TÜRK HAVA YOLLARI A.O.

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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10/01/2024, 12:07 pm

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ USD

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Türk Hava Yolları Anonim Ortaklığı (Turkish Airlines) was founded in Türkiye in 1933. Turkish Airlines' main fields of activity are all types of domestic and international passenger and cargo air transportation. 50.88% of Turkish Airlines' shares are publicly traded, 49.12% are owned by the Türkiye Wealth Fund, and one C group share is owned by the Republic of Türkiye Ministry of Treasury and Finance Privatization Administration. With a paid-in capital of 1.38 billion TL, Turkish Airlines had 17 subsidiaries and affiliates operating in various fields as of 2023. Through these affiliates, Turkish Airlines diversifies its operations, achieving cost advantages, operational flexibility, quality, and efficiency. Turkish Airlines, the airline that flies to the most countries and international destinations in the world, had a flight network comprising 345 destinations by the end of 2023, including 53 domestic and 292 international routes. By increasing the number of aircraft in its fleet by 26% over the last five years, Turkish Airlines reached a total of 440 aircraft by the end of 2023, including 120 wide-body, 296 narrow-body passenger aircraft, and 24 cargo aircraft. Aspiring to have the youngest and most modern fleet in Europe, Turkish Airlines has expanded our fleet through the acquisition of high-tech, fuel-efficient, and environmentally-friendly aircraft that provide exceptional levels of comfort. With one of the youngest aircraft fleets in the world in terms of fleet size and being named "Türkiye's Most Valuable Brand" for the fifth consecutive year, we, at Turkish Airlines, continue to acquire next generation aircraft with high fuel efficiency and low noise levels. At present, Turkish Airlines flies to 349 destinations, of which 53 are domestic and 296 are international. At the same time, Turkish Airlines has increased the number of aircraft in its fleet to 394 by the end of 2022 and received its 400th aircraft in 2023. Within the framework of its 2023-2033 Strategic Plan, the number of aircraft is targeted to reach over 800 by 2033. With this vision created to generate high value for all stakeholders, our Incorporation aims to boost its revenue to 50 billion USD and reach over 170 million passengers. Additionally, we prioritize aircraft modification projects that improve fuel efficiency, within the scope

of our fuel efficiency policy. We take action to optimize our operations through fleet modernization with the continued addition of next-generation aircraft with high fuel efficiency and low emission values to our fleet. With our young fleet of 440 aircraft as of the end of 2023, we proudly carry Türkiye's national flag around the world, flying to 130 countries from our new home at Istanbul Airport.

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/31/2023	*Select from:* ☑ Yes	*Select from:* ☑ No

(1.4.1) What is your organization's annual revenue for the reporting period?

20942000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

US10010YAA01

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

TRATHYAO91M5

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

THYAO.TI

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

789000EV8M3BL7ZPFB03

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

THYAO.IS

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

THYAO

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Turkey

(1.21) For which transport modes will you be providing data?

Select all that apply

☑ Aviation

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ All supplier tiers known have been mapped

(1.24.7) Description of mapping process and coverage

THY's value chain includes key components such as fuel suppliers, aircraft manufacturers, catering, handling, and maintenance services. THY continuously monitors sectoral and global developments that have the potential to impact the supply chain, identify elements that may pose risks, and develop various strategies to manage these risks. Some elements included in this strategy are the creation of climate change adaptation plans, strengthening infrastructure, integrating ESG factors into the THY supply chain, diversifying the supply chain, and evaluating low-carbon technologies. Within the scope of sustainable supply chain management, it was decided at the Sustainability Committee to analyse the current status of our suppliers and to set short, medium, and long-term sustainability targets for our suppliers based on the analysis results and to monitor the achievement of these targets. A sustainability questionnaire was prepared and sent to our critical suppliers to understand the level of advancement in sustainability and to enhance their sustainability performance. All procurement, sale, and leasing transactions requiring Board approval are carried out by the Procurement Committees. The supplier evaluation analysis conducted covers our critical suppliers, whose procurement is approved by the Special Procurement Committee. We consider compliance with the process in the screening procedures we carry out for these suppliers. Based on our current situation analysis, we will start tracking these suppliers by setting short, medium, and long-term targets. At subsidiaries, the products and services provided to our customers by our subsidiaries also directly impact our operations, making them critical suppliers. Therefore, we periodically organize stakeholder meetings with our subsidiaries to bring their sustainability performance to the same level as our Incorporation's. The agenda of these meetings includes good practices implemented by our Incorporation and subsidiaries within the scope of sustainability, sectoral trends, regulatory developments, our targets, and the achievement status of these targets,

and new project proposals for continuous improvement. The first step of the roadmap we created to enhance the sustainability performance of our subsidiaries, which involves monitoring, calculating, and verifying emission reports by an independent verifier, has been completed, and this emission amount has been included in our Incorporation's emission data.

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

☑ End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply

☑ Preparation for reuse

☑ Recycling

☑ Landfill

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Considering dynamic factors such as rapidly changing weather conditions, customer demands, and fuel prices, a time frame of 0-3 years was selected for short-term strategies.

Medium-term

(2.1.1) From (years)

4

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For the medium-term strategies, a time frame of 4-10 years was selected, accounting for aircraft manufacturers' production slot availability. With this approach that incorporates sectoral metrics, the company's medium-term plans are developed within a comprehensive plan that closely follows trends.

Long-term

(2.1.1) From (years)

11

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

20

(2.1.4) How this time horizon is linked to strategic and/or financial planning

When defining the long-term strategy, the fact that the economic life of passenger aircraft is 20 years, and that next-generation aircraft are generally introduced to the market in 20-year periods was considered. Therefore, a time frame of 11-20 years was chosen for long-term strategies. Additionally, commitments that extend beyond 20 years also fall under the long-term category, including the carbon emission reduction targets of the international air transportation sector and Turkiye's 2053 net-zero target.

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from:	*Select from:*

	Process in place	Dependencies and/or impacts evaluated in this process
	☑ Yes	☑ Both dependencies and impacts

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Plastics

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

☑ End of life management

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ TNFD – Taskforce on Nature-related Financial Disclosures

☑ WWF Biodiversity Risk Filter

Enterprise Risk Management

☑ Enterprise Risk Management

International methodologies and standards

☑ Environmental Impact Assessment

☑ IPCC Climate Change Projections

☑ ISO 14001 Environmental Management Standard

☑ Other international methodologies and standards, please specify :International Energy Agency's (IEA) STEPS and NZE2050 Climate Scenarios, IEA's World Energy Outlook (WEO); IATA Environmental Assesment-IEnvA

Databases

☑ Other databases, please specify :IPCC WGI Interactive Atlas

Other

☑ Desk-based research

☑ Internal company methods

☑ Materiality assessment

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Cyclones, hurricanes, typhoons

☑ Heat waves

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Storm (including blizzards, dust, and sandstorms)

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Changing temperature (air, freshwater, marine water)

☑ Changing wind patterns

☑ Increased severity of extreme weather events

☑ Temperature variability

Policy

☑ Carbon pricing mechanisms

☑ Changes to national legislation

☑ Poor coordination between regulatory bodies

Market

☑ Availability and/or increased cost of certified sustainable material

☑ Changing customer behavior

☑ Uncertainty in the market signals

Reputation

☑ Stigmatization of sector

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Turkish Airlines has established the Treasury and Risk Management Committee to determine the financial risk management strategy and manage financial risks effectively. This committee holds periodic meetings and is chaired by the CFO with the participation of the Head of Finance, Head of Accounting and Financial Control, and other relevant executives. The functionality and efficacy of Turkish Airlines' risk management strategy are consistently assessed by the Treasury and Risk Management Commission. A mechanism integrated into the overall risk management process is utilized by Turkish Airlines to identify, manage, evaluate, and

respond to climate-related risks and opportunities. Risks and opportunities, including climate-related ones, are assessed at least once a year across the company's entire value chain, and short-, medium-, and long-term climate-related risks and opportunities are considered. The company's Risk and Opportunity Management Procedures covers risks such as operational risks, supplier risks, and customer risks. The assessment of risks and opportunities is conducted by identifying existing measures and determining the risk/opportunity severity, probability level, and risk/ opportunity coverage actions. This evaluation is conducted annually along the entire value chain of the organization, encompassing upstream, downstream, and direct operations. It includes an analysis of climate-related risks and opportunities in the short, medium, and long term. The Environmental Management System is used to evaluate the risks and opportunities identified by the environmental SWOT analysis within the activities managed by the Corporate Sustainability Management Department under the Chief Investment and Strategy. Risks and opportunities identified by the Environmental Risk and Opportunity Assessment Form, Climate-related Risk and Opportunity Assessment Form, and Emission Risk Assessment Form are analyzed. Environmental risks and opportunities are analyzed by considering the potential outcome of uncertain situations and the probability of those outcomes. This assessment determines the final assessment score of risks and opportunities and is carried out at least once a year, covering short, medium, and long-term time frames, including upstream, downstream, and direct operations of the company. This score is calculated, and environmental risks and opportunities are prioritized considering measures currently in place to reduce the risk's severity and/or likelihood. Environmental risks and opportunities identified by Turkish Airlines as Unacceptable/High Priority, High/Priority, and Acceptable/Assessable are presented at Compliance Review Board and Sustainability Committee Meetings according to their priorities. Senior management approves or rejects the acceptability or applicability of these risks and opportunities in accordance with the Risk and Opportunity Assessment Matrix. The unit responsible for evaluating risks and opportunities designates the unit responsible for the risk/opportunity when a decision is reached to mitigate an identified risk to an acceptable level or to pursue an identified opportunity. This determination is made annually and encompasses short-term, medium-term, and long-term perspectives, with consideration given to the organization's direct, upstream, and downstream business operations.

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Dependencies and Impacts - Weather Conditions: A critical factor for aviation, including take-off, landing, and flight schedules, heavily influenced by climate change-induced fluctuations in atmospheric temperature, pressure, and humidity. - SAF (Sustainable Aviation Fuel): A key dependency in reducing CO2 emissions, with high costs and limited supply. The aviation sector's growing demand for SAF underscores the need for stable supply chains and long-term agreements. -JET Fuel: About 97% of emissions in aviation industry come from jet fuels. Increasing average temperatures induce the risks of increased frequency and severity of extreme weather events directly affecting jet fuel consumption. Risks: - Supply Chain Risks: The potential shortfall in SAF supply, as projected by IEA scenarios, presents a risk of increased operational costs if fuel suppliers transfer penalty fees to airlines due to unmet SAF demand. - Technological Risks: Delays or insufficient supply of next-generation aircraft could impede the industry's decarbonization efforts. - Financial Risks: Fluctuating carbon credit prices introduce financial uncertainties. Long-term price predictions are challenging, and the potential increase in offset costs could impact the airline's financial stability. Opportunities: - Operational Efficiencies: Investment in next-generation aircraft and SAF can significantly reduce fossil fuel emissions and operational costs associated with carbon pricing. - Collaborative

Initiatives: Partnerships with industry stakeholders, including airline alliances, airport operators, and industry organizations, enable joint adaptation plans and resource pooling to address SAF supply and technological innovation challenges. - Market-Based Measures: Adoption of carbon pricing and other market-based incentives can drive sustainable practices within the airline industry. Assessment Methodology Turkish Airlines' assessment of these interconnections is grounded in robust qualitative and quantitative analyses. THY leverages climate transition scenarios from the International Energy Agency (IEA) and physical climate scenarios from the IPCC. These scenarios provide projections across short, medium, and long-term periods, guiding the airline's strategic planning. 1. Value Chain Impact: Evaluations consider which stages of the value chain are impacted by climate-related events, ensuring a comprehensive understanding of potential disruptions. 2. Time Frame: Risks and opportunities are assessed based on their occurrence timeline, allowing for timely and effective strategic responses. 3. Probability and Magnitude: The likelihood of occurrence and the potential impact magnitude are analyzed to prioritize risks and opportunities. 4. Financial Implications: Financial analyses ensure that strategic decisions align with THY's economic goals, balancing sustainability with profitability.

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we are currently in the process of identifying priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

The 'WWF Risk Filter' tool was used for biodiversity risk analysis. The risk assessments carried out using this method provide location-specific results. The Turkish Airlines General Management Building, where administrative and managerial processes are conducted, was selected as a priority location for the assessment of biodiversity risks.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 11-20

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

At Turkish Airlines, the effects of climate change-related events on the usual workflow are evaluated according to the Environmental Risk and Opportunities Management Procedure. In the evaluation, the risks that may pose reputational risks are also considered within the category of risks with strategically significant impacts. Risks and opportunities with significant strategic impact are assessed based on which stage of the value chain they impact, the time frame in which they occur, the probability of their occurrence, the magnitude of their impact if they occur, and their financial implications. These assessments are based on the International Energy Agency's (IEA) climate transition scenarios, which provide short, medium, and long-term climaterelated projections, and the physical climate scenarios provided by the IPCC. Qualitative and quantitative analyses covering the short, medium, and long-term periods are conducted on the basis of these scenarios.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 11-20

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Time horizon over which the effect occurs Likelihood of effect occurring At Turkish Airlines, the effects of climate change-related events on the usual workflow are evaluated according to the Environmental Risk and Opportunities Management Procedure. In the evaluation, the risks that may pose reputational risks are also considered within the category of risks with strategically significant impacts. Risks and opportunities with significant strategic impact are assessed based on which stage of the value chain they impact, the time frame in which they occur, the probability of their occurrence, the magnitude of their impact if they occur, and their financial implications. These assessments are based on the International Energy Agency's (IEA) climate transition scenarios, which provide short, medium, and long-term climaterelated projections, and the physical climate scenarios provided by the IPCC. Qualitative and quantitative analyses covering the short, medium, and long-term periods are conducted on the basis of these scenarios.

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ No standardized procedure

(3.1.3) Please explain

NA

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Other policy risk, please specify **:** Emerging Regulations

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Italy
☑ Malta
☑ Spain
☑ France
☑ Greece
☑ Croatia
☑ Czechia
☑ Denmark
☑ Estonia
☑ Finland
☑ Portugal
☑ Slovenia
☑ Latvia
☑ Poland
☑ Sweden
☑ Austria
☑ Belgium
☑ Germany
☑ Hungary
☑ Ireland
☑ Romania
☑ Bulgaria

☑ Lithuania

☑ Luxembourg

☑ Netherlands

(3.1.1.9) Organization-specific description of risk

The European Union (EU) has announced the Fit For 55 Package, aiming to reduce greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels. As part of this, the ReFuelEU Aviation regulation will take effect on January 1, 2024. It mandates that all fuel offered by suppliers to aircraft operators at EU airports must include a minimum proportion of sustainable aviation fuel (SAF) and synthetic fuels starting in 2025. The required proportions will increase gradually until 2050. Specifically, SAF must make up 2% of the fuel mix in 2025, 6% by 2030, and 70% by 2050. Starting in 2030, 1.2% of fuel must be synthetic, reaching 35% by 2050. And, tankering practices will be restricted to avoid extra weight-related emissions. Accordingly, THY must uplift at least 90% of its annual fuel requirement for EU departures at the relevant airport. By 2030, with rising SAF percentages and the introduction of synthetic fuels, substantive effects are expected. Beyond the EU, individual countries are implementing their own GHG reduction strategies. Global initiatives like CAAF/3 may influence the proliferation of state mandates. Countries such as Sweden, Norway, and France already enforce SAF mandates, while Singapore, the UK, and Türkiye are in planning stages. The greatest challenge to the decarbonization of aviation is the limited availability and higher cost of SAF compared to conventional jet fuel. Such obligations, which are expected to spread globally, will drive up SAF demand.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Starting with EU, imposing SAF purchase obligation on airlines expected to become widespread globally will lead to an increase in demand for SAF in civil aviation. As SAF is in the early stages of market development, insufficient supply inevitably lead to a growing demand for SAF within the sector. While several countries have set SAF mandates requiring a minimum SAF percentage in jet fuel for commercial flights, the current supply-demand imbalance could exacerbate financial pressures on airlines.The limited supply of SAF posing a significant cost consideration for airlines and acting as a major challenge to widespread SAF adoption. However, the current supply-demand imbalance could create financial pressures across the industry due to SAF's higher cost—currently 2 to 5 times more expensive than conventional jet fuel. This may result in increased fuel and operational cost expenses for airlines and may have an extra record in financial results of airlines, including Turkish Airlines. Mandates should be used with a broader strategy to increase the production of SAF and complemented with incentive programs that facilitate innovation, scale-up, and unit cost reduction. Along with adopting the ReFuelEU Aviation regulation, regulatory authorities have announced a series of measures during the implementation phase to mitigate the economic pressure the law will place on airlines. These measures include provisions that positively affect SAF and synthetic fuel prices, such as allowing the use of nuclear energy in e-fuel production and introducing a flexibility mechanism for SAF suppliers for the first ten years. Along with these facilitating steps, Turkish airlines' broader cost reduction strategies are expected to reduce the severity of the financial impact of the emerging regulations.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

101000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

143000000

(3.1.1.25) Explanation of financial effect figure

The figures have been computed by projecting the future need for fuel consumption of Turkish Airlines flights that have to comply with this emerging regulation. The projected figures are based on actual 2023 data, as it is the latest available year. Future fuel needs are forecasted using traffic- Available Seat Kilometer (ASK) projections, with 2023 serving as a reliable base due to its accuracy and Turkish Airlines' regularly updated forecasts. Turkish Airlines has evaluated multiple SAF pricing scenarios, resulting in two financial impact estimates based on different SAF pricing scenarios. The fuel consumption for our flights departing from the EEA is adjusted annually according to our traffic forecasts and multiplied by the regulatory SAF percentage to determine annual SAF and synthetic fuel needs. The financial impact of the Sustainable Aviation Fuel (SAF) mandate is calculated by multiplying the total SAF need by forecasted yearly SAF prices under two different pricing

scenarios. Additionally, the calculation considers the impact of synthetic fuel prices in the years when the regulation is in effect.For 2030, the average SAF fuel prices are estimated to range from a minimum to a maximum without any policy support. Starting from 2030, a synthetic fuel uplift will be mandatory and is expected to have a higher price than SAF. The projection assumes a synthetic fuel price, which is reflected in the calculation for the years when the mandatory requirement is in place. Overall, the financial impact of the SAF mandate is significant and will depend on the future prices of SAF and synthetic fuels. The average of SAF and synthetic fuel prices together, the minimum and maximum ranges are given above. These estimates reflect the total additional costs of SAF and synthetic fuel compared to conventional jet fuel. These costs are provided solely as an example to demonstrate how financial impacts can be estimated and should not be interpreted as an exact forecast of THY's financial liabilities or future financial outcomes.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

1300000

(3.1.1.28) Explanation of cost calculation

Fuel efficieny and saving implementations are monitored and assessed for their effectiveness through our sophisticated Fuel Management Information System (FMIS), which is operated by a team of skilled experts. This system helps calculate the costs of flight operations and assess alternatives to mitigate fuel consumption-related risks, enabling swift action across all potential areas. The cost to mitigate these risks is linked to the computation of the personnel costs of experts focusing on fuel efficiency and saving measures, improving operational fuel management through FMIS. The response-to-risk cost figure accounts for both the direct value of personnel expertise on fuel saving tasks and the costs associated with FMIS maintenance, which amounts to around 1,3 Mn USD based on 2023 figures.

(3.1.1.29) Description of response

THY aims to reduce the risk associated with mandatory SAF use by minimizing the volume of SAF required. This is achieved by significantly reducing fuel consumption through fuel efficiency and saving implementations. Implementation Strategies Fuel Management System (FMIS): THY uses FMIS to monitor and optimize fuel-saving practices, assessing the effectiveness of various strategies and enabling quick action for flights under regulation. Categorization of Practices:Fuel-saving efforts are grouped into four categories—Flight Operations, Technical Maintenance, Flight Planning, and Ground Operations—to systematically reduce consumption. Optimized Flight Operations: Specific practices like reduced flap take-off/landing, engine-out taxi-in, idle reverse on landing, and Continuous Descent Approach optimize operations Training systems and operational procuders: In addition to the operational efforts, training system and operational procedures are implemented to improve fuel management such as, monthly reports on the saving statistics of the captains, allowing them to compare themselves with fleet averages. Fuel Saving Board and Policy:A Fuel Saving Board, comprising senior representatives from various departments and CEO, oversees these efforts. THY follows IATA's fuel efficiency policies, continuously measuring performance and investing in new technologies to support fuel management and operational optimization. Fuel-Saving Team: A dedicated team of 16 employees is responsible for asses fuel-saving initiatives. Fuel Savings and Financial Impact: Fuel Savings:

In 2023, THY's fuel-saving practices reduced consumption by 71,830 tons. In 2030, projected savings are 130,000 tons only within the scope of the regulation. Jet Fuel Price: Savings are calculated based on a constant jet fuel price, the 2023 average.

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

"During the reporting year, Turkish Airlines did not experience any significant environmental risks, whether physical or transitional, that had a substantive impact on the company's financial metrics. As a result, the financial metrics remain unaffected by environmental risks, and we have reported 'zero' for vulnerability. However, Turkish Airlines continues to monitor and assess potential environmental risks as part of our ongoing risk management process, ensuring that we remain prepared for future climate-related risks that could affect financial performance."

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☑ EU ETS

☑ Switzerland ETS

☑ UK ETS

☑ Other carbon tax, please specify **:**Corsia

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

EU ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.04

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

8892

(3.5.2.6) Allowances purchased

8892

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

8891

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

-

Switzerland ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

5

(3.5.2.6) Allowances purchased

5

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

5

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

-

UK ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.03

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

01/01/2023

(3.5.2.4) Period end date

12/31/2023

(3.5.2.5) Allowances allocated

5440

(3.5.2.6) Allowances purchased

5440

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

5440

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

-

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

Other carbon tax, please specify

(3.5.3.1) Period start date

01/01/2023

(3.5.3.2) Period end date

12/31/2023

(3.5.3.3) % of total Scope 1 emissions covered by tax

86.1

(3.5.3.4) Total cost of tax paid

0

(3.5.3.5) Comment

-

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

EU-ETS, CH-ETS and UK-ETS: We fully comply with the international directives of Emission Trading Systems, additional regulations, and revisions. Emissions from covered flights are calculated, verified and reported to the competent authority. The allowances corresponding to the verified emission amount are purchased. (The Greenhouse Gas Emissions Trading Scheme Order 2020 (Directive Of UK-ETS), Directive 2003/87/EC Of The European Parliament and Of The Council Of 13 October 2003 (Directive Of EU-ETS), Ordinance on the Reduction of Carbon Emissions (Swiss-ETS Agreement) CORSIA: We fully comply with the international and local directives, additional regulations, and revisions. Emissions from covered flights are calculated, verified, and reported to the competent authority. In the following

years, emissions that exceed the determined base year emissions amount will be offset. International Regulation Annex 16 Environmental Protection Volume IV Carbon Offsetting and Reduction Scheme For International Aviation (CORSIA), Local Regulation Implementing Regulation On Carbon Offsetting And Reduction Scheme For International Aviation (SHT-CORSIA)). We follow all the regulations within the scope of Emissions Trading Systems. We evaluate our compliance with the requirements constantly. The Corporate Sustainability Management of Turkish Airlines follows up on the regulations. If deemed necessary, the developments are evaluated by the Sustainability Committee, consisting of senior executives. Additional cost studies in the upcoming years for Turkish Airlines regarding these systems have been completed and presented to the Sustainability Committee. In order to comply with systems better with low carbon emissions, there is additional set of actions we take as part of our emissions systems strategy:· Fuel Efficiency Practices from Jet Fuel Consumption/from Flights· To invest in new generation aircraft and new technologies· To increase the use of SAF: Continuing the use of Sustainable Aviation Fuel (SAF) in increasing frequencies and destinations, making long-term guaranteed purchase agreements with SAF suppliers and establishing partnerships/ cooperation with companies planning production in Türkiye. To provide route optimization: Shorter planned flight periods in some sectors increased the capacity supply and resulted in the carriage of payload instead of fuel, providing a substantial contribution to enhanced operational efficiency.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Use of more efficient modes of transport

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Turkey

(3.6.1.8) Organization specific description

About 97% of emissions in the aviation industry come from jet fuels. An analysis of IATA and ICAO's Achieving Carbon-Neutrality by 2050 Scenario shows that one of the most important factors in emission reduction is the development of aircraft technology. Technologies that play a key role in reducing fuel consumption and CO2 emissions include improved aerodynamics and lightweight composite materials, more efficient engines, advanced systems such as electric aircraft, and integrated designs. The transition to next-generation aircraft has resulted in fuel consumption reductions of around 15-20%. Turkish Airlines' investments in next-generation aircraft will make a significant contribution to reducing its' emissions and directly reduce the operational costs associated with fuel burn. With a fleet age of 9.3 at the end of 2023, Turkish Airlines has one of the most modern and youngest fleets in the world. Furthermore, it is planned that by 2033, next generation aircraft in the fleet will constitute at least 95% of the Turkish Airlines' total fleet.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Turkish Airlines is rapidly progressing towards the goal to become the youngest and most modern fleet in Europe. With the aim of expanding and rejuvenating the fleet, it is taking important steps towards strengthening Turkish Airlines brand by purchasing new technology-equipped, fuel-efficient and environmentally friendly aircraft that meet the evolving passenger traffic and changing customer needs, accounting for cost analyses and attaching importance to passenger comfort and safety. In alignment with our vision for 2033, Turkish Airlines plans to expand its fleet to over 800 aircraft, with at least 95% of these being next-generation models. Our 2033 vision also includes plans to increase our annual passenger numbers to 171 million, to boost our revenue to USD 52.2 billion with the help of this investment. Next-generation aircraft offer fuel consumption reductions of approximately 15% to 20% compared to older models. The integration of these fuel-efficient aircraft is expected to result in substantial savings in maintenance, repair, and operating costs. Additionally, the new generation aircraft are designed to enhance customer satisfaction and loyalty through superior interior design and amenities that cater to evolving passenger expectations.Turkish Airlines' strategy emphasizes the acquisition of low-emission, high-fuel-efficiency aircraft, reflecting its commitment to sustainability and operational excellence. The introduction of next-generation aircraft will have a direct impact on the company's capital assets and play a crucial role in its medium- and long-term financial planning, contributing to improved financial performance and jet fuel expenses.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

6800000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

9386000000

(3.6.1.23) Explanation of financial effect figures

Turkish Airlines (THY) has evaluated the actual fuel-saving performance of its next-generation aircraft. Narrow-body models of these aircraft achieve a 15% reduction in fuel consumption, while wide-body models achieve a 20% reduction. In 2023, the introduction of next-generation aircraft into the fleet led to a reduction average of 1,189,349 tons in carbon emissions and a decrease of 376,376 tons in fuel consumption compared to older models. This efficiency results in an average fuel cost saving of 365 mn for 2023. The anticipated financial effect figure covers the period 2023 to 2033, in line with our Strategic Plan. The calculation of future fuel savings is based on 2023's total fuel consumption and traffic values, with projections adjusted according to the available seat kilometer (ASK) measure. The ASK measure is used as it correlates with the seat capacity offered and the number of flights planned, making it the most accurate metric for forecasting future fuel figures. The total projected fuel savings from next-generation aircraft investments are approximately 9686370 tonnes. The forecasted fuel savings are then multiplied by the constant jet fuel price, an average value set for price for 2023. And then, multiplied by the constant jet fuel price, which is an average value set for price between 2024-2033, in line with our strategic plan timeline. The estimated savings and financial effects range from a minimum of approximately USD 6,800 bn to a maximum of USD 9,386 bn.

(3.6.1.24) Cost to realize opportunity

22674000000

(3.6.1.25) Explanation of cost calculation

A substantial fuel savings for Turkish Airlines (THY) are expected from investing in new-generation aircraft.These aircraft offer significant fuel efficiency improvements: narrow-body models consume 15% less fuel per seat capacity, while wide-body models achieve a reduction up to 20%. As THY transitions to these new-generation aircraft, older models will be retired, increasing the proportion of fuel-efficient aircraft in the fleet. By 2033, THY anticipates that 95% of its fleet will consist of new-generation aircraft. In alignment with the growth targets outlined in our Strategic Plan (2023-2033), THY's Board of Directors has made key decisions regarding fleet expansion: •60 A350-900 aircraft with firm orders and 20 purchase rights (including 10 A350-900 aircraft specified in the Special Situation Disclosure dated 01.09.2023) •15 firm order A350-1000 aircraft (totaling 95 A350-900/1000 aircraft) •5 A350F cargo aircraft with firm orders and 5 purchase rights (these are excluded from the cost calculations) •150 firm orders and 100 purchase rights for A321NEO aircraft (totaling 250 A321NEO) Thus, THY will purchase a total of 355 aircraft from Airbus, including 250 A321NEO models. Additionally, engine maintenance services and spare engines for the A350 aircraft will be procured from Rolls-Royce. The new-generation aircraft have approximately the same seat capacity as their predecessors. The premium cost represents THY's investment in fuel efficiency and opportunity realization cost. This cost calculation covers from 2023 to 2033 and reflects the strategic investment in new-generation aircraft, which is expected to enhance fuel efficiency and increase overall opportunity assessment. The figures used in the calculations are market values and used for illustration purposes.

(3.6.1.26) Strategy to realize opportunity

With a fleet age of 9.3 at the end of 2023, THY has one of the most modern and youngest fleets in the world.With the aim of expanding and rejuvenating the fleet, it is taking important steps towards strengthening THY brand by purchasing new technology-equipped,fuel-efficient and environmentally friendly aircraft that meet the evolving passenger traffic and changing customer needs, accounting for cost analyses and attaching importance to passenger comfort and safety.In line with its strategic plan, THY is committed to becoming Carbon-Neutral by 2050. A key component of this commitment is investing in next-generation aircraft. Next-generation

aircraft purchases and fleet modernization activities fall under the responsibility of the Investment Management Department. By investing new generation aircraft, THY will reduce its carbon emissions and pay less for its biggest operational expense item: fuel.With our ever-young fleet, we not only reduce our operational costs, but also emphasize that we remain committed to our environmental targets thanks to low fuel consumption and low emission values provided by new-generation aircraft. THY is aware of this opportunity, and so it is planned that by 2033, new-generation aircraft in the fleet will constitute at least 95% of the THY's total fleet.As a result of THY's long-term fleet projection negotiations were initiated with aircraft and engine manufacturers for the procurement of a total of 600 aircraft, of which approximately 200 wide-body and 400 narrow-body aircraft.Among these companies, an agreement has been reached with Airbus to order a total of 355 aircraft with a total of 80 firm (60 A350-900, 15 A350-1000 and 5 A350F) and 25 purchase right orders (20 A350-900 and 5 A350F) for wide body and 150 firm and 100 purchase right orders (A321NEO) for narrow body, and with Rolls-Royce, the sole engine supplier of 105 A350 type aircraft in question, for engine supply and engine maintenance services. With this order, two new aircraft types, A350-1000 and A350F, are planned to join the fleet.These investments aim to minimize carbon footprint and promote cleaner skies while paying off itself by reducing fuel costs. Pursuant to our commitment to innovation, operational excellence, and a sustainable future, we invest in "Fleet Modernization and Improvement" as one of the core elements of our Sustainability Strategy.

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

0

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

In 2023, the introduction of next-generation aircraft into the fleet led to an average reduction of 1,189,349 tons in carbon emissions and a decrease of 376,376 tons in fuel consumption compared to older models. While this efficiency resulted in fuel cost saving, the impact of this opportunity is not considered substantive for the reporting year in line with our Risk and Opportunity Management Procedures.

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Turkish Airlines' Board Diversity and Inclusion Policy is embedded within its overarching Human Rights and Employee Rights Policy. Turkish Airlines acknowledges the value of a diverse and multicultural workforce, which extends to its Board of Directors THY is dedicated to fostering an inclusive environment where people from different backgrounds, cultures, and perspectives are respected and valued. The policy ensures that the board benefits from a wide range of skills, experiences, and viewpoints, enhancing decision-making and governance. THY never discriminates against anyone on the basis of race, skin colour, sex, ethnicity, nationality, language, religion, physical appearance, age, economic conditions, or familial status. The company also ensures that candidates with disabilities or physical limitations are given equal consideration, in line with legal obligations.

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Other policy applicable to the board, please specify **:**Sustainability Committee Procedure Document

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing and guiding scenario analysis
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Approving corporate policies and/or commitments
☑ Monitoring the implementation of the business strategy
☑ Overseeing reporting, audit, and verification processes
☑ Monitoring the implementation of a climate transition plan
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring supplier compliance with organizational requirements
☑ Monitoring compliance with corporate policies and/or commitments
☑ Overseeing and guiding the development of a climate transition plan
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
☑ Overseeing and guiding public policy engagement
☑ Overseeing and guiding public policy engagement
☑ Reviewing and guiding innovation/R&D priorities
☑ Approving and/or overseeing employee incentives
☑ Overseeing and guiding major capital expenditures

(4.1.2.7) Please explain

Turkish Airlines' Board of Directors (BoD) is the highest authority ensuring that existing risks do not threaten the long-term interests of the company and that effective risk management is in place. The Board of Directors of Turkish Airlines consists of the Chair, Vice Chair, CEO, CFO (Chief Financial Officer), as well as other members and independent board members. The BoD has established an internal control system that is compatible with the company's operations; within this scope, the roles of the Chair and the CEO have been separately defined. The Board of Directors approves strategic targets for climate change issues and, when necessary, takes preventive measures against potential challenges in compliance with national and international standards. Through the Sustainability Committee under the authority of the BoD, the goals, activities, and past performance of Turkish Airlines are continuously and effectively monitored. The Turkish Airlines Board of Directors regularly monitors the strategic decisions and goals established by the Sustainability Committee, taking into account the company's activities and performance in previous years. Regarding the proposed decisions submitted to the BoD through the Sustainability Committee, the BoD is involved in the decision making process

and provides guidance. The Sustainability Committee in which Board Members are also involved and where climate issues are predominantly discussed is the Sustainability Committee. This committee is authorized at the Board level and has the direct decision-making power on matters related to climate change.

Biodiversity

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Other policy applicable to the board, please specify **:**Sustainability Committee Procedure Document

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Approving corporate policies and/or commitments

(4.1.2.7) Please explain

Turkish Airlines' Board of Directors (BoD) is the highest authority ensuring that existing risks do not threaten the long-term interests of the company and that effective risk management is in place. The Board of Directors of Turkish Airlines consists of the Chair, Vice Chair, CEO, CFO (Chief Financial Officer), as well as other members and independent board members. The BoD has established an internal control system that is compatible with the company's operations; within this scope, the roles of the Chair and the CEO have been separately defined. The Board of Directors approves strategic targets for climate change issues and, when necessary,

takes preventive measures against potential challenges in compliance with national and international standards. Through the Sustainability Committee under the authority of the BoD, the goals, activities, and past performance of Turkish Airlines are continuously and effectively monitored. The Turkish Airlines Board of Directors regularly monitors the strategic decisions and goals established by the Sustainability Committee, taking into account the company's activities and performance in previous years. Regarding the proposed decisions submitted to the BoD through the Sustainability Committee, the BoD is involved in the decision making process and provides guidance. The Sustainability Committee in which Board Members are also involved and where climate issues are predominantly discussed is the Sustainability Committee. This committee is authorized at the Board level and has the direct decision-making power on matters related to climate change as well as biodiversity.

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Additional training

☑ Course certificate (relating to environmental issues), please specify **:**ISO 14001 Environmental Management System and Waste Management, ISO 14064 Greenhouse Gas Awareness, and Corporate Sustainability Training

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Biodiversity	*Select from:* ☑ Yes

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The Sustainability Committee is chaired by the CEO of Turkish Airlines and vice-chaired by the Chief Investment and Strategy Officer. With the participation of the Chief Officers, the Director of Subsidiaries, and the CFO (Chief Financial Officer), the Sustainability Committee convenes a minimum of four times a year, with at least one meeting scheduled in each quarter. Apart from regular meetings, the Committee may convene again, if necessary, without waiting for the meeting period. The Sustainability Committee is responsible for aligning climate-related strategies and goals with the company's Sustainable Management Strategy, Sustainability Policy, and short, medium, and long-term goals, and for monitoring and improving these goals. The Sustainability Committee's agenda is enriched by the subcommittees whose task is to create improvement projects that will enhance Turkish Airlines' sustainability performance, monitor the progress of these projects and present them to the Sustainability Committee. The Sustainability Committee is also responsible for managing risks and opportunities related to climate change and ensuring that they are integrated into Turkish Airlines' sustainability strategy, as well as planning actions to address related risks. The CEO of Turkish Airlines, who is a member of the Board of Directors, chairs the Sustainability Committee. The Sustainability Committee, chaired by the CEO, carries out activities to develop and maintain the sustainability strategy and policy as well as short, medium, and long-term goals, to monitor the status of sustainability performance indicators, to ensure that corrective measures are taken, and consider stakeholder expectations.

Biodiversity

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan
☑ Managing annual budgets related to environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Quarterly

(4.3.1.6) Please explain

The Sustainability Committee is chaired by the CEO of Turkish Airlines and vice-chaired by the Chief Investment and Strategy Officer. With the participation of the Chief Officers, the Director of Subsidiaries, and the CFO (Chief Financial Officer), the Sustainability Committee convenes a minimum of four times a year, with at least one meeting scheduled in each quarter. Apart from regular meetings, the Committee may convene again, if necessary, without waiting for the meeting period. The Sustainability Committee is responsible for aligning climate-related strategies and goals with the company's Sustainable Management Strategy, Sustainability Policy, and short, medium, and long-term goals, and for monitoring and improving these goals. The Sustainability Committee's agenda is enriched by the subcommittees whose task is to create improvement projects that will enhance Turkish Airlines' sustainability performance, monitor the progress of these projects and present them to the Sustainability Committee. The Sustainability Committee is also responsible for managing risks and opportunities related to climate change as well as biodiversity and ensuring that they are integrated into Turkish Airlines' sustainability strategy, as well as planning actions to address related risks. The CEO of Turkish Airlines, who is a member of the Board of Directors, chairs the Sustainability Committee. The Sustainability Committee, chaired by the CEO, carries out activities to develop and maintain the sustainability strategy and policy as well as short, medium, and long-term goals, to monitor the status of sustainability performance indicators, to ensure that corrective measures are taken, and consider stakeholder expectations.

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

The monetary incentives related to environmental issues: - Becoming a "Carbon Neutral Airline by 2050 - With the new-generation aircraft, which is targeted to constitute at least 95% of the fleet in 2033, a 15-20% reduction in emissions compared to the old-generation aircraft -To achieve a total of 1,192,632 tons of fuel savings through operational improvements by 2033 -To provide the energy used in buildings from renewable energy sources and invest in Solar Power Plant (SPP) Projects -To neutralize carbon emissions from flights operated under CORSIA that are above the base year value and develop carbon emission reduction projects with various investment models -To continue to use SAF in increasing frequencies and destinations. To make long-term guaranteed purchase agreements with SAF suppliers and partnerships/collaborations with companies planning production in Türkiye to secure SAF supply and provide easy access to SAF. - Increasing the ESG scores in sustainability indexes

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Bonus – set figure

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

Strategy and financial planning

☑ Board approval of climate transition plan

☑ Increased investment in environmental R&D and innovation

☑ Increased alignment of capex with transition plan and/or sustainable finance taxonomy

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

Resource use and efficiency

☑ Improvements in emissions data, reporting, and third-party verification

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

Pollution

☑ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)

Policies and commitments

☑ Increased supplier compliance with environmental requirements

☑ Adopting UN International Labour Organization principles

Engagement

☑ Increased engagement with suppliers on environmental issues

☑ Increased engagement with customers on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

The 2033 strategic plan of Turkish Airlines is defined under four key topics: Sustainable Growth & Profitability, Efficiency & Business Excellence, Digitalization, and Sustainability. To achieve the objectives outlined under these four main headings in the strategic plan, annual strategic targets are set under each heading. If annually determined targets are met and the budget is exceeded, an incentive payment will be made to all employees and senior management, at the discretion of the Board of Directors. The aim is to integrate sustainability across all business processes. Meeting Frequency and Review: The Sustainability Committee meets at least four times a year, reviews progress, and adjusts goals or strategies as needed to ensure alignment with the long-term objectives related to the performance metrics selected in the column 4. This approach ensures that corporate executive team are incentivized to meet critical sustainability targets, driving overall company progress towards carbon neutrality and operational excellence. The total financial benefits, including remuneration and bonuses for the members of the Board of Directors, CEO and Chief Officers are shared in the annual report but not disclosed on a personal basis. This bonuses and performance metrics cover Turkish Airlines' global and all sectoral consolidated operations

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The Sustainability Committee is chaired by the CEO of Turkish Airlines and vice-chaired by the Chief Investment and Strategy Officer. The Chief Investment and Strategy Officer plays a pivotal role in defining, monitoring, and overseeing the strategic decisions and objectives of the organization. This position is essential for ensuring that the company remains aligned with its long-term vision and goals. With the participation of the Chief Officers, the Director of Subsidiaries, and the CFO (Chief Financial Officer), the Sustainability Committee convenes a minimum of four times a year, with at least one meeting scheduled in each quarter. The committee in which Board Members are also involved and where climate issues are predominantly discussed is the Sustainability Committee. This committee is authorized at the Board level and has the direct decision-making power on matters related to climate change. In line with the achievement of the strategic targets covering environmental targets as well, monetary incentives are given to the Corporate Executive Team including CEO, Chief Financial Officer, Chief Commercial Officer, Chief Operations Officer, Chief Investment & Strategy Officer, Chief Human Resources Officer, Chief Flight Operations Officer, Chief Information Technology Officer, Chief Cargo Officer. To achieve these environmental and sustainability targets in line with Turkish Arlines’ 2050 carbon neutrality target given in the Climate Transition Plan, Turkish Airlines invests in various projects and new technologies including the investments of fuel-efficient aircraft and engines, fuel saving and

emission reduction projects, solar power projects. The performance metrics selected in column 4 in this question are highly align with the company's climate transition plan elements and actions against climate risks and also fully consistent with the interim and 2050 targets of the company. The performance metrics of the Corporate Executive Team meet the indicators of the company's transition plan.

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

Turkish Airlines' sustainability policy covers multiple key areas, including environmental impact reduction, stakeholder engagement, corporate responsibility, and sustainable growth. It aligns with UN Sustainable Development Goals and emphasizes greenhouse emission reduction and fuel efficiency. The company supports biofuel R&D, and adopts life-cycle sustainability approaches to minimize waste. It promotes ethical practices, inclusion and equal opportunity, and employee development, and focuses on fostering innovation and continuous improvement to ensure a sustainable future for its stakeholders and society. The policy applies broadly across Turkish Airlines' operations, covering all aspects of its business, from aviation services to ground operations, suppliers, and business partners. It ensures compliance with both national and international regulations in all regions where the company operates. The policy emphasizes a global approach, without specifying geographic or activity-based limitations, ensuring that sustainability efforts are integrated throughout all business areas and locations.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to respect legally designated protected areas

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to not funding climate-denial or lobbying against climate regulations

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to promote gender equality and women's empowerment

☑ Commitment to respect internationally recognized human rights

Additional references/Descriptions

☑ Description of environmental requirements for procurement

☑ Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns

☑ Description of renewable electricity procurement practices

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with another global environmental treaty or policy goal, please specify

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

THY Sustainability Policy.pdf

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Task Force on Climate-related Financial Disclosures (TCFD)

☑ UN Global Compact

☑ Other, please specify **:**Türkiye Sustainable Aviation Alliance

(4.10.3) Describe your organization’s role within each framework or initiative

Task Force on Climate-related Financial Disclosures TCFD: TCFD is an internationally recognized framework that helps organizations disclose climate related risks and opportunities in their financial filings. Our Incorporation has committed to implement the TCFD recommendations to understand the impacts of climate change on its business, and become a supporter of the TCFD recommendations in February 2023. As Turkish Airlines, we believe that to mitigate the impacts of a changing climate and facilitate a transition to a more climate resilient economy requires a collective effort including companies, governments and investors. In this regard, our Incorporation considers that the TCFD recommendations provide a useful framework to increase transparency on climate-related risks and opportunities within our Incorporation, our stakeholders and also within financial markets. By implementing the TCFD recommendations, a better understanding of climate-related risks, such as extreme weather events, regulatory changes, and shifts in consumer preferences can be gained. This allows companies including Turkish Airlines to develop robust risk management strategies ensuring their operations are more resilient to climate-related challenges. UN Global Compact (UNGC): The UN Global Compact is a voluntary initiative that encourages businesses to adopt sustainable and socially responsible policies and practices. By aligning our operations with the UN Global Compact, we aim to demonstrate our commitment to corporate sustainability and responsible business conduct. Turkish Airlines increases its sustainability performance every year through the investments, projects and practices, and working hard to increase its positive impact on the world and humanity. In this context, we would like to underline the actual support we give to the United Nations' Sustainable Development Goals (SDGs). In August 2022, we reinforced our commitment to sustainability by becoming one of the participants of the UN Global Compact, the world's largest corporate sustainability initiative. While becoming a signatory of the UN Global Compact brings benefits, it also comes with responsibilities. Signatory companies are expected to actively implement the principles, regularly communicate their progress through the annual Communication on Progress (COP) report, and continually strive to improve their sustainability performance. Accordingly, our Incorporation will be reporting its strategies and operations, as well as efforts to support societal priorities through the annual CoP as part of our commitment to the UN Global Compact as of 2023. Overall, being a signatory of the UN Global Compact demonstrates our commitment to sustainability, responsible business practices, and the SDGs. By aligning with the UN Global Compact and implementing its principles, our company contributes to global development and the achievement of the UN SDGs. This includes efforts to reduce greenhouse gas emissions, promote human rights, support local communities, and foster diversity and inclusion. Additionally, it can positively impact our reputation, stakeholder engagement, and long-term business success. Türkiye Sustainable Aviation Alliance: On May 31, 2023, Turkish Airlines, in collaboration with Boeing Türkiye and Istanbul Technical University (İTÜ), established Türkiye's first sustainable aviation platform. The main objectives of the platform are to create a cooperation network among stakeholders on sustainability, raise awareness, organize training programs, investigate the potential of the use of sustainable aviation fuels (SAF) and develop a Multi-stakeholder SAF Roadmap for Türkiye. Since its establishment, the platform members and relevant stakeholders have been actively participating in periodic meetings to advance the decarbonization journey and sustainable transformation of the Turkish aviation industry.

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

2023-Sustainability-Report.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Voluntary government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

EU Transparency Register REG Number:533580452713-26

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

In our attached Sustainability Report (pages 40-46), we outline our external engagement activities, emphasizing collaborations and active roles in setting industry standards to achieve sustainability priorities. On page 47, we describe our stakeholder engagement strategy to identify material sustainability issues. As stated on page 65, we highlight global collaboration and stakeholder engagement to develop sustainable solutions and are actively involved in projects supporting this objective. In 2023, we established the Türkiye Sustainable Aviation Platform with Istanbul Technical University and Boeing Türkiye in order to collaborate with local suppliers, administrators, NGOs, universities, and industry leaders to promote sustainable aviation fuels (SAF) and support sustainable future of Türkiye's civil aviation industry. Through the AIRE organization's Sustainability Task Force, we evaluate sustainability regulations and solutions and communicate them to relevant authorities. We are also developing a project to provide our corporate customers with a platform to track and offset emissions via our voluntary offset program, CO2mission. Additionally, we publicly share stories of stakeholders who offset their emissions through CO2mission. Turkish Airlines, as a UN Global Compact participant since 2022, aims to integrate the UN SDGs into all its operations, reinforcing its commitment to sustainability. We align our business strategies with IATA's climate change targets for the aviation industry. This includes enhancing performance in energy and emissions management, resource efficiency, fleet modernization, and SAF initiatives, incorporating industry best practices. Since 2022, we have begun using SAF on some flights and intend to increase its usage depending on routes and flight frequency. Following IATA's fuel efficiency policy, numerous fuel efficiency parameters are continuously measured and monitored. The Board of Fuel Efficiency, led by the CEO, oversees the implementation of action plans under the Fuel Efficiency Program. Recognizing Türkiye's ratification of the Paris Agreement in 2021 and its commitment to achieving net-zero carbon emissions by 2053, we align our business strategies, accordingly, considering other global developments and stakeholder expectations. In this context, we support the fight against climate change and pledge to be Carbon-Neutral by 2050.

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

The Directorate General of Civil Aviation (DGCA) of Türkiye

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Energy and renewables

☑ Alternative fuels

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Turkey

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Neutral

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Regular meetings

☑ Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Turkish Airlines (THY) is committed to reducing its environmental impact and minimizing climate-related risks. Acknowledging the aviation industry's significant impact on climate change, THY optimizes flight operations for fuel efficiency, invests in new technologies, and incorporates high-efficiency aircraft and engines into its fleet. Sustainable Aviation Fuel (SAF) is a key component in reducing carbon emissions in the aviation sector. THY collaborates with universities and stakeholders to advance SAF initiatives, aiming to reduce reliance on fossil fuels. As part of its goal to become a Carbon Neutral Airline by 2050, THY started using SAF on select routes once a week in 2022 and plans to increase SAF usage over time. THY’s roadmap to carbon neutrality includes adopting new-generation aircraft, improving

operational efficiency, expanding SAF use, and purchasing emission credits. Reducing greenhouse gas (GHG) emissions in aviation is complex, requiring innovations such as SAF, advanced aircraft technologies, carbon offsetting, and carbon capture. SAF is crucial for meeting the Paris Agreement's 1.5C target. In alignment with global and local regulatory frameworks, including Türkiye's commitment to the Paris Agreement, THY adapts its strategies to meet GHG reduction goals. The Turkish Directorate General of Civil Aviation (DGCA) introduced a draft SAF regulation in August 2022, imposing an increasing SAF blending rate from 2025 for international flights departing from Türkiye. This regulation mandates SAF use for airlines and requires fuel suppliers to provide it, with no penalties for airlines if supply issues arise. The DGCA sought feedback from stakeholders, including airlines, fuel producers, and suppliers. THY reviewed the draft regulation from an airline's perspective and submitted comments. In 2023, stakeholder meetings led to an updated draft in July 2024, aligned with ICAO's target of a 5% emission reduction by 2030. THY provided feedback on the new draft, which outlines SAF usage regulation. If the Turkish DGCA's SAF regulation is officialised it'd be aligned with THY's carbon neutrality roadmap which includes SAF as a critical component of its climate transition plan. Achieving carbon reduction targets requires industry-wide efforts, and these efforts are essential to THY's engagement strategy in supporting the transition to a more sustainable aviation industry.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

☑ International Air Transport Association

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The International Air Transport Association (IATA) 77th Annual General Meeting approved a resolution for the global air transport industry to achieve net-zero carbon emissions by 2050. This pledge brings air transport in line with the objectives of the Paris Agreement to limit global warming to well below 2C. To succeed, it will require the coordinated efforts of the entire industry (airlines, airports, air navigation service providers, manufacturers) and significant government support. https://www.iata.org/en/programs/environment/flynetzero/ With environment and sustainability topics reaching the top of the agenda in the industry, IATA aims to lead the sustainability transformation by supporting the aviation supply chain to improve its policies, practices, and sustainability performance. Turkish Airlines aligns its business strategies with the sustainability transformation targets set by IATA for the aviation industry. The IEnvA program is an environmental management and assessment system designed to independently evaluate and improve airlines' environmental performance by IATA. IEnvA is a voluntary program based on globally recognized environmental and sustainability standards as well as industry best practices. It is a commitment to continually improving environmental sustainability.

Adopting the programs implemented by IEnvA allows the airline to focus on improving its environmental performance rather than developing an environmental management system from scratch. ADVANTAGES OF IEnvA • Being a pioneer in the sector, • Access to best practices in the industry, • Access to the airport environment database, • A dynamic program with constant updating of standards to reflect environmental best practices, • Independent assessments by accredited Environmental Assessment Organizations (EAO), which maximize data exchange, • Easy adaptation to legal compliance. The standards established under IEnvA have been developed to ensure that airline operators deal with their environmental issues in a consistent manner. The IEnvA program sets the ground rules for how an airline operator will address non-financial issues such as environmental sustainability. Applying IEnvA makes airlines proactive in dealing with environmental and sustainability risks and opportunities and keeps the organization working together. In 2021, we became the first airline to directly receive the IEnvA Program Stage 2 certification, the highest level within IATA's environmental management

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

☑ Other global trade association, please specify **:**Airlines International Representation in Europe (AIRE)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Airlines International Representation in Europe (AIRE): The Association which is without any profit-making aim has a scientific purpose in order to study all problems relating to the air transport industry worldwide, to search for solutions and seek common positions, to provide information for members and represent them vis-à-vis the companies, organisations and authorities involved in the sector, in particular the European institutions. AIRE's mission is to provide on-time and accurate information on all issues impacting the airline sector. AIRE represents its members and gives them access to the EU and international institutions, agencies and regulators. The association is a recognized expert body bringing a concrete and constructive contribution to the legislation making process. It is an industry partner engaged in the stakeholders' consultation process, in the governance of the industry-led bodies and in the social dialogue. Sustainability take place one of the main policy areas of AIRE and, focus on to ensure that environmental initiatives, such as CORSIA, ETS, and ReFuel Aviation, are appropriately tailored to the aviation industry and contribute effectively to mitigating its environmental impact. As a Member of the Expert Group on Climate Change Policy for Aviation of DG CLIMA, AIRE is deeply committed to the latest developments in sustainability. The Sustainability task force of AIRE meets 2-3 times a year, where members discuss global and European regulations and sectoral developments and share ideas for joint actions that can be communicated to regulators on issues affecting members. Turkish

Airlines, as an active member of task forces, including but not limited to the Sustainability Task Force, contributes to AIRE's position papers and other initiatives related to EU Sustainability Law and Policies.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

Row 3

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

☑ Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

The United Nations Global Compact (UNGC):

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

We became a member of the "Global Compact Signatories Association" established in 2023 in order to give legal personality to the "UN Global Compact Türkiye" network, one of the local networks of the UN Global Compact (UNGC), of which we became a member in 2022. With over 20000 participating companies and 3800 non-business participants in 167 countries, UN Global Compact is the world's largest and the only United Nations-supported corporate sustainability initiative. UN Global Compact, which started its work in 2000, encourages institutions to take action in collaboration to create a sustainable and inclusive global economy that benefits our world, all people, communities and markets. UN Global Compact has 10 Principles on human rights, labor standards, environment and anti-corruption. While UNGC supports companies to comply with these 10 Principles, it also leads the business world to achieve the UN Sustainable Development Goals, aimed to be achieved by the end of 2030. Upon our membership in 2022, we also participated in various programs organized by UNGC where sustainability was discussed from different perspectives. In this context, the programs organized by UNGC and in which we participate are as follows: • SDG Innovation for Young Professionals Program: It is a 9-month program that aims to mobilize future business leaders and difference makers to rethink traditional business models and uncover new business opportunities. For 9 months, each team works on a unique problem for their company to design more sustainable business models, initiatives and products that not only advance the company's sustainability efforts, but also strengthen innovation and produce tangible results with potential market value. Three participants, representing our Incorporation, participated in the program; Sustainability training modules assigned by UNGC have been completed; By participating in online meetings and physical camps, views were exchanged on sustainability issues by establishing connections with both global and national participants. • Business & Human Rights Accelerator Program: It is a six-month program in which UNGC-participating companies in different sectors and regions can participate. This hands-on

program aims to accelerate commitment to action on human rights and labor rights by establishing a human rights due diligence process. Two participants, representing our Incorporation, participated in the program; Participated in the global sessions organized

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

17750

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Turkish Airlines pays membership due for being represented in the organization and exchange of services. UN Global Compact (UNGC) is the world's largest and the only UN-supported corporate sustainability initiative. All Global Compact operations, programmes and activities are made possible by contributions from Goverments and business participants. Annual financial contributions from business participants of the UNGC are made to the Foundation for the Global Compact and used to deliver programmes and participant services in collaboration with Global Compact Local Networks. The UNGC aims to support initiatives aligned with its principles, including human rights, labor standards, environmental protection, and anti-corruption. UNGC funding can significantly influence environmental policy, law, and regulation. By supporting projects and research focused on sustainable practices, the funding contribution can have a share in advancing sustainable business models and markets. It can also facilitate collaboration among industry leaders, governments, and other stakeholders to create policies that support global sustainability goals, including those outlined in the Paris Agreement. Being part of the UNGC network enables us to engage in policy discussions and advocate for regulations that support a low-carbon economy. This involvement ensures our industry's challenges and opportunities are considered in environmental regulation development.

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Content of environmental policies
☑ Governance
☑ Strategy
☑ Emission targets

(4.12.1.6) Page/section reference

Sustainability Strategy - page 142; Sustainability Policy -page 144 and page 172; Governance - page 138; Emission Targets - page 38

(4.12.1.7) Attach the relevant publication

2023-Annual-Report.pdf

(4.12.1.8) Comment

The Board of Directors and the Executive Committee of Turkish Airlines oversee managing the social, environmental, and governance impacts of its operations, while the Sustainability Committee ensures these processes are effectively implemented. Established in 2021, the Sustainability Committee is chaired by the CEO, with the Chief Investment and Technology Officer as vice-chair. Meeting quarterly, the committee determines, reviews, and improves sustainability strategies, policies, and targets. It reports on risks, opportunities, performance, and stakeholder feedback to the Board of Directors. In 2022, sustainability efforts were bolstered by establishing four Sub-Working Committees: Sustainability Strategy, Corporate Social Responsibility and Communications Projects, Emission Management, and Sustainable Practices. These committees align projects with the Incorporation's sustainability strategy, industry practices, and global trends. In 2023, Turkish Airlines announced its 10-year strategy aiming for Carbon-Neutral Airline by 2050. Key actions include reducing carbon emissions with next-generation aircraft, increasing the use of Sustainable Aviation Fuel (SAF), investing in renewable energy, offsetting carbon emissions, and achieving fuel efficiency through operational improvements.

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The aviation sector accounts for 2% of energyrelated CO2 emissions on a global scale. Additionally, developments in aviation's main source of emissions, aviation fuel, are proceeding in parallel with global innovations in the energy sector. Therefore, the transition risk assessment draws on the outputs of the STEPS and NZE2050 climate scenarios presented in the IEA's World Energy Outlook (WEO) report, which provides a comprehensive analysis of the energy and transportation sectors. • Policies play a critical role in determining the rate at which innovative clean technologies are scaled up. • While the STEPS scenario is modeled to incorporate carbon pricing initiatives that are in place and in the process of being planned, the NZE Scenario incorporates additional measures. For example, in the NZE Scenario, carbon prices increase rapidly across all regions, reaching an average of 250 USD/metric ton CO2 in advanced economies and 200 USD/metric ton CO2 in other major economies by 2050. • In the STEPS scenario, oil continues to meet the majority of the aviation sector's energy demand until 2030. • The possibility for passengers to change their modes of transportation due to their habits, socio-economic status, and changing climate policies is a significant factor in the decarbonization of the aviation sector in the NZE scenario. According to this scenario, without any behavioral changes, aviation activities increase 10% by 2030 and more than 20% by 2050. • Despite the significance of efficiency enhancements in the pursuit of decarbonization, they cannot mitigate the entirety of emissions caused by the growing demand in aviation, which is expected to lead to a 4% increase in flight activity each year. This emphasizes the urgent need for the development and deployment of low-carbon fuels. • In the STEPS scenario, biofuels account for 2% of total aviation energy demand in 2030 and 6% in 2050, compared to over 11% and 70%, respectively, in the NZE Scenario. • Notwithstanding a significant increase in demand for SAF, high costs continue to be a significant impediment to its widespread deployment. Even though the number of SAF off-take agreements more than doubled between 2021 and 2022, the limited capacity of announced projects can only meet 1-2% of global aviation demand by 2027. • Average sustainable aviation fuel prices are expected to be approximately twice as much as conventional fuel prices in 2030.

(5.1.1.11) Rationale for choice of scenario

Within the scope of these focus questions, various parameters and assumptions are integrated into the scenario analysis study using different scenarios. The scenarios used cover a broad spectrum, ranging from the implementation of existing climate policies with continuous improvement to no implementation of climate policies at all. These scenarios are based on different metrics to predict the factors affecting global warming by the end of the century and the metrics which will be impacted by global warming. Each risk category is therefore assessed on an impact scale from low to high impact. The NZE 2050 scenario takes an approach that envisions the energy sector achieving net zero emissions by 2050, with developed economies reaching this target earlier than 2050. This scenario is consistent with the 1.5C target for global warming reduction below levels observed before the industrial revolution, as outlined in the Paris Agreement. Conversely, the STEPS scenario presents projections predicated on the unlikely event that nations neglect to honor their current climate obligations and no novel climate policies are established. Turkish Airlines strengthens its business strategies in anticipation of forthcoming uncertainties by integrating various climate scenarios into the risk assessment procedure. The required actions are implemented by identifying risks of strategic importance and analyzing the potential impacts over the short, medium, and long term. This methodology guarantees the business's sustainability and continuity through efficient risk management.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ SSP5

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0ºC and above

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2040

☑ 2050

☑ 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Weather conditions are among the most critical factors that influence operational scheduling in the aviation industry. Takeoff and landing arrangements, along with flight conditions, depend on this factor. As a result of the rapid fluctuations in atmospheric temperature, pressure, and humidity due to climate change, the frequency of abrupt changes in weather conditions has been increasing. Moreover, this situation affects the maintenance frequency of aircraft engines, the physical conditions of landing and takeoff areas, the take-off weight restrictions of aircraft, fuel consumption levels, and flight durations. During the quantitative analysis process, the calculations of the variables relied on the most recent CMIP6 (The Coupled Model Intercomparison Project) projections, which are based on the SSP Scenarios and are used by the IPCC in its own assessment reports. The variables include the variations in total precipitation figures in the short, medium and long-term periods, maximum temperatures, average and maximum number of days with temperatures above 35C and 40C, and average temperature change, via the WGI Interactive Atlas created by the IPCC. In order to deterimine low, medium, and high-impact factors, the CMIP6 outputs for the SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios were taken into account. The SSP-based climate scenarios are among the most comprehensive scenarios that have been developed to date, and they proceed in parallel with the RCP scenarios corresponding to low, medium, and high radiative forcing levels RCP2.6, RCP4.5, and RCP8.5, respectively. These scenarios have been selected to provide a comprehensive assessment of potential future climate conditions.

(5.1.1.11) Rationale for choice of scenario

Beyond the commitments outlined in the Paris Agreement, Shared Socioeconomic Pathways (SSPs) provide an extensive array of emission growth scenarios, including more comprehensive emission reduction scenarios that may persist until the end of the century. Although these scenarios do not provide precise figures for emission reductions, they illustrate the viability of strategies to mitigate climate change and reduce emissions. Their evaluation accounts for societal factors, including technological advancements, regional cooperation, and population size, along with other potential obstacles. Pessimistic climate scenarios anticipate circumstances in which efforts to mitigate global warming do notmaterialize due to the failure to implement necessary actions and policies. Such scenarios are expected to have significant strategic and financial impacts on the sectors. Optimistic scenarios, on the other hand, anticipate that the decarbonization and low-carbon energy transformation of sectors will be accelerated and completed and that climate policies will be developed and implemented rapidly. It is assumed that these scenarios will have low strategic and financial impacts on the sectors. Turkish Airlines strengthens its business strategies in anticipation of forthcoming uncertainties by integrating various climate scenarios into the risk assessment procedure. The required actions are implemented by identifying risks of strategic importance and analyzing the potential impacts over the short, medium, and long term. This methodology guarantees the business's sustainability and continuity through efficient risk management.

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Scenario analysis is a crucial instrument for comprehending the impact of global climate change on business strategies. Despite the absence of conclusive evidence, assumptions about climate scenarios are derived from scenarios developed at the global and macro levels. These assumptions allow future climate change risks and opportunities to be more easily assessed, thus enhancing the strategy's resilience. The assessment of climate change-related risks is carried out within the framework of the following focus questions: • How will the increase in air temperatures, pressure changes, and frequency of extreme weather events due to climate change affect Turkish Airlines' direct and indirect operations? • How will increasing global climate awareness and the development of mandatory carbon offsets progress? • How will the global demand for Sustainable Aviation Fuel (SAF) change, and to what extent will producers be able to meet it? • How will expectations of changes in fuel prices and the ability of suppliers to meet global demand affect Turkish Airlines' operations in the long term? • How will changing socio-economic conditions around the world shape aviation operations in the short, medium, and long term? ----------how the results of scenario analysis have informed Risk and opportunities identification, assessment and management at Turkish Airlines Following the assessment of climate related physical risks and transition risks and as an outcome of scenario analysis that Turkish Airlines used, a total of 11 risks that may have a significant impact on the business strategy of Turkish Airlines were identified. Of these, 4 are physical risks, and 7 are transitional risks. Risks and opportunities with significant strategic impact are assessed based on which stage of the value chain they impact, the time frame in which they occur, the probability of their occurrence, the magnitude of their impact if they occur, and their financial implications. These assessments are based on the International Energy Agency's (IEA) climate transition scenarios, which provide short, medium, and long-term climaterelated projections, and the physical climate scenarios provided by the IPCC. Qualitative and quantitative analyses covering the short, medium, and long-term periods are conducted on the basis of these scenarios.

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

The transition to next-generation aircraft has resulted in fuel consumption reductions of around 15-20%. Turkish Airlines is rapidly progressing towards the goal to become the youngest and most modern fleet in Europe. With the aim of expanding and rejuvenating the fleet, it is taking important steps towards strengthening Turkish Airlines brand by purchasing new technology-equipped, fuel-efficient and environmentally friendly aircraft that meet the evolving passenger traffic and changing customer needs, accounting for cost analyses and attaching importance to passenger comfort and safety. With a fleet age of 9.3 at the end of 2023, Turkish Airlines has one of the most modern and youngest fleets in the world. Furthermore, it is planned that by 2033, next generation aircraft in the fleet will constitute at least 95% of the Turkish Airlines' total fleet. Wide Body Aircraft Purchase In line with the growth targets of our Incorporation, our Board of Directors has decided to purchase 10 A350-900 type passenger aircraft from Airbus to be delivered in 2025, 2026 and 2027. • As of the end of 2023; Turkish Airlines' fleet consists of a total of 440 aircraft, including 120 wide-body, 296 narrow body, 416 passenger aircraft and 24 cargo aircraft. With the historic order it placed with the European manufacturer Airbus in December 2023, it plans to add 355 new generation aircraft to its fleet in the coming years. Turkish Airlines, which continues to invest in its fleet environmentally friendly and maximum comfort aircraft in order to maintain its award-winning service quality, aims to reach a fleet of more than 800 aircraft in its 100th year. • As of the end of 2022, the Turkish Airlines fleet has 27 next-generation wide-body aircraft, including 16 B787-9 Dreamliners. In addition to the wide-body aircraft, the fleet has 37 next-generation narrow-body A321 NEO aircraft, which were ordered in 2013 and delivered by the end of 2022; the deliveries that are currently underway are estimated to be finalized by the end of 2028. • Thanks to the high product quality and cost advantages of the next-generation aircraft, Turkish Airlines has increased its revenues and market share, especially by increasing the frequency of certain long-haul flights in the US market. • Next-generation narrow-body aircraft use 15% less fuel, whereas next-generation wide-body aircraft use 20% less fuel, resulting in a 310.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

10 years Strategy Plan of THY has been declared on its website including the roadmap to be a carbon neutral airline by 2050. Feedback concerning the sustainability strategy and Climate Transition Plan of THY from shareholders is realized by facilitating the exercise of shareholders rights. As THY, we come together with our shareholders and investors at the Ordinary General Assembly Meetings we hold every year and organize investor conferences following the financial results announced at the end of each quarter. Moreover, we maintain effective communication with our shareholders and investors by e-mail, phone, online and face-to-face meetings whenever they wish. During the reporting period, our shareholders and investors requested meetings to receive information about our Incorporation's financials, operations and strategy. Necessary information was provided to our shareholders and investors by paying attention to equal and transparent information distribution in line with their expectations. These information requests were met through 3 investor conferences and roadshows at home and abroad, as well as 141 investor meetings with 70 institutions and funds during the reporting period. In addition, 4 teleconferences were held on the results of the financial statements. As part of our commitment to achieving carbon neutrality by 2050 and implementing our comprehensive Climate Transition Plan, we engage in regular meetings with our investors and shareholders. These engagements provide a platform to discuss the intricate details of our decarbonization strategy and our pathway towards a sustainable future. In these meetings, detailed explanations of the strategies and technologies we are employing to reduce our carbon footprint are provided. During these sessions, we actively solicit feedback from our shareholders. This feedback is crucial in ensuring that our strategies align with investor expectations and market realities. Shareholders are encouraged to provide their insights and suggestions regarding our transition plan and its implementation. In other respects, by improving our sustainability strategy day by day with new regulations we continue to focus on the most important issues that our stakeholders attach importance to and that may affect our operations. In the coming years we will continue to update our material issues in line with global developments and feedback from our stakeholders.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Turkish Airlines adopts the climate change targets that the IATA has set for the aviation industry and integrates them into its business strategies. Within this scope, Turkish Airlines improves its performance in various areas, including energy and emission management, resource efficiency, fleet modernization, and sustainable aviation fuel studies throughout its operations and incorporates industry best practices into its business strategy. Turkish Airlines recognizes Türkiye's ratification of the Paris Agreement in 2021 and its commitment to reach net zero carbon emissions by 2053, as well as other agreements to which Türkiye is a signatory, global developments, and stakeholder expectations; it plans its business strategies accordingly In this context, Turkish Airlines supports the fight against climate change and pledges to be "Carbon Neutral by 2050." Related practices to implement the Plan: • In 2033, at least 95% of our total fleet will consist of next generation aircraft. • Our next-generation aircraft reduce carbon emissions by 15%-20% compared to the previous generations of aircraft. • In 2022, our first flight using SAF was taken and as of this date, SAF has been used regularly on one flight per week. SAF will continue to be used in increasing frequencies and destinations. • Long-term guaranteed purchase agreements with SAF suppliers are planned. • Partnerships/collaborations with companies planning production in Türkiye are also planned to secure SAF supply and provide easy access to SAF. • By 2033, a total of 1,192,632 tons of fuel savings will be achieved through operational improvements. • Within the scope of

CORSIA, our emissions will be offset as of 2024. • We plan to develop carbon emission reduction projects with various investment models. • We aim to produce at least 5% of the energy needed in our new buildings from renewable sources. • We plan to invest in SPP projects that can reduce the energy needs of the Incorporation.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Fuel efficiency is central to Turkish Airlines' strategy for reducing GHG emissions and combating climate change. The airline integrates fuel-efficient aircraft into its fleet, leading to significant savings on maintenance, repair, and operating costs. Turkish Airlines follows the International Air Transport Association's (IATA) comprehensive fuel efficiency policy, which supports both short and long-term targets. Various fuel efficiency parameters are continuously measured and monitored, with the Board of Fuel Efficiency, chaired by the CEO, overseeing the implementation of action plans under the Fuel Efficiency Program. Since 2008, Turkish Airlines has implemented over 100 operational optimization projects, saving 743,263 tonnes of fuel and avoiding 2,341,278 tonnes of CO2 emissions. In 2023 alone, THY saved 71,830 tonnes of fuel, corresponding to 226,265 tonnes of avoided CO2 emissions. The strategy prioritizes the introduction of low-emission, high-fuel-efficiency aircraft into the fleet through modernization efforts. For instance, the integration of next-generation aircraft like the A321 NEO and B737 MAX into the fleet in 2018 led to a 15% reduction in fuel consumption. By the end of 2023, Turkish Airlines' fleet consisted of 440 aircraft, including 120 widebody and 296 narrowbody aircraft. The fleet modernization continued with the historic order placed with Airbus in December 2023 for 355 new-generation aircraft. The airline aims to have more than 800 aircraft by its 100th year. At the end of 2022, the fleet included 27 next-generation widebody aircraft, such as 16 B787-9 Dreamliners, and 37 next-generation narrowbody A321 NEO aircraft. These aircraft deliver significant fuel savings, with next-gen narrowbody aircraft using 15% less fuel and widebody aircraft using 20% less fuel, resulting in a 310 million fuel cost savings in 2022. By the end of 2023, the ratio of new-generation aircraft in the fleet was 31% overall, 34% for narrowbody, and 32% for widebody aircraft. With a fleet age of 9.3 years, Turkish Airlines has one of the youngest and most modern fleets globally. Looking ahead to 2033, it is planned that next-generation aircraft will constitute at least 95% of THY's total fleet. In line with its growth targets, Turkish Airlines' Board of Directors has decided to purchase 10 A350-900 passenger aircraft from Airbus, with deliveries scheduled for 2025, 2026, and 2027.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

turkish-airlines-climate-transition-plan_v2.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Nowadays, consumers take environmental sensitivities into consideration when determining their brand preferences. In this context, the nextgeneration aircraft and the use of SAF, as well as the carbon offset opportunity offered to customers, strengthen Turkish Airlines' positive brand image and contribute to its strong reputation with both passengers and investors. Our Company's focus on environmental responsibilities plays an effective role in increasing customer loyalty as part of its sustainability efforts. In line with the increasing awareness of sustainability issues, Turkish Airlines began offering CO2mission, a voluntary carbon offset program, to its' customers in August 2022, both to meet passenger expectations and to emphasize the importance of taking action together in the fight against climate change. With this program, Turkish Airlines offers travelers the opportunity to support sustainable development projects and participate in the process of improving the world. Passengers are offered three different portfolio/package options to offset their emissions: "Renewable Energy", "Social Benefit" and "Green World". Passengers can

contribute the desired amount to the portfolio of their choice and receive a special carbon offset certificate in return for their contribution. Passengers can access their online certificates at any time on the platform, share their certificates on social media and even gift carbon offsetting to their loved ones. As of August 1, 2022, a total of 4,832,178 kg of CO2 emissions were offset by the end of 2023. In addition, within the scope of the CO2mission program, Turkish Airlines also offsets emissions from its employees' duty-flights.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Turkish Airlines is rapidly progressing towards the goal to become the youngest and most modern fleet in Europe. With the aim of expanding and rejuvenating the fleet, it is taking important steps towards strengthening Turkish Airlines brand by purchasing new technology-equipped, fuel-efficient and environmentally friendly aircraft that meet the evolving passenger traffic and changing customer needs, accounting for cost analyses and attaching importance to passenger comfort and safety. Related practices are detailed under the section titled "Fuel Efficiency Practices". With a fleet age of 9.3 at the end of 2023, Turkish Airlines has one of the most modern and youngest fleets in the world. Furthermore, it is planned that by 2033, nextgeneration aircraft in the fleet will constitute at least 95% of the Turkish Airlines' total fleet. Wide Body Aircraft Purchase In line with the growth targets of our Incorporation, our Board of Directors has decided to purchase 10 A350-900 type passenger aircraft from Airbus to be delivered in 2025, 2026 and 2027.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

As Turkish Airlines, we constantly review the needs and requirements and plan solar energy investments in suitable areas. In our new buildings, we aim to meet at least 5% of our energy needs from renewable sources. In this context, we received the I-REC Certificate for our entire electricity consumption in the AHL Region in 2023 in our existing buildings in the Atatürk Airport (AHL) region. We provide 100% of our electricity consumption from renewable sources in the AHL region, and approximately 14.4% of our electricity consumption considering the total of AHL and Istanbul Airport (IHL) regions. All of the electricity used in the buildings in the AHL region was purchased from suppliers producing from renewable resources. In this context, we purchased a total of 57369.6 GJ of renewable energy with I-REC Certificate in 2023. We plan to avoid 4,558.7 tCO2/year emissions with the solar power projects we will implement with a total investment cost of 3 million US dollars. --------• Within the scope of CORSIA, our emissions will be offset as of 2024. • We plan to develop carbon emission reduction projects with various investment models.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

According to the STEPS scenario presented in the IEA World Energy Outlook 2023, the share of biofuels in the energy demand of the aviation sector will increase from merely 2% in 2030 to 6% by 2050. Meanwhile, in the NZE Scenario, this share is projected to be much higher, over 11% in 2030 and even over 70% in 2050. Despite the rapid growth in SAF demand, high costs remain a major barrier to large-scale deployment. Although agreements for the use of SAF are increasing, announced projects appear to be on the level to meet only 1-2% of global aviation demand by 2027. According to these projections, global SAF supply may be insufficient to meet demand in the medium term. Impact of Risk on Strategic Planning: Under current regulations, the obligation to use SAF is imposed on fuel

suppliers, not airlines. However, in the scenario where SAF supply cannot meet the demand in the future, fuel suppliers may want to pass on their penalty fees to the airlines. This may lead to an increase in operational costs. Climate Adaptation Strategy: • Securing SAF supply for a future period of time through SAF offtake agreements will provide the ability to take precautions against sudden supply disruptions in the fuel market and to adapt to environments where this risk occurs. To identify and address the reasons that may cause SAF supply to fall below demand, joint adaptation plans can be developed with other stakeholders in the industry affected by this risk (airline alliances, airport operators, industry organizations, etc.), and the severity of the risk and the duration of exposure can be relatively reduced. Developing models and forecasting mechanisms based on SAF supply and demand trends to predict potential shortages and price increases can also be implemented as another element to ensure adaptability.

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Direct costs

☑ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

-----Revenues: Environmental impacts, climate-related risks and opportunities are always taken into account in the creation of Turkish Airlines' business strategies and financial planning. A positive or negative change in this reputation may directly affect Turkish Airlines' revenues. As of 31st December 2023, Total passenger and cargo revenue is made up more than 99% of Revenue of Turkish Airlines. There are 11 physical and transition risk identified in the Climate Transition Plan in line with

IFRS S2 standard and all of those risks have a potential direct or indirect effect on the revenue. -----Direct Cost: As of 31st December 2023, fuel cost makes up to 38% of cost of sales (direct cost) of Turkish Airlines. The physical risks identified in the Climate Transition Plan have potential effect on the fuel consumption amount which end up a potential increase in the fuel cost. For instance, the thrust of an airplane at take-off is determined by the density of the air. Air density is a critical factor affected by temperature. Increased atmospheric temperature due to global warming reduces the density of the air, causing airplanes to require more thrust during take-off. This requires aircraft to consume more fuel during take-off. As an adaptation strategy, our specific units operating under the Integrated Operations Control Directorate carry out studies on fuel policy such as monitoring fuel consumption and developing strategies to reduce consumption. They also prepare the necessary forecasts and reports to minimize meteorological disruptions in flight operations. ------Capex: According to sectoral decarbonization scenarios to achieve the 2050 netzero target set by IATA and ICAO, the key driver of the aviation industry's emission reduction efforts is aircraft technology developments and the use of sustainable aviation fuels. Technological innovations such as lightweight materials, improved aerodynamics, fuel-efficient engines and all-electric aircraft are crucial to this goal. For example, the transition to next-generation aircraft can reduce fuel consumption by around 15-20%. It is planned that by 2033, next generation aircraft in the fleet will constitute at least 95% of the Turkish Airlines' total fleet. Wide Body Aircraft Purchase In line with the growth targets of our Incorporation, our Board of Directors has decided to purchase 10 A350-900 type passenger aircraft from Airbus to be delivered in 2025, 2026 and 2027.

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify **:**The IEA Energy Technology Perspectives Clean Energy Technology Guide

(5.4.1.5) Financial metric

Select from:

☑ Revenue/Turnover

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

9

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

6

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

14

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

The calculation was based on the revenue generated specifically from our A321-neo aircraft, which are equipped with 'Geared Turbo Fan engines' and entered our fleet starting in 2018. Rather than focusing on expenditures from a specific year, the total investment for these aircraft was allocated over the years 2018-2023, 2024-2025, and 2026-2030, proportional to the number of aircraft joining the fleet each year. This investment was then compared to the projected income from these aircraft during the same periods. Future revenue projections were calculated by considering the CAGR growth based on RPK as determined by IATA for the aviation industry.

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
	Select from: ☑ Yes	-

(5.5.8) Provide details of your organization’s investments in low-carbon R&D for transport-related activities over the last three years.

Row 1

(5.5.8.1) Activity

Select all that apply

☑ Aviation

(5.5.8.2) Technology area

Select from:

☑ Other, please specify **:**Fuel Management

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Applied research and development

(5.5.8.4) Average % of total R&D investment over the last 3 years

1.25

(5.5.8.5) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

0.03

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As Turkish Airlines we carry out our operations with a sense of responsibility towards the environment and society With the awareness that our biggest impact on climate change is fuel use we first consider our fuel efficiency in all possible operational processes In this context we invest in new technologies in order to optimize our flight activities and constantly optimize our flight network flight route and schedule categorized into 4 groups Flight Operation Applications Technical Maintenance Practices Flight Planning Dispatch Applications and Ground Operation Applications We are able to reduce fuel consumption with applications such as single engine taxi low flap use on takeoff low flap use on landing monitoring of aircraft aerodynamics etc So RD investments such as FMIS are aligned with our commitment to be a carbonneutral airline by 2050 as these RD investments in this technology area provide fuel efficiency resulting in significant emission reductions. Additionally, we have integrated the CORSIA Module into our sophisticated fuel management system (FMIS) to monitor our CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation of the International Civil Aviation Organization (ICAO)) processes more effectively, meaning that it contributes the optimization of our CORSIA reporting processes by measuring and analyzing the outputs of our other emission monitoring processes in an effective and comparable way by minimizing errors in reporting processes and reducing our workforce effort.

Row 2

(5.5.8.1) Activity

Select all that apply

☑ Aviation

(5.5.8.2) Technology area

Select from:

☑ Geared Turbo Fan – Ultra-High Bypass Ratio engine

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Full/commercial-scale demonstration

(5.5.8.4) Average % of total R&D investment over the last 3 years

20

(5.5.8.5) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

32

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Turkish Airlines has a number of Airbus A321 NEO aircraft that have Ultrahigh bypass ratio engine together with the technical specifications such as open rotor and propulsion-airframe integration in its fleet. According to engine manufacturer data new engines are 16 more fuel efficient In the reporting year 252,806 tonnes of carbon emissions were saved. We consider this as a low-carbon service as outlined in The IEA Energy Technology Perspectives Clean Energy Technology Guide taxonomy.

Row 3

(5.5.8.1) Activity

Select all that apply

☑ Aviation

(5.5.8.2) Technology area

Select from:

☑ Other, please specify **:**Operational advantages/Ultra Highbypass Ratio Engines

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Small scale commercial deployment

(5.5.8.4) Average % of total R&D investment over the last 3 years

22

(5.5.8.5) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

62

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Pursuant to our commitment to innovation, operational excellence, and a sustainable future, we invest in "Fleet Modernization and Improvement" as one of the core elements of our Sustainability Strategy. We add advanced Airbus aircraft to our fleet, thereby raising our operational capabilities as well as our environmental goals. We also set an example in our industry with our next-generation aircraft investments. In line with the growth targets of our Incorporation, Our Board of Directors has decided to purchase 10 A350-900 type passenger aircraft from Airbus to be delivered in 2025, 2026 and 2027. We purchased five A350-900 aircraft which has Ultra Highbyass Ratio engines in the reporting year. A350-900 aircraft with Ultra Highbyass Ratio engines enable us to achieve a minimum of 20% lower fuel consumption compared to previous generation aircraft, preventing the release of approximately 340,000 tonnes of CO2 into the atmosphere in 2023.

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Navigate regulations

☑ Drive energy efficiency

☑ Stress test investments

☑ Drive low-carbon investment

☑ Conduct cost-benefit analysis

☑ Identify and seize low-carbon opportunities

☑ Influence strategy and/or financial planning

☑ Setting and/or achieving of climate-related policies and targets

☑ Incentivize consideration of climate-related issues in decision making

☑ Incentivize consideration of climate-related issues in risk assessment

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Scenario analysis

☑ Benchmarking against peers

☑ Existing or pending legislation

☑ Alignment to scientific guidance

☑ Alignment to international standards

☑ Alignment with the price of allowances under an Emissions Trading Scheme

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Determining the internal carbon price helps to calculate the internal rate of return (IRR) of investment expenditures in the calculation of the impacts of climate-related risks and opportunities, which in turn contributes to better predictions of investment outcomes. Following the evaluation of STEPS, NZE2050 and SDS climate scenarios and relevant calculations, Turkish Airlines set its internal carbon shadow pricing at a minimum of 90 USD and a maximum of 140 USD.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1
☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:
☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:
☑ Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

90

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

140

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply
☑ Procurement
☑ Product and R&D
☑ Risk management
☑ Capital expenditure
☑ Opportunity management
☑ Value chain engagement
☑ Public policy engagement

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:
☑ No

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

100

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

In the planning of its business strategy Turkish Airlines utilizes a shadow price mechanism for internal carbon pricing. This mechanism enables Turkish Airlines to better understand the impacts of climaterelated risks on its strategic planning and to better estimate the financial impacts of nextgeneration aircraft sustainable fuel solutions and emerging regulations. Additionally this mechanism also benefits business processes such as meeting stakeholder expectations promoting internal behavioral change identifying and evaluating low carbon opportunities, stress test investments, and supplier relations.

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 26-50%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Dependency Criteria: As the suppliers providing jet fuel, given the high environmental impact of fuel production and consumption due to the nature of the product, which significantly affect the lifecycle emissions and resource use, supply dependencies play a significant part in defining a threshold for classifying suppliers. - Threshold: The threshold for the suppliers contributing the Turkish Airlines' scope 3- related emissions is 5%.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

3

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☑ Business risk mitigation

☑ Procurement spend

☑ Regulatory compliance

☑ Supplier performance improvement

(5.11.2.4) Please explain

Procurement Spend: Suppliers with the highest procurement spend represent a substantial portion of our supply chain. Prioritizing these suppliers allows us to drive significant environmental improvements across our operations, given their influence on our overall sustainability goals. Regulatory Compliance: Ensuring compliance with environmental regulations is critical. Suppliers in regions with stringent environmental laws or those subject to emerging regulations are prioritized to mitigate legal and operational risks. This approach supports our efforts to stay ahead of regulatory changes and maintain our commitment to sustainability. Supplier Performance Improvement: We prioritize suppliers with the potential for substantial environmental performance improvement. Engaging with these suppliers allows us to support them in adopting best practices, enhancing their sustainability, and aligning with our environmental objectives. Business Risk Mitigation: Suppliers that pose a high business risk, whether due to environmental concerns or broader operational issues, are prioritized to safeguard our supply chain. Addressing these risks early ensures resilience and continuity in our operations while advancing our environmental goals. This prioritization is closely associated with our core operations, particularly in areas with high environmental impact, such as aircraft maintenance, fuel procurement, and ground operations.

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

	Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process	Policy in place for addressing supplier non-compliance	Comment
Climate change	*Select from:* ☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts	*Select from:* ☑ Yes, we have a policy in place for addressing non-compliance	-

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Compliance with an environmental certification, please specify **:**14001

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Certification

☑ Second-party verification

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance
☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

-

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:
☑ Adaptation to climate change

(5.11.7.3) Type and details of engagement

Capacity building
☑ Provide training, support and best practices on how to make credible renewable energy usage claims
☑ Provide training, support and best practices on how to measure GHG emissions
☑ Provide training, support and best practices on how to mitigate environmental impact

Information collection
☑ Collect GHG emissions data at least annually from suppliers
☑ Collect targets information at least annually from suppliers

Innovation and collaboration
☑ Engage with suppliers to advocate for policy or regulatory change to address environmental challenges

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 76-99%

(5.11.7.8) Number of tier 2+ suppliers engaged

300

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Quantitative threshold for a measure of success: In the reporting year, our measure of success was to have our critical suppliers, accounting for 75% of our total procurement spending, report and have their GHG emissions verified. We surpassed this goal significantly, with 99% of our critical suppliers providing GHG emissions calculations. Description of the impact: This achievement highlights the substantial impact of our engagement efforts on climate-related issues, demonstrating our commitment to transparency and progress in our decarbonization strategies.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**GHG Calculation

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Turkish Airlines, recognizing the environmental impact of air travel and also emphasizing the importance of taking action together in the fight against climate change, has introduced an innovative carbon offset program “CO2mission” in 2022. This program aims to empower customers with knowledge and inspire them to be proactive in reducing their carbon footprint. With the CO2mission Program, which uses the ICAO (International Civil Aviation Organization) carbon emission calculation methodology, Turkish Airlines provides travelers with the opportunity to be involved in the fight against climate change; offering a platform where they can offset their carbon emissions in an easy and practical way. The projects included in the "Renewable Energy", "Social Benefit" and "Green World" portfolios, which are offered to the preferences of the passengers and have internationally valid certification in various regions of the world, consist of combat climate change and social development projects that are certified worldwide and generate carbon credits; the portfolio serves for 9 different Sustainable Development Goals. A carbon-offsetting certificate is created for our passengers who contribute to the desired portfolio and perform the offsetting process. Passengers can access their online certificates on the platform at any time, share their certificates on social media, and even gift carbon offsets to their loved ones. Within the scope of the CO2mission program;

Emissions from all business travels of our employees are offset by Turkish Airlines. Under the CO2mission Voluntary Carbon Offsetting Program, which began on August 1, 2022, a total of a 4.832.178 kg of CO2 emissions were offset by the end of 2023. These contributions also include the carbon offsetting of the IATA's 2023 General Assembly Meeting.

(5.11.9.6) Effect of engagement and measures of success

Quantitative threshold for a measure of success: Success is measured by the number of customers visiting the CO2mission Platform. In 2023 the threshold was 30% customers visiting the CO2mission platform, 48% success was achieved. Description of the impact: Turkish Airlines has been able to increase transparency about the climate impact of carbon emissions and global compliance, informing its customers about the efforts being made to offset emissions. This raised climate awareness among customers since the implication of CO2mission.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

In 2023, Turkish Airlines engaged investors on climate-related issues to ensure alignment with evolving regulations in the aviation industry, mitigate financial risks, and strengthen its reputation in an increasingly ESG-focused investment landscape. By sharing updates on environmental initiatives, progress, and achievements, the company aimed to demonstrate its commitment to sustainability and regulatory compliance. This engagement not only provided transparency about the financial impact of climate-related risks but also reinforced long-term value creation by aligning the company's climate strategy with investor expectations, thereby enhancing investor trust and positioning Turkish Airlines as a responsible company.

(5.11.9.6) Effect of engagement and measures of success

The climate-related engagement with investors resulted in several positive outcomes for Turkish Airlines. It increased investor confidence by providing transparency on the company's environmental initiatives, demonstrating a strong commitment to sustainability and effective risk management. This, in turn, enhanced Turkish Airlines' access to sustainable financing opportunities and attracting ESG-focused investors. Additionally, the company's reputation improved as it positioned itself as a responsible company in the aviation industry. The engagement also fostered stronger collaboration with investors, encouraging dialogue on future climate-related initiatives, and helped Turkish Airlines stay ahead of regulatory requirements, reducing compliance risks and ensuring long-term value creation.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Employees

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

Innovation and collaboration

☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Less than 1%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Turkish Airlines' Performance Management System ensures that the goals of the Incorporation are converted into department and employee goals, which are monitored through sub-processes of employee-based goal setting, orientation, feedback, evaluation, and development planning. Through this system, Turkish Airlines evaluates the performance of its employees, contributing to their development and supporting them in unlocking their potential. Employee performance is evaluated in terms of targets, competencies, and compliance with corporate values. As of 2024, Turkish Airlines will implement the ROTA performance management system for all ground employees within the Incorporation. The performance management system consists of four components: goals, competencies, compliance with corporate values, and employee loyalty. Employees are expected to set business, organizational, and personal development goals, while position-specific competencies are determined based on the work performed. The Employee Loyalty Survey is applied for supervisors and higher executive positions, while the Values Compliance Survey, a stakeholder assessment of the Incorporation's values, is used for positions other than supervisors and executives. Turkish Airlines measures employee compliance with corporate values through ROTA's components of competencies and questionnaires.

(5.11.9.6) Effect of engagement and measures of success

Turkish Airlines holds periodic feedback meetings with company managers to monitor the development of employees. At the end of the year, the scores of employees are determined based on the target and competency evaluations conducted by managers and the results of surveys. According to these results, as part of Turkish Airlines' reward system, domestic employees who demonstrate superior performance for two consecutive years receive a 1 grade advancement. This grade advancement directly impacts the employee's basic wage.

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

We are conscious that it is very important to carry out our work within the scope of combating climate change in cooperation with our customers. That is why we have developed Corporate SAF Program for our corporate customers. By contributing to buy SAF, our corporate customers can be able to reduce its scope 3 category 6—business travel emissions and report this reduction. This program is also available for air cargo corporate customers to reduce their scope 3 category 4 emissions. we offer our corporate customers to reduce the emissions of their shipments and certify this reduction. Even though the activity of carrying goods is done by TK, the emissions can be reduced from their overall scope 3 or by definition the emissions from the activities which they cannot control in their value chain. To realize this reduction, we utilize SAF and split the price of it together with our customer. Our voluntary carbon offset platform – CO2mission was launched on August 1, 2022. CO2mission is a voluntary carbon offset platform that offers the opportunity to offset their emissions of the flights. Through CO2mission, passengers can calculate the carbon footprint of their flights and offset the carbon footprint by supporting various sustainable development projects. Our carbon footprint calculation software includes many factors such as route distance, aircraft type, load factor, flight class, and fuel consumption to achieve the most reliable results in its measurement. In the current process, our passengers are directing to the CO2mission web page after the booking step has been done. This allows automatically calculating CO2 emissions according to the flight data. Now, we aim to add a separate option to the CO2mission platform for our Corporate Customers. With the development to be made on the CO2mission platform we will offer our Corporate Customers to offset their emissions from their flights and to provide redirection from the Turkish Airlines Corporate Club web page. It is planned that the emissions originating from the flights of our Corporate Customers will be calculated automatically and offset via the CO2mission Platform.

(5.12.6) Expected benefits

Select all that apply

☑ Other, please specify **:**Reduction of customers' upstream value chain emissions (customer scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

Since the projects have not been implemented and are demand-based projects and demand cannot be predicted, an estimate cannot be given.

Row 2

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

We are conscious that it is very important to carry out our work within the scope of combating climate change in cooperation with our customers. That is why we have developed Corporate SAF Program for our corporate customers. By contributing to buy SAF, our corporate customers can be able to reduce its scope 3 category 6—business travel emissions and report this reduction. This program is also available for air cargo corporate customers to reduce their scope 3 category 4 emissions. we offer our corporate customers to reduce the emissions of their shipments and certify this reduction. Even though the activity of carrying goods is done by TK, the emissions can be reduced from their overall scope 3 or by definition the emissions from the activities which they cannot control in their value chain. To realize this reduction, we utilize SAF and split the price of it together with our customer. Our voluntary carbon offset platform – CO2mission was launched on August 1, 2022. CO2mission is a voluntary carbon offset platform that offers the opportunity to offset their emissions of the flights. Through CO2mission, passengers can calculate the carbon footprint of their flights and offset the carbon footprint by supporting various sustainable development projects. Our carbon footprint calculation software includes many factors such as route distance, aircraft type, load factor, flight class, and fuel consumption to achieve the most reliable results in its measurement. In the current process, our passengers are directing to the CO2mission web page after the booking step has been done. This allows automatically calculating CO2 emissions according to the flight data. Now, we aim to add a separate option to the CO2mission platform for our Corporate Customers. With the development to be made on the CO2mission platform we will offer our Corporate Customers to offset their emissions from their flights and to provide redirection from the Turkish Airlines Corporate Club web page. It is planned that the emissions originating from the flights of our Corporate Customers will be calculated automatically and offset via the CO2mission Platform.

(5.12.6) Expected benefits

Select all that apply

☑ Other, please specify :Reduction of customers' upstream value chain emissions (customer scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

Since the projects have not been implemented and are demand-based projects and demand cannot be predicted, an estimate cannot be given.

Row 3

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

We are conscious that it is very important to carry out our work within the scope of combating climate change in cooperation with our customers. That is why we have developed Corporate SAF Program for our corporate customers. By contributing to buy SAF, our corporate customers can be able to reduce its scope 3 category 6—business travel emissions and report this reduction. This program is also available for air cargo corporate customers to reduce their scope 3 category 4 emissions. we offer our corporate customers to reduce the emissions of their shipments and certify this reduction. Even though the activity of carrying goods is done by TK, the emissions can be reduced from their overall scope 3 or by definition the emissions from the activities which they cannot control in their value chain. To realize this reduction, we utilize SAF and split the price of it together with our customer. Our voluntary carbon offset platform – CO2mission was launched on August 1, 2022. CO2mission is a voluntary carbon offset platform that offers the opportunity to offset their emissions of the flights. Through CO2mission, passengers can calculate the carbon footprint of their flights and offset the carbon footprint by supporting various sustainable development projects. Our carbon footprint calculation software includes many factors such as route distance, aircraft type, load factor, flight class, and fuel consumption to achieve the most reliable results in its measurement. In the current process, our passengers are directing to the CO2mission web page after the booking step has been done. This allows automatically calculating CO2 emissions according to the flight data. Now, we aim to add a separate option to the CO2mission platform for our Corporate Customers. With the development to be made on the CO2mission platform we will offer our Corporate Customers to offset their emissions from their flights and to provide redirection from the Turkish Airlines Corporate Club web page. It is planned that the emissions originating from the flights of our Corporate Customers will be calculated automatically and offset via the CO2mission Platform.

(5.12.6) Expected benefits

Select all that apply

☑ Other, please specify **:**Reduction of customers' upstream value chain emissions (customer scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

Since the projects have not been implemented and are demand-based projects and demand cannot be predicted, an estimate cannot be given.

Row 4

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

☑ Climate change

(5.12.4) Initiative category and type

Innovation

☑ New product or service that reduces customers' operational emissions

(5.12.5) Details of initiative

We are conscious that it is very important to carry out our work within the scope of combating climate change in cooperation with our customers. That is why we have developed Corporate SAF Program for our corporate customers. By contributing to buy SAF, our corporate customers can be able to reduce its scope 3 category 6—business travel emissions and report this reduction. This program is also available for air cargo corporate customers to reduce their scope 3 category 4 emissions. we offer our corporate customers to reduce the emissions of their shipments and certify this reduction. Even though the activity of carrying goods is done by TK, the emissions can be reduced from their overall scope 3 or by definition the emissions from the activities which they cannot control in their value chain. To realize this reduction, we utilize SAF and split the price of it together with our customer. Our voluntary carbon offset platform – CO2mission was launched on August 1, 2022. CO2mission is a voluntary carbon offset platform that offers the opportunity to offset their emissions of the flights. Through CO2mission, passengers can calculate the carbon footprint of their flights and offset the carbon footprint by supporting various sustainable development projects. Our carbon footprint calculation software includes many factors such as route distance, aircraft type, load factor, flight class, and fuel consumption to achieve the most reliable results in its measurement. In the current process, our passengers are directing to the CO2mission web page after the booking step has been done. This allows automatically calculating CO2 emissions according to the flight data. Now, we aim to add a separate option to the CO2mission platform for our Corporate Customers. With the development to be made on the CO2mission platform we will offer our Corporate Customers to offset their emissions from their flights and to provide redirection from the Turkish Airlines Corporate Club web page. It is planned that the emissions originating from the flights of our Corporate Customers will be calculated automatically and offset via the CO2mission Platform.

(5.12.6) Expected benefits

Select all that apply

☑ Other, please specify **:**Reduction of customers' upstream value chain emissions (customer scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

☑ 0-1 year

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

☑ No

(5.12.11) Please explain

Since the projects have not been implemented and are demand-based projects and demand cannot be predicted, an estimate cannot be given.

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

	Environmental initiatives implemented due to CDP Supply Chain member engagement	Primary reason for not implementing environmental initiatives	Explain why your organization has not implemented any environmental initiatives
	Select from: ☑ No, but we plan to within the next two years	*Select from:* ☑ No standardized procedure	*No standardized procedure*

[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

Turkish Airlines uses the financial control approach for its GHG emissions consolidation. This approach allows the company to better manage and control emissions arising from its subsidiaries where it has financial control. By applying this method, Turkish Airlines ensures that it captures and reports emissions data comprehensively across all entities it oversees operationally, leading to more accurate monitoring and mitigation of its overall environmental impact. Turkish Airlines consolidates environmental impacts from subsidiaries where it has financial control, regardless of ownership percentage. This means focusing on subsidiaries where Turkish Airlines has the authority to implement and enforce policies related to reducing environmental impacts.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

In line with how Turkish Airlines already consolidates GHG emissions using the financial control approach, it is beneficial to use the same method for plastic and biodiversity impact consolidation, ensuring consistency and stronger oversight over operational practices.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Financial control

(6.1.2) Provide the rationale for the choice of consolidation approach

In line with how Turkish Airlines already consolidates GHG emissions using the financial control approach, it is beneficial to use the same method for plastic and biodiversity impact consolidation, ensuring consistency and stronger oversight over operational practices.

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

☑ Yes, a divestment

☑ Yes, other structural change, please specify

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

(*) THY Destek Hizmetleri A.Ş. (**) THY Özel Güvenlik ve Koruma Hizmetleri A.Ş. (***) Ajet Hava Taşımacılığı A.Ş. (****) THY Finansal Teknolojiler A.Ş. (*****)Uçak Koltuk Üretim Sanayi ve Ticaret A.Ş. ("TSI") and Cornea Havacılık Sistemleri Sanayi ve Ticaret A.Ş. ("Cornea")

(7.1.1.3) Details of structural change(s), including completion dates

(*) THY Destek Hizmetleri A.Ş. was established on 6 March 2023 to meet the support services to the Group. (**) THY Özel Güvenlik ve Koruma Hizmetleri A.Ş. was established on 12 May 2023 to provide private security services to the Group. (***) Ajet Hava Taşımacılığı A.Ş. was established on 7 August 2023 in order to perform its activities as a low-cost airline at global standards and to strengthen its competitive position in the market. (****) THY Finansal Teknolojiler A.Ş. was established on 18.08.2023 in order to meet carry out new business areas that the Group will create through digital payment services, to transform its existing potential into a value-creating business model and to operate in the field of financial technologies. (*****) The merger of the subsidiaries established for the design, production, marketing, and sales of cabin interior products, Uçak Koltuk Üretim Sanayi ve Ticaret A.Ş. ("TSI") and Cornea Havacılık Sistemleri Sanayi ve Ticaret A.Ş. ("Cornea") were dissolved without liquidation and TCI Kabin İçi Sistemleri Sanayi ve Ticaret A.Ş. ("TCI") to take over TSI and Cornea with all its assets and liabilities is completed on 15 February 2023. TSI Seats INC is a subsidiary of (“TCI”) operates in the USA.

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☑ Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

We changed our consolidation method from operational control to financial control. Since we have chosen the financial control method differently from last year, we have calculated the emissions of all our subsidiaries in Scope 1 and 2; and associates in scope 3.
[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 2, market-based

☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

In 2023, the GHG consolidation approach has been changed as "financial control" and all subsidiaries and associated have been included in GHG organization boundary. This has triggered the significant threshold for base year calculation and the base year of the company had been changed to 2023.

(7.1.3.4) Past years' recalculation

Select from:

☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ The Greenhouse Gas Protocol: Scope 2 Guidance

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	-

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

20897544.97

(7.5.3) Methodological details

Direct GHG emissions occur from sources that are owned or controlled by Turkish Airlines, including its subsidiaries' Scope 1 emissions fully consolidated.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

120182.1

(7.5.3) Methodological details

Scope 2 accounts for GHG emissions from the generation of purchased electricity, heat&cooling consumed by Turkish Airlines, including its subsidiaries' Scope 1 emissions fully consolidated. Location based approach is based on Türkiye's grid emission factor reported by the ministry.

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

113186.19

(7.5.3) Methodological details

Scope 2 accounts for GHG emissions from the generation of purchased electricity, heat&cooling consumed by Turkish Airlines, including its subsidiaries' Scope 1 emissions fully consolidated. Market based approach is calculated by deducting emission from purchased renewable electricity certificates from location based figure.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

251409.51

(7.5.3) Methodological details

This category includes all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by Turkish Airlines in 2023. Products include both goods (tangible products) and services (intangible products). This category includes emissions from all purchased goods and services not otherwise included in the other categories of upstream scope 3 emissions (i.e., category 2 through category 8).

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

34039.55

(7.5.3) Methodological details

This category includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by Turkish Airlines in 2023.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

4360656.79

(7.5.3) Methodological details

This category includes emissions related to the production of fuels and energy purchased and consumed by Turkish Airlines in 2023 that are not included in scope 1 or scope 2.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

3369.43

(7.5.3) Methodological details

This category includes emissions from the transportation and distribution of products (excluding fuel and energy products) purchased or acquired by Turkish Airlines in the reporting year in vehicles and facilities not owned or operated by the reporting company, as well as other transportation and distribution services purchased by Turkish Airlines in the reporting year (including both inbound and outbound logistics).

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

46344.68

(7.5.3) Methodological details

This category includes emissions from third-party disposal and treatment of waste that is generated in owned or controlled operations of Turkish Airlines in 2023.

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

145675.99

(7.5.3) Methodological details

This category includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

14251.89

(7.5.3) Methodological details

This category includes emissions from the transportation of employees between their homes and their worksites.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

0.16

(7.5.3) Methodological details

This category includes emissions from the operation of assets that are leased by Turkish Airlines in the reporting year and not already included in the reporting company's scope 1 or scope 2 inventories.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

64.57

(7.5.3) Methodological details

This category includes emissions from the operation of assets that are owned by Turkish Airlines (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or scope 2.

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2023

(7.5.2) Base year emissions (metric tons CO2e)

1590346.76

(7.5.3) Methodological details

This category includes scope 3 emissions associated with Turkish Airline's investments in 2023, not already included in scope 1 or scope 2. Turkish airlines' scope 3 emissions from investments are the scope 1 and scope 2 emissions of its associates and fixed assets investments. As emissions from equity investments of Turkish Airlines' are not included in scope 1 or scope 2 (because of the financial control consolidation approach and Turkish Airlines does not have control over the equity investments), Turkish Airlines accounts for proportional scope 1 and scope 2 emissions of equity investments that occur in 2023 in scope 3, category 15 (Investments). Proportional emissions from equity investments have been allocated to Turkish Airlines based on the its proportional share of equity in the associates and fixed assets investments.

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2023

(7.5.3) Methodological details

NA

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

20897544.97

(7.6.3) Methodological details

Direct GHG emissions occur from sources that are owned or controlled by Turkish Airlines, including its subsidiaries’ Scope 1 emissions fully consolidated. Our scope 1 emissions consist of stationary combustion, mobile combustion, leakage from refrigirants and our subsidaries' scope 1 emissions. STATIONARY COMBUSTION The amount of natural gas burned in boilers as a result of stationary combustion is taken from the invoices and the emission is calculated using the relevant emission factor in the IPCC and the density and NCV values taken from the national inventory. To calculate the emission from generators we obtain the amount of diesel fuel at the begining and at the end of the year and consider the amount of fuel purchased and calculate the activiy data firstly. Than by using the relevant emission factor in the IPCC and the density and NCV values taken from the national inventory we calulate the emission. MOBILE COMBUSTION To calculate the emission from JET A1 we collect activity data from the relevant departmant and use the relevant emission factor, NCV and GWP from IPCC. To calculate emissions from on-road and off-road vehicles we calculate the activity data from the fuel purchase receipts and multiply with the relevant EF and NCV from IPCC. LEAKAGE If there is a gas charging; the emission is calculated by multiplying the amount of gas charged and the relevant GWP from IPCC. If there is no gas charging, emission is calculated by multiplying the gas capacity of the refrigerant by the relevant GWP and leakage rate (%) from IPCC.
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

120182.1

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

113186.19

(7.7.4) Methodological details

Scope 2 accounts for GHG emissions from the generation of purchased electricity, heat&cooling consumed by Turkish Airlines, including its subsidiaries’ Scope 1 emissions fully consolidated. Location based approach is based on Türkiye’s grid emission factor reported by the ministry. Market based approach is calculated by deducting emission from purchased renewable electricity certificates from location based figure. Our scope 2 emissions consist of Imported Electricity, Imported Energy and our subsidaries' Scope-2 emissions. To calculate emissions from imported electiricity we collect electricity invoices from relevant departmants and multiply with the emission factor from "Turkey Electricity Generation And Electricity Consumption Point Emission Factors Information Form". To calculate emissions from imported energy (heating) we collect invoices from relevant departmants and the emission is calculated using the relevant emission factor in the IPCC and the density and NCV values taken from the national inventory.

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

251409.5

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Turkish Airlines calculates emissions from goods and services by collecting data on the mass (e.g., kilograms or pounds) or other relevant units of the goods or services purchased. This data is then multiplied by the relevant secondary emission factors, to calculate the associated emissions.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

34039.5

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Turkish Airlines used a hybrid method to calculate capital goods emissions by combining supplier-specific data with secondary data. This approach involved collecting Scope 1 and Scope 2 emissions from suppliers, along with data on materials, fuel, electricity, transportation, and waste from the production process. The collected data was then used with relevant emission factors to estimate total emissions. This method provided a more accurate assessment of capital goods emissions while addressing data gaps.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4360656.7

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Turkish Airlines calculates emissions from Fuel-and-energy-related activities by collecting data on the mass (e.g., kilograms or pounds) or other relevant units. This data is then multiplied by the relevant secondary emission factors, to calculate the associated emissions.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3369.4

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Turkish Airlines used the distance-based method to estimate emissions from transportation. This method involves determining the distance traveled and the mode of transportation used for each trip, then applying the appropriate emission factor based on the specific mode of transport.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

46344.6

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Turkish Airlines used the average-data method to estimate emissions from waste. This approach involves calculating emissions based on the total waste sent to each disposal method (e.g., landfill) and applying average emission factors specific to each method.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

145675.9

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Turkish Airlines used the distance-based method to estimate emissions from business trips. This method involves determining the distance traveled and the mode of transportation used for each trip, then applying the appropriate emission factor based on the specific mode of transport.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

14251.8

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Turkish Airlines used the distance-based method to estimate emissions from employee commuting. This approach involves collecting data from employees on their commuting patterns, such as the distance traveled and the mode of transportation used, and then applying the appropriate emission factors for each mode.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0.1

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Lessor-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Turkish Airlines used the lessor-specific method to estimate emissions from leased assets. This approach involves collecting Scope 1 and Scope 2 emissions data from the lessor(s) and allocating these emissions to the relevant leased assets.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any downstream transportation and distribution, so this category is not relevant to our organization.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any sold products, so this category is not relevant to our organization.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any sold products, so this category is not relevant to our organization.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any sold products, so this category is not relevant to our organization.

Downstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

64.5

(7.8.3) Emissions calculation methodology

Select all that apply
☑ Lessor-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Turkish Airlines used the lessor-specific method to estimate emissions from leased assets. This approach involves collecting Scope 1 and Scope 2 emissions data from the lessor(s) and allocating these emissions to the relevant leased assets.

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any franchises, so this category is not relevant to our organization.

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1590346.7

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Investment-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

This category includes scope 3 emissions associated with Turkish Airline's investments in 2023, not already included in scope 1 or scope 2. Turkish airlines' scope 3 emissions from investments are the scope 1 and scope 2 emissions of its associates and fixed assets investments. As emissions from equity investments of Turkish Airlines' are not included in scope 1 or scope 2 (because of the financial control consolidation approach and Turkish Airlines does not have control over the equity investments), Turkish Airlines accounts for proportional scope 1 and scope 2 emissions of equity investments that occur in 2023 in scope 3, category 15 (Investments). Proportional emissions from equity investments have been allocated to Turkish Airlines based on the its proportional share of equity in the associates and fixed assets investments.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any other upstream activities, so this category is not relevant to our organization.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

We do not have any other downstream activities, so this category is not relevant to our organization.

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.1.4) Attach the statement

GHG Verification Statement.pdf

(7.9.1.5) Page/section reference

1

(7.9.1.6) Relevant standard

Select from:
☑ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

GHG Verification Report.pdf

(7.9.2.6) Page/ section reference

1

(7.9.2.7) Relevant standard

Select from:

☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

GHG Verification Report.pdf

(7.9.2.6) Page/ section reference

1

(7.9.2.7) Relevant standard

Select from:

☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Investments
☑ Scope 3: Capital goods
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Upstream leased assets
☑ Scope 3: Downstream leased assets
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.3.5) Attach the statement

GHG Verification Report.pdf

(7.9.3.6) Page/section reference

2

(7.9.3.7) Relevant standard

Select from:

☑ ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

100

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☑ Increased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

10.638

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.06

(7.10.1.4) Please explain calculation

*Gross Scope 12 emissions decreased by 0.06%, by purchased renewable electricity. Despite an increase in the values and services provided, emissions have not grown as high as could be expected due to renewable energy consumption. We have achieved electricity consumption reductions in our office operations. These were due to purchase of renewable electricity certificates (IREC) in 2023. As a result of all this renewable energy consumption, we saved 10,637.61 tons of carbon emissions, in our market-based Scope 2. Our total S1 and S2 emissions in the previous year was 18,226,436.31 tons CO2e, therefore we arrived at -0.06% decrease through (-10,637.61 / 18,226,436.31) * 100 -0.06% (0.06% decrease in emissions).*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

226265

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

1.24

(7.10.1.4) Please explain calculation

*Gross Scope 12 emissions decreased by 1.24%, due to energy efficiency activities undertaken. Despite an increase in the values and services provided, emissions have not grown as high as could be expected due to emission reduction activities. We have achieved jet fuel consumption reductions in flight operations. These are due to fuel efficiency activities implemented in 2023. We invest in new technologies in order to optimize our flight activities, and constantly optimize our flight network, flight route and schedule categorised into 4 groups: Flight Operation Applications, Technical Maintenance Practices, Flight Planning (Dispatch) Applications, and Ground Operation Applications. We are able to reduce fuel consumption with applications such as single-engine taxi, low flap use on take-off, low flap use on landing and monitoring of aircraft aerodynamics etc. As a result of all these operational activities, in 2023, we saved 226,265.00 tons of carbon emissions. Our total S1 and S2 emissions in the previous year was 18,226,436.31 tons CO2e, therefore we arrived at -1.24% decrease through (-226,265.00 /18,226,436.31) * 100 -1.24% (1.34% decrease in emissions).*

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

2.943

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

16.15

(7.10.1.4) Please explain calculation

*Compared to 2022, there has been an increase of 16.15 % in our emissions from flight activities. The reason for this situation is the weakening of the effects of the Covid-19 pandemic, especially in the aviation sector, and the increase in the number of flights in 2023. In 2022 total Scope 1 and Scope 2 were 18,226,436.31 tonnes. In 2022 total Scope 1 and Scope 2 was 18,234,248.95 tonnes (excluding emission reduction activities.) Therefore, we arrived at 2,943,341.04 tonnes of increase in the change in output and we arrived at 16.15% through (2,943,341.04 /18,226,436.31) * 100 16.15% (16.15% increase in emissions).*

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

☑ Yes

(7.12.1) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
	482.73	-

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

20745890.36

(7.15.1.3) GWP Reference

Select from:
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:
☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

2769.28

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

148885.34

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Turkey	*20897544.9*	*120182.1*	*113186.19*

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By facility

☑ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Flights*	*20846784.2*
Row 2	*Ground Operastions (On Road&Off Road Vehicles)*	*1748.449*
Row 3	*Offices (headquarters, sales offices, training center, cargo facilities, terminal offices)*	*14706.401*
Row 4	*Subsidiaries*	*34305.893*

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

Ankara

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

71.97

(7.17.2.3) Latitude

40.124

(7.17.2.4) Longitude

32.9992

Row 2

(7.17.2.1) Facility

Istanbul (Including Scope 1 GHG emissions from Aircrafts and Headquarters)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

20863150.97

(7.17.2.3) Latitude

41.263844

(7.17.2.4) Longitude

28.705559

Row 3

(7.17.2.1) Facility

Izmir

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

16.14

(7.17.2.3) Latitude

38.2924

(7.17.2.4) Longitude

27.157

Row 4

(7.17.2.1) Facility

Subsidiaries

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

34305.89

(7.17.2.3) Latitude

41.263844

(7.17.2.4) Longitude

28.705559

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Mobile combustion (Aircraft fuel, on & off road vehicles)*	*20853914.81*
Row 3	*Stationary combustion (Heating, generators, and others)*	*34213.3*
Row 4	*Fugitive emissions (Refrigerator, chiller, current breaker,air conditioning, cold chambers, fire extinguishers)*	*9416.87*

(7.19) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport services activities	*20846818.41*	-

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By facility

☑ By activity

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*GPU (Ground Power Unit) & 400 Hz*	*1859.42*	*1859.42*
Row 2	*Offices (sales locations, technical units, training centers, warehouse)*	*118322.68*	*111326.77*

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

	Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Istanbul*	*119459.42*	*112463.52*
Row 3	*Izmir*	*488.28*	*488.28*
Row 4	*Ankara*	*234.39*	*234.39*

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

Row 1

(7.20.3.1) Activity

Electricity consumption

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

49493.25

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

42497.35

Row 2

(7.20.3.1) Activity

Ground Power Unit (GPU) Usage (InternCentral heating with natural gas

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

490.44

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

490.44

Row 3

(7.20.3.1) Activity

400 Hz Consumption (Domestic)

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

365.07

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

365.07

Row 4

(7.20.3.1) Activity

400 Hz Consumption (International)

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

377.58

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

377.58

Row 5

(7.20.3.1) Activity

GPU Usage (Domestic)

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

581.78

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

581.78

Row 6

(7.20.3.1) Activity

GPU Usage (International)

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

534.98

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

534.98

Row 7

(7.20.3.1) Activity

Electricity Consumption for Heating/Cooling

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

1120.17

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

1120.17

Row 8

(7.20.3.1) Activity

Subsidaries

(7.20.3.2) Scope 2, location-based (metric tons CO2e)

67218.82

(7.20.3.3) Scope 2, market-based (metric tons CO2e)

67218.82

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Transport services activities	*43721.466*	*43721.466*	-

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

20897544.97

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

120182.1

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

113186.19

(7.22.4) Please explain

The consolidated financial group of Türk Hava Yolları Anonim Ortaklığı (the “Company”) and its subsidiaries (together the “Group”) as of 31 December 2023 consists of all subsidiaries. The emission figures provided represent the Group's consolidated emissions, reflecting the total emissions from all subsidiaries included in the consolidated financial group.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

According to Turkish Airlines' GHG consolidation approach, entities in which the company holds equity but are not consolidated into the financial accounting group are categorized under Scope 3, Category 15 (Investments). Consequently, emissions from these entities (associates) are excluded from Scope 1 and 2 emissions

reporting. This approach ensures that only emissions from fully controlled or consolidated entities(subsidiaries) are included in Scope 1 and 2, while emissions from equity holdings in associates are reported under Scope 3.

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

THY Teknik A.Ş.

(7.23.1.2) Primary activity

Select from:

☑ Engineering services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ D-U-N-S number

☑ Other unique identifier, please specify **:**TSN

(7.23.1.10) D-U-N-S number

56-558-86

(7.23.1.11) Other unique identifier

589667-0

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

31395.63

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

47284.16

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

47284.16

(7.23.1.15) Comment

-

Row 2

(7.23.1.1) Subsidiary name

THY Uçuş Eğitim ve Havalimanı İşletme A.Ş.

(7.23.1.2) Primary activity

Select from:
☑ Education services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ Other unique identifier, please specify **:**TSN

(7.23.1.11) Other unique identifier

19010-EFELER

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

2094.943

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

435.884

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

435.884

(7.23.1.15) Comment

-

Row 3

(7.23.1.1) Subsidiary name

THY Teknoloji ve Bilişim A.Ş.

(7.23.1.2) Primary activity

Select from:
☑ IT services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ Other unique identifier, please specify **:**TSN

(7.23.1.11) Other unique identifier

280811-5

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

476.417

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

596.828

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

596.828

(7.23.1.15) Comment

-

Row 4

(7.23.1.1) Subsidiary name

THY Destek Hizmetleri A.Ş.

(7.23.1.2) Primary activity

Select from:
☑ Transportation support services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ Other unique identifier, please specify **:**TSN

(7.23.1.11) Other unique identifier

447447-5

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

212.814

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

97.045

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

97.045

(7.23.1.15) Comment

-

Row 5

(7.23.1.1) Subsidiary name

TCI Kabin İçi Sistemleri San ve Tic. A.Ş.

(7.23.1.2) Primary activity

Select from:
☑ Transportation support services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ D-U-N-S number
☑ Other unique identifier, please specify **:**TSN

(7.23.1.10) D-U-N-S number

505241403

(7.23.1.11) Other unique identifier

776695

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

126.09

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

18804.9

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

18804.9

(7.23.1.15) Comment

-

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Other allocation method, please specify :based on revenue

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

7114605

(7.26.9) Emissions in metric tonnes of CO2e

7099.67

(7.26.10) Uncertainty (±%)

1

(7.26.11) Major sources of emissions

Consumption of Jet A1

(7.26.12) Allocation verified by a third party?

Select from:

☑ Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The vast majority of our emissions come from our aviation fuels. So we selected to allocate our scope 1 emissions.

(7.26.14) Where published information has been used, please provide a reference

NA

Row 2

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:
☑ Company wide

(7.26.6) Allocation method

Select from:
☑ Other allocation method, please specify :based on revenue

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:
☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

5587996

(7.26.9) Emissions in metric tonnes of CO2e

5576.26

(7.26.10) Uncertainty (±%)

1

(7.26.11) Major sources of emissions

Consumption of Jet A1

(7.26.12) Allocation verified by a third party?

Select from:

☑ Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The vast majority of our emissions come from our aviation fuels. So we selected to allocate our scope 1 emissions.

(7.26.14) Where published information has been used, please provide a reference

NA

Row 3

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Other allocation method, please specify :based on revenue

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

558674

(7.26.9) Emissions in metric tonnes of CO2e

557.5

(7.26.10) Uncertainty (±%)

1

(7.26.11) Major sources of emissions

Consumption of Jet A1

(7.26.12) Allocation verified by a third party?

Select from:

☑ Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The vast majority of our emissions come from our aviation fuels. So we selected to allocate our scope 1 emissions.

(7.26.14) Where published information has been used, please provide a reference

NA

Row 4

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Other allocation method, please specify :based on revenue

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

820000

(7.26.9) Emissions in metric tonnes of CO2e

818.28

(7.26.10) Uncertainty (±%)

1

(7.26.11) Major sources of emissions

Consumption of Jet A1

(7.26.12) Allocation verified by a third party?

Select from:

☑ Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The vast majority of our emissions come from our aviation fuels. So we selected to allocate our scope 1 emissions.

(7.26.14) Where published information has been used, please provide a reference

NA

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:

☑ We face no challenges

(7.27.2) Please explain what would help you overcome these challenges

We have no challenges.

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ No

(7.28.3) Primary reason for no plans to develop your capabilities to allocate emissions to your customers

Select from:

☑ No standardized procedure

(7.28.4) Explain why you do not plan to develop capabilities to allocate emissions to your customers

NA

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 30% but less than or equal to 35%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ Yes
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

80433508.83

(7.30.1.4) Total (renewable and non-renewable) MWh

80433508.83

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

15937

(7.30.1.3) MWh from non-renewable sources

115301.75

(7.30.1.4) Total (renewable and non-renewable) MWh

131238.75

Consumption of purchased or acquired heat

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

2421.42

(7.30.1.4) Total (renewable and non-renewable) MWh

2421.42

Total energy consumption

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

15937

(7.30.1.3) MWh from non-renewable sources

80551232

(7.30.1.4) Total (renewable and non-renewable) MWh

80567169

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

Other biomass

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

1877.46

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

Coal

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

Oil

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

Gas

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

56802.54

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

80374828.83

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

80433508.83

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ Turkey

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Small hydropower (<25 MW)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

15937.27

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Turkey

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ Yes

(7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2008

(7.30.14.10) Comment

-

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Turkey

(7.30.16.1) Consumption of purchased electricity (MWh)

115301.75

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

2421.4

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

117723.15

(7.36) Provide any efficiency metrics that are appropriate for your organization’s transport products and/or services.

Row 1

(7.36.1) Activity

Select from:
☑ Aviation

(7.36.2) Metric figure

0.025063

(7.36.3) Metric numerator

Select from:
☑ Other, please specify **:**kg of fuel

(7.36.4) Metric denominator

Select from:

☑ Available seat.km

(7.36.5) Metric numerator: Unit total

6554847000

(7.36.6) Metric denominator: Unit total

261533000000

(7.36.7) % change from last year

-0.1

(7.36.8) Please explain

The emission intensity value has been revised for 2022 using kg of fuel as metric numerator and available seat km as metric denominator. Considering the change in fuel consumption intensity in 2022 compared to 2023, a decrease of 0,10% was observed. Turkish Airlines fleet performed more efficient flights in 2023 compared to 2022 where the recalculated intensity figure is "0.025089 kg of fuel" per seat.km.

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0000799754

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

20916202.37

(7.45.3) Metric denominator

Select from:

☑ passenger kilometer

(7.45.4) Metric denominator: Unit total

261533000000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

0.15

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

(7.45.9) Please explain

Due to the increase of new generation fuel efficient aircraft number in our fleet, the intensity figure has decreased.In our operations, there were more fuel-efficient flights compared to 2022, where the intensity figure was 0.00008009421. There is a 0.15% reduction in emission intensity according to total passenger km.

(7.51) What are your primary intensity (activity-based) metrics that are appropriate to your emissions from transport activities in Scope 1, 2, and 3?

Aviation

(7.51.1) Scopes used for calculation of intensities

Select from:

☑ Report Scope 1 + 2

(7.51.2) Intensity figure

0.00007977

(7.51.3) Metric numerator: emissions in metric tons CO2e

20863239.09

(7.51.4) Metric denominator: unit

Select from:

☑ p.km

(7.51.5) Metric denominator: unit total

261533000000

(7.51.6) % change from previous year

-0.4

(7.51.7) Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

According to the passenger.km value in 2023, there is a decrease of approximately 0,40 % in emission intensity compared to 2022 where the intensity figure was 0.00008009. This means that there is a decrease in emission intensity and an increase in efficiency compared to last year.

ALL

(7.51.1) Scopes used for calculation of intensities

Select from:

☑ Report Scope 1 + 2

(7.51.2) Intensity figure

0.00007977

(7.51.3) Metric numerator: emissions in metric tons CO2e

20863239.09

(7.51.4) Metric denominator: unit

Select from:

☑ p.km

(7.51.5) Metric denominator: unit total

261533000000

(7.51.6) % change from previous year

-0.4

(7.51.7) Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

According to the passenger.km value in 2023, there is a decrease of approximately 0,40 % in emission intensity compared to 2022 where the intensity figure was 0.00008009. This means that there is a decrease in emission intensity and an increase in efficiency compared to last year.

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Intensity target

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

☑ Int 1

(7.53.2.2) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.53.2.5) Date target was set

12/31/2023

(7.53.2.6) Target coverage

Select from:

☑ Organization-wide

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

(7.53.2.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.2.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.2.11) Intensity metric

Select from:

☑ Other, please specify **:**ASK (Available Seat Kilometer)

(7.53.2.12) End date of base year

12/31/2023

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.000079904

(7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

4.6e-7

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000803640

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

100

(7.53.2.55) End date of target

12/31/2030

(7.53.2.56) Targeted reduction from base year (%)

8.17

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

0.0000737983

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

47.7

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.000079904

(7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

4.6e-7

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.0000803640

(7.53.2.81) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

0.00

(7.53.2.83) Target status in reporting year

Select from:

☑ New

(7.53.2.85) Explain target coverage and identify any exclusions

This target uses the CDP route and covers 100% of Scope 1 and Scope 2 emissions with an Available Seat Kilometre intensity with the target year of 2030. This target was set in 2023 which is the base year and the reporting year, as a new target. The intensity of GHG reduction is 8.17%.

(7.53.2.86) Target objective

Our target objective is to reduce our intensity emissions for available seat km.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

The technical developments in the aviation sector, the plans made by our organization for the purchase of aircraft with high fuel efficiency, and the projections made regarding the use of SAF constitute the general framework to reach the target. As of 2023, fleet modernization, new-generation aircraft purchases, and SAF use have been carried out, taking into account the principles of sustainability in terms of financial and climatic conditions.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

☑ No

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Targets to increase or maintain low-carbon energy consumption or production

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 1

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.2) Date target was set

12/31/2022

(7.54.1.3) Target coverage

Select from:

☑ Site/facility

(7.54.1.4) Target type: energy carrier

Select from:

☑ Electricity

(7.54.1.5) Target type: activity

Select from:

☑ Consumption

(7.54.1.6) Target type: energy source

Select from:

☑ Renewable energy source(s) only

(7.54.1.7) End date of base year

12/31/2022

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

17756

(7.54.1.9) % share of low-carbon or renewable energy in base year

100

(7.54.1.10) End date of target

12/31/2023

(7.54.1.11) % share of low-carbon or renewable energy at end date of target

100

(7.54.1.12) % share of low-carbon or renewable energy in reporting year

100

(7.54.1.14) Target status in reporting year

Select from:

☑ Achieved

(7.54.1.16) Is this target part of an emissions target?

No.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

It covers the amount of electricity that Turkish Airlines consumes directly from the grid at the company's buildings located in the Atatürk Airport region. In this target, it is planned to source the electricity demand from the grid and to source 100% of total consumption from renewable sources. Our total renewable electricity consumption in the AHL Region for 2023 is 15.902 MWH.

(7.54.1.20) Target objective

The strategic objective of this target is to increase Turkish Airlines' reliance on renewable energy sources, specifically for the electricity consumed at the company's buildings located in the Atatürk Airport (AHL) region. This target aligns with Turkish Airlines' broader sustainability strategy by reducing the carbon footprint associated with its energy consumption and contributing to the company's environmental goals.

(7.54.1.22) List the actions which contributed most to achieving this target

IREC certificates were purchased for 100% of the total purchased electricity at the company's buildings located in the Atatürk Airport region.

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*0*	*`Numeric input*
To be implemented	*2*	*22050*
Implementation commenced	*1*	*1858*
Implemented	*19*	*226265*
Not to be implemented	*0*	*`Numeric input*

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Company policy or behavioral change

☑ Resource efficiency

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

226265

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

67656907

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

670778

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ Ongoing

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Internal incentives/recognition programs

(7.55.3.2) Comment

Our Performance Management System ensures that the goals of the Incorporation are converted into department and employee goals and monitored through sub-processes of employee-based goal setting, orientation, feedback, evaluation, and development planning. Through this system, we evaluate the performance of our employees, contributing to their development and supporting them to unlock their potential. We evaluate their performance in terms of targets,competencies, and compliance with corporate values. As of 2024, we shall implement the ROTA performance management system for all our ground employees in the Incorporation. Our performance management system consists of four components: Goals, competencies, compliance with corporate values, and employee loyalty. We expect our employees to set business,organizational, and personal development goals. We determine the competencies specific to the position depending on the work performed by the employees. We apply the Employee Loyalty Survey for supervisors and higher executive positions, and the Values Compliance Survey, which is a stakeholder assessment of the values of the Incorporation, for positions other than supervisors and executives. We measure the compliance of our employees with the corporate values of the Incorporation through ROTA A292components of competencies and questionnaires. We hold periodic feedback meetings with our managers so that they can follow the development of our employees. At the end of the year, we determine the scores of our employees in line with the target and competency evaluations made by the managers and the survey results. According to these results, as part of our reward system, our domestic employees who show superior performance for two consecutive years receive 1 grade advancement. This grade advancement directly affects the basic wage of the employee.

Row 2

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

Our activities, products and services continued to be carried out in accordance with the requirements of the TS EN ISO 14001: 2015 Environmental Management System Standard in 2021, and the Environmental Management System Certificate continued to be valid as a result of the audits performed. Adopting the principle of "continuous improvement," we aim to go beyond compliance with the requirements while carrying out our activities. Accordingly, we participated in the IATA Environmental Assessment Management System Program (IATA Environmental Assessment - IEnvA) specially designed for airline companies by the International Air Transport Association (IATA), with a management model specific to airline companies in order to strengthen the ISO 14001 Environmental Management System which we have been implementing since 2013. We have successfully completed the audit conducted by an independent third-party organization authorized by IATA. Turkish Airlines has become the first airline to directly obtain the "Stage 2 Certificate," which is the highest level certificate in the IEnvA System and represents the highest level of IEnvA compliance.

Row 3

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

The majority of energy used in Turkish Airlines' operations comes from aircraft fuels. Although ground operations constitute a smaller portion of total energy consumption, extensive energy efficiency practices are conducted for these operations. The majority of the energy needed in these operations is generated from electricity and natural gas resources. In energy-intensive ground operations, energy efficiency improvement projects in line with energy audit reports are implemented regularly. In addition, apart from our flight activities, energy saving practices are also carried out in our buildings. With our energy efficiency studies in our Incorporation's facilities, 30,728.7 GJ of energy savings were achieved in 2023. In 2022, efficiency projects helped reduce electricity consumption by approximately 21.8% in 2022 compared to 2019. These projects included adjusting ambient air temperatures, installing heaters in boiler systems used in buildings to provide hot water, upgrading the heating lines, and replacing gases used in cooling systems with alternatives that have a lower impact on global warming. Within the scope of the Operation Center indoor car park project planned as of 2022, it is planned to install a total of 560 charging units for electric vehicles in an area for 3,700 vehicles. In line with the long-term strategy of Turkish Airlines, assessments are being conducted on operational areas suitable for renewable energy applications, and investments in solar energy are currently in progress. As Turkish Airlines, we constantly review the needs and requirements and plan solar energy investments in suitable areas. In our new buildings, we aim to meet at least 5% of our energy needs from renewable sources. In this context, we received the I-REC Certificate for our entire electricity consumption in the AHL Region in 2023 in our existing buildings in the Atatürk Airport (AHL) region. We provide 100% of our electricity consumption from renewable sources in the AHL region, and approximately 14.4% of our electricity consumption considering the total of AHL and Istanbul Airport (IHL) regions. All of the electricity used in the buildings in the AHL region was purchased from suppliers producing from renewable resources. In this context, we purchased a total of 57369.6 GJ of renewable energy with I-REC Certificate in 2023.

Row 4

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Turkish Airlines adopts the climate change targets that the IATA has set for the aviation industry and integrates them into its business strategies. Within this scope, Turkish Airlines improves its performance in various areas, including energy and emission management, resource eciency, fleet modernization, and sustainable aviation fuel studies throughout its operations and incorporates industry best practices into its business strategy. In 2023, we developed and published our 2033 strategy within the framework of our steady growth target. The concept of "sustainability" is one of the main headings in Turkish Airlines' 10-year strategy covering the years 2023-2033, and it is among the cornerstones of our strategy. Through our strategy, we have committed to become a "carbon-neutral" airline by 2050 in order to the fight against climate change. The sub-components that will enable us to reach our long-term commitment are as follows: • New Generation Aircraft: We started to implement fleet improvements such as the integration of our new generation aircraft into the fleet and avionic applications. In line with our Strategic Plan by 2033, the new generation aircrafts in our fleet will constitute at least 95% of the total fleet. With our new generation aircrafts, we reduce carbon emissions by 15-20% compared to old generation aircraft. • Sustainable Aviation Fuel: We conducted our first flight using SAF in 2022 and currently, we use SAF regularly on one flight per week. We aim to continue SAF usage on increasing frequencies and destinations, establish long-term procurement agreements with SAF suppliers, and to collaborate with companies planning production in Türkiye. • Renewable Energy: We aim to meet at least 5% of the energy needed in our new buildings from renewable sources. We plan to invest in Renewable Energy Projects that can meet and/or offset the energy needs of our Incorporation.

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☑ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The IEA Energy Technology Perspectives Clean Energy Technology Guide

(7.74.1.3) Type of product(s) or service(s)

Aviation

☑ Geared Turbo Fan/ Ultra-High Bypass Ratio engine

(7.74.1.4) Description of product(s) or service(s)

Ultra-high bypass ratio (UHBR) enables an increase in the bypass-airflow (i.e. the airflow not entering the core engine) to enhance propulsion efficiency. This requires an increased fan diameter, which cannot be directly mounted on the main shaft of the engine (otherwise its rotational speed would be too high), and hence requires changes to the design of the airframe itself. The fan is driven through a mechanical reducer. Airplanes with this engine provide 16% fuel savings and reduce emissions at the same rate.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ The Avoided Emissions Framework (AEF)

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Gate-to-gate

(7.74.1.8) Functional unit used

Operating an "Airbus A321-neo (fuel-efficient new generation) aircraft" for 120.324.706 km.

(7.74.1.9) Reference product/service or baseline scenario used

Operating an "Airbus A321 aircraft" for 120.324.706 km.

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Gate-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

252.806

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

Thanks to the "Geared Turbo Fan" engines of our Airbus A321-neo aircraft in our fleet, we consume 16% less fuel. If our new generation A321-neo aircraft were not in our fleet, 16% more fuel would be consumed at the same distance. Based on this assumption, the calculation was made by converting the estimated fuel savings, which we calculated by using the distance and fuel amount of our A321-neo aircraft in our fleet in 2023, into emissions.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

9

(7.75) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Row 1

(7.75.1) Activity

Select from:

☑ Aviation

(7.75.2) Metric

Select from:

☑ Fleet adoption

(7.75.3) Technology

Select from:

☑ Other, please specify **:**Fuel efficient aircraft

(7.75.4) Metric figure

31

(7.75.5) Metric unit

Select from:

☑ Other, please specify **:**% of fleet

(7.75.6) Explanation

As of the end of 2023; Turkish Airlines' fleet, one of the most modern fleets in Europe, consists of a total of 440 aircraft, including 120 wide-body, 296 narrow body, 416 passenger aircraft and 24 cargo aircraft. With the historic order it placed with the European manufacturer Airbus in December 2023, it plans to add 355 new generation aircraft to its fleet in the coming years. Turkish Airlines, which continues to invest in its fleet environmentally friendly and maximum comfort aircraft in order to maintain its award-winning service quality, aims to reach a fleet of more than 800 aircraft in its 100th year.In 2023, 16 aircraft joined the TK fleet, 4 aircraft joined the cargo fleet and 30 aircraft joined the AJet fleet. The ratio of new generation aircraft in the fleet by the end of 2023 is 31% in the entire fleet, 34% for narrow body aircraft and 32% for wide body aircraft.

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ Yes

(7.79.1) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Row 1

(7.79.1.1) Project type

Select from:

☑ Hydro

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

KOYULHISAR HYDRO ELECTRICITY POWER PLANT Bereket Enerji Üretim San. ve Tic. A. S. has constructed Koyulhisar Hydro Electric Power Plant (HPP) on the Kelkit Stream, within the jurisdiction of Koyulhisar Town of Sivas Province, Turkey. The purpose of the project is electricity production using the potential energy of Kelkit Stream as a renewable resource. Therefore, the electricity is going to be produced without causing airborne pollutants or Green House Gas (GHG) emissions. The annual average electricity production is expected to be a maximum of around 220,000 MWh. Based on Turkey's Combined Margin Emission Factor of 0.52826 tCO2e/MWh, the project is expected to produce 116,217 tonnes of CO2e GHG reductions each year. The project is also contributing to the local economy by providing jobs and creating other social benefits.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

5000

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2021

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

☑ Investment analysis

☑ Barrier analysis

☑ Market penetration assessment

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Other, please specify **:** There are no leakage emissions related to project activity

(7.79.1.13) Provide details of other issues the selected program requires projects to address

15426-693340659-693345658-VCS-VCU-290-VER-TR-1-713-01012021-31122021-0

(7.79.1.14) Please explain

Within the scope of the CO2mission program; Emissions from all business travels of our employees are offset by Turkish Airlines. In this context, 5000 metric tons CO2 credits were purchased and canceled by Turkish Airlines from this project in the reporting year.

Row 2

(7.79.1.1) Project type

Select from:

☑ Wind

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

BARES II WIND POWER PLANT Bares Elektrik Üretim A.Þ. implemented a wind power plant in Balýkesir province of Turkey. The project is located in the Balikesir city close to the coastline of the Sea of Marmara, Turkey. The project involves the installation of 20 unit of GE1,5SE wind power turbines with a total capacity of 30 MW. Expected annual electricity generation is 109.9 GWh. Annualy calculated emission reduction is 71,710 tCO2e. Power plant is in operation since June 2006.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

25

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2013

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ Gold Standard

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

☑ Investment analysis

☑ Barrier analysis

☑ Market penetration assessment

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Other, please specify **:**There are no leakage emissions related to project activity

(7.79.1.13) Provide details of other issues the selected program requires projects to address

GS1-1-TR-GS1072-12-2013-3571-73836-73860

(7.79.1.14) Please explain

As the Co-Host airline of the 'IATA Annual General Meeting & World Air Transport Summit 2023,' Turkish Airlines sponsored the carbon offsets for the AGM and WATS. Accordingly, we voluntarily purchased and canceled corresponding carbon credits through our CO2mission program.

Row 3

(7.79.1.1) Project type

Select from:

☑ Hydro

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

Büyükdüz Hydroelectric Power Plant Buyukduz Hydroelectric Power Plant is a run-of-river type hydroelectric renewable energy project with an installed capacity of 70.844 MWm / 68.862 MWe. It is located in the Eastern Black Sea Region, Gumushane Province, Kurtun District of Turkey.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

2985

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2017

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

☑ Investment analysis

☑ Barrier analysis

☑ Market penetration assessment

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Other, please specify **:**There are no leakage emissions related to project activity

(7.79.1.13) Provide details of other issues the selected program requires projects to address

10069-175248567-175251551-VCS-VCU-1514-VER-TR-1-1322-01012017-31102017-0

(7.79.1.14) Please explain

As the Co-Host airline of the 'IATA Annual General Meeting & World Air Transport Summit 2023,' Turkish Airlines sponsored the carbon offsets for the AGM and WATS. Accordingly, we voluntarily purchased and canceled corresponding carbon credits through our CO2mission program.

Row 4

(7.79.1.1) Project type

Select from:

☑ Solar

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

Gezin Solar Power Project Lahit Elektrik Üretim A.S., Petrojes Elektrik Üretim A.S. and Solarges Elektrik Üretim A.S. invested into a new Solar Power Project called Gezin Solar Power Project (SPP). Gezin SPP involves installation and operation of 4 unlicensed (Gezin 3, Gezin 4, Gezin 5 and Solarges) solar power projects. The project site is located in Maden district of Küçükova village, in Elazig province of Turkey. The total capacity of the project is 3.83 MWe. An estimated net electricity generation of 6963 MWh per year by the efficient utilization of the available solar energy by project activity replace the grid electricity, which is constituted of different fuel sources, mainly fossil fuels. The electricity produced by project activity results in a total emission reduction of 3,952 tonnes of CO2e/year.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

25

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2018

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Investment analysis

☑ Standardized Approaches

☑ Other, please specify **:**Since the project activity is a solar photovoltaic electricity generation project of capacity 3.83 MW, it can be concluded from the above list that the project activity is automatically additional and does not require demonstration of barriers.

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Other, please specify **:**There are no leakage emissions related to project activity

(7.79.1.13) Provide details of other issues the selected program requires projects to address

12381-407466766-407466790-VCS-VCU-1415-VER-TR-1-1870-15012018-31122018-1

(7.79.1.14) Please explain

As the Co-Host airline of the 'IATA Annual General Meeting & World Air Transport Summit 2023,' Turkish Airlines sponsored the carbon offsets for the AGM and WATS. Accordingly, we voluntarily purchased and canceled corresponding carbon credits through our CO2mission program.

Row 5

(7.79.1.1) Project type

Select from:

☑ Clean cookstove distribution

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

Improved Kitchen Regimes Eritrea This project involves the distribution of approximately 8000 domestic fuel-efficient cook stoves to households within the Anseba district in Eritrea.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

25

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2016

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ Gold Standard

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

☑ Other, please specify **:**Since the project country is is classified as an LDC (Least Developed Country), the project meets the deemed additionality criteria, so financial or other barrier analysis are not required for proving additionality

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Activity-shifting

(7.79.1.13) Provide details of other issues the selected program requires projects to address

GS1-1-ER-GS4036-16-2016-5979-475-499

(7.79.1.14) Please explain

As the Co-Host airline of the 'IATA Annual General Meeting & World Air Transport Summit 2023,' Turkish Airlines sponsored the carbon offsets for the AGM and WATS. Accordingly, we voluntarily purchased and canceled corresponding carbon credits through our CO2mission program.

Row 6

(7.79.1.1) Project type

Select from:

☑ Reforestation

(7.79.1.2) Type of mitigation activity

Select from:

☑ Emissions reduction

(7.79.1.3) Project description

Maisa REDD Brasil The Project REDD Maísa is a result of the partnership between Biofilica Environmental Investments, Sipasa-Seringa and Maísa-Moju Agroindustrial aiming to promote forest conservation and emissions reductions from unplanned deforestation by attributing value to "standing forest" by integrating its multiple use in a sustainable fashion: the sustainable forest management with low impact logging techniques, small scale agriculture, collecting non-wood forest products and trade of environmental services credits.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

25

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2015

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

☑ Investment analysis

☑ Barrier analysis

☑ Market penetration assessment

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Ecological leakage

(7.79.1.13) Provide details of other issues the selected program requires projects to address

9670-116311846-116311870-VCS-VCU-261-VER-BR-14-1329-22052014-21052015-0

(7.79.1.14) Please explain

As the Co-Host airline of the 'IATA Annual General Meeting & World Air Transport Summit 2023,' Turkish Airlines sponsored the carbon offsets for the AGM and WATS. Accordingly, we voluntarily purchased and canceled corresponding carbon credits through our CO2mission program.

Row 7

(7.79.1.1) Project type

Select from:

☑ Afforestation

(7.79.1.2) Type of mitigation activity

Select from:

☑ Carbon removal

(7.79.1.3) Project description

Guanere Cerro Largo Uruguay The project will comprise a total of 21,298 ha of land previously under extensive grazing by beef cattle, on which forest plantations for obtaining high-value, long-lived timber products and for sequestering large amounts of carbon dioxide from the atmosphere will be established.

(7.79.1.4) Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

25

(7.79.1.5) Purpose of cancelation

Select from:

☑ Voluntary offsetting

(7.79.1.6) Are you able to report the vintage of the credits at cancelation?

Select from:

☑ Yes

(7.79.1.7) Vintage of credits at cancelation

2013

(7.79.1.8) Were these credits issued to or purchased by your organization?

Select from:

☑ Purchased

(7.79.1.9) Carbon-crediting program by which the credits were issued

Select from:

☑ VCS (Verified Carbon Standard)

(7.79.1.10) Method the program uses to assess additionality for this project

Select all that apply

☑ Consideration of legal requirements

☑ Investment analysis

☑ Barrier analysis

☑ Market penetration assessment

(7.79.1.11) Approaches by which the selected program requires this project to address reversal risk

Select all that apply

☑ Monitoring and compensation

(7.79.1.12) Potential sources of leakage the selected program requires this project to have assessed

Select all that apply

☑ Activity-shifting

(7.79.1.13) Provide details of other issues the selected program requires projects to address

(7.79.1.14) Please explain

As the Co-Host airline of the 'IATA Annual General Meeting & World Air Transport Summit 2023,' Turkish Airlines sponsored the carbon offsets for the AGM and WATS. Accordingly, we voluntarily purchased and canceled corresponding carbon credits through our CO2mission program.

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☑ Yes

(10.1.2) Target type and metric

Plastic packaging

☑ Increase the proportion of renewable content from responsibly managed sources in plastic packaging

☑ Reduce or eliminate the use of hazardous substances

Plastic goods/products

☑ Reduce the total weight of plastics in our goods/products

(10.1.3) Please explain

One of our 2024 targets is to remove plastics cups by increasing sustainable products and services offered on board. In Waste Management, we follow a roadmap such as preventing waste from occurring, promoting the use of circular resources and preferring sustainable products. We encourage the reuse of products and then direct them to recycling, energy recovery or disposal processes. We monitor and implement our waste management through national and international legislation and environmental management systems such as ISO 14001 Environmental Management System and IEnvA. We provide waste management and zero waste trainings to all our employees to raise awareness on waste management and manage our resource use with digital solutions. We develop projects to reduce waste generation both on our campuses and on aircraft board and aim to expand our in-cabin sorting practices. We work to separate our waste and bring it back into the economy, and we follow an environmentally friendly policy by using recyclable plastic packaging. We aim to increase the percentage of recycled nylon with our improvements. We send organic, paper and packaging waste to licensed recycling companies in catering production and distribution areas. We make efforts to reduce the use of plastic in packaging materials and waste from packaging and prioritize reusable and recyclable products in material selection. We evaluate the environmental, economic and legal impacts of single-use plastics and take steps to reduce their use. We prefer reusable equipment, especially in the catering offered to customers on international flights. We have taken important steps to reduce single-use plastics in 2023, and we continue to work on this issue. We work on alternative solutions to replace single-use plastics in products provided on board the aircraft. In addition, since 2018, we have been using compostable raw materials in headset and passenger

blanket packaging and offering wooden mixers. We prioritize the control and reduction of chemical substances in our operations and ensure efficiency in anti-icing and aircraft painting processes. Furthermore, we take necessary actions to inform our employees about hazardous substances and create awareness about their effects and general precautions. We are scaling up our efforts to reduce the use of single-use plastics by using more sustainable products. In this scope, we fulfill our environmental responsibility through our membership in aviation industry associations and participation in national initiatives. By prioritizing human and environmental health in material choices, we minimize the use of plastics and evaluate plastic alternatives. In 2023, we took important steps to reduce single-use plastics. Especially in our on-board services, we reduce our environmental impact by using compostable materials instead of plastic and offering FSC-certified wooden toys. Furthermore, we collaborate with authorized companies for the recycling of our plastic packaging. In line with our goal of offering our passengers a comprehensive, privileged and also sustainable travel experience that meets all their needs, sustainable products and services are of critical importance to us. Our efforts to reduce plastic use include reducing the use of plastic in packaging materials and the amount of waste from packaging. At the planning stage, we take care to select materials according to the principles of "reusability" and "recycling." For example, we use washable materials in the majority of our international services. In addition, we prefer materials made from sugar cane or corn starch instead of single-use plastics. We have reduced the amount of plastic by approximately 20 tons annually by replacing the stirring sticks of welcome drinks especially for our business class passengers with PLA-based materials produced from sugar cane. Furthermore, we reduced plastic consumption by 18 tons annually by using wooden mixers instead of plastic mixers in the sugar mixer sets used in our flights. While we continue to be sensitive to waste management, in line with our Sustainability Policy, our Sustainability Committee decided to replace the products used on board with sustainable ones, and we started to implement this in all our flights. Moreover, we have developed the content of our travel sets in line with sustainability principles. The toy sets in the children's kits were also specially prepared to raise environmental awareness and sensitivity. In line with our Sustainability Policy, we implement practices such as cleaning and re-serving used products in order to reduce the amount of waste and extend the service life of products.

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

-

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

-

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:
☑ Yes

(10.2.2) Comment

-

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

-

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:
☑ No

(10.2.2) Comment

-

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:

☑ Yes

(10.2.2) Comment

-

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

-

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

-

Other activities not specified

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

-

(10.4) Provide the total weight of plastic durable goods and durable components produced, sold and/or used, and indicate the raw material content.

Durable goods and durable components used

(10.4.1) Total weight during the reporting year (Metric tons)

0

(10.4.2) Raw material content percentages available to report

Select all that apply

☑ None

(10.4.7) Please explain

We consider conducting a comprehensive analysis of these materials to provide accurate data on their weight and raw material content. We anticipate completing this analysis and reporting this data within two years.
[Fixed row]

(10.5) Provide the total weight of plastic packaging sold and/or used and indicate the raw material content.

Plastic packaging used

(10.5.1) Total weight during the reporting year (Metric tons)

2481

(10.5.2) Raw material content percentages available to report

Select all that apply

☑ % virgin fossil-based content

(10.5.3) % virgin fossil-based content

100

(10.5.7) Please explain

For this analysis, we've assumed that the quantity used here is equivalent to the annual plastic waste amount. As we couldn't access the breakdown of recycled and renewable content, all of it has been considered as fossil-based. A detailed study on this matter is aimed to be conducted within the next two years.

(10.5.1) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is technically recyclable	Please explain
Plastic packaging used	*Select all that apply* ☑ % technically recyclable	*100*	*100% of our total plastic waste has the potential to be recycled.*

(10.6) Provide the total weight of waste generated by the plastic you produce, commercialize, use and/or process and indicate the end-of-life management pathways.

Usage of plastic

(10.6.1) Total weight of waste generated during the reporting year (Metric tons)

2481

(10.6.2) End-of-life management pathways available to report

Select all that apply

☑ Recycling

(10.6.4) % recycling

100

(10.6.12) Please explain

According to Turkish Airlines' plastic waste management data, the amount of technically recyclable plastic packaging is 2,481 kg, and the collected plastic packaging is handled by municipalities. In terms of end-of-life management pathways, 100% of the plastic waste is processed through recycling, indicating a complete recycling rate with no landfill reported.
[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

☑ Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

☑ Species management

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ Data not available	-
UNESCO World Heritage sites	*Select from:* ☑ Data not available	-
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ Data not available	-
Ramsar sites	*Select from:* ☑ Data not available	-
Key Biodiversity Areas	*Select from:* ☑ Data not available	-
Other areas important for biodiversity	*Select from:* ☑ Data not available	-

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Disclosure of risks and opportunities

☑ Other data point in module 3, please specify **:**Carbon Pricing

(13.1.1.3) Verification/assurance standard

Climate change-related standards

☑ Other climate change verification standard, please specify :UK ETS Emissions Trading Scheme

(13.1.1.4) Further details of the third-party verification/assurance process

Verified Scope 1 emissions in metric tons CO2e covered by UK ETS.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

UK ETS Verification Report_v01.pdf

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

	Additional information
	NA

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Executive Officer

(13.3.2) Corresponding job category

Select from:

☑ Chief Executive Officer (CEO)