

İÇDAŞ 2025 SUSTAINABILITY REPORT



Table of Contents

Explore İÇDAŞ's Sustainability Report!



2025 SUSTAINABILITY REPORT

03 INTRODUCTION

- 04 About the Report
- 05 Message from the General Manager
- 07 Industry Outlook

11 CORPORATE PROFILE

- 12 About İÇDAŞ
- 15 2025 Overview
- 16 Export Network
- 17 Products and Services
- 19 İÇDAŞ Value Creation Model

20 SUSTAINABILITY MANAGEMENT

- 21 Sustainability at İÇDAŞ
- 23 Sustainability Policy
- 24 Sustainability Approach
- 25 Sustainability Governance Structure
- 26 Sustainability Targets
- 33 Stakeholder Management
- 34 Materiality Analysis
- 35 Sectoral Impacts, Corporate Approach and Contribution to the SDGs
- 41 Risk Management
- 43 Sustainability and Climate-related Risks and Opportunities
- 52 Sustainability Roadmap

53 ENVIRONMENTAL IMPACT

- 54 Environmental Management
- 55 Energy and Emissions Management
- 58 Circular Economy and Waste Management
- 60 Water Management
- 61 Biodiversity
- 63 Sustainable Agriculture and Animal Breeding

66 OPERATIONAL EXCELLENCE

- 67 Operational Excellence
- 68 Integrated Management System
- 70 Supply Chain Management
- 72 R&D and Innovation
- 73 Digital Transformation

75 SOCIAL IMPACT

- 76 Human Resources Management
- 77 Employee Development
- 78 Ethics and Compliance
- 79 Occupational Health and Safety
- 82 Community Engagement and Social Responsibility
- 83 Corporate Memberships

84 APPENDICES

- 85 Economic Performance Indicators
- 87 Environmental Performance Indicators
- 93 Social Performance Indicators
- 97 GRI Content Index

To return to the Table of Contents, use the menu icon in the upper-right corner.

INTRODUCTION

Vision for a Sustainable Future

Sustainability is positioned as the central axis of the approach to production. Activities carried out with more than half a century of industrial experience are planned within the framework of a sense of responsibility that considers the needs of future generations.

This report serves as a document in which the activities carried out throughout the year, the strategic decisions made, and the performance results are shared with stakeholders in a transparent and accountable manner.

In the following sections, economic resilience, environmental performance, and social contributions are addressed through concrete indicators, while the roadmap for the upcoming period is presented for stakeholders' evaluation.

About the Report

İÇDAŞ's fourteenth Sustainability Report covers the period from January 1, 2025, to December 31, 2025.



The İÇDAŞ 2025 Sustainability Report has been prepared with the aim of presenting the Company's sustainability performance for 2025 from a holistic perspective and maintaining transparent and accountable communication with its stakeholders. Within the scope of the report, data and performance results related to the activities of İÇDAŞ Çelik Enerji Tersane ve Ulaştırma Sanayi A.Ş. and İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş. are presented together. The relevant companies are referred to briefly as İÇDAŞ throughout the report.

REPORTING SCOPE

The report is İÇDAŞ's fourteenth Sustainability Report and covers the period from January 1, 2025, to December 31, 2025. The report presents the Company's strategic approach, activities carried out, performance indicators, and future targets in the environmental, social, and governance (ESG) areas in a holistic manner. In addition, developments achieved and projects implemented within the scope of combating climate change are also detailed in the report.

REPORTING PRINCIPLES AND STANDARDS

The İÇDAŞ 2025 Sustainability Report has been prepared based on the Global Reporting Initiative (GRI) Standards. While preparing the report content, the disclosures and topics defined by GRI were taken into consideration, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) were considered in the assessment of climate-related risks and opportunities. In addition, the report addresses the alignment of İÇDAŞ's activities with and their contributions to the United Nations Sustainable Development Goals (SDGs).

PUBLICATION DATE AND FREQUENCY

In line with its commitment to regularly and transparently communicate its sustainability performance to stakeholders, İÇDAŞ publishes its sustainability reports annually. The İÇDAŞ 2025 Sustainability Report was published in September 2026.

CONTACT

Mahmutbey Neighborhood, Dilmenler Avenue, No. 20 34218
Bağcılar, İstanbul, Türkiye

For more information about our Sustainability Report, please email icdas@icdas.com.tr or contact us through www.icdas.com.tr.



Management Messages

Message from the Deputy General Manager Responsible for Financial Affairs

99

Dear Stakeholders,

As İÇDAŞ, we successfully concluded 2025, a year in which the global steel and energy sectors underwent a profound transformation, rebalancing, and fundamental structural adjustment processes, by maintaining our financial resilience at the highest level and taking strategic steps in global market competition.

We navigated multidimensional risks such as the delayed macroeconomic effects of tight monetary policies implemented worldwide, escalating geopolitical tensions, the significant increase in trade protectionism, and unpredictable fluctuations in commodity prices. Despite all these challenging global conditions, we resolutely maintained our leading and strong position in the international arena by further strengthening our capabilities focused on operational efficiency and proactive cost management.

During this critical period, when global steel demand remained largely flat, stagnating at around 1.75 billion tons, and China's high export volumes intensified price competition in global markets more than ever before, İÇDAŞ's unique business model became our greatest strength. This versatile structure, which integrates our steel production with our energy, port, logistics, and shipbuilding activities, provided us with significant strategic leverage and flexibility in volatile market conditions.

**1.23 MILLION TONS OF
STEEL EXPORTS IN 2025**

By managing our short-term financial targets and long-term environmental responsibilities in a flawless balance, we succeeded in maintaining our geographical diversity in 2025.

In this context, with our exports of 1.23 million tons of steel to 34 different countries around the world, we generated significant export revenue of USD 690 million for our country and maintained our global diversity in global markets.

As clearly demonstrated by the World Economic Forum's Global Risks Report 2025, the global risk agenda has now permanently and irreversibly shifted toward an environmental and climate-related axis.

For heavy industry players, carbon pricing mechanisms and the European Union Carbon Border Adjustment Mechanism (CBAM), which will officially enter the financial obligation phase as of 2026, have completely removed emissions management from being a matter of choice and have made it a key determinant of market competition.

As İÇDAŞ, thanks to our geographical proximity to global markets, innovative production infrastructure, and high operational flexibility, we view this challenging transition process as a strategic opportunity in which we can further increase our market share.



Today, we are successfully integrating into our operations the strength that comes from having prepared well in advance for the wave of green transformation that will shape the future of our industry.

The key to our future global competitiveness lies in placing sustainability at the very center of our business model and continuously supporting our financial performance with visionary green investments. Throughout 2025, while implementing modernization and new technology investments amounting to TRY 1.185 billion to achieve operational excellence at our facilities, we also made a renewable energy investment that will directly contribute to our target of reducing our carbon footprint.

As we further strengthen our sustainable growth path with each passing day, we are determined to make our climate resilience and low-carbon production capability a permanent and distinctive symbol of our global market leadership.

On this important journey carrying İÇDAŞ into the future, I would like to express my sincere gratitude to all our shareholders, customers, employees, and business partners who trust us, share our vision, and are partners in our achievements.

OKAN TURAN

Deputy General Manager Responsible for Financial Affairs

Management Messages

Message from the Deputy General Manager Responsible for Technical Operations

99

Dear Employees, Business Partners, and Stakeholders,

As İÇDAŞ, with our well-established industrial experience of more than half a century and our large family of 5,416 people, we completed a productive year in which we crowned operational excellence with sustainability principles.

We once again demonstrated the added value we provide to the Turkish economy by single-handedly accounting for 6.39% of our country's total steel supply with the 2.43 million tons of crude steel we produced in 2025.

Thanks to our integrated energy infrastructure supporting our performance, we contributed to the sustainability of our industry and economy by supplying 1.38% of Türkiye's installed electricity capacity and 3.38% of the total electricity generated.

2025 was a period in which we took our sustainability commitments to a higher level. We submitted our application to the Science Based Targets initiative (SBTi) process in order to align our emissions management with climate targets.

In this direction, we clarified our roadmap for reducing our greenhouse gas emissions intensity by 34% by 2034, which is our medium-term target, and for our long-term 2053 Net Zero vision.

Through our energy portfolio, which we commissioned in 2025 and gradually expanded, we generated 185.6 million kWh of clean electricity from renewable sources (hydroelectric, wind, and solar power).

As a result of the efficiency-focused activities carried out at our operational sites, we achieved approximately 57.8 million kWh/year of energy savings through our energy efficiency projects completed in 2025.

We achieved significant increases in efficiency through improvements in the raw material pressing and feeding systems at our meltshop.

Our performance in the areas of circular economy and water management has been the reflection in our operations of our sense of responsibility toward the planet.

At our facilities, in order to protect our groundwater resources, we obtained 5.35 million m³ of water by desalinating seawater, while, thanks to our closed-loop systems, we recovered 301 million m³ of water and reused it.

Through our zero-waste-certified operations, we introduced our waste into different sectors such as construction, fertilizer, and cement as artificial aggregate and alternative raw materials.



At our integrated production complex in Biga, we became the greatest supporter of local development through our inventory studies that record animal and plant species that protect biodiversity, our agricultural activities that preserve our ancestral seeds through Türkiye's 3rd Seed Bank, and our livestock projects through which we carry out the breeding of the Anatolian Merino breed.

In line with our digital transformation vision, we accelerated our investments in the transition from SAP infrastructure modernization to artificial intelligence-supported autonomous operating models.

Our greatest strength behind all these operational achievements is our occupational health and safety culture, which we protect with a proactive approach by saying "people first," and our management approach that does not compromise on human rights and fair working conditions.

As a pioneer in sustainable and low-carbon industrial production, I would like to express my sincere gratitude to every member of the İÇDAŞ family, which is moving confidently toward the future in line with our value creation model, and to all our stakeholders.

AKGÜN FİLİZ

Deputy General Manager Responsible for Technical Operations

TARGET OF REDUCING GREENHOUSE GAS EMISSIONS INTENSITY BY 34% BY 2034

Global Steel Industry

Transformation focused on efficiency, cost management, and flexibility...



The years 2024 and 2025 were a period in which a trend of stabilization and limited recovery came to the forefront in the global steel industry. The delayed effects of tight monetary policies on a global scale, the continuation of geopolitical tensions, the structural slowdown in the Chinese economy, and the increase in trade protectionism were among the main factors shaping the industry outlook. In particular, weak demand in the construction and durable goods sectors limited the expected strong recovery in steel consumption.

According to the World Steel Association's current short-term outlook, global steel demand remained largely flat in 2025, reaching approximately 1.75 billion tons, while a limited but positive growth expectation was maintained for 2026.

Demand dynamics diverged regionally; while the weak growth outlook continued in developed economies, developing economies continued to be the main driver of global demand.

While India played a decisive role in demand growth with the support of infrastructure and industrial investments, structural problems in China's real estate sector continued to put pressure on the demand outlook.

Throughout 2025, China's maintenance of its high export volume increased price competition in global markets and led to trade measures and protectionist policies coming onto the agenda in many countries.

Although a partial normalization in energy costs was observed compared to previous years, volatility in commodity prices and tight financing conditions continued to put pressure on the industry's profitability outlook.

The global steel industry is going through a period of adjustment focused on efficiency, cost management, and flexibility rather than a phase of strong growth.

IN 2025, IT REMAINED LARGELY FLAT, REACHING APPROXIMATELY 1.75 BILLION TONS, WHILE A LIMITED BUT POSITIVE GROWTH EXPECTATION WAS MAINTAINED FOR 2026.



1.75

BILLION TONS GLOBAL STEEL DEMAND



OUTLOOK OF THE TURKISH STEEL INDUSTRY

The Turkish steel industry carried the recovery trend that began in 2024 into a more balanced growth path in 2025.

While signs of gradual improvement were observed in domestic demand, the partial recovery in export markets and the competitive production structure supported the industry's performance.

Türkiye's production structure, predominantly based on electric arc furnaces (EAF), provides a significant advantage in the global green transformation process in terms of its relatively low carbon intensity.

However, the industry faces multidimensional risks such as global oversupply, volatility in scrap and energy costs, trade measures, and regulatory pressures arising from the European Union Green Deal. In particular, the European Union's implementation of carbon pricing-based trade mechanisms makes carbon management and data transparency a strategic necessity for export-oriented producers.

In the coming period, the Turkish steel industry is expected to accelerate investments in energy efficiency, renewable energy use, scrap optimization, and digital traceability in order to maintain its competitiveness.

5.5%

2025 GROWTH RATE OF TÜRKİYE'S
STEEL EXPORTS

ENVIRONMENTAL RISKS AND TRANSFORMATION IN THE GLOBAL RISK AGENDA

The World Economic Forum's Global Risks Report 2025 points to a significant shift in global risk perception.

Although disinformation, geopolitical conflicts, and social vulnerabilities continue to stand out in the short-term outlook, the risk agenda is observed to shift significantly toward an environmental axis in the medium- and long-term perspective.

In particular, extreme weather events, biodiversity loss, ecosystem collapse, and natural resource scarcity are considered among the most critical global risks of the next decade.

The ongoing transformation shows that the risk profile of heavy industry and the steel industry has structurally changed. While physical risks related to climate change create pressure on production continuity, supply chain security, and access to water resources, carbon pricing mechanisms, the Carbon Border Adjustment Mechanism (CBAM), tightening emissions regulations, and green financing criteria are increasingly raising transition risks.

Within this framework, it is critically important for industry players to focus on climate resilience and low-carbon production capability in addition to cost competitiveness.

PHYSICAL RISKS

Production Continuity
Supply Chain Security
Access to Water Resources

TRANSITION RISKS

Carbon Pricing & CBAM
Tightening Emissions Regulations
Green Financing Criteria

STRATEGIC FOCUS

Climate resilience and low-carbon production capability in addition to cost competitiveness



CARBON REGULATIONS AND GREEN TRANSFORMATION DYNAMICS

The steel industry is responsible for approximately 7–8% of global greenhouse gas emissions and is one of the industries under the most intense transformation pressure in line with net-zero targets.

The fact that the European Union's Carbon Border Adjustment Mechanism (CBAM), whose transition period is ongoing, will enter the financial obligation phase as of 2026 stands out as a critical development that will directly affect the cost structure of exporters engaged in carbon-intensive production.

On a global scale, the green steel transformation is taking shape around the expansion of electric arc furnaces, renewable energy integration, hydrogen-based production technologies, carbon capture and storage applications, and circular economy solutions. Scrap steel becoming a strategic raw material and the emergence of low-carbon production premiums are considered among the main trends that will transform the structure of competition in the industry in the coming period.

OUTLOOK FOR 2026 AND BEYOND

Current indicators suggest that 2025 may be a year of stabilization for the global steel industry, while 2026 and beyond may be a period of limited but steady recovery.

In the medium term, global demand growth is expected to follow a moderate growth path rather than a strong surge.

Demand growth is expected to originate predominantly from India, Southeast Asia, the Middle East, and Africa.

In addition, the continuation of global overcapacity, export pressure originating from China, increasing trade protectionism, and rising carbon costs will continue to be the main risk areas for the industry. On the other hand, increased defense spending, infrastructure investments, energy transition projects, and reconstruction activities are considered important opportunity areas that could support steel demand

In Türkiye specifically, the production structure predominantly based on electric arc furnaces, geographical proximity to regional markets, and developing green transformation investments stand out as factors supporting the industry's medium-term competitiveness. However, energy costs, carbon regulations, and global demand volatility are the main risks that need to be closely monitored.



RISK AREAS

- Global overcapacity
- Export pressure originating from China
- Increasing trade protectionism
- Rising carbon costs
- Fluctuations in raw material and commodity prices



OPPORTUNITY AREAS

- Defense spending
- Infrastructure investments
- Energy transition projects
- Reconstruction activities
- Digitalization and Use of Artificial Intelligence



İÇDAŞ'S POSITION IN THE INDUSTRY AND STRATEGIC IMPORTANCE

İÇDAŞ is among the leading producers in Türkiye's iron and steel industry, standing out with its high production scale, integrated industrial structure, and strong export network. Thanks to its significant share in Türkiye's total crude steel production and its production infrastructure predominantly based on electric arc furnaces (EAF), the Company is entering the accelerating low-carbon transformation process in the global steel industry from a relatively advantageous starting point.

As of 2025, in an environment where carbon regulations, trade protectionism, and cost pressures have intensified, İÇDAŞ continues to maintain its competitiveness through efficiency, operational integration, and investments in sustainable production.

The Company's integrated business model, which supports steel production with energy, port, logistics, and shipbuilding activities, provides significant strategic leverage in terms of supply security, cost management, and operational flexibility. While energy efficiency and process improvement activities implemented in recent years enable the optimization of resource use, they also contribute to reducing carbon intensity. The application submitted to the Science Based Targets initiative (SBTi) process in 2025 supports İÇDAŞ's efforts to structure its emissions management in alignment with international climate science.

With its integrated facilities located in Biga/Çanakkale and its strong export network, İÇDAŞ is positioned among the organizations playing a strategic role in the transformation of Türkiye's steel industry, not only through its production scale but also through its contribution to regional development, employment capacity, and focus on green transformation.

CORPORATE PROFILE

An Industrial Story from Roots to the Future

The integrated structure, operating across a wide range of activities extending from steel production to energy generation, from port operations to shipbuilding and agricultural activities, is built on a model that creates synergy across sectors.

With the high production capacity and extensive export network of the facilities located in Çanakkale and İstanbul, İÇDAŞ maintains its position as one of the key players in Türkiye's industry.

İÇDAŞ's operational diversity increases resource efficiency on the one hand, while strengthening stakeholder relations on the other.

The well-established corporate structure is shaped in line with experienced human resources, a strong governance approach, and a long-term vision.

About İÇDAŞ

Türkiye's partner in economic value creation...



İÇDAŞ CREATES ADDED VALUE ACROSS A BROAD RANGE OF ACTIVITIES, FROM IRON AND STEEL PRODUCTION TO ENERGY GENERATION, AND FROM SHIPBUILDING AND MAINTENANCE ACTIVITIES TO PORT OPERATIONS AND LOGISTICS SERVICES.



İÇDAŞ is among Türkiye's organizations with high integrated production capacity, with more than half a century of industrial experience.

Founded in 1969, the Company creates added value across a wide range of activities extending from iron and steel production to energy generation, and from shipbuilding and maintenance activities to port operations and logistics services. Through its integrated industrial approach, İÇDAŞ creates operational synergies across different business lines and maintains a strong position, particularly in the steel industry, both in the domestic market and in international trade.

The Company's production backbone consists of its large-scale integrated facilities located in the Biga district of Çanakkale. With its high-capacity production infrastructure and advantageous access to port facilities, this complex serves as a critical center supporting İÇDAŞ's competitiveness. In line with its corporate governance approach, the Company closely monitors market developments and positions itself as a reliable business partner in the markets in which it operates through its customer-oriented approach and quality-focused production discipline.

İÇDAŞ's operational structure is organized to form an integrated value chain comprising meltshops, rolling mills, energy generation facilities, shipyards, ports, and logistics operations.

Operations carried out at different locations, particularly in Çanakkale and Istanbul, enable the effective management of all processes from production to shipment. The allocation of a significant portion of production to exports is one of the key factors strengthening the Company's presence in global markets.

At the integrated production complex in Biga, two meltshops and four rolling mills are located alongside energy, shipyard, and auxiliary production facilities.

The power plant, shipbuilding and maintenance and repair shipyards, cold processing, lime and oxygen plants, as well as pier and berthing infrastructure, support İÇDAŞ's end-to-end production and logistics capabilities. In addition, the solar power plant and hydroelectric power plants commissioned as part of renewable energy investments contribute to the diversification of the energy portfolio.

To increase supply chain efficiency, collection and sorting centers located in Istanbul, Bursa, and Kocaeli, together with the transfer station in Bandırma, are actively used. This structure facilitates the timely delivery of products to customers while also enabling the effective management of raw material flows. Strengthening the logistics infrastructure is among the strategic factors that enhance İÇDAŞ's operational flexibility.

İÇDAŞ considers sustainability an integral part of the way it conducts business. Investments in resource efficiency, waste management, energy diversification, and environmental impact reduction strengthen the Company's responsible production approach.

In addition, the Company aims to contribute to social development through education-, health-, and environment-focused social responsibility initiatives in the regions where it operates.

With its strong production infrastructure, experienced human resources, and sustainability-focused transformation approach, İÇDAŞ continues to create value for the Turkish economy while maintaining its prominent position within the industrial ecosystem.

About İÇDAŞ > Areas of Activity



COMPANIES		AREA OF ACTIVITY
	İÇDAŞ Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş.	Steel, Energy and Shipbuilding
	İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.	Electricity Generation
	İÇDAŞ Elektrik Enerjisi Toptan Satış İthalat ve İhracat A.Ş.	Electricity Sales
	ERAS Taşımacılık Taahhüt İnşaat ve Ticaret A.Ş.	Road Transportation
	İÇDAŞ Sigorta Aracılık Hizmetleri A.Ş.	Insurance
	İÇDAŞ Dış Ticaret A.Ş.	Agriculture and Animal Breeding
	İÇYAPI İnşaat Taahhüt ve Ticaret A.Ş.	Construction
	İCE TANKER Deniz Taşımacılık Ltd. Şti.	Ship Operations
	KARSAN Gemi İnşa Sanayi ve Ticaret A.Ş.	Shipbuilding, Repair and Maintenance
	BİGAİR Havacılık ve Taşımacılık Sanayi ve Ticaret A.Ş.	Air Transportation



10

COMPANIES

2025 Overview



5,416
Employees



Of the Electricity Generated
in Türkiye **3.38%**



Among the Top 1,000 Exporters of
the Turkish Exporters Assembly
RANKED 3RD IN THE SECTOR



2.43 MILLION TONS of steel
produced accounting for **6.39%**
of Türkiye's total steel production



1.23 MILLION TONS
Steel Exports to 34 Countries



TRY 59 MILLION
Renewable Energy Investment



Of Türkiye's Installed
Electricity Capacity
1.38%



USD 690 MILLION
Exports



TRY 1.185 BILLION
Modernization and
New Technology Investment



TRY 102 BILLION
Net Sales



İÇDAŞ Çelik Enerji Tersane ve
Ulaşım Sanayi A.Ş.
RANKED 24TH IN THE ISO 500



İÇDAŞ Elektrik Enerjisi Üretim
ve Yatırım A.Ş. **RANKED**
95TH IN THE ISO 500



185.6 MILLION kWh
Renewable Energy Generation



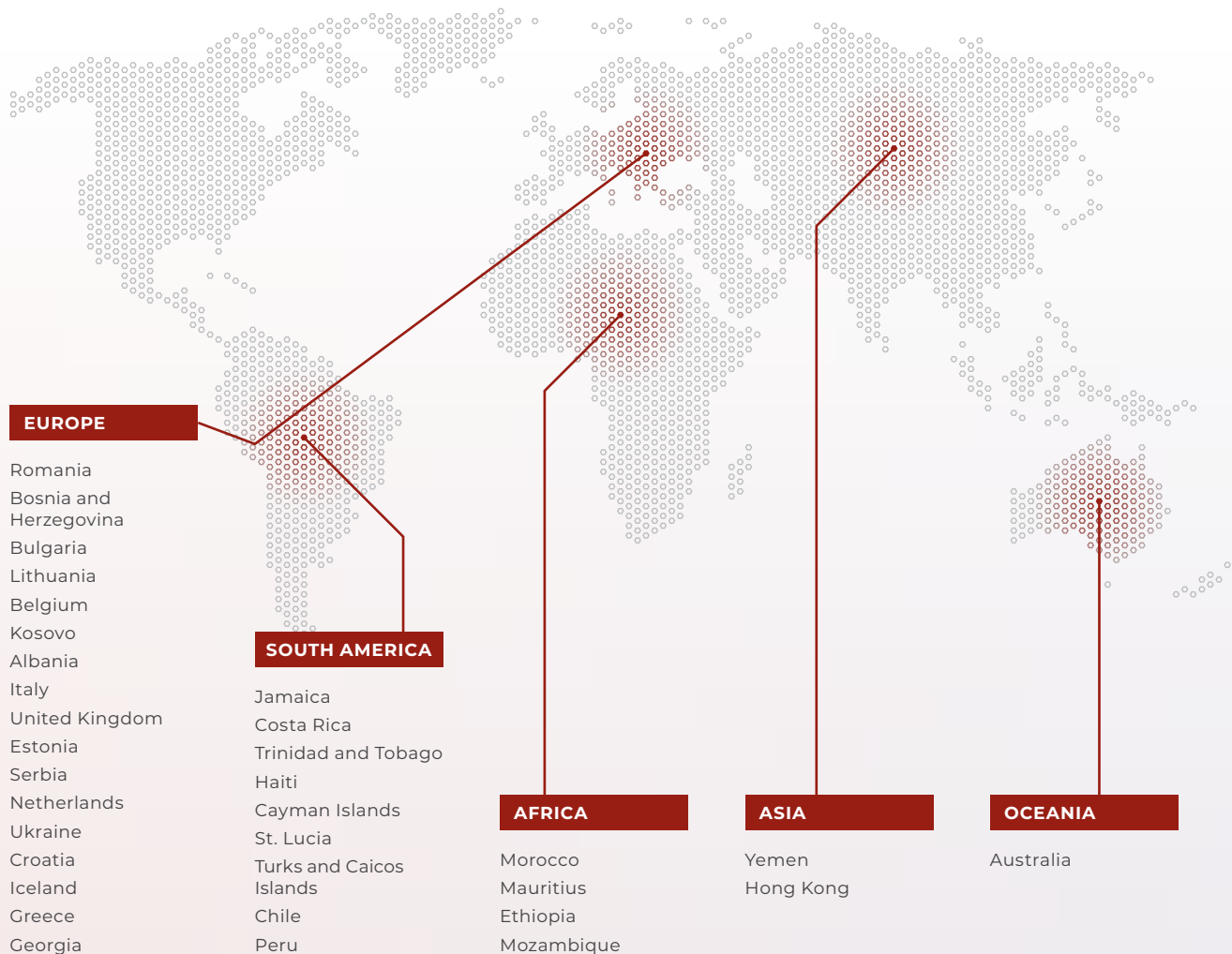
Among the Top 1,000 Exporters of
the Turkish Exporters Assembly
RANKED 37TH OVERALL



57 YEARS OF
Experience



Export Network



IN 2025, İÇDAŞ EXPORTED 1.23 MILLION TONS OF PRODUCTS TO 34 COUNTRIES ACROSS EUROPE, THE MIDDLE EAST, SOUTH AMERICA, AFRICA, ASIA, AND THE FAR EAST.



IN 2025 **34 COUNTRIES**

IN 2024 **37 COUNTRIES**

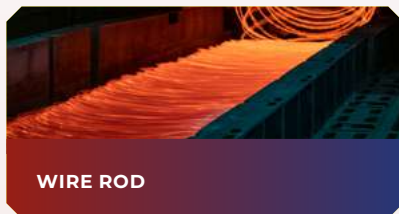
IN 2023 **20 COUNTRIES**

Products and Services

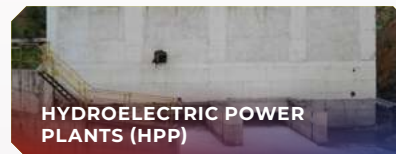
High Quality Standards and Advanced Production Technologies Focused on Customer Satisfaction...



STEEL PRODUCTS



ELECTRICITY GENERATION



SHIPBUILDING AND MAINTENANCE



İÇDAŞ offers value to many strategic sectors, particularly construction, automotive, tire, and machinery manufacturing, through its broad product portfolio and diversified service structure. The Company also has strong expertise in energy generation, shipbuilding, and maintenance and repair activities. All products and services are developed in line with high quality standards, advanced production technologies, and a process management approach centered on customer satisfaction.

STEEL PRODUCTS

Reinforcing Steel:

Reinforcing steel, one of the basic inputs of reinforced concrete structural systems, is a special product group with a ribbed surface structure that increases bond strength. Ribbed bar products are manufactured in diameters ranging from 6–50 mm and lengths ranging from 6–18 meters. Ribbed wire rod is manufactured in diameters ranging from 6–20 mm and shipped in coils weighing approximately 2–3 tons. These products contribute to improving structural safety and strength performance.

Steel Billets:

Steel billets, which constitute the basic input of rolling processes, are semi-finished products with a square cross-section and are produced through the continuous casting method. Billets, generally produced in cross-sections ranging from 100–200 mm, are used as raw materials in the production processes of reinforcing steel, flat bars, profiles, and wire rod.

Wire Rod:

Wire rods, produced through the hot rolling method and generally in a round cross-sectional form, are shipped in coils. This product group is used in various industries as the main input for wire, steel mesh, welding electrodes, bolts, springs, and similar cold-forming applications. A high-technology winding system called a spooler can also be applied to our products.

Prestressed Concrete Strand:

Prestressed concrete strands, produced by helically winding six wires around a central wire, are used in structural applications requiring high strength. Bridge and viaduct girders, precast concrete elements, concrete silo production, and ground anchoring systems are among the main areas of application.

Prestressed Concrete Wire:

Prestressed concrete wires, which can be produced with a smooth or indented surface, are offered to customers in coils or as bundles of bars cut to specified lengths. These

products are widely used particularly in the production of railway sleepers and are also preferred in ground stabilization applications and piping systems.

ELECTRICITY GENERATION

İÇDAŞ carries out its electricity generation activities through a diversified portfolio based on different energy sources, supported by a strong energy generation infrastructure that complements its integrated industrial structure. The Company develops both conventional and renewable energy investments with a balanced approach in order to support security of supply and continuity.

Power Plants:

Electricity generated at fossil fuel-based power plants is delivered to various corporate consumers through the national transmission system. These facilities contribute to system reliability through their baseload generation capacity.

Hydroelectric Power Plants (HPP):

Hydroelectric power plants, which are important components of İÇDAŞ's renewable energy portfolio, contribute to reducing environmental impacts through their low-carbon generation structure.

Solar and Wind Power Plants (SPP & WPP):

In line with the energy transition process, the Company is increasing its investments in electricity generation from solar and wind energy. Through these facilities, clean energy generation is supported and the share of renewable sources in the portfolio is gradually increased.

The electricity generated is supplied without interruption to industrial organizations in particular, as well as hotels, shopping centers, public institutions, and residential subscribers.

Recently, investments in SPP and WPP have been accelerated in particular, and these investments increase İÇDAŞ's installed renewable energy capacity while also strengthening its growth approach aligned with its climate and sustainability targets.

The Company aims to gradually enhance its capacity to provide its customers with lower-carbon energy.

SHIPBUILDING AND MAINTENANCE-REPAIR

İÇDAŞ provides shipbuilding and maintenance and repair services in line with international quality standards, supported by its strong shipyard infrastructure and technical expertise.

Thanks to its modern shipyard facilities and experienced human resources, integrated solutions are developed for the diverse needs of the maritime industry.

Shipbuilding Activities:

At İÇDAŞ Shipyard, commercial ships such as chemical tankers, general cargo ships, tugboats, pilot boats, etc., of various tonnages, dimensions, and specifications are built. İÇDAŞ Shipyard has the production, security, and technical infrastructure and the necessary operational capabilities to carry out defense industry projects.

With advanced engineering capabilities, modern production technologies, and a quality-focused project management approach, ships are built in compliance with international classification rules, creating added value for the global maritime industry.

Maintenance, Repair and Conversion Services:

Thanks to the dry dock infrastructure located within the shipyard, which is one of the largest in Türkiye and the Mediterranean region, comprehensive maintenance and repair services are provided for ships measuring up to 370 x 70 meters.

This capacity enables fast, reliable, and high-quality services to be provided to a broad range of ship segments, including large-tonnage ships.

İÇDAŞ Value Creation Model



Measured and Managed Priorities + Continuous Improvement Approach + Integration into the Sustainable Business Model = Long-Term Value Creation

MATERIAL TOPICS

PEOPLE AND SOCIETY

- Occupational Health and Safety
- Talent Management and Employee Development
- Equal Opportunity, Diversity and Inclusion
- Qualified Employment
- Community Investment Programs

ENVIRONMENT

- Climate Change Mitigation and Adaptation
- Energy Management
- Water Management
- Circular Economy and Waste Management
- Biodiversity

GOVERNANCE AND VALUE CREATION

- Business Ethics, Legal Compliance and Transparency
- Supply Chain Management
- Product Quality
- Operational Excellence
- Digitalization
- R&D and Innovation

AREAS OF ACTIVITY

2 Meltshops	4 Rolling Mills	2 Power Plants	2 Port Operations
4 Hydroelectric Power Plants (HPP)	1 Wind Power Plant (WPP)	1 Solar Power Plant (SPP)	
1 Seed Bank	3 Scrap Centers	1 Shipyard (Shipbuilding)	1 Cold Processing Plant
1 Agricultural Operation	1 Animal Breeding	1 Shipyard (Dry Dock)	



KEY ENABLERS

Strong Integrated Production Infrastructure
Energy and Carbon Management Capability
Qualified Human Resources
R&D and Innovation Investments
Digitalization and Data Management

GUIDING PRINCIPLES

Corporate Governance
Risk Management
Performance- and Data-Based Management
Stakeholder-Oriented Approach
Transparency and Accountability

KEY OUTPUTS

PEOPLE AND SOCIETY

- Safe Working Environment
- Employee Engagement and Development
- Strong Stakeholder Relations
- Contribution to Local Employment
- Contribution to Local Development

ENVIRONMENT

- Reduced Carbon Intensity
- Increased Share of Renewable Energy
- Improved Resource Efficiency
- Environmental Compliance and Risk Management

GOVERNANCE AND VALUE CREATION

- Strong Financial Performance
- Export and Market Diversification
- High-Quality Product Portfolio
- Sustainable Growth
- Ensuring Supply Chain Continuity
- Increased Operational Efficiency

SUSTAINABILITY MANAGEMENT

Transformation Built on Solid Foundations

Sustainability is regarded as a strategic management approach integrated across the entire business model, rather than a separate area of activity.

Environmental, social and governance (ESG) performance is addressed within a holistic framework, with stakeholder expectations placed at the center of strategic decision-making.

The climate transition plan, materiality analysis and reporting approach aligned with international standards are tangible expressions of this holistic vision.

Short-, medium- and long-term targets are developed on the basis of science-based scenarios, and progress is monitored transparently.



Sustainability at İÇDAŞ

A sustainability approach that creates value...



At İÇDAŞ, sustainability is treated as a strategic management area that supports business model resilience, operational efficiency and long-term competitiveness, extending beyond environmental and social responsibility.

In response to growing climate risks, carbon regulations and stakeholder expectations, the sustainability management structure is becoming more data-driven, measurable and integrated as of 2025.

Energy efficiency, renewable energy use, resource optimization, emissions management and circular economy practices are among the priority areas of transformation. Projects undertaken through an operational excellence approach aim to reduce environmental impacts while improving cost efficiency.

İÇDAŞ positions sustainability as a transformation process that creates impact throughout the value chain and evolves together with stakeholders.

PROJECTS UNDERTAKEN THROUGH AN OPERATIONAL EXCELLENCE APPROACH AIM TO REDUCE ENVIRONMENTAL IMPACTS WHILE IMPROVING COST EFFICIENCY.





KEY COMPONENTS OF THE MANAGEMENT STRATEGY



Digitalization and Operational Excellence

İÇDAŞ aims to continuously improve operational excellence by expanding digitalization and advanced technology applications across its production and management processes. Data-driven monitoring systems, process optimization and technological investments focused on energy efficiency enable more effective resource use while supporting progress in reducing emissions intensity. As of 2025, more integrated monitoring and management of sustainability performance through digital infrastructure is among the priority focus areas.



Integrated Risk and Opportunity Management

Risks and opportunities arising from the global climate agenda, carbon regulations and geo-economic developments are assessed holistically. İÇDAŞ systematically integrates environmental, social and governance (ESG) criteria into decision-making and strengthens its capacity to manage climate-related physical and transition risks in particular. Emerging regulatory frameworks, especially the European Union Carbon Border Adjustment Mechanism (CBAM), are closely monitored, while work continues to improve emissions data management and traceability infrastructure.



Transparent and Participatory Governance

İÇDAŞ considers stakeholder engagement a core element of its corporate governance approach. Communication channels with employees, suppliers, customers and local stakeholders are intended to bring feedback into decision-making. In 2025, work to report sustainability performance more transparently and comparably gained momentum in line with the principles of open communication, accountability and ethical business conduct.



Local Value and Responsible Growth

Economic, social and environmental impacts in the regions where İÇDAŞ operates are addressed holistically. Supporting local employment, strengthening regional supply chains and expanding projects that contribute to community development are key elements of İÇDAŞ's responsible growth approach.



Performance Monitoring and Impact Management

İÇDAŞ prioritizes the management of sustainability performance through measurable indicators and regular monitoring mechanisms. Work continues to improve data quality, track performance against targets and strengthen alignment with international reporting frameworks. The application submitted to the Science Based Targets initiative (SBTi) process enables emissions reduction targets to be reframed around scientific benchmarks and the transition to a low-carbon production model to be accelerated systematically.

Sustainability Policy

A commitment to sustainable development and environmental responsibility...



At İÇDAŞ, in keeping with our innovative management culture, we apply scientific, effective and efficient methods in environmental, occupational health and safety, energy and quality management, with a focus on strengthening sustainable steel production.

We shape all our activities around the goal of leaving a livable environment for future generations and, to this end, embrace the following core principles:

İÇDAŞ SUSTAINABILITY POLICY

In line with our commitment to sustainable development and environmental responsibility, we remain determined to integrate these principles into all our business processes.

Through target-oriented process management, we continuously improve our integrated management system and energy performance; we use raw materials efficiently, reduce losses and minimize the use of natural resources.

We base all environmental measurement, analysis and control processes on national environmental standards and environmental criteria.

Under our waste management policy, we develop disposal methods that do not harm the environment and improve our environmental performance year after year.

We focus on reducing carbon emissions associated with our products and services.

We fully comply with all legislation and international obligations relevant to our industry.

We systematically implement measures to reduce the environmental impacts of transportation.

We develop projects to use energy and water effectively and improve production efficiency through practices that reduce consumption.

We develop projects that protect the environment, prevent pollution and support continuous improvement, and choose technologies suited to local conditions.

We consider our financial goals together with our environmental responsibilities and adopt an approach that maintains long-term balance.

We run continuous training programs to promote sustainability awareness throughout the organization.

We place the health and safety of our employees at the center of our approach and carefully implement all measures to prevent occupational accidents and diseases.

We maintain ongoing dialogue with our stakeholders, analyze risks and opportunities in light of their expectations, and shape our policies accordingly.

We integrate measures to conserve natural resources into our business processes and act in line with the Sustainable Development Goals.

We prioritize local sources for the products and services we use and strengthen cooperation with domestic producers in our procurement processes.

In line with our commitment to sustainable development and environmental responsibility, we remain determined to integrate these principles into all our business processes.

Sustainability Approach

Emissions data management and low-carbon production...



İÇDAŞ places sustainability at the center of its goals to create long-term value, strengthen operational resilience and respond to changing global expectations.

Through its holistic approach encompassing environmental, social and governance dimensions, the Company integrates sustainability management into business processes, seeking to manage risks effectively and turn emerging opportunities into strategic value.

As of 2025, work to make sustainability practices more data-driven and measurable has accelerated in response to growing climate risks, carbon regulations and stakeholder expectations.

İÇDAŞ's sustainability approach is built on the principles of improving resource efficiency, reducing emissions intensity, strengthening safe and responsible production, and creating value together with stakeholders.

These efforts contribute to better operational performance and the management of environmental and social impacts throughout the value chain.

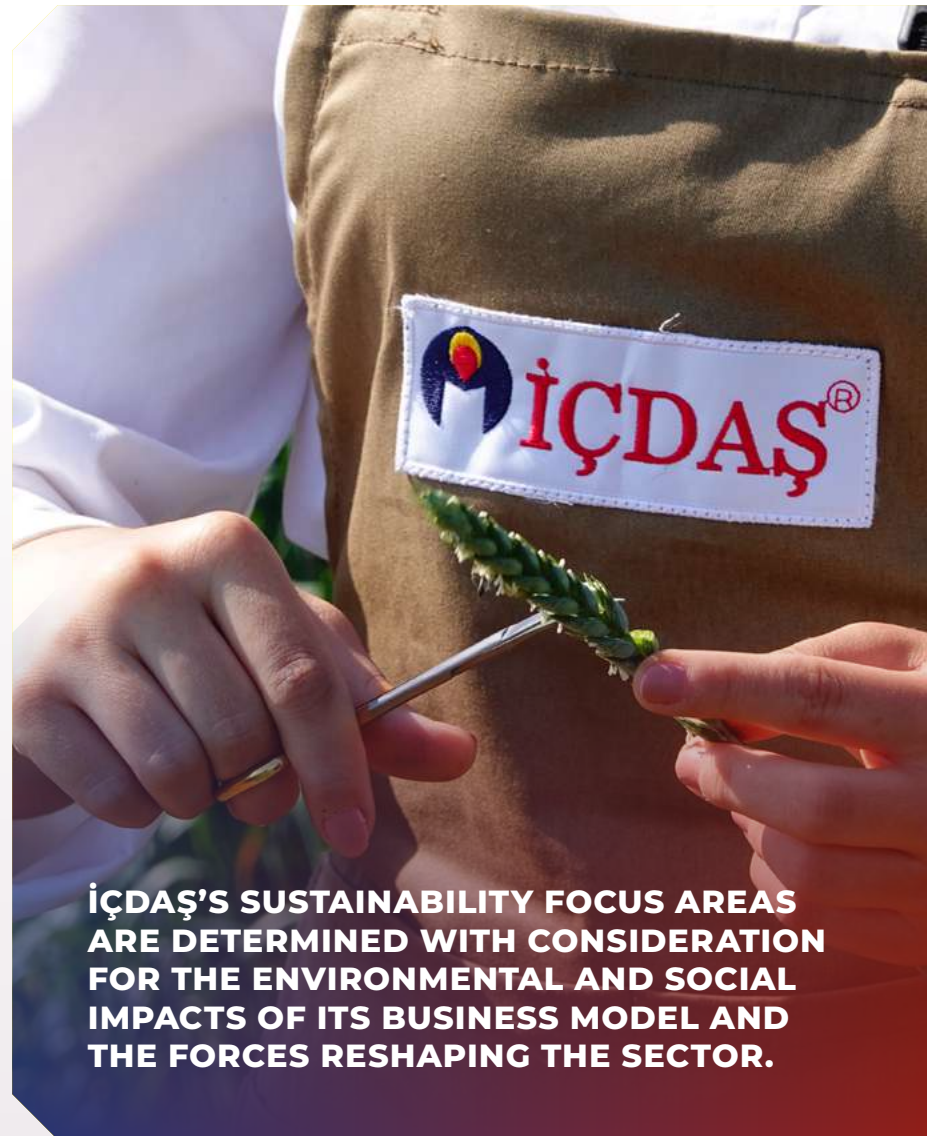
Regulatory developments, particularly the European Union Carbon Border Adjustment Mechanism (CBAM), are closely monitored; improving emissions data management, traceability and low-carbon production capabilities remains a priority.

To continuously improve sustainability performance, the Company continues to expand digital monitoring infrastructure, process optimization and technological investments focused on energy efficiency. Its application to the Science Based Targets initiative (SBTi) process marks an important step toward managing greenhouse gas emissions in line with science-based targets, demonstrating İÇDAŞ's commitment to advancing its low-carbon production transition in alignment with international climate goals.

İÇDAŞ's sustainability focus areas are determined with consideration for the environmental and social impacts of its business model and the forces reshaping the sector. Energy and emissions management, resource and waste management, occupational health and safety, employee development, responsible supply chains, ethics and compliance, and contributions to local development are therefore core components of its sustainability performance.

For the coming period, expanding measurable targets, improving data quality and strengthening performance monitoring mechanisms are considered priority areas for development.

For more information,
[Our Sustainability Roadmap](#)



İÇDAŞ'S SUSTAINABILITY FOCUS AREAS ARE DETERMINED WITH CONSIDERATION FOR THE ENVIRONMENTAL AND SOCIAL IMPACTS OF ITS BUSINESS MODEL AND THE FORCES RESHAPING THE SECTOR.

Sustainability Governance Structure

Meeting stakeholder expectations, creating social value and generating long-term value...



İÇDAŞ addresses corporate governance as an integral part of its sustainability strategies and adopts an inclusive governance model centered on meeting stakeholder expectations, creating social value and generating long-term value.

Accordingly, the organizational structure has been designed to integrate sustainability policies and targets into all business processes.

The multilayered governance structure, extending from the Board of Directors to field operations, ensures strong alignment and coordination between strategic decision-making and operational implementation.

All departments are empowered to contribute to sustainability targets within their respective areas of activity, while clearly defined responsibilities strengthen ownership across the organization.

Sustainability performance is regularly monitored and evaluated against defined key performance indicators. The results are systematically reported to senior management, enabling effective strategic feedback mechanisms. This structure supports more holistic, data-driven decision-making and promotes continuous improvement throughout the organization.



**SUSTAINABILITY PERFORMANCE IS
REGULARLY MONITORED AND EVALUATED
AGAINST DEFINED KEY PERFORMANCE
INDICATORS.**

Sustainability Targets



ECONOMIC PERFORMANCE NATIONAL AND LOCAL ECONOMIC CONTRI- BUTIONS

4 6,700 DWT STAINLESS STEEL CHEMICAL TANKERS

Target Completion Date

2026

Completed/New Targets

Work is ongoing. NB33 was delivered in 2025, and the remaining work is planned for comple-
tion in 2026.

ECONOMIC PERFORMANCE NATIONAL AND LOCAL ECONOMIC CONTRI- BUTIONS

1 SERVICE BOAT AMIRAL ATALAY

Target Completion Date

2025

Completed/New Targets

Construction began and was completed in 2025.

ECONOMIC PERFORMANCE NATIONAL AND LOCAL ECONOMIC CONTRI- BUTIONS

BUILD 2 TUGBOATS FOR PORT SERVICES

Target Completion Date

2025

Completed/New Targets

Work began in 2024, and NB37 and NB38 were
delivered in 2025.

ECONOMIC PERFORMANCE NATIONAL AND LOCAL ECONOMIC CONTRI- BUTIONS

12,500 DWT GENERAL CARGO BOAT

Target Completion Date

2026

Completed/New Targets

Work commenced in 2023, with delivery sched-
uled for the first half of 2026.

ECONOMIC PERFORMANCE NATIONAL AND LOCAL ECONOMIC CONTRI- BUTIONS

ESTABLISH A FLAT STEEL PRODUCTION FACILITY

Target Completion Date

2035

Completed/New Targets

EIA procedures were completed in 2025.

SOCIAL PERFORMANCE OCCUPATIONAL HEALTH AND SAFETY

REDUCE ACCIDENT FREQUENCY AND SEVERITY RATES

Target Completion Date

Ongoing

Completed/New Targets

Training activities continue on an ongoing basis.

Sustainability Targets

SOCIAL PERFORMANCE OCCUPATIONAL HEALTH AND SAFETY

PROVIDE OHS TRAINING TO 100% OF EMPLOYEES

Target Completion Date

Ongoing

Completed/New Targets

All personnel hired in 2025 received OHS training.

SOCIAL PERFORMANCE OCCUPATIONAL HEALTH AND SAFETY

PROVIDE OHS AND ENVIRONMENTAL TRAINING TO 100% OF CONTRACTORS

Target Completion Date

Ongoing

Completed/New Targets

All contractors who started work in 2025 received OHS and environmental training.

SOCIAL PERFORMANCE OCCUPATIONAL HEALTH AND SAFETY

INCREASE TOTAL OHS TRAINING HOURS

Target Completion Date

Ongoing

Completed/New Targets

Training opportunities that could benefit employees are continually being explored.

SOCIAL PERFORMANCE EMPLOYMENT

INCREASE EMPLOYEE SATISFACTION

Target Completion Date

Ongoing

Completed/New Targets

Satisfaction is monitored through surveys. Investments to improve physical working conditions are ongoing.

SOCIAL PERFORMANCE ETHICS

MAINTAIN THE PROPORTION OF WOMEN EMPLOYEES ABOVE 2.5%

Target Completion Date

Ongoing

Completed/New Targets

Women accounted for 2.94% of employees in 2025.

SOCIAL PERFORMANCE ETHICS

MAINTAIN UNION MEMBERSHIP ABOVE 50% OF EMPLOYEES

Target Completion Date

Ongoing

Completed/New Targets

Union members accounted for 51.73% of all employees in 2025.

Sustainability Targets

SOCIAL PERFORMANCE ETHICS

| DO NOT EMPLOY CHILD LABOR

Target Completion Date

Ongoing

Completed/New Targets

Neither İÇDAŞ nor its contractors employed child labor in 2025.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

| CONTINUE COMMUNITY INVESTMENTS FOCUSED ON EDUCATION, SPORTS AND CULTURE

Target Completion Date

Ongoing

Completed/New Targets

Activities within İÇDAŞ Sports Club and investments in culture continue on an ongoing basis.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

| CONTINUE ACCEPTING VISITORS TO OUR FACILITIES, AS WE HAVE SINCE 2011, TO BUILD A RESPECTED CORPORATE REPUTATION THROUGH DIRECT OBSERVATION

Target Completion Date

Ongoing

Completed/New Targets

High school and university students visit the facilities, while NGOs and relevant public institutions and organizations also have opportunities to visit and observe the site.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

| INTRODUCE YOUNG PEOPLE TO SWIMMING AND SURFING EACH YEAR AND DEVELOP BOTH LICENSED AND RECREATIONAL ATHLETES

Target Completion Date

Ongoing

Completed/New Targets

İÇDAŞ Sports Club supports young people's participation in sports.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

| INCREASE THE NUMBER OF STUDENTS IN THE SPORTS CLUB

Target Completion Date

Ongoing

Completed/New Targets

In 2025, the club served 519 students, including 272 licensed athletes.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

| CONTINUE SERVING AS THE PRINCIPAL SPONSOR OF THE PARION EXCAVATIONS

Target Completion Date

2026

Completed/New Targets

Excavations are ongoing.

Sustainability Targets

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

CONTINUE SPONSORING THE APOLLON SMINTHEION EXCAVATIONS

Target Completion Date
2027

Completed/New Targets
Excavations are ongoing.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

CONTINUE SPONSORING THE TROIA EXCAVATIONS

Target Completion Date
2027

Completed/New Targets
Excavations are ongoing.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

CONTINUE SPONSORING THE ALEXANDRIA TROAS EXCAVATIONS

Target Completion Date
2028

Completed/New Targets
Excavations are ongoing.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

CONTINUE SPONSORING THE ASSOS EXCAVATIONS

Target Completion Date
2027

Completed/New Targets
Excavations are ongoing.

SOCIAL PERFORMANCE RELATIONS WITH LOCAL COMMUNITIES

CONTINUE SPONSORING THE MAYDOS KİLİSETEPE MOUND EXCAVATIONS

Target Completion Date
2028

Completed/New Targets
Excavations are ongoing.

ENVIRONMENTAL PERFORMANCE EMISSIONS MANAGEMENT

REDUCE ROAD TRANSPORTATION AND PRIORITIZE RAIL AND SEA TRANSPORT

Target Completion Date
Ongoing

Completed/New Targets
In 2025, logistics activities were carried out primarily by sea and rail. Against a target to reduce transportation impacts by 0.25%, transportation impacts increased by 32.97% in 2025 due to the quality of raw material supply.

Sustainability Targets

ENVIRONMENTAL PERFORMANCE EMISSIONS MANAGEMENT

**INCREASE PRIMARY MATERIAL
USE AND MATERIAL EFFICIENCY
IN LIQUID REINFORCING STEEL
PRODUCTION**

Target Completion Date

Ongoing

Completed/New Targets

The material efficiency target for 2025 was set at 81%; the year-end result reached 81.42%.

ENVIRONMENTAL PERFORMANCE EMISSIONS MANAGEMENT

**INCREASE THE TOTAL NUMBER
OF TREE SAPLINGS PLANTED TO
400,000**

Target Completion Date

Ongoing

Completed/New Targets

A total of 296,282 saplings had been planted by the end of 2025.

ENVIRONMENTAL PERFORMANCE EMISSIONS MANAGEMENT

**MONITOR AND PUBLISH AIR
QUALITY DATA ONLINE WITHIN THE
FACILITY'S AREA OF INFLUENCE**

Target Completion Date

Ongoing

Completed/New Targets

The station undergoes periodic maintenance, enabling continuous production of air quality data throughout the year; the data are transmitted online to the relevant public authorities.

ENVIRONMENTAL PERFORMANCE EMISSIONS MANAGEMENT

**KEEP STACK EMISSIONS BELOW
LEGAL LIMITS**

Target Completion Date

Ongoing

Completed/New Targets

Keeping emissions below legal limits contributes to reducing environmental impacts.

ENVIRONMENTAL PERFORMANCE WASTE MANAGEMENT

**REDUCE WASTE SENT TO LANDFILL
TO 5%**

Target Completion Date

Ongoing

Completed/New Targets

R&D work is underway on using power plant ash in aerated concrete, cement, lime and similar applications. Work under the Zero Waste program also continues.

ENVIRONMENTAL PERFORMANCE WASTE MANAGEMENT

**USE SCRAP AND ALLOYING
MATERIALS EFFICIENTLY IN STEEL
PRODUCTION FACILITIES**

Target Completion Date

Ongoing

Completed/New Targets

The facilities' operational efficiency reached 91.76% in 2025, an increase of 0.11% compared with 2024.

Sustainability Targets

ENVIRONMENTAL PERFORMANCE WASTE MANAGEMENT

REDUCE HOUSEHOLD WASTE SENT TO LANDFILL FACILITIES

Target Completion Date

Ongoing

Completed/New Targets

In 2025, household waste sent to landfill amounted to 0.711 kg per ton of reinforcing steel produced on a per-person basis.

ENVIRONMENTAL PERFORMANCE WASTE MANAGEMENT

INCREASE THE AMOUNT OF WASTE SENT FOR RECOVERY

Target Completion Date

Ongoing

Completed/New Targets

Waste generation and recovery rates at the facilities in 2025 are presented in the Circular Economy and Waste Management section. A total of 54% of waste at the Değirmencik Integrated Facility and 82% at the Bekirli Power Plant was recovered.

ENVIRONMENTAL PERFORMANCE WASTE MANAGEMENT

REDUCE THE QUANTITIES OF SLAG, FLUE DUST AND MILL SCALE GENERATED AS A RESULT OF STEEL PRODUCTION

Target Completion Date

Ongoing

Completed/New Targets

Waste generated in 2024 amounted to 263.40 kg per ton of reinforcing steel produced, compared with 222.48 kg per ton in 2025. The target was met with a 15.54% reduction.

ENVIRONMENTAL PERFORMANCE WATER MANAGEMENT

PROTECT LIMITED FRESHWATER RESOURCES BY OBTAINING FRESHWATER FROM THE SEA

Target Completion Date

Ongoing

Completed/New Targets

In 2025, all water requirements of the Değirmencik Integrated Facility and Bekirli Power Plant continued to be met from the sea.

ENVIRONMENTAL PERFORMANCE WATER MANAGEMENT

REDUCE WATER CONSUMPTION PER TON OF REINFORCING STEEL PRODUCED BY 2%

Target Completion Date

Ongoing

Completed/New Targets

Water consumption intensity for reinforcing steel production rose from 0.75 m³ in 2024 to 0.84 m³ in 2025, an increase of 12.78%.

ENVIRONMENTAL PERFORMANCE ENERGY MANAGEMENT

KEEP THE CARBON CONTENT OF ASH BELOW 10% ACROSS THE THREE UNITS AT DEĞİRMENCİK POWER PLANT

Target Completion Date

Ongoing

Completed/New Targets

The year-end average for 2025 was 9.79%.

Sustainability Targets

ENVIRONMENTAL PERFORMANCE ENERGY MANAGEMENT

REDUCE ENERGY CONSUMED PER TON OF STEEL PRODUCED

Target Completion Date

Ongoing

Completed/New Targets

Energy intensity in reinforcing steel production rose by 0.64% from 2024 to 3.59 GJ per ton of reinforcing steel in 2025, and the 0.25% reduction target was not met.

ENVIRONMENTAL PERFORMANCE BIODIVERSITY CONSERVATION

SHARE INFORMATION ON BIODIVERSITY IN THE AREA OF THE BIGA FACILITIES WITH STAKEHOLDERS THROUGH THE İÇDAŞ WEBSITE

Target Completion Date

Ongoing

Completed/New Targets

Since 2023, İÇDAŞ has shared its biodiversity work and inventories of living species in the region with the public through an interactive platform on its website. Monitoring in the region identified two new species: the ladybird spider (*Eresus sandalia-tus*) and barrel jellyfish (*Rhizostoma pulmo*). They were photographed for the first time and added to the website's species inventory.

ENVIRONMENTAL PERFORMANCE BIODIVERSITY CONSERVATION

CONDUCT ORNITHOLOGICAL AND WILDLIFE MONITORING AT WIND FARM SITES

Target Completion Date

Ongoing

Completed/New Targets

In 2025, a biologist conducted and reported bio-diversity monitoring from March 1 to October 30.

ENVIRONMENTAL PERFORMANCE WATER MANAGEMENT

ARTIFICIAL REEF MONITORING ACTIVITIES

Target Completion Date

Ongoing

Completed/New Targets

The artificial reefs are monitored through two dives a year during fish breeding seasons.

Stakeholder Management

A communication model built on trust, transparency and mutual value creation...



İÇDAŞ adopts a communication model with its stakeholders based on trust, transparency and mutual value creation. Understanding stakeholder expectations and reflecting them in operations play an important role in corporate decision-making.

Employees, customers, shareholders, suppliers, public institutions, local authorities, academic institutions and civil society organizations are the main stakeholder groups. Communication with these groups is maintained regularly through methods and channels suited to each stakeholder group.

Communication takes place through meetings, digital platforms, visits, customer channels and feedback mechanisms. The views received are considered when improving activities. This approach helps develop faster and more effective responses to stakeholder expectations.

Stakeholder feedback guides the management of environmental and social impacts and the identification of sustainability priorities. Regular information sharing about corporate activities also supports accountability and transparency.

The stakeholder management approach seeks to consider the views of different groups in a balanced way and supports sustainable value creation through collaboration.

STAKEHOLDER GROUP	COMMUNICATION PLATFORM	FREQUENCY
Employees and Trade Unions	İÇÖS	Ongoing
	Internet	Ongoing
	OHS Meeting	Monthly
	Notice Boards	Ongoing
Shareholders	Board Meeting	Weekly
Customers	Call Center and Customer Portal	Ongoing
	Seminars, congresses and trade fairs	Several times a year
	Mutual visits	Ongoing
	Internet	Ongoing
	Product Information Brochure	Several times a year
	Factory tour and information meeting	Once a year
Public and Regulatory Authorities	Face-to-face meeting	As needed
Local Communities and Authorities	Face-to-face meeting	Several times a week
Members of the Media	Face-to-face meetings	Weekly
	Telephone, email and social media	Several times a week
Suppliers	Information on the Ethical Sourcing Policy	Once a year
Professional and Industry Chambers	Memberships	Monthly
	Presentations on environmental, OHS and related topics	Several times a year
Civil Society Organizations	Memberships	Monthly
Employees' Families	Cultural excursions	Several times a year
	Picnics and social events	Once a year
Universities and Research Institutions	Factory introduction tours and presentations	Six times a year
	Teaching vocational courses	Ongoing
Students / Prospective Employees / Interns	Factory introduction tours and presentations	Once a month
	Presentations on environmental, OHS and related topics	Once or twice a week

Materiality Analysis

A systematic, multidimensional approach...



İCDAŞ takes a systematic, multidimensional approach to identifying the material topics that underpin its sustainability strategy.

The materiality analysis began with a broad pool of topics, drawing on company strategy, sector dynamics, global trends and developments in sustainability.

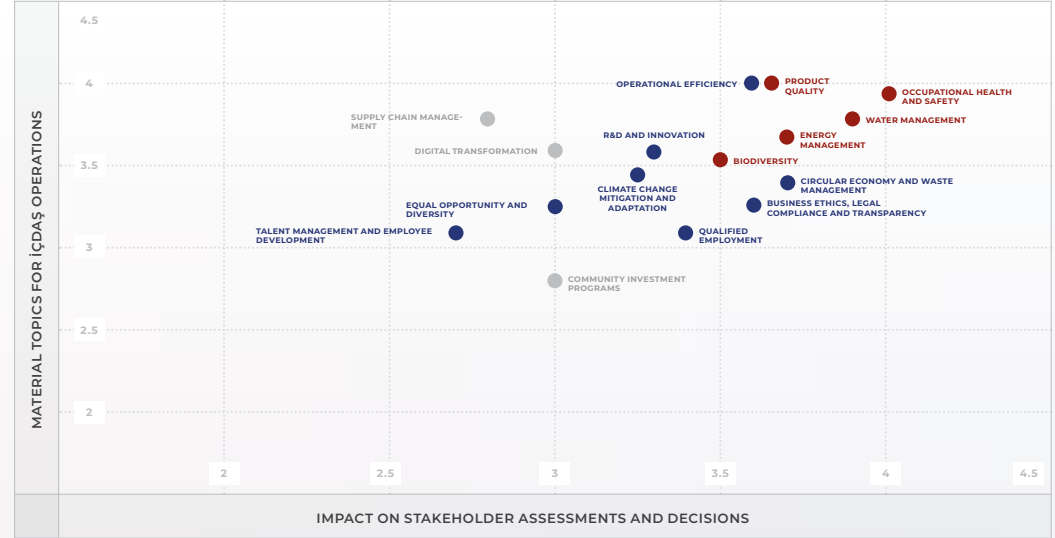
International standards (including GRI, SASB and the EU Taxonomy), national and international regulations, sector reports and sustainability initiatives were considered in developing the topic pool. Peer practices and examples of good practice were also reviewed to create a comprehensive, comparable set of topics.

The topics were presented to internal and external stakeholders in a survey, which asked respondents to rate each as 'very high priority,' 'high priority' or 'priority.'

Employees, managers, customers, suppliers, public bodies and other relevant stakeholder groups participated, enabling a comprehensive, data-driven assessment of external expectations and priorities.

The results were analyzed alongside İCDAŞ's operational impacts, risks and opportunities to compare stakeholder and company priorities. This analysis informed the final materiality matrix covering environmental, social and governance matters.

The materiality matrix is used as a key tool in shaping the sustainability strategy, setting targets and managing performance. It is also reviewed and updated periodically as circumstances and stakeholder expectations change.



VERY HIGH PRIORITY	HIGH PRIORITY	PRIORITY
Occupational Health and Safety	Circular Economy and Waste Management	Supply Chain Management
Water Management	Business Ethics, Legal Compliance and Transparency	Digital Transformation
Product Quality	Climate Change Mitigation and Adaptation	Community Investment Programs
Energy Management	Operational Efficiency	
Biodiversity	Qualified Employment	
	R&D and Innovation	
	Equal Opportunity and Diversity	
	Talent Management and Employee Development	

Sectoral Impacts, Corporate Approach and Contribution to the SDGs



MATERIAL TOPIC

CLIMATE CHANGE MITIGATION AND ADAPTATION

SECTORAL IMPACTS

The iron and steel sector accounts for a significant share of global greenhouse gas emissions, with process emissions central to its transformation. The European Green Deal, CBAM and carbon pricing mechanisms create direct cost pressures for exporters. The shift to low-carbon production technologies has become decisive for access to finance and customer preferences. Physical climate risks, including extreme weather and water stress, can also affect production continuity.

İÇDAŞ'S CORPORATE APPROACH

Climate change is treated as a core component of corporate risk management and sustainability strategy. Systematic infrastructure is being developed to monitor, verify and report greenhouse gas emissions, improving data quality and traceability. Work is underway to define emissions reduction targets aligned with the SBTi, while physical and transition risks are analyzed in line with the TCFD approach. CBAM and the national emissions trading system (ETS) are closely monitored for compliance with carbon regulations; their operational and financial effects are assessed and action plans developed.

CONTRIBUTION TO THE SDGS



MATERIAL TOPIC

ENERGY MANAGEMENT

SECTORAL IMPACTS

Steel production is energy intensive, making the sector highly sensitive to energy costs and security of supply. Fluctuations in electricity prices and dependence on fossil fuels directly affect production costs. The carbon intensity of energy sources also shapes product carbon footprints, increasing the importance of low-carbon energy in meeting customer expectations and regulatory requirements.

İÇDAŞ'S CORPORATE APPROACH

Energy management is integrated with operational efficiency and emissions reduction targets. Energy performance is regularly monitored and improvement opportunities identified under the ISO 50001 Energy Management System. Process optimization, waste heat recovery and energy efficiency projects are implemented systematically. Renewable energy investments aim to diversify the energy portfolio, while work continues to reduce the carbon intensity of electricity used in production.

CONTRIBUTION TO THE SDGS



Sectoral Impacts, Corporate Approach and Contribution to the SDGs

MATERIAL TOPIC

WATER MANAGEMENT

SECTORAL IMPACTS

Pressure on water resources poses a critical risk to operational sustainability, particularly in industrialized regions. Water supply, treatment costs and discharge standards are subject to increasingly stringent regulation. Water efficiency has become a strategic factor in investment decisions for facilities operating in water-stressed areas.

İÇDAŞ'S CORPORATE APPROACH

Water management is guided by resource efficiency and sustainable use. The facilities' water needs, including drinking water, are met from seawater. Avoiding groundwater and other freshwater sources in operations helps limit impacts on local freshwater resources and supports their sustainable management. Water consumption is monitored by process, with targets set to reduce water use per ton. Alternative sources and wider use of closed-loop systems aim to reduce water withdrawal.

CONTRIBUTION TO THE SDGS



MATERIAL TOPIC

CIRCULAR ECONOMY AND WASTE MANAGEMENT

SECTORAL IMPACTS

The steel industry generates large volumes of by-products and waste. Disposal entails costs, while recovery creates economic value. In line with EU circular economy policies, waste reuse and classification as by-products have become more important. Sustainable finance criteria also use recovery rates as performance indicators.

İÇDAŞ'S CORPORATE APPROACH

Under the circular economy approach, priority is given to preventing waste at source and recovering waste that is generated. Flue dust containing zinc and lead is sent to licensed facilities for recovery, while mill scale is used as a raw material in iron and steel production. Electric arc furnace slag is used as artificial aggregate under by-product conformity certificates, supplying construction and industrial applications. Fly ash and bottom ash from the Bekirli Power Plant are treated as by-products under applicable regulations and technical criteria and used as alternative raw material inputs in cement production, reducing natural resource consumption and supporting the circular economy.

CONTRIBUTION TO THE SDGS



Sectoral Impacts, Corporate Approach and Contribution to the SDGs

MATERIAL TOPIC

BIODIVERSITY

SECTORAL IMPACTS

The impacts of industrial operations on terrestrial and marine ecosystems matter for permitting, environmental impact assessments and stakeholder expectations. Biodiversity management has become particularly important for facilities in coastal regions or near natural habitats. Financial institutions and international standards increasingly call for monitoring biodiversity impacts.

İÇDAŞ'S CORPORATE APPROACH

Biodiversity management includes regular monitoring and inventory work at operational sites. Conservation and restoration activities are planned to reduce impacts on natural habitats, with periodic observations particularly at wind farm sites and coastal areas.

CONTRIBUTION TO THE SDGs



MATERIAL TOPIC

BUSINESS ETHICS, LEGAL COMPLIANCE AND TRANSPARENCY

SECTORAL IMPACTS

Transparency, traceability and regulatory compliance in global supply chains have become critical to competitiveness. Investors and customers closely monitor the verifiability of environmental data and ethical business practices. Compliance gaps entail risks of financial penalties and reputational damage.

İÇDAŞ'S CORPORATE APPROACH

Business ethics principles are defined as binding rules for employees and business partners. Accessible, anonymous channels for reporting ethical breaches have been established, and review procedures strengthened through the Ethics Committee.

CONTRIBUTION TO THE SDGs



MATERIAL TOPIC

R&D AND INNOVATION

SECTORAL IMPACTS

Low-carbon production technologies, alternative raw materials and process improvements have become key determinants of competitiveness in the sector. Producers unable to adapt to technological change face risks of higher costs and lost markets. Sustainable product development is also increasingly important to customers.

İÇDAŞ'S CORPORATE APPROACH

R&D activities are directly linked to sustainable production goals. Priority is given to process development that improves resource efficiency, recovers waste and reduces carbon intensity.

CONTRIBUTION TO THE SDGs



Sectoral Impacts, Corporate Approach and Contribution to the SDGs

MATERIAL TOPIC

SUPPLY CHAIN MANAGEMENT

SECTORAL IMPACTS

Disruptions in global supply chains create significant risks for raw material procurement and logistics. Carbon regulations also require monitoring supply chain emissions. Local sourcing and sustainable supplier management play a critical role in mitigating risks.

İÇDAŞ'S CORPORATE APPROACH

Sustainability criteria are integrated into supply chain management. Supplier selection considers environmental performance, quality standards and compliance. Increasing local sourcing is intended to reduce logistics emissions. Work continues to improve supplier assessment and monitoring.

CONTRIBUTION TO THE SDGS



MATERIAL TOPIC

PRODUCT QUALITY

SECTORAL IMPACTS

Product quality and certification are essential to competitiveness, particularly in international markets. Customers seek transparent information on products' environmental impacts as well as technical performance. Declarations such as EPDs provide an important market access advantage.

İÇDAŞ'S CORPORATE APPROACH

Product quality is managed in line with international standards and customer expectations. Quality assurance processes are conducted under ISO and industry certifications, and product performance is regularly monitored. Environmental Product Declaration (EPD) studies are underway.

CONTRIBUTION TO THE SDGS



MATERIAL TOPIC

DIGITALIZATION

SECTORAL IMPACTS

Digitalization has become a critical tool for production efficiency, traceability and regulatory compliance. Data management and cybersecurity are significant risks to operational continuity.

İÇDAŞ'S CORPORATE APPROACH

Digitalization is positioned as a key tool for improving operational effectiveness. Production, environmental and OHS data are monitored and analyzed through digital systems. Information security is managed under ISO 27001 to safeguard data integrity and security.

CONTRIBUTION TO THE SDGS



Sectoral Impacts, Corporate Approach and Contribution to the SDGs

MATERIAL TOPIC

OPERATIONAL EXCELLENCE

SECTORAL IMPACTS

Rising cost pressures and competition have made efficiency critical in production. Energy, raw material and labor productivity directly affect profitability. Process optimization and lean manufacturing are becoming more widespread in the sector.

İÇDAŞ'S CORPORATE APPROACH

An operational excellence approach manages processes according to continuous improvement principles. Lean manufacturing, Kaizen and process optimization improve efficiency and reduce costs. Optimization work is conducted in logistics and production.

CONTRIBUTION TO THE SDGs



MATERIAL TOPIC

OCCUPATIONAL HEALTH AND SAFETY

SECTORAL IMPACTS

Occupational accidents and diseases are among the leading operational risks in heavy industry. OHS performance is critical to business continuity, employee productivity and corporate reputation.

İÇDAŞ'S CORPORATE APPROACH

Occupational health and safety is managed through a preventive approach. Risk assessments are conducted regularly, and training and awareness activities promote a culture of safe work. Health services and on-site practices support employee safety.

CONTRIBUTION TO THE SDGs



MATERIAL TOPIC

TALENT MANAGEMENT AND EMPLOYEE DEVELOPMENT

SECTORAL IMPACTS

Digitalization and automation are increasing demand for skilled labor. The availability of employees with technical skills is one of the industry's greatest challenges.

İÇDAŞ'S CORPORATE APPROACH

Employee development is supported through training programs and competency-building practices. Technical and behavioral training is provided, and continuous development is encouraged. Work to establish a competency management system is planned.

CONTRIBUTION TO THE SDGs



Sectoral Impacts, Corporate Approach and Contribution to the SDGs

MATERIAL TOPIC

EQUAL OPPORTUNITY AND INCLUSION

SECTORAL IMPACTS

Diversity and inclusion are becoming more important for workforce sustainability and corporate reputation. International standards and investor expectations prioritize this area.

İÇDAŞ'S CORPORATE APPROACH

Equal opportunity guides recruitment and career processes. A zero-tolerance approach to discrimination supports a fair and inclusive workplace for all employees. Grievance and feedback mechanisms protect employee rights.

CONTRIBUTION TO THE SDGS



MATERIAL TOPIC

QUALIFIED EMPLOYMENT

SECTORAL IMPACTS

Union representation, working conditions and social benefits are decisive for employee engagement and retention.

İÇDAŞ'S CORPORATE APPROACH

İÇDAŞ regards protecting employee rights, developing a safe and inclusive working environment, and supporting professional development as essential to qualified employment. Employee rights are safeguarded under applicable legislation, the collective bargaining agreement, and company policies and practices; social benefits and fringe benefits are administered fairly and transparently on the basis of objective criteria.

CONTRIBUTION TO THE SDGS



MATERIAL TOPIC

COMMUNITY INVESTMENT PROGRAMS

SECTORAL IMPACTS

Strong relationships with local communities are critical to maintaining a social license to operate.

İÇDAŞ'S CORPORATE APPROACH

Social responsibility projects in education, sports and cultural heritage support local development. Projects conducted with stakeholders increase social impact.

CONTRIBUTION TO THE SDGS



Risk Management

Systematic risk management aligned with corporate sustainability goals...



At İÇDAŞ, risk management is approached systematically and in alignment with corporate sustainability goals.

The risk management function has been restructured under Audit, Risk Management and Internal Control to identify risks early, manage them effectively and integrate them into decision-making.

The core risk management framework is defined by the Risk Management Procedure approved by the Board of Directors and implemented across the organization.

Comprehensive process analyses have assessed all activities in detail, and work has begun to identify, measure and prioritize risks at the process, subprocess and activity levels.

Risks are assessed against impact and likelihood criteria, while risk levels also account for the effectiveness of existing controls.

Identified risks are compared with the Company's risk appetite, prioritized and addressed through detailed action plans for critical areas.

Opportunity analysis is conducted alongside risk assessment and integrated into strategic decision-making.

Opportunities related to climate change, energy efficiency, carbon management and sustainable production are assessed for cost advantages, operational efficiency, regulatory compliance and competitiveness.

Actions addressing risks and opportunities are developed in coordination among relevant business units, the risk management function and senior management.

For prioritized risks, options to mitigate, transfer, accept or eliminate the risk are assessed. Suitable actions are defined with responsible units, timelines and performance indicators. Action plans are monitored regularly, implementation is tracked and plans are updated as needed. Risk management outputs also inform internal audit plans and help strengthen controls.

Risk governance is based on transparency, accountability and early detection. The Early Detection of Risk Committee, which reports to the Board of Directors, provides strategic oversight. Risk assessment results are reported regularly to senior management and support strategic decisions.

AT İÇDAŞ, RISK MANAGEMENT IS APPROACHED SYSTEMATICALLY AND IN ALIGNMENT WITH CORPORATE SUSTAINABILITY GOALS.





Risk Management

Climate change and environmental risks have been integrated into the risk management system alongside operational and financial risks. Greenhouse gas emissions, energy consumption, carbon regulations and international regulatory developments are regularly monitored, and related risks and opportunities are assessed holistically.

The European Union Carbon Border Adjustment Mechanism (CBAM), efforts to establish a national emissions trading system and carbon pricing mechanisms are among the factors that could significantly affect the Company's operating costs and competitiveness.

Climate-related risks are assessed as transition or physical risks. Regulatory changes, carbon costs, customer expectations and technological requirements arising from the shift to a low-carbon economy are considered transition risks; extreme weather, water stress and resource constraints are analyzed as physical risks.

Emissions reduction efforts, energy efficiency projects and investments to lower carbon intensity are planned to manage these risks. The transition also creates new business opportunities and areas for efficiency improvement.

The emissions reduction roadmap developed in line with the SBTi methodology aims to manage risks and opportunities in alignment with long-term strategic goals. Ethics and compliance are also important dimensions of risk management.

The Ethics Hotline has been strengthened, an Ethics Committee established to assess violations, and anti-fraud policies adopted.

Work continues to apply segregation of duties throughout the organization, while internal controls are continually improved.

Digitalization and technology integration improve the effectiveness of risk management. End-to-end digital workflow systems and data analytics are planned for critical processes to manage risks more quickly, accurately and transparently.

The supply chain is integral to risk management. Supplier selection considers environmental performance, carbon intensity and management system practices, helping mitigate sustainability risks and identify opportunities across the value chain.

İÇDAŞ considers risks and opportunities together, managing climate-related uncertainty to support long-term resilience and sustainable growth.

Sustainability and Climate-related Risks and Opportunities

A strategy strengthened by integrating risks and opportunities...



The increasingly visible global impacts of climate change, including their economic and social dimensions, make it a core consideration in organizations' long-term strategies.

The growing impact of climate-related risks requires reassessment of business models and investment decisions.

İÇDAŞ applies a comprehensive management approach to anticipate the impacts of climate change and strengthen resilience to them.

Regulatory developments, carbon emissions rules, environmental measures affecting international trade and sustainability obligations are monitored continuously, and mechanisms to adapt to these changes are being developed.

Risk mitigation measures are prioritized to limit the exposure of operations to climate-related impacts.

Work continues to diversify resources to limit the effects of extreme weather, improve the resilience of critical infrastructure and support energy security.



İÇDAŞ's Climate Transition Plan, an important part of its climate risk management, covers short-, medium- and long-term emissions reduction targets, actions to achieve them and scenario analyses based on scientific data.

The assessments found that climate impacts on operations and dependencies on natural resources and ecosystem services could give rise to different risks over various time horizons.

Effective management of these impacts could also create opportunities in new business models, technological transformation and resource efficiency.

PROCESSES FOR IDENTIFYING, ASSESSING AND PRIORITIZING RISKS AND OPPORTUNITIES

Climate-related risks and opportunities are identified and assessed in line with the Turkish Sustainability Reporting Standards (TSRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Current and potential climate impacts on operations are analyzed, including physical risks such as rising temperatures, water stress, heavy rainfall, floods and storms, as well as transition risks related to carbon costs, regulatory changes, technological transformation and shifting market expectations.

The assessment defines short term as 1–3 years, medium term as 3–10 years and long term as more than 10 years, aligned with the horizons used in corporate planning, investment and strategy.

Short-term efforts focus on improving operations and performance; medium-term efforts prioritize investments supporting sustainability goals and innovative technologies. In the long term, the aim is to support transformation throughout the value chain, improve resource efficiency and expand practices that contribute to sustainable growth.

Climate change is considered a source of strategic opportunities as well as risks.

Key opportunities include greater use of renewable energy, expanded energy efficiency, stronger demand for sustainable products and services, and new business areas arising from the low-carbon transition.

Improvements and transformation initiatives address these opportunities by strengthening operational resilience, supporting emissions reduction targets and adapting to low-carbon technologies.

Risks and Opportunities

RISK DESCRIPTION

Risk of variable CO₂ prices and substantial financial costs under the Emissions Trading System (ETS), carbon taxes and other carbon pricing mechanisms and future carbon legislation

İÇDAŞ'S CURRENT STRATEGIES

Carbon footprint data are monitored and reported regularly. Energy efficiency measures and renewable energy investments reduce the carbon intensity of production. R&D on carbon capture and low-carbon production is supported through university partnerships.

National and international climate regulations are closely monitored, and potential financial effects assessed through scenario analysis. Conservation measures and investments continue to secure energy supply and optimize resource use.

Waste management, circular economy practices and alternative fuels aim to reduce emissions and improve resource efficiency.

RISK DESCRIPTION

Additional carbon pricing costs for exported products under legislation and regulations

İÇDAŞ'S CURRENT STRATEGIES

The potential effects of carbon pricing on exports are assessed, including scenario analysis for trade with the EU market.

Certification for international markets is managed according to customer and market requirements, with appropriate strategies based on cost-benefit assessments. Preparations for future regulations continue, and the effects of potential obligations on trade volumes and costs are regularly analyzed.

TCFD Subcategory
TRANSITION – POLICY AND LEGAL

Risk Time
Horizon
SHORT

Risk Rating
MEDIUM

TCFD Subcategory
TRANSITION – POLICY AND LEGAL

Risk Time
Horizon
SHORT

Risk Rating
LOW

Risks and Opportunities

RISK DESCRIPTION

| Risk of climate-related litigation or other legal sanctions

İÇDAŞ'S CURRENT STRATEGIES

Permits and licenses required for environmental compliance are regularly monitored and renewed. Air quality measurements are conducted to track environmental performance, and transparent disclosure of the data is emphasized. Environmental performance goals that go beyond legal requirements are also monitored regularly.

Work to reduce environmental impacts involves public institutions, universities and technical experts. Environmental performance is assessed through research and monitoring projects.

Information activities with local communities, educational institutions and other stakeholders seek to raise environmental awareness. Education and support programs for local stakeholders continue under corporate social responsibility initiatives.

TCFD Subcategory
TRANSITION – POLICY AND LEGAL

Risk Time
Horizon
SHORT

Risk Rating
LOW

RISK DESCRIPTION

Physical risks from extreme weather, including river overflow, flooding and fires, that could halt production, delay shipments, damage production facilities and supporting infrastructure (auxiliary facilities, port and rail), or affect employees' health and working conditions

İÇDAŞ'S CURRENT STRATEGIES

Following operational disruptions caused by extreme weather, sewerage infrastructure was reinforced and drainage channels rebuilt. No event of a similar scale has occurred since. Stockpiles were moved indoors to reduce rain-related product damage, and roof and drainage inspections and most maintenance work were completed before winter.

Rainwater collection systems are being installed to manage flood risk and support reuse, with collected water supplied to the wastewater treatment plant. Projects to modify the seawater basin and extend the intake are being considered to address lower cooling efficiency as seawater temperatures rise. Filter clogging due to marine mucilage, cartridge filter costs and chemical consumption are also monitored, and their operating cost impacts calculated.

Inverter rooms are climate controlled and continuously monitored to protect equipment from temperature fluctuations. Patrols operate around critical equipment for employee safety, and operations are adjusted during extreme heat and cold. As seawater is used for both drinking water and production, the location on the Sea of Marmara is regarded as an advantage for water supply continuity.

TCFD Subcategory
PHYSICAL – ACUTE

Risk Time
Horizon
SHORT

Risk Rating
LOW

Risks and Opportunities

RISK DESCRIPTION

Investors' and lenders' decisions about investing in, partnering with or collaborating with a company based on its climate impacts and work to reduce them

İÇDAŞ'S CURRENT STRATEGIES

Financial institutions request data on emissions intensity, the share of green assets and other environmental performance indicators. Accordingly, operational and carbon management data are shared with stakeholders and financial institutions through sustainability reporting. Starting the SBTi commitment process will support the Company's contribution to science-based climate targets and help meet investor and sustainable finance expectations.

Beyond these disclosures, financial institutions expect transparency on supply chain sustainability as well as the Company's operational impacts. Supplier management therefore considers the environmental and social performance of providers of critical raw materials such as ferrochrome, manganese and billets. Compliance with sustainability criteria is particularly important for suppliers producing from ore. Relationships with suppliers that fail to meet the requirements may be reviewed and alternative sourcing considered where necessary.

TCFD Subcategory
TRANSITION – REPUTATION

Risk Time
Horizon
MEDIUM

Risk Rating
MEDIUM

RISK DESCRIPTION

Failure to meet public reporting expectations or maintain consistency across reports

İÇDAŞ'S CURRENT STRATEGIES

Reports requested by public institutions, regulators and other stakeholders, particularly the sustainability report, are prepared regularly.

Consistency across reporting channels is prioritized, supported by digital data management systems. Energy use and other critical indicators are monitored through SAP infrastructure and analytical systems.

Work continues to strengthen coordination among departments, standardize data management and develop corporate procedures for data collection, verification and reporting to ensure consistency across reports.

TCFD Subcategory
TRANSITION – REPUTATION

Risk Time
Horizon
LONG

Risk Rating
LOW

Risks and Opportunities

RISK DESCRIPTION

| Risk of supply chain disruption due to extreme weather

İÇDAŞ'S CURRENT STRATEGIES

To maintain supply continuity, critical raw materials are sourced from multiple providers rather than a single source. International procurement is mainly by sea, while transport methods for domestic logistics are assessed according to operational needs.

Expectations on environmental, social and OHS matters are defined for suppliers, and relevant information is requested from critical suppliers. Systematic supplier sustainability assessment and scoring mechanisms need to be developed in the future. Risk assessments by critical product and raw material are planned to better manage supply-related operational risks.

TCFD Subcategory
PHYSICAL – ACUTE

Risk Time
Horizon
LONG

Risk Rating
MEDIUM

RISK DESCRIPTION

| Risks of coal supply difficulties arising from climate regulations and supply chain disruptions affecting raw material, intermediate and finished product logistics due to extreme weather such as storms, floods and fires

İÇDAŞ'S CURRENT STRATEGIES

Alternative fuel and raw material sources are assessed to reduce risks to critical production inputs. Field trials have been carried out with biocoal, hazelnut shells and biomass-based materials, alongside technical and economic feasibility studies with technology providers. Under current conditions, these alternatives have not provided sufficient efficiency or cost advantages to meet production needs.

Alternative fuels such as petcoke are also assessed and tested at selected facilities to address potential supply disruptions and market volatility. Suppliers are diversified and long-term partnerships with producers developed to limit pricing and logistics risks in domestic and international sourcing.

Cost projections and scenario analyses for coal and other essential inputs support supply security. Operational performance is monitored under facility modernization and process improvement programs, with necessary improvements implemented.

TCFD Subcategory
TRANSITION – POLICY AND LEGAL

Risk Time
Horizon
LONG

Risk Rating
MEDIUM

Risks and Opportunities

RISK DESCRIPTION

Risk of public pressure and growing demands for social responsibility if climate change prompts communities and customers to challenge energy-intensive industries such as steel

İÇDAŞ'S CURRENT STRATEGIES

Information and awareness initiatives respond to public concerns about power plant operations and help explain environmental impacts. Fluidized-bed technology and best available techniques (BAT) are applied to keep impacts under control.

Facility emissions are continuously monitored through air quality stations. Performance is tracked against legal limits and internal targets and regularly reviewed through internal audits and voluntary commitments.

Technical visits involving universities, local residents, students and public institutions support transparency and explain environmental management practices. Flue gas treatment systems control emissions, while stakeholder feedback is regularly assessed and improvements undertaken as needed.

TCFD Subcategory
TRANSITION – REPUTATION

Risk Time
Horizon
LONG

Risk Rating
LOW

RISK DESCRIPTION

Cost risks associated with investments required to produce steel using low-emission technologies, including hydrogen, renewable energy and electrification in place of fossil fuels

İÇDAŞ'S CURRENT STRATEGIES

Technological advances in reducing carbon emissions are closely monitored, and R&D and feasibility studies are conducted on carbon capture and storage technologies and low-carbon production solutions. Hydrogen-based steelmaking is considered a long-term transformation opportunity, while investment decisions reflect technical feasibility and economic conditions.

EU- and TÜBİTAK-supported funding programs support low-carbon transformation and technological development. The completed TÜBİTAK-supported SAİM Project helped establish roadmaps for future technology investments and transformation.

The feasibility of energy efficiency and alternative energy technologies is assessed, with investment decisions considering environmental benefits and emissions reduction potential alongside cost-benefit analysis. The decarbonization roadmap developed under the SBTi process supports preparations for low-carbon steel production and helps reduce future market loss risk.

TCFD Subcategory
TRANSITION – TECHNOLOGY

Risk Time
Horizon
MEDIUM

Risk Rating
MEDIUM

Risks and Opportunities

RISK DESCRIPTION

Risk of lower market share and/or profitability if demand for steel produced with low-emission technology rises and cannot be met

İÇDAŞ'S CURRENT STRATEGIES

Developments in low-carbon production technologies are monitored closely, and process improvements and transformation measures to reduce carbon intensity are evaluated. Partnerships with technology providers and other stakeholders and various trials are underway. Supplier-related technical and operational constraints can, however, affect the pace of some projects.

Changing market expectations are monitored, with customer demand for low-carbon products assessed through sales channels. Strategic roadmaps for low-emission products aim to mitigate the risk, with investments planned when technological and economic conditions allow.

TCFD Subcategory
TRANSITION – TECHNOLOGY

Risk Time
Horizon
MEDIUM

Risk Rating
LOW

RISK DESCRIPTION

Suppliers' inability to meet the Company's demand for technological transformation and/or new investments in response to climate change

İÇDAŞ'S CURRENT STRATEGIES

Engineering and project teams carry out preparatory work and define technical requirements in advance to manage technological transformation needs.

Projects are phased in view of supplier capacity and availability. Alternative technologies and systems undergo preliminary feasibility assessments. Work continues to build long-term supplier relationships and R&D partnerships to secure access to critical technologies.

TCFD Subcategory
TRANSITION – TECHNOLOGY

Risk Time
Horizon
MEDIUM

Risk Rating
LOW

Risks and Opportunities

RISK DESCRIPTION

Operational disruption and/or ineffective management of internal resources, including human capital and engineering capacity, due to constraints in integrating new transformations into existing production processes and managing change and capabilities

İÇDAŞ'S CURRENT STRATEGIES

Technical training is regularly planned and provided to build the skills needed to introduce new technologies and systems.

Training reflects the needs of production, maintenance, engineering and project teams so that employees acquire the necessary knowledge and skills before new practices are introduced.

External training and consulting are used when needed to strengthen institutional knowledge and technical expertise. Recruitment considers education and professional qualifications to sustain technical capabilities. Job descriptions, work instructions and training requirements are recorded under quality management systems, supporting employee development systematically.

TCFD Subcategory
TRANSITION – TECHNOLOGY

Risk Time
Horizon
MEDIUM

Risk Rating
LOW

RISK DESCRIPTION

Restriction of operations due to changes in regulation following impacts on the marine ecosystem, including mucilage

İÇDAŞ'S CURRENT STRATEGIES

The potential operational impacts of mucilage observed in the Sea of Marmara and rising seawater temperatures are closely monitored. Projects to improve water intake infrastructure aim to maintain cooling efficiency, including sourcing seawater from deeper, cooler areas.

The effects of mucilage on heat exchangers, filtration and chemical consumption are monitored regularly, along with maintenance needs and equipment performance. Technical improvements are assessed to mitigate identified effects, and any additional operating costs are tracked.

Recovery projects and measures to reduce energy consumption support energy efficiency. Water withdrawal, use and discharge are monitored under applicable permits and licenses, and regulatory changes in water management are reviewed regularly.

TCFD Subcategory
PHYSICAL – ACUTE

Risk Time
Horizon
SHORT

Risk Rating
LOW

Risks and Opportunities

RISK DESCRIPTION

Risk of production interruption from grid fluctuations as renewable power generation increases

İÇDAŞ'S CURRENT STRATEGIES

Protective systems address potential voltage and frequency fluctuations from the grid to maintain production continuity. Critical equipment is supported by UPS units, voltage regulators and reactive power compensation, with redundant infrastructure protecting against outages and power quality problems.

Energy and maintenance teams continuously monitor grid risks, supported by alarms and control systems for early intervention. Protective filters and circuit breakers prevent sudden voltage changes from damaging electronic equipment. Backup power supplies at critical production units further support continuity.

Energy quality is regularly monitored through analyzers and digital monitoring systems, and data on grid fluctuations and production stoppages are recorded and analyzed. In this way, the aim is to reduce energy-related risks and increase system reliability.

TCFD Subcategory
TRANSITION – TECHNOLOGY

Risk Time
Horizon
SHORT

Risk Rating
MEDIUM

RISK DESCRIPTION

Risk of a scrap steel supply crisis and inability to source from Europe

İÇDAŞ'S CURRENT STRATEGIES

EU regulatory developments in scrap trade are monitored closely, especially the potential effect of the Waste Shipment Regulation on raw material supply. Rules expected to take effect in coming years could constrain scrap steel supply and increase sourcing risks for scrap-based production.

Alternative sources and procurement channels are assessed to secure raw material supply, and market conditions are monitored regularly. Geographic diversification and a stronger alternative supplier network are being pursued against possible supply constraints.

TCFD Subcategory
TRANSITION – POLICY AND LEGAL

Risk Time
Horizon
MEDIUM

Risk Rating
MEDIUM

Sustainability Roadmap

A framework aligned with national and international climate policies...



Aware of its global responsibility to address climate change, İÇDAŞ sets short-, medium- and long-term greenhouse gas emissions reduction targets and continues work toward them.

The targets form part of a roadmap aligned with national and international climate policies.

2053

NET-ZERO EMISSIONS TARGET YEAR

1-3 YEARS SHORT-TERM TARGETS

- Set emissions reduction targets aligned with the Science Based Targets initiative (SBTi) and complete the related processes
- Report regularly to the Carbon Disclosure Project (CDP)
- Develop the infrastructure and preparations needed for Türkiye's planned Emissions Trading System (ETS)
- Identify CBAM-related risks and opportunities and complete the necessary preparations

3-10 YEARS MEDIUM-TERM TARGETS

- Reduce greenhouse gas (GHG) emissions intensity by 34% by 2034
- The following measures are planned to achieve this target:
 - Implement energy efficiency projects
 - Increase investments in solar power plants (SPPs) and wind power plants (WPPs)
 - Install oxy-fuel burner systems in meltshops to reduce natural gas consumption
 - Develop and apply CO₂ capture and slag mineralization processes in steel production
 - Produce aerated and heavyweight concrete products from slag waste at pilot scale
 - Expand the use of biogenic sources instead of anthracite coal in steel production

10-28 YEARS LONG-TERM TARGETS

- Continue work aligned with sectoral greenhouse gas emissions reduction plans toward the 2053 net-zero emissions target



ENVIRONMENTAL IMPACT

Environmental Management and Responsible Production

Energy efficiency investments, waste management, water conservation and biodiversity initiatives are central to environmental performance.

Circular economy principles guide production, with the aim of using natural resources as efficiently as possible. Environmental management systems are continually improved, and voluntary commitments beyond legal requirements raise the bar for environmental performance.

Environmental Management

An innovative management culture using scientific, efficient and effective methods...



The Company's environmental approach is grounded in an innovative management culture that uses scientific, efficient and effective methods.

Environmental performance is regularly monitored and assessed through measurable indicators, with improvement actions implemented promptly.

To minimize the environmental impacts of production, İÇDAŞ focuses particularly on waste and water management, energy efficiency and emissions control.

Priorities include reducing waste at source, expanding recycling and recovery, and disposing of hazardous waste without environmental harm. The zero waste approach and circular economy principles also aim to prevent waste generation and increase recovery rates.

Appropriate technologies recover domestic wastewater, process water and rainwater generated at facilities, supporting efficient water use.

All water used at the facilities, including drinking water, is sourced from the sea. No groundwater or other freshwater is withdrawn for operations.

This practice reduces the impact of operations on freshwater resources and helps manage water stress risk.

A management model under the ISO 14046 Water Footprint standard supports sustainable water use.

Advanced manufacturing methods and cleaner production technologies are selected to minimize the use of natural resources and support sustainable use.

Addressing climate change is a core part of İÇDAŞ's environmental management approach.

Priority goals include reducing operational greenhouse gas emissions, improving energy efficiency and adapting to a low-carbon economy. Climate-related physical and transition risks and opportunities are assessed regularly, with short-, medium- and long-term strategies integrated into business processes.

Environmental Product Declaration (EPD) studies assess products' environmental impacts from a life-cycle perspective, and verified environmental performance data are shared transparently with stakeholders.

Emissions and ambient air quality monitoring are conducted in accordance with legislation. Beyond greenhouse gases from the facilities, the impacts of SOx, NOx, VOCs, particulate matter (PM) and dust are monitored regularly and measured by authorized organizations.

The 2025 measurements confirmed that all parameters remained below applicable legal limits; controls and improvements reduced emissions.



Advanced filtration, process improvements and regular maintenance reduce emissions at source. Environmental performance is continuously monitored and necessary actions implemented promptly.

Biodiversity conservation is another environmental priority. Awareness initiatives and conservation and enhancement projects are supported in the regions of operation.

İÇDAŞ structures its environmental processes under the ISO 14001 Environmental Management System. Full compliance with legislation and international agreements is a basic requirement, and environmental management practices are integrated across all facilities.

İÇDAŞ CONSIDERS SYSTEMATIC MANAGEMENT AND CONTINUOUS IMPROVEMENT OF ITS ENVIRONMENTAL IMPACTS ACROSS ALL SECTORS IN WHICH IT OPERATES A FUNDAMENTAL RESPONSIBILITY.

Energy and Emissions Management

Energy and emissions management supporting climate transition goals...



İÇDAŞ identifies energy and emissions management as a strategic priority in addressing climate change and advancing toward a low-carbon future.

The Company takes a holistic approach to securing energy supply, diversifying resources, improving efficiency and reducing greenhouse gas emissions.

The Environmental Policy defines the core principles of emissions management. Full legal compliance, reduction of environmental impacts at source, and monitoring and reduction of greenhouse gas emissions are prioritized.

Energy and emissions management are reviewed regularly under the continuous improvement approach, with systematic measures to increase energy efficiency and reduce the carbon footprint.

İÇDAŞ monitors and reports energy and emissions performance under national and international standards. Air emissions from industrial and power generation facilities are managed under relevant legislation, particularly the Regulation on the Control of Industrial Air Pollution. Parameters specified by law are monitored regularly, and accredited laboratories periodically measure all required parameters. The results inform emissions performance reviews and prompt improvement actions.

The Company applies best available techniques (BAT) and advanced emissions control technologies. Electrostatic filters at the facilities capture 99.98% of dust emissions, supporting effective air quality controls.

Energy management operates under the ISO 50001 Energy Management System, with regular audits ensuring its effectiveness.

Resource recovery is prioritized in production as part of energy efficiency and resource management. Water recovery improves power generation efficiency; cooling water reuse reduces both energy costs and fossil fuel consumption. Renewable investments support a sustainable energy supply, with hydro, wind and solar electricity generation increasing each year. In line with its energy transition and low-carbon production goals, İÇDAŞ targets approximately 309 MW of renewable investments, comprising 189 MWe of solar and 120 MW of wind capacity.

Under the climate transition plan initiated in 2024, İÇDAŞ sets short-, medium- and long-term emissions reduction targets and supports low-carbon transformation throughout the value chain, from power generation to the supply chain.



Increasing renewable capacity, expanding energy recovery and adopting efficient production technologies are key priorities.

An emissions reduction investment to collect, treat and filter emissions from slag cooling in enclosed systems at the meltshops is planned for completion in 2026. A pilot carbon capture, utilization and storage (CCUS) project is also underway to reduce carbon dioxide emissions from rolling mill stacks.

These projects aim to control emissions at source and reduce carbon intensity in the long term.

İÇDAŞ GENERATES 3.38% OF TÜRKİYE'S TOTAL ELECTRICITY GENERATION.

Energy and Emissions Management

Electricity Generation (MWh)	2023	2024	2025
Bekirli PP ⚡	8,451,171.41	9,677,962.84	8,972,245.06
Biga PP ⚡	2,946,022.38	3,103,565.52	3,102,779.50
HPP 1-2-3-4	23,472.39	25,519.79	26,340.23
WPP	144,400.88	139,792.21	150,030.15
SPP	4,937	6,680	9,294
TOTAL	11,570,004	12,953,521.08	12,260,689.22

Total Installed Capacity (MW)	2023	2024	2025
Bekirli PP ⚡	1,200.00	1,200.00	1,200.00
Biga PP ⚡	405.00	405.00	405.00
HPP	5.30	5.30	5.30
WPP	60.00	63.80	63.80
SPP	6.37	10.37	10.37
TOTAL	1,676.67	1,684.47	1,684.47



ENERGY EFFICIENCY PROJECTS COMPLETED IN 2025 DELIVERED APPROXIMATELY 57,775,319 kWh IN ANNUAL SAVINGS IN TOTAL.

ENERGY EFFICIENCY AND IMPROVEMENT INITIATIVES

İÇDAŞ implements improvement projects to reduce production energy use, increase equipment efficiency and expand low-carbon technologies.

In 2025, work covered meltshop, power plants, rolling mills and auxiliary facilities. Process optimization, equipment upgrades, inverters and electrification were prominent. Innovative technologies and pilots are also being assessed for long-term efficiency gains.

The projects reduce energy consumption, improve operational efficiency and help limit environmental impacts.

Completing ongoing and planned projects is expected to save an additional approximately 36,106,436 kWh a year. Based on 2025 data from Türkiye's Ministry of Energy and Natural Resources, the total savings from the initiatives correspond to the annual electricity consumption of approximately 6,800–7,000 people.

Energy and Emissions Management

PROJECT / FACILITY	PARAMETER TO BE IMPROVED	TARGET	CURRENT STATUS	EXPECTED / ACHIEVED SAVINGS
Meltshop 2/3	Reduce electric arc furnace electricity consumption (kWh/ton)	Reduce electricity use through scrap cutting and increased scrap density	Project completed; target performance achieved.	14,820,000 kWh/year
Meltshop 2	Reduce electric arc furnace electricity consumption (kWh/ton)	Reduce electricity consumption by 15,840 MWh/year with an HBI feed system	The system has been commissioned and performance verified.	3,960,000 kWh/year
Biga PP Unit 2	Reduce electricity use (kWh) by primary and secondary fans	Save 12,000,000 kWh/year through inverter installation	The project has been completed and commissioned.	12,000,000 kWh/year
Biga PP Unit 3	Reduce compressor electricity use (kWh)	Replace older screw compressors with turbo compressors to save 4,650,000 kWh/year	Project completed.	4,650,000 kWh/year
Bekirli PP (Lighting)	Reduce electricity consumption by lighting systems	Save 1,407,950 kWh/year by replacing existing fixtures with LED systems	Lighting fixtures are being replaced in stages.	311,000 kWh/year
Bekirli PP (Blower)	Reduce electricity use by upgrading blower equipment	Save 456,000 kWh/year by using more efficient blowers	Blower replacement completed.	228,000 kWh/year
Bekirli PP (Service Water)	Reduce electricity use in service water production	Save 358,722 kWh/year through thermostatic valves	Implementation is ongoing.	89,680 kWh/year
Pump Stations (Unit 2)	Reduce electricity use by pump systems	Save 3,500,000 kWh/year through heat exchanger and system optimization	Upgrades completed and system optimized.	4,527,751 kWh/year
WPP	Monthly wind generation (MWh); MWh/year	Increase the installed capacity of Biga Wind Power Plant from 60 MWe to 63.8 MWe (15,330,000 kWh/year)	Commissioning work is ongoing.	16,669,858 kWh/year
HH3/4	HH3/4 electricity meter	Reduce HH3/4 lighting energy use by 519,030 kWh/year	Project completed.	519,030 kWh/year

Circular Economy and Waste Management

A model that uses resources efficiently, minimizes waste and returns materials to the economy...



İÇDAŞ places the circular economy at the center of its operations, working to use natural resources efficiently, minimize waste and return waste materials to the economy.

Circular economy principles are applied throughout production, from raw material procurement to finished products, reducing natural resource use and environmental impacts.

Waste management follows national and international standards, and ISO 14001 is applied at all facilities. Under the Environmental Policy, core principles include reducing waste at source, recovering and recycling suitable materials, and disposing of hazardous waste safely.

The zero waste and circular economy approach aims to prevent waste and increase reuse and recycling.

İÇDAŞ manages waste holistically from the design stage of production processes.

Production processes are planned in line with best available techniques (BAT), considering waste, wastewater, emissions and energy together to minimize waste at source.

Recovery and reuse practices allow many waste types to be used as by-products or substitute raw materials in other sectors.

Flue dust containing zinc and lead is sent to licensed recovery facilities, while mill scale is used as a raw material in iron and steel production. Electric arc furnace slag is used as artificial aggregate under by-product conformity certificates, supplying construction and industrial applications.

Similarly, iron sulfate waste from acid phosphate facilities is used in fertilizer production, and shipyard grit waste is used as an alternative raw material in the cement sector.

Waste received at port reception facilities is used as alternative fuel in clinker plants, while waste oil is sent for refining and returned to the economy. University R&D partnerships continue on using ladle furnace slag in the lime sector and fluidized-bed power plant ash in industry.

82%

**WASTE RECOVERY AT
BEKİRLİ PP**

54%

**WASTE RECOVERY AT DEĞİRMENCİK
INTEGRATED FACILITY**



İÇDAŞ MANAGES WASTE HOLISTICALLY FROM THE DESIGN STAGE OF PRODUCTION PROCESSES.

İÇDAŞ HOLDS ZERO WASTE CERTIFICATES FOR ITS FACILITIES AND EXPANDS SEPARATE COLLECTION AT SOURCE UNDER ITS ZERO WASTE APPROACH.



Circular Economy and Waste Management

Packaging and wood waste, waste electrical and electronic equipment (WEEE), batteries and accumulators are directed to licensed recycling facilities for recovery.

İÇDAŞ holds Zero Waste Certificates for its facilities and expands separate collection at source. A dual waste collection system has been established, and employees receive regular waste management and segregation training through digital platforms. Food waste is collected separately and recovered through composting, bringing organic waste into the circular economy.

DEĞİRMENCİK FACILITY	2023	2024	2025
Hazardous Waste (tons)	59,518	59,386	46,551
Non-hazardous Waste (tons)	1,213,193	1,295,050	856,797
Total Waste (tons)	1,272,712	1,354,437	903,349
BEKİRLİ FACILITY	2023	2024	2025
Hazardous Waste (tons)	19	58	96
Non-hazardous Waste (tons)	299,715	335,723	356,578
Total Waste (tons)	299,735	335,781	356,674
Total Across Facilities (tons)	1,572,447	1,690,218	1,260,023

IN 2025, 62% OF WASTE WAS REUSED, RECOVERED OR RECYCLED.

Water Management

An approach that protects water resources and prioritizes sustainable use...



Water is critical to the continuity of industrial production and has become a strategic sustainability issue amid climate change and increasing water stress.

İÇDAŞ prioritizes water conservation and sustainable use in every region where it operates, integrating water efficiency practices into production management.

The Company turns to alternative sources to protect limited freshwater resources.

All freshwater used at the facilities is produced by desalinating seawater. No groundwater or surface freshwater, including well water, is withdrawn, minimizing impacts on freshwater sources.

Water management at İÇDAŞ is supported by closed-loop systems and advanced technologies.

Cooling water is reused to reduce consumption, while digital monitoring and controls continuously track and optimize water use.

Reverse osmosis (RO) produces freshwater from seawater for safe, sustainable use in production.

Production wastewater is treated by physical, chemical and biological methods in modern treatment plants and reused in various processes.

Treated water is reused in cooling, ash humidification and other applications, enabling circular use.

This reduces water consumption and minimizes wastewater discharge.

A key water management indicator, 'volume of water recovered and reused,' means the total water reused after treatment or used in other processes with or without treatment.

At steel facilities, cooling water circulates continuously and wastewater is used in different processes. Each use cycle is included in the total recovered water volume, allowing water efficiency to be monitored holistically.

In 2025, İÇDAŞ facilities produced approximately 5.35 million m³ of water from seawater, while recovered and reused water reached approximately 301 million m³. This large recovery volume reflects effective circular water use in production and high resource efficiency.

Water projects aim to reduce wastewater generation and increase recovery rates.

The commissioned membrane bioreactor (MBR) wastewater recovery plant aims to treat and reuse domestic wastewater using advanced technology.

With a capacity of approximately 850 m³/day, the system reduces the need for seawater desalination and has the potential to save approximately USD 65,000 annually.

Systems installed to recover vehicle-washing wastewater can reuse up to 120 m³/day. Compared with reverse-osmosis water, recovery costs have fallen significantly: energy use dropped from approximately 3.4 kWh/m³ for water production to 1.65 kWh/m³ for recovery. This provides a cost advantage and supports more efficient water use.

Rainwater collected at facilities is stored and used in production, further reducing pressure on water resources.

WATER VOLUME	2023	2024	2025
Seawater Withdrawn to Produce Freshwater (m ³ /Year)	5,129,926	6,196,920	5,347,760
Volume of Water Recovered and Reused (m ³ /Year)	407,850,947	404,515,502	301,671,606

850 m³

MBR WASTEWATER RECOVERY PLANT CAPACITY

Biodiversity

Responsible environmental management that protects ecosystems...



Biodiversity is a core element of İÇDAŞ's sustainability approach and an important part of balancing environmental management, social responsibility and economic performance.

Environmental impact assessments consider the ecosystems in the regions where İÇDAŞ operates through a holistic approach.

Since 2013, a company-employed biologist has led systematic monitoring of terrestrial, freshwater and marine ecosystems in the facilities' areas of influence. Species are identified, recorded and assessed using scientific methods.

The work has produced a comprehensive biodiversity inventory that informs ongoing conservation and restoration activities.

The Çanakkale region's position between the Black Sea and Mediterranean climate zones gives it high biodiversity.

Its varied habitats support rich flora and fauna.



FLORA

Studies around the facilities show predominantly maquis and shrubland, with pockets of forest vegetation including oak and Turkish pine. The vegetation comprises Mediterranean species and plants associated with the transitional climate.

The natural environment around the Kaz Mountains has rich flora, including oak, chestnut, Turkish pine, black pine and endemic species. Field observations around the facilities have recorded these plants and documented the region's ecology in detail.

These studies provide valuable data for conserving plant species, maintaining habitat integrity and monitoring operational effects on flora.

Biodiversity

FAUNA

Species in terrestrial and marine ecosystems within the facilities' areas of influence are regularly monitored, recorded and evaluated using scientific data.

The work confirms high regional biodiversity, with 323 animal species and 126 plant species identified near the facilities.



Marine Ecosystem Initiatives

Çanakkale's coastline of approximately 671 km offers significant potential for marine ecosystem conservation and enhancement.

Work to increase marine biodiversity began in 2013 with the project 'Fisheries in Çanakkale Will Breathe Through Increased Biodiversity,' supported by the South Marmara Development Agency (GMKA).

The work was undertaken with the Faculty of Marine Sciences and Technology at Çanakkale Onsekiz Mart University (ÇOMÜ) and İÇDAŞ. Dives at 15 locations from Karabiga to Kumkale informed feasibility studies to identify suitable reef areas.

Artificial reefs created new habitats for marine life, supported fish populations and contributed to regional fisheries.

These initiatives directly support biodiversity in the Sea of Marmara ecosystem.

In line with the EU Water Framework Directive's focus on aquatic ecosystems, the goal is to create a clean marine environment and suitable nesting areas for aquatic species.



Ornithological Monitoring

Bird monitoring is an important part of terrestrial biodiversity work.

Fieldwork at the İÇDAŞ Biga Wind Power Plant, conducted by academics from Akdeniz University, began with an Ecosystem Assessment Report in 2015.

Two years of bird and wildlife monitoring followed; the final report, prepared in 2017, was submitted to the Ministry of Forestry and Water Affairs. The assessment found no significant risk from wind operations to birds' migration, breeding, feeding or roosting behavior.

Monitoring has continued, with the facility biologist regularly checking nests and carcasses during spring migration (March 1–May 31), autumn migration (September 1–October 31) and breeding (April 1–August 15).



Wildlife Monitoring

Wildlife monitoring identified 78 mammal species belonging to seven orders, 20 families and 44 genera in Çanakkale province, representing 48.1% of the relevant species total. This demonstrates the region's faunal diversity.

Field observations and the literature are assessed together to analyze species distribution and habitat use.

Maquis and shrubland dominate the region, with forest vegetation in some areas. Dense vegetation provides suitable habitats for small mammals, reptiles and carnivores.

Maquis and shrub habitats are important for lizards, snakes, rodents, hares and carnivores such as martens and weasels. This habitat structure is critical to the region's ecological balance.

Species' conservation status is assessed first globally and then locally or geographically. Risk status is analyzed under the Red List criteria developed by the International Union for Conservation of Nature (IUCN).

Detailed information on global and local IUCN Red List assessments of species observed in the region is available through the relevant [link](#).



Sustainable Agriculture and Animal Breeding

Production that safeguards soil, water and biodiversity...



İÇDAŞ prioritizes biodiversity conservation and healthy ecosystems in the regions where it operates as part of a production approach that considers future generations.

Alongside reducing environmental impacts, the aim is to conserve existing biodiversity for future generations. Projects supporting agriculture and animal breeding, which provide local livelihoods, are central to the Company's sustainability approach.



SCIENCE-BASED R&D AND PLANT BREEDING

Agricultural production and R&D are conducted on scientific principles by agricultural engineers certified in plant breeding, molecular biologists, R&D specialists, technicians and veterinarians. Laboratory work routinely includes genetic characterization, marker-assisted selection, and disease and drought resistance analysis of plant material. Specialist teams evaluate field trial data statistically and integrate innovative agricultural technologies.

Plant breeding and variety development strengthen the scientific basis of sustainable agriculture. Selection and crossbreeding programs for wheat, barley, triticale and silage maize target yield, disease tolerance, quality and drought resilience. Replicated randomized block trials assess agronomic performance across multiple locations; promising genotypes are propagated and developed into certified seed. The work supports production within the business and supplies regional growers with high-performing, locally adapted seed, contributing to regional agricultural sustainability.

Sustainable Agriculture and Animal Breeding

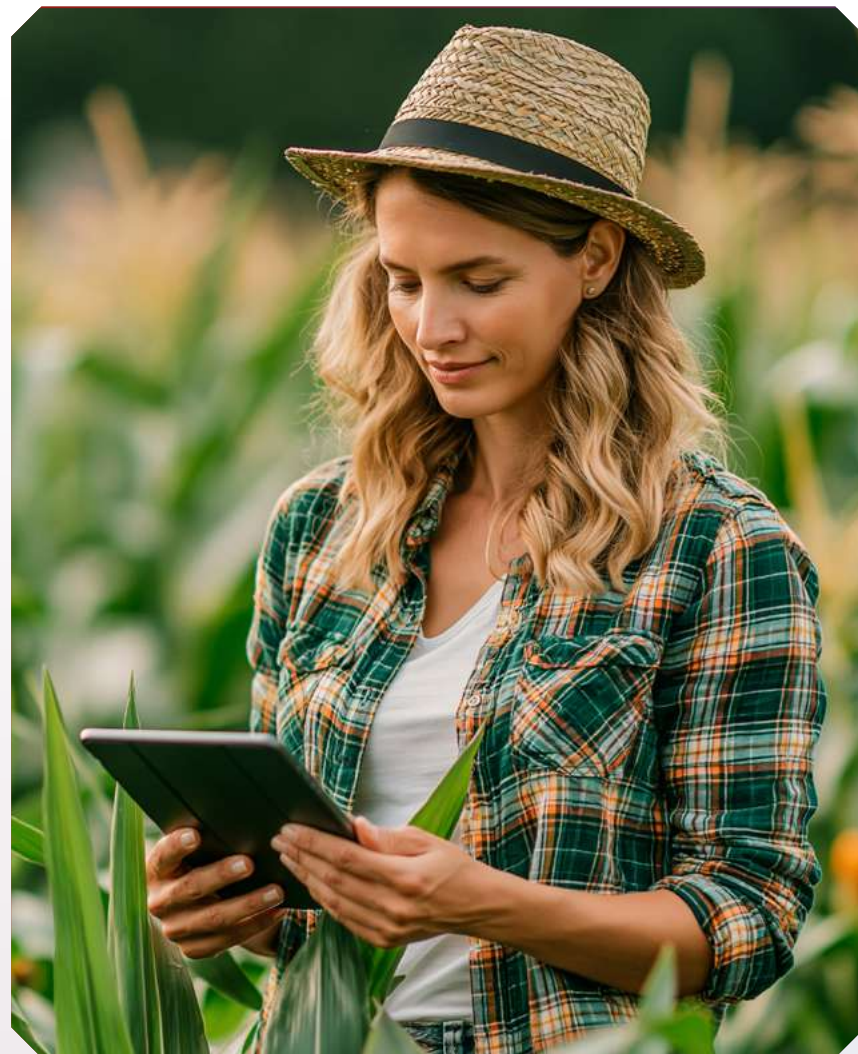
SMART AGRICULTURE, BIODIVERSITY AND PUBLIC-UNIVERSITY PARTNERSHIPS

Plant production in 2025 was planned to meet the Company's roughage needs and establish sustainable crop rotations. Alongside barley, wheat, triticale and silage maize, alfalfa, vetch and cereal-legume mixtures were planted to supply quality roughage for livestock. Sunflower and canola were added to rotations to maintain soil fertility, interrupt disease cycles and increase biodiversity. As part of sustainable soil management, the business produces chemical and organic fertilizers, including iron sulfate, to address iron chlorosis in calcareous soils and meet plants' micronutrient needs.

İÇDAŞ works closely with public and private organizations on plant breeding and new varieties, including joint R&D with universities, businesses and TÜBİTAK-supported projects. To conserve local genetic resources, projects protect plant species native to Anatolia, periodically regenerate heirloom seeds and use botanical, genetic and agronomic analyses to identify local genotypes. Türkiye's third seed bank was established in 2019 to support this work, and activities to conserve and develop local seeds continue to expand.

Laboratory and field infrastructure enable comprehensive assessment of plant adaptation in both settings.

Innovative methods improve water, soil and energy efficiency in agriculture, while irrigation projects aim to support climate adaptation. Natural fertilizers and sustainable practices protect soil health; composting household and organic waste integrates circular economy principles into farming. Viticulture (table and raisin grapes), olive cultivation (oil and table olives) and walnut production (local genotypes with high fruit quality and strong shells) continue to contribute to ecological diversity and diversify local livelihoods.



Sustainable Agriculture and Animal Breeding



SUSTAINABLE ANIMAL BREEDING AND BIOSECURITY STANDARDS

In 2025, the existing mix of animal species was maintained, with no new species added. Breeding activities continue to develop original Anatolian Merino and Kivircik breeds through selection, supporting sustainable genetic diversity. In sheep breeding, 421 young ewes were put into the breeding program and paired with rams as part of the transition toward Anatolian Merino stock, producing 530 lambs during the year.

Cattle operations follow a fattening model. Animals aged four to six months are purchased and raised on a tailored feeding program to a target live weight of 650–800 kg. The existing herd was maintained in 2025, with 290 cattle purchased during the year. Performance records, including daily live-weight gain, feed conversion and health monitoring, are kept regularly and used as scientific inputs to breeding and feeding decisions.

Most animal products are used in company cafeterias to meet employees' food needs. Surplus production was sold to other businesses in the region, generating TRY 28,630,575. Planned sheep and goat sales, including lambs, ewes, rams and sacrificial animals, generated TRY 7,546,000. Foot-and-mouth disease and bluetongue affected the region during the year, requiring approximately six months of quarantine and causing some disruption to livestock trade. Strict biosecurity and preventive measures protected herd health, and no cases occurred on the farm.

In 2025, significant machinery investments supported agriculture and animal breeding. Baling equipment, a telehandler for shelter and transport work, and a tractor were acquired, totaling TRY 22,315,665.

OPERATIONAL EXCELLENCE

Continuous Improvement and Integrated Management

An integrated management system approach supports operational excellence, effective risk management and sustainable value creation across all sectors of activity.

International standards for quality, environment, energy and occupational health and safety are carefully integrated into processes from production to management.

Supply chain management, R&D, innovation and digital transformation are conducted as part of a cohesive strategy to improve efficiency and performance.

Operational Excellence

Continuous Improvement and Integrated Management



İÇDAŞ links operational excellence with cultural and digital transformation, organizational development and long-term strategic goals. Reducing process losses, improving efficiency, supporting competitive costs and strengthening workplace safety are central to this approach.

In 2025, work began to develop an integrated management model tailored to İÇDAŞ, including the methodology, governance and infrastructure for a 'Sustainability and Excellence System.' Designed for the whole Company, the system will bring strategic targets, business and people processes, operational performance and continuous improvement into one management model.

The model will link long-term strategy with annual business plans, strengthen process-based management and align individual performance goals with corporate strategy.

Systematic use of lean manufacturing, loss analysis and problem-solving is another core element. The 35 Major Losses approach aims to identify and analyze operational inefficiencies more comprehensively and turn them into improvement projects.

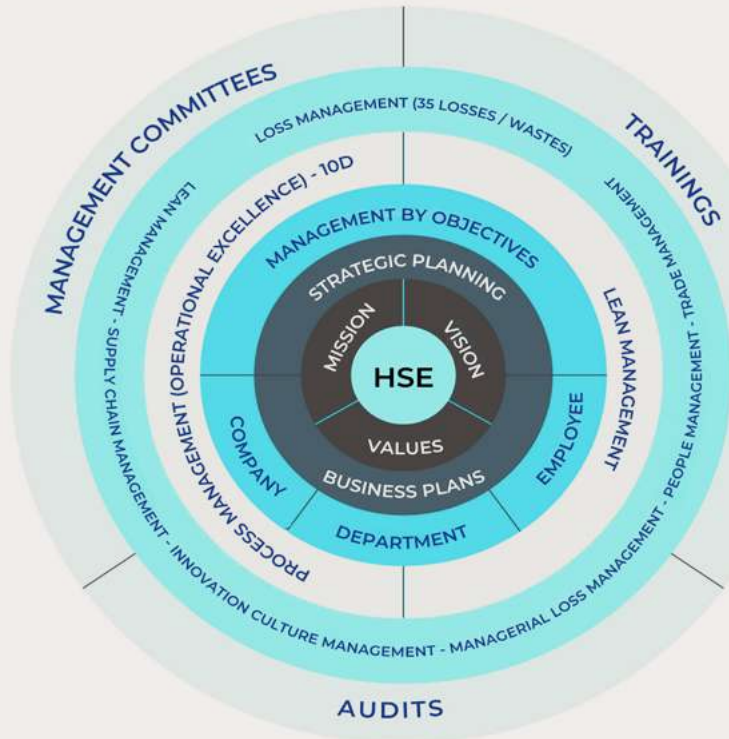
The framework makes losses across processes visible and measurable through a common methodology, helping prioritize improvements.

A governance structure of 15 interconnected committees is under development. The committees are expected to coordinate strategic goals, operational performance, employee development, sustainability and continuous improvement.

Development of the OPEX 5.0 platform began in 2025. It will provide an integrated, traceable digital structure for improvement projects, indicators, loss analysis and related management processes.

The Sustainability and Excellence System is planned for phased implementation from 2026. Training will develop technical and management skills, reinforce continuous improvement and prepare change leaders.

İÇDAŞ SUSTAINABILITY AND EXCELLENCE SYSTEM



Integrated Management System

A focus on continuous improvement and operational excellence...



İÇDAŞ applies an integrated management system to achieve operational excellence, manage risks and create sustainable value in all its sectors. Systems aligned with international standards for quality, environment, energy, OHS, information security and sustainability operate across its facilities.

The integrated management system standardizes processes, continually improves performance and strengthens compliance, efficiency and safety across operations.

Key systems include ISO 9001 Quality Management, ISO 14001 Environmental Management, ISO 50001 Energy Management and ISO 45001 OHS Management, integrated across steel plants, power plants, shipyards, the lime plant and port operations.

Operating in energy-intensive sectors, İÇDAŞ uses ISO 50001 to monitor energy performance and identify improvements. ISO 14001 guides systematic management of environmental impacts, including resource efficiency, emissions and waste reduction.

ISO 45001 supports a proactive OHS approach at all facilities through risk assessment, prevention and continuous improvement. OHS practices are deployed effectively across all locations despite the integrated facility structure, fostering a strong safety culture.

ISO 27001 Information Security Management protects information assets, particularly in non-production units and power plants, safeguarding the confidentiality, integrity and availability of corporate data.

ISO 17025 ensures the accuracy and reliability of measurements and analysis at the Environmental Control and Fatigue Testing Laboratories.

İÇDAŞ also meets international certification requirements specific to quality and sustainability in its sectors.

Steel facilities apply CARES sustainability and quality certifications, the BES 6001 responsible sourcing standard, IATF 16949 Automotive Quality Management and certificates of production conformity for nuclear applications and megaprojects.

Production of fly ash, aggregates, steel slag and ready-mixed concrete follows relevant technical standards under CE conformity certificates and national and international requirements.

Shipyards security is supported by specific certifications, while operational safety and risk management follow international requirements.



Integrated Management System

MANAGEMENT SYSTEM CERTIFICATIONS	APPLICABLE FACILITIES
ISO 17025 Laboratory Quality Management System	Environmental Control Laboratory, Fatigue Testing Laboratory
ISO 50001:2018 Energy Management System	Steel Facilities, Power Plants, Shipyard, Lime Plant, Port
ISO 14001:2015 Environmental Management System	Steel Facilities, Power Plants, Shipyard, Lime Plant, Port
ISO 45001:2018 Occupational Health and Safety Management System	Steel Facilities, Power Plants, Shipyard, Lime Plant, Port
ISO 9001:2015 Quality Management System	Steel Facilities, Power Plants, Shipyard, Lime Plant, Port
CARES BS 8902:2009 Sustainability Management System	Steel Facilities
CARES BS EN 9001:2015 Quality Management System	Steel Facilities
CARES BRE BES 6001 Responsible Sourcing of Construction Products	Steel Facilities
CARES Certificate of Production Conformity for Nuclear Applications and Megaprojects	Steel Facilities
ISO 27001 Information Security Management System	Non-production Units of Steel Facilities and Power Plants
Shipyard Facility Security Certificate	Shipyard
IATF 16949:2016 Automotive Quality Management System	Steel Facilities
Singapore Green Building Product Certificate	Steel Facilities
CE CONFORMITY CERTIFICATES	APPLICABLE FACILITIES
Fly Ash Production – TS EN 450-1:2013	İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.
Aggregate Production – EN 12620:2002+A1:2008 and EN 13242:2002+A1:2007	Havdan Aggregate Facilities
Aggregate Production – EN 12620:2002+A1:2008	Çakırlı Aggregate Facilities
Steel Slag Aggregate Production – EN 13043:2004 and EN 13242+A1:2007	Steel Slag (Artificial Aggregate) Facilities
Steel Slag Aggregate Production – TS 706 EN 12620:2003+A1:2009	Steel Slag (Artificial Aggregate) Facilities
G Conformity Certificate, Ready-Mixed Concrete Production – TS EN 206+A2/TS 13515	Bekirli Ready-Mixed Concrete Facility

Supply Chain Management

A responsible, efficient and sustainable supply chain approach...



İÇDAŞ manages the supply chain from supplier selection and logistics to performance assessment and digitalization. Procurement follows principles of operational efficiency, cost effectiveness, sustainability and risk management.

Purchasing activities follow defined procedures and systematic processes.

Suppliers are selected and assessed against defined criteria, including quality, delivery performance, price, sustainability compliance and OHS practices.

The Company aims to increase the number of approved suppliers and build a stronger, more sustainable supplier pool.

Digitalization is a key supply chain focus. The Company aims to use existing MRP systems more effectively and reduce errors, while moving to electronic tendering to increase transparency and competition. The transition is intended to improve traceability, speed decisions and raise operational efficiency.

İÇDAŞ emphasizes ethical, environmental and social compliance alongside operational performance in its supply chain.

The Supply Chain Compliance Policy expects suppliers to meet legal requirements, follow ethical business practices, respect human rights, apply OHS standards and manage environmental impacts.

Logistics is another important part of this integrated supply chain approach.

İÇDAŞ manages logistics with attention to costs, speed and environmental impacts.

Sea freight is central to logistics because it transports large cargo volumes efficiently and economically over long distances. Its capacity and cost advantages make it the preferred mode for international shipments.

Rail is also an important part of the logistics network. Its lower carbon emissions than road transport make it a more environmentally responsible option.



İÇDAŞ operates a fleet of 176 wagons on selected lines using Turkish State Railways (TCDD) infrastructure.

Planned annual rail transport capacity is 213,840 tons, determined by transport plans at the start of each year.

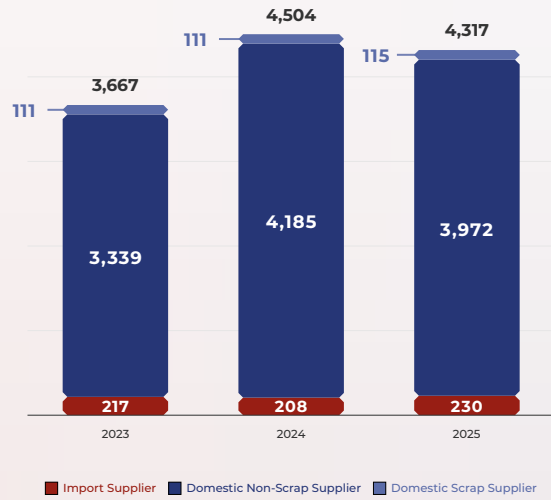
Rail shipments increased between 2019 and 2022, reaching approximately 140,000 tons in 2022.

Volumes subsequently changed with operational needs. In 2025, 26,308 tons were transported by rail, predominantly steel products.

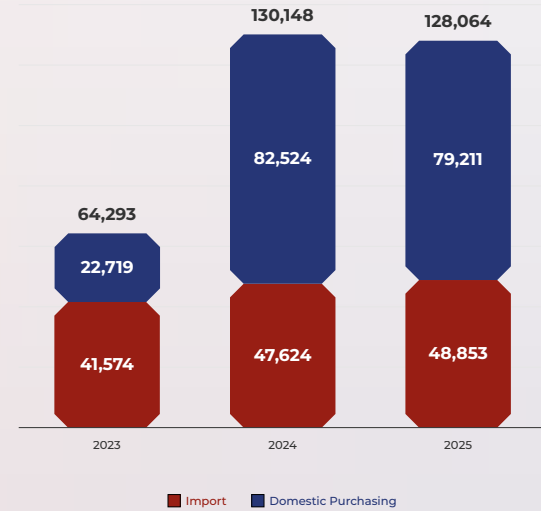
Rail shipments use the Ankara and Bandırma-Kuş Cenneti lines, which are important to logistics continuity. Rail supports domestic operations, while sea freight is used more extensively internationally. This multimodal structure provides flexibility and helps reduce carbon emissions.

In 2025, work to improve logistics effectiveness and compliance included successful completion of an interim audit for ECM (Entity in Charge of Maintenance) certification, a rail inspection by the Ministry of Transport and Infrastructure, and strengthening of staffing for rail logistics.

NUMBER OF IMPORT SUPPLIERS



APPROXIMATE PAYMENTS TO SUPPLIERS (TRY MILLION)



R&D and Innovation

R&D and innovation supporting sustainable production...



İÇDAŞ focuses R&D and innovation on production processes, resource and energy efficiency, low-carbon technologies and environmental performance. Priorities also include new products and processes, cost optimization, higher-value uses for waste and by-products, and digitalization.

Work to establish an R&D Center accelerated in 2025. Infrastructure and organizational preparations allocated 1,100 m² at the Biga/Çanakkale facilities to the center: 405 m² for laboratories and 695 m² for offices.

The planned center will encompass steel and power generation, port operations, shipyards, dry docks and support services. Bringing technical disciplines together will channel company-wide expertise into projects and higher-value solutions.

AN R&D ECOSYSTEM STRENGTHENED THROUGH COLLABORATION

Alongside internal projects, the Company collaborates with universities, research institutes and other R&D centers. National funding includes TÜBİTAK-TEYDEB and TENMAK; international partnerships and applications under the EU Horizon Europe program are also being pursued.

Resource efficiency projects are among the operational results of R&D. Improvements to meltshop raw material feeding increased yield by 5%, while new pressing systems raised the bulk density of steel scrap by 3%. Work on alternative raw materials focuses on recovering power plant ash, steel slag and ladle slag, with wood and plastic waste planned for future recovery.

Work continues to expand lean thinking, problem-solving and process improvement to support employee participation. A governance and implementation structure is planned for systematic management of Kaizen projects, with proposals assessed, prioritized and tracked using defined methods.



STRENGTHENING THE R&D ECOSYSTEM

Following infrastructure, organization, staffing, portfolio and application preparations in 2025, the Company aims to apply to the Ministry of Industry and Technology in 2026 for an R&D Center Certificate. Center status will support more integrated research, technology development and innovation, stronger university-industry partnerships and greater technical capability.

1,100m²

TOTAL R&D CENTER AREA

Digital Transformation

Data-driven, integrated digital transformation...



THE GOAL IS TO EXPAND DATA-DRIVEN MANAGEMENT AND DEVELOP ADVANCED ANALYTICAL CAPABILITIES.



İÇDAŞ's digital vision is to build capabilities that place the Company among the sector's digital leaders.

The goal is to create and continually improve an innovative, secure, agile and user-centered IT infrastructure. Work on Industry 4.0, cybersecurity and data analytics is building a digital ecosystem that supports sustainable growth.

Near-term priorities are infrastructure modernization and stronger security. Medium-term plans focus on data-driven management and advanced analytics. The long-term goal is an AI-supported, autonomous and fully integrated digital operating model.

Technologies include enterprise applications, analytics platforms, cybersecurity, data protection and modern networks. Operations run on an integrated central enterprise resource planning (ERP) system that ensures data integrity and alignment between processes.

Analytics and reporting have made budgeting, forecasting and strategic planning more predictable.

Scenario analysis enables faster, data-driven management decisions.

A multilayered cybersecurity approach integrates network, endpoint, identity and data protection for early threat detection and rapid response. Data loss prevention, encryption and access controls safeguard information and support legal compliance.

Data protection and backup infrastructure secures critical information and enables rapid recovery after disruptions or attacks. High-availability networks and infrastructure are continuously monitored to support operational continuity.

8

TOTAL NUMBER OF DIGITAL PROJECTS

3

NUMBER OF COMPLETED DIGITAL PROJECTS

Digital Transformation

COMPLETED PROJECTS

Cybersecurity and Infrastructure

- Advanced threat detection and centralized log management integration
- Endpoint security and automated attack blocking
- Identity-based threat detection and privileged account protection
- Network access control and Zero Trust architecture
- Deployment of next-generation intrusion prevention systems
- Database security and data masking

Infrastructure Modernization

- SAP infrastructure consolidation and performance improvement
- Data center and disaster recovery modernization
- Redundant internet and continuous access architecture
- Uninterrupted wireless network infrastructure at industrial sites

Operational Efficiency

- Integration of production and field systems with central systems
- Secure, manageable network segmentation
- Standardized infrastructure and architecture for all IT projects

CURRENT (ONGOING) PROJECTS

Business Processes and ERP Development

- Activation of material requirements planning systems
- Project management and cost tracking modules
- Profitability analysis and advanced financial reporting

Human Resources and Organizational Development

- 360° performance management and feedback systems
- Competency-based development and career planning infrastructure

Data and Infrastructure Transformation

- Next-generation data storage and rapid recovery infrastructure
- Object storage backup architecture

Management and Decision Support

- Centralized dashboards and visualization platforms
- Real-time senior management reporting from multiple systems

Networks and Mobility

- Next-generation wireless network (Wi-Fi 6/7) transition
- High-capacity, low-latency, secure connectivity

SOCIAL IMPACT

Producing Together, Growing Together

The people who make production possible are regarded as the organization's most valuable asset.

Employee health, safety and development are top priorities, with close support for personal and professional growth.

The OHS culture reflects site conditions, bringing together training, employee participation and preventive measures.

A fair, transparent workplace that supports diversity, together with tangible local social responsibility projects, is central to people-focused management.



Human Resources Management

A sustainable working culture centered on people...



Human resources management at İÇDAŞ rests on respect for human rights, equality, employee well-being and sustainable organizational development.

HR practices follow national law, the UN Universal Declaration of Human Rights and International Labour Organization (ILO) standards. Protecting employees' fundamental rights and freedoms is a corporate commitment.

Forced and child labor are strictly prohibited, and a respectful, safe workplace free of discrimination is expected for all employees.

Benefits strengthen employee welfare through birth and bereavement assistance, maternity and paternity leave, meals and transport, and support for fuel, marriage, military service, children and education.

Supplementary health insurance is also provided to unionized employees under the collective bargaining agreement.

Recruitment and career management follow a 'right person for the right job' approach, assessing candidates on knowledge, skills, experience and performance.



Preventing discrimination and ensuring equal opportunity are fundamental to HR. Employees have equal access to development and career opportunities, with decisions based on job requirements and objective criteria.

İÇDAŞ has developed transparent, accessible communication channels to improve employee engagement and satisfaction.

Employees and other stakeholders can submit suggestions, requests and grievances through various channels; these are recorded systematically and reviewed by relevant committees.

A structured grievance process ensures impartial review, identification of necessary actions and follow-up of outcomes.

The process makes feedback an input to organizational development.

Employee health and safety are among the core HR priorities.

Systematic OHS measures protect employees' physical and psychological well-being, provide a safe workplace and minimize risks.

Occupational physician services, regular health checks and preventive measures are implemented effectively.

İÇDAŞ's holistic HR approach protects employee rights, encourages participation and supports corporate sustainability, contributing to the continued development of a strong culture.

Employee Development

An approach focused on continuous learning and skill development...



A COMPETENCY-BASED DEVELOPMENT SYSTEM IS ALSO PLANNED.

İÇDAŞ treats employee development as a strategic priority, recognizing that sustainable growth depends on a skilled, adaptable and engaged workforce. It aims to develop professional knowledge and skills, support personal growth and prepare employees for changing business needs.

The Directorate of Operational Excellence, R&D and Academy was established in 2025 to support organizational development, with İÇDAŞ Academy organized under it. This structure aims to make training more systematic, share institutional knowledge and manage employee development holistically.

Training covers technical skills, OHS, environmental and sustainability awareness, and personal development. Alongside job-specific skills, it emphasizes problem-solving, analytical thinking and process improvement.

Work has begun to expand lean manufacturing, process management and continuous improvement across the organization. Preparations to embed Kaizen, 5S and similar methods in the culture aim for more systematic implementation from 2026.

The goal is to increase employee participation, assess suggestions from the field and improve operational efficiency sustainably.

A Recognition and Appreciation System highlights employee achievements and strengthens motivation.

Rewarding individual and team contributions is intended to reinforce engagement.

A competency-based development system is also planned.

It will assess existing skills, identify development needs and structure career plans.

The system is intended to make training and development more measurable and traceable.

Ethics and Compliance

An approach focused on integrity, transparency and compliance...



İÇDAŞ complies with applicable law wherever it operates and grounds its business practices in ethical values, supporting trustworthy, sustainable management.

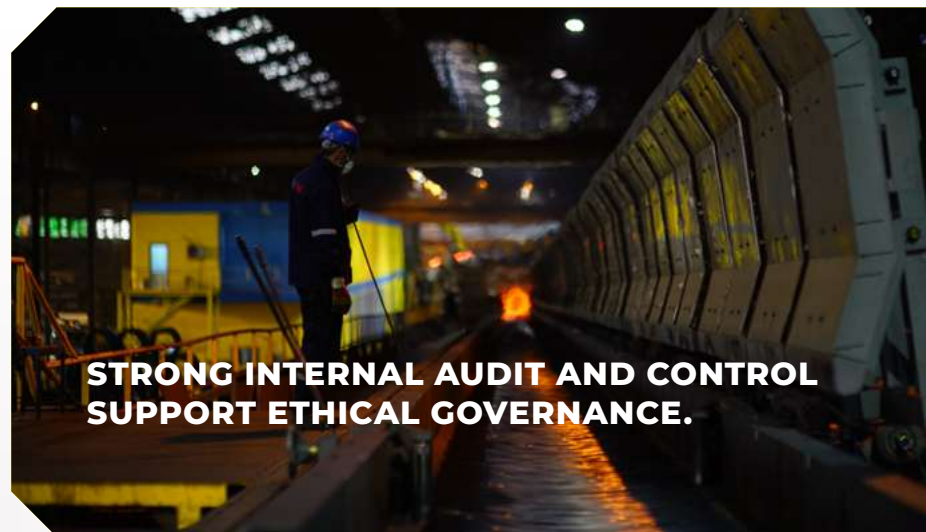
The Code of Ethics Policy is binding on employees, managers and business partners and covers legal compliance, human rights, transparency, anti-fraud, fair competition and data privacy.

İÇDAŞ applies zero tolerance to bribery and corruption and commits to fair, honest and ethical conduct in all activities.

Misuse of duties, conflicts of interest and unethical conduct are prohibited, with controls and monitoring to prevent them.

The Ethics Hotline and Ethics Committee promote ethical conduct and manage violations. Employees and stakeholders can confidentially report suspected breaches through the hotline. Reports are assessed independently and addressed. Confidentiality and protection against retaliation encourage employees to speak up safely.

Strong internal audit and control support ethical governance. The Audit, Risk Management and Internal Control Department reports directly to the Board, independently assessing process effectiveness, legal compliance, risk management and controls. This helps identify risks early, prevent fraud and continually improve processes.



STRONG INTERNAL AUDIT AND CONTROL SUPPORT ETHICAL GOVERNANCE.

RESPECT FOR HUMAN RIGHTS IS A CORE PRINCIPLE; İÇDAŞ WORKS TO PREVENT DISCRIMINATION, ENSURE EQUAL OPPORTUNITY AND PROTECT EMPLOYEE RIGHTS.

Respect for human rights is a core principle. İÇDAŞ works to prevent discrimination, ensure equal opportunity and protect employee rights. It has zero tolerance for child labor, forced labor, harassment and mistreatment, and provides a safe, healthy and respectful workplace.

Ethics and compliance also guide relations with suppliers, customers and other partners, based on honesty, fairness and mutual trust.

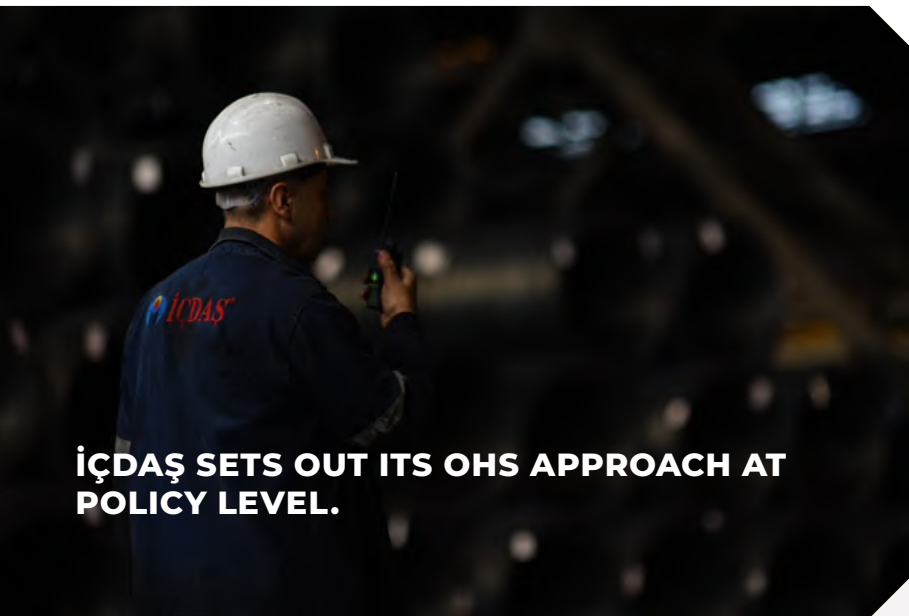
Suppliers are expected to follow ethical rules and relevant policies, avoid conflicts of interest and maintain transparent relationships.

Company information, trade secrets and personal data are protected through administrative and technical measures in line with legislation.

Employees must safeguard information obtained through their duties, including after employment ends.

Occupational Health and Safety

A strong safety culture that protects employee health...



İÇDAŞ SETS OUT ITS OHS APPROACH AT POLICY LEVEL.

OHS management seeks to protect employee health and maintain sustainable production.

OHS goes beyond legal compliance to create and continually improve a strong safety culture.

ISO 45001 guides OHS across all operations. Despite its integrated facility structure, practices are actively applied across production and operational areas and standardized at all sites. Management regards OHS as a strategic priority and continually supports safe workplaces.

An OHS Legislation Register tracks legal requirements; a Legal Compliance Monitoring Table reviews compliance regularly. Changes are monitored through the Lebib Yalkın legal publications subscription and incorporated into the management system.

The OHS Policy sets out the Company's commitment to protect employees, minimize accidents and occupational diseases, and control risks at source.

The accident prevention policy calls for safe operations, systematic risk analysis and appropriate preventive measures.

OHS METRICS	FEMALE	MALE
Accident Frequency Rate	0	27.60
Occupational Disease Rate	0	0
Number of Fatal Accidents	0	0
Days Lost Due to Occupational Accidents	0	0.003
Absenteeism Rate	2.97	1.77

Our overall accident frequency rate in 2025 was 27.03.



RISK MANAGEMENT AND PREVENTION

The hierarchy of controls guides OHS risk management. Hazards are first eliminated at source; where this is not possible, hazardous processes are replaced with less hazardous alternatives.

The following measures are also used to manage risks:

- Engineering controls (barriers, design improvements, etc.),
- Administrative controls (training, working time arrangements, etc.),
- Appropriate personal protective equipment.

All activities affecting OHS are regularly monitored and analyzed, and performance is assessed.

Assessment results inform continuous development and improvement of the management system.



EMPLOYEE PARTICIPATION AND REPORTING CHANNELS

Employee participation is encouraged to strengthen the safety culture.

Employees can report hazards and risks using risk and near-miss cards or digitally via the MEDİTEK system on phones and computers.

MEDİTEK allows employees to attach photos when reporting nonconformities, enabling prompt assessment. OHS specialists record risks and near misses in dynamic action tables shared weekly with department managers. Implementation and closure are tracked systematically with supporting documentation.

Employee suggestions are reviewed by committees and discussed in meetings with department managers, supervisors and engineers. Suitable proposals are implemented.

An award and incentive system introduced in 2025 encourages employees to contribute to OHS, rewards safe behaviors and strengthens participation.



ORGANIZATION AND COMPETENCE

Specialist teams carry out OHS activities effectively.

OHS professionals with different levels of expertise work at İÇDAŞ Çelik, İÇDAŞ Enerji and İÇDAŞ Plaza; capable, experienced teams manage the activities.

Some specialists hold international OHS certifications.

The OHS Committee meets monthly. Employee representatives, foremen and supervisors participate so employee views inform decisions.



HEALTH SERVICES AND EMPLOYEE HEALTH

The Company provides comprehensive health infrastructure for prompt, effective employee care.

An ambulance is stationed at each of İÇDAŞ Çelik and İÇDAŞ Enerji. Occupational physicians and health personnel are available around the clock through the Joint Health and Safety Unit.

In an accident or health incident, employees can contact the health unit through an internal telephone line for initial treatment.

Occupational physicians address general employee health concerns as well as accidents, monitoring health and making necessary referrals.

İÇDAŞ Academy's distance learning system offers awareness training on cardiovascular disease, respiratory infections and other health topics.



ACCIDENT ANALYSIS AND PERFORMANCE MONITORING

OHS performance is monitored regularly, with accident data assessed under international methodologies.

Accident statistics use two methods: one includes incidents without time off work, while the other follows the European Statistics on Accidents at Work (ESAW) methodology.

The root causes of each accident are analyzed in detail. Meetings use fishbone analysis to examine human, machinery, environmental and procedural factors. Corrective and preventive actions (CAPA) are tracked through the QDMS system.



CONTINUOUS IMPROVEMENT AND GOOD PRACTICES

The Company implements measures to improve OHS continually.

Recent work includes reducing risks in melt-shop temperature measurements, improving rolling mill safety through automation, assessing welding risks and controlling noise exposure at power plants.

This work strengthens the safety culture and supports sustained improvement in working conditions.

Community Engagement and Social Responsibility

A commitment to economic development and social well-being...



İÇDAŞ considers supporting regional economic development and community well-being part of its corporate responsibility. Its social responsibility work encompasses social and environmental infrastructure, education, sport and cultural heritage.

Contributions to local communities reached TRY 22.6 million in 2025. A substantial share funded social and environmental infrastructure, alongside sports, education and culture.

Projects with local authorities, public institutions, NGOs and schools address regional needs, particularly social solidarity, educational opportunities and cultural heritage.



İÇDAŞ'S CONTRIBUTIONS TO EDUCATION

İÇDAŞ regards education as fundamental to community development and continues to increase support each year. Contributions strengthen school infrastructure, support educational institutions and provide scholarships.

Scholarships directly support students' education. In 2025, 145 students received scholarships totaling TRY 5.5 million. A balanced distribution between girls and boys supports equal educational opportunity.



İÇDAŞ'S CONTRIBUTIONS TO SPORT

İÇDAŞ makes significant contributions to sports activities to support the physical and social development of young people. As of 2025, a total of 519 athletes were supported across different sports disciplines. Of these athletes, 272 were licensed and 247 were at the amateur level.

Sailing and surfing, swimming and basketball were the main disciplines; swimming had the largest participation, with 273 athletes.

- Athletes also achieved notable results.
- In 2025, athletes achieved 173 placings in sailing and surfing,
- 392 in swimming,
- 7 in basketball.



İÇDAŞ'S CONTRIBUTIONS TO CULTURAL HERITAGE

İÇDAŞ considers the preservation of cultural heritage for future generations a priority, supporting archaeological excavations and cultural projects that sustain research.

In 2025, support went to major sites including the ancient cities of Parion (Biga), Assos (Ayvacık) and Troia, and the Apollon Smintheion (Gülpınar) and Maydos Kilisetepe excavations. Cultural heritage contributions reached TRY 6.6 million.

Other cultural and historical conservation initiatives aimed to strengthen heritage awareness locally and nationally.

22.6 TRY MILLION

TOTAL CONTRIBUTION IN 2025

Corporate Memberships

Strong partnerships, a sustainable future...



ASSOCIATIONS, FOUNDATIONS, CHAMBERS AND UNIONS	ROLE
Shipowners' Association	Member
CARES Sustainability Committee	Member
CARES Reinforcing Steel Technical Committee	Member
European Committee for Standardization (CEN) meetings on construction and prestressing steels	Participation on behalf of Türkiye
ÇİB – Steel Exporters' Association	Chair of the Board
DTD – Railway Transport Association	Member
DÜRED – Offshore Wind Energy Association	Representative
GAN Türkiye – Global Apprenticeship Network	Member
GİSBİR – Turkish Shipbuilders' Association	Member
IREPAS – International Rebar Producers and Exporters Association	President
İKV – Economic Development Foundation	Foundation Supporter
İAV – Economic Research Foundation	Foundation Supporter
İMEAK – Chamber of Shipping	Representative
İMMİB – Istanbul Mineral and Metals Exporters' Associations	Member
İTO – Istanbul Chamber of Commerce	Member
KOSDER – Coaster Shipowners and Operators Association	Member
MESS – Turkish Employers' Association of Metal Industries	Member
Nuclear Industry Association	Representative
TÇÜD – Turkish Steel Producers Association	High Advisory Council Member
TÇÜD – Turkish Steel Producers Association	Vice President and High Advisory Council Member
TÇÜD – Technical Quality Committee	President
TMD – Turkish Miners Association	Representative
TURMEPA – Turkish Marine Environment Protection Association	Member
TSE – Turkish Standards Institution	Mirror Committee Member (steel sector standards development and comments)

APPENDICES

A Transparent View Through Data

This section brings together the quantitative indicators underpinning the strategies and practices described throughout the report. Detailed environmental, economic and social performance data are presented transparently to support stakeholder assessments.

Performance tables prepared in line with international reporting standards, including the GRI Content Index, demonstrate the Company's reporting discipline and commitment to accountability.



Economic Performance Indicators



COMPANY	ECONOMIC VALUES	2023	2024	2025
İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.	Net Sales (TRY)	19,745,608,408	22,856,008,121	24,429,269,352
	Equity (TRY)	18,976,980,149	26,613,564,400	36,412,859,776
	EBITDA (TRY)	4,386,854,246	7,323,950,585	9,021,224,412
	Gross Value Added (TRY) (at producer prices)	5,628,250,674	9,537,737,670	11,542,588,172
	Total Assets (TRY)	20,867,326,379	28,860,733,736	39,774,128,273
İÇDAŞ Çelik Enerji Tersane ve Ulaştırım Sanayi A.Ş.	Net Sales (TRY)	55,984,773,555	73,457,409,818	76,935,756,001
	Equity (TRY)	28,343,099,679	35,546,671,631	36,557,703,581
	EBITDA (TRY)	3,654,077,596	203,575,773	2,027,096,096
	Gross Value Added (TRY) (at producer prices)	3,526,233,027	4,532,511,925	7,637,881,009
	Total Assets (TRY)	42,319,832,298	57,714,214,102	56,550,124,902

NET SALES	UNIT	2023	2024	2025
Consolidated Net Sales	TRY million	76,262	97,500	102,293

BREAKDOWN OF NET SALES	UNIT	2023	2024	2025
Energy	%	36.41	32.84	33.48
Steel	%	59.00	62.79	60.36
Other	%	4.59	4.37	6.16

PRODUCTION	UNIT	2023	2024	2025
İÇDAŞ Crude Steel Production	Million Tons	2.88	2.79	2.43
Total Crude Steel Production in Türkiye	Million Tons	33.70	36.90	38.10
İÇDAŞ Crude Steel Production / Total Crude Steel Production in Türkiye (%)	%	8.55	7.56	6.39

Economic Performance Indicators

APPROXIMATE VALUE OF PAYMENTS TO SUPPLIERS	UNIT	2023	2024	2025
Import Volume	TRY	41,574,433,437	47,624,000,000	48,853,000,000
Domestic Purchases	TRY	22,718,954,517	82,524,173,288	79,210,993,711
TOTAL	TRY	64,293,387,954	130,148,173,288	128,063,993,711

Environmental Performance Indicators



ENVIRONMENTAL OPERATING EXPENDITURE			2025
Değirmencik Integrated Facility	Environmental Operating Activities	Emissions and Climate Protection	TRY 1,753,116,545
		Wastewater Management	
		Waste Management	
		Soil and Groundwater Protection	
		Biodiversity Conservation	
		Radiation Safety	
		Clean Energy	
		Other Environmental Expenditure	
		Renewable Energy and Energy Efficiency	
		Water Conservation and Natural Water Resource Management	
Bekirli PP	Environmental Operating Activities	Emissions and Climate Protection	TRY 277,602,345
		Wastewater Management	
		Waste Management	
		Soil and Groundwater Protection	
		Biodiversity Conservation	
		Radiation Safety	
		Clean Energy	
		Other Environmental Expenditure	
		Renewable Energy and Energy Efficiency	
		Water Conservation and Natural Water Resource Management	
Total Environmental Expenditure			TRY 2 030 718 890

PURCHASED AND CONSUMED SECONDARY ENERGY FROM NONRENEWABLE SOURCES				
FACILITY	UNIT	2023	2024	2025
Steel Facilities	kWh	1,749,721,444.22	1,751,780,618.22	1,453,808,387.63
	GJ	6,298,997.20	6,306,410.23	5,233,710.20
Biga PP	kWh	309,494,128.00	319,029,584.00	296,228,433.00
	GJ	1,114,178.86	1,148,506.50	1,066,422.36
Shipyard	kWh	5,369,855.24	4,766,378.52	5,304,628.06
	GJ	19,331.48	19,331.48	19,096.66
Auxiliary Facilities*	kWh	206,580,777.52	194,100,699.26	182,990,438.30
	GJ	743,690.80	743,690.80	658,765.58
Bekirli PP	kWh	436,565,186.00	486,032,812.00	471,002,496.00
	GJ	1,571,634.67	1,749,718.12	1,695,608.99

*Auxiliary facilities comprise all facilities within the Değirmencik Facility other than steel, power and shipyard operations. Facilities outside Değirmencik are excluded.

Environmental Performance Indicators

ENERGY GENERATED FROM RENEWABLE SOURCES AND CONSUMED ON-SITE	UNIT	2023	2024	2025
Steel Facilities (HPP 4)	kWh	4,782,000	5,654,000	6,770,000
	GJ	17,215.20	20,354.40	24,372.00
Steel Facilities (SPP)	kWh	4,937,000	6,680,725	8,828,310
	GJ	17,773.20	24,050.61	31,781.916
Biga PP (HPP 1-2-3)	kWh	18,690,389	19,865,795	19,570,231
	GJ	67,285.40	71,516.86	70,452.83

ECONOMIC VALUE OF RENEWABLE ENERGY GENERATED AND CONSUMED ON-SITE	UNIT	2023	2024	2025
Steel Facilities (HPP 4)	TRY	17,694,413.78	12,639,630.08	15,134,470.40
Biga PP (HPP 1-2-3)	TRY	69,158,401.66	44,410,382.04	43,749,642.81
Steel Facilities (SPP)	TRY	18,267,946.64	14,934,894.66	19,735,863.57
TOTAL	TRY	105,120,762.09	71,984,906.78	78,619,976.78

Environmental Performance Indicators

ENERGY GENERATION	2023		2024		2025	
	INSTALLED CAPACITY (MW)	SHARE OF INSTALLED CAPACITY	INSTALLED CAPACITY (MW)	SHARE OF INSTALLED CAPACITY	INSTALLED CAPACITY (MW)	SHARE OF INSTALLED CAPACITY
Bekirli PP	1,200.00	71.57%	1,200.00	71.24%	1,200.00	71.24%
Biga PP	405.00	24.16%	405.00	24.04%	405.00	24.04%
HPP	5.30	0.32%	5.30	0.31%	5.30	0.31%
WPP	60.00	3.58%	63.80	3.79%	63.80	3.79%
SPP	6.37	0.38%	10.37	0.62%	10.37	0.62%
TOTAL	1,676.67	100.00%	1,684.47	100.00%	1,684.47	100.00%
Türkiye's Installed Capacity	106,344.00		115,983.33		122,446.00	
Share of Türkiye's Installed Capacity (%)	1.58%		1.45%		1.38%	

ELECTRICITY GENERATION	2023		2024		2025	
	ELECTRICITY GENERATION (MWh)	SHARE OF ELECTRICITY GENERATION	ELECTRICITY GENERATION (MWh)	SHARE OF ELECTRICITY GENERATION	ELECTRICITY GENERATION (MWh)	SHARE OF ELECTRICITY GENERATION
Bekirli PP	8,451,171.41	73.0%	9,677,962.84	74.7%	8,972,245.06	73.2%
Biga PP	2,946,022.38	25.5%	3,103,565.52	24.0%	3,102,779.50	25.3%
HPP 1-2-3-4	23,472.39	0.2%	25,519.79	0.2%	26,340.23	0.2%
WPP	144,400.88	1.2%	139,792.21	1.1%	150,030.15	1.2%
SPP	4,937.03	0.0%	6,680.73	0.1%	9,294.28	0.1%
TOTAL	11,570,004	100.0%	12,953,521.08	100.0%	12,260,689.22	100.0%
Türkiye's Electricity Generation	305,431,389		348,905,865		362,992,178	
Share of Türkiye's Total Electricity Generation (%)	3.79%		3.71%		3.38%	

Environmental Performance Indicators

SEAWATER WITHDRAWAL RATE FOR FRESHWATER PRODUCTION				
	UNIT	2023	2024	2025
Steel Facilities	m ³ /year	1,483,225	1,657,996	1,431,246
Biga PP	m ³ /year	363,176	450,847	460,270
Bekirli PP	m ³ /year	2,848,183	3,372,142	2,964,294
Shipyard and Auxiliary Facilities	m ³ /year	435,342	715,935	491,950
TOTAL	m ³ /year	5,129,926	6,196,920	5,347,760

VOLUME OF WATER RECOVERED AND REUSED				
	UNIT	2023	2024	2025
Steel Facilities	m ³ /year	386,702,745	383,965,405	282,749,280
Biga PP	m ³ /year	36,359	47,828	47,635
Bekirli PP	m ³ /year	163,443	117,269	236,291
Shipyard and Auxiliary Facilities	m ³ /year	20,948,400	20,385,000	18,638,400
TOTAL	m ³ /year	407,850,947	404,515,502	301,671,606

TOTAL WASTEWATER DISCHARGE				
	UNIT	YEAR	WASTEWATER DISCHARGE*	COOLING WATER DISCHARGE
Değirmencik Integrated Facility	m ³ /year	2023	237,250	637,413,552
	m ³ /year	2024	248,200	554,689,440
	m ³ /year	2025	213,525	547,708,780
Bekirli PP	m ³ /year	2023	Recovery	620,303,851
	m ³ /year	2024	Recovery	764,703,937
	m ³ /year	2025	Recovery	639,795,052

*Wastewater discharge includes the combined discharges from domestic, chemical and physical wastewater treatment plants.

Environmental Performance Indicators

QUANTITY OF WASTE LEAVING FACILITIES

DEĞİRMENCİK INTEGRATED FACILITY	2023			2024			2025		
	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL
Hazardous Waste (tons)	59,518.33	0.20	59,518.52	59,386.65	0.18	59,386.83	46,551.28	0.27	46,551.55
Non-hazardous Waste (tons)	564,410.41	648,783.24	1,213,193.65	608,379.70	686,670.47	1,295,050.17	439,363.00	417,434.57	856,797.57
Total Waste (tons)	623,929	648,783	1,272,712	667,766	686,671	1,354,437	485,914	417,435	903,349
BEKİRLİ PP	2023			2024			2025		
	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL
Hazardous Waste (tons)	15.567	3.854	19	58.171	0.054	58	95.62	0.43	96
Non-hazardous Waste (tons)	213,294	86,421	299,715	273,437	62,286	335,723	291,049	65,530	356,578
Total Waste (tons)	213,310	86,425	299,735	273,495	62,286	335,781	291,144	65,530	356,674

QUANTITY OF SHIP WASTE RECEIVED BY FACILITIES

DEĞİRMENCİK INTEGRATED FACILITY	2023			2024			2025		
	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL
Hazardous Waste (Bilge Water, Sludge, Waste Oil), m³/year	750.5	0	750.5	1,154.910	0.000	1,154.9	991.65	0.00	991.7
Non-hazardous Waste (Domestic Solid and Liquid Waste), m³/year	0	4,714.4	4,714.4	0.000	7,064.184	7,064.2	0.000	1,253.28	1,253.3
BEKİRLİ PP	2023			2024			2025		
	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL	RECOVERED	DISPOSED	TOTAL
Hazardous Waste (Bilge Water, Sludge, Waste Oil), m³/year	156.82	0	157	255.30	0	255	231.87	0	232
Non-hazardous Waste (Domestic Solid and Liquid Waste), m³/year	0	133.20	133	0	135.87	136	0	53.08	53

Environmental Performance Indicators

SCOPE 1 – GREENHOUSE GAS EMISSIONS PER UNIT OF PRODUCT

SCOPE 1 – GREENHOUSE GAS EMISSIONS PER UNIT OF PRODUCT				
	UNIT	2023	2024	2025
GHG per Unit of Output – Biga PP	tCO ₂ /MWh	1.006	1.000	0.970
GHG per Unit of Output – Meltshop	tCO ₂ /t billet	0.154	0.162	0.124
GHG per Unit of Output – Rolling Mills 2–5	tCO ₂ /t bar	0.057	0.058	0.061
GHG per Unit of Output – Rolling Mills 3–4	tCO ₂ /t wire rod	0.062	0.063	0.062
GHG per Unit of Output – Lime Plant	tCO ₂ /t lime	1.044	1.029	1.135
GHG per Unit of Output – Bekirli PP	tCO ₂ /MWh	0.866	0.858	0.823

SCOPE 2 – GREENHOUSE GAS EMISSIONS PER UNIT OF PRODUCT

SCOPE 2 – GREENHOUSE GAS EMISSIONS PER UNIT OF PRODUCT				
	UNIT	2023	2024	2025
GHG per Unit of Output – Biga PP	tCO ₂ /MWh	0.044	0.045	0.040
GHG per Unit of Output – Meltshop	tCO ₂ /t billet	0.217	0.240	0.248
GHG per Unit of Output – Rolling Mills 2–5	tCO ₂ /t bar	0.041	0.041	0.035
GHG per Unit of Output – Rolling Mills 3–4	tCO ₂ /t wire rod	0.059	0.059	0.061
GHG per Unit of Output – Lime Plant	tCO ₂ /t lime	0.020	0.019	0.019
GHG per Unit of Output – Bekirli PP	tCO ₂ /MWh	0.022	0.021	0.024

Social Performance Indicators



BY GENDER	UNIT	2023	2024	2025
Male	Person	5928	6012	5257
	%	97.28	97.23	97.06
Female	Person	166	171	159
	%	2.72	2.77	2.94
TOTAL	Person	6,094	6,183	5,416

BY EMPLOYMENT CATEGORY	UNIT	2023	2024	2025
White-Collar – Female	Person	112	121	120
White-Collar – Male	Person	621	660	646
Blue-Collar – Female	Person	54	50	39
Blue-Collar – Male	Person	5307	5352	4611
TOTAL	Person	6,094	6,183	5,416

BY CONTRACT TYPE	UNIT	2023	2024	2025
Full-Time Employees – Female	Person	166	171	159
Full-Time Employees – Male	Person	5928	6012	5257
Part-Time Employees – Female	Person	0	0	0
Part-Time Employees – Male	Person	0	0	0
TOTAL	Person	6,094	6,183	5,416

BY LOCATION	UNIT	2023	2024	2025
Istanbul – Female (Office, Ambarlı Port, İkitelli)	Person	89	96	96
Istanbul – Male (Office, Ambarlı Port, İkitelli)	Person	301	319	310
Değirmencik Integrated Facility – Female	Person	65	61	51
Değirmencik Integrated Facility – Male	Person	4757	4853	4207
Bekirli Power Plant – Female	Person	11	11	10
Bekirli Power Plant – Male	Person	696	696	626
Anatolia – Female	Person	0	0	0
Anatolia – Male	Person	115	91	59
Ships – Female	Person	1	3	2
Ships – Male	Person	59	53	55
TOTAL	Person	6,094	6,183	5,416

Social Performance Indicators

EMPLOYEE HIRING, DEPARTURES AND TURNOVER

LOCAL EMPLOYMENT IN ÇANAKKALE	LOCALITY	UNIT	2023	2024	2025
Senior Executives	Local	Person	27	28	24
		%	48	48	39
	Other	Person	29	30	37
		%	52	52	61
Değirmencik Facility	Local	Person	3713	3825	3341
		%	77	78	79
	Other	Person	1109	1062	886
		%	23	22	21
Bekirli Facility	Local	Person	581	577	528
		%	82	82	83
	Other	Person	126	128	106
		%	18	18	17
Local Employment in Çanakkale	Local	Person	4321	4430	3893
		%	77	78	79
	Other	Person	1264	1220	1029
		%	23	22	21

BY GENDER	UNIT	2023	2024	2025
New Hired – Female	Person	21	18	18
	%	3.3	2.5	4.5
Departing employees- Female	Person	17	14	27
	%	2.4	2.3	2.3
New Hired – Male	Person	614	690	381
	%	96.7	97.5	95.5
Departing employees- Male	Person	688	600	1125
	%	97.6	97.7	97.7
Total – Hired	Person	635	708	399
Total – Departed	Person	705	614	1152

Social Performance Indicators

EMPLOYEE HIRING, DEPARTURES AND TURNOVER

BY LOCATION	UNIT	2023	2024	2025
Bekirli – Hired	Person	45	40	33
	%	4.2	3.7	3.1
Bekirli - Departed	Person	40	37	99
	%	6.5	6.0	16.0
Değirmencik- Hired	Person	361	482	164
	%	33.4	44.6	15.2
Değirmencik - Departed	Person	446	391	810
	%	71.9	63.1	130.6
İstanbul- Hired	Person	47	51	24
	%	4.4	4.7	2.2
İstanbul-Departed	Person	47	23	34
	%	7.6	3.7	5.5
Anatolia-Hired	Person	50	11	10
	%	4.6	1.0	0.9
Anatolia-Departed	Person	49	32	43
	%	7.9	5.2	6.9
Ships-Hired	Person	132	124	168
	%	12.2	11.5	15.6
Ships- Departed	Person	123	131	166
	%	19.8	21.1	26.8

BY AGE	UNIT	2023	2024	2025
Age 30 and Under – Hired	Person	356	425	168
	%	56.06	60.03	42.11
Age 30 and Under – Departed	Person	164	179	313
	%	23.26	29.15	27.17
Ages 30–50 – Hired	Person	223	223	161
	%	35.12	31.50	40.35
Ages 30–50 – Departed	Person	396	320	597
	%	56.17	52.12	51.82
Age 50 and Over – Hired	Person	56	60	70
	%	8.82	8.47	17.54
Age 50 and Over – Departed	Person	145	115	242
	%	20.57	18.73	21.01

EMPLOYEE TURNOVER	UNIT	2023	2024	2025
Employee Turnover Rate	%	9.65	7.88	17.01

Social Performance Indicators

EMPLOYEE HIRING, DEPARTURES AND TURNOVER

COLLECTIVE BARGAINING AGREEMENT	UNIT	2023	2024	2025
Number of Employees Covered by Collective Bargaining Agreements	Person	3264	3321	2810
Percentage of Employees Covered by Collective Bargaining Agreements	%	53.56	53.71	51.73

TOTAL TRAINING HOURS PER EMPLOYEE	UNIT	2023	2024	2025
All Employees	hours/person	27.63	32.83	25.94

OHS TRAINING HOURS PER PERSON	UNIT	2023	2024	2025
All Employees	hours/person	17.31	16.55	12.30

OCCUPATIONAL HEALTH AND SAFETY						
	2023		2024		2025	
	Female	Male	Female	Male	Female	Male
Accident Frequency Rate	23.15	30.50	5.92	35.97	0	27.60
Occupational Disease Rate	0	0	0	0	0	0
Number of Fatal Accidents	0	1	0	0	0	0
Days Lost Due to Occupational Accidents	0.01	0.01	0.01	0.01	0	0.003
Absenteeism Rate	4.11	2.41	3.30	2.25	2.97	1.77

TOTAL TRAINING HOURS BY TOPIC				
	UNIT	2023	2024	2025
OHS Training	person-hours	103,345	102,358	76,188
Orientation Training	person-hours	10,296	15,064	7,392
Vocational Training	person-hours	16,972	28,490	21,038
One-Point Trainings	person-hours	9,373	10,058	12,816
Information Security Training	person-hours	3,598	6,262	6,790
Quality Training	person-hours	8,117	11,667	8,134
Personal Development Training	person-hours	207	9,616	10,911
Environmental Training	person-hours	8,186	5,956	6,967
Energy Management System Training	person-hours	3,228	5,146	4,246
Environmental Control Laboratory Training	person-hours	1,642	1,200	1,152
Automotive Quality Management System Training	person-hours	-	-	5,009
TOTAL	person-hours	164,964	195,817	160,643

GRI Content Index



STATEMENT OF USE

İÇDAŞ has reported in accordance with the GRI Standards for the period January 1 to December 31, 2025.

GRI 1 USED

GRI 1: Foundation 2021

GRI STANDARD

DISCLOSURE

REPORT PAGE

GRI 2: GENERAL DISCLOSURES 2021

2-1 Organizational details	About İÇDAŞ, p. 12
2-2 Entities included in the organization's sustainability reporting	About the Report, p. 4
2-3 Reporting period, frequency and contact point	About the Report, p. 4
2-4 Restatements of information	About the Report, p. 4
2-5 External assurance	No external assurance was obtained.
2-6 Activities, value chain and other business relationships	Corporate Profile, pp. 12-14 / Products and Services, pp. 17-18 / İÇDAŞ Value Creation Model, p. 19
2-7 Employees	Human Resources Management, pp. 76-77
2-9 Governance structure and composition	Sustainability Governance Structure, p. 25
2-10 Nomination and selection of the highest governance body	Confidentiality constraints
2-11 Chair of the highest governance body	Confidentiality constraints
2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance Structure, p. 25
2-13 Delegation of responsibility for managing impacts	Sustainability Governance Structure, p. 25
2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance Structure, p. 25
2-15 Conflicts of interest	Ethics and Compliance, p. 78
2-16 Communication of critical concerns	Stakeholder Management, p. 33 / Ethics and Compliance, p. 78 / Human Resources Management, p. 76

GRI STANDARD	DISCLOSURE	REPORT PAGE
GRI 2: GENERAL DISCLOSURES 2021		
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Sustainability Governance Structure, p. 25
	2-19 Remuneration policies	Human Resources Management, p. 76
	2-20 Process to determine remuneration	Confidentiality constraints
	2-21 Annual total compensation ratio	Confidentiality constraints
	2-22 Statement on sustainable development strategy	Sectoral Impacts, Corporate Approach and Contribution to the SDGs, pp. 35–40
	2-23 Policy commitments	Ethics and Compliance, p. 78
	2-24 Embedding policy commitments	Ethics and Compliance, p. 78
	2-25 Processes to remediate negative impacts	Risk Management, pp. 41–42 / Sustainability and Climate-related Risks and Opportunities, pp. 43–51
	2-26 Mechanisms for seeking advice and raising concerns	Human Resources Management, p. 76 / Ethics and Compliance, p. 78
	2-27 Compliance with laws and regulations	Ethics and Compliance, p. 78
	2-28 Membership associations	Community Engagement and Social Responsibility, p. 82 / Corporate Memberships, p. 83
	2-29 Approach to stakeholder engagement	Stakeholder Management, p. 33
GRI 3: MATERIAL TOPICS 2021		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Analysis, p. 34
	3-2 List of material topics	Materiality Analysis, p. 34
OCCUPATIONAL HEALTH AND SAFETY		

GRI STANDARD	DISCLOSURE	REPORT PAGE
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p. 34
	403-1 Occupational health and safety management system	Occupational Health and Safety, pp. 79–81
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pp. 79–81
	403-3 Occupational health services	Occupational Health and Safety, pp. 79–81
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, pp. 79–81
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, pp. 79–81 / Social Performance Indicators, p. 96
	403-6 Promotion of worker health	Occupational Health and Safety, pp. 79–81
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, pp. 79–81
	403-9 Work-related injuries	Occupational Health and Safety, pp. 79–81 / Social Performance Indicators, p. 96
	403-10 Work-related ill health	Occupational Health and Safety, pp. 79–81
WATER MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p. 34
	303-1 Interactions with water as a shared resource	Water Management, p. 60
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Water Management, p. 60
	303-3 Water withdrawal	Water Management, p. 60 / Environmental Performance Indicators, p. 90
	303-4 Water discharge	Water Management, p. 60 / Environmental Performance Indicators, p. 90
	303-5 Water consumption	Water Management, p. 60 / Environmental Performance Indicators, p. 90
WASTE MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p. 34

GRI STANDARD	DISCLOSURE	REPORT PAGE
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Circular Economy and Waste Management, pp. 58–59
	301-2 Recycled input materials used	Circular Economy and Waste Management, pp. 58–59
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy and Waste Management, pp. 58–59
	306-2 Management of significant waste-related impacts	Circular Economy and Waste Management, pp. 58–59
	306-3 Waste generated	Circular Economy and Waste Management, pp. 58–59 / Environmental Performance Indicators, p. 91
	306-4 Waste diverted from disposal	Circular Economy and Waste Management, pp. 58–59 / Environmental Performance Indicators, p. 91
	306-5 Waste directed to disposal	Circular Economy and Waste Management, pp. 58–59 / Environmental Performance Indicators, p. 91
CLIMATE CHANGE MITIGATION AND ADAPTATION		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p. 34
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Performance Indicators, p. 89
	302-4 Reduction of energy consumption	Energy and Emissions Management, pp. 55–57
	302-5 Reductions in energy requirements of products and services	Energy and Emissions Management, pp. 55–57
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Performance Indicators, p. 92
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Performance Indicators, p. 92
	305-5 Reduction of GHG emissions	Environmental Performance Indicators, p. 92
SUSTAINABLE PROFITABILITY		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p. 34
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Export Network, p. 16 / Economic Performance Indicators, pp. 85–86
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability and Climate-related Risks and Opportunities, pp. 43–51
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainable Agriculture and Animal Breeding, pp. 63–65
INCLUSION, DIVERSITY AND TALENT MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p. 34

GRI STANDARD	DISCLOSURE	REPORT PAGE
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance Indicators, p. 96
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Development, p. 77
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social Performance Indicators, p. 93
	405-2 Ratio of basic salary and remuneration of women to men	Confidentiality constraints
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Resources Management, p. 76
OTHER TOPICS		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management, p. 70
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Human Resources Management, p. 76
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity, pp. 61–62
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity, pp. 61–62
	304-3 Habitats protected or restored	Biodiversity, pp. 61–62
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, pp. 61–62
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management, p. 70
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators, p. 94
	401-3 Parental leave	Human Resources Management, p. 76
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Sustainability Targets, pp. 26–29
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Resources Management, p. 76
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement and Social Responsibility, p. 82 / Corporate Memberships, p. 83



CONTACT

İÇDAŞ Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş.

Address: Mahmutbey Neighborhood, Dilmener Avenue, No. 20 34218 Bağcılar, İstanbul, Türkiye

Telephone: +90 212 604 04 04 (pbx)

İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş.

Address: Mahmutbey Neighborhood, Dilmener Avenue, No. 20 34218 Bağcılar, İstanbul, Türkiye

Telephone: +90 212 604 04 04 (pbx)

REPORTING CONSULTANCY

Greenlife Danışmanlık
greenlifedanismanlik.com

REPORT DESIGN

Moreport
moreport.co

DISCLAIMER

The İÇDAŞ Sustainability Report was prepared by İÇDAŞ Çelik Enerji Tersane ve Ulaşım Sanayi A.Ş. and İÇDAŞ Elektrik Enerjisi Üretim ve Yatırım A.Ş. in accordance with the GRI Standards, TCFD and the UN SDGs. Except for data explicitly stated to have been verified, the information and data in this report have not been independently assured and are published for information purposes. Future business activities, forecasts and results may differ from the data in this report due to various factors. The data, information and projections presented therefore do not form a basis for investment decisions. İÇDAŞ accepts no liability and makes no warranty as to the accuracy or completeness of forward-looking statements, including underlying estimates, expectations and assumptions. İÇDAŞ shall not be liable for any loss arising from use of this report.