business model, and operational locations. As a result of these assessments, no assets were identified as vulnerable to climate-related physical risks in the short and medium term. However, given the dynamic nature of the relevant analyses, assessments regarding the definition and identification of vulnerable assets will be reviewed in future periods.
Climate-Related Opportunities	This is explained under the heading Disclosures on Sustainability and Climate-Related Risks and Opportunities .
Capital Allocation	This is explained under the heading Sustainability and Climate Finance .
Internal Carbon Prices	This is explained under the subheading Internal Carbon Pricing .
Remuneration	This is explained under the heading Sustainability Related Goals and Incentive Mechanisms .

JUDGEMENTS

[TSRS S1 – 75]

The Company conducts a comprehensive analysis of the environmental impacts of its products and services, taking into account the characteristics of the sector in which it operates. In this context, factors related to resource use such as the amount of energy consumed in production processes, raw material consumption, waste generation, and water usage are evaluated; the decisive role of these factors in environmental impacts is taken into account.

While assessing the potential impacts of sustainability-related risks and opportunities on the business model, the Company's financial structure is also addressed from a holistic perspective. In this regard, the Company's financial condition, debt structure, investment plans, and overall financial performance are examined; these indicators contribute to understanding the financial impacts of sustainability-related risks and opportunities.

The Company also closely monitors developments in legislation and new obligations imposed by regulatory authorities. Legislation related to climate change, incentive and grant mechanisms, and sector-specific regulations are evaluated within this scope. In line with the decarbonization roadmap implemented in conjunction with Çimsa, compliance with these regulations is treated as a strategic priority; business plans are regularly updated in accordance with emerging technologies, stakeholder expectations, and evolving market dynamics. This approach aims to manage uncertainties in strategic decision-making processes and strengthen the Company's long-term resilience.



APPENDIX

REPORTING GUIDE

Basic Definitions and Reporting Scope

The definitions related to the methodology for calculating greenhouse gas emissions provided under the “[Climate-Related Metrics](#)” heading, along with the descriptions of the metrics tracked by the Company under the “Current Commitments” heading, are presented in the table below.

Table 23. Basic Definitions and Reporting Scope

Type	Indicator	Scope
Environmental	Scope 1 Gross Greenhouse Gas Emissions <i>(tons of CO₂ equivalent/year)</i>	During the reporting period, this refers to greenhouse gas emissions generated at all of the Company’s locations due to process emissions and the combustion of fuels (natural gas, gasoline, diesel, propane, coal, fuel oil, diesel, petcoke, alternative fuels, R22, and refrigerant gases, as well as the use of fire extinguishing equipment). The Company calculates its greenhouse gas emissions in accordance with the “Global Cement and Concrete Association (GCCA) Sustainability Guide: Monitoring and Reporting of CO ₂ Emissions from Cement Production.” Scope 1 Total Gross Greenhouse Gas Emissions consist of the total emissions resulting from production activities.
	Scope 1 Specific Greenhouse Gas Product Emissions Intensity <i>(kg CO₂/ton cementitious)</i>	During the reporting period, the emissions reported represent those generated from the Company’s production of cementitious materials, as tracked through its database portal; these include emissions resulting from conventional fuel input, alternative fuel input, the calcination process, and non-production-related fuel input. The Company reports greenhouse emissions in accordance with the “Global Cement and Concrete Association (GCCA) Sustainability Guide on the Monitoring and Reporting of CO ₂ Emissions from Cement Production.” Scope 1 Total Gross Specific Greenhouse Gas Emissions consist of the sum of emissions resulting from grey, white, and CAC sources.
	Scope 2 Gross Greenhouse Gas Emissions (Location-Based) <i>(tons of CO₂ equivalent/year)</i>	During the reporting period, this figure represents the greenhouse gas emissions resulting from the Company’s purchased electricity consumption, as tracked through invoices from service providers. The Company calculates its greenhouse gas emissions in accordance with the “Global Cement and Concrete Association (GCCA) Sustainability Principles: Monitoring and Reporting of CO ₂ Emissions from Cement Production” guidelines.
	Scope 2 Gross Greenhouse Gas Emissions (Market-Based) <i>(tons of CO₂e/year)</i>	During the reporting period, this figure represents the emissions attributable to the Company’s electricity consumption, as tracked through invoices from service providers, after subtracting the amount of electricity certified by renewable energy certificates (I-REC, GO, PPA) from the total electricity consumption.
	Scope 2 Specific Greenhouse Gas Product Emissions Intensity (Market-Based) <i>(kg CO₂/ton of cement)</i>	During the reporting period, this figure represents the emissions attributable to consumption, calculated by subtracting the amount of electricity certified by renewable energy certificates (I-REC, GO, PPA) from the value corresponding to the unit tonnage of cementitious material produced, as tracked through the Company’s database portal. The Company calculates its greenhouse gas emissions in accordance with the “Global Cement and Concrete Association (GCCA) Sustainability Guideline: Monitoring and Reporting of CO ₂ Emissions from Cement Production.”
	Scope 3 Emissions <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total amount of greenhouse gas emissions calculated by the Company during the reporting period in accordance with the main categories of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard. During the reporting period, as a result of the Company’s activities, Upstream Transportation and Distribution, Waste Generated from Operations, Commuting, Business Travel, Downstream Transportation and Distribution, Processing of Sold Products, End-of-Life of Sold Products, Downstream Leased Assets, Upstream Leased Assets.
	Scope 3 Purchased goods and services <i>(tons of CO₂ equivalent/year)</i>	During the reporting period, it represents the total amount of emissions arising from the procurement of raw materials, intermediate goods, finished products, and services required for the Company’s production operations.

Type	Indicator	Scope
Environmental	Scope 3 Capital Assets <i>(tons of CO₂ equivalent/year)</i>	During the reporting period, this figure represents the total emissions resulting from the production, transportation, and all other activities necessary for the operation of the Company’s core and ancillary activities, including the equipment, machinery, and other fixed assets acquired for this purpose.
	Scope 3 Fuel and Energy-Related Activities <i>(tons of CO₂ equivalent/year)</i>	During the reporting period, it represents the total amount of emissions arising from the extraction, transportation, and delivery of energy to the facility, based on the energy consumed to support the Company’s production operations, categorized by energy source.
	Scope 3 Upstream Transportation and Distribution <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total emissions resulting from the transportation of raw materials, intermediate goods, finished products, and services purchased by the Company for its production operations during the reporting period, as well as from the transportation of products for which the Company bears the shipping costs.
	Scope 3 Downstream Transportation and Distribution <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total emissions resulting from the Company’s maritime, rail, and road transportation activities carried out to deliver the final products it manufactured during the reporting period to customers.
	Scope 3 End of Use of Sold Products <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total emissions resulting from the disposal of products sold by the Company during the reporting period, once their useful lives have ended.
	Scope 3: Processing of Sold Products <i>(tons of CO₂ equivalent/year)</i>	During the reporting period, it measures emissions resulting from the processing of sold products by customers. These emissions include greenhouse gas emissions generated during processes such as the processing, use, and final disposal of products.
	Scope 3 Upstream Leased Assets <i>(tons of CO₂ equivalent/year)</i>	It includes greenhouse gas emissions resulting from the energy consumption of assets leased by the Company during the reporting period.
	Scope 3 Downstream Leased Assets <i>(tons of CO₂ equivalent/year)</i>	This covers greenhouse gas emissions generated during the use of assets owned by the Company and leased to third parties.
	Scope 3 Operational Emissions <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total emissions resulting from the disposal of waste generated by the Company’s production operations and related ancillary activities during the reporting period, in accordance with the waste management hierarchy.
	Scope 3 Business Travel <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total emissions resulting from transportation and hotel stays incurred during business-related domestic and international travel undertaken by Company employees during the reporting period.
	Scope 3 Employee Commuting <i>(tons of CO₂ equivalent/year)</i>	This figure represents the total emissions resulting from commutes made by Company employees between their homes and Company locations during the reporting period for work-related purposes, as well as emissions resulting from remote work.
	Alternative raw material usage rate (Grey Cement) (%)	During the reporting period, this figure represents the percentage of raw materials other than the primary raw materials used in the Company’s grey cement production operations, relative to the total amount of raw materials used. The use of alternative raw materials is calculated separately for grey and white cement production, excluding ready-mix concrete.
	Specific water consumption (L / ton of cement)	During the reporting period, this figure represents the water consumption, in liters per ton of cementitious product produced, at the Company’s cement production sites (Mersin, Afyon, Eskişehir, Buñol, and Mannok).
Social	Human Rights Risk Assessment Completion Rate (%)	It is based on the percentage tracking of sustainability-focused supplier evaluations planned and conducted during the reporting period.

COMPLIANCE INDEX

Table 24. TSRS 1 Compliance Index

Related Section	Relevant Standard Subheading	Relevant Standard Clause	Section Reference
Governance	Governance	TSRS 1 Article 26	Our Sustainability Governance Approach
		TSRS 1 Article 27(a)	Organizational Structure Related to Sustainability Management
		TSRS 1 Article 27 (a)(i)	Organizational Structure Related to Sustainability Management
		TSRS 1 Article 27(a)(ii)	Organizational Structure Related to Sustainability Management
		TSRS 1 Article 27(a) (iii)	Integration of the Risk and Opportunity Management with Sustainability Management Committee
		TSRS 1 Article 27(a) (iv)	The Role of Sustainability in Decision-Making Processes
		TSRS 1 Article 27(a)(v)	Sustainability Goals and Incentive Mechanisms
		TSRS 1 Article 27(b)	Early Detection of Risk Committee
		TSRS 1 Article 27(b)(i)	Early Detection of Risk Committee
		TSRS 1 Article 27(b)(ii)	Early Detection of Risk Committee
Strategy	General Explanations	TSRS 1 Article 28	Sustainability Strategy and Vision
		TSRS 1 Article 29(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 29(b)	Business Model and Value Chain
		TSRS 1 Article 29(c)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 29(d)	Disclosures on Sustainability and Climate-Related Risks and Opportunities Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
	Risks and Opportunities Related to Sustainability	TSRS 1 Article 29(e)	Strategy and Decision-Making
		TSRS 1 Article 30	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 30(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 30(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 30(c)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
	Business Model and Value Chain	TSRS 1 Article 31	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 32	Business Model and Value Chain
		TSRS 1 Article 32(a)	Business Model and Value Chain
	Strategy and Decision Making	TSRS 1 Article 32(b)	Business Model and Value Chain
		TSRS 1 Article 33	Strategy and Decision-Making
		TSRS 1 Article 33(a)	Strategy and Decision-Making
	Financial Position, Financial Performance, and Cash Flows	TSRS 1 Article 33(b)	Strategy and Decision-Making
		TSRS 1 Article 33(c)	Strategy and Decision-Making
		TSRS 1 Article 34(a)	Strategy and Decision-Making
		TSRS 1 Article 34(b)	Strategy and Decision-Making
		TSRS 1 Article 35(a)	Strategy and Decision-Making
		TSRS 1 Article 35(c)	Strategy and Decision-Making
		TSRS 1 Article 35(c)(ii)	Strategy and Decision-Making
		TSRS 1 Article 35(d)	Strategy and Decision-Making
		TSRS 1 Article 36	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 37	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 37(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 37(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities

Table 24. TSRS 1 Compliance Index (continued)

Related Section	Relevant Standard Subheading	Relevant Standard Clause	Section Reference
Strategy	Financial Position, Financial Performance, and Cash Flows	TSRS 1 Article 38	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 38(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 38(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 39	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 40	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 40(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 40(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 40(c)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
	Resilience	TSRS 1 Article 41	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 42	Disclosures on Sustainability and Climate-Related Risks and Opportunities
Risk Management	Risk Management	TSRS 1 Article 43	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 44(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 44(a)(i)	Strategy and Decision-Making
		TSRS 1 Article 44(a)(ii)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 44(a)(iii)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 44(a)(iv)	Strategy and Decision-Making
		TSRS 1 Article 44(a)(v)	Strategy and Decision-Making
		TSRS 1 Article 44(a) (vi)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 1 Article 44(b)	Integration of the Risk and Opportunity Management with Sustainability Management Committee
		TSRS 1 Article 44(c)	Integration of the Risk and Opportunity Management with Sustainability Management Committee
Metrics and Targets	Metrics and Targets	TSRS 1 Article 46	Industry-Specific Metrics
		TSRS 1 Article 46(b)	Industry-Specific Metrics
		TSRS 1 Article 46(b)(i)	Industry-Specific Metrics
		TSRS 1 Article 46(b)(ii)	Industry-Specific Metrics
		TSRS 1 Article 50	Industry-Specific Metrics
		TSRS 1 Article 50(a)	Industry-Specific Metrics
		TSRS 1 Article 50(b)	Industry-Specific Metrics
		TSRS 1 Article 50(c)	Industry-Specific Metrics
		TSRS 1 Article 51	Strategy and Decision-Making
		TSRS 1 Article 51(a)	Strategy and Decision-Making
		TSRS 1 Article 51(b)	Strategy and Decision-Making
		TSRS 1 Article 51(c)	Strategy and Decision-Making
		TSRS 1 Article 51(d)	Strategy and Decision-Making
		TSRS 1 Article 51(e)	Strategy and Decision-Making
		TSRS 1 Article 51(f)	Strategy and Decision-Making
		TSRS 1 Article 51(g)	Strategy and Decision-Making
		TSRS 1 Article 53	Strategy and Decision-Making Industry-Specific Metrics

Table 25. TSRS 2 Compliance Index

Related Section	Relevant Standard Subheading	Relevant Standard Clause	Section Reference
Governance	Key Content	TSRS 2 Article 5	Our Sustainability Governance Approach
		TSRS 2 Article 6(a)	Organizational Structure Related to Sustainability Management
		TSRS 2 Article 6(a)(i)	Organizational Structure Related to Sustainability Management
		TSRS 2 Article 6(a)(ii)	Organizational Structure Related to Sustainability Management
		TSRS 2 Article 6(a)(iii)	Integration of the Risk and Opportunity Management with Sustainability Management Committee
		TSRS 2 Article 6(a)(iv)	The Role of Sustainability in Decision-Making Processes
		TSRS 2 Article 6(a)(v)	Sustainability-Related Goals and Incentive Mechanisms
		TSRS 2 Article 6(b)	Early Detection of Risk Committee
		TSRS 2 Article 6(b)(i)	Early Detection of Risk Committee
		TSRS 2 Article 6(b)(ii)	Early Detection of Risk Committee
		TSRS 2 Article 7	Sustainability Strategy and Vision
Strategy	General Comments on the Strategy	TSRS 2 Article 8	Sustainability Strategy and Vision
		TSRS 2 Article 9(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 9(b)	Business Model and Value Chain
		TSRS 2 Article 9(c)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 9(d)	Disclosures on Sustainability and Climate-Related Risks and Opportunities Strategy and Decision-Making
		TSRS 2 Article 9(e)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
	Climate-Related Risks and Opportunities	TSRS 2 Article 10	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 10(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 10(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 10(c)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 10(d)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 11	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 12	Disclosures on Sustainability and Climate-Related Risks and Opportunities Industry-Specific Metrics
	Business Model and Value Chain	TSRS 2 Article 13	Business Model and Value Chain
		TSRS 2 Article 13(a)	Business Model and Value Chain
		TSRS 2 Article 13(b)	Business Model and Value Chain
	Strategy and Decision Making	TSRS 2 Article 14	Strategy and Decision-Making
		TSRS 2 Article 14(a)	Strategy and Decision-Making
		TSRS 2 Article 14(a)(i)	Strategy and Decision-Making
		TSRS 2 Article 14(a)(ii)	Strategy and Decision-Making
		TSRS 2 Article 14(a)(iii)	Strategy and Decision-Making
		TSRS 2 Article 14(a)(iv)	Strategy and Decision-Making
		TSRS 2 Article 14(a)(v)	Strategy and Decision-Making
		TSRS 2 Article 14(b)	Strategy and Decision-Making
		TSRS 2 Article 14(c)	Strategy and Decision-Making
	Financial Position, Financial Performance, and Cash Flows	TSRS 2 Article 15	Strategy and Decision-Making
		TSRS 2 Article 15(a)	Strategy and Decision-Making

Table 25. TSRS 2 Compliance Index (continued)

Related Section	Relevant Standard Subheading	Relevant Standard Clause	Section Reference
Strategy	Financial Position, Financial Performance, and Cash Flows	TSRS 2 Article 15(b)	Strategy and Decision-Making
		TSRS 2 Article 16(a)	Strategy and Decision-Making
		TSRS 2 Article 16(c)	Strategy and Decision-Making
		TSRS 2 Article 16(c)(i)	Strategy and Decision-Making
		TSRS 2 Article 16(c)(ii)	Strategy and Decision-Making
		TSRS 2 Article 16(d)	Strategy and Decision-Making
		TSRS 2 Article 17	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 18(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 18(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 19	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 19(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 19(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 20	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 21	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 21(a)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 21(b)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 21(c)	Disclosures on Sustainability and Climate-Related Risks and Opportunities
	Climate Resilience	TSRS 2 Article 22	Strategy and Decision-Making
		TSRS 2 Article 22(a)	Strategy and Decision-Making
		TSRS 2 Article 22(a)(i)	Strategy and Decision-Making
		TSRS 2 Article 22(a)(ii)	Strategy and Decision-Making
		TSRS 2 Article 22(a)(iii)	Strategy and Decision-Making
		TSRS 2 Article 22(a)(iii) 1	Strategy and Decision-Making
		TSRS 2 Article 22(a)(iii) 2	Strategy and Decision-Making
	Climate Resilience	TSRS 2 Article 22(a)(iii) 3	Strategy and Decision-Making
		TSRS 2 Article 22(b)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 22(b)(i)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 22(b)(ii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 22(b)(iii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
Risk Management	Risk Management	TSRS 2 Article 25(a)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(a)(i)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(a)(ii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(a)(iii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(a)(iv)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities

Table 25. TSRS 2 Compliance Index (continued)

Related Section	Relevant Standard Subheading	Relevant Standard Clause	Section Reference
Risk Management	Risk Management	TSRS 2 Article 25(a)(v)	Integration of the Risk and Opportunity Management with Sustainability Management Committee Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(a)(vi)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(b)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 25(c)	Integration of the Sustainability Management Committee with Risk and Opportunity Management
Metrics and Targets	Climate-Related Metrics	TSRS 2 Article 28(a)	Cross-Sector Metrics
		TSRS 2 Article 28(b)	Industry-Specific Metrics Cross-Sector Metrics
		TSRS 2 Article 28(c)	Strategy and Decision-Making
		TSRS 2 Article 29(a)(i)	Climate-Related Metrics
		TSRS 2 Article 29(a)(ii)	Climate-Related Metrics
		TSRS 2 Article 29(a)(iii)	Climate-Related Metrics
		TSRS 2 Article 29(a)(iv)	Climate-Related Metrics
		TSRS 2 Article 29(a)(v)	Climate-Related Metrics
		TSRS 2 Article 29(b)	Cross-Sector Metrics
		TSRS 2 Article 29(c)	Cross-Sector Metrics
	Climate-Related Metrics	TSRS 2 Article 29(d)	Cross-Sector Metrics
		TSRS 2 Article 29(e)	Strategy and Decision-Making
		TSRS 2 Article 29(f)(i)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 29(f)(ii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 29(g)(i)	Sustainability-Related Goals and Incentive Mechanisms
		TSRS 2 Article 29(g)(ii)	Sustainability-Related Goals and Incentive Mechanisms
		TSRS 2 Article 32	Industry-Specific Metrics
	Climate-Related Targets	TSRS 2 Article 33	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(a)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(b)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(c)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(d)	Strategy and Decision-Making Climate-Related Targets

Table 25. TSRS 2 Compliance Index (continued)

Related Section	Relevant Standard Subheading	Relevant Standard Clause	Section Reference
Metrics and Targets	Climate-Related Targets	TSRS 2 Article 33(e)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(f)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(g)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 33(h)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 34	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 34(a)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 34(b)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 34(c)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 34(d)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 35	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 36(a)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 36(b)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 36(c)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 36(d)	Strategy and Decision-Making Climate-Related Targets
		TSRS 2 Article 36(e)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 36(e)(i)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 36(e)(ii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 36(e)(iii)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities
		TSRS 2 Article 36(e)(iv)	Methodology for Assessing Sustainability and Climate-Related Risks and Opportunities



AUDIT STATEMENT

AUDIT STATEMENT



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

INDEPENDENT PRACTITIONER’S LIMITED ASSURANCE REPORT ON THE
SUSTAINABILITY INFORMATION PRESENTED BY ÇİMSA ÇİMENTO SANAYİ VE
TİCARET A.Ş. AND ITS SUBSIDIARIES IN ACCORDANCE WITH TURKISH
SUSTAINABILITY REPORTING
STANDARDS

To the General Assembly of Çimsa Çimento Sanayi ve Ticaret A.Ş.,

We have undertaken a limited assurance engagement on Sustainability Information of Çimsa Çimento Sanayi ve Ticaret A.Ş. and its subsidiaries (“the Group”) for the year ended 31 December 2025 in accordance with Turkish Sustainability Reporting Standards 1 “General Requirements for Disclosure of Sustainability-related Financial Information” and Turkish Sustainability Reporting Standards 2 “Climate-Related Disclosures”.

Our assurance engagement does not extend to any other information included in the 2025 Integrated Annual Report or linked to from the Sustainability Information or from the 2025 Integrated Annual Report (including any images, audio files, documents embedded in a website or embedded videos).

Limited Assurance Conclusion

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

We do not express an assurance conclusion on any other information included in the 2025 Integrated Annual Report or linked to from the Sustainability Information or from the 2025 Integrated Annual Report (including any images, audio files, documents embedded in a website or embedded videos).

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Inherent Limitations in Preparing the Sustainability Information

Sustainability Information is subject to inherent uncertainty due to incomplete scientific and economic knowledge. Greenhouse gas emission quantification is subject to inherent uncertainty due to incomplete scientific knowledge. Additionally, the Sustainability Information includes information based on climate-related scenarios that is subject to inherent uncertainty due to incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future physical and transitional climate-related impacts.

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

The Group Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Turkish Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- In addition, the Group Management is responsible for the selection and implementation of appropriate sustainability reporting methods, as well as making reasonable assumptions and estimates that are appropriate in the circumstances.

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

Practitioner’s Responsibilities for the Limited Assurance on Sustainability Information

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained and informing the Group management of the conclusion we have reached.
- Performing risk assessment procedures to obtain an understanding of the Group's internal control structure and to identify and assess the risks of material misstatement of sustainability information, whether due to fraud or error, but not for the purpose of expressing an assurance conclusion on the effectiveness of the Group's internal control.
- Designing and implementing procedures to identify and address areas of the Sustainability Information that may contain material misstatements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

As we are engaged to form an independent conclusion on the Sustainability Information as prepared by management, we are not permitted to be involved in the preparation of the Sustainability Information in order to ensure that our independence is not compromised.



AUDIT STATEMENT



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 the Standard on Assurance Engagements 3410 Assurance Engagements on Greenhouse Gas Statements, issued by POA.

Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors (Including Independence Standards) (“Code of Ethics”) 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 management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk experts. We used the work of experts to assess the reliability of the information and assumptions related to the Group'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, we:

- Conducted inquiries with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period;
- Used the Group's internal documentation to assess and review sustainability-related information;
- Evaluated the disclosure and presentation of sustainability-related information.
- Through inquiries, obtained an understanding of Group's control environment, processes and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Evaluated whether Group's methods for developing estimates are appropriate and had been consistently applied. 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 Group's estimates.
- Obtained understanding of process for identifying risks and opportunities that are financially significant, along with the Group's sustainability reporting process.

AUDIT STATEMENT



Summary of the Work We Performed as the Basis for Our Assurance Conclusion (cont'd)

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

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Sunay Anıktar, SMMM
Partner

İstanbul, 30 March 2026

Sustainability Goals and Performance

At Çimsa, we view our sustainability goals as fundamental tools that enable us to measure the concrete outcomes of our strategy, track our progress, and support continuous improvement. The short-, medium-, and long-term goals we have established in this regard allow us to monitor the impact we create across environmental, social, and governance dimensions and to transparently demonstrate our performance. At the same time, aligning our sustainability performance with top management objectives

and embedding it throughout the organization fosters ownership of progress toward these goals and enhances implementation capacity.

As we work toward our sustainability goals, key challenges include carbon-intensive processes inherent to the sector, ensuring the continuity of resources to increase the use of alternative fuels and raw materials, the need for advanced technology, high capital requirements, and the financing

of these investments. The fact that renewable energy investments have not yet fully met the total energy demand in production, along with investment scale, land constraints, and regulations, are among the factors that must be considered in the energy transition process.

Within the scope of our water management goals, the technical and financial integration of process optimization and recovery systems, coupled with increasing water stress due to climate change, presents significant operational challenges. The high water demand associated with cooling in white cement production necessitates the development of new technologies and processes in this area.

In line with our social goals, increasing women's employment under diversity and inclusion objectives, and effectively managing occupational health and safety risks through new technologies are among our top priorities.

As our operations expand globally, the need to adapt to varying regulations across different regions is a key consideration; the impacts of carbon markets, the EU Green Deal, and similar regulations on costs and competitiveness are also closely monitored. On our journey toward achieving our net-zero targets, establishing strong collaboration with stakeholders throughout the value chain is considered a critical element in achieving our goals.

Material Topics	Relevant SDG	Key Performance Indicators	Business Line	Unit	Base Year	Base Year Value	2024	2025 Target	2025 Realized	Goals		
										2030	2035	2050
Climate Change Adaptation and Mitigation Corporate Governance	9-Industry, Innovation and Infrastructure 11-Sustainable Cities and Communities 12-Responsible Production and Consumption 13-Climate Action 14-Sudaki Yaşam 15-Life on Land	Scope 1 and Scope 2 specific greenhouse gas product emission intensity	ALL	kg CO ₂ /ton cementitious	2021	884	747 ⁸	740	734	623	441	Net Zero
		Scope 1 specific greenhouse gas product emission intensity	ALL	kg CO ₂ /ton cementitious	2021	832	735 ⁹	721	719	613	436	Net Zero
		Scope 2 specific greenhouse gas product emission intensity	ALL	kg CO ₂ /ton cementitious	2021	53	12 ¹⁰	19	14	10	5	Net Zero
		Scope 3 specific greenhouse gas product emission intensity (Clinker and cement purchased)	ALL	kg CO ₂ /ton clinker and cement purchased	2022	820	863	720	806	580	-	-
		Clinker usage rate (Grey cement)	CEM	(%)	2022	87%	80%	80%	80%	75%	72%	
		Ratio of Mitigation, Transition and Enabler investments	ALL	% Sustainability Investment / Total Investment	2023	33%	41%		27%	>50%	>60%	
Circular Economy and Waste Management	9-Industry, Innovation and Infrastructure 11-Sustainable Cities and Communities 12-Responsible Production and Consumption 13-Climate Action 15-Life on Land	Alternative raw material usage rate (Grey cement)	CEM	(%)	2023	7%	7%	10%	8%	15%	20%	
Energy Efficiency and Energy Management	7-Affordable and Clean Energy 9-Industry, Innovation and Infrastructure 11-Sustainable Cities and Communities 12-Responsible Production and Consumption 13-Climate Action 15-Life on Land	Alternative fuel usage rate (Grey Cement)	CEM	(%)	2021	13%	10%	35%	28%	40%	%45	
		Increasing renewable electricity consumption	ALL	(%)	2022	48%	65 ¹¹ %	60%	66%	>80%	>85%	
Water Management	6- Clean Water and Sanitation 9-Industry, Innovation and Infrastructure 11-Sustainable Cities and Communities 12-Responsible Production and Consumption 13-Climate Action 14-Life Below Water	Specific water consumption	CEM	L / ton cementitious	2022	506	308 ¹²	350	295	300	250	
		Ratio of water withdrawn from areas of high water stress ¹	ALL	Volume withdrawn in stressed areas / Total water withdrawal* 100 (%)	2022	98%	99%	%90	76%	85%	85%	
		Ensuring WASH (Water, Sanitation and Hygiene) standards	ALL	(%)	2023	95%	95%	>95%	97%	>95%	>95%	100%

Aligned with the target
 Development is ongoing.

¹The metric has begun to be monitored based on regions experiencing high or extremely high water stress.
⁸⁻⁹⁻¹⁰⁻¹¹⁻¹² The 2024 value has been revised to include Mannok Holdings DAC.

Sustainability Goals and Performance

Material Topics	Relevant SDG	Key Performance Indicators	Business Line	Unit	Base Year	Base Year Value	2024	2025 Target	2025 Realized	Goals		
										2030	2035	2050
Biodiversity and Ecosystem Protection	12-Responsible Production and Consumption 13- Climate Action 14-Life Below Water 15-Life on Land	Number of priority locations with biodiversity action plans	ALL	(%)	2023	0	33%	33%	33%	100%		
Responsible Supply Chain and Procurement Practises	11- Sustainable Cities and Communities 12- Responsible Consumption and Production	Number of priority suppliers subjected to sustainability evaluation ²	ALL	(%)	2023	10%	-	40 ³ %	46%	100 ⁴ %	-	-
R&D, Innovation and Digitalization	9- Industry, Innovation and Infrastructure 11- Sustainable Cities and Communities	Ratio of sustainable product and service revenues	ALL	% Sustainable product revenue/ Net Revenue	2022	5.6%	14.4%	10%	17.6%	>25%	>35%	>50%
	12- Responsible Consumption and Production 13- Climate Action	Ratio of sustainable product and service revenues aligned with EU Taxonomy	ALL	% Sustainable products revenue aligned with the EU Taxonomy/ Net revenue	2022	1.27%	3.4%	5%	3.8%	>10%	>20%	>25%
Customer Satisfaction and Experience	11- Sustainable Cities and Communities	Increasing NPS (Net Promoter Score) (Türkiye)	Türkiye	-	2022	80	87	80	87	>85	>85	
	12- Responsible Consumption and Production	Increasing NPS (Net Promoter Score) (Global)	Global	-	2023	63	81	70	79	>80	>80	
Occupational Health and Safety	3- Good Health and Well-being	Zero Fatal Accidents	ALL	Quantity	2022	0	0	0	0	0	0	0
	8- Decent Work and Economic Growth	Reducing the Lost Time Injury Frequency Rate (LTIFR) ⁵	ALL	Accidents with Lost-Days x 1 M / Working Hours	2024	4.97	4.97	4.70	3.99	2	-	<1
	9- Industry, Innovation and Infrastructure	Zero Occupational Disease ⁶	ALL	Quantity	2022	5 ⁷	0	0	0	0	0	0
Human Rights and Working Environment	4- Quality Education	Employee engagement survey score	ALL	(%)	2022	56%	-	70%	65%	80%	-	-
	5- Gender Equality	Ratio of white collar female employees	ALL	(%)	2022	27%	33%	-	33%	30%	-	-
	8- Decent Work and Economic Growth	Ratio of female employees	ALL	(%)	2022	12%	15%	-	15%	15%	-	-
Corporate Governance	10- Reduced Inequalities 11- Sustainable Cities and Communities	Ratio of completion of Human Rights risk assessment	ALL	(%)	2023	0%	0%	25%	94%	100%	100%	-
Social Impact and Corporate Social Responsibility	4- Quality Education 5- Gender Equality 10- Reduced Inequalities 11- Sustainable Cities and Communities 13- Climate Action 17- Partnerships for the Goals	Number of vulnerable audiences (youth, women and disabled etc.) reached by inclusion programs	ALL	Number of Persons	2020	50	987		3,331	10,000	10,000	-
Business Ethics, Compliance and Anti-Corruption	10- Reduced Inequalities 11- Sustainable Cities and Communities 16- Peace, Justice and Strong Institutions	Ratio of location-based implementation of environmental and social complaint / feedback mechanism	ALL	(%)	2023	0%	33%	50	66%	100%	100%	-

Aligned with the target Development is ongoing.

²Suppliers that have the highest impact on ESG performance and account for 80% of the total procurement volume.
³Only Çimsa is included in the scope
⁴Consolidated target.
⁵Following the acquisition of Mannok Holdings DAC, the target was updated, and the realized value for 2024 has been disclosed based on Mannok's 12-month data.
⁶Direct Employment
⁷This represents the total number of occupational diseases reported up to the base year.



Sustainability Performance Indicators

EMPLOYEE DEMOGRAPHICS

	Unit	2024	2025	External Assurance
Total Workforce	Number			
Direct Employment	Number	1,980	2,030	✓
Female	Number	282	301	✓
Male	Number	1,698	1,729	
Ratio of Female Employees	%	14	15	✓
Ratio of Female Executive Employees	%	20	21	✓
Permanent Subcontractor Employees	Number	1,526	1,376	
Female	Number	97	87	
Male	Number	1,429	1,326	
Total Workforce by Category	Number	1,980	2,030	
Blue-Collar Employees	Number	1,232	1,247	
Female	Number	38	42	
Male	Number	1,194	1,205	
Ratio of Female Blue-Collars Employees	%	3	3	
White-Collars Employees	Number	748	783	
Female	Number	244	259	
Male	Number	504	524	
Ratio of Female White-Collars Employees	%	33	33	
Workforce Covered by Collective Bargaining Agreement	Number	827	725	
The Ratio of Employees Covered by Collective Bargaining Agreement	%	42	36	
Total Workforce by Age Group	Number	1,980	2,030	
Below 30	Number	353	398	
30-50 (incl. 30 and 50)	Number	1,257	1,253	
Over 50	Number	370	379	
Ethnicity	Number	1,980	2,030	✓
Turkish	Number	1,023	1,049	✓
American	Number	15	23	✓
Spanish	Number	135	136	✓
Brazilian	Number	1	2	✓
Columbian	Number	2	2	✓
German	Number	6	6	✓
Indian	Number	3	4	✓
Italian	Number	12	14	✓
Irish	Number	435	585	✓
British	Number	63	60	✓
Azerbaijani	Number	1	0	✓
Other	Number	284	149	✓

	Unit	2024	2025	External Assurance
Employees by Management Category				
Total Number of Management Level Employees	Number	427	444	
By Gender	Number	427	444	
Female	Number	86	92	
Male	Number	341	352	
By Age Group	Number	427	441	
Below 30	Number	21	17	
30-50 (incl. 30 and 50)	Number	304	326	
Over 50	Number	102	101	
Number of Senior Managers	Number	41	45	
Top-Level Female Manager Ratio	%	12	13	
Number of Mid-Level Managers	Number	122	126	
Mid-Level Female Manager Ratio	%	25	24	
Number of First-Level Managers	Number	264	273	
First-Level Female Manager Ratio	%	19	21	
Employees by Department				
Employees in Income Generating Roles	Number	142	154	
Ratio of Female Employee in Income Generating Roles	%	30	31	✓
Managers in Income Generating Roles	Number	103	108	
Ratio of Female Managers in Income Generating Roles	%	16	16	
Employees in STEM (IT, Engineering etc.) Roles	Number	272	271	
Ratio of Female Employees in STEM (IT, Engineering, etc.) Roles	%	25	25	✓
Employees in R&D and Innovation Departments	Number	66	70	
Ratio of Female Employees in R&D, Innovation Departments	%	39	43	
Employees in Digitalization Departments	Number	23	28	
Ratio of Female Working in Digitalization Department	%	35	39	
Number of Promotions				
Total Number of Promotions	Number	90	83	
Ratio of Promoted Female Employees	%	19	35	
Disabled Employees				
Total Number of Disabled Employees	Number	44	43	
Disabled Employees Ratio	%	2	2	



Sustainability Performance Indicators

EMPLOYEE DEMOGRAPHICS

	Unit	2024	2025	External Assurance
Employees Left				
By Gender	Number	247	247	✓
Female	Number	37	27	✓
Male	Number	210	220	✓
By Age Group	Number	247	247	✓
Below 30	Number	77	96	✓
Female	Number	19	6	✓
Male	Number	58	90	✓
30-50 (incl. 30 and 50)	Number	136	117	✓
Female	Number	17	16	✓
Male	Number	119	101	✓
Over 50	Number	34	34	✓
Female	Number	1	5	✓
Male	Number	33	29	✓
By Management Level	Number	46	30	
Total Manager Turnover Rate (Female)	%	7	4	
Total Manager Turnover Rate (Male)	%	10	7	
Voluntarily Employee Turnover Rate	%	8	9	
By Gender	Number	153	178	
Female	Number	26	22	
Male	Number	127	157	
Total Voluntarily Employee Turnover Rate (Female)	%	9	7	
Total Voluntarily Employee Turnover Rate (Male)	%	7	9	
By Age Group	Number	153	179	
Below 30	Number	57	74	
Female	Number	14	4	
Male	Number	43	70	
30-50 (incl. 30 and 50)	Number	73	74	
Female	Number	11	13	
Male	Number	62	61	
Over 50	Number	23	31	
Female	Number	1	5	
Male	Number	22	26	
By Management Level	Number	21	20	
Total Voluntarily Manager Turnover Rate (Female)	%	3	3	
Total Voluntarily Manager Turnover Rate (Male)	%	5	5	
Involuntarily Employee Turnover Rate	%	2	2	
By Gender	Number	49	50	
Female	Number	6	3	
Male	Number	43	47	

	Unit	2024	2025	External Assurance
Total Employee Turnover Rate				
By Gender	%	12	12	✓
Female	%	13	9	✓
Male	%	12	13	✓
Employee Rights				
Employees Left for Maternity/Parental Leave	Number	75	64	✓
Female	Number	11	12	✓
Male	Number	64	52	✓
Employees Returned from Maternity/Parental Leave	Number	71	65	✓
Female	Number	9	8	✓
Male	Number	62	57	✓
Employees Returned from Maternity/Parental Leave and Continued to Work for 12 Months	Number	43	37	✓
Female	Number	11	7	✓
Male	Number	32	30	✓
Ratio of Employees Returned from Maternity Leave (Female)	%	82	67	✓
Ratio of Employees Returned from Parental Leave (Male)	%	97	110	✓
Percentage of Employees Who Have Not Left Their Jobs in the Last 12 Months Since Returning from Maternity Leave	%	26	19	✓
Percentage of Employees Who Have Not Left Their Jobs in the Last 12 Months Since Returning from Parental Leave	%	74	81	✓
Employees Hired				
By Gender	Number	331	276	
Female	Number	62	42	
Male	Number	269	234	
Ratio of Newly Hired Female Employees	%	19	15	
Ratio of Newly Hired Male Employees	%	81	85	
By Age Group	Number	331	276	✓
Below 30	Number	165	148	✓
Female	Number	40	26	✓
Male	Number	125	122	✓
30-50 (incl. 30 and 50)	Number	151	118	✓
Female	Number	22	14	✓
Male	Number	129	104	✓
Over 50	Number	15	10	✓
Female	Number	0	2	✓
Male	Number	15	8	✓
By Management Level	Number	43	38	
Newly Hired Female Managers	Number	10	7	
Newly Hired Male Managers	Number	33	31	
Positions Filled by Internal Candidates	Number	129	110	
The Ratio of Positions Filled by Internal Candidates to Total Hires	%	39	28	

Sustainability Performance Indicators

EMPLOYEE DEMOGRAPHICS

	Unit	2024	2025	External Assurance
Employee Development				
Total Training (Direct Employment)	Hour	101,361	84,957	✓
By Gender	Hour	101,361	84,957	
Female	Hour	8,491	8,176	
Male	Hour	92,870	76,781	
By Age Group	Hour	101,361	84,957	
Below 30	Hour	21,247	18,936	
30-50 (incl. 30 and 50)	Hour	73,157	58,941	
Over 50	Hour	6,957	7,079	
By Management Level	Hour	10,1361	84,957	
Senior Manager	Hour	1,057	697	
Mid-Level Manager	Hour	3,776	4,836	
First-Level Manager	Hour	7,617	7,873	
Other	Hour	88,911	71,551	
Training Types (Direct Employment)	Hour	101,361	84,957	✓
Ethical Rules Trainings	Hour	586	433	✓
Female	Hour	340	81	
Male	Hour	246	352	
OHS Trainings	Hour	78,301	65,957	✓
Mandatory	Hour	21,670	31,646	
Non-Mandatory	Hour	56,631	34,312	
Equality, Diversity and Inclusion Trainings	Hour	110	65	✓
Female	Hour	39	18	
Male	Hour	71	47	
Sustainability and Environment Trainings	Hour	3,131	2,345	✓
Female	Hour	1,043	625	
Male	Hour	2,087	1,719	
Other	Hour	19,234	16,156	✓
Training per Employee (Direct Employment)	Hour	51	42	✓
Total Number of People with OHS Training (Directly Employed)	Number	1,727	1,349	
OHS Trainings per Employee (Directly Employed)	Hour	40	32	
Total Trainings (Permanent Subcontractor Employees)	Hour	18,561	29,241	
Number of People with OHS Training (Permanent Subcontractor Employees)	Number	-	1,507	
Total OHS Trainings (Permanent Subcontractor Employees)	Hour	18,542	27,716	
Total Cost of Trainings (Direct Employment)	TL	14,870,636	21,227,641	✓
Training Expenditure per Employee	TL	7,510	10,457	✓
Number of Vulnerable Audiences Reached by Inclusion Programs	Person	987	3,331	✓

SOCIAL PERFORMANCE

	Unit	2024	2025	External Assurance
Accidents	Number	181	144	✓
Direct Employment		60	84	✓
Permanent Subcontractor Employees		121	60	✓
Fatal Cases	Number	1	0	✓
Direct Employment		0	0	✓
Permanent Subcontractor Employees		1 ¹	0	✓
Fatal Accident Rate	(Number of Fatal Accidents * 1,000,000) / Working Hours			
Direct Employment		0	0	
Permanent Subcontractor Employees		0	0	
Accidents with Lost Days	Number	27	31	✓
Direct Employment		12	20	✓
Permanent Subcontractor Employees		25	11	✓
Lost Time Injury/Accident Frequency Ratio	(Number of Accidents* 1,000,000) / Working Hours			
Direct Employment		2.20	4.68	
Permanent Subcontractor Employees		4.59	3.15	
Total		3.41	3.99	
Near Miss Frequency Rate (NMFR)	(Number of Near Misses/Total Working Hours) * 1,000,000			
Direct Employment		5.34	8.66	
Permanent Subcontractor Employees		0.92	5.43	
Occupational Disease	Number	5	0	✓
Direct Employment		3	0	✓
Permanent Subcontractor Employees		2	0	✓
Silicosis Cases	Number	5	0	
Occupational Disease Rate	(Number of Accidents* 1,000,000) / Working Hours			
Direct Employment		0.94	0.00	
Permanent Subcontractor Employees		0.61	0.00	
Total		0.78	0.00	

¹It is a natural death caused by a heart attack, not related to work activities.

Sustainability Performance Indicators

SOCIAL PERFORMANCE

	Unit	2024	2025	External Assurance
Lost Workdays due to Accident	Day	873	1,524	
Direct Employment		321	1,071	
Permanent Subcontractor Employees		552	453	
Lost Time/Accident Severity Ratio	(Number of Lost Days * 1,000) / Working Hours			
Direct Employment		0.08	0.25	✓
Permanent Subcontractor Employees		0.07	0.13	
Total		0.07	0.21	
Days of Absence	Number	8,107	14,438	
Direct Employment		7,616	13,758	
Permanent Subcontractor Employees		491	680	
Absence Rate	(Number of Absence *1,000) / Working Hours			
Direct Employment		20.03 ¹	3.22	✓
Permanent Subcontractor Employees		0.66 ¹	0.19	✓
Total		9.82 ¹	1.86	
Budget Allocated to Occupational Health and Safety	TL million	59.4	223.2	
Investments Realized within Scope of Occupational Health and Safety	TL million	72.7	100.2	

¹Mannok Holdings DAC is excluded.

SUSTAINABLE BUSINESS MODELS

	Unit	2024	2025	External Assurance
Sustainable Product and Services	Number	11	13	✓
Sustainable Product and Services Revenues	TL million	4,048	8,088	✓
Ratio of Sustainable Product and Services Revenue to Total Revenue	%	14.4	17.6	✓
EU Taxonomy Aligned Sustainable Products	Number	6	6	
EU Taxonomy Aligned Sustainable Products Revenues	TL million	947	1,731	
Ratio of EU Taxonomy Aligned Sustainable Product and Service Revenue to Total Revenue	%	3.4	3.8	
All R&D and Innovation Investment Budget	TL million	43.5	44.6	
All R&D and Innovation Investments	TL million	40.0	135.7	✓
Sustainability-Oriented R&D and Innovation Investment Budget	TL million	43.5	44.6	
Sustainability-Oriented R&D and Innovation Investments	TL million	40.0	135.7	✓
Ratio of Sustainability-Oriented R&D Investment Amount to Total R&D and Innovation Investment Amount	%	100	100	✓

ECONOMIC PERFORMANCE

	Unit	2024	2025	External Assurance
Total Production				
Cement	million ton	5.3	6.8	✓
Ready-Mixed Concrete	million m³	2.5	2.9	✓
Total Sales				
Cement ¹	million ton	6.9	8.1	
Ready-Mixed Concrete	million m³	2.5	2.9	
Economic Value Created				
Net Sales	TL billion	36.8	45.9	
Net Profit	TL billion	4.0	3.8	
Investment Expenditures	TL billion	19.1	10.2	
Economic Value Distributed				
Taxes Paid to the Government	TL million	319.8	484.4	
Dividends to Shareholders	TL million	1,716.6	946.6	
Wages to Employees	TL million	3,480.4	5,504.1	
Donation, Sponsorship, Social Investment and CSR Project Expenses	TL million	126.5	26.5	

¹Clinker is included

Sustainability Performance Indicators

ENVIRONMENTAL PERFORMANCE

Raw Material	Unit	2024	2025	External Assurance
Cement Raw Material Amount				
Natural Raw Material	million ton	8.53	9.76	
Alternative Raw Material	thousand ton	156	221	
Alternative Additive (Additive in to cement)	thousand ton	246	307	
Clinker Produced	million ton	5.69	6.24	
Ready-Mixed Concrete Raw Material Amount				
Aggregate	million ton	4.56	5.30	
Fly Ash	thousand ton	19.11	57.11	
Slag	thousand ton	28.22	0.19	
Cement Used	thousand ton	754.32	897.45	
Raw Materials Extracted from Quarries	million ton	8.53	9.76	
Alternative Raw Material Usage Rate				
	%			
Alternative Raw Material Usage Rate (Cement) - Grey	%	7	8	✓
Clinker Utilization Ratio - Grey	%	80	80	
Alternative Raw Material Usage Rate (Cement) - White	%	0	0	✓
Clinker Utilization Ratio - White	%	89	89	
Biodiversity				
	Unit	2024	2025	External Assurance
Active Quarry Site Area	ha	676	814	
Quarry Sites Where Operations Completed	ha	46	44	
Quarry Site Area with Approved Rehabilitation Plan	ha	1,459	867	
Rehabilitated Quarry Site Area	ha	55	34	
BMP Rate (Ratio of prioritized locations with initiated BMP studies)	%	33	33	

Energy Efficiency	Unit	2024	2025	External Assurance
Total Energy Consumption	MWh	6,608,141	7,188,725	✓
Electricity	MWh	670,731	794,563	✓
Renewable Energy				
Total Renewable Energy Production	MWh	49,537	83,274	✓
Electrical Energy Production from Waste Heat Recovery	MWh	38,890	50,847	
Solar Energy Production	MWh	10,648	32,427	
Total Electricity Consumption Sourced from Renewable Energy Resources	MWh	412,187	521,169	✓
Electricity Procured in Compliance With Renewable Energy Certificate Standards (I-REC, GO)	MWh	362,650	320,000	✓
Electricity Procured in Compliance With Renewable Energy Certificate Standards (PPA)	MWh	28,668	117,896	✓
Total Electricity Consumption from Self-Generated Renewable Energy Sources	MWh	49,537	83,274	✓
Renewable Electric Energy Utilization Rate (Location Based)	%	7	10	✓
Renewable Electric Energy Utilization Rate (Market Based)	%	65	66	✓
Greenhouse Gas Emission Reduction Based on Renewable Electricity Utilization (Location Based)	ton CO ₂ e/year	20,586	34,017	
Greenhouse Gas Emission Reduction Based on Renewable Electricity Utilization (Market Based)	ton CO ₂ e/year	164,604	135,445	
Operational Performance Indicators				
Energy Saving				
Total Energy Savings (Thermal)	TJ	0.321	0.023	
Total Energy Savings (Electricity)	MWh	8,370	6,983	
Energy Intensity	MWh / TL revenue	0.00023	0.00016	✓
Alternative Fuel Usage Rate	%			
Grey Cement	%	10	28	✓
White Cement	%	28 ¹	15	✓

¹The alternative fuel usage rate for white cement refers to the Buñol Production Facility.



Sustainability Performance Indicators

ENVIRONMENTAL PERFORMANCE

Pollutant Air Emissions	Unit	2024	2025	External Assurance
Total Dust Emissions	ton	26	20	
Specific Dust Emissions	g/ton clinker	20	28	
Total NOx Emissions	ton	1,659	3,079	✓
Specific Dust Emissions	g/ton clinker	1,220	1,944	
Total SO2 Emissions	ton	192	185	✓
Specific SO2 Emissions	g/ton clinker	197	123	
Total Toxic Heavy Metal Emissions	ton	0.08	0.05	✓
Specific Toxic Heavy Metal Emissions	g/ton clinker	0.09	0.06	
Total Volatile Organic Compound (VOC) Emissions	ton	28	41	✓
Specific Volatile Organic Compound (VOC) Emissions	g/ton clinker	28	40	
Total Dioxin-Furane Emissions	gr	0.02	0.00	✓
Specific Dioxin-Furane Emissions	g/ton clinker	0.002	0.000	
Total Mercury Emissions	ton	0.01	0.01	
Specific Mercury Emissions	g/ton clinker	0.01	0.02	
Total Cd+TI Emissions	ton	0.002	0.003	
Specific Cd+TI Emissions	g/ton clinker	0.002	0.005	
Total HCl Emissions	ton	3	3	
Specific HCl Emissions	g/ton clinker	5	6	
Total HF Emissions	ton	0.15	0.24	
Specific HF Emissions	g/ton clinker	0.14	0.20	
Persistent Organic Pollutants (POPs)	kg	-	-	
Volatile Organic Compounds (VOC)	kg	117	37,741	
Hazardous Air Pollutants (HAP)	kg	9	-	
Particulate Matter (PM)	kg	294	1.648	✓
Polycyclic Aromatic Hydrocarbons (PAH)	ton	0.007	0.095	✓

Greenhouse Gas Emissions	Unit	2024	2025	External Assurance
Scope 1 Emissions				
Scope 1 Total Gross Greenhouse Gas Emissions (All Business Lines)	million ton CO ₂ e/year	5.53	5.35	✓
Scope 1 Net Greenhouse Gas Emissions (Cement Operations)	million ton CO ₂ e/year	5.28	5.09	✓
Scope 1 Cementitious Gross Specific CO ₂ Emissions	kg CO ₂ e/ton	735	719	✓
Scope 1 Cementitious Net Specific CO ₂ Emissions	kg CO ₂ e/ton	711	685	✓
Scope 2 Emissions				
Scope 2 Total Greenhouse Gas Emissions (Location-based) (All Business Lines)	ton CO ₂ e/year	277,276	271,387	✓
Scope 2 Total Greenhouse Gas Emissions (Market-based) (All Business Lines)	ton CO ₂ e/year	89,069	105,878	✓
Scope 2 Cementitious Specific CO ₂ Emissions (Location-based)	kg CO ₂ e/ton	36	35	✓
Scope 2 Cementitious Specific CO ₂ Emissions (Market-based)	kg CO ₂ e/ton	11	14	✓
Scope 1 + Scope 2 Cementitious Gross Specific CO ₂ Emissions	kg CO ₂ e/ton	747	734	✓
Greenhouse Gas Emission Intensity	t CO ₂ e/ TL revenue	0.000276	0.000186	✓
Scope 3 Emissions (All Business Lines)	million ton CO ₂ e/year	2.15	3.01	✓
Purchased Goods and Services	ton CO ₂ e/year	1,275,570	1,976,144	✓
Capital Goods	ton CO ₂ e/year	10,698	10,498	✓
Fuel and Energy Related Activities	ton CO ₂ e/year	348,510	309,222	✓
Upstream Transportation and Distribution	ton CO ₂ e/year	254,277	396,569	✓
Waste Generated in Operations	ton CO ₂ e/year	180	151	✓
Employee Commuting	ton CO ₂ e/year	939	3,881	✓
Business Travel	ton CO ₂ e/year	1,128	553	✓
Downstream Transportation and Distribution	ton CO ₂ e/year	221,291	281,788	✓
Processing of Sold Products	ton CO ₂ e/year	28,001	21,558	✓
End of Life of Treatment of Sold Products	ton CO ₂ e/year	9,042	7,977	✓
Downstream Leased Assets	ton CO ₂ e/year	47	16	✓
Upstream Leased Assets	ton CO ₂ e/year	-	20	✓

*Greenhouse gas emissions data for Mannok Holdings DAC for 2024 have been consolidated to cover the full year in accordance with the GHG Protocol, although the acquisition of the company took place on 02.10.2024.

Sustainability Performance Indicators

ENVIRONMENTAL PERFORMANCE

Water Management	Unit	2024	2025	External Assurance
Total Annual Water Withdrawal by Source	million L	2,381	3,089	✓
Fresh Water Withdrawn	million L	2,381	3,089	
Well Water	million L	2,370	2,807	
Municipal Water	million L	9	259	
Tanker Water	million L	2	23	
Recovered Water Amount	million L	187	178	✓
Waste Water Discharged	million L	63	267	✓
Total Annual Water Consumption	million L	2,348	2,797	✓
Water Performance Parameters				
Specific Water Consumption	L / ton cementitious	308	295	✓
Specific Water Consumption	L / m³ concrete	106	106	✓
Water Intensity	Water Consumption (L) / Annual Revenue (TL)	0.08	0.06	✓
Recovered/Reused Water Rate	Total Amount of Recovered Water / Total Water Consumption (%)	8	6	✓
Percentage of Water Withdrawn from Water Stressed Areas	Volume Withdrawn in Stressed Areas / Total Water Withdrawal x 100 (%)	99.5	75.9	✓
Percentage of Water Withdrawn from Areas with High or Extremely High Baseline Water Stress	Volume Withdrawn in High Stressed Areas / Total Water Withdrawal x 100 (%)	99.5	75.9	✓
Baseline Water Stress	Total Annual Water Withdrawal / Total Available Annual Renewable Water Supply (%)	99.5	90.9	✓
Wastewater Quality				
Biological Oxygen Demand (BOD)	mg/L	5	38	
Chemical Oxygen Demand (COD)	mg/L	15	136	
Suspended Solid (SS)	mg/L	13	53	
pH	-	8	8	

Waste and Circular Economy	Unit	2024	2025	External Assurance
Total Hazardous Waste by Disposal Method	ton	495	631	✓
Landfill	ton	1	12	
Energy Recovery	ton	78	193	
Incineration	ton	13	14	
Recycling	ton	403	413	✓
Electronic Wastes	ton	1,11	0,50	
Total Non-Hazardous Waste by Disposal Method	ton	7,473	10,005	✓
Landfill	ton	525	872	
Energy Recovery	ton	66	728	
Incineration	ton	-	-	
Recycling	ton	6,212	8,312	✓
Composted	ton	-	1	
Disposal Method Unknown	ton	7	90	
Packaging Waste Generated	ton	662	3	
Reused/Recycled Waste Ratio	%	83	82	✓
Total Plastic Consumption	ton	553	865	✓
Total Paper Consumption	ton	2,360	2,094	✓
Environmental Investments				
Mitigation Investments	TL million	281	327	✓
Transition Investments	TL million	49	15	✓
Enabler Investments	TL million	40	122	✓
Environmental Expenditures				
Legally Mandatory Expenditures	TL million	14	51	✓
Legally Non-Mandatory Expenditures	TL million	19	18	✓
Number of Lawsuits due to Environmental Performance	number	-	-	
Number of Environmental Compliance Fines	number	2	0	
Environmental compliance fines with an amount less than TL 100,000	number	-	-	
Environmental compliance fines with an amount over TL 100,000	number	1	-	
Environmental compliance fines with an amount over TL 250,000	number	1	-	
Benefits Arising from Sustainable Investments/Activities				
Environmental Benefit (Energy)	MWh	8,730	-	✓
Environmental Benefit (Emissions)	tCO ₂	-	96,618	✓
Environmental Benefit (Water)	million L	114	96	✓



SASB REFERENCE TABLE

ACTIVITY INDICATORS	
Production amounts in reporting period by basic segments	Cement Production: 6.8 million tons
EM-CM-000.A	Ready-Mixed Concrete Production: 2.9 million m³
CALCULATION INDICATORS	
Greenhouse Gas Emissions	
EM-CM-110 a.1	The National Emissions Trading System (TR ETS) in Turkey is expected to come into effect in the near future, and preparatory work for the process is currently underway. With the start of the transition period for the Carbon Border Adjustment Mechanism (CBAM) as of October 1, 2023, reporting has been conducted regularly on a quarterly basis in accordance with importers’ requests, and the implementation phase began as of January 1, 2026. Under the EU Emissionst Trading System (ETS), free allowances are being phased out, which will result in additional costs for companies operating within the ETS and CBAM taxation mechanisms. In line with all new regulations, we have set an SBTi target to reduce gross Scope 1 and Scope 2 greenhouse gas emissions per ton of cement product by 42.1% by 2033 compared to the 2021 baseline; and within the same timeframe, we have an SBTi target to reduce gross Scope 1 greenhouse gas emissions per ton of cement product by 39.9%. Çimsa’s total gross Scope 1 emissions for 2025 amounted to 5.4 million tons of CO₂ per year. Çimsa calculates its emissions based on internationally recognized standards and methodologies, subjects them to a limited assurance process, and shares them with the public at regular intervals. Çimsa is conducting systematic efforts and implementing investments aimed at reducing CO₂ emissions. The foundation of Çimsa’s emissions reduction strategy consists of improving energy efficiency, diversifying energy sources, expanding the use of renewable energy, developing low-emission alternative fuel and raw material options, transformations in the product portfolio, and the use of advanced technologies. By 2025, a 17% reduction in the total Scope 1 and Scope 2 emissions intensity per cement product is targeted compared to 2021. For more detailed information on this topic, please refer to the “Stronger Together for The Planet” section.
EM-CM-110 a.2	Information regarding long- and short-term strategies or plans developed to manage Scope 1 emissions, emission reduction targets, and an analysis of performance achieved during the reporting period relative to these targets
Air Quality	
EM-CM-120 a.1	
Emissions levels for each of the air pollutants listed below:	
. NOx (excluding N2O)	. Total NOx Emission 3079 tonnes
. SOx	. Total SO ₂ Emission 185 tonnes
. particulate matter (PM10)	. Particulate matter (PM)1647 kg
. dioxin/furan	. Total Dioxin and Furan Emissions 0.0012 gr
. volatile organic compounds (VOCs)	. Total Volatile Organic Compound (VOC) Emissions 41.5 tonnes
. polycyclic aromatic hydrocarbons (PAHs)	. Polycyclic aromatic hydrocarbons (PAHs) 0.09 tons
. heavy metals	. Total Heavy Metal Emissions: 0.05 tons
Enerji Yönetimi	
EM-CM-130 a.1	
Total energy consumed (gigajoules)	. Total energy consumption: 7.2 million MWh, 26 million GJ
Percentage of grid electricity (%)	. Grid electricity usage: 711,000 MWh, 90%
Percentage of alternative energy (%)	. Share of alternative fuels in total fuel consumption: 20%
Percentage of renewable energy (%)	. Renewable energy usage: 521,000 MWh, 66%

Water Management	
EM-CM-140 a.1	
Total water abstracted	Total Annual Water Abstraction: 3,089 million L, 3,089 thousand m³
Total water consumed	Total Annual Water Consumption 2,797 million L, 2,797 thousand m³
Water sent for recycling (%) 6%	6%
In regions with high or extremely high groundwater stress,	The percentage for each is The ratio of the volume abstracted in stressed regions to total water abstraction is 75.9%.
Waste Management	
EM-CM-150a.1	
Amount of waste generated	. Non-hazardous waste: 10,000 tons
Percentage of hazardous materials (%)	. Hazardous waste: 631 tons
Percentage of recycled waste (%)	. Hazardous waste rate: 6%
	. Percentage of reused/recycled waste: 82%
Impacts on Biodiversity	
EM-CM-160 a.1	
Information regarding environmental management policies and systems in effect at active production sites	Çimsa’s domestic and international facilities are subject to management system standards. For detailed information on this topic, please refer to the “Policies and Integrated Management Systems” section.
EM-CM-160 a.2	
Land area adversely affected, as a percentage of the total affected and rehabilitated land area	. Active mining area: 814 ha
	. Rehabilitated area: 34 ha
	. Land area adversely affected, as a percentage of the total affected and rehabilitated land area: 4%
Occupational Health and Safety	
EM-CM-320 a.1	
For full-time and subcontracted employees	. Direct employment accident frequency rate: 4.68
Reportable injury rate (TRIR).	. Subcontractor accident frequency rate: 3.15
Near-miss frequency rate (NMFR).	. Direct employment near-miss frequency rate 8.66
	. Subcontractor near-miss frequency rate 5.43
EM-CM-320 a.2	
Number of reported silicosis cases	There were 0 cases of silicosis during the reporting period.
Product Innovation	
EM-CM-410 a.1	
Sustainable building design and construction	
Percentage of products meeting the criteria set forth by certifications	During the reporting period, this percentage stood at 17.6%
EM-CM-410 a.2	
The total market and market share of products that reduce negative impacts related to energy, water, and/or materials during use and/or production	Calcium Aluminate Cement (CAC) is our product in this category. In 2025, 80,000 tons of CAC were sold. CAC accounts for 1% of our total cement sales. Çimsa holds a dominant position in the CAC market in Türkiye and is the third-largest producer in the global CAC market. Çimsa’s share of global CAC sales stands at 8%, and 11% in Europe. Additionally, in 2024, the revenue from our six products compliant with the European Union Taxonomy accounted for 3.8% of total revenue.
Honesty and Transparency in Pricing	
EM-CM-520 a.1	
The total amount of financial loss resulting from legal proceedings related to cartel activities, price-fixing, and monopolization during the reporting period	There were no concluded legal proceedings regarding these matters during the reporting period that resulted in financial loss for Çimsa.

GRI Content Index



For the Content Index–Essentials Service, GRI Services has reviewed that the GRI Content Index is presented in a manner consistent with the reporting requirements of the GRI Standards and that the referenced disclosures are clearly presented and accessible. This service has been carried out based on the Turkish version of the report.

Statement of Use	Çimsa has reported in accordance with the GRI Standards for the preiod 1 January 2025 - 31 December 2025.
GRI 1 Used	GRI 1: Foundation 2021
GRI 1 Sector Standard	/

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	About Çimsa, pages: 16-21 https://cimsa.com.tr/en/corporate/about-cimsa/			
	2-2 Entities included in the organization's sustainability reporting	Introduction and About the Report, pages: 6-7			
	2-3 Reporting period, frequency and contact point	Introduction and About the Report, pages: 6-7; Contact Information, pages: 391			
	2-4 Restatements of information	The report does not contain any information that has been restated.			
	2-5 External assurance	Introduction and About the Report, pages: 6-7; Limited Assurance Report, pages: 380-386			
	2-6 Activities, value chain and other business relationships	About Çimsa, pages: 16-21; Business Model and Strategy: 24-25; Çimsa Value Chain, pages: 26-27; Value Creation Mode, pages: 28-29 Responsible Supply Chain and Procurement Practices, pages: 114-119 https://cimsa.com.tr/en/corporate/about-cimsa/			
	2-7 Employees	Respect for Human Rights and Our Inclusive Work Environment, pages: 123-124; Sustainability Performance Indicators, pages: 346-350			
	2-8 Workers who are not employees	As of 31 December 2025, the number of our suppliers is 1,376 (including services such as catering, waste management, raw material transportation and production, maintenance, ready-mix concrete transportation, IT services, security, container filling and weighbridge operations, cleaning services, transformer center operations, etc.)			
	2-9 Governance structure and composition	Corporate Governance, pages: 41-45			
	2-10 Nomination and selection of the highest governance body	Board of Directors Annual Report, pages: 189			
	2-11 Chair of the highest governance body	Corporate Governance, pages: 41-45; Board of Directors Annual Report, pages: 178			
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, pages: 41-45			
	2-13 Delegation of responsibility for managing impacts	Governance Together, pages: 38-57			
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management and Strategy, pages: 30-31			

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-15 Role of the highest governance body in sustainability reporting	Business Ethics, Compliance and Anti-Corruption, pages: 52-57			
	2-16 Communication of critical concerns	Business Ethics, Compliance and Anti-Corruption, pages: 52-57 Stakeholder Engagement, pages: 160-163			
	2-17 Collective knowledge of the highest governance body	Compentence Sets, pages: 170-171			
	2-18 Evaluation of the performance of the highest governance body	Board Of Directors' Annual Report, pages: 191-192			
	2-19 Remuneration policies	https://cimsa.com.tr/en/human-resources/wage-management-and-benefits/ https://cimsa.com.tr/en/wp-content/uploads/sites/3/2023/06/remuneration-policy.pdf			
	2-20 Process to determine remuneration	https://cimsa.com.tr/en/human-resources/wage-management-and-benefits/ https://cimsa.com.tr/en/wp-content/uploads/sites/3/2023/06/remuneration-policy.pdf			
	2-21 Annual total compensation ratio		2-21 a; 2-21 b; 2-21 c	Confidentiality Constraints	This information is not disclosed because there is no legal obligation to disclose the fees and because of the potential to create competitive disadvantage.
	2-22 Statement on sustainable development strategy	Sustainability Management and Strategy, pages: 33-37; Contribution to Sustainable Development Goals, pages: 164-167			
	2-23 Policy commitments	Sustainability Management and Strategy, pages: 30-32 Business Ethics, Compliance and Anti-Corruption, pages: 52-57; Policies and Integrated Management Systems, pages: 55; Respect for Human Rights and Our Inclusive Work Environment, pages: 123-124			
	2-24 Embedding policy commitments	Sustainability Management and Strategy, pages: 30-32 Business Ethics, Compliance and Anti-Corruption, pages: 52-57; Policies and Integrated Management Systems, pages: 55; Respect for Human Rights and Our Inclusive Work Environment, pages: 123-124			
	2-25 Processes to remediate negative impacts	Business Ethics, Compliance and Anti-Corruption, pages: 52-57; Stakeholder Engagement, pages: 160-163			
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics, Compliance and Anti-Corruption, pages: 52-57;			
	2-27 Compliance with laws and regulations	Business Ethics, Compliance and Anti-Corruption, pages: 52-57;			
	2-28 Membership associations	Corporate Memberships, pages: 158			



GRI Content Index

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Management and Strategy, pages: 34-37			
	3-2 List of material topics	Sustainability Management and Strategy, pages: 34-37			
Climate Change Adaptation and Mitigation					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Climate Change Adaptation and Mitigation, pages: 62-69; Decarbonization Transition Plan, pages: 66-69; Sustainability Performance Indicators, pages: 350-353			
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Decarbonization Transition Plan, pages: 66-69			
	102-2 Climate change adaptation plan	Decarbonization Transition Plan, pages: 66-69			
	102-3 Just transition	Climate Change Adaptation and Mitigation, pages: 62-69			
	102-4 GHG emissions reduction targets and progress	Decarbonization Transition Plan, pages: 66-69; Sustainability Performance Indicators, pages: 352-357			
	102-9 GHG removals in the value chain	Decarbonization Transition Plan, pages: 66-69			
	102-10 Carbon credits	Decarbonization Transition Plan, pages: 66-69			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Decarbonization Transition Plan, pages: 66-69; Sustainability Performance Indicators, pages: 352-357			
	305-2 Energy indirect (Scope 2) GHG emissions	Decarbonization Transition Plan, pages: 66-69; Sustainability Performance Indicators, pages: 352-357			
	305-3 Other indirect (Scope 3) GHG emissions	Decarbonization Transition Plan, pages: 66-69; Sustainability Performance Indicators, pages: 352-357			
	305-4 GHG emissions intensity	Decarbonization Transition Plan, pages: 66-69; Sustainability Performance Indicators, pages: 352-357			
	305-5 Reduction of GHG emissions	Climate Change Adaptation and Mitigation, pages: 62-69; Decarbonization Transition Plan, pages: 66-69			
	305-6 Emissions of ozone-depleting substances (ODS)	Sustainability Performance Indicators, pages: 352-357			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Sustainability Performance Indicators, pages: 352-357			
Energy Efficiency and Renewable Energy Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Energy Efficiency and Renewable Energy Management, pages: 70-74; Digital Transformation and Advanced Technologies: 100-101; Sustainability Performance Indicators, pages: 352-357			
GRI 103: Energy 2025	103-1 Energy policies and commitments	Energy Efficiency and Renewable Energy Management, pages: 70-74			
	103-2 Energy consumption and self-generation within the organization	Energy Efficiency and Renewable Energy Management, pages: 70-74; Sustainability Performance Indicators, pages: 352-357			

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Efficiency and Renewable Energy Management, pages: 70-74; Sustainability Performance Indicators, pages: 352-357			
	302-2 Energy consumption outside of the organization	Energy Efficiency and Renewable Energy Management, pages: 70-74; Sustainability Performance Indicators, pages: 352-357			
	302-3 Energy intensity	Energy Efficiency and Renewable Energy Management, pages: 70-74; Sustainability Performance Indicators, pages: 352-357			
	302-4 Reduction of energy consumption	Energy Efficiency and Renewable Energy Management, pages: 70-74; Sustainability Performance Indicators, pages: 352-357			
	302-5 Reductions in energy requirements of products and services	Energy Efficiency and Renewable Energy Management, pages: 70-74; Digital Transformation and Advanced Technologies, pages: 100-101			
Water Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Water Management, pages: 78-81; Sustainability Performance Indicators, pages: 352-357			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, pages: 78-81;			
	303-2 Management of water discharge-related impacts	Water Management, pages: 78-81;			
	303-3 Water withdrawal	Sustainability Performance Indicators, pages: 352-357			
	303-4 Water discharge	Sustainability Performance Indicators, pages: 352-357			
GRI 306: Effluents and Waste 2016	303-5 Water consumption	Sustainability Performance Indicators, pages: 352-357			
	306-3 Significant spills	No spill or leakage incidents occurred within the scope of the Company's operations during the reporting period.			
Circular Economy and Waste Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Circular Economy and Waste Management, pages: 75-76; Sustainability Performance Indicators, pages: 352-357			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainability Performance Indicators, pages: 352-357			
	301-2 Recycled input materials used	Circular Economy and Waste Management, pages: 75-76; Sustainability Performance Indicators, pages: 352-357			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy and Waste Management, pages: 75-76;			
	306-2 Management of significant waste-related impacts	Circular Economy and Waste Management, pages: 75-76;			
	306-3 Waste generated	Sustainability Performance Indicators, pages: 352-357			
	306-4 Waste diverted from disposal	Sustainability Performance Indicators, pages: 352-357			
	306-5 Waste directed to disposal	Sustainability Performance Indicators, pages: 352-357			

GRI Content Index

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Occupational Health and Safety, pages: 136- 141; Sustainability Performance Indicators, pages: 349-350			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, pages: 136- 141			
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pages: 136-141; Sustainability Performance Indicators, pages: 349-350			
	403-3 Occupational health services	Occupational Health and Safety, pages: 136-141			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, pages: 136-141			
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, pages: 136- 141; Sustainability Performance Indicators, pages: 349-350			
	403-6 Promotion of worker health	Occupational Health and Safety, pages: 136-141			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, pages: 136-141			
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, pages: 136-141			
	403-9 Work-related injuries	Sustainability Performance Indicators, pages: 349-350			
	403-10 Work-related ill health	Sustainability Performance Indicators, pages: 349-350			
Biodiversity and Ecosystem Protection					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Biodiversity and Ecosystem Protection, pages: 82-87			
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Biodiversity and Ecosystem Protection, pages: 82-83			
	101-2 Management of biodiversity impacts	Biodiversity and Ecosystem Protection, pages: 82-87			
	101-3 Access and benefit-sharing	Biodiversity and Ecosystem Protection, pages: 82-87			
	101-4 Identification of biodiversity impacts	Biodiversity and Ecosystem Protection, pages: 84-87			
	101-5 Locations with biodiversity impacts	Biodiversity and Ecosystem Protection, pages: 83-87			
	101-6 Direct drivers of biodiversity loss	Biodiversity and Ecosystem Protection, pages: 83-87			
	101-7 Changes to the state of biodiversity	Biodiversity and Ecosystem Protection, pages: 82-87			
	101-8 Ecosystem services	Biodiversity and Ecosystem Protection, pages: 82-87			

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
Human Rights and Working Condition					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Corporate Governance, pages: 41-45; Respect for Human Rights and Our Inclusive Work Environment: 123-124; Employee Experience, Employee Engagement and Well-being, pages: 128 Talent Management and Employee Development, pages: 130-132 Board of Directors Annual Report, pages: 203 Sustainability Performance Indicators, pages: 346-350			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	In 2025, the ratio of entry-level wages to the minimum wage exceeded the minimum wage for both female employees (BY: 41%, MY: 62%) and male employees (BY: 41%, MY: 68%).			
	202-2 Proportion of senior management hired from the local community	Among the 6 members of the Board of Directors, 1 is a foreign national; similarly, among the 6 members of the Executive Committee, 1 is a foreign national.			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Performance Indicators, pages: 346-350			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Board of Directors Annual Report, pages: 203			
	401-3 Parental leave	Sustainability Performance Indicators, pages: 346-350			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	https://cimsa.com.tr/en/wp-content/uploads/sites/3/2023/03/EYS-EN-IK-PL-01-Human-Rights-Policy-1.pdf			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Performance Indicators, pages: 346-350			
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Management and Employee Development, pages: 130-132			
	404-3 Percentage of employees receiving regular performance and career development reviews	During the reporting period, all employees working at our Company were subject to regular performance and career development evaluation processes.			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Performance Indicators, pages: 346-350			
	405-2 Ratio of basic salary and remuneration of women to men	Equality, Diversity and Inclusion, pages: 133-135			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No cases of discrimination occurred during the reporting period.			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Experience, Employee Engagement and Well-being, pages: 128 https://cimsa.com.tr/en/wp-content/uploads/sites/3/2023/03/EYS-EN-IK-PL-01-Human-Rights-Policy-1.pdf			
Community Contribution and Social Responsibility					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Community Contribution and Social Responsibility: 142-151; Stakeholder Engagement, pages: 160-163			

GRI Content Index

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	No cases related to violations of the rights of indigenous peoples were identified during the reporting period.			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Contribution and Social Responsibility: 142-151; Stakeholder Engagement, pages: 160-163			
	413-2 Operations with significant actual and potential negative impacts on local communities	During the reporting period, we had no operations with significant actual or potential negative impacts on local communities.			
Customer Satisfaction and Experience Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Customer Satisfaction and Experience Management, page: 102-113			
Business Ethics, Compliance and Anti-Corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Business Ethics, Compliance and Anti-Corruption, pages: 52-57; Respect for Human Rights and Our Inclusive Work Environment: 123-124; Other Expenses from Operating Activities,pages: 264			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics, Compliance and Anti-Corruption, pages: 52-57			
	205-2 Communication and training about anti-corruption policies and procedure	Business Ethics, Compliance and Anti-Corruption, pages: 52-57			
	205-3 Confirmed incidents of corruption and actions taken	During the reporting period, no confirmed cases of corruption were identified.			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Other Expenses from Operating Activities, pages: 264			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Respect for Human Rights and Our Inclusive Work Environment, pages: 123-124; https://cimsa.com.tr/en/wp-content/uploads/sites/3/2023/03/EYS-EN-IK-PL-01-Human-Rights-Policy-1.pdf			
GRI 409: Forced or Compulsory Labor 2016	409-1 Forced or Compulsory Labor	Respect for Human Rights and Our Inclusive Work Environment, pages: 123-124; https://cimsa.com.tr/en/wp-content/uploads/sites/3/2023/03/EYS-EN-IK-PL-01-Human-Rights-Policy-1.pdf			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period, no confirmed complaints regarding breaches of customer privacy were received, and no incidents of data leakage, theft, or loss of customer data were identified.			
Responsible Supply Chain and Procurement Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Responsible Supply Chain and Procurement Practicesi pages: 114-119			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible Supply Chain and Procurement Practicesi pages: 115			

GRI Standard	Disclosure	Disclosures and Page Numbers	Omissions		
			Requirements Omitted	Reason	Explanation
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Supply Chain and Procurement Practicesi pages: 116-117			
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Supply Chain and Procurement Practicesi pages: 116-119			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Supply Chain and Procurement Practicesi pages: 116-117			
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Supply Chain and Procurement Practicesi pages: 116-119			
R&D, Innovation, and Digitalization					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; R&D, Innovation and Digitilization, pages: 93-101; Customer Satisfaction and Experience Management, pages: 102-113			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	R&D, Innovation and Digitilization, pages: 93-101; Customer Satisfaction and Experience Management, pages: 102-113			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During the reporting period, no cases of non-compliance with regulations and/or voluntary standards concerning the health and safety impacts of products and services were identified.			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	100% of Çimsa’s products are labeled in accordance with legal regulations.			
	417-2 Incidents of non-compliance concerning product and service information and labeling	During the reporting period, no cases of non-compliance with regulations and/or voluntary standards related to product and service information and labeling were identified.			
	417-3 Incidents of non-compliance concerning marketing communications	During the reporting period, no cases of non-compliance with regulations and/or voluntary standards concerning marketing communications, including advertising, promotion, sponsorship, and other marketing activities, were identified.			
Corporate Governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management and Strategy, pages: 34-37; Sustainable Finance, pages: 50-51; Climate Change Adaptation and Mitigation, pages: 62-65; More Together Through Innovation and Technology, pages: 95-97			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainable Finance, pages: 50-51; Sustainability Performance Indicators, pages: 351			
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change Adaptation and Mitigation, pages: 62-65			
	201-3 Defined benefit plan obligations and other retirement plans	Employee Benefits, pages: 257-258			
GRI 203: Indirect Economic Impacts 2016	201-4 Financial assistance received from government	During the reporting period, government grants and incentives received amounted to TL 125,714,411.			
	203-1 Infrastructure investments and services supported	More Together Through Innovation and Technology, pages: 95-97			
	203-2 Significant indirect economic impacts	More Together Through Innovation and Technology, pages: 95-97; Sustainable Finance, pages: 50-51			
GRI 415: Public Policy 2016	415-1 Political contributions	Çimsa does not make donations to any political party.			

Reporting Guide

APPENDIX-1: ÇİMSA INTEGRATED ANNUAL REPORT 2025 – REPORTING PRINCIPLES

This reporting principle ("Principle") provides information on the preparation, calculation, and reporting methodologies of the data for the indicators within the scope of limited assurance included in Çimsa Çimento Sanayi ve Ticaret A.Ş.'s ("Company" or "Çimsa") Çimsa Integrated Annual Report 2025 ("Integrated Annual Report").

These indicators cover environmental, social, and economic indicators. It is the responsibility of the Company management to ensure that appropriate procedures are applied to prepare these indicators in accordance with the principle.

The information in this principle covers the fiscal year ending on 31 December 2025 and, as detailed in the 'Basis of Preparation and Reporting Scope' section, encompasses the operations under the responsibility of Çimsa Çimento Sanayi ve Ticaret A.Ş., including the Mersin Production Facility, Afyon Production Facility, Eskişehir Production Facility, Headquarters, Ready-Mix Concrete Stations, and the Cyprus Terminal in Türkiye; and internationally, Mannok Holdings DAC, the Buñol Production Facility, America Grinding Facility, three terminals located in Italy, Germany, and Spain, and the Sabancı Global Technology Center in Germany.

The indicators that include subcontractors are specified in the "Basic Definitions and Reporting Scope" section, and subcontractors are not included in the unspecified indicators.

General Reporting Principles

The following principles have been considered in the preparation of this guide document:

In the preparation of information - emphasizing the fundamental principles of relevance and reliability of the information to the users of the information.

In the reporting of information - emphasizing the principles of comparability/consistency with previous years and other data, and understandability/transparency that provide clarity to users.

Basic Definitions and Reporting Scope

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

Type	Indicator	Scope
Social Indicators	Social Performance	
	Accidents (#)	During the reporting period, it represents the total number of incidents, including employee deaths, lost-time injuries, first-aid accidents, material damage accidents, restricted work incapacity, and medical treatments, reported to the Social Security Institution, occurring during work-related activities of Company employees and contractor firm employees.
	Fatal Cases (#)	During the reporting period, it represents the number of individuals reported to the Social Security Institution, falling under the definition of "fatal work accident" within the scope of the Occupational Health and Safety Law No. 6331.
	Occupational Diseases (#)	During the reporting period, it represents the number of individuals reported to the Social Security Institution, falling under the definition of "occupational disease" within the scope of the Occupational Health and Safety Law No. 6331.
	Lost Workdays Due to Accidents (#)	During the reporting period, it represents the period from the day the employee or contractor firm employee goes to the hospital due to an accident or occupational disease, reported to the Social Security Institution, until they return to work, excluding fatal accidents.
	Lost Days/Accident Severity Ratio (%)	During the reporting period, it represents the ratio of absenteeism due to work accidents experienced by male and female employees of the Company to the total working hours, excluding subcontractors.
	Days of Absence (%)	During the reporting period, it represents the number of days employees directly employed by the Company did not come to work due to absenteeism. Absenteeism usually occurs as a result of illness, leave, or accidents, and this number provides information about the continuity rate and workforce productivity of the Company's employees.
	Absence Rate (Permanent Subcontractor Employees) (%)	During the reporting period, it represents the absenteeism rate of permanent subcontractor employees. The absenteeism rate is calculated by dividing the absenteeism days of subcontractor employees during the reporting period by the total working days. This rate is used to show the frequency of absenteeism and potential workforce losses of subcontractor employees
	Employee Demographics	
	Total Number of Employees (Direct Employment) (#)	During the reporting period, it represents the total number of employees tracked by the Company's Human Resources data platform, reported to the Social Security Institution, broken down by gender. Interns and subcontractor employees are not included in the total number of employees.

Type	Indicator	Scope
Social Indicators	Number of Female Employees (#)	During the reporting period, it represents the ratio of the total number of female employees tracked by the Company's Human Resources data platform, reported to the Social Security Institution, to the Total Number of Employees. Interns and subcontractor employees are not included in the number of female employees.
	Ratio of Female Employees (%)	During the reporting period, it represents the ratio of the total number of female employees, as tracked through the Company's Human Resources data platform and reported to the Social Security Institution via the Employment Notification Form, to the Total Number of Employees. The number of female employees does not include interns or employees of subcontractors.
	Ratio of Female Executive Employees (%)	During the reporting period, it represents the number of individuals at the middle and senior management levels tracked by the Company's Human Resources data platform, reported to the Social Security Institution. The Company's first-level managers consist of "Leader and Manager," middle-level managers consist of "Director," and senior-level managers consist of "Deputy General Manager and Plant Manager."
	Ratio of Female Employees in Income-Generating Roles (%)	During the reporting period, it represents the ratio of the number of female employees in revenue-generating positions defined by the Company, tracked by the Company's Human Resources data platform, to the total number of employees in these positions.
	Ratio of Female Employees in STEM (IT, Engineering, etc.) Roles (%)	During the reporting period, it represents the ratio of the total number of female employees in positions defined by the Company as STEM (Science, Technology, Engineering, Math), tracked through the Company's Human Resources data platform. For international locations, Human Resources data has been used.
	Employees Hired - by Age Group (#)	During the reporting period, it represents the number of employees tracked by age groups (under 30, 30–50, over 50), based on the Company's hires and the Declarations of Recruitment submitted to the Social Security Institution. For international locations, Human Resources data has been used.
	Employee Turnover - by Gender (#)	During the reporting period, it represents the total number of employees, based on the Declarations of Termination submitted to the Social Security Institution. For international locations, Human Resources data has been used.
	Employee Turnover - by Age Group (#)	During the reporting period, it represents the number of employees tracked by age groups (under 30, 30–50, over 50), based on the Declarations of Termination submitted to the Social Security Institution. For international locations, Human Resources data has been used.
	Employee Turnover Rate - by Gender (%)	During the reporting period, it represents the employee turnover rate by gender.
	Employees Left for Maternity/Parental Leave – by Gender (#)	During the reporting period, it represents the number of female and male employees who took maternity/paternity leave within the scope of Law No. 4857 and the Regulation on Part-Time Work After Maternity Leave or Unpaid Leave, within the specified periods. For international locations, Human Resources data has been used.
	Employees Returned from Maternity/ Parental Leave – by Gender (#)	During the reporting period, it represents the number of female and male employees who returned to work after taking maternity/paternity leave within the scope of Law No. 4857 and the Regulation on Part-Time Work After Maternity Leave or Unpaid Leave. For international locations, Human Resources data has been used.
	Employees Returned from Maternity/ Parental Leave and Continued to Work for 12 Months (# and %)	During the reporting period, within the scope of Law No. 4857 and the Regulation on Part-Time Work After Maternity Leave or Unpaid Leave, it represents the number of female and male employees who returned from maternity/paternity leave and left the Company within 12 months, as well as the rate of these employees. For international locations, Human Resources data has been used.
	Ratio of Employees Returned from Maternity/Parental Leave – by Gender (%)	During the reporting period, within the scope of Law No. 4857 and the Regulation on Part-Time Work After Maternity Leave or Unpaid Leave, it represents the turnover rate of employees after returning from maternity/paternity leave.
	Ethnicity (#)	During the reporting period, it represents the number of employees' ethnic origins. It refers to the classification of employees into ethnic origin categories based on their nationalities.

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Type	Indicator	Scope
Social Indicators	Total Training Hours	
	Total Training (Direct Employment) (hours)	During the reporting period, it represents the total number of training hours attended by Company employees, tracked through the Human Resources training tracking platform.
	Training Types (hours)	During the reporting period, it shows the distribution of training hours provided to Company employees by training type (Ethics Training, Equality, Diversity and Inclusion, Environment and Sustainability, OHS Training, and Other Trainings).
	Total Cost of Trainings (Direct Employment) (TL million)	During the reporting period, it represents the total cost of training tracked through the Company's accounting system as training expenses based on invoices. Subcontractors are excluded.
	Training per Employee (hours)	During the reporting period, it represents the ratio of the total number of training hours including all trainings such as Training, OHS, and others to the total number of employees.
	Training Expenditure per Employee (TL)	During the reporting period, it represents the ratio of the total training cost tracked through the Company's accounting system as training expenses based on invoices to the total number of employees. Subcontractors are excluded.
	Social Impact	
	Number of Vulnerable Audience Reached Through Inclusion Programs (#)	During the reporting period, it represents the number of children, youth, and people with disabilities reached through the Company's activities targeting vulnerable groups.
Environmental Indicators	Environmental Performance	
	Total Energy Consumption (MWh)	During the reporting period, it represents the sum of total energy consumption, calculated based on: electricity consumption tracked through invoices received from service providers (12 months) at Company locations; natural gas consumption tracked through invoices from the Company's natural gas suppliers for heating and operational use; coal consumption (in tonnes) used in production and heating, tracked through supplier invoices; fuel-oil consumption (in liters) used in production and heating, tracked through supplier invoices and the financial reporting system; total waste quantities (in tonnes) used as alternative fuels—including waste oil, waste tires, refuse-derived fuel (RDF), and waste materials—tracked through supplier invoices; LPG, propane, and gasoline used in Company vehicles for transportation purposes (in liters), tracked through supplier invoices; and total electricity consumption (MWh) generated from biogenic fuels. The total is reported on a consolidated basis in MWh.
	Total Electricity Consumption (MWh)	During the reporting period, it represents the amount of electricity consumption used for lighting, electricity-based heating, and other electricity-related operations at Company facilities, tracked through invoices (12 months) received from service providers. It is reported on a consolidated basis in MWh.
	Total Renewable Energy Production (MWh)	During the reporting period, it represents the amount of electricity generated from waste heat at the Company's Mersin and Eskişehir facilities, as well as electricity generated from solar power plants located at the Afyon, Eskişehir, and Buñol production facility. Production amounts are tracked through generation meters and recorded in SAP systems.
	Total Energy Consumption Sourced from Renewable Energy Resources (MWh)	During the reporting period, it represents the amount of renewable energy purchased under International Renewable Energy Certificates (I-REC) and Guarantees of Origin (GO), including electricity generated from geothermal energy, renewable energy procured under power purchase agreements (PPA), and electricity generated from solar power plants.

Type	Indicator	Scope
Environmental Indicators	Electricity Procured in Compliance with Renewable Energy Certificate Standards (I-REC, GO) (MWh)	During the reporting period, it represents the amount of geothermal and solar energy purchased with International Renewable Energy Certificate (I-REC) and Guarantee of Origin (GO) Certificate
	Electricity Procured in Compliance with Renewable Energy Certificate Standards (PPA) (MWh)	During the reporting period, it represents the amount of electricity (MWh) supplied under bilateral agreements (Power Purchase Agreements – PPA) and verified to be generated from renewable energy sources.
	Total Electricity Consumption from Self-Generated Renewable Energy Sources (MWh)	It represents the amount of electricity (MWh) generated at Company facilities from solar power plants (SPP), waste heat recovery (WHR), and other renewable energy sources, and consumed on-site. Data is obtained from load dispatch systems or inverter records and reported on a consolidated basis.
	Energy Intensity (MWh/TL revenue)	During the reporting period, it represents the ratio of total energy consumed (MWh) for Company operations to total revenue (in TL) generated during the reporting period (energy consumption per unit revenue).
	Renewable Electric Energy Utilization Rate (Location-based) (%)	It represents the ratio of total renewable energy generation to total purchased electricity and renewable energy.
	Renewable Electric Energy Utilization Rate (Market-based) (%)	It represents the ratio of total energy consumption supplied from renewable energy sources to the total renewable energy generation and total purchased electricity.
	Alternative Fuel Usage Rate (Grey Cement) (%)	During the reporting period, it represents the ratio of energy obtained from alternative fuels used in grey clinker production and in kilns with waste incineration licenses to the total fuel energy (fossil + alternative) used in the same kilns.
	Alternative Fuel Usage Rate (White Cement) (%)	During the reporting period, it represents the ratio of energy obtained from alternative fuels used in white clinker production and in kilns with waste incineration licenses to the total fuel energy (fossil + alternative) used in the same kilns.
	Alternative Raw Material Usage Rate (Cement – Grey) (%)	During the reporting period, it represents the percentage of alternative raw materials used in cement production relative to total raw material usage. Alternative raw material usage is calculated separately for grey and white cement production, excluding ready-mix concrete.
	Alternative Raw Material Usage Rate (Cement – White) (%)	During the reporting period, it represents the percentage of alternative raw materials used in white cement production relative to total raw material usage. Alternative raw material usage is calculated separately for grey and white cement production, excluding ready-mix concrete.
	Scope 1, 2 and 3 Emissions	
	Scope 1 Total Net Greenhouse Gas Emissions (million tons CO ₂ e / year) (Cement Operations)	During the reporting period, it represents Scope 1 total gross greenhouse gas emissions generated at the Company's cement production sites, minus emissions arising from the combustion of alternative fuels. Scope 1 total net greenhouse gas emissions include emissions from lime production, white cement, and CAC production.
	Scope 1 Total Gross Greenhouse Gas Emissions (million tons CO ₂ e / year) (All Business Lines)	During the reporting period, it represents the total greenhouse gas emissions arising from process emissions at all Company locations and from fuel combustion (natural gas, LPG, lignite, gasoline, propane, coal, fuel oil, diesel, petcoke, alternative fuels, RDF, and cooling devices), including emissions from gas cleaning equipment and fire extinguishers. The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol.

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Type	Indicator	Scope
Environmental Indicators	Scope 1 Cementitious Gross Specific Greenhouse Gas Emissions (kg CO ₂ e / ton)	During the reporting period, it represents emissions per unit of production (cementitious material), tracked through the Company's Çimsa database portal, including emissions arising from raw material sourcing, conventional fuel use, alternative fuel use, calcination process-related emissions, and fuel use in production. In addition, it includes emissions from refrigerant gases used in cooling devices. The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol. Scope 1 Total Gross Specific Greenhouse Gas Emissions consist of emissions arising from grey, white, and CAC production.
	Scope 1 Cementitious Net Specific Greenhouse Gas Emissions (kg CO ₂ e / ton)	During the reporting period, it represents emissions per unit of production (cementitious material), tracked through the Company's Çimsa database portal, including emissions arising from raw material sourcing, conventional fuel use, alternative fuel use, calcination process-related emissions, and fuel use in production. In addition, it includes emissions from refrigerant gases used in cooling devices. The greenhouse gas emissions arising from alternative fuel use are deducted in the calculation of net emissions. The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol. Scope 1 Total Net Specific Greenhouse Gas Emissions consist of emissions arising from grey, white, and CAC production.
	Greenhouse Gas Emissions Intensity (tCO ₂ e / TL revenue)	During the reporting period, it represents the ratio of the Company's total Scope 1 Gross Greenhouse Gas Emissions, Scope 2 Gross Greenhouse Gas Emissions, and Scope 3 Emissions to the total annual revenue reported in the Company's financial statements.
	Scope 2 Total Greenhouse Gas Emissions (Location-based) (million tons CO ₂ e / year) (All Business Lines)	During the reporting period, it represents greenhouse gas emissions arising from electricity consumption tracked through invoices received from service providers. The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol.
	Scope 2 Total Greenhouse Gas Emissions (Market-based) (million tons CO ₂ e / year) (All Business Lines)	During the reporting period, it represents emissions calculated based on electricity consumption adjusted by subtracting electricity sourced from renewable energy certificates (I-REC, GO, PPA) from the total electricity consumption tracked through service provider invoices.
	Scope 2 Cementitious Specific Greenhouse Gas Emissions (Location-based) (kg CO ₂ e / ton)	During the reporting period, it represents emissions per unit of production (cementitious material), tracked through the Company's Çimsa database portal, calculated based on electricity consumption. The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol.
	Scope 2 Cementitious Specific Greenhouse Gas Emissions (Market-based) (kg CO ₂ e / ton)	During the reporting period, it represents emissions per unit of production (cementitious material), tracked through the Company's Çimsa database portal, calculated based on electricity consumption after deducting electricity sourced from renewable energy certificates (I-REC, GO, PPA) from total electricity consumption. The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol.

Type	Indicator	Scope
Environmental Indicators	Scope 1 + Scope 2 Cementitious Gross Specific Greenhouse Gas Emissions (kg CO ₂ e / ton)	During the reporting period, it represents the sum of Scope 1 and Scope 2 emissions arising during cement production, expressed per unit of production (cementitious material). The Company's greenhouse gas emissions are calculated in accordance with the Global Cement and Concrete Association (GCCA) "Accounting and Reporting of CO ₂ Emissions from Cement Production" guideline and the Greenhouse Gas Protocol.
	Scope 3 Emissions (ton CO ₂ e / year)	During the reporting period, it represents total emissions calculated under the main categories of the Greenhouse Gas Protocol Scope 3 Standard.
	Scope 3 Emissions from Purchased Goods and Services (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from the procurement of raw materials, intermediate products, and services required for the Company's production operations.
	Scope 3 Capital Goods (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from all activities related to the procurement and transportation of machinery, equipment, vehicles, and similar fixed assets required for the Company's operations.
	Scope 3 Fuel- and Energy-Related Activities (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from the extraction of energy sources (natural gas, gasoline, etc.) used in the Company's production operations and their transportation to the facilities.
	Scope 3 Upstream Transportation and Distribution (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from the transportation of raw materials, intermediate products, and goods and services procured for the Company's production operations to the Company's facilities.
	Scope 3 Downstream Transportation and Distribution (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from the delivery of the Company's products to customers through sea, rail, and road transportation.
	Scope 3 Use of Sold Products (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from the disposal of products sold by the Company at the end of their useful life.
	Scope 3 Processing of Sold Products (ton CO ₂ e / year)	During the reporting period, it includes emissions occurring during the processing of products by customers, covering greenhouse gas emissions arising from product processing, use, and final disposal stages.
	Scope 3 Upstream Leased Assets (ton CO ₂ e / year)	During the reporting period, it includes greenhouse gas emissions arising from energy consumption of assets leased by the Company.
	Scope 3 Downstream Leased Assets (ton CO ₂ e / year)	During the reporting period, it includes greenhouse gas emissions arising from the use of assets owned by the Company and leased to other parties.
	Scope 3 Waste Generated in Operations (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from the disposal of waste generated from the Company's production operations and related activities, in line with the waste management hierarchy.
	Scope 3 Business Travel (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from domestic and international travel of Company employees, including transportation and hotel accommodation.
	Scope 3 Employee Commuting (ton CO ₂ e / year)	During the reporting period, it represents the total emissions arising from employees' commuting between home and workplace, including transportation modes and working arrangements.



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Type	Indicator	Scope
Environmental Indicators	Total Annual Water Withdrawal by Source (million L)	During the reporting period, it represents the total amount of water withdrawn from different sources such as groundwater, municipal water supply, and tanker water across all Company operations.
	Recovered Water Amount (million L)	During the reporting period, it represents the amount of water reused by treating wastewater at Company facilities and reintroducing it into the process. The amounts are consolidated based on facility-level measurements and process recovery records.
	Waste Water Discharged (million L)	During the reporting period, it represents the total amount of water discharged to receiving environments following use, treatment, or direct discharge, consolidated on a basin basis.
	Total Annual Water Consumption (million L)	During the reporting period, it represents the total amount of water withdrawn from all sources. Water consumption is calculated in accordance with the ISO 14046:2014 Water Footprint Standard.
	Water Performance Indicators	
	Specific Water Consumption (L/ton cementitious)	During the reporting period, it represents water consumption in liters per ton of cementitious product produced at the Company's cement production sites (Mersin, Afyon, Eskişehir, Buñol, and Mannok).
	Specific Water Consumption (L/m³ concrete)	During the reporting period, it represents water consumption in liters per cubic meter of ready-mix concrete produced at the Company's ready-mix concrete stations.
	Water Intensity (Water Consumption / TL revenue)	During the reporting period, it represents the ratio of water consumption to total revenue as disclosed in the year-end financial report.
	Recovered/Reused Water Rate (%)	During the reporting period, it represents the ratio of water withdrawn from natural sources for operational use and subsequently recovered through wastewater treatment and recycling units, relative to total water consumption at Company facilities.
	Baseline Water Stress (%)	During the reporting period, it represents the ratio of total water withdrawals in regions where the Company operates to total water withdrawals.
	Percentage of Water Withdrawn from Water-Stressed Areas (%)	During the reporting period, it represents the ratio of total water withdrawn from water-stressed regions, based on the Aqueduct Water Risk Atlas (WRI), to total water withdrawals across all Company locations.
	Percentage of Water Withdrawn from Areas with High Baseline Water Stress (%)	It represents the ratio of water withdrawn from locations classified under high baseline water stress according to international water stress classifications (e.g., WRI Aqueduct), to the Company's total water withdrawals. Data is compiled from water meters and manual reading records.
	Waste Management and Circular Economy	
	Total Hazardous Waste by Disposal Method (tons)	During the reporting period, it represents the total amount of waste generated at Company facilities that is classified as hazardous waste in accordance with applicable regulations. For domestic facilities, data and records are verified through the Ministry of Environment, Urbanization and Climate Change system (E-ÇBS).
	Recycling (tons)	During the reporting period, it represents the amount of waste generated at Company facilities that is recycled, reused, or sent for recovery, as tracked through the Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System (MOTAT) and Waste Declaration Forms.

Type	Indicator	Scope
Environmental Indicators	Total Non-Hazardous Waste by Disposal Method (tons)	During the reporting period, it represents the total amount of waste generated at Company facilities that is classified as non-hazardous waste in accordance with the Waste Management Regulation. For domestic facilities, data and records are verified through the Ministry of Environment, Urbanization and Climate Change system (E-ÇBS).
	Recycling (tons)	During the reporting period, it represents the amount of waste generated at Company facilities that is recycled, reused, or sent for recovery, as tracked through the Ministry of Environment, Urbanization and Climate Change Integrated Environmental Information System (MOTAT) and Waste Declaration Forms. For international locations, data and records are used accordingly.
	Total Plastic Consumption (tons)	During the reporting period, it represents the total plastic consumption within the year, based on GEKAP declarations and the amount of plastic used in product packaging at international locations.
	Total Paper Consumption (tons)	During the reporting period, it represents the total paper consumption within the year, based on GEKAP declarations and the amount of paper used in product packaging at international locations.
	Reused/Recycled Waste Ratio (%)	During the reporting period, it represents the ratio of total waste recovered (reused/recycled) to the total amount of hazardous and non-hazardous waste disposed.
	Pollutant Air Emissions	
	NOx (excluding N ₂ O)	Represents nitrogen oxide (NO + NO ₂) emissions arising from fuel combustion processes in kilns. Data is obtained from CEMS and periodic stack measurements.
	SOx	Represents sulfur oxide (SO ₂ and related compounds) emissions arising from fuel combustion and raw material sources. Data is based on CEMS readings and periodic stack measurements.
	PM10	Represents particulate matter (PM10) emissions originating from stacks. Data is obtained from CEMS and periodic stack measurements.
	Dioxins/Furans	Represents total emissions of dioxins and furans measured at stack levels in clinker and other process stages. Data is based on periodic measurements conducted by authorized laboratories.
	Volatile Organic Compounds (VOCs)	Represents total VOC emissions calculated based on measurements taken at stacks in process and fuel-related activities. Data is derived from periodic stack measurement reports.
	Polycyclic Aromatic Hydrocarbons (PAHs)	Represents total annual PAH emissions measured at stacks arising from fuel and process activities. Data is obtained from laboratory analyses.
	Heavy Metals	Represents total emissions of heavy metals (e.g., Pb, Cd, Hg, Cr, Ni, As, etc.) arising from stacks. Data is consolidated based on periodic stack measurements and laboratory analysis reports.
	Environmental Investments and Expenditures	
	Mitigation Investments (TL million)	During the reporting period, it represents investments that can be mapped to the Company's financial reporting system and directly contribute to reducing carbon emissions compared to conventional processes.
	Transition Investments (TL million)	During the reporting period, it represents investments that can be mapped to the Company's financial reporting system and support transition activities, including those related to processes that, by nature, are not classified as sustainable but contribute to the transition.
	Enabler Investments (TL million)	During the reporting period, it represents investments that can be mapped to the Company's financial reporting system and support the acceleration of the transition to a low-carbon economy by providing enabling, supporting, and infrastructure-related contributions.
	Legally Mandatory Expenditures (TL million)	During the reporting period, it represents environmental expenditures that can be mapped to the Company's financial reporting system and are required by law by local authorities in the regions where operations are carried out.

Reporting Guide

Type	Indicator	Scope
Environmental Indicators	Non-Mandatory Expenditures (TL million)	During the reporting period, it represents environmental expenditures that can be mapped to the Company's financial reporting system and are not legally required but are undertaken in line with corporate initiatives.
	Benefits Arising from Sustainability Investments/Activities (MWh, TL, tons CO ₂)	During the reporting period, it represents the reductions achieved in energy, water, and greenhouse gas emissions compared to the previous reporting period as a result of sustainability investments and activities.
Economic Indicators	Sustainable Business Models	
	Number of Sustainable Products and Services (#)	During the reporting period, taking into account the European Union Taxonomy (EU Taxonomy) defined by the Company for sustainability, it represents the number of products and services classified within the categories defined in the regulation, which are expected to generate high environmental and social benefits, by reducing and facilitating, including those used in cement production with different types of clinker at a rate of at least 80%.
	Sustainable Product and Services Revenues (TL million)	During the reporting period, taking into account the European Union Taxonomy (EU Taxonomy) defined by the Company for sustainability, it represents the revenue generated from products and services classified within the categories defined in the regulation, which are expected to generate high environmental and social benefits, by reducing and facilitating, including those used in cement production with different types of clinker at a rate of at least 80%.
	Ratio of Sustainable Product and Services Revenue to Total Revenue (%)	During the reporting period, it represents the ratio of the revenue generated from the products and services carried out by the Company, which can be mapped to the Company's financial reporting system, to the revenue disclosed in the Company's year-end financial report.
	Sustainability-Oriented R&D and Innovation Investments (TL million)	During the reporting period, it represents the amount of investments made for projects that provide sustainability-focused environmental and social impact within R&D and innovation investments, which can be mapped to the Company's financial reporting system.
	Ratio of Sustainability-Oriented R&D Investment Amount to Total R&D and Innovation Investment Amount (%)	During the reporting period, it represents the ratio of the amount of sustainability-focused environmental and social impact investments within R&D and innovation investments, which can be mapped to the Company's financial reporting system, to total R&D and innovation investments.
	Production by Main Product Group	
	Cement Production (million tons)	During the reporting period, it represents the consolidated cement production amount tracked within the scope of the Company's financial reporting.
	Ready-Mix Concrete Production (million m ³)	During the reporting period, it represents the consolidated ready-mix concrete production amount tracked within the scope of the Company's financial reporting.

DATA PREPARATION

Social Indicators

Occupational Health and Safety Data

The definitions and formulas below are used in calculating occupational health and safety indicators.

Workplace accidents recorded by the Company during the reporting period, fatal cases among these accidents, and the number of employees reported with occupational diseases have been evaluated.

The number of accidents refers to the total number of work accidents. It has been tracked and calculated through the table listing SGK notifications.

During the reporting period, the Lost Time Injury Rate, which is the ratio of days not worked by the Company's employees (due to accidents, temporary incapacity, etc.) to the total working hours of the relevant year, has been evaluated.

Formulas:

Lost Time & Accident Severity Ratio = (Number of Lost Days x 1,000) / Working Hours

Employee Distribution Data

The definitions and formulas below are used in calculating the indicators of female employee distribution. The data required to calculate the total number of employees, total number of female and male employees, the ratio of top-level, mid-level, and first-level female managers, the ratio of female employees in STEM (IT, engineering, etc.) roles, and the ratio of female employees and managers in revenue-generating roles in this indicator group were created as of December 31, 2024, from the "Employee List Report," including gender, position, STEM, and revenue-generating role information. All data cover directly employed personnel; interns and contractor company employees are not included.

The total number of employees has been calculated based on the information in the year-end activity reports or HR systems of companies as of 31 December 2025. The number of employees stated in the financial report represents the average number of employees during the relevant period.

Formulas:

Ratio of Female Employee= Number of Female Employees / Total Number of Employees

Ratio of Female Employee in STEM (IT, engineering, etc.) Roles
= Number of Female Employees in STEM Roles / Total Number of Employees in STEM Roles

Ratio of Female Employee in Revenue-Generating Roles
= Number of Female Employee in Revenue-Generating Roles / Total Number of Employees in Revenue-Generating Roles

Maternity /Parental Leave

Parental leave represents the number of employees who benefited from parental leave (maternity and paternity leave) during the reporting period and returned to work within the same reporting period.

Formulas:

Employees Returned from Maternity/Parental Leave (%)
= Number of employees who continued working after returning from maternity leave /Number of employees who took maternity leave

Trainings

Total training hours represent the total number of hours provided for all training types (Ethics Training, Mandatory OHS Training, Equality, Diversity and Inclusion Training, Environment and Sustainability Training, and Other Trainings) during the reporting period.

Total training cost represents the total cost of all training types (Ethics Training, Mandatory OHS Training, Equality, Diversity and Inclusion Training, Environment and Sustainability Training, and Other Trainings) provided during the reporting period.

The average annual training cost per employee is calculated based on the total training cost and is determined according to the following formula.

Formulas:

Training Expenditure per Employee (Çimsa employees)
= Total Training Cost (TL) /Total Number of Employees

Hiring and Turnover

Hiring data represents the number of employees hired during the reporting period, while employee turnover data represents the number of employees who left during the reporting period, calculated by gender and age breakdown.

Formulas:

Total Employee Turnover Rate (%)
= (Total number of employees who left / Total number of employees during the reporting period) x 100

Inclusion Program

It refers to the number of vulnerable groups (youth, women, people with disabilities, etc.) reached through the programs during the reporting period.

Reporting Guide

Environmental Indicators

Fuel Calorific Values by Type (GJ/ton)

Within the scope of energy consumption data, primary fuel sources including electricity, natural gas, coal, fuel-oil, and alternative fuels (ELT – end-of-life tires, oily waste, RDF – refuse-derived fuels, and other waste) are reported.

Electricity consumption data is obtained from service provider meters and invoices.

The range of energy conversion factors used by the Company (thermal values used in facilities) is shown in the table below:

Fuel Type	Calorific Value	Unit
Refuse-Derived Fuel	16.95	Gj/ton
Biomass	14.18	Gj/ton
Fuel Oil	39.73	Gj/ton
Lignite-Imported	24.04	Gj/ton
Lignite-Domestic	19.19	Gj/ton
Petroleum Coke	31.79	Gj/ton
ELT	27.38	Gj/ton
Natural Gas	49.12	Gj/ton
Diesel	43.00	Gj/ton
Kerosene	43.80	Gj/ton
LPG	47.30	Gj/ton
Propane	47.30	Gj/ton
Waste Oil	24.80	Gj/ton
Mixed Industrial Waste	11.80	Gj/ton

Greenhouse Gas Emissions Intensity (tCO₂e / TL revenue)

Greenhouse gas intensity is calculated by dividing the Company’s Scope 1 total gross greenhouse gas emissions, Scope 2 total gross greenhouse gas emissions, and Scope 3 emissions by total revenue during the reporting period. Total revenue in TL, as stated in the Çimsa Financial Statements Independent Auditor’s Report, represents the total revenue figure reported by the Company as of the end of the reporting year and published in the Çimsa Financial Statements Independent Auditor’s Report as of 31 December 2025.

Formulas:

Greenhouse Gas Intensity
$$= (Total\ Gross\ Scope\ 1\ and\ Gross\ Scope\ 2\ emissions + Scope\ 3\ emissions) \ tCO_2e \ / \ TL\ revenue$$

Energy Intensity (MWh / TL revenue)

Energy intensity is calculated by dividing the Company’s total energy consumption (MWh) during the reporting period by its total revenue (TL) for the same period.

Formulas:

Energy Intensity= *Total Energy Consumption (MWh) / TL Revenue*

Scope 1, 2 and 3 Emissions (tCO₂e)

Scope 1 and Scope 2 emissions have been calculated using the Carbon Dioxide Emissions and Energy Inventory Tool provided by the World Business Council for Sustainable Development – Cement Sustainability Initiative (WBCSD-CSI) Cement Sustainability Initiative. Emissions are calculated using the Cement CO₂ and Energy Protocol Version 3.1 (WBCSD Cement Sustainability Initiative Cement CO₂ and Energy Protocol, Version 3.1).

Scope 3 emissions are calculated within the framework of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard, based on the operational control approach.

Water Management

The amount of water withdrawn from wells is monitored and controlled by calculating consumption through invoices. For offices, municipal water usage is calculated by dividing the total consumption indicated in service provider invoices by the number of employees. Water consumption is tracked for production facilities such as Mersin, Izmir Cement, and all Ready-Mix Concrete stations, as well as for factories, terminals, and headquarters locations, based on discharge amounts. For domestic operations, calculations are made in accordance with the parameters set out in the World Bank’s published “Table 4.4. Domestic Non-Industrial Water Use,” assuming a daily per capita water consumption of 100 liters.

Formulas:

Discharged Water Amount (million L)
$$= (Total\ direct\ employment + Number\ of\ contracted\ employees) \times 100\ L/day \times 365\ days$$

Waste Management

Hazardous and non-hazardous wastes are classified in accordance with the definitions set out in the Waste Management Regulation (Definitions, Article 4 (jj, kk)) and the Waste Code Determination Hierarchy specified in Annex-1. Total hazardous and non-hazardous waste amounts are tracked through waste declaration forms, GEKAP, and the MoTAT (Mobile Waste Tracking System).

The Recycled/Recovered Waste Ratio represents the amount of waste that is recycled, recovered for energy purposes, or reused by the Company itself or by other organizations. Data is tracked through waste declaration forms and MoTAT (Mobile Waste Tracking System).

Formulas:

Recycled Waste Ratio
$$= (Total\ Recycled\ Hazardous + Non-Hazardous\ Waste) \ / \ (Total\ Hazardous + Non-Hazardous\ Waste\ Sent\ for\ Disposal)$$

Economic Indicators

The definitions and formulas provided below are used in the calculation of economic indicators.

Sustainable Business Model

Sustainable Products and Services in line with the transition products examined under this heading, the Company has identified a total of 13 sustainable products and services. The threshold for sustainability is determined as products with a clinker content below 80%.

Transition products represent products developed to reduce environmental resource use and carbon emissions, which are not inherently classified as sustainable.

Within the scope of total revenue from sustainable products and services, total TL income refers to the revenue disclosed in the Company’s audited financial statements.

Formulas:

Ratio of Sustainable Product and Service Revenue to Total Revenue
$$= Total\ Revenue\ from\ Sustainable\ Products\ and\ Services \ / \ Total\ Revenue\ (TL)$$

Environmental Investments and Expenses

Environmental investments refer to investments made during the reporting period for activities such as pollution reduction, energy efficiency, and equipment used to reduce air and water emissions, as well as services obtained to comply with environmental regulations.

Environmental expenditures refer to environmental fees and charges incurred during the reporting period, laboratory measurements, monitoring devices, and expenses for projects carried out under Company initiatives (such as consultancy fees for environmental and sustainability topics and improvement-focused projects), which are not mandatory but are undertaken to support environmental performance.

Limited Assurance Report



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“CONVENIENCE TRANSLATION INTO ENGLISH OF PRACTITIONER’S LIMITED ASSURANCE REPORT ORIGINALLY ISSUED IN TURKISH”

INDEPENDENT ASSURANCE REPORT

DRT Bağımsız Denetim ve SMMM A.Ş. (“Deloitte”) independent auditor's limited assurance report to the Board of Directors of Çimento Sanayi ve Ticaret A.Ş. on the 2025 Integrated Report for the year ended 31 December 2025.

Scope of Limited Assurance Engagement

We have been engaged to perform a limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and Assurance Engagements on Greenhouse Gas Statements (ISAE) 3410 (“Standards”) on whether the Selected Sustainability Information listed below (the “Selected Information”) in the Company's Integrated Report for the year ended 31 December 2025 (the “2025 Sustainability Report”) has been prepared in accordance with the principles set out in the Reporting Guidance section of the Company's Reporting Guidelines on pages 368-379.

Our assurance engagement does not cover other information included in the 2025 Integrated Report, or Sustainability Information or any other information related to the 2025 Integrated Report (including any images, audio files, documents embedded in a website or embedded videos).

Selected non-financial performance data for limited assurance

We have been engaged by the Company to perform limited assurance procedures on the accuracy of the following key performance indicators included in the 2025 Integrated Report for the year ended 31 December 2025. The scope of the indicators subject to limited assurance procedures and found on pages 344-357 marked with an of the 2025 Integrated Report for the year ended 31 December 2025 is as follows:



Environmental Indicators

- **Environmental Performance**
 - Total Energy Consumption (MWh)
 - Electricity (MWh)
 - Total Renewable Energy Production (MWh)
 - Total Electricity Consumption Sourced from Renewable Energy Resources (MWh)
 - Electricity Procured in Compliance With Renewable Energy Certificate Standards (I-REC, GO) (MWh)
 - Electricity Procured in Compliance With Renewable Energy Certificate Standards (PPA) (MWh)
 - Total Electricity Consumption from Self-Generated Renewable Energy Sources (MWh)
 - Renewable Electric Energy Utilization Rate (Location Based) %
 - Renewable Electric Energy Utilization Rate (Market Based) %
 - Energy Intensity (MWh / TL revenue)
 - Alternative Fuel Usage Rate – Grey Cement %
 - Alternative Fuel Usage Rate – White Cement %
 - Alternative Raw Material Usage Rate (Cement) - Grey (%)
 - Alternative Raw Material Usage Rate (Cement) - White (%)
- **Scope 1,2, and 3 Emissions**
 - Scope 1 Net Greenhouse Gas Emissions (Cement Operations) (million ton CO2 e/ year)
 - Scope 1 Total Gross Greenhouse Gas Emissions (All Business Lines) (million ton CO2 e/ year)
 - Scope 1 Cementitious Gross Specific CO2 Emissions (kg CO2 e/ton)
 - Scope 1 Cementitious Net Specific CO2 Emissions (kg CO2 e/ton)
 - Greenhouse Gas Emission Intensity (t CO2 e/ TL revenue)
 - Scope 2 Total Greenhouse Gas Emissions (Location-based) (All Business Lines) (ton CO2 e/year)
 - Scope 2 Total Greenhouse Gas Emissions (Market-based) (All Business Lines) (ton CO2 e/year)
 - Scope 2 Cementitious Specific CO2 Emissions (Location-based) (kg CO2 e/ton)
 - Scope 2 Cementitious Specific CO2 Emissions (Market-based) (kg CO2 e/ton)
 - Scope 3 Emissions (All Business Lines) / million ton CO2 e/year
 - Purchased Goods and Services (ton CO2 e/year)
 - Capital Goods (ton CO2 e/year)
 - Fuel and Energy Related Activities (ton CO2 e/year)
 - Upstream Transportation and Distribution (ton CO2 e/year)
 - Waste Generated in Operations (ton CO2 e/year)
 - Employee Commuting (ton CO2 e/year)
 - Business Travel (ton CO2 e/year)
 - Downstream Transportation and Distribution (ton CO2 e/year)
 - Processing of Sold Products (ton CO2 e/year)
 - End of Life of Treatment of Sold Products (ton CO2 e/year)
 - Downstream Leased Assets (ton CO2 e/year)
 - Upstream Leased Assets (ton CO2 e/year)
 - Scope 1 + Scope 2 Cementitious Gross Specific CO2 Emissions (kg CO2 e/ton)
- **Total Annual Water Withdrawal by Source (million L)**
- **Recovered Water Amount (million L)**
- **Waste Water Discharged (million L)**
- **Total Annual Water Consumption (million L)**
- **Water Performance Parameters**
 - Specific Water Consumption (L/ton cementitious)
 - Specific Water Consumption (L/m3 concrete)
 - Water Intensity (Water Consumption (L) / Annual Revenue (TL))
 - Recovered/Reused Water Rate (%)
 - Percentage of Water Withdrawn from Water Stressed Areas (%)
 - Baseline Water Stress
 - Percentage of Water Withdrawn from Areas with High or Extremely High Baseline Water Stress (%)

Limited Assurance Report



- **Waste and Circular Economy**
 - Total Hazardous Waste by Disposal Method (ton)
 - Recycling (ton)
 - Total Non-Hazardous Waste by Disposal Method (ton)
 - Recycling (ton)
 - Reused/Recycled Waste Ratio (%)
 - Total Plastic Consumption (ton)
 - Total Paper Consumption (ton)
 - **Pollutant Air Emissions**
 - Total NOx Emissions (ton)
 - Total SO2 Emissions (ton)
 - Particulate Matter (PM) (kg)
 - Total Dioxin-Furane Emissions (gr)
 - Total Volatile Organic Compound (VOC) Emissions (ton)
 - Polycyclic Aromatic Hydrocarbons (PAH) (ton)
 - Total Toxic Heavy Metal Emissions (ton)
- Economic Indicators**
- **Production by Main Product Group**
 - Cement (million ton)
 - Ready-Mixed Concrete (million m3)
 - **Environmental Investments and Expenditures**
 - Mitigation Investments (TL million)
 - Transition Investments (TL million)
 - Enabler Investments (TL million)
 - Legally Mandatory Expenditures (TL million)
 - Legally Non-Mandatory Expenditures (TL million)
 - Benefits Arising from Sustainable Investments/Activities - Energy (MWh) , Emissions (tCO2), Water (Million L)
 - **Sustainable Business Models**
 - Sustainable Product and Services (#)
 - Sustainable Product and Services Revenues (TL million)
 - Ratio of Sustainable Product and Services Revenue to Total Revenue (%)
 - All R&D and Innovation Investments (TL million)
 - Sustainability-Oriented R&D and Innovation Investments (TL million)
 - Ratio of Sustainability-Oriented R&D Investment Amount to Total R&D and Innovation Investment Amount (%)



- Social Indicators**
- **Social Performance**
 - Accidents (#)
 - Direct Employment
 - Permanent Subcontractor Employees
 - Fatal Cases (#)
 - Direct Employment
 - Permanent Subcontractor Employees
 - Occupational Disease (#)
 - Direct Employment
 - Permanent Subcontractor Employees
 - Accidents with Lost Days (#)
 - Direct Employment
 - Permanent Subcontractor Employees
 - Lost Time/Accident Severity Ratio (%) - (Direct Employment)
 - Absence Rate (%)
 - Permanent Subcontractor Employees (%)
 - Direct Employment (%)
 - **Employee Demographics**
 - Total Workforce (#)
 - Direct Employment
 - Number and Ratio of Female Employees (%)
 - Ratio of Female Executive Employees (%)
 - Ratio of Female Employee in Income Generating Roles (%)
 - Ratio of Female Employees in STEM (IT, Engineering, etc.) Roles (%)
 - Employees Hired – By Age Group (#)
 - Employees Hired – Below 30
 - Female
 - Male
 - Employees Hired- 30-50 (incl. 30 and 50)
 - Female
 - Male
 - Employees Hired- Over 50
 - Female
 - Male
 - Employees Left – By Gender (#)
 - Female
 - Male
 - Employees Left – By Age Group
 - Below 30
 - Female
 - Male
 - 30-50 (incl. 30 and 50)
 - Female
 - Male
 - Over 50
 - Female
 - Male
 - Total Employee Turnover Rate, By Gender (%)
 - Female
 - Male
 - Employees Left for Maternity/Parental Leave (#) (By Gender)
 - Female
 - Male

Limited Assurance Report



- Employee Demographics (cont'd)
 - Employees Returned from Maternity/Parental Leave (#) (By Gender)
 - Female
 - Male
 - Employees Returned from Maternity/Parental Leave and Continued to Work for 12 Months and Percentage (%)
 - Female
 - Male
 - Percentage of Employees Who Have Not Left Their Jobs in the Last 12 Months Since Returning from Leave (%) (By Gender)
 - Female
 - Male
 - Ratio of Employees Returned from Maternity Leave (Female) (%)
 - Ratio of Employees Returned from Parental Leave (Male) (%)
 - Ethnicity
 - Turkish
 - American
 - Spanish
 - Brazilian
 - Columbian
 - German
 - Indian
 - Italian
 - Irish
 - British
 - Azerbaijani
 - Other
 - Total Training (Direct Employment) (hour)
 - Training Types (Direct Employment) (hour)
 - Ethical Rules Trainings (hour)
 - OHS Trainings (hour)
 - Equality, Diversity and Inclusion Trainings (hour)
 - Sustainability and Environment Trainings (hour)
 - Other (hour)
 - Total Cost of Trainings (Direct Employment) (TL)
 - Training per Employee (Direct Employment)
 - Training Expenditure per Employee (TL)
 - Number of Vulnerable Audiences Reached by Inclusion Programs (#)

Structural constraints

All assurance engagements have inherent limitations due to the selective testing of the information under review. Fraud, error or non-compliance may therefore occur and not be detected. In addition, non-financial information, such as non-financial information contained in reporting documents, is subject to more structural limitations than financial information, given the nature and methods used to identify, calculate and sample or estimate such information.

Our assurance engagement provides limited assurance as defined in ISAE 3000 (Revised) and (ISAE) 3410 (“Standards”). The procedures performed as part of a limited assurance engagement differ in nature and timing - and to a lesser extent - from a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore significantly narrower than the scope of a reasonable assurance engagement.



Special Purpose

Our work has been undertaken to inform the Company's Board of Directors of the matters we are required to report in this report and for no other purpose. To the extent permitted by law, we accept no responsibility to any person or entity other than the Company's Board of Directors for the assurance audit we have conducted or the conclusion we have reached. This report has not been prepared within the framework of the obligation for certain businesses to comply with the Turkish Sustainability Reporting Standards (TSRS) published by the Public Oversight Authority (“POA”) in the Official Gazette dated 29/12/2023, which mandates mandatory sustainability reporting as of 01/01/2024. According to the POA Decision published in the Official Gazette on 5 September 2024, these businesses are required to undergo limited assurance audits for their mandatory sustainability reporting. In the upcoming period, a separate sustainability report and limited assurance report will be prepared within this framework.

Our Independence and Competence

We comply with the independence and other ethical provisions of the *Code of Ethics for Accounting Professionals* published by the International Ethics Standards Board for Accounting Professionals, which sets out the basic principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

We apply the International Standard on Quality Management 1 (ISQM 1) and accordingly maintain a robust system of quality control, including policies and procedures that document compliance with relevant ethical and professional standards and requirements in laws or regulations.

Responsibilities of Management

The Company Management is responsible for the preparation, accuracy and completeness of the sustainability information and statements in the report. The Company Management is responsible for setting the Company's sustainability goals, establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Responsibilities of the Practitioner

Our responsibility is to reach a conclusion on the Selected Information based on our procedures. We conducted our limited assurance engagement in accordance with International Standards on Assurance Engagements and, in particular, International Standard on Assurance Engagements (ISAE 3000) (Revised) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) on Assurance Engagements Other than Independent Audits.

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of the procedures performed in a limited assurance engagement are limited compared to those required in a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is lower.

Our Key Assurance Procedures

We carried out limited assurance on the accuracy of the selected key performance indicators specified below in the section “Selected non-financial performance data for limited assurance” related to 2025 year and included into the Report.

To achieve limited assurance, the ISAE 3000 (Revised) and (ISAE) 3410 (“Standards”) requires that we review the processes, systems and competencies used to compile the areas on which we provide our assurance. Considering the risk of material error, we planned and performed our work to obtain all of the information and explanations we considered necessary to provide sufficient evidence to support our assurance conclusion.

Limited Assurance Report



Our Key Assurance Procedures (cont’d)

To form our conclusions, we undertook the following procedures:

- Analyzed on a sample basis the key systems, processes, policies and controls relating to the collation, aggregation, validation and reporting processes of the selected sustainability performance indicators;
- Made inquiries with employees of the Company responsible for sustainability performance, policies and corresponding reporting;
- Performed selective substantive testing to confirm the accuracy of received data to the selected key performance indicators;
- Made inquiries of management and senior executives to obtain an understanding of the overall governance and internal control environment, risk management, materiality assessment and stakeholder engagement processes relevant to the identification, management and reporting of sustainability issues; and

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Limited Assurance Conclusion

Based on our work and the assurance procedures performed, nothing has come to our attention that causes us to believe, in our opinion, that the Selected Information referred to above in the Company's 2025 Integrated Report for the year ended 31 December 2025, for which we were engaged to provide limited assurance, has not been prepared, in all material respects, in accordance with the Reporting Manual, as described in the “Auditor's Responsibilities” section above.

Restrictions on Use

This Report, including the conclusion, has been prepared for the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. to assist in reporting the Group's performance and activities related to the Selected Information. We hereby authorize the inclusion of this report in the Integrated Report prepared for the year ending 31 December 2025, to enable Çimsa Çimento Sanayi ve Ticaret A.Ş. Board of Directors to demonstrate that it has fulfilled its responsibilities by preparing an independent limited assurance report on Selected Information. Except to the extent permitted by law and in cases where prior written approval has been obtained and expressly agreed upon, we do not accept or assume any responsibility to anyone other than the Board of Directors of Çimsa Çimento Sanayi ve Ticaret A.Ş. and Çimsa Çimento Sanayi ve Ticaret A.Ş. in connection with the work we have performed or the report we have prepared.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Sunay Anıktar, SMMM
Partner

İstanbul, 30 March 2026

Abbreviations and Technical Glossary

Term	Sector Specific Definition
3D Concrete Printer	It is a technology used to create three-dimensional objects by adding concrete material layer upon layer.
Aggregate	Fine or coarse granular materials used in cement production. Natural or artificial materials such as sand, gravel, or crushed stone are examples of aggregates.
Waste Heat Recovery (WHR)	A method that captures the waste heat generated during the cement production process via heat recovery systems, allowing it to be reused within the facility or utilized in energy production.
Refuse-Derived Fuel (RDF)	An alternative fuel type where waste materials are processed into fuel to replace traditional fossil fuels used in cement production.
European Union Taxonomy	The EU Taxonomy is a classification system that converts the European Union’s climate and environmental objectives into criteria for defined economic activities, aimed at guiding investments
Biodiversity Management Plan	A Biodiversity Management Plan (BMP) is a strategic plan developed for the conservation and sustainable management of biodiversity in a region and to minimize negative impacts on the ecosystem.
Biomass	An energy source obtained by the combustion or fermentation of organic materials such as plant waste, wood, and manure.
Concrete Demolition Waste (CDW)	Concrete debris resulting from construction or demolition projects that are suitable for recycling. These wastes can be reused in recycling facilities to produce new construction materials.
Mill	Equipment used for grinding raw materials in cement production. In this process, raw materials are ground into a fine powder, making them usable for cement production.
Digital Twin	Used as a technology in the cement sector, a digital twin is a virtual copy or representation created by forming a digital model of a physical cement production facility, enabling more effective management of the facility's operation, efficiency, and maintenance.
Eco-hybrid	Eco-hybrid systems are complex energy management systems used in the cement sector that integrate different energy sources to increase environmental sustainability.
Emissions Trading System (ETS)	A policy tool used to encourage the reduction of carbon emissions. In this system, companies in a specific sector or region are given emission quotas. While companies have to pay extra fees for emissions exceeding their quotas, companies that reduce their emissions can sell their surplus quotas. ETS provides a mechanism to encourage reaching carbon emission reduction targets while promoting economic efficiency and innovation. This system is generally used to reduce greenhouse gas emissions and combat climate change.
Integrated Cement Plant	Facilities that carry out both clinker production and cement grinding operations within the same plant.
EPS Insulation	EPS (Expanded Polystyrene) insulation is a lightweight type of insulation with high insulation performance made from expanded polystyrene material. It is used in the roofs, walls, and floors of buildings to provide thermal insulation.
Raw Meal / Farin	An important stage in cement production where raw materials are ground into a fine powder and used for clinker production. This fine powdered material is called "raw meal" (farin).
European Union Taxonomy	A classification system that translates the European Union's climate and environmental objectives into criteria for specific economic activities for investment purposes.
Ready-Mixed Concrete Stations	Facilities where the concrete mix is produced according to predetermined formulations, processed, and delivered to customers.
Calcined Clay	One of the raw materials used in cement production, it is a material subjected to a calcination process at high temperatures and used in clinker production. Calcined clay is used as a raw material containing calcium oxide (CaO) and other cement components in clinker production.



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Term	Sector Specific Definition
Calcium Aluminate Cement (CAC)	A special type of cement primarily containing the calcium aluminate (CaAl ₂ O ₄) component, possessing rapid setting properties, and used especially in applications requiring high early strength.
Scope 1 Emission	Refers to greenhouse gas emissions directly related to the production process and generally originates from on-site combustion processes.
Scope 2 Emission	Refers to greenhouse gas emissions occurring outside the production process but arising from the facility's consumption of energy such as electricity, heat, or steam.
Scope 3 Emission	Refers to greenhouse gas emissions arising from indirect activities outside the production process, such as the supply chain, business travel, and waste management.
Carbon Capture, Utilization, and Storage (CCUS)	CCUS is a set of technologies and processes that enable the capture of carbon from the atmosphere for utilization or storage in sectors with high carbon emissions, such as the cement industry.
Clinker	A raw material used in cement production, baked at high temperatures, which is ground into cement.
Grinding Facility	Facilities where clinker is reduced to fine powder in cement production and where the cement grinding process is carried out.
Penetration	Used in the field of information technologies, especially in the context of cybersecurity and network security. Penetration testing refers to a testing process conducted to identify weak points and vulnerabilities in a network or system.
PIR Insulation	PIR (Polyisocyanurate) insulation is an insulation material with high heat resistance, produced from polyisocyanurate foam.
Precast	Precast is a term used for ready-made concrete elements produced in advance in a factory and assembled on-site. Precast concrete is produced in desired shapes and properties by pouring it into molds, then transported and assembled in the field.
Carbon Border Adjustment Mechanism (CBAM)	It is a system used to balance the impact of policies aimed at reducing carbon emissions. This system helps companies operating in carbon-intensive sectors balance carbon costs in their import and export operations. Thus, it enables the realization of environmental targets while protecting competitiveness.
Terminal	Facilities where cement and other building materials are stored and transported, usually located near a port or railway.
Thermal Substitution Rate	Thermal substitution rate is the ratio showing how much of the total thermal energy used in the production process is met by alternative fuels instead of fossil fuels. This indicator is used to evaluate the performance of energy transition and carbon emission reduction.
Truck Mixer / Mixer	A truck mixer or mixer is mobile equipment used in the production of ready-mixed concrete by mixing cement and aggregates.
Supplementary Cementitious Materials (SCMs)	Supplementary Cementitious Materials are pozzolanic or hydraulic materials used as a partial replacement for cement, reducing carbon emissions while increasing the durability of concrete. They consist of components such as fly ash, blast furnace slag, silica fume, and natural pozzolans. SCMs play a key role in low-carbon cement production and sustainable concrete solutions.
Green Financing	Financial resources and investments provided to support environmentally friendly and sustainable projects. For example, renewable energy projects, energy efficiency studies, and low-carbon infrastructure projects can be considered within this scope.
Green Financing Framework	A set of policies and strategies that determine how a company or institution will manage its green financing instruments (green bonds, loans, etc.) and in which projects the funds will be used. This framework ensures that investors and stakeholders are transparently informed about the process.

Abbreviation	Expansion
ACL	Audit Command Language
AFAD	Disaster and Emergency Management Presidency
AFR	Accident Frequency Rate
AI	Artificial Intelligence
APC	Advanced Process Control
BAT	Best Available Techniques
BIST	Borsa Istanbul
BITC	Business in the Community Northern Ireland
BMP	Biodiversity Management Plan
CAC	Calcium Aluminate Cement
CAPEX	Capital Expenditures (Capital Expenditure)
CBAM	Carbon Border Adjustment Mechanism
CBS B.V.	Cimsa Building Solutions B.V.
CCUS	Carbon Capture, Utilization, and Storage
CDP	Carbon Disclosure Project
ÇEİS	Cement Industry Employers' Union
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMB	Capital Markets Board
CMS	Cimsa Manufacturing System
COP30	Conference of the Parties 30
CPI	Consumer Price Index
CSC	International Concrete Council
CSDDD	Corporate Sustainability Due Diligence Directive (Corporate Sustainability Due Diligence Directive)
CSI	Cement Sustainability Initiative
CSRD	Corporate Sustainability Reporting Directive
DE&I	Diversity, Equity, and Inclusion
DKM	Doğa Koruma Merkezi
DMP	Dust Management Plan
EAR	Export Administration Regulations (U.S.)
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EBRD	European Bank for Reconstruction and Development
EL	End-of-Life Tire
EMS	Environmental Management System
EPD	Environmental Product Declaration (Environmental Product Declaration)
EPS	Expanded Polystyrene
ERM	Enterprise Risk Management
ERTA	Integrated Reporting Association of Turkey
ESG	Environmental, Social, and Governance
ESRS	European Sustainability Reporting Standards
ETS	Emissions Trading System
EU	European Union
FAU	Friedrich-Alexander University
FCPA	The Foreign Corrupt Practices Act
GCCA	Global Cement and Concrete Association
GRI	Global Reporting Initiative
I-REC	International Renewable Energy Certificate
IADA	International Annual Report Design Awards
IEA	International Energy Agency
IFC	International Finance Corporation (International Finance Corporation)
IFRS	Foundation International Financial Reporting Standards Foundation
ILO	International Labour Organization
IoT	Internet of Things
IPCC	Intergovernmental Panel on Climate Change
IR	Integrated Reporting
ISO	International Organization for Standardization
IUCN	International Union for Conservation of Nature
LCA	Life Cycle Assessment
LOTO	Lockout/Tagout
LSEG	London Stock Exchange Group

Abbreviations and Technical Glossary

Abbreviation	Expansion
LTIFR	Lost Time Injury Frequency Rate
MBA	Master of Business Administration (Master of Business Administration)
MSCI	Morgan Stanley Capital International
NEET	Not in Employment, Education, or Training
NGFS	Network for Greening the Financial System
NGO	Non-Governmental Organization
NOx	Nitrogen Oxides
NPS	Net Promoter Score
OECD	Organization for Economic Co-operation and Development
OFAC	Office of Foreign Assets Control
OHS	Occupational Health and Safety
OKR	Objectives and Key Results
OPEX	Operational Expenditure
OSP	Organizational Success Plan
PCM	Phase Change Material
PDPL	Law on the Protection of Personal Data
PEP	Politically Exposed Person
PIR	Polyisocyanurate
PMO	Project Management Office
POA	Public Oversight Accounting and Auditing Standarts Authority
PPE	Personal Protective Equipment
QAR	Quality Assurance Review
R&D	Research and Development
RCP	Representative Concentration Pathways
RDF	Refuse-Derived Fuel
RO	Reverse Osmosis
S&P	S&P Standard & Poor's
SAI	Resilience Activity Index
SASB	Sustainability Accounting Standards Board
SAYEM	Industrial Innovation Network Mechanism
SBTi	Science Based Targets initiative
SCM	Supplementary Cementitious Materials
SDGs	United Nations Sustainable Development Goals (SDGs)
SEAM	South East Technological University
SEÖS	Continuous Emission Measurement Systems
SGTC	Sabancı Global Technology Center GmbH
SLL	Sustainability-Linked Loan
SSP	Solar Power Plant
SSP	Shared Socio-Economic Pathways
TCFD	Task Force on Climate-related Financial Disclosures
TCMB	Central Bank of the Republic of Turkey
THBB	Turkish Ready-Mix Concrete Association
TİDE	Turkish Institute of Internal Auditors
TİDİP	Turkey Industrial Decarbonization Investment Platform
TİSK	Confederation of Turkish Employers' Unions
TMS	Turkish Deposit Insurance
TOÇEV	Tüvana Reading-Eager Children Education Foundation
TRNC	Turkish Republic of Northern Cyprus
TSRS	Turkish Sustainability Reporting Standards
TTK	Turkish Commercial Code
TÜBİTAK	Scientific and Technological Research Council of Turkey
TUM	Technical University of Munich
UK	United Kingdom
UN WEPs	United Nations Women's Empowerment Principles
UNGC	United Nations Global Compact
US	United States
VR	Virtual Reality
WASH	Water, Sanitation, and Hygiene
WBCSD	World Business Council for Sustainable Development
WEF	World Economic Forum
WHR	Waste Heat Recovery

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