# Türk Telekom Sustainability Bond Allocation & Impact Report

September 2025

# Contents

# 1. Introduction

As Türkiye's first integrated telecommunications operator with a history of more than 180 years, we consider carrying Türkiye into the future by leading the digital transformation of our country as our primary duty. Drawing strength from our past, we continue our activities with a focus on sustainable growth and a holistic approach to value creation.

We continue to lead Türkiye's development and the advancement of the telecommunications sector, with our technological infrastructure, extensive service network, and ongoing investments. It is our primary mission to accelerate the country's digital transformation, develop technologies that build a better future, and create value for society.

We maintain a strong presence in converging technologies, IT solutions, education technologies, customer experience services, wholesale data and capacity services, project development, corporate venture capital, payment and e-money services, and financial technologies.

We provide high-quality communication solutions to millions of individual and corporate customers through our integrated telecommunications services offered across all 81 provinces of Türkiye. Thanks to our strong infrastructure, we deliver high-speed, uninterrupted connectivity to our customers with our 482 thousand kilometres of fibre network, our mobile network in 27 thousand locations, and our LTE base stations, 54% of which are connected to fibre. In the mobile segment, we provide mobile voice and data services across Türkiye with an LTE population coverage rate of 99.7%.

In addition to Türk Telekom's fixed and mobile core business lines, we add value to our individual and corporate customers through our group companies that have significant positions in their respective industries and help us preserve our strong position in the telecommunications industry. For more information about our subsidiaries visit our 2024 Integrated Report.

We are pleased that our efforts in revenue growth, cost management, and operational efficiency have been strongly reflected in our 2024 financial results.

Consolidated revenue rose to 161.7 billion TL in 2024 from 144.6 billion TL a year ago with 11.8% increase. EBITDA rose to 63.1 billion TL with a steep 30.5% increase from last year.

# 2. Türk Telekom Sustainable Finance Framework[1]

Boasting nationwide networks of communication infrastructure that serve 53.6 million subscribers with 36,054 employees[2] as well as sizable sales and dealer networks, we are aware of the magnitude of our impact on national development, environment and society.

At Türk Telekom, we work with the principle of "Accessible communication for all". We pledge to uphold the 10 core universal principles of the United Nations Global Compact (UNGC) and to use the Sustainable Development Goals as a guide in how we do business. Our sustainability policy has been formed in accordance with our strategy after clearly defining our company's sustainability vision.

As an essential component of our sustainability strategy, we proceed by putting all employees, their families, suppliers, customers, investors and other stakeholders at the core of our transformation process.

As Türkiye's leading telecommunication company, we have strengthened our sustainability targets. Our science-based emissions reduction targets and SBTi commitments continue to form the foundation of our climate transition plan. We aim to reduce our Scope 1 and 2 emissions by 45% by 2030, compared to the 2020 baseline, and plan to achieve net-zero emissions by 2050. We continue our efforts to fully capture our carbon inventory, which covers all our group companies, and set a target for Scope 3 emissions. In this process, we aim to complete the SBTi target verification steps. Between 2025 and 2030, we will implement all necessary actions to achieve these targets, and we will continue our net zero focus beyond 2030.

Türk Telekom has established its first Sustainable Finance Framework under which it issued an inaugural USD 500 million 5yr Sustainability Bond in May 2024. The proceeds have been used to finance/refinance projects under 'Eligible Green Categories' and 'Eligible Social Categories' (Table 1, Table 2). As committed in the Framework, Türk Telekom shares the actual environmental and/or social impact arising from the financing of Eligible Green and Social Projects where feasible on a best effort basis using some of the Impact Reporting Metrics set out in the framework (Table 3). Where not feasible to share the actual impact, Türk Telekom has provided the expected environmental and/or social impact.

Türk Telekom's Framework is aligned with the International Capital Market Association (ICMA) Green Bond Principles (GBP) 2021 (with June 2022 Appendix I)[3], ICMA Social Bond Principles (SBP) 2021 (with June 2022 Appendix I)[4], ICMA Sustainability Bond Guidelines (SBG) 2021[5], Loan Market Association (LMA) Green Loan Principles (GLP) 2023[6] and LMA Social Loan Principles (SLP) 2023[7].

---

[1] *Turk Telekom Sustainable Finance Framework*

[2] *As of Q1 2025*

[3] *ICMA Green Bond Principles (2021) (with June 2022 Appendix I): https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf*

[4] *ICMA Social Bond Principles (2023): https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Social-Bond-Principles-SBP-June-2023-220623.pdf*

[5] *ICMA Sustainability Bond Guidelines (June 2021): https://www.icmagroup.org/assets/documents/Sustainable-finance/2021-updates/Sustainability-Bond-Guidelines-June-2021-140621.pdf*

[6] *LMA Green Loan Principles (February 2023): https://www.lma.eu.com/application/files/8916/9755/2443/Green_Loan_Principles_23_February_2023.pdf*

[7] *LMA Social Loan Principles (February 2023): https://www.lma.eu.com/application/files/9416/9755/3230/Social_Loan_Principles_23_February_2023.pdf*

Table 1: Sustainable Finance Framework - Categories of eligible green projects

| Eligible Project Category | Eligibility Criteria | Contribution to UN SDGs |
|---|---|---|
| **Environmental Objective: Climate Change Mitigation** | | |
| **Renewable Energy** | **Investments or expenditures related to the construction, development, installation or procurement of renewable energy:**<br>• Solar Photovoltaics (PV)[8]<br>• Onshore wind[9]<br>• Hydropower which meets any of the criteria below[10];<br>  • Lifecycle GHG emissions of below 100g$CO_2$e/kWh<br>  • Power density greater than 5W/$m^2$<br>  • Electricity generation facility is a run of river plant and does not have an artificial reservoir<br>• Geothermal (Lifecycle GHG emissions of below 100g$CO_2$e/kWh)[11] |  |
| **Energy Efficiency** | **Investments or expenditures related to new or existing network infrastructure and buildings to improve cumulative energy efficiency by at least 30%:**<br>• Modernisation, replacement and upgrade of network equipment and network technology<br>• Software and automation solutions to reduce power consumption including, Smart Energy Management System, machine learning and artificial intelligence applications based on energy demand and consumption<br>• More efficient cooling solutions for RAN sites and data sites (e.g. CRAC, free cooling); change of site layout (indoor to outdoor)<br>• Deployment of specific energy efficiency installations including more efficient network equipment, heating, ventilation, air conditioning units, refrigeration, lighting and electrical equipment in buildings to improve energy efficiency<br>**Investments or expenditures related to new or existing data centres to improve power usage effectiveness (PUE):**<br>• Improve PUE of existing data centres to below 1.4, for example for centres that use chiller + crah (Computer room air handler) technologies and of new data centres to below 1.2 using, for example, highly efficient cooling solutions (e.g. Indirect evaporative cooling (IEC) technologies) |  <br>  <br>  |

[8] *Solar power plants in Türkiye with a project area of 20 hectares and above or an installed capacity of 10 MWm and above are Subject to an Environmental Impact Assessment (EIA) as per the Environmental Impact Assessment Regulation published on 29th July 2022*

[9] *All Wind projects in Türkiye are Subject to an Environmental Impact Assessment (EIA) as per the Environmental Impact Assessment Regulation published on 29th July 2022*

[10] *All Hydropower projects in Türkiye are Subject to an Environmental Impact Assessment (EIA) as per the Environmental Impact Assessment Regulation published on 29th July 2022*

[11] *All Geothermal projects in Türkiye are Subject to an Environmental Impact Assessment (EIA) as per the Environmental Impact Assessment Regulation published on 29th July 2022*

Table 1: Sustainable Finance Framework - Categories of eligible green projects

| Eligible Project Category | Eligibility Criteria | Contribution to UN SDGs |
|---|---|---|
| **Environmental Objective: Climate Change Mitigation** | | |
| **Energy Efficiency (cont')** | **Investments or expenditures related to fixed-line and mobile network projects to reduce energy consumption, including:**<br>• Gigabit Passive Optical Network (GPON) Investments<br>• Deployment of Fibre to the Home (FTTH), Fibre to the Building (FTTB) or Fibre to the Curb (FTTC) to replace copper-based networks<br>• Deployment of 5G technology and network infrastructure which can enable significant efficiency compared to older generations in terms of energy consumption per data traffic transmitted<br>**Investments or expenditures related to digital products and services to enable customers to reduce their energy consumption[12]:**<br>• IoT solutions and Artificial Intelligence (AI) applications such as modelling and optimisation software to reduce emissions and energy use.<br>  • Potential technologies include: microgrid monitoring and optimisation model aiming to minimise energy usage and optimisation model that recommends for example eco-friendly transportation operations, supplier selection, and carbon trading mechanisms<br>• Research & Development on smart metering |  <br>  |
| **Clean Transportation** | **Investments or expenditures related to low-carbon passenger transportation and related infrastructure:**<br>• Electric vehicles with zero direct emissions<br>• Electric transportation infrastructure (e.g. electric car charging stations) | |

[12] *This will only include projects where Turk Telekom can report on the quantitative environmental impact, i.e., one or more of the impact indicators listed under section '2.4 Reporting' of this Framework.*

Table 1: Sustainable Finance Framework - Categories of eligible green projects

| Environmental Objective: Pollution Prevention and Control | | |
|---|---|---|
| **Pollution Prevention and Control**  | **Investments or expenditures to promote waste prevention, reduction, reuse or recycling and reduce emissions from refrigerant gases:**<br>• Customer electronic device waste recovery and recycling programs<br>• Waste sorting, collection, recycling, and reduction programs for non-hazardous waste including network waste, IT equipment and other office waste<br>• Switching of refrigerant gases to lower GWP refrigerant gases<br>• Recovery and reutilization of refrigerant gases during repair and maintenance<br>• Recovery and recycling of refrigerant gases from decommissioned AC equipmentc |   |

Table 2: Sustainable Finance Framework - Categories of eligible social projects

| Eligible Project Category | Eligibility Criteria | Contribution to UN SDGs |
|---|---|---|
| **Social Objective: Digital Inclusion and Access to Education** | | |
| **Access to Essential Services (Digital Inclusion and Education)**  | **Investments or expenditures to enhance digital inclusion:**<br>• Deployment, extending and optimisation of mobile (3G/4G/5G) or fibre optic network for populations in less developed areas[12] at risk of digital exclusion<br>• Investments to enhance access to digital solutions or support the development of digital skills for all women, elderly, people with disabilities, those affected by earthquakes<br>**Investments or expenditures to enhance access to education services and related infrastructure:**<br>• Investment in providing telecom services, educational programmes and vocational training for women and disadvantaged people such as those with special needs or disabilities (mobility, cognitive, hearing, vision and speech), including deployment of adaptive products and services for customers<br>**Target Population:** Populations in less developed areas of Türkiye[13], elderly people (ages 65+), people with disabilities, all women, veterans, children and youths (ages <24) |   |

[12, 13] *To determine less developed areas Türk Telekom used the "SEDI-2022 Report" issued by the Turkish Republic Ministry of industry and Technology, which is an objective and science-based analysis of how the 973 districts in Türkiye's 81 provinces rank by the level of socio-economic development. Within the scope of the research, the 56 variables that measure socio-economic development are grouped under 8 categories including demographics, employment and social security, education, health, finance, competitiveness, innovation and quality of life. The 973 districts are ranked within a range of 1-6 (most developed to least developed) as per their resulting socio-economic development levels. Türk Telekom considers districts with socio economic development levels of 5 and 6, where 8.1 mn people, in other words 9.5% of Türkiye's total population live, as most vulnerable and demonstrates how it supports these areas through UN SDGs 1, 4, 8, 9, 10, 11 directly or indirectly.*

Table 3: Sustainable Finance Framework - Eligible projects impact reporting metrics

| Eligible Project Category | Impact Reporting Metrics |
|---|---|
| **Green Project Categories** | |
| **Renewable Energy**  | • Total installed capacity (MW)<br>• Annual renewable energy generated (MWh/GWh)<br>• Annual GHG emissions avoided or reduced ($tCO_2e$) |
| **Energy Efficiency**  | • Annual GHG emissions avoided or reduced ($tCO_2e$)<br>• Annual energy savings (MWh)<br>• Savings in energy consumption per data traffic or per subscriber (MWh/GB or equivalent unit or subscriber) |
| **Clean Transportation**  | • Number of low carbon vehicles or Share of low carbon vehicles in total fleet<br>• Number of usage of EV charging stations per annum<br>• Total minutes of usage of EV charging stations per annum<br>• Total unit charging per annum (MWh)<br>• Annual GHG emissions avoided or reduced ($tCO_2e$) |
| **Pollution Prevention and Control**  | • Number of electronic waste recovered or recycled<br>• Waste reduced/avoided (tonnes) |
| **Social Project Categories** | |
| **Access to Essential Services (Digital Inclusion and Education)**  | • Number of people connected to fibre optic network<br>• Number of people connected to mobile network<br>• Increase in network coverage or Increase in mobile base stations or Increase in mobile network traffic in target areas<br>• Number of people who gained access to digital solutions<br>• Number of people who benefited from education programs<br>• Number of people who benefited from vocational training programs |

## Project evaluation and selection process

Türk Telekom's Sustainable Finance Working Group ("SFWG") has carried out the Project Evaluation and Selection process to ensure that the proceeds of the Sustainable Financing Instruments are allocated to projects which meet the eligibility criteria set out in the Sustainable Finance Framework.

## Reporting

Türk Telekom committed to publish a report on the allocation of net proceeds and impact metrics within one year from the issuance of the Sustainable Financing Instrument and annually thereafter until full allocation of the net proceeds, and as necessary in the event of material developments. This report has been prepared as committed and published on Türk Telekom's website.

## External Review

Türk Telekom had appointed S&P Global Ratings to assess the Sustainable Finance Framework and its alignment with the GBP, SBP, SBG, GLP, SLP and issue a Second Party Opinion. On a positive note, the Second Party Opinion, which summarises the issuer's strengths, weaknesses and areas to watch in addition to providing a comprehensive assessment of eligible projects did not point out any weaknesses for Türk Telekom. Our SPO report is available on Türk Telekom's website.

In addition, Türk Telekom has obtained independent assessment and verification of the tracking and allocation of funds in connection with the issuance of a Sustainable Financing Instrument (Use of Proceeds Financing Instrument) from EY (Earnst&Young) who is an independent, qualified provider of third-party assurance. The Verification Report is included in the final section of the report.

# 3. Summary of the Outstanding Sustainable Bond

Key terms of the Sustainable Bond are as follows:

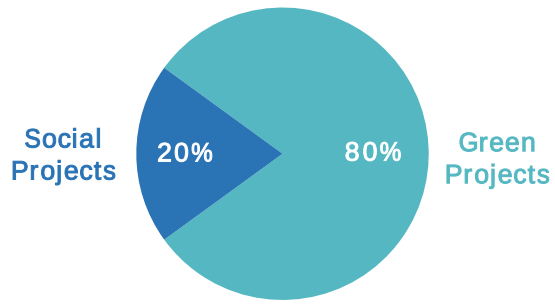
| | |
|---|---|
| **Issuer** | Türk Telekomünikasyon A.Ş. |
| **Listing** | Irish Stock Exchange |
| **ISIN Code** | XS2820499619 |
| **Type** | Sustainable Eurobond |
| **Issue Amount** | 500 million USD |
| **Maturity** | 5 Year |
| **Redemption Date** | 5/20/2029 |
| **Interest Payment Date** | Fixed and semi-annual in each year/ principal amount will be paid at the end of the expiry date |
| **Interest Rate** | 7.375% (interest rate of coupon 7.375%) |

# 4. Summary of Funds Allocation[14] & Impact

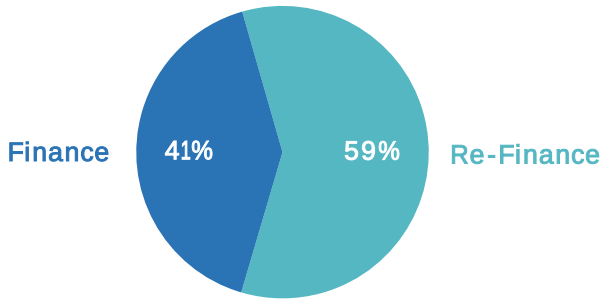
### Table 4: Project Allocations

| | | Refinancing | | | Financing | | Total |
|---|---|---|---|---|---|---|---|
| | | 2021/2H | 2022 | 2023 | 2024 | 2025 | 2021 - 2025 |
| **Eligible Project Category** | **Green (USD)** | **29,312,676** | **81,311,434** | **82,339,711** | **130,996,838** | **76,039,341** | **400,000,000** |
| Energy Efficiency | GPON Transformation | 21,271,744 | 65,892,640 | 60,177,966 | 113,826,044 | 68,028,028 | 329,196,421 |
| Energy Efficiency | Energy Efficiency | 4,477,703 | 6,110,002 | 10,708,520 | 9,567,955 | 4,172,873 | 35,037,053 |
| Energy Efficiency | Mobile Transformation | 1,334,460 | 4,232,503 | 8,632,228 | | | 14,199,191 |
| Renewable Energy | Renewable Energy | | 1,245,565 | 1,053,827 | 3,151,625 | 2,175,301 | 7,626,318 |
| Energy Efficiency | Data Centres | 2,228,769 | 3,830,723 | 1,767,171 | 4,451,214 | 1,663,140 | 13,941,017 |
| | **Social (USD)** | **34,115,921** | **42,405,303** | **23,478,776** | **0** | **0** | **100,000,000** |
| Access to Essential Services | Fixed Investments | 14,528,469 | 20,121,924 | 14,760,914 | | | 49,411,307 |
| Access to Essential Services | Mobile Investments | 19,587,452 | 22,283,378 | 8,717,863 | | | 50,588,693 |
| | **Total** | | | | | | **500,000,000** |

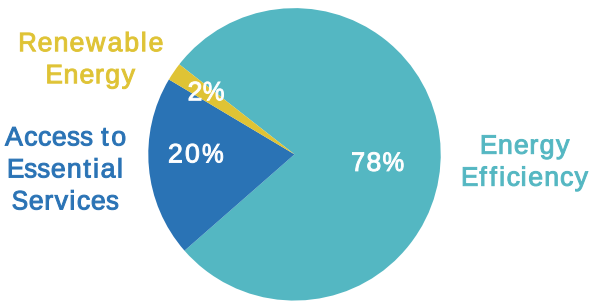
**Breakdown of Allocation (%)**




**Breakdown of Allocation (%)**




**Eligible Project Category Allocation (%)**




[14] *All amounts in the allocation breakdown is CAPEX. 2025 allocation amounts refer to incurred spending.*

## Table 5: Projects' Environmental Impacts [15]

| | CAPEX (USD) | Energy Saving Amount (kWh) | Avoided Emissions (tonnes) |
|---|---|---|---|
| **Green** | **400,000,000** | **374,813,807** | **167,158** |
| GPON Transformation | 329,196,421 | 72,900,729 | 32,111 |
| Energy Efficiency | 35,037,053 | 141,301,679 | 62,160 |
| Mobile Transformation | 14,199,191 | 119,637,871 | 52,521 |
| Renewable Energy | 7,626,318 | 12,612,918 | 7,897 |
| Data Centres | 13,941,017 | 28,360,611 | 12,469 |

## Table 6: Projects' Social Impacts

### Investments in socio-economically less developed areas

| | 2020 | 2024 |
|---|---|---|
| Number of Fibre Homepass | 671,000 | 1,078,000 |
| Number of Fiber Subscribers | 250,000 | 438,000 |
| Number of Base Stations | 4,800 | 9,800 |
| Number of Mobile Network Traffic increase | | 194% |

*Note 1 : Further information regarding the socio-economically less developed areas is available on section 5.2 Social Projects Financed*
*Note 2 :* Mobile network traffic increase *refers to the data usage of subscribers, including both paid and free of charge usage, between 2020/2024*

[15] *We measure our impact reporting in accordance with the recommendations for International Capital Market Association (ICMA) Green Bond Principles (GBP) 2024, ICMA Social Bond Principles (SBP) June 2025.*

# 5. Key Sustainability Investment Areas

## Environmental Investments

We take important steps together with our stakeholders to control our environmental impact. We undertake many projects to reduce energy consumption and lower our carbon footprint. These include our work focusing on energy efficiency, diversification of energy sources, use of renewable energy sources, smart buildings and waste management. Our recognition as a global leader included in the Global A List by CDP (Carbon Disclosure Project) is a proof of our determination to take action on climate change[16].

Our commitment to reduce Scope 1 and Scope 2 emissions by 2030 by 45% and reach Net Zero by 2050 necessitate us to take extra measures and initiatives that go beyond BAU or complying with related regulations. We constantly search for investments that have the potential to improve our position as a sustainable organisation, be it in environmental, economic or societal sustainability areas. For example, by constructing large scale solar power plants we will be helping decarbonisation or Türkiye's national grid, achieving sizeable increase in our renewable consumption and mitigating our exposure to market prices. Or by developing TTessa (The Smart Energy Management Platform), we not only significantly improve our network efficiency in terms of energy usage but try to commercialise this product in a way to serve other organisations' environmental goals. Or by converting as many connections as possible to GPON technology every year, we try to control the impact of our organic growth on the environment.

## 5.1 Green Projects Financed

### 5.1.1 Energy Efficiency: Replacement of old inefficient cooling equipment

Selecting and deploying more energy-efficient telecommunication network equipment is one of the most efficient environmental management practices in the telecommunications sector. Within the fixed network, cooling equipment is one of the major energy consumers and deploying the most energy-efficient cooling systems at network centres significantly decreases energy consumption.

As part of its renewal of equipment that reaches its end-of-life Türk Telekom replaced 994 (Computer Room Air Conditioning Units - CRAC) between 2021 – 2024, achieving improved efficiency through both optimised capacity sizing/planning and lower energy consumption thanks to better technology that comes with new generation devices.

The new CRAC (Computer Room Air Conditioning) units are remotely controlled and all have EC fans. Furthermore, new units also have inverter compressors and improved cooling cycle. The SCOP (Seasonal Coefficient of Performance: total cooling output and air conditioner in a year divided by total electricity input in the same period in consistent units) of new units is much higher than the old ones.

As a result of the ongoing transformation projects, Türk Telekom's fixed network centres may face changes in telco loads over years which may lead to excess cooling capacities at some sites. During the replacement of old CRAC units, Türk Telekom also takes the opportunity to optimise the AC capacities resulting in better energy efficiency.

Also, replacing the old units with R-22 refrigerant reduces ozone depletion significantly as the new units use refrigerants with zero Ozone Depletion Potential (ODP).

[16] *Türk Telekom CDP Report, 2023*

### 5.1.2 Fixed Line infrastructure transformation and optimisation Projects

We keep replacing various telco and energy equipment with new generation energy efficient systems. As a result of this transformation, we significantly reduce our energy consumption. With this technology transformation, we also manage to optimise the telco equipment and telco rooms within Türk Telekom buildings.

These include replacement of old rectifiers and UPS devices in telco sites or data centres, telco room optimisation, intranet switch transformation, building lighting and office modernisation.

### 5.1.3 Energy Efficiency: Free cooling investments

Türk Telekom is also deploying various free cooling solutions (direct and indirect) at fixed network centres in order to decrease electricity consumption of cooling. Türk Telekom has installed 2,443 free cooling units between 2021-2024 and achieved a sizeable amount of energy savings.

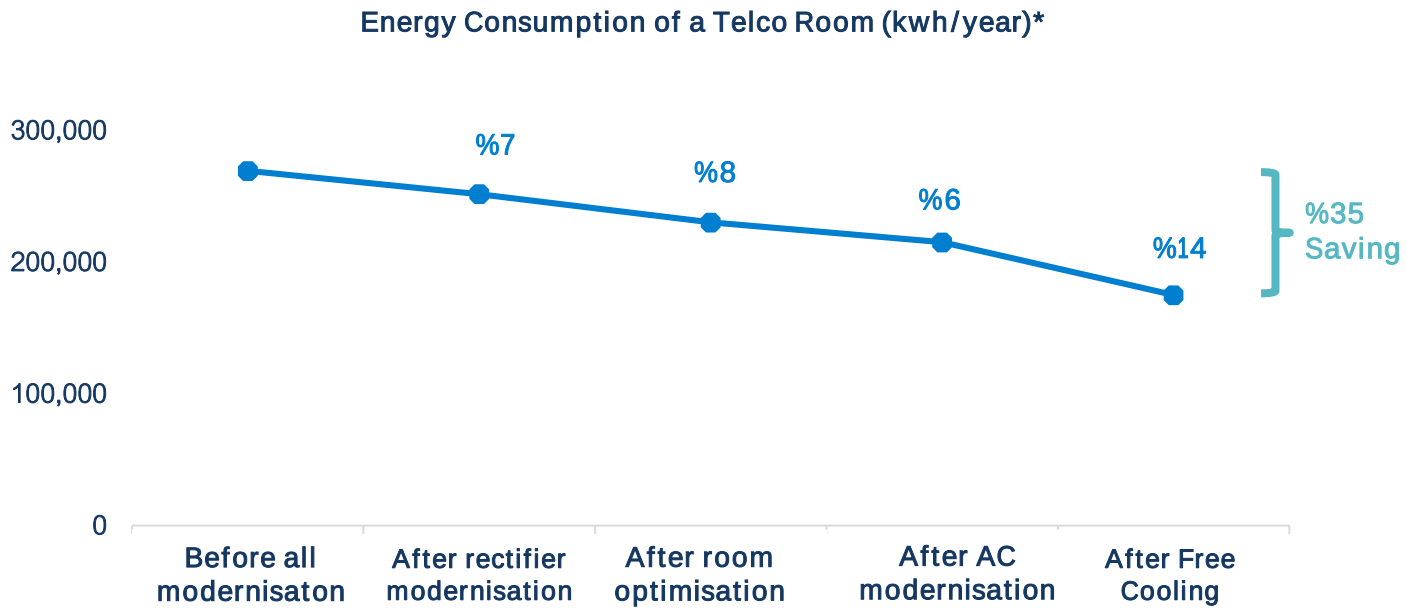
The customised free-cooling solution operates on the principle of meeting the required cooling loads by using outside air at low temperatures (at night or during colder months). When the ambient conditions do not allow for the use of free cooling, conventional mechanical cooling is used.

### 5.1.4 Smart Energy Management System

In 2022, we implemented an artificial intelligence supported smart energy management platform (TTessa) that enables networks save energy and reduce carbon emissions. With the help of TTessa, we centrally consolidate the energy consumption of devices in our fixed and mobile networks, detect outages of these devices, compare energy use and energy costs, and automatically monitor SLAs (Service Level Agreements) with energy distribution companies in a much faster and efficient way.

Developed with the support of Türk Telekom engineers in cooperation with a local technology company and a local software developer, we initiated the commercial use of the platform on Türk Telekom network. This means we will not only use TTessa in Türk Telekom networks but also offer it to our corporate customers as a digital product in our portfolio that enables them reduce their energy consumption.

Türk Telekom has been carrying out modernisation projects (Energy Equipment Swap, Room Optimisation, Air Conditioner Swap, Free Cooling, Telco Modernisations) at its telco sites through which up to an estimated %35 energy saving is achieved on a cumulative basis when compared to the pre-modernisation energy consumption levels. Annual energy consumption trend metered at a typical telco room during modernisation is illustrated below.




** Saving ratios may slightly vary based on the site profile and climate conditions.*

**Notes:**

**1)** Table 1: As per Energy Efficiency sub-category "investments or expenditures related to new or existing network infrastructure and buildings" eligibility criteria Türk Telekom is to improve cumulative energy efficiency by at least 30%.
**2)** Table 5: A total of 121 mn kWh energy saved and a total of 53 thousand tonnes emissions avoided by projects under 5.1.1-5.1.4 through investments over 2021 2H-2025.

## 5.1.5 Energy Efficiency: Gigabit Passive Optical Network (GPON) investments

GPON is a type of high-speed network standard for internet access, IP television (IPTV), Voice over IP (VoIP) and other digital services primarily used in fibre-optic broadband services. The GPON standard allows for coverage of up to 20 kilometres between the central office and the end user, making it suitable for both densely populated urban areas and more spread-out rural settings.

GPON is based on a point-to-multipoint architecture. This means that a single optical fibre can serve multiple premises with the help of passive optical splitters. This contrasts with point-to-point models, where each premise would require its dedicated fibre line. The use of passive splitters in the network means that no power is required in the distribution network, reducing both energy consumption and maintenance costs, and increasing reliability. We moved millions of subscribers to GPON network, of which 2.8 million was was financed through the proceeds of our Sustainable Bond, over the 2021 2H-2025 period. The average annual electricity saving value of 26.6 kWh per subscriber attained by GPON conversion was calculated using the measured real electricity consumption value of a sample of nearly half a million subscribers. The electricity consumption of active outdoor access systems without the GPON conversion was divided by the total number of subscribers receiving the service only through these systems, in order to calculate the electricity consumption per subscriber prior to the GPON conversion.

[17] *Emission avoided presented in Table 5 through GPON investments is calculated for the number of conversions (2.8 million) financed through the Sustainable Bond.*

### 5.1.6 Renewable Energy: Solar

We have been investing in solar energy systems on the roofs of our suitable buildings or in our base stations since 2022. As part of the projects we implemented in 2024, we deployed a total of 1.2 MW of solar energy systems in 370 base stations. With this investment, the total installed capacity of our on-site renewable energy systems reached 5.5 MW and we can generate 9.6 GWh of electricity annually with this capacity. Thanks to these investments, we achieved an energy saving of 9 GWh between 2022-2024 years. Our investments in renewable energy not only reduce the carbon footprint of our operations but also contribute to our sustainable growth by decreasing our reliance on external energy sources.

Separately, we continue our investment agenda for the construction of the solar power plants (SPP) in three different locations with a total capacity of 405.8MWe which accounts for 65% of our current energy consumption. The construction in the Sivas SPP project continues and once completed, the first of our three-phase investment, will become one of Türkiye's highest-capacity plants amongst unlicensed facilities with a generation capacity of 96 MWe. It is expected to meet approximately 15% of our current annual electricity need. Although we have not allocated any proceeds from the 2024 Sustainable Eurobond to this project, because the financing of the first phase has been separately secured through ECA financing, we wanted to highlight that the deployment of SPPs continue as planned as a sign of our commitment to sourcing our energy needs from renewables.

### 5.1.7 Mobile Modernisation CAPEX

In 2021, 2022 and 2023, as part of the network modernisation project, equipment at 7,060 BTS was replaced with low energy consumption equipment. We saved around 120GWh electricity in total within the three-year period. Indeed, Türk Telekom has modernised a total of 28 thousand BTS points since 2016.

### 5.1.8 Data Centre Investments

In recent years, Türk Telekom undertook several improvement projects in its data centres to make them more environmentally friendly. Currently, Türk Telekom offers data centre and cloud services to its corporate customers within a total of 12,700 $m^2$ of white space area in three different locations: İstanbul/Esenyurt, İstanbul/Gayrettepe and Ankara/Ümitköy.

Türk Telekom uses chiller+crah (computer room air handler) and IEC (Indirect evaporative cooling) technologies at its new generation data centres. When we apply chiller+crah solution, we target 1.4 PUE at 100% load and when we apply indirect evaporative cooling solution, we target 1.2 PUE at 100% load. We were able to reduce our PUE in all our data centres to 1.55 on average as of 2024 from 1.8 in 2020 thanks to the optimisation and efficiency solutions that we have implemented.

In addition to data centre investments with low PUE, we are experimenting alternative cooling solutions for the cooling devices with high consumption values. In this direction, our new immersion cooling white space investment with a PUE average of below 1.1 continues. We plan to implement this project by the end of 2025.

We believe that reducing PUE values alone is not enough. At the same time, we continue to take measures to reduce water consumption in our data centres. We have saved 2,300 $m^3$ of water in 2024 with the fogging system we have installed in the Ümitköy data centre.

Going forward, in completely new data centre projects, we remain committed to targeting use of highly efficient cooling solutions that achieve 1.2 PUE.

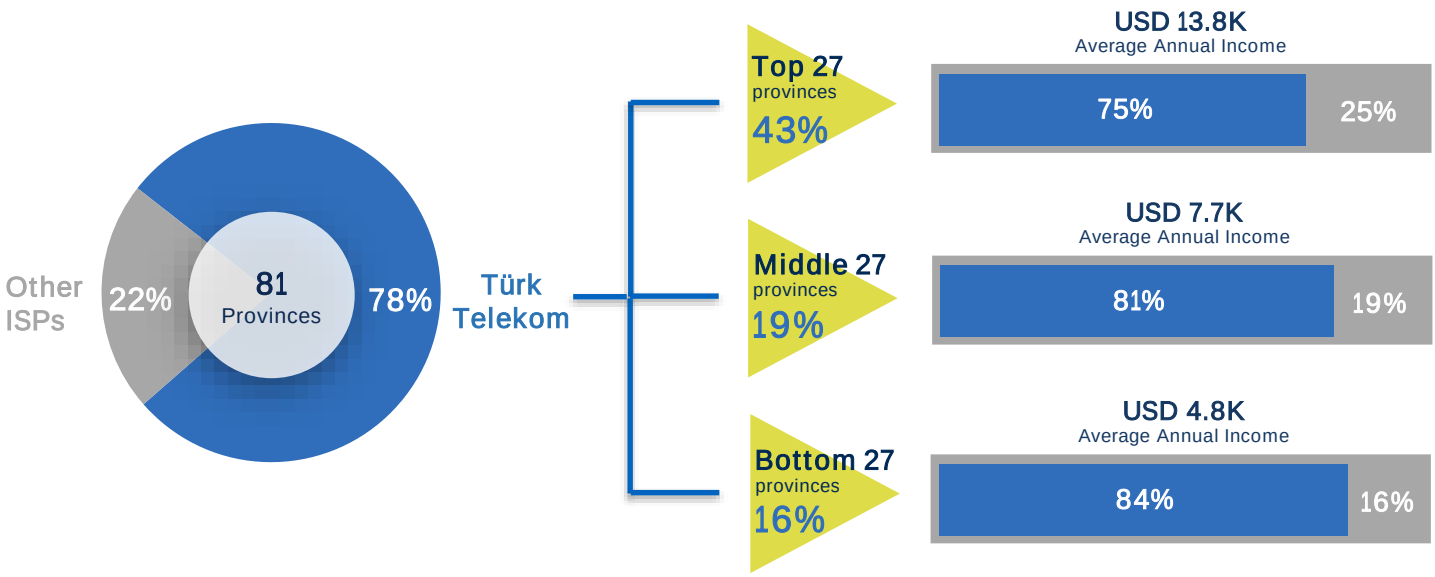
## 5.2 Social Projects Financed

We aim to improve society's access to information through projects promoting digital equality, digital literacy and accessible connectivity for all. Given our position in the industry and nationwide, we are aware that our social influence is widespread and significant.

As a telecom operator investing in large scale in all districts of Türkiye, we monitor our contribution to development through relevant data including but not limited to increases in the number of homepass, number of mobile sites, number of fixed internet and mobile subscribers and data traffic on our networks.

To measure our impact in less developed areas, Türk Telekom used the "SEDI-2022 Report"[17] issued by the Turkish Republic Ministry of Industry and Technology, which is an objective and science-based analysis of how the 973 districts in Türkiye's 81 provinces rank by the level of socio-economic development.

When we divide all 81 provinces into three segments -high, medium, and low-, based on annual GDP per capita, we observe that we reach the regions with lower purchasing power more effectively than all other players.




The pie chart on the left shows Türk Telekom's fibre km deployment across Türkiye compared to other operators. The rates on the triangles show the distribution of the 78% fibre km built by Türk Telekom among provinces divided into three segments (upper, middle, lower) according to GDP per capita.

The bar chart on the right shows Türk Telekom's fibre km deployment compared to its competitors in upper-middle-lower provinces according to GDP per capita levels. When we divide the 81 provinces into three segments according to annual GDP per capita, we see that the closest competitor has a presence in 17 of the top 27 provinces with an average annual income of USD 13.8 K; 8 of the middle 27 provinces with an average annual income of USD 7.7 K; and only 3 of the bottom 27 provinces with an average annual income of USD 4.8K.

*Note: This analysis uses data for 2022 for comparability purposes*

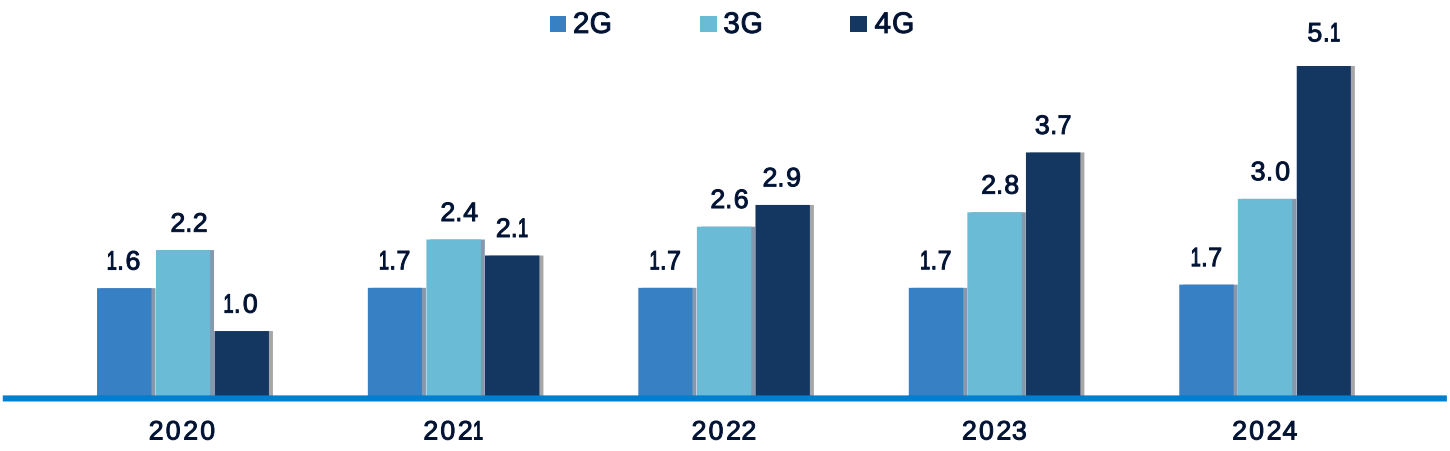
*Source: TurkStat, ICTA and Company data*

The SEDI-2022 Report[18] allows us to measure our performance in bringing connectivity to socio-economically less developed areas at a more granular level. In the 343 districts (out of 973 across Türkiye's 81 provinces) that we identified as socio-economically vulnerable, we increased the number of fibre homepass from 671K in 2020 to 1.1mn[18] in 2024. During the same period, the number of fibre subscribers increased from 250K to 438K, showing that investments in digitalisation are paying off.

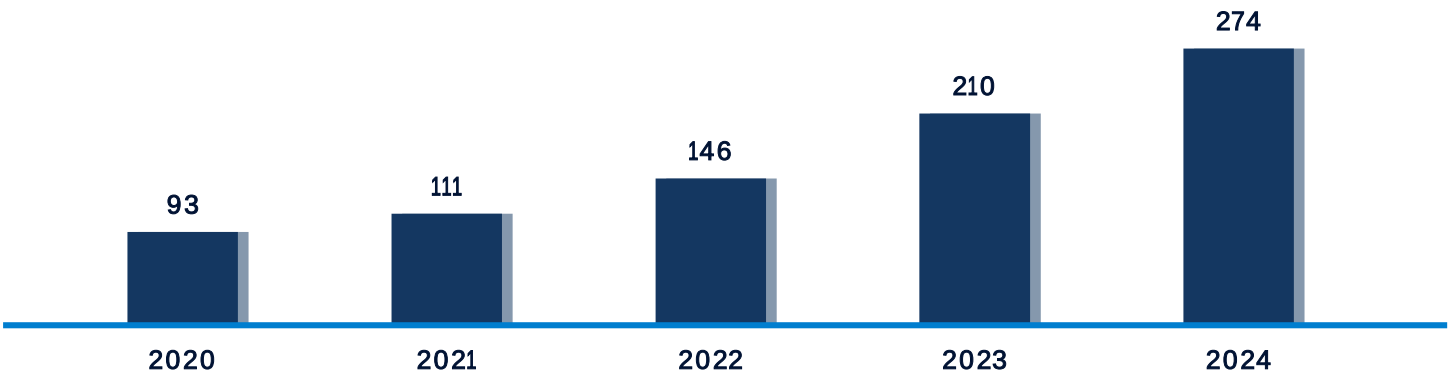
Türk Telekom has been strengthening its market position through its investments at the same time it expands coverage in socio-economically less developed areas. To increase coverage and support high-quality connection in these regions, Türk Telekom has not only added 4.9K[19] base stations since 2020 but also deployed more capacity. A 194% increase in total mobile network traffic over the same period in the target region is a clear indicator of increasing utilisation of our mobile services; hence, our contribution to socio-economic development of these relatively disadvantaged areas.

In particular, by extending high-quality connectivity to economically disadvantaged regions, we have not only improved our technological reach but also made a valuable contribution to the development of the digital economy across the country.

**Number of Türk Telekom mobile base stations in the socio-economically less developed districts (Thousand)**




**Total data usage by Türk Telekom mobile subscribers in socio-economically less developed districts (Petabyte)**




[18] *To determine less developed areas Türk Telekom used the "SEDI-2022 Report" issued by the Turkish Republic Ministry of industry and Technology, which is an objective and science-based analysis of how the 973 districts in Türkiye's 81 provinces rank by the level of socio-economic development. Within the scope of the research, the 56 variables that measure socio-economic development are grouped under 8 categories including demographics, employment and social security, education, health, finance, competitiveness, innovation and quality of life. The 973 districts are ranked within a range of 1-6 (most developed to least developed) as per their resulting socio-economic development levels. Türk Telekom considers districts with socio economic development levels of 5 and 6, where 8.1 mn people, In other words, 9.5% of Türkiye's total population live, as most vulnerable and demonstrates how it supports these areas through UN SDGs 1, 4, 8, 9, 10, 11 directly or indirectly.*

[19] *Allocation amount of USD 100 million in Table 4 is for the refinancing of capex spent over 2021 2H-2023.*

# 6. Note on Methodology and Presentation of Data

The financial and non-financial yearly indicators presented in this report cover the period from January 1 through December 31. For the allocation data, refinancing period is considered from July 1, 2021, through December 31, 2023 and financing period is considered 2024 and 2025, given the issuance of the subject Sustainability Bond took place in May 2024. Non-financial data presented at Group level are consistent with Türk Telekom's financial and operational results disclosures. Unless specified otherwise, the information presented covers all of the Group's activities and countries of operation, in line with the scope of consolidated financials. The USD equivalent of the TL investments is calculated using the average USD/TL exchange rate for the relevant year.

# 7. Independent Assurance Report

Building a better working world

## Independent Assurance Report

**To the Management of Türk Telekomünikasyon Anonim Sirketi**
**Istanbul, Türkiye**

This independent assurance report is intended solely for the management of Türk Telekomünikasyon Anonim Sirketi (hereinafter 'Türk Telekom' or 'the Group') for the purpose of reporting of Selected Information ("Selected Information") listed below in its 2025 Sustainability Bond Impact & Allocation Report that has been prepared by the Türk Telekom regarding the Sustainable Eurobond issued in 2024 with a size of 500 million US dollars.

**Subject Matter Information and Applicable Criteria**

In line with the request of Türk Telekom, our responsibility is to provide limited assurance in accordance with Selected Information listed below within the scope of International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles and included in the 2025 Sustainability Bond Impact & Allocation Report.

**The Scope of Our Assurance**

The scope of our assurance is limited to the examination of indicators which are reported in page 11 of the 2025 Sustainability Bond Impact & Allocation Report. The indicators only cover locations in Türkiye.

**Summary of Funds Allocations ("Selected Information")**

**Green Projects**

- GPON Transformation Projects
- Energy Efficiency Projects
- Mobile Transformation
- Renewable Energy
- Data Centres

**Social Investments**

- Fixed Investments
- Mobile Investments

**Türk Telekom's Responsibilities**

Türk Telekom's management is responsible for the preparation, collection, and presentation of the Selected Information, in accordance with Global Reporting Initiative (GRI) Standards. In addition, Türk Telekom management is responsible for ensuring that the documentation provided to the practitioner (EY) is complete and accurate. This responsibility includes establishing and maintaining internal control systems, maintaining adequate records, and making estimates that are relevant to the preparation of the 2025 Sustainability Bond Impact & Allocation Report, such that it is free from material misstatement, whether due to fraud or error.

**Our Responsibilities**

We conducted our assurance engagement in accordance with the Assurance Engagement Standard (AES) 3000 Assurance Engagements Other Than Independent Audit or Limited Independent Audit of Historical Financial Information which is part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (POA). These regulations require that we comply with the ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Selected Information.

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

Our firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

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

# 7. Independent Assurance Report

Building a better working world

**Procedures Applied**

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

1. Interviewed select key senior personnel of the Türk Telekom to understand the current processes in place for capturing the Selected Information pertaining to the reporting period;
2. Reviewed Selected Information with online communications covering Türk Telekom selected locations (Türk Telekomünikasyon A.Ş. and Group Companies) and reviewing the Selected Information against evidence on a sample basis;
3. Undertook substantive testing, on a sample basis, of the Selected Information;
4. Used the Türk Telekom's internal documentation to evaluate and measure the Selected Information;
5. Evaluated the design and implementation of key processes and controls over the Selected Information;
6. Re-performed, on a sample basis, calculations used to prepare the Selected Information for the reporting period.
7. Evaluated the disclosure and presentation of the Selected Information in the 2025 Sustainability Bond Impact & Allocation Report.

**Our Conclusion**

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Türk Telekom's Selected Information for the 2025 Sustainability Bond Impact & Allocation Report has not prepared, in all material respects with the relevant requirements of the criteria of International Capital Market Association (ICMA) Green Bond Principles and Social Bond Principles.

**Limitations**

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

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

Zeynep Okuyan Özdemir, SMMM
Partner

11 September 2025
Istanbul, Türkiye