

YENİKÖYKEMERKÖY
Yerli Kaynak Güçlü Enerji

CLIMATE TRANSITION PLAN



CONTENTS

1. Purpose	2
2. Scope	2
3. Climate Transition Approach	3
4. Climate Transition Governance	3
5. Climate Risks and Opportunities	4
6. Climate Transition Roadmap (2026–2038)	6
7. Targets, Performance Monitoring and Review of the Plan	7
8. Conclusion and Commitment	7



This plan sets out Yeniköy Kemerköy Enerji's approach to managing climate change-related risks and opportunities, its strategic priorities for the transition to a low-carbon economy, and its implementation framework for the 2026–2038 period.

1. Purpose

This Climate Transition Plan has been prepared to set out the approach of Yeniköy Kemerköy Elektrik Üretim ve Ticaret A.Ş. to managing climate change-related risks and opportunities, the strategic roadmap it will follow in the transition to a low-carbon economy, and the practices it plans to implement in this direction.

Our Company addresses climate change not merely as an environmental issue, but as a strategic matter that must be assessed in terms of corporate governance, risk management, investment decisions, and operational sustainability. In this context, climate-related risks and opportunities are integrated into the Company's long-term business strategy and are reviewed on a regular basis.

In carrying out the climate transition process, maintaining the security of energy supply, utilizing domestic resources responsibly and efficiently, improving operational efficiency, and reducing environmental impacts are among the core priorities. Our Company regards the fight against climate change and the security of energy supply as two mutually reinforcing strategic elements and adopts a balanced transformation approach between these two areas.

While continuing its efforts to reduce the environmental impacts arising from its existing operations, our Company supports the climate transition process through the re-evaluation of rehabilitated mining sites, energy efficiency investments, improvements in resource efficiency, circular economy practices, and renewable energy projects. This approach strengthens operational sustainability while also contributing to the responsible use of natural resources.

Covering the 2026–2038 period, this plan establishes the core framework for managing climate change-related physical and transition risks, reducing greenhouse gas emissions, enhancing climate resilience, and guiding climate-related investment decisions. With the implementation of the plan, the defined targets will be monitored regularly and updated as necessary in line with evolving technologies, regulatory changes, and national climate policies.

In preparing this plan, the Türkiye Sustainability Reporting Standards (TSRS), the IFRS S2 Climate-related Disclosures Standard, the TCFD recommendations, and the expectations of the CDP Climate Change Program regarding transition plans have been taken into account.

This plan is not a static document for transforming our Company's existing operations; it has been designed as a living management tool that is regularly updated in line with changing climate conditions, technological developments, and the regulatory framework.

2. Scope

This Climate Transition Plan covers the electricity generation activities of Yeniköy Kemerköy Elektrik Üretim ve Ticaret A.Ş. and the mining operations supporting these activities. The Plan encompasses the Yeniköy and Kemerköy Thermal Power Plants operating in the Milas district of Muğla Province, the mining activities supplying fuel to these plants, the related support processes, and the management practices associated with climate change.

Covering the 2026–2038 period, the Plan sets out the fundamental approach to managing climate change-related physical and transition risks, reducing greenhouse gas emissions, improving energy efficiency, strengthening climate change adaptation capacity, and ensuring the sustainable use of natural resources.

The Climate Transition Plan has been prepared in alignment with the Company's investment decisions, operational processes, risk management practices, and sustainability objectives. The targets and practices defined under the Plan will be reviewed regularly and revised where deemed necessary, in line with technological developments, changes in national and international legislation, stakeholder expectations, and up-to-date assessments of climate risks



Mine Rehabilitation Area in the Hüsamlar Region

3. Climate Transition Approach

Yeniköy Kemerköy Enerji considers the fight against climate change an integral part of its long-term corporate strategy. The Company addresses climate transition not as a process focused solely on reducing greenhouse gas emissions, but as a holistic transformation encompassing the support of energy supply security, the improvement of operational efficiency, the responsible use of natural resources, and the strengthening of corporate resilience against climate change.

In line with this approach, climate-related risks and opportunities are integrated into all decision-making processes, from investment decisions to operational practices and from risk management to sustainability initiatives. Throughout the transition process, technological developments, national and international climate policies, carbon regulations, and stakeholder expectations are closely monitored, and practices that will support the Company's operations in the long term are prioritized.

While aiming to reduce the environmental impacts of its existing operations, our Company regards investing in technologies that improve energy efficiency, enhancing resource utilization, expanding rehabilitation and biodiversity initiatives, and developing circular economy practices as fundamental elements of the climate transition process. In this context, alongside the risks brought about by climate change, the opportunities offered by new technologies, sustainable financing instruments, and low-carbon practices are also evaluated.

The climate transition process is carried out with a balanced approach that considers the Company's economic sustainability together with its environmental and social responsibilities. Accordingly, it is essential that decisions are assessed on the basis of scientific data, risk analyses, and performance indicators, and that a flexible and continuously improving management approach capable of adapting to evolving conditions is adopted.



Posidonia oceanica Meadow Transplantation and Implantation Project Conducted in the Cooling Water Discharge Line Area of Kemerköy Thermal Power Plant

Principles Underpinning the Plan

This Climate Transition Plan has been prepared in line with six core principles: (i) Accountability – ultimate responsibility for the implementation of the plan rests with the Board of Directors, while coordination responsibility lies with the Sustainability Department; (ii) Internal consistency – the plan is executed in integration with the Company's risk management framework and financial planning processes; (iii) Forward-looking – the plan is designed to cover short-, medium-, and long-term time horizons; (iv) Time-bound and quantitative – the roadmap includes defined periods and performance indicators; (v) Flexible and responsive – the plan is regularly reviewed and updated; (vi) Completeness – the plan covers the entirety of the Company's electricity generation activities and the mining operations supporting these activities.

Scenario-Based Approach

Our Company supports its climate transition plan with science-based scenario analyses. The SSP5-RCP8.5 scenario under IPCC AR6 is taken as the reference for assessing physical risks, while the International Energy Agency's Net Zero Emissions by 2050 (NZE 2050) Scenario is taken as the reference for planning the low-carbon transition process. These scenarios have been selected to be consistent with the detailed scenario analysis study conducted by the Company under CDP regarding its physical and transition risks.

Analyses conducted under the SSP5-RCP8.5 scenario indicate that chronic temperature increases and heat stress, as well as marine heatwaves, may generate medium- to long-term effects particularly on the cooling systems, equipment efficiency, and maintenance planning of thermal power plants. These findings are used as direct inputs in shaping the plan's priorities on resilience and adaptive capacity.

The IEA NZE 2050 Scenario, in turn, provides the basis for positioning the Company's transition strategy in terms of the carbon pricing trends, the pace of technological transformation, and the coal phase-out trajectory envisaged for the global energy sector in the transition to a low-carbon economy. Due to its energy supply security priority and the economic life of its existing thermal assets, our Company aims to align with this trajectory through a phased approach and plans to increase investments in low-carbon technologies over time. The key assumptions underpinning the plan include the anticipated development of carbon pricing mechanisms (ETS, CBAM), improved access to low-carbon technologies, and the supportive progression of national energy policies.

The short- (1-3 years), medium- (3-10 years), and long-term (10 years and beyond) horizon definitions used in scenario analysis and risk assessments are fully consistent with the Company's enterprise risk management framework (aligned with the QDMS platform, the COSO Internal Control-Integrated Framework, and ISO 14001). For a risk or opportunity to be considered substantive within the scope of the plan, its impact on EBITDA is taken as exceeding a threshold of an 11-20% or greater decrease for risks and a 21-30% or greater increase for opportunities; in addition, qualitative criteria such as reputational damage extending beyond local boundaries, regulatory/legal sanctions, or off-site environmental damage are also taken into account. In line with this framework, the stranded asset risk that the coal phase-out process may generate has been identified in the Company's risk inventory as part of the long-term risk assessment, and this risk is taken into consideration in shaping the low-carbon transformation strategy.

Quantitative Reduction Targets

Our Company commits to setting measurable and time-bound reduction targets within the scope of its climate transition plan. Accordingly, it is targeted to reduce Scope 1 and 2 greenhouse gas emission intensity (tCO₂e per MWh generated) by [10%] relative to the [2025] base year by [2032]. In the long term, provided that national energy policies and access conditions to low-carbon technologies permit, it is aimed to contribute to the net-zero emissions target by [2038]. These targets have been set with due regard to the Company's existing asset structure, its energy supply security priority, and access conditions to low-carbon technologies, and they will be reviewed regularly in line with technological and regulatory developments and updated with more ambitious targets wherever possible.

STRATEGIC PRIORITIES OF THE CLIMATE TRANSITION PLAN



01 SUPPORTING SECURITY OF ENERGY SUPPLY

- Responsible and efficient use of domestic resources
- Ensuring operational continuity
- Strengthening business continuity and supply chain resilience



02 SUPPORTING THE LOW-CARBON TRANSITION

- Expanding energy efficiency practices
- Effective management of greenhouse gas emissions
- Strengthening compliance with ETS and carbon regulations
- Developing climate reporting capacity



03 STRENGTHENING NATURE AND RESORCE MANAGEMENT

- Carrying out rehabilitation works and utilizing rehabilitated in a value-creating manner
- Conserving biodiversity
- Efficient management of water resources
- Expanding circular economy practices



04 STRENGTHENING CORPORATE RESILIENCE

- Effective management of climate risks
- Strong governance and accountability
- Transparent reporting and stakeholder communication
- Continuous improvement and capacity development

Yeniköy Kemerköy Enerji's climate transition plan is built on four core strategic priorities: maintaining the security of energy supply, supporting the low-carbon transition, responsible management of natural resources, and strengthening corporate resilience. The priorities guide our Company's investment decisions, risk management processes, and sustainability objectives.

4. Climate Transition Governance

Yeniköy Kemerköy Enerji shapes its corporate governance structure to enable the effective management of climate change-related risks and opportunities. Strategic priorities regarding the climate transition process are assessed together with the Company's overall business strategy and risk management approach, and the decisions taken are addressed in line with the objective of long-term value creation.

Ultimate oversight responsibility for the implementation of the climate transition plan rests with the Board of Directors. The Board of Directors regularly assesses the impacts of climate change-related risks and opportunities on the Company's operations, monitors the realization status of the defined targets, and provides strategic guidance where deemed necessary.

The General Manager is responsible for the implementation of the Plan, and the relevant Deputy General Manager Offices and business units ensure the execution of the practices falling within their own areas of responsibility. The Sustainability Department coordinates the climate transition plan, monitors performance indicators, prepares the relevant reports, and coordinates the execution of climate-related work across the Company with a holistic approach.

Climate change-related risks are assessed regularly within the scope of the Company's enterprise risk management system, and the necessary control mechanisms are established by taking into account their operational, financial, legal, and reputational impacts. The priorities identified in line with risk assessments are integrated into investment plans and operational decision-making processes.

Developments regarding the implementation of the climate transition plan are reviewed annually, and the plan is updated when necessary in line with performance results, changing legislation, technological developments, and stakeholder expectations. In this way, it is aimed to carry out the climate transition process with a dynamic, measurable, and continuously improving management approach.

Shareholder Feedback Mechanism

The Climate Transition Plan is reviewed and approved annually through the representatives on the Board of Directors of IC İçtaş Enerji and Limak Enerji, which constitute the Company's shareholding structure. Shareholder feedback on the Plan is collected within the scope of Board of Directors meetings and incorporated into the Plan's review and update process.

5. Climate Risks and Opportunities

Yeniköy Kemerköy Enerji regularly assesses the potential impacts of climate change on its operations within the scope of its enterprise risk management system. Climate-related risks are addressed under two main headings: physical risks and transition risks that may arise from the process of transitioning to a low-carbon economy. In addition, the new investment areas and technological developments brought about by climate change are also evaluated as significant opportunities for the Company.

Within the scope of physical risks, the impacts of rising temperatures, prolonged drought, extreme precipitation, forest fires, and pressure on water resources on operations are monitored. Analyses conducted on the basis of the SSP5-RCP8.5 scenario indicate that chronic temperature increases and heat stress may affect equipment efficiency and maintenance planning, while marine heatwaves may affect the efficiency of thermal power plant operations dependent on cooling water. Preventive measures to support business continuity are being developed, taking into account in particular that electricity generation facilities and mining activities may be affected by changes in climate conditions.

Transition risks, on the other hand, are assessed within the framework of elements such as carbon regulations, increases in emission costs, new climate-related legal obligations, changes in the expectations of financial institutions, technological transformation, and evolving stakeholder expectations. In this context, national and international legislation is monitored regularly, potential impacts on the Company's operations are analyzed, and the necessary compliance efforts are planned.

Climate change also presents significant opportunities for our Company. The expansion of energy efficiency practices, the utilization of rehabilitated sites for various purposes, renewable energy investments, solar energy projects developed on rehabilitated mining sites, circular economy initiatives and sustainable financing opportunities, and technologies that enhance resource efficiency are among the principal opportunity areas supporting the Company's long-term transformation.

Climate risks and opportunities are reviewed regularly, prioritized according to their significance, and integrated into investment plans and operational processes. In this way, it is aimed to mitigate the potential adverse impacts of climate change on the Company's operations while deriving maximum benefit from emerging opportunities.

Our Company also closely monitors developments in the European Union Carbon Border Adjustment Mechanism (CBAM), the national Emissions Trading System (ETS), and carbon pricing mechanisms, and regularly assesses the potential impacts of these regulations on its operations.

RISK AREAS AND OUR APPROACH

We adopt holistic approach to managing the potential impacts of climate change on our operations and to making the best use of opportunities

01 PHYSICAL RISKS



Enhancing operational resilience and strengthening business continuity



Resilient Operations



Business continuity plans



Risk monitoring and early warning systems



Emergency preparedness and training

02 TRANSITION RISKS



Monitoring legislation, preparing for carbon regulations, and compliance efforts



Monitoring legislation and policy



Preparedness for carbon regulations



Compliance efforts and reporting



Stakeholder collaboration and communication

03 OPPORTUNITIES



Energy efficiency, renewable energy, rehabilitation, circular economy, and sustainable finance



Energy efficiency initiatives



Renewable energy investments



Rehabilitation and biodiversity



Circular economy practices



Sustainable finance

6. Climate Transition Roadmap (2026–2038)

2026



2029



2033



2038



01 2026–2029

STRENGTHENING GOVERNANCE AND CORE CAPACITIES

Strengthening the climate governance structure

Developing climate risk management

Expanding energy efficiency practices

Developing climate reporting capacity

02 2030–2033

ACCELERATING EFFICIENCY AND TRANSFORMATION INVESTMENTS

Implementing investments to enhance operational efficiency

Expanding rehabilitation works

Developing resource efficiency and circular economy practices

Assessing low-carbon technologies

Integrating climate risks into investment decisions

03 2034–2038

STRENGTHENING THE TRANSITION TO A LOW-CARBON FUTURE

Increasing investments in low-carbon technologies

Expanding solar power plant (SPP) projects and renewable energy applications

Strengthening climate resilience and adaptation capacity

Continuously improving performance and evaluating new opportunities

04 2038 AND BEYOND

RESILIENCE AND CONTINUOUS IMPROVEMENT

Continuously updating the climate strategy

Evaluating new technologies and innovative solutions

Proactive management of climate risks

Supporting long-term value creation in a sustainable manner



This roadmap will be regularly reviewed and updated in line with technological developments, the regulatory framework, climate policies, and stakeholder expectations.

Yeniköy Kemerköy Enerji's climate transition process will be carried out within the framework of a three-phase roadmap in line with the objectives of strengthening the resilience of existing operations against climate change, reinforcing adaptation to low-carbon technologies, and creating long-term sustainable value. The roadmap has been designed with a phased approach, in alignment with the low-carbon transformation trajectory envisaged by the IEA NZE 2050 Scenario and with due regard to the Company's energy supply security priority and the economic life of its existing assets. This approach will be reviewed and updated as necessary in line with evolving technological developments, the regulatory framework, and market conditions.

In this period, it is also aimed to strengthen the corporate greenhouse gas management system, develop climate reporting processes under TSRS and IFRS S2, and increase the integration of climate risks into investment plans.

In the first phase, strengthening the corporate governance structure, integrating climate risks into decision-making processes more effectively, and developing practices for monitoring greenhouse gas emissions will be prioritized. During this period, efforts will continue to expand energy efficiency practices, improve data management, and monitor climate performance on a regular basis.

In the second phase, it is aimed to implement investments that will enhance operational efficiency, improve resource utilization, expand rehabilitation efforts, and accelerate work on the assessment of low-carbon technologies. In this process, the financial impacts of climate change will be analyzed more comprehensively and integrated into investment decisions.

In the final phase, it is intended to further strengthen the Company's resilience against climate change, continuously improve climate performance, and evaluate new areas of application in line with developing technologies. In this way, it is aimed for our Company to possess a corporate structure that effectively manages its climate change-related risks and capitalizes on emerging opportunities while continuing its operations supporting the security of energy supply.

The practices defined within the scope of the climate transition plan will be monitored regularly through performance indicators, and the roadmap will be updated if needed in line with the results obtained. This approach will support the Company in establishing a dynamic climate management system capable of adapting to changing conditions.



Archaeological Studies at the Mining Site

CLIMATE TRANSITION ROADMAP (2026-2038)

Yeniköy Kemerköy Enerji's climate transition process will be carried out within the framework of a three-phase roadmap in line with the objectives of strengthening the resilience of existing operations against climate change, reinforcing adaptation to low-carbon technologies, and creating long-term sustainable value.



This roadmap will be regularly reviewed and updated in line with technological developments, the regulatory framework, climate policies, and stakeholder expectations.

7. Hedefler, Performansın İzlenmesi ve Planın Gözden Geçirilmesi

Yeniköy Kemerköy Enerji will regularly monitor the effectiveness of its climate transition plan through defined performance indicators and integrate the results obtained into corporate decision-making processes. In this context, climate change-related targets will be tracked through indicators established in key areas such as operational performance, energy efficiency, greenhouse gas emissions, efficient use of natural resources, and climate risk management.

Performance assessments will take into account not only environmental indicators but also the operational, financial, and managerial impacts of climate change. In this way, the contribution of the climate transition plan to the Company's long-term strategic objectives will be evaluated with a holistic approach.

Developments regarding the implementation of the Plan will be reviewed annually, and targets and implementation priorities will be updated if deemed necessary in line with performance results, changing climate policies, technological developments, the regulatory framework, and stakeholder expectations. Thanks to this approach, it is intended that the climate transition plan remains a living management tool that stays current and can adapt to changing conditions.

Progress achieved within the scope of the climate transition plan will be shared transparently with stakeholders through sustainability reporting and relevant corporate disclosures, and efforts toward the continuous improvement of climate performance will be pursued with determination.

Developments regarding the implementation of the Climate Transition Plan will be evaluated by the Board of Directors at least once a year, and a decision to update the plan will be made where deemed necessary.

The Scope 1, 2, and 3 greenhouse gas emission inventory underpinning the monitoring of the plan is verified by an independent third-party verification body, and the transparency and reliability of this verification process support the plan's principle of accountability.

KEY PERFORMANCE INDICATORS

The implementation success of the Plan will be monitored through the following indicators:

PERFORMANCE AREA	MONITORING INDICATOR
01  Climate Governance	Annual review process conducted by the board of directors
02  Greenhouse gas management	Annual monitoring of scope 1 and 2 emissions
03  Energy Efficiency	Implementation status of energy efficiency projects and the gains achieved
04  Climate risk management	Annual updating of the climate risk inventory
05  Nature and rehabilitation	Progress status of rehabilitated areas and biodiversity initiatives
06  Resource efficiency	Developments in water, waste, and circular economy practices
07  Reporting	Timely completion of TSRS, CDP, and other sustainability reporting

8.8. Conclusion and Commitment

Climate change continues to be one of the most significant factors shaping the long-term transformation of the energy sector. In this transformation process, our Company regards the maintenance of energy supply security and the effective management of climate change-related risks as two fundamental responsibilities that complement each other.

This Climate Transition Plan constitutes a strategic roadmap setting out our Company's approach to climate change. The practices defined within the scope of the Plan aim to support the effective management of climate risks, the improvement of operational efficiency, the more efficient use of resources, the reduction of environmental impacts, and the strengthening of the Company's long-term resilience.

Yeniköy Kemerköy Enerji views the climate transition process not merely as the fulfillment of legal obligations, but as an important element of corporate governance, sustainable growth, and long-term value creation. Accordingly, climate change-related developments will be closely monitored, emerging new risks and opportunities will be assessed, and the Plan's currency will be maintained.

In line with the principles of transparency, accountability, and continuous improvement, our Company will continue to monitor its climate performance regularly, share the results obtained with its stakeholders, and strengthen its climate change adaptation capacity.

Yeniköy Kemerköy Enerji regards the fight against climate change as an integral part of its understanding of energy supply security, operational excellence, and sustainable development. Our Company will resolutely continue to review its climate transition plan regularly in line with changing conditions, report its performance transparently, and create long-term value for all its stakeholders.

Our Company does not plan to develop new coal capacity beyond its existing field of activity or to undertake new investments that would expand fossil fuel use. Our investment plans are directed toward low-carbon technologies (solar energy investments, circular economy practices), and the Company's public policy and industry association engagements are conducted in alignment with our climate commitments; the Company does not participate in lobbying activities of a nature that would weaken the fight against climate change.



Olive Trees at the Mining Site