



QNB Leasing
2025 TSRS-Compliant Sustainability Report

INDEPENDENT LIMITED ASSURANCE REPORT ON THE INFORMATION PRESENTED BY QNB LEASING IN ACCORDANCE WITH THE TURKISH SUSTAINABILITY REPORTING STANDARDS

To the General Assembly of QNB Leasing,

We have undertaken a limited assurance engagement on the information presented by QNB Leasing (the “Company”) in accordance with Turkish Sustainability Reporting Standards 1, General Requirements for Disclosure of Sustainability-related Financial Information, and Turkish Sustainability Reporting Standards 2, Climate-related Disclosures, for the year ended 31 December 2025 (the “Sustainability Information”).

Our assurance engagement does not cover information relating to prior periods or any other information associated with the Sustainability Information, including any images, audio files, website links or embedded videos.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, as described under the heading “Summary of the Work Performed as a Basis for the Assurance Conclusion”, nothing has come to our attention that causes us to believe that the Sustainability Information of the Company for the year ended 31 December 2025 has not been prepared, in all material respects, in accordance with the Turkish Sustainability Reporting Standards (“TSRS”) issued by the Public Oversight, Accounting and Auditing Standards Authority (“POA”) and published in the Official Gazette No. 32414(M) dated 29 December 2023. We do not express an assurance conclusion on information relating to prior periods or any other information associated with the Sustainability Information, including any images, audio files, website links or embedded videos.

Inherent Limitations in the Preparation of the Sustainability Information

The Sustainability Information is subject to inherent uncertainties arising from limitations in scientific and economic knowledge. Limitations in scientific knowledge used in the calculation of greenhouse gas emissions give rise to uncertainty. In addition, the Sustainability Information contains uncertainties arising from climate-related scenarios due to a lack of data concerning the likelihood, timing, and potential impacts of future physical and transition-related climate risks.

Other Considerations

The Company’s TSRS-Compliant Sustainability Report for the year ended 31 December 2024 was subject to a limited assurance engagement by another independent audit firm. The independent audit firm issued a positive conclusion in its report on the TSRS-Compliant Sustainability Report dated 11 August 2025.



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Management and Senior Management Responsibilities Regarding Sustainability Information

The Management of the Company is responsible for the following:

- preparing the Sustainability Information in accordance with the Turkish Sustainability Reporting Standards;
- designing, implementing and maintaining internal control relevant to the preparation of Sustainability Information that is free from material misstatement, whether due to fraud or error;
- selecting and applying appropriate sustainability reporting methods and making reasonable assumptions and estimates that are appropriate under the circumstances.

The Senior Management is responsible for overseeing the Company's sustainability reporting process.

Independent Auditor's Responsibilities for the Limited Assurance Engagement on the Sustainability Information

Our responsibilities are to:

- plan and perform the assurance engagement to obtain limited assurance as to whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- form an independent conclusion based on the evidence obtained and the procedures performed; and
- communicate our conclusion to the Company's Management.

As we are responsible for expressing an independent conclusion on the Sustainability Information prepared by the Management, we are not permitted to be involved in the preparation of the Sustainability Information in order to safeguard our independence.

Application of Professional Standards

We conducted our limited assurance engagement in accordance with Assurance Standard 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the Public Oversight, Accounting and Auditing Standards Authority ("POA"), and, with respect to the greenhouse gas emissions included in the Sustainability Information, Assurance Standard 3410, Assurance Engagements on Greenhouse Gas Statements.

Independence and Quality Control

We have adhered to the independence requirements and other ethical requirements set out in the Code of Ethics for Independent Auditors (including the Independence Standards) issued by the POA, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies the requirements of Quality Management Standard 1 and, accordingly, maintains a comprehensive quality control system, including written policies and procedures regarding compliance with ethical requirements, professional standards, and applicable laws and regulations. Our work was performed by an independent and multidisciplinary team comprising auditors and sustainability and risk specialists. We have used the work of our specialists to assist us in evaluating the reasonableness of information and assumptions relating to the Company's climate- and sustainability-related risks and opportunities. We are solely responsible for the assurance conclusion expressed by us.



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Summary of the Work Performed as a Basis for the Assurance Conclusion

We are required to plan and perform our work to address the areas in which we have identified a higher likelihood of material misstatement in the Sustainability Information. The procedures we perform are based on our professional judgment. In conducting our limited assurance engagement on the Sustainability Information, we:

- held in-person and online interviews with the Company's key senior personnel to obtain an understanding of the processes in place for compiling the Sustainability Information for the reporting period;
- used the Company's internal documentation to evaluate and examine sustainability-related information;
- evaluated the disclosure and presentation of sustainability-related information;
- obtained an understanding, through inquiries, of the Company's control environment and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of specific control activities, obtain evidence regarding their implementation, or test their operating effectiveness.
- We evaluated whether the Company's methods for developing estimates were appropriate and whether they had been applied consistently. However, our procedures did not include testing the data underlying the estimates or developing our own estimates to evaluate those of the Company.

The procedures performed in a limited assurance engagement differ in nature and timing from, and are less extensive than, those performed in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had a reasonable assurance engagement been performed.

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

Fatih Polat, Partner

23 July 2026 İstanbul,
Türkiye

QNB Leasing

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About the Report

Strategic Framework and Objective of the Report

By embracing sustainability as a fundamental component of its business strategy and responsible financing approach, QNB Leasing presents this report as a testament to its commitment to transparency and accountability towards its key stakeholders.

This report has been prepared to provide insight into how QNB Leasing (the “Company”) manages its material climate-related risks and opportunities, as well as the current and potential impacts of these risks and opportunities on the Company’s financial position, financial performance and cash flows.

Setting out the Company’s strategies aligned with Türkiye’s 2053 Net Zero vision and its contribution to sustainable development goals through concrete, verifiable and comparable data, this report has been prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS).

Accordingly, the report is structured around four core components, i.e. , **Governance, Strategy, Risk Management, and Metrics and Targets** through which the Company addresses sustainability- and climate-related matters.

Reporting Standards and Compliance Statement

This report has been prepared in full compliance with the Turkish Sustainability Reporting Standards (TSRS), namely, TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information and TSRS 2 Climate-related Disclosures, issued by the Public Oversight, Accounting and Auditing Standards Authority (POA) and published in the Official Gazette on 29 December 2023. The Report fulfills the disclosure requirements set out in TSRS 1 and TSRS 2 and contributes to the transparent presentation of QNB Türkiye's sustainability performance.

Scope and Boundaries of the Report

The report covers the financial year from 1 January to 31 December 2025. Unless otherwise stated, all monetary amounts presented in the report are expressed in Turkish lira (TRY).

The data and disclosures presented in the report relate to the operations of QNB Leasing. The Company has no subsidiaries, associates, or joint ventures subject to consolidation.

Underlying Principles of Reporting

Key Reporting Principles

In preparing this report, the Company meticulously observed the qualitative characteristics of information outlined in TSRS 1. Consequently, all data and statements have been verified to ensure they remain relevant, complete, neutral, accurate, and verifiable under the principle of Fair Presentation. The Company has also taken the utmost care to ensure the information is structured

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to meet the core tenets of Comparability, Understandability, and Timeliness.

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Comparative Data and Reliefs

This is the Company's second sustainability report published in accordance with the TSRS. During the first reporting period in 2024, the Company availed itself of the transitional reliefs provided under the TSRS for entities applying the standards for the first time. For the 2025 reporting period, the following transitional provisions continue to apply:

- **Scope 3 greenhouse gas emissions:** In its 2025 TSRS-Compliant Sustainability Report, QNB Leasing has availed itself of the exemption set out in Provisional Article 3 of the POA Board Decision on the Scope of Application of the TSRS, which states: “Entities are not required to disclose Scope 3 greenhouse gas emissions during the first two annual reporting periods in which they apply the TSRS within the scope of application.” .
- **Publication date of the report (TSRS 1 E4):** Under the transitional provisions of TSRS 1 E4, entities may publish their TSRS-compliant sustainability reports for the 2025 reporting period by the date on which their second-quarter financial statements are disclosed, regardless of whether interim financial reporting is mandatory or voluntary. Accordingly, QNB Leasing’s TSRS-Compliant Sustainability Report is being published in July 2026, following the disclosure of the financial statements for the 2025 reporting period.
- **Sustainability-related reliefs:**
 - **TSRS 1 E5:** The Company has availed itself of the relief concerning disclosures on sustainability-related risks and opportunities. Accordingly, the 2025 TSRS-Compliant Sustainability Report discloses information only on climate-related risks and opportunities.
 - **TSRS 1 E6(b):** The Company has availed itself of the relief from providing comparative information on sustainability-related risks and opportunities. Accordingly, the 2025 TSRS-Compliant Sustainability Report provides comparative information only in relation to climate-related risks and opportunities.

Related Information

This report forms part of QNB Leasing’s broader corporate reporting framework. To enable readers to assess the impact of sustainability matters on the Company’s overall performance and financial position from a holistic perspective, this report should be read together with the Company’s 2025 Annual Report, the financial statements for the relevant period, and the disclosures published on the Public Disclosure Platform (KAP).

Financial Materiality Approach

QNB Leasing uses both qualitative analyses and quantitative thresholds when assessing the financial impacts of climate-related risks and opportunities. Accordingly, and in alignment with QNB Bank, profit before tax is used to determine whether the impact of a climate-related risk or opportunity on financial performance is considered “material”. In addition to this quantitative threshold, other potential non-financial impacts are assessed qualitatively and classified as “low”, “medium”, or “high”, and are taken into consideration in decision-making processes.

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Forward-Looking Statements

This report may contain forward-looking statements concerning the Company’s plans, targets, projections and expectations for future periods. These statements are based on conditions and assumptions prevailing as of the date of publication of this Report and are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated.

Data Reliability and Independent Assurance

As part of the independent assurance engagement required under the Türkiye Sustainability Reporting Standards (TSRS), issued by the Public Oversight, Accounting and Auditing Standards Authority (POA) and published in the Official Gazette No. 32414 (M) dated 29 December 2023, this report has been subject to a limited assurance engagement conducted by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (EY) in accordance with GDS 3000, “*Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*”, and GDS 3410, “*Assurance Engagements on Greenhouse Gas Statements*”. The report includes the independent limited assurance statement.

To identify, measure, and disclose sector-specific climate-related risks and opportunities, the activities of QNB Leasing have been assessed in accordance with the SASB **Consumer Finance** industry framework under the Financials sector, and the relevant metrics have been incorporated into the reporting.

Contact

For questions, comments, or suggestions regarding the report, please contact us at onur.yilmaz@qnbleasing.com.tr or ozhan.orge@qnbleasing.com.tr.

About QNB Leasing

Reporting Entity

Founded in 1990, QNB Leasing continues to support its customers' investments as a pioneer in the leasing sector in Türkiye, leveraging its strong and widespread service network. The company provides financing to many sectors, including construction, healthcare, agriculture, and livestock. Adopted the principle of providing solutions tailored to customer requirements with its wide product portfolio and sector diversity, QNB Leasing is known for its innovative applications in the leasing sector.

QNB Leasing was among the first leasing companies to establish a branch network in Anatolia and now has an extensive service network across Türkiye, with a total of 13 branches, including one located in a Free Zone. As of year-end 2025, the Company accounted for 12.1% of the total transaction volume in Türkiye's leasing sector, carrying out transactions worth USD 934 million (TRY 40.02 billion) out of a sector-wide volume of USD 7.745 billion (TRY 331.84 billion). During the same period, the Company's total assets reached TRY 56.4 billion, while its net profit for the period amounted to TRY 1.829 billion.

As of year-end 2025, QNB Leasing serves 3,306 customers with a workforce of 131 employees and reaches customers across Türkiye through its operations and centers in nine cities. With a customer portfolio ranging from SMEs to large-scale enterprises, the company stands out as a significant supporter of economic growth and sustainable development. By leveraging innovative products and a customer-centric strategy, the Company fosters growth within the industries it serves.

Our Capital and Shareholding Structure

Shareholding Structure	Percentage
QNB Bank A.Ş.	99.4%
Free Float	0.6%

Business Model

The Company's business model is built around financing customers' investment needs through the leasing of machinery, equipment and other assets, enabling their use throughout the lease term while managing the associated financial risks. The most critical external dependencies across the value chain relate to stakeholders beyond the Company's control, including asset suppliers, funding providers, insurance companies, and maintenance and service providers. The sectors and geographic locations of leased assets also represent a significant external dependency.

Value Chain and Geographies of Operations

QNB Leasing’s value chain encompasses a range of institutions, resources and relationships associated with the delivery of its services. A value chain perspective has been adopted in identifying climate-related risks and opportunities, with risks classified across operational processes, customers, suppliers and supporting services.

Table 1. QNB Leasing Value Chain Analysis

Value Chain Component	Description	Location
Parent Company, QNB Bank (Direct Operations)	Group strategy, sustainability policies, and shared locations and infrastructure support	Türkiye
Employees (Direct Operations)	The Company’s own workforce	Türkiye
Regulatory Authorities (Direct Operations)	BRSA, POA, MASAK and other relevant authorities	Türkiye
Funding Sources (Upstream)	Funding obtained through domestic and international financial institutions, banks, and capital markets	Türkiye and international
Asset Suppliers (Upstream)	Manufacturers and sellers of machinery, equipment, vehicles, and other assets subject to leasing	Türkiye and international
Technology and Service Providers (Upstream)	Providers of IT infrastructure, software, data services, and operational support	Türkiye and international
Insurance and Maintenance Services (Upstream)	Insurance, maintenance and technical servicing of leased assets	Türkiye
Professional Services (Upstream)	Independent audit, legal, consulting and rating services	Türkiye and international
Customers (Downstream)	SMEs, corporate companies, and investors operating across various sectors	Türkiye
Financed Assets (Downstream)	Leased assets used in sectors such as energy, construction, manufacturing, and logistics	Türkiye

Governance

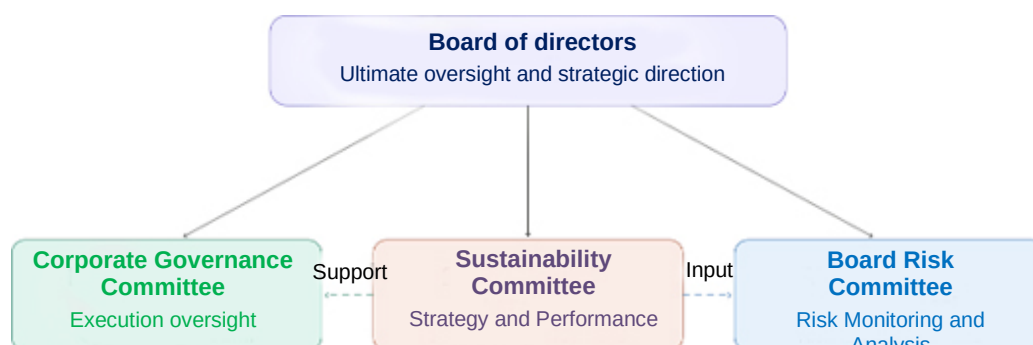
Responsibilities for Sustainability- and Climate-related Risks and Opportunities

At QNB Leasing, responsibility for managing sustainability- and climate-related risks and opportunities is embedded within the Company's organizational structure through its core policies, developed in alignment with QNB Bank's strategy and approved by the Board of Directors, as well as through the defined roles and responsibilities of its governance bodies.

Board of directors

Oversight of sustainability- and climate-related risks and opportunities is exercised at the highest level under the ultimate oversight and strategic direction of the Board of Directors.

The Board of Directors has delegated operational responsibility for the effective management of these risks and opportunities to the Sustainability Committee, established by Board Resolution No. 1286 dated 23 June 2021.



Sustainability Committee

The Sustainability Committee serves as the Company's primary management and decision-making body for sustainability- and climate-related matters. Chaired by the CEO, the Committee operates under the leadership of the Company's senior management to ensure that the sustainability agenda is embraced at the highest level. The Committee comprises the Deputy General Manager in charge of Credit Allocation, Monitoring and Legal Affairs, the Deputy General Manager in charge of Sales, and the Director of Marketing and Business Development. The working groups under the Committee focus on the following areas:

- Environmental Risk Management
- Social Impact and Community Participation
- Governance and Transparency

Through this cross-functional structure, sustainability matters are directly integrated into the Company's core functions and internal control processes, fostering alignment and engagement across all levels of the organization.

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The Sustainability Committee is responsible for reviewing the Company's sustainability strategy and commitments, monitoring performance, and assessing ESG-related risks and opportunities.

Corporate Governance Committee

The Corporate Governance Committee is responsible for appointments to the Board of Directors and also serves as the Company's Nomination Committee, taking the Company's strategic needs into account when considering Board appointments. In this capacity, it is supported by the Sustainability Committee. At a minimum, the Board of Directors and the Corporate Governance Committee are informed annually, through the QNB Leasing Sustainability Committee, about the Company's overall sustainability activities and performance.

Board Risk Committee

The Board Risk Committee is responsible for the holistic monitoring and assessment of all risks to which the Company may be exposed. The Committee reports its findings and recommendations to the Board of Directors and facilitates the implementation of appropriate management actions.

Sustainability-related responsibilities are defined at the corporate level through the **Sustainability Policy**, which is aligned with QNB Bank and approved by the Board of Directors.

The management of sustainability- and climate-related risks and opportunities in lending activities is integrated into credit processes through the **Environmental and Social Risk Management (ESRM) Policy** and the related implementation procedures.

All credit applications are first screened against the Exclusion List. Projects that could have irreversible impacts on the environment or society—including new coal-fired power plants, the manufacture of unconventional weapons, and activities involving human rights violations—are not financed under any circumstances. Applications that do not fall under the Exclusion List and exceed USD 2 million (TRY 85.69 million) are subject to the Environmental and Social Risk Assessment Model, under which projects are classified into A, B+, B- and C risk categories. The process is completed through monitoring, reporting, and continuous improvement. The day-to-day implementation of the Policy is carried out by the Credit Allocation and Sustainability teams. The Policy is aligned with international frameworks, including the UN Global Compact, the IFC Performance Standards, and the ICMA Green Bond Principles.

The Sustainability Committee meets at least once a year to review matters relating to sustainability and climate performance, strategic objectives, and developments concerning environmental, social, and governance risks and opportunities. Extraordinary meetings may be convened where necessary. The Committee's deliberations and decisions are submitted to the Board of Directors through the Corporate Governance Committee where appropriate. This mechanism ensures that the Sustainability Committee's activities are reported to the Board of Directors at least once a year. At its monthly executive meetings, the Board of Directors approves the targets and strategies established by the Committee and oversees

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progress against them.

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The Risk Committee monitors sustainability- and climate-related risks alongside other risk types and conducts assessments supported by stress testing and scenario analysis. Where necessary, matters relating to material risks identified through these assessments are brought to the attention of the Board of Directors.

Sustainability- and climate-related risks and opportunities are integrated into strategic and operational decision-making within the Company's financial leasing activities under the oversight of the Board of Directors. The Board of Directors takes sustainability objectives and ESG-related risks into consideration when defining the Company's strategy, evaluating and approving large-scale leasing transactions, implementing risk management processes, and regularly reviewing the policy framework.

The identification and prioritization of carbon-intensive sectors, the exclusion of certain activities from financing and leasing in accordance with the relevant policies (through the Exclusion List), and the definition and development of leasing products designed to support sustainable and transition finance are among the tangible outcomes of these assessments.

In assessing sustainability- and climate-related risks and opportunities, potential trade-offs between environmental impacts and financial performance are analyzed at the senior management level. These assessments inform the Company's strategic direction, ensuring that it remains aligned with its environmental responsibilities while supporting long-term financial resilience.

Oversight Structure

At QNB Leasing, the implementation and oversight of strategies addressing sustainability- and climate-related risks and opportunities fall under the responsibility of the Board of Directors. The Audit Committee supports the Board in this role through assurance and internal control mechanisms, with the effectiveness of these processes and compliance with applicable regulatory requirements subject to regular review.

As described above, the Sustainability Committee, Risk Committee, and Corporate Governance Committee operate in coordination within their respective areas of responsibility and authority. Through this integrated structure, sustainability- and climate-related matters are systematically addressed through coordinated decision-making, implementation, monitoring and oversight processes that are embedded within the Company's broader governance and risk management framework.

The Company also places importance on ensuring that those responsible for overseeing sustainability- and climate-related strategies have the knowledge, skills, and expertise required to discharge their responsibilities effectively. The Board of Directors includes a member who also serves as Chair of the Sustainability Committee of QNB Bank, the Company's parent company. The Sustainability Committee, in turn, brings together senior executives from different business functions, enabling sustainability matters to be considered from a range of perspectives and integrated across the Company's operations.

The Company takes a proactive approach to the continuous development of its capabilities,

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keeping abreast of the risks and opportunities that warrant Board-level attention in the context of sector developments and tailoring training and awareness programs to identified areas for further development.

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In 2024, basic and advanced sustainability training programs were delivered for employees and managers. The programs covered topics directly related to climate, including the green transition, climate finance, the ISO 14001 Environmental Management System, and the Climate Finance Market, strengthening the knowledge and awareness of relevant personnel across the Company, particularly managers. These training programs directly enhance both the quality of information provided to governance bodies and their oversight capabilities. Accordingly, four separate training sessions were held in 2025.

Incentive Mechanism

QNB Leasing manages the setting and monitoring of sustainability- and climate-related targets, together with their integration into performance assessment, through an established corporate framework. During the 2025 reporting period, the Company continued to develop its approach to measuring climate-related performance and strengthening the underlying data infrastructure. As a result, sustainability and climate indicators have not yet been formally linked to senior management's variable remuneration.

Work is now underway to incorporate specific climate-related performance indicators into the senior management performance and incentive framework from the 2026 financial year onward.

Target Setting and Progress Monitoring

The Sustainability Committee defines the Company's sustainability targets and establishes the overarching framework, while the Board of Directors provides oversight at the highest level. Governance bodies similarly monitor and oversee progress against these targets on a regular basis. The Sustainability Committee tracks progress through specific performance indicators and reports on developments periodically.

Management's Role

At QNB Leasing, the day-to-day coordination and management of sustainability- and climate-related risks and opportunities are led by the Sustainability Committee, chaired by the General Manager.

Management-level oversight is exercised through an integrated framework that is embedded within the Company's existing internal control, risk management and corporate governance structures. The control mechanisms in place cover the accuracy of the data used, the appropriateness of calculation and measurement methodologies, the approval of reported information, and the follow-up of agreed actions. These processes operate according to clearly defined roles and responsibilities across the relevant internal functions.

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The Sustainability Committee's cross-functional composition, bringing together representatives from different business areas, supports the direct integration of sustainability considerations into financial leasing activities and operational practices.

The Committee reviews performance indicators and the latest analyses, determines any necessary actions, and reports its findings to the Board of Directors at least once a year. The Board of Directors monitors these developments through the Corporate Governance Committee and maintains its overarching oversight role.

Activities such as climate and sustainability risk measurement, scenario analysis, stress testing and financed emissions calculations are carried out by the Company's risk management functions. The underlying datasets, assumptions, and methodological approaches are reviewed by the Risk Committee and Sustainability Committee for consistency and quality.

While the Sustainability Committee evaluates opportunities from a strategic perspective, risks are assessed through the existing risk governance structure, reviewed by the Risk Committee and reported to the Board of Directors.

Through this integrated structure, sustainability- and climate-related processes operate in coordination with the Corporate Risk Management, Internal Control, Compliance and Internal Audit functions, embedding them firmly within the Company's existing internal systems.

Risk Management

At QNB Leasing, sustainability- and climate-related risks and opportunities are integrated into the Company's Enterprise Risk Management (ERM) framework. They are managed through a structured process encompassing their identification, assessment, prioritization, and monitoring.

This process is carried out in accordance with existing risk management policies and procedures, ensuring that sustainability- and climate-related considerations are systematically incorporated into the Company's overall risk profile.

Identification of Risks and *Opportunities*

QNB Leasing applies a systematic and structured methodology to identify climate-related risks and opportunities. As part of this process, climate-related risks are identified at least annually through joint assessments conducted in coordination with the Risk Management functions and the Sustainability function.

Climate-related risks and opportunities are assessed across the Company's operations, financing activities and entire value chain. Climate-related risks are primarily evaluated in relation to the credit portfolio, funding sources, operational processes and customer ecosystem, while climate-related opportunities are identified with consideration given to market trends, regulatory developments, technological transformation and customer demand.

Climate-related risks and opportunities are assessed across the Bank's activities and value chain, taking into account their potential impacts over the short, medium and long term. Relevant risks are also classified according to the categories defined within the value chain. Risk identification, analysis, and prioritization activities are conducted based on these categories. While sustainability-related risks and opportunities are incorporated into the assessment process, the maturity of the data, methodologies, and processes required to measure and report their potential financial impacts has not yet reached a sufficient level as of the current reporting period. Accordingly, the Company has availed itself of the transitional provisions and reliefs available under the relevant standard, and this report does not include quantitative disclosures regarding such impacts.

The analysis draws on scenario analysis and sector-specific SASB metrics to support a more comprehensive assessment of the potential qualitative and/or quantitative impacts of risks and opportunities.

As part of the scenario analysis, priority parameters are identified across the policy and regulatory, economic, social, environmental, energy, and technology dimensions, and changes in these parameters under different scenarios are analyzed. Based on the resulting findings, climate-related risks that may arise within the value chain structure, scope, and risk categories described above are identified and incorporated into the risk universe. Further information on the parameters used in the scenario analysis is provided in the "Resilience" section of the Strategy chapter of this report.

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The metrics used to identify climate-related risks at QNB Leasing are aligned with the sector-specific requirements of the Turkish Sustainability Reporting Standards. In addition, sector-specific metrics for the financial leasing industry under the SASB Standards are incorporated into the assessment process. QNB Bank and its subsidiaries regularly review the applicability of sector-specific metrics and, where relevant, identify and analyze their risks and opportunities against the applicable metrics.

A multilayered set of inputs, drawing on both internal and external sources, is used to identify risks and opportunities. The principal data sources and parameters considered are summarized below:

- **Internal Corporate Inputs:** The sectoral and geographic distribution of the credit portfolio, customer risk exposures, existing expected credit loss (ECL) provisions, and realized financial indicators.
- **Regulatory and Standards-Based Sources:** The SASB (Sustainability Accounting Standards Board) Consumer Finance industry standard is used as a reference for identifying risk and opportunity areas relevant to the Company's activities.
- **Peer Analysis:** Publicly available sustainability and risk disclosures by domestic and international financial institutions are reviewed, with comparable examples of good practice incorporated into the risk universe.
- **Climate Scenarios:** IPCC scenarios are used to assess physical risks, while NGFS scenarios are used for transition risks, with analyses conducted across policy, economic, environmental and technological parameters.
- **National Policy and Stakeholder Expectations:** Türkiye's 2053 Net Zero Emissions target, together with expectations from investors, customers and regulators, is taken into account, with reputational, market and compliance risks incorporated into the identification process.

Assessment of Risks and Opportunities

Once QNB Leasing has identified its climate-related risks and opportunities and consolidated them within its risk and opportunity universe, each is assessed in line with the Company's enterprise risk management processes and prioritized based on the results of the materiality assessment.

The Company assesses its risks and opportunities through a two-stage qualitative and quantitative approach. During the qualitative assessment, risks and opportunities are analyzed across two dimensions: potential impact and likelihood of occurrence.

Likelihood is assessed using a five-point scoring scale. Risks and opportunities with a potential frequency of occurrence of once every 5–10 years are assigned a score of 1, while those that could occur annually or more frequently are assigned a score of 5.

Potential impact is likewise assessed on a five-point scale. Situations with no impact are assigned a score of 1, while risks falling within the highest impact level defined for the relevant category are assigned a score of 5.

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The gross risk/opportunity score is calculated by multiplying the likelihood and impact scores. Based on the resulting gross score, risks and opportunities are classified into five categories: Very High (Critical), High (Material), Medium, Low, and Very Low. Risks and opportunities with a gross score of 13 or above are classified as High (Material) and prioritized for monitoring.

Compared with the previous reporting period, the Company has made methodological improvements to the processes used to identify, assess and prioritize climate-related risks and opportunities. During the current reporting period, the five-point scoring scale used to assess likelihood and impact was defined in greater detail; gross risk/opportunity scores were structured into a five-category classification system; and the corresponding thresholds were clarified. In addition, the qualitative assessment framework for risks and opportunities was more systematically linked to the outputs of scenario analysis, further strengthening its integration with enterprise risk management processes.

Assessment of Risks and Opportunities

Following the assessment process, climate-related risks and opportunities are prioritized based on the risk severity levels determined through the likelihood and impact assessments. Accordingly, each risk plotted on the likelihood × impact matrix is assigned to the corresponding risk severity level and prioritized based on its relative significance.

Risk severity levels determine not only the relative significance of risks, but also the management approach to be applied, the need for action, and the level of monitoring required. Accordingly, the actions and responsibilities associated with Very High, High, Medium, Low, and Very Low severity levels have been defined in alignment with the enterprise risk management approach applied by QNB Bank.

Based on the prioritization results, the climate-related risks and opportunities considered most significant are identified, with priority given to developing action plans, strengthening existing controls, or introducing additional monitoring mechanisms for these risks and opportunities. The Risk Management function and the Sustainability Committee play central roles throughout the process, while prioritization outcomes are reviewed under senior management oversight to ensure that the Company's resources are directed towards the areas of greatest significance.

Monitoring Risks and Opportunities

QNB Leasing monitors climate-related risks and opportunities identified as “material” through a multilayered governance structure. Identified risks and opportunities are regularly monitored and reassessed.

The Sustainability Committee monitors risks and opportunities at the operational level against defined performance indicators and reports its findings to the Board of Directors once a year.

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The Early Detection of Risk Committee, meanwhile, meets every two months to assess the risks to which the Company may be exposed—including climate-related risks and the opportunities that may arise from them—within the framework of defined risk appetite and tolerance limits.

Rather than managing climate-related risks and opportunities as a separate risk category, QNB Leasing adopts an integrated approach in which they are incorporated into the existing Enterprise Risk Management (ERM) framework.

Strategy

Risks and Opportunities

Definition of Risk/Opportunity Time Horizons

QNB Leasing assesses climate-related risks and opportunities across short-, medium- and long-term horizons that are aligned with its strategic planning and budgeting cycles. These time horizons are used to evaluate the potential effects of climate-related risks and opportunities in a manner that is consistent with the Company's planning and decision-making framework.

- **Short term (0–1 year):** This horizon focuses on the current and near-term direct impacts of climate change, such as the effects of extreme weather events on operational continuity and financed assets; fluctuations in energy costs and their potential implications for customers' repayment capacity; immediate adaptation measures; and changes in the applicable financial regulatory framework, including the climate risk management and reporting expectations of the Banking Regulation and Supervision Agency (BRSA) and the Capital Markets Board of Türkiye (CMB). The Company's annual budget, credit portfolio growth targets, risk appetite statement and sustainable finance targets are managed with these short-term dynamics in mind.
- **Medium term (1–5 years):** Over this horizon, structural policy shifts such as the EU Carbon Border Adjustment Mechanism (CBAM) and Türkiye's national Emissions Trading System (ETS), technological innovations, including the financing of emerging asset classes such as electric vehicles, green hydrogen and battery storage, and changes in market demand, such as growing demand for sustainable leasing products and green projects, are expected to become increasingly pronounced. The Company plans to gradually steer its credit portfolio towards low-carbon and climate-resilient sectors and develop new financing products over this period.
- **Long term (5–25 years):** This horizon considers the more profound and potentially irreversible physical impacts of climate change, such as drought, increasing drought risk in areas where financed agricultural machinery is located, and flood exposure affecting assets in coastal areas, as well as the risk of certain financed assets becoming stranded assets as the transition to a low-carbon economy progresses. This approach is fully aligned with Türkiye's long-term national commitments, including its 2053 Net Zero Emissions target.

Strategic objectives are structured around these time horizons, while key decision-making processes, including risk analysis, capital allocation, product development and investment planning, are structured to align with short-, medium- and long-term climate objectives. QNB Leasing's climate strategy and transition plans are integrated into its broader strategic planning cycle, with defined targets and actions monitored regularly and systematically.

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In identifying climate-related risks and opportunities that it reasonably expects could affect its financial position, QNB Leasing uses reasonable and supportable information about past events, current conditions, and forecasts of future conditions, reviewed in each reporting period, without incurring undue cost or effort.

In this identification process, the disclosure topics defined for the Consumer Finance industry are taken into consideration, and risks and opportunities are structured accordingly.

The climate-related risks and opportunities identified by QNB Leasing during the reporting year are presented in Tables 2 and 3.

Climate-Related Risks

Table 2: QNB Leasing's Material Climate Risks

No	Name of the Risk	Description	Timeframe	Impact on business model and value chain	Impact on financial status, financial performance and cash flows
PR1	Risk of Physical Damage to and Loss of Value of Financed Assets and Collateral	Increasing extreme weather events and natural disasters resulting from climate change may cause physical damage to financed assets and collateral, potentially leading to a decline in their value.	Long	As of the reporting period, no systematic or widespread loss of value across the portfolio's assets attributable to climate-related physical events has been observed. However, as the impacts of climate change intensify, increasing frequency and severity of extreme weather events may result in damage to financed assets, rendering them unusable or reducing their economic value. This could reduce the recoverability of collateral and, in turn, increase credit and operational risks.	As all financed assets are covered by insurance, climate-related physical risks did not have a material impact on financial position or cash flows during the reporting period. Over the long term, however, more severe extreme weather events could make collateral more difficult to liquidate and increase credit risk. Based on the assessments, the potential impact is estimated at approximately 1% of receivables, a level that could exceed the 5% materiality threshold for profit before tax (PBT). The risk is therefore considered material and prioritized for monitoring.

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PR2	Indirect Credit Risk Arising from Disruptions in Customers’ Value Chains	Physical risks arising from climate change may disrupt production, supply chains and operational processes in the sectors in which customers operate, potentially weakening their financial performance and reducing their ability to meet payment obligations.	Short, Medium	No widespread credit risk impact attributable to climate-related value chain disruptions was observed across the portfolio during the reporting period. However, the increasing vulnerability of customers, particularly exporters, to additional EU regulatory requirements is being closely monitored. If climate change-related supply chain disruptions and operational setbacks intensify, pressure may arise on customers’ cash flows, potentially weakening their ability to meet their contractual obligations.	In the short and medium term, particularly for export-oriented customers, additional tax burdens arising from EU requirements are estimated to place approximately 5% pressure on cash flows. Over the long term, the potential impact is expected to ease to approximately 1% of receivables as customers adapt to the evolving regulatory requirements. Given its potential 5% impact on cash flows, this risk is considered material.
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PR3	Risk of Reduced Asset Efficiency and Climate-Related Erosion of Asset Value in the Portfolio	Long-term changes in climate and associated environmental conditions may reduce the technical efficiency of assets in the portfolio, shorten their useful lives, and erode their market value.	Short, Medium	No measurable impact of chronic climate-related effects on the efficiency of portfolio assets was identified during the current reporting period. Over the long term, however, rising temperatures, water stress, and changes in environmental conditions may adversely affect the performance and economic value of certain asset groups.	No materialization of this risk was observed during the reporting period. The fact that receivables generally have maturities of less than 60 months limits the financial impact of climate-related efficiency losses. Based on current assessments, the quantitative impact is expected to remain low; however, it is not possible to determine conclusively whether the materiality threshold is exceeded, as no definitive quantitative measure is currently available. Nevertheless, the risk is considered qualitatively material, as the presence of energy-inefficient or climate-sensitive equipment within the portfolio represents an area that warrants monitoring from a long-term strategic risk management perspective.
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TR1	Elevated Credit Risk of Customers in Carbon-Intensive Sectors	The introduction of carbon pricing, emissions trading systems, green taxonomies and climate-related regulations may increase the cost base of customers operating in carbon-intensive sectors and weaken their competitiveness.	Medium, Long	No direct impact of carbon-related regulations that would materially increase credit risk across the customer portfolio was observed during the reporting period. However, customers operating in carbon-intensive sectors are monitored on an ongoing basis. If carbon costs rise and environmental regulations become more stringent, these customers may experience deterioration in financial performance and a weakening of their ability to meet contractual obligations. No financial impact materialized during the reporting period. Based on the analysis, if carbon costs increase and the regulatory framework becomes more stringent, the potential impact is estimated to reach 1% of annual receivables in the short term, 2% in the medium term, and 3% in the long term. Given the potential cumulative impact and its expected increase over the longer term, the risk could exceed the 5% materiality threshold for profit before tax (PBT) and is therefore considered material.
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TR2	Stranded Asset Risk regarding Financed Assets	Technological advances, shifts in market preferences and climate-related regulations may result in carbon-intensive or environmentally underperforming assets becoming economically obsolete and losing market value.	Medium, Long	No evidence of widespread asset stranding among financed assets as a result of the climate transition was identified during the current reporting period. As the transition to low-carbon technologies gathers pace, demand for fossil fuel-intensive or energy-inefficient equipment may decline. This could lead to a decline in the resale value of such assets and weaken the collateral position. No instances of this risk materialized during the reporting period. Based on the analysis, the financial impact of this risk is estimated at approximately 1% of annual receivables across all scenarios, a level that could exceed the 5% materiality threshold for profit before tax (PBT). The risk is therefore considered material and prioritized for monitoring, particularly given its potential to result in sudden and concentrated impacts on certain asset classes if the transition to a low-carbon economy accelerates.
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TR3	Access and Heightened Cost Risks regarding Sustainable Funding Sources	The continued evolution of sustainable finance frameworks, investor expectations and market practices may create constraints on access to sustainability-aligned funding or drive the associated cost of financing.	Short, Medium	No adverse effects attributable to climate-related sustainability criteria were identified in relation to access to funding sources during the reporting period. Favorable global liquidity conditions and an improving macroeconomic outlook in Türkiye provide access to alternative funding sources. However, if global liquidity conditions tighten, sustainable financing sources may become increasingly important, and access to such sources could become critical to avoiding delays in securing funding.	No financial impact materialized during the reporting period. As no definitive quantitative basis is currently available, it is not possible to determine conclusively whether the risk exceeds the 5% materiality threshold for profit before tax (PBT). However, the Company expects the role of sustainability-themed funding sources in its funding structure to increase over the medium term, with a current target of USD 150–300 million (TRY 6.43–12.85 billion). Any constraints on access to such funding could adversely affect funding costs and the maturity structure of the Company’s funding, and the risk is therefore considered qualitatively material and prioritized for monitoring.
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*The USD buying rate as of 31 December 2025 was TRY 42.8457 per USD.

PR: Physical Risk

TR: Transition Risk

Climate-Related Opportunities

Table 3: QNB Leasing's Material Climate Opportunities

No	Risk/Opportunity Name	Description	Timeframe	Impact on business model and value chain	Impact on financial status, financial performance and cash flows
11	Development and Dissemination of Green and Sustainable Leasing Products	The development and expansion of green and sustainable leasing products to finance investments in renewable energy, energy efficiency, low-carbon production, and environmentally friendly equipment represent a strategic growth opportunity.	Short, Medium	QNB Leasing is expanding its leasing activities for assets with strong environmental performance, with both product diversity and the share of such assets in the portfolio showing an upward trend. Expanding green leasing products will contribute to the growth of the sustainable finance portfolio, diversification of the customer base and the Company's capacity to create long-term value.	As of 2025, sustainability projects accounted for approximately 20% of total turnover, while approximately 200 MW of renewable energy financing was provided during the same period. Going forward, the Company aims to maintain this share at least 15% in 2026, increasing it to 20% over the medium term and 25% over the long term. A 15–25% share of sustainability projects in total turnover clearly exceeds the 5% materiality threshold for profit before tax (PBT), and this opportunity is therefore considered material. This growth is expected to positively impact financial performance, generate more stable and predictable cash flows, and facilitate access to sustainable funding sources.

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I2	Expanding Market Reach and Accessing New Customer Segments Focused on the Green Transition through Financial Leasing	The onset of new customer segments operating in energy efficiency, renewable energy, low-carbon production, and environmental technologies presents an opportunity to enter new markets and expand the customer base by providing equipment and investment financing through financial leasing.	Medium	While the existing leasing portfolio remains predominantly concentrated in traditional sectors, the Company is reaching new customer segments through the financial leasing of energy-efficiency equipment under the ESCO model, as well as equipment leasing for wastewater recovery projects. Increasing financial leasing volumes for companies operating in these segments would diversify the leasing portfolio, reduce sector concentration, and strengthen its potential for sustainable growth.	In the short term, the financial contribution is expected to remain limited due to the relatively small size of financed equipment and projects. However, the Company aims to increase the share of financial leasing transactions supporting green transition-focused sectors to 20% of the total leasing portfolio in the medium term and 25% in the long term. Given the targeted portfolio share, this opportunity has significant potential to exceed the 5% materiality threshold for profit before tax (PBT) and is therefore considered material. This expansion is expected to support financial performance by diversifying the leasing customer base and achieving a more balanced distribution of risk, while generating more stable cash flows from lease payments over the medium to long term.
I3	Access to Sustainability-Themed, Low-Cost Funding for Climate Action	The development of sustainable finance markets and the evolution of investor expectations in response to efforts to address climate change are creating greater opportunities to access sustainability-themed and lower-cost funding sources, offering a significant opportunity to strengthen the Company's funding structure and competitiveness.	Short Medium	Although the use of climate-themed funding sources remained limited during the reporting period, these sources have already contributed positively, particularly by providing access to longer-term funding. Greater access to sustainable funding is expected to improve funding costs and support the development of a longer-term and more stable funding structure.	In the short and medium term, climate-related sustainable funding is expected to reach approximately USD 150 million (TRY 6.43 billion), with this amount projected to increase to USD 200–300 million (TRY 8.57–12.85 billion) over the long term. Given the targeted funding volume, this opportunity clearly exceeds the 5% materiality threshold for profit before tax (PBT) and is therefore considered material. The longer tenor and relatively lower cost of these funding sources are expected to improve the Company's maturity profile and strengthen liquidity management, while supporting financial performance and cash flow predictability through a more stable and diversified funding structure.

*The USD buying rate as of 31 December 2025 was TRY

42.8457 per USD. O: Opportunity

Total Assets or Activities Vulnerable to the Risks

Metric Category	Metric Description	Amount (TRY billion)	Share in Total Portfolio (%)
Transition Risks	Portfolio in Carbon-Intensive Sectors	11.523	22.2
	Portfolio of Assets Subject to Stranded Asset Risk	21.395	41.2
Physical Risks	Portfolio of High-Risk Geographical Regions	12.428	23.9

*The Company insures all of its equipment, thereby eliminating the related financial risk.

Total Assets or Activities Aligned with Opportunities

In 2025, the climate-themed portfolio amounted to USD 194.626 thousand (TRY 8.34 billion), representing 19% of the total portfolio.

Strategy and decision-making

Current and Anticipated Changes and Adaptation Efforts

The Company is actively pursuing measures both to mitigate climate change and to adapt to its unavoidable impacts so as to deepen its resilience to the effects of climate change. Its mitigation efforts focus primarily on actively directing its financing portfolio towards low-carbon technologies, including renewable energy, energy efficiency, and electrification, while minimizing its own operational footprint. At the operational level, 100% of the electricity consumed at the Company's headquarters is sourced from renewable energy under I-REC certification. Adaptation efforts, meanwhile, are focused on strengthening the Company's resilience to the potential financial and operational impacts of increasing physical risks. To this end, comprehensive insurance coverage against climate-related hazards is required for all financed assets.

The Company also pursues indirect mitigation and adaptation efforts extending across its value chain. Engagement with customers includes financing their green transition, providing strategic advisory support, and establishing incentive mechanisms through credit processes to strengthen their capacity to adapt. In this context, the Company collaborates with specialized firms on the planning and financing of energy efficiency projects. Efforts across the supply chain focus on incorporating environmental and social risks among the key criteria in supplier selection and restructuring supply chain processes in line with the Sustainability Policy.

Capital Allocation & Resource Use for Risks, Opportunities and Targets

The Company's capital expenditures, financing and investments allocated to climate-related risks and opportunities in 2025 are set out below:

Financing for Opportunities: During 2025, the Company provided USD 100 million (TRY 4.285 billion) in new financing for customers' sustainability projects. In addition, EUR 130 million (TRY 6.54 billion) in financing was provided from FMO sources.

Expenditure on Risk Management: To strengthen financial resilience against physical risks, the Company incurred approximately USD 2.9 million (TRY 124.25 million) in insurance premium costs in 2025.

Transition Plan

Although QNB Leasing has not published a standalone transition plan addressing climate and sustainability, it is pursuing transition-related activities through strategic actions and targets integrated into its broader business strategy and sustainability objectives.

Targets Achievement Plan

The Company's objectives and transition-related activities are financed primarily through two main channels. The first consists of sustainability-focused funding obtained from international financial institutions and development finance institutions. Going forward, the Company aims to secure an average of USD 150–200 million (TRY 6.43–8.57 billion) in new sustainability-themed funding annually through these channels, as well as to issue green, social or sustainability-linked bonds (Eurobonds) in the future. The second channel consists of the Company's operational expenditure (OPEX) and capital expenditure (CAPEX) budgets.

Resilience

QNB Leasing has integrated scenario analysis into its financial planning processes to anticipate the potential future financial impacts of climate-related risks and opportunities and assess its strategic resilience. These analyses model the financial outcomes the Company may face under different climate futures and identify their potential strategic implications for the existing business model.

At the same time, the Company's strong equity base provides the foundation for its capacity to absorb potential shocks. As of 31 December 2025, the Company had equity of TRY 6.5 billion and generated net profit for the year of TRY 1.8 billion, providing a significant financial buffer to absorb potential credit losses projected under the scenario analyses.

*The USD buying rate as of 31 December 2025 was TRY 42.8457 per USD.

*The EUR buying exchange rate as of 31

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The Company's sound leverage ratio of 5.5 and its ability to secure sustainability-themed funding from international financial institutions are additional factors supporting this financial flexibility. Beyond these financial buffers, the Company's dynamic governance structure, including the Board of Directors and the Sustainability Committee, enables the strategy to be proactively adjusted in response to changing conditions.

Scenario Analysis

At QNB Leasing, scenario analysis is designed to assess the Company's resilience to climate-related transition and physical risks. The analysis covers two contrasting scenario sets: a low-temperature pathway aligned with the Paris Agreement and a pathway involving higher levels of temperature increase. Rather than relying on a single "most likely future", this approach seeks to test the effects of different trajectories in policy and regulatory developments, the pace of decarbonization of the energy system, technological progress and the physical impacts of climate change. Accordingly, the scenario set covers both transition risks—including policy and regulatory developments, carbon prices, the energy mix and technology investments—and physical risks, including temperature, precipitation and extreme weather events.

The International Energy Agency's (IEA) World Energy Outlook 2024 and World Energy Outlook 2025 were used as key sources for assessing energy system transformation and transition risks. The analysis considers the following scenarios: NZE (Net Zero Emissions): Reflects the transformation of the global energy system consistent with a 1.5°C pathway. STEPS (Stated Policies Scenario): Reflects the projected outlook under existing policies and commitments.

For the analysis of systemic transition risks in the financial system, the Network for Greening the Financial System (NGFS) Phase 5 scenario set was used, incorporating the Net Zero 2050, Below 2°C, and Current Policies scenarios. NGFS data were obtained through the IIASA NGFS Phase 5 Scenario Platform. The REMIND-MAGPIE 3.3–4.8 model was used for carbon prices and macroeconomic variables, while the GCAM 6.0 model was used for primary energy demand. REMIND-MAGPIE outputs were also used for emission projections, electricity indicators, energy investments, and renewable capacity additions. Carbon capture and storage indicators were assessed using the GCAM 6.0 model. This approach enables an integrated analysis of energy transition dynamics, carbon price scenarios, macroeconomic impacts, and investment trends.

Physical risk assumptions were developed based on the IPCC (2021) Climate Change 2021: The Physical Science Basis. Regional temperature and precipitation projections were assessed using the IPCC Working Group I Interactive Atlas. This approach ensures that the severity of physical risks under higher warming scenarios is grounded in scientific projections.

For macroeconomic and demographic projections, the IIASA Shared Socioeconomic Pathways (SSP) database and the OECD ENV-Growth 2023 model were used. Population and human capital indicators were sourced from the SSP Population database and the Wittgenstein Centre Human Capital Data Explorer, respectively. Urbanization trends were assessed using the CDM

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Urbanization 2024 model, which provides outputs aligned with the SSP scenarios.

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The scenario analysis was conducted using parameters grouped under five principal categories: Policy and Regulation, Economy, Social, Environment and Energy, and Technology. Assessments were performed across short-, medium-, and long-term time horizons, while also considering a 2050 outlook based on the projections provided by the global climate scenarios. The scope of the analysis covered all of QNB Leasing's operations and the organization as a whole. The scenario analysis was reviewed and assessed with the support of external consultants for the reporting period from 1 January 2025 to 31 December 2025, based on the most up-to-date available sources.

Within this framework, the key assumptions underlying the scenarios and the potential risks and opportunities analyzed under each assessment area are summarized in the tables below.

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Scenario Findings on Policy and Regulation

Driver	Energy Policies	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050 / NZE	NGFS- Current Policies, CPS
Key Assumptions	The scenario covers the EU and 98 countries that have committed to climate/carbon neutrality, representing approximately 87% of global energy-related CO ₂ emissions. Energy sector emissions are driven toward net zero by 2050. Policy tightening accelerates through 2035, while grid flexibility and battery storage scale up rapidly, reaching approximately 2,900 GW. High levels of investment in transition infrastructure are maintained after 2035.	The IEA Climate Pledges Explorer indicates that existing Nationally Determined Contributions (NDCs) are insufficient to meet countries' long-term climate targets. CO ₂ emissions are projected to continue increasing until the early 2030s and then stabilize at around 39 Gt. This scenario implies approximately 2.9°C of warming. The deployment of clean technologies and investment in energy storage remain limited, while policy momentum is expected to weaken after the 2030s.
Potential Impact on QNB Leasing	This scenario presents a significant opportunity to increase the share of sustainable transactions in the financial leasing portfolio, particularly in renewable energy, energy efficiency, and electrification investments. At the same time, continued policy pressure on carbon-intensive activities could make credit and market risks more pronounced for customers with limited capacity for transition, increasing the importance of selectivity in the sectoral composition of the portfolio. From an operational perspective, tighter energy policies increase the importance of reporting, data management, and compliance processes as components of transition risk management.	Transition risks emerge later but with greater intensity. Continued reliance on fossil fuels, together with energy cost pressures and regulatory uncertainty, could weaken the financial resilience of customers in energy-intensive sectors, including industrial and transportation customers. From an operational perspective, direct transition costs remain limited. Over the longer term, however, the scenario could contribute to more severe physical risks consistent with a higher-warming pathway, indirectly affecting the Company's operational resilience.
Driver	Carbon Regulations and Pricing	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050 & Below 2°C	NGFS- Current Policies, CPS
Key Assumptions	Carbon prices rise rapidly and predictably. Under the NGFS Net Zero 2050 scenario, the global carbon price increases from approximately USD 98/tCO ₂ in 2025 to USD 749/tCO ₂ by 2050. A more moderate but still significant increase is projected under the Below 2°C scenario, reaching approximately USD 135/tCO ₂ by 2050. According to the IEA WEO 2025, carbon prices are expected to reach USD 250/tCO ₂ in advanced economies and USD 200/tCO ₂ in emerging markets by 2050. The price signal strengthens significantly from the 2030s onward.	Carbon prices remain low and broadly flat. Under the NGFS Current Policies scenario, the carbon price is approximately USD 11/tCO ₂ in 2025 and remains at around USD 11/tCO ₂ in 2050. Even in the EU, the price is projected to remain at approximately USD 87/tCO ₂ between 2035 and 2050. The carbon price signal is insufficient to drive the transition.
Potential Impact on QNB Leasing	Customers in emission-intensive sectors face increasing cost pressures and higher credit risk. At the same time, demand for leasing of low-carbon equipment and renewable energy assets is expected to expand, creating opportunities for sustainable finance. A strong carbon price signal may also facilitate access to international sustainable funding sources. Operationally, this requires the systematic integration of carbon costs into credit assessment and pricing, as well as strengthened data infrastructure and modelling capabilities.	A weak carbon price signal may lead customers to defer transition investments, leaving transition risks latent in the short term but potentially emerging in a more abrupt manner over the medium to long term. The risk of asset value deterioration within the portfolio may increase. Greater selectivity among international sustainable finance providers may also create funding risks. While the direct operational cost impact is expected to remain limited, physical risks intensified by the higher-warming pathway may emerge as an indirect source of pressure.

Scenario Findings on Economy

Driver	Economic Growth	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	Global GDP (PPP) increases from USD 124 trillion in 2020 to USD 306 trillion in 2050 and USD 650 trillion in 2100. Growth remains strong but balanced, supported by rapid technological transformation, strong international cooperation, and lower emissions. Growth moderates after 2035 while remaining stable over the longer term.	Global GDP (PPP) grows more rapidly, reaching USD 354 trillion in 2050 and USD 1.055 trillion in 2100. However, this growth is accompanied by high emissions and continued reliance on fossil fuels. The economic outlook is dominated by development priorities, with significant challenges in achieving emission reductions.
Potential Impact on QNB Leasing	A stable growth environment supports demand in Türkiye for leasing to finance machinery, equipment and energy-efficiency investments. Greater predictability in customer cash flows helps keep credit risk more manageable, creating favorable conditions for sustainable portfolio growth. International funding conditions may also remain supportive.	Rapid growth drives demand for equipment and capacity investments in the short term. However, continued fossil fuel dependence leaves customers increasingly exposed to transition risks over the longer term, resulting in greater heterogeneity in the portfolio's sectoral risk profile and more volatile credit risk. Climate-related uncertainty under a higher-warming pathway may also create volatility in international funding conditions.
Driver	Financial Implications of Climate Risks	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS
Key Assumptions	Physical and transition risks are managed concurrently. The downside impact on GDP remains at approximately 6% in 2030 and 8.5% in 2050. Strong policy responses and rapid technological development mean that economic losses initially materialize as transition costs but remain contained over the longer term.	Economic impacts are driven predominantly by physical risks. GDP losses deepen from approximately 5.3% in 2030 to 14.8% in 2050. Policy responses remain weak, technological development is slower, and carbon-reduction instruments are limited. Losses may initially appear moderate but intensify rapidly after 2050.
Potential Impact on QNB Leasing	As transition costs are reflected early and progressively, credit risks remain relatively predictable and manageable. Demand for leasing to finance energy-efficiency and low-carbon equipment increases. Risks emerge earlier among customer segments with limited adaptive capacity, making sectoral selectivity increasingly important. A more controlled macroeconomic environment supports access to international sustainable funding.	Increasing physical risks put pressure on customers' operating capacity and income stability and may reduce the residual value of leased assets. Credit risk emerges later but more sharply. A prudent approach is therefore required in climate-sensitive sectors. Higher expected macroeconomic losses may create uncertainty in international funding conditions, while physical risks may indirectly place pressure on business continuity.
Driver	Counterfactual GDP Path Measured at Market Exchange Rates (MER), Excluding Climate Damage Functions	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050 & Below 2°C	NGFS- Current Policies, CPS
Key Assumptions	Global GDP (MER, without climate damages) increases from approximately USD 80 trillion in 2020 to USD 155 trillion in 2050 and USD 320 trillion in 2100. Early transition policies create some drag on growth during 2030–2040; however, the reallocation of capital toward clean technologies and productivity gains support more stable growth over the medium to long term.	The no-damage GDP scenario reaches broadly similar levels, at approximately USD 157 trillion in 2050 and USD 320 trillion in 2100. Transition costs remain low, and growth continues to be driven by conventional growth factors. However, because this metric excludes physical damages, its apparently smooth growth trajectory does not capture the associated loss of welfare and is ultimately unsustainable over the long term.

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Potential Impact on QNB Leasing	Transition frictions drive financing needs in capital-intensive sectors, boosting demand for leasing to finance low-carbon equipment and energy-efficiency investments. Stable medium- to long-term growth supports customer repayment capacity and portfolio quality, keeping credit risk more predictable. Access to international sustainable funding is also expected to remain favorable.	Low transition costs support leasing demand in the short term, but this effect is temporary. As physical risks materialize, customer cash flows and collateral values may be subject to sudden and uneven impacts, potentially causing credit risk to rise sharply and become more difficult to predict. Asset valuation and residual value risks become particularly relevant in climate-sensitive sectors. Expectations of elevated long-term physical risks may also create uncertainty around international funding conditions.
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Scenario Findings on Social Change

Driver	Demographics	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	Global population rises from 7.8 billion in 2020 to 9.1 billion in 2050 before declining to 7.9 billion by 2100, reflecting a gradual slowdown in long-term population growth. The scenario is characterized by higher education levels, lower fertility rates, and balanced migration flows, with a demographic structure focused on human well-being.	Population follows a broadly similar trajectory, reaching 9.1 billion in 2050 and 8.0 billion in 2100. However, this scenario is characterized by rapid urbanization, greater spatial concentration in major cities, and high levels of migration. Economic dynamism remains strong, with the population increasingly concentrated in urban areas.
Potential Impact on QNB Leasing	A balanced and predictable demographic structure limits abrupt fluctuations in demand. Improvements in human capital may enhance customers' financial planning capacity and payment performance, keeping credit risk at more manageable levels. Greater predictability in portfolio quality and asset performance may also emerge.	Urbanization and the concentration of economic activity may create additional leasing demand for machinery, equipment, and vehicle financing among SME and commercial customers. At the same time, rising living costs and greater income inequality may heighten cash-flow volatility in certain customer segments, putting pressure on payment performance. The concentration of assets in urban areas also increases exposure to physical climate risks, making asset valuation and residual value risks more pronounced. Portfolio diversification and asset-based risk assessment, therefore, become increasingly important.
Driver	Urbanization	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	The share of the urban population rises from 56% in 2020 to 77% in 2050 and 92% in 2100. Urbanization is managed through compact, planned, and environmentally sustainable policies, with high resource efficiency and development aligned with infrastructure capacity.	The urbanization rate follows a broadly similar quantitative trajectory, reaching 77% in 2050 and 93% in 2100. However, the process is more resource-intensive, accompanied by greater pressure on infrastructure and lower priority given to environmental considerations. Cities continue to develop as economic centers of attraction, but their vulnerability becomes more pronounced.
Potential Impact on QNB Leasing	Planned urbanization creates sustained demand for leasing to finance infrastructure, transport, and energy-efficiency investments. Greater operational efficiency and income stability among businesses may translate into more consistent payment performance. Assets aligned with sustainable urbanization, such as energy-efficient equipment and electric vehicles, may also retain stronger residual values, helping to mitigate asset-specific risks within the portfolio.	In the short to medium term, stronger demand for equipment in the construction, logistics and transport sectors may drive leasing volumes. However, excess capacity and cost pressures associated with rapid urbanization may heighten volatility in customers' cash flows. Assets concentrated in urban areas may face greater exposure to physical climate risks, including flooding and extreme heat, potentially resulting in damage, value impairment and lower secondary-market liquidity. Against this backdrop, asset-based risk assessment, appropriate insurance coverage, and portfolio diversification become increasingly important.

Scenario Findings on Environment & Energy

Environment

Driver		
Rising Temperature		
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	Global average temperatures stabilize at approximately 1.5°C in the near term, 1.7°C in the medium term, and 1.8°C over the long term (2081–2100). Exceeding the 2°C threshold during the 21st century is considered unlikely. The rate of warming slows after mid-century before temperatures stabilize.	Warming continues to accelerate, reaching approximately 1.6°C in the near term, 2.4°C in the medium term, and 4.4°C over the long term, with a projected range extending from 3.3°C to 5.7°C. Exceeding the 2°C threshold becomes highly likely. This represents a cumulative climate scenario characterized by accelerating impacts and high levels of uncertainty.
Potential Impact on QNB Leasing	Physical climate risks remain limited and relatively predictable. A lower frequency and severity of extreme weather events would help preserve customers' production continuity and cash flows, with payment performance remaining stable. The relatively low likelihood of physical damage to equipment and vehicles would also help maintain asset values and secondary-market conditions. Risk management and pricing processes would therefore operate within a more predictable risk environment.	Rising temperatures, drought, flooding and extreme weather events may disrupt customers' production continuity, resulting in greater cash-flow volatility and credit risk. Physical damage to leased assets, shorter useful lives, and performance deterioration may become more pronounced, while declines in residual values and liquidity could weaken the collateral position. The sudden, uneven, and geographically concentrated nature of physical risks may place pressure on portfolio quality, making insurance costs and risk pricing increasingly important.
Driver		
Heightened CO2 Concentration		
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1 & NGFS- Net Zero 2050 / NZE	IPCC- SSP5 & NGFS - Current Policies, CPS
Key Assumptions	CO ₂ emissions decline rapidly towards mid-century, reaching net zero around 2050. Energy-related end-use emissions fall from approximately 37.7 Gt in 2023 to around 15 Gt in 2030 and 1 Gt in 2050. The decline is particularly rapid through the 2030s and becomes permanent and structural thereafter.	CO ₂ emissions remain elevated, reaching approximately twice current levels by 2050 and 2100 under SSP5-8.5. Under the STEPS scenario, emissions peak before 2030 but subsequently decline only marginally. Emissions from carbon-intensive sectors continue to rise, resulting in a fragmented and insufficient transition.
Potential Impact on QNB Leasing	An accelerated low-carbon transition would generate substantial leasing demand for energy-efficient equipment, renewable energy, electric vehicles, and clean production technologies. Demand for carbon-intensive assets would decline, shortening their economic lives and making asset selection and sector allocation within the portfolio increasingly important. Stronger secondary-market demand for low-carbon assets could help preserve collateral values. Transition risks would emerge relatively early but more predictably, allowing for proactive risk management.	In the short term, equipment demand in conventional sectors would remain resilient and continue to drive leasing volumes. However, a delayed transition could eventually trigger abrupt repricing of carbon-intensive assets through regulatory intervention and market adjustments, weakening collateral values and increasing secondary-market liquidity and credit risks. Higher emissions would also exacerbate physical climate risks, raising the likelihood of asset damage. The cumulative nature of these risks, combined with the potential for sudden shocks, calls for a more cautious and dynamic approach to portfolio management.
Driver		
Precipitation Variability		
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5

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Key Assumptions	Global precipitation rises gradually but remains within a relatively narrow range. Average daily precipitation stays at approximately 3.0 mm/day across the projection periods, with changes in precipitation following a relatively predictable distribution.	Precipitation changes become more pronounced both in magnitude and in terms of variability and extremes. Average daily precipitation reaches approximately 3.2 mm/day over the long term, while uncertainty ranges widen considerably. Spatial variability and the frequency and severity of extreme precipitation events become more pronounced.
Potential Impact on QNB Leasing	Physical risks remain limited and manageable. The likelihood of damage from extreme precipitation to agricultural, infrastructure, logistics, and industrial assets remains relatively low, while the potential for value impairment in equipment and vehicles is limited. A more predictable risk profile allows leasing terms and collateral arrangements to be structured with greater consistency. Leasing demand for resilient and low-carbon assets may also contribute to a more robust portfolio composition.	More frequent and intense extreme precipitation events may cause sudden losses in the value of agricultural machinery, infrastructure equipment, logistics assets, and commercial property. Declining collateral values, weaker secondary-market liquidity and deterioration in payment performance may become more material. Asset-based risk management and insurance mechanisms, therefore, become critical. For higher-risk asset segments, selective financing and more risk-sensitive pricing become increasingly important.

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Driver	Changes in the Speed and Direction of Wind	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	Median wind speed remains at approximately 6.2 m/s across all periods, with a narrow uncertainty range (P25–P75: 6.2–6.3 m/s). No material shift is expected at the global level, with changes remaining limited and largely regional.	Median wind speed remains broadly unchanged at the global level (approximately 6.2 m/s), although uncertainty ranges widen slightly over the long term. The main change is in spatial variability, with regional differences becoming more pronounced.
Potential Impact on QNB Leasing	A relatively predictable environment prevails for the financing of wind-related assets and equipment. Wind energy projects, open-air logistics and infrastructure assets are expected to experience limited operational variability. The risk of asset impairment and cash-flow disruption remains low, allowing risk pricing and collateral management to be handled through standard processes.	Greater regional variability in wind conditions may introduce more volatility into portfolios financing wind energy, logistics, and open-air assets. Sudden changes in wind speed or direction may cause operational disruptions and short-term fluctuations in asset values. However, this parameter is not considered determinative on its own; its significance becomes more pronounced when assessed alongside storms and other extreme weather events. A prudent approach to credit and collateral management is therefore warranted.
Driver	Heightened Frequency of Extreme Heat Days	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	The increase in the number of extreme heat days remains limited, with the global median rising by approximately 2.8 days in the near term, 4.1 days in the medium term, and 4.3 days over the long term. Uncertainty ranges remain relatively narrow. Impacts are concentrated primarily in the Southern Hemisphere and around the Equator.	The number of extreme heat days rises at a substantially faster pace, with the global median increasing by approximately 3.6 days in the near term, 7.9 days in the medium term, and 19.2 days over the long term. Uncertainty ranges widen towards higher values, with the long-term P5–P95 range spanning 12.7–30.9 days. The impact extends geographically into the Northern Hemisphere.
Potential Impact on QNB Leasing	Risks remain manageable and relatively predictable. Business continuity and thermal comfort measures for branch and facility infrastructure become relevant. On the customer side, continued operations and cost volatility in heat-sensitive sectors, including agriculture and food, tourism and certain industrial activities, may gradually affect the credit risk profile.	Rising temperatures may place greater strain on energy demand and cooling requirements, labor productivity, asset operability, and supply continuity, increasing cash-flow vulnerability in heat-sensitive sectors and making credit and market risks more pronounced. At the operational level, resilience of branch and building infrastructure and business continuity planning becomes critical, requiring more intensive operational risk management.
Driver	Rising Sea Levels	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	IPCC- SSP1	IPCC- SSP5
Key Assumptions	Global median sea-level rise remains gradual, reaching approximately 0.1 m by 2040, 0.2 m by 2060, and 0.4 m by 2100. Early emission reductions result in a slower rate of sea-level rise during the second half of the century, with uncertainty ranges remaining relatively narrow. Regional impacts are concentrated along low-lying coastal areas.	Sea-level rise accelerates markedly during the second half of the century, reaching a median of approximately 0.6 m by 2100. Uncertainty ranges widen, with coastal flooding and chronic inundation becoming more pronounced, particularly during the final quarter of the century. Delayed adaptation investments may further amplify these impacts.

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Potential Impact on QNB Leasing	No material direct physical risk to the Company's operations is expected. Over the long term, customers operating in coastal areas or holding assets exposed to coastal risks may face a limited degree of credit risk through asset-value sensitivity and higher insurance costs. Risks are expected to remain localized and customer-specific, with no systemic impact anticipated across the portfolio.	Customers operating in sectors concentrated in coastal areas may face greater credit and collateral risks. Port-related activities, coastal real estate, and infrastructure projects may become more exposed to physical damage, potentially resulting in lower collateral values and deterioration in credit risk profiles. While the Company's own operations are not expected to be directly affected, impacts may arise indirectly through the customer portfolio and may vary according to sectoral concentrations.
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Energy

Driver	Demand for Fossil Fuel	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS
Key Assumptions	Fossil fuel demand enters a structural decline. The share of fossil fuels in the energy mix falls rapidly from 80% after 2030. Net revenues of oil and gas producers decline to approximately USD 680 billion by 2035, around 70% below current levels. Asia's reliance on imports grows, accounting for 60–70% of global oil and gas imports by 2050. Prices decline toward marginal operating costs.	Fossil fuel demand remains resilient in the short to medium term. Producers' net revenues remain broadly stable at around USD 2.4 trillion through 2035. Oil demand peaks by 2030 and then declines gradually. An approximately 50% expansion in spare production capacity and LNG exports provides greater supply flexibility. Emissions remain high.
Potential Impact on QNB Leasing	Customers with direct exposure to the oil and gas sector face credit and business model transition risks. Lower revenue expectations could weaken repayment capacity, while financial vulnerability may become more pronounced among higher-cost producers. For customers aligned with the energy transition, access to international sustainable funding sources may become more favorable. The impact is expected to be concentrated in customer segments with high exposure to fossil fuels rather than across the portfolio as a whole.	Revenue streams for fossil fuel-oriented customers remain relatively stable in the short to medium term. Over the longer term, however, the likelihood of physical risks and abrupt regulatory shocks may arise, potentially giving rise to forward repricing and collateral risks across the portfolio. Geopolitical risks and volatility related to energy supply could also lead to fluctuations and greater uncertainty in international funding costs.
Driver	Final Energy Consumption	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS
Key Assumptions	Global final energy consumption enters a structural decline from its current level of approximately 445 EJ. The rate of improvement in energy intensity more than doubles by 2035, while electrification accelerates across industry, buildings and transport. By 2035, total final energy demand falls to approximately 15% below current levels. This decline is driven not by weaker demand, but by structural efficiency gains and a shift in energy carriers.	Final energy consumption continues to rise, exceeding 530 EJ by 2050. However, annual growth slows to approximately 0.5%, around three times lower than in previous decades. This deceleration reflects gradual efficiency gains in areas such as lighting, cooling, and mobility rather than weaker economic activity. Annual GDP growth continues at approximately 3%.
Potential Impact on QNB Leasing	Investment priorities among customers in energy-intensive sectors shift. Financing the transition toward energy efficiency and low-carbon technologies presents a significant opportunity. Credit risks become more pronounced among customer segments that are unable to adapt to the transition. Access to international funding sources aligned with sustainable finance criteria is likely to become more favorable.	Customers in sectors dependent on energy demand face a relatively stable environment in the short to medium term. However, differences in efficiency among highly energy-intensive sectors may lead to greater differentiation in credit risk. With limited policy pressure for the energy transition, demand for sustainable finance instruments is likely to develop more gradually. The impact is expected to be felt indirectly through slower growth in energy demand and differences in energy efficiency.
Driver	Energy Mix (%), Coal Demand, Clean Energy Demand (Electrification)	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS

Key Assumptions	The energy system undergoes a rapid transformation. The share of renewables rises to approximately 24% by 2030 and 77% by 2050, while the share of coal falls to approximately 9% by 2030 and 2% by 2050. Electrification becomes a central energy carrier, with electricity's share of final energy consumption rising from 20% in 2024 to 36% by 2035. By 2050, clean energy accounts for 90% of global energy demand. Solar generation capacity continues to expand at a markedly faster pace than the current level of approximately 1,100 GW per year.	The transition remains more limited. The share of renewables reaches approximately 17% by 2030 and 24% by 2050, while coal still accounts for approximately 11% of the energy mix in 2050. Electrification proceeds, but at a slower pace, with electricity's share of final energy consumption reaching approximately 26% by 2035. Although clean energy meets almost all of the growth in energy demand, the transition does not progress at the pace envisaged under the 1.5°C scenario.
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Potential Impact on QNB Leasing	Leasing demand for renewable energy equipment, energy efficiency investments, electric vehicle fleets, and energy storage solutions expands significantly. At the same time, transition risk becomes more pronounced in portfolios exposed to coal and other carbon-intensive assets, with shorter economic lives, declining residual values, and weaker collateral quality potentially arising. Greater access to sustainable funding sources creates opportunities for product diversification, while enhanced reporting and compliance requirements may add to the operational workload.	Leasing transactions backed by carbon-intensive assets remain relatively stable in the short term. Over the medium to long term, however, transition risks accumulate and may emerge in a delayed and uneven manner. Delayed technological transformation could erode the competitiveness and efficiency of leased assets, placing pressure on second-hand values and collateral structures. Slower growth in sustainable finance flows could constrain the scaling of green leasing products, while the simultaneous development of different regulations and standards could make compliance more complex and create funding-related risks.
Driver	Global Total Electricity Generation (Secondary Energy Final Energy Consumption (Final Energy Electricity)	Electricity), Electricity Consumption within
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS
Key Assumptions	Electricity demand grows faster than final energy demand, driven by deep electrification across transport, heating and industry. Global electricity generation increases by approximately 2.6 times between 2020 and 2050, with almost all additional generation coming from renewable and other low-carbon sources. Fossil-based generation is rapidly phased out, resulting in a sharp decline in carbon intensity.	Electricity generation and consumption continue to grow, but under a slower electrification pathway. Coal and natural gas retain a substantial share of the generation mix, while direct fossil fuel use persists across many sectors. Growth in electricity demand does not translate into a significant reduction in carbon intensity.
Potential Impact on QNB Leasing	Electricity infrastructure, renewable generation, grid investments, and electrification projects become more prominent within the portfolio and product strategy. Equipment financing, project-based leasing, and sustainable products offer significant areas for portfolio growth and diversification. At the same time, rapid declines in the value of fossil-fuel-based equipment and assets could heighten transition risks in carbon-intensive customer segments through weaker collateral quality, lower second-hand values and reduced repayment capacity, potentially requiring portfolio rebalancing.	Slower growth in electricity demand limits the scope for new leasing opportunities, while exposure to fossil-fuel-based equipment remains relatively high. If carbon pricing and regulatory tightening accelerate, transition risks could accumulate over the medium to long term. Slower electrification may constrain the scaling of sustainable leasing products. Energy price volatility and supply security risks could place pressure on customers' cash flows and asset performance, creating indirect credit risk.

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Emission

Driver	CO ₂ Emissions from Energy and Industrial Processes	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050 & Below 2°C	NGFS- Current Policies, CPS
Key Assumptions	CO ₂ emissions from energy and industrial processes decline rapidly from the 2020s onward. Under Net Zero 2050, emissions fall by approximately one-third by 2030, reach very low levels in the 2040s and approach net-negative levels after 2050. Under Below 2°C, the decline is more gradual but remains sustained. The transition is driven by electrification, renewable energy, and limited deployment of CCUS.	Emissions remain at high levels between 2030 and 2050, with no meaningful or sustained decline. Carbon price signals remain weak, and transition investments remain limited. High emission levels persist even after 2050. Physical risks accumulate over time, while transition risks emerge later and more unevenly.
Potential Impact on QNB Leasing	Leasing demand for transition investments in emission-intensive sectors—including energy efficiency, electrification and clean production—gains momentum, creating significant opportunities for portfolio growth and diversification. Carbon-intensive assets may face shorter economic lives, declining second-hand values and weaker collateral quality. Access to sustainable and green funding sources becomes more favorable, while financing structures tailored to transition investments may offer cost advantages.	Transition pressures remain limited in the short term, but over the medium to long term, carbon-intensive equipment may face collateral value erosion, weaker second-hand markets and deterioration in customers' cash flows. Accumulating physical risks could disrupt business continuity in emission-intensive sectors and place pressure on repayment performance. Sustainable funding sources remain more limited and costly. Risks emerge with a delay and in an uneven manner, while the range of opportunities remains narrower and more selective.
Driver	(Carbon Capture, Utilisation and Storage - CCUS) Technologies	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS
Key Assumptions	CCUS scales rapidly in hard-to-abate sectors such as cement and iron and steel. Global carbon capture rises from approximately 839 MtCO ₂ in 2030 to 6,131 MtCO ₂ in 2050, representing more than a sevenfold increase over the period. CCUS moves beyond the pilot stage and becomes widely deployed.	CCUS deployment remains limited, with captured carbon reaching approximately 317 MtCO ₂ in 2030 and 1,179 MtCO ₂ in 2050—around one-fifth of the 2050 level under the Net Zero scenario. Deployment remains concentrated in selected projects and demonstration-scale applications.
Potential Impact on QNB Leasing	Growing leasing demand across the CCUS value chain, including capture technologies, transport and infrastructure equipment, and storage solutions, creates a significant area for portfolio expansion. Equipment financing and project-based leasing opportunities broaden for customers in emission-intensive sectors. Customers with credible transition plans may exhibit more resilient cash flows and repayment capacity. For customers unable to adapt to the transition, however, carbon-intensive equipment may lose value and collateral quality may deteriorate, calling for greater selectivity and repricing within the portfolio.	Leasing opportunities associated with CCUS remain limited in the short term. Carbon-intensive production continues across emission-intensive sectors, while over the medium to long term, leasing transactions backed by such equipment may face pressure on collateral values, secondary-market liquidity and repayment performance. The possibility of transition policies being introduced late but abruptly could result in a sudden and uneven transition risk profile across the portfolio. As risks accumulate and become more pronounced, the range of opportunities remains narrower and more selective.
Driver	Annual Investment in the Global Energy Supply System	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050 & Below 2°C	NGFS- Current Policies, CPS
Key Assumptions	Increased investment in energy supply is rapidly shifting toward low-carbon infrastructure. Under NZE 2050, annual investment reaches approximately \$3.4 trillion in 2030 and \$4.1 trillion in 2035; under Below 2°C, it reaches approximately \$2.5 trillion in 2030 and \$2.9 trillion in 2035. Capital is directed primarily toward renewable generation, grid flexibility, storage, hydrogen and CCUS infrastructure. New investment in fossil fuel infrastructure remains limited, while existing assets are progressively retired. Although capital requirements are substantial in the short term, lower system costs and	Energy supply investments continue to grow but remain misaligned with decarbonization. Annual investment reaches approximately \$2.1 trillion in 2030 and \$2.3 trillion in 2035, with a significant share directed toward coal, oil, and natural gas infrastructure. Investment in renewables and grids also expands, but remains insufficient to deliver the required transition. Continued capital allocation to carbon-intensive infrastructure creates a growing risk of stranded assets.

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	reduced physical risks emerge over the longer term.	
Potential Impact on QNB Leasing	Demand for equipment and project-based leasing linked to renewable energy, grid infrastructure, storage, hydrogen and CCUS projects expands considerably. This creates an opportunity to tilt the portfolio toward assets aligned with evolving regulations and less exposed to transition risk. By contrast, fossil-fuel-based equipment may face shorter economic lives,	In the short term, higher investment volumes may generate leasing demand. However, over the medium to long term, carbon-intensive assets may face a growing risk of becoming stranded, alongside weaker secondary markets and declining collateral values. Delayed energy transition allows physical risks to accumulate, placing pressure on customers' cash flows and repayment performance

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	weaker resale values and deterioration in collateral quality, requiring portfolio rebalancing and more risk-sensitive pricing.	. The opportunities remain more limited and largely short-term in nature.
Driver	Total Global Installed Capacity for Electricity/Solar & Total Global Installed Capacity for Electricity/Wind	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050 & Below 2°C	NGFS- Current Policies, CPS
Key Assumptions	Solar capacity rises from approximately 709 GW in 2020 to 6,300–8,500 GW by 2030 and approximately 24,800–27,400 GW by 2050. Wind capacity grows from 721 GW in 2020 to 2,200–3,000 GW by 2030 and approximately 7,000–8,900 GW by 2050. The role of fossil fuels as baseload generation declines rapidly, while grid flexibility and storage investments are scaled up. Falling technology costs and carbon pricing improve the investment economics of renewable energy projects.	Solar and wind capacity continues to expand, but at a markedly slower pace, reaching approximately 17,800 GW for solar and 4,600 GW for wind by 2050. Policy signals remain weak, carbon pricing is limited, and grid investments are insufficient. Fossil fuels retain much of their baseload role, while the carbon intensity of the system declines only gradually. Energy price volatility and supply security risks persist.
Potential Impact on QNB Leasing	Demand for leasing of renewable energy equipment—including solar panels and wind turbines—as well as grid infrastructure and storage solutions grows substantially, making these areas a major avenue for portfolio expansion. A larger share of low-carbon, regulation-aligned assets improves the portfolio's long-term risk profile. Construction, supply-chain, and technology risks associated with high investment volumes require closer monitoring. Rapid depreciation of fossil-fuel-based equipment poses downside risks to collateral quality.	Opportunities for renewable equipment leasing remain, but are more limited in scale. Over the medium to long term, fossil-fuel-based equipment and energy-intensive sectors face a growing risk of stranded assets, alongside weaker secondary markets and declining collateral values. Energy price volatility and supply security risks may place pressure on customers' cash flows and adversely affect repayment performance. Although a delayed transition may sustain demand in the short term, it leaves the portfolio more vulnerable over the longer term.
Driver	Data Center Developments	
Temperature Pathway	1.5 °C	> 3-4°C
Scenarios Applied	NGFS- Net Zero 2050	NGFS- Current Policies, CPS
Key Assumptions	Data center- and AI-related electricity demand grows by more than 50% by 2030, but is met within a fully decarbonized power system. Global battery and short-duration storage capacity reaches approximately 2,900 GW. Rising demand is accommodated through renewable generation, grid investments, storage and flexibility solutions, while fossil-fuel-based generation becomes marginal.	Data center electricity demand is expected to approximately double by 2030 and triple by 2035. However, much of this demand is met by gas-fired generation, with renewables accounting for approximately 40%. In advanced economies, annual growth in building electricity demand reaches approximately 3.2%, partly driven by AI and data centers.
Potential Impact on QNB Leasing	Leasing demand for data centers, battery and storage systems, grid infrastructure, and energy efficiency equipment expands. Opportunities emerge for long-term project-based leasing and equipment financing, with the portfolio gradually shifting toward low-carbon assets carrying manageable transition risk. High capital requirements and technological complexity warrant careful structuring of leasing transactions in the short term; over the longer term, physical and regulatory risks remain relatively contained.	Leasing demand nevertheless emerges, but the financed assets remain dependent on carbon-intensive energy, leaving the portfolio more exposed to transition risk. Over the medium to long term, carbon pricing and regulatory pressures may shorten the economic lives of assets and depress collateral values, while energy cost volatility may place pressure on customers' cash flows. With decarbonization progressing only slowly across the wider system, the portfolio becomes more exposed to physical climate risks, calling for risk-based repricing and selective leasing strategies.

Metrics and Goals

Inter-sectoral Metric Categories

Greenhouse Gas Emissions

QNB Leasing calculates and reports its greenhouse gas (GHG) emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (2004). For the reporting period from 1 January to 31 December 2025, the Company calculated its emissions using the **operational control approach**. There were no changes to the emissions calculation methodology compared with the 2024 reporting year.

Table 4: Gross Greenhouse Gas Emissions in 2024 and 2025

	2024 Scope 1 (ton CO2e)	2024 Scope 2 – location- based (ton CO2e)	2024 Scope 2 – market- based (ton CO2e)	2025 Scope 1 (ton CO2e)	2025 Scope 2 (ton CO2e)	2025 Scope 2 – market- based (ton CO2e)
QNB Leasing	253	139	0	272	134	0

As part of the 2050 decarbonization efforts led by QNB Bank, the parent company, processes covering target setting, emissions monitoring and reporting, governance mechanisms, and the involvement of relevant business units across the Bank are being followed. To further develop the consolidated sustainability approach and promote transparent reporting practices, the Company intends to assess these efforts alongside QNB Leasing's sustainability targets and report them on a consolidated basis.

Activity data and national and international emission factors are used in the calculation of GHG emissions.

- **For natural gas, stationary combustion sources and electricity consumption, the Tier 2 methodology is applied using emission factors from Türkiye's national inventory.**
- For other categories, a **Tier 1 approach** is applied using international emission factors based on activity data.

The international emission factors used in the calculations are sourced from the **IPCC** and **DEFRA**. Data is processed in appropriate units, including kg, liters, kWh, and tonne-km, with the necessary conversions applied.

- Scope 2 emissions are calculated using the **location-based** method, based on the average emission factor for Türkiye's national electricity grid.

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In both 2024 and 2025, the Company certified that **100% of its electricity consumption** was sourced from renewable sources through **I-REC (International Renewable Energy Certificates)**. Accordingly, Scope 2 emissions are considered zero under the market-based approach.

The Company monitors value chain emissions in accordance with the **GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)**.

QNB Bank also monitors its value chain emissions in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). In parallel, QNB Leasing is developing its data collection processes and methodology to enable more comprehensive measurement of its value chain emissions and aims to disclose Scope 3 emissions from future reporting periods onward. However, **Scope 3 emissions have not been disclosed** for the current reporting period in accordance with the transition reliefs available under TSRS.

Internal Carbon Prices

As of the reporting period, QNB Leasing does not apply **a binding internal carbon pricing mechanism to its operations**.

SASB Sectoral Metrics

In the previous reporting period, the Company included disclosures relating to “TSRS 2 Appendix C Volume 64: Car Rental and Leasing”, which did not correspond to its business activities. These disclosures have been corrected in the current reporting period, and the relevant disclosures have been revised in line with the Company’s business activities, taking into account the sustainability disclosure topics and metrics specified by SASB for the Consumer Finance industry. Accordingly, the industry-specific activity metrics defined in the SASB standard are presented in Table 5, while the operating metrics are presented in Table 6.

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Table 5: Sectoral Metrics

Subject	Metric	Category	Measurement Unit	QNB Leasing 2024 Metrics and Disclosures	QNB Leasing 2025 Metrics and Disclosures	Code
Customer Privacy	Number of account holders whose information is used for secondary purposes	Quantitative	Number	The metric is not applicable to the Company's activities.		FN-CF-220a.1
	Total monetary losses arising from legal proceedings related to customer privacy	Quantitative	Number	0	0	FN-CF-220a.2
Data Security	(1) Number of data breaches; (2) percentage of personal data breaches; (3) number of account holders affected	Quantitative	Number, Percentage (%)	0	0	FN-CF-230a.1
	(1) Card-not-present fraud; and (2) other card-related fraud losses involving the physical card	Quantitative	Currency	These metrics are not applicable to the Company's activities.		FN-CF-230a.2

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	Description of the approach to identifying and addressing data security risks	Discussion and Analysis	-	The Company considers data security an important component of its corporate sustainability approach and implements a data security risk management framework aligned with the regulations of the Banking Regulation and Supervision Agency (BRSA). Within this framework, data security risks are regularly identified and assessed, taking into account the information systems infrastructure. Risk assessments are complemented by internal control and audit processes, while identified risks are prioritized based on their potential impact and likelihood and reported periodically to the Board of Directors. To manage identified risks, the Company implements access controls, authorization mechanisms, data protection measures,	FN-CF-230a.3
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				backup and business continuity solutions. The control environment is regularly monitored and enhanced. Through this approach, the Company seeks to safeguard the confidentiality, integrity, and availability of its information assets.		
Sales Applications	Percentage of employees whose compensation is variable and linked to the amount of products and services provided	Quantitative	Percent (%)	These metrics are not applicable to the Company's activities.		FN-CF-270a.1
	Credit approval rates for applicants: (1) credit approval rate; and (2) approval rate for prepaid products	Quantitative	Percent (%)	46% The metric number (2) is not applicable to the Company's activities.	65% The metric number (2) is not applicable to the Company's activities.	FN-CF-270a.2
	(1) Average fees for individual products; (2) Average annual fees for deposit products; (3) Average fees for credit products; (4) Average number of discounted accounts; (5) Average annual fees for prepaid products	Quantitative	Currency, Percent (%), Month, Number	These metrics are not applicable to the Company's activities.		FN-CF-270a.3
	(1) Number of customer complaints filed (2) Percentage of complaints resulting in monetary or non-monetary compensation	Quantitative	Number, Percent (%)	11,0	22,0	FN-CF-270a.4
	Total monetary losses resulting from legal proceedings related to the sale and servicing of products	Quantitative	Currency	0	0	FN-CF-270a.5

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Table 6: Operational Metrics

Operational Metric	Category	Measurement Unit	Applicability	Code
(1) Number of credit card accounts (2) Number of unique consumers with prepaid bank card accounts	Quantitative	Number	These metrics are not applicable to the Company's activities.	FN-CF-000.A
(1) Number of credit card accounts (2) and prepaid bank card accounts	Quantitative	Number	These metrics are not applicable to the Company's activities.	FN-CF-000.B

Targets and Progress Analysis

Targets are established through an integrated approach aligned with the Company's overall strategic planning processes, coordinated by the Sustainability Committee, approved by Senior Management, and implemented under the oversight of the Board of Directors. Progress against these targets is regularly monitored by the Sustainability Committee and periodically reported to the Executive Committee and the Board of Directors.

In 2025, climate-related projects accounted for 19% of total turnover. The Company plans for climate-related projects to account for 17% of total turnover in 2026 and to reach 20% by the end of 2027. This target applies across the entire business and covers the Company's full leasing portfolio. It is aligned with the role of the financial sector in supporting Türkiye's progress toward its 2053 Net Zero target and aims to contribute to the transition to a low-carbon economy by financing this transition. The target is intended to enhance portfolio resilience to the transition risks identified under GR1 (Risk of Increased Credit Risk for Customers in Carbon-Intensive Sectors) and GR2 (Risk of Stranded Financed Assets) by reducing the portfolio's concentration in carbon-intensive sectors, while also serving as a tangible means of capturing the opportunity identified under F2 (Access to New Customer Segments Focused on the Green Transition).

Another key mitigation target of the Company is to contribute to the reduction of greenhouse gas emissions by financing clean energy generation. The financed renewable energy capacity, which stood at 94 MW in the 2024 baseline year, was targeted to reach 150 MW by 2025. At the end of 2025, this capacity had reached 202 MW, and the Company plans to exceed 300 MW in 2026.

Selected non-financial information presented in this TSRS Report has undergone a limited assurance engagement by Güney Bağımsız Denetim ve SMMM A.Ş. However, the methodology used to establish the targets presented in the report is based on the Company's internal governance and strategic planning processes and, as of the reporting date, has not been subject to separate, specific verification by an independent third-party assurance provider.

Events After the Reporting Period

The Ordinary General Assembly Meeting of QNB Leasing for the 2025 financial year was held on 27 March 2026.

On 15 May 2026, the Company signed a EUR 50 million loan agreement with the European Bank for Reconstruction and Development ("EBRD").

The TRY 496,993,000 capital advance provided to the Company by QNB Bank A.Ş. on 6 November 2025 was converted into share capital following completion of the Capital Markets Board of Türkiye ("CMB") approval process and was registered and announced in the Turkish Trade Registry Gazette on 25 June 2026.

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On 6 July 2026, the Company signed an agreement to obtain syndicated loans totaling USD 117 million and EUR 53 million from international financial institutions, coordinated by Société Générale.