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Our Founder



I live and prosper with my country.

As long as democracy exists and thrives, so do we.

We shall do our utmost to strengthen our economy.

As our economy prospers, so will democracy and our standing in the world.

Vehbi Koç

Koç Holding and the Koç Group at a Glance

Turkey's Leader, Global Player

~7%

Revenues / GDP¹

~7%

Exports / Turkey's Exports¹

~19%

Total Market Capitalization on Borsa
İstanbul 100 Index²

Turkey's Largest Industrial Group

3 of Turkey's 10 Largest Industrial Enterprises³

1. Tüpraş
2. Ford Otosan
7. Arçelik

Turkey's Largest Network

Biggest Employer

~130,000 employees

Largest Distribution Network

~770 bank branches
~10,000 dealers and after-sales
service points

**TL 21.6 billion
R&D investment in 2024**

Turkey's Largest Intellectual Property Rights Portfolio

- > 8,600 trademarks
- > 2,800 patent families
- > 5,700 patents
- > 1,000 industrial designs
- > 6,500 internet domain names

Turkey's Largest Exporters

3 of Turkey's 10 Good Exporters⁴

1. Ford Otosan
4. Tüpraş
8. Arçelik

~30%

International revenues / Total revenues

>155

Number of exporting countries

>130

Production facilities and marketing /
sales companies abroad

The Koç Group, whose objective is to increase the value created for all its stakeholders, continues its journey that started nearly a century ago, within the framework of its long-term value creation target and global growth vision.

(1) Based on Turkish Statistical Institute's 2024 data

(2) Based on Borsa İstanbul's data as of 31 December 2024

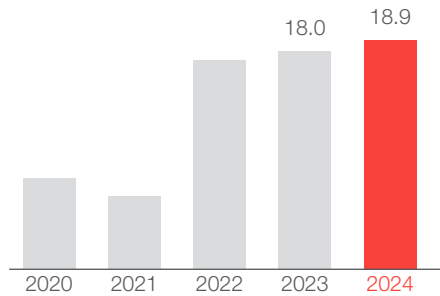
(3) İstanbul Chamber of Industry 2024 report

(4) Turkish Exporters' Assembly 2024 report.

Sustainable and Strong Performance

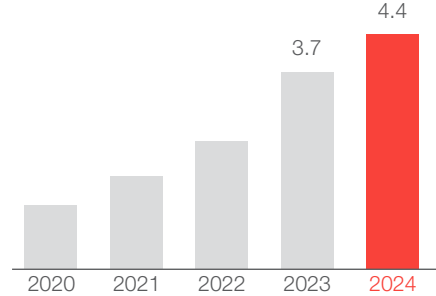
Net Asset Value^{1,3} (USD billion)

USD 18.9 billion



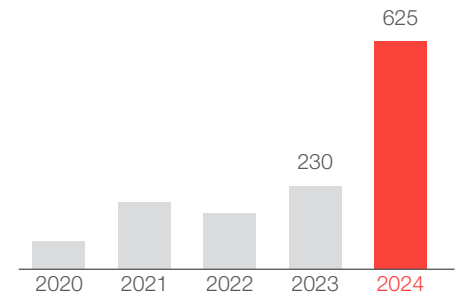
Investments³ (Combined- USD billion)

USD 4.4 billion



Dividends Paid^{2,3} (Nominal-USD million)

USD 625 million



Financial Indicators (Consolidated-TL billion)

	2023 ⁴	2024	Change
Revenues	2,316.7	2,317.9	0.05%
Operating Profit	321.4	87.3	-72.8%
Profit Before Tax	228.8	26.7	-88.3%
Net Profit ⁵	108.1	1.3	-98.8%
Total assets	4,127.7	3,908.1	-5.3%
Total equity	973.5	858.6	-11.8%
Equity attributed to equity holders of the parent	586.4	528.6	-9.9%

(1) Indicates the sum of shares that belong to Koç Holding from the market capitalization of listed companies, the intrinsic value of unlisted companies and Koç Holding's net cash and other assets as of 2024 year end. Listed companies have approximately 90% share within net asset value. Includes securities portfolio of Koç Holding (Yapı Kredi Bank's AT1).

(2) Shows the dividend payment excluding payment to usufruct shareholders.

(3) Net Asset Value chart data graph uses the CBRT end-of-day USD rate on the last business day for corresponding years; the Investments graph uses the average CBRT end-of-day USD rate for corresponding years, and the Dividends Paid uses the CBRT end-of-day USD rate for the date on which the dividend was paid.

(4) 2023 figures are in terms of purchasing power as of 31 December 2024.

(5) Net profit attributable to the equity holders of the parent.

Non-Financial Indicators

ESG Commitments

- Reduction in Scope 1 and 2 GHG emissions (baseline year: 2017):
- 27% in 2030, 49% in 2040, carbon neutral in 2050 (17% reduction as of 2024)
- Commitment to keep the % of women on board at least at 30% at all times

*For detailed information, see Carbon Transformation Program

International Platforms

- Task Force on Climate-related Financial Disclosures (TCFD)
- WEF Stakeholder Capitalism Metrics
- WEF CEO Action Group for the European Green Deal
- WEF Center for Nature and Climate
- UN Global Compact (UNGC)
- UNGC CEO Water Mandate
- UNGC CFO Coalition for the SDGs
- Action Coalition Leader on Technology and Innovation at the UN Generation Equality Forum

- UN Women's Empowerment Principles (UN WEPs)
- UN Women Unstereotype Alliance

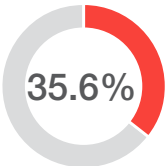
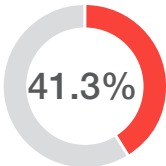

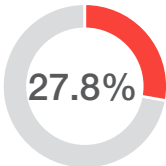
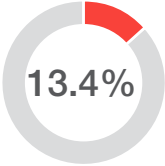
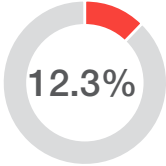
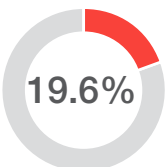
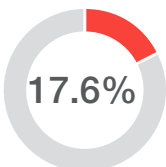
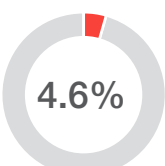
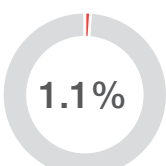
Sustainability Indices and Reporting Platforms

- BIST Sustainability Index
- MSCI ESG Rating
- FTSE4Good
- Sustainalytics ESG Rating
- Moody's Analytics ESG Rating
- CDP Climate Change Program
- CDP Water Security Program

Sustainability
Report



Koç Holding and the Koç Group at a Glance

Sectors	Share in Combined Revenues	Share in Combined Operating Profit ¹
Energy		
Automotive		
Consumer Durables		
Finance		
Other Lines of Business		

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

Companies ¹ / Sectors	International Partners	Domestic Market Positions
Tüpraş / Refinery		Leader
Aygaz / LPG Distribution		Leader
Opet / Fuel Distribution		3 rd
Entek / Electricity Generation		
Ford Otosan / Automotive	Ford Motor Company ²	3 rd
Tofaş / Automotive	Stellantis	Leader
Otokoç Otomotiv / Automotive Retailing and Car Rental		Leader
TürkTraktör / Tractor	CNH Industrial	Leader
Otokar / Commercial Vehicles and Defense Industry		Leader
Arçelik / White Goods and Consumer Electronics		Leader
Arçelik-LG Klima / Air Conditioners	LG Electronics	Leader
Bilkom / Information and Communication Product Distribution		Leader
Yapı Kredi / Banking		4 th ³
Koçfinans / Consumer Finance		2 nd ⁴
Koçtaş / DIY Retailing	Kingfisher	Leader
Setur / Tourism		
Setur Marinas / Marina Operations		Leader
Divan / Tourism		
KoçZer / Centralized Purchasing Services		
KoçSistem / Information Technologies		

(1) Tüpraş, Aygaz, Ford Otosan, Tofaş, TürkTraktör, Otokar, Arçelik and Yapı Kredi are listed companies.

(2) Ford Motor Company wholly owns Ford Deutschland GmbH, which has a 41.04% share in Ford Otosan.

(3) Based on total assets and among private banks.

(4) Based on total portfolio volume.

Ordinary General Assembly Meeting Agenda

1. Opening and election of the Chairman of the Meeting
2. Presentation, discussion and approval of the Annual Report of the Company prepared by the Board of Directors for the year 2024
3. Presentation of the summary of the Independent Audit Report for the year 2024
4. Presentation, discussion and approval of the Financial Statements of the Company for the year 2024
5. Release of each member of the Board of Directors from liability for the Company's activities for the year 2024
6. Approval, approval with amendment, or rejection of the Board of Directors' proposal on the distribution of profits for the year 2024 and the distribution date
7. Approval, approval with amendment, or rejection of the Board of Directors' proposal on the amendment of Article 6 of the Articles of Association of the Company "Capital" to increase the registered capital and to prolongate its period of validity
8. Determining the number of the members of the Board of Directors and their terms of office, election of the members of the Board of Directors in accordance with the newly resolved number, and election of the Independent Board Members
9. Presentation to the shareholders and approval of the "Remuneration Policy" for the members of the Board of Directors and the Senior Executives and the payments made on that basis in accordance with the Corporate Governance Principles
10. Determining the annual gross salaries to be paid to the members of the Board of Directors
11. Approval of the appointment of the Independent Audit Firm as selected by the Board of Directors in accordance with the provisions of the Turkish Commercial Code, the Capital Markets Board and the Public Oversight, Accounting and Auditing Standards Authority's regulations
12. Within the scope of the Company's Donation and Sponsorship Policy, informing the shareholders on the donations made by the Company in 2024 and determining an upper limit for donations for the year 2025
13. Presentation to the shareholders of the collaterals, pledges, mortgages and sureties granted in favor of third parties in the year 2024 and of any benefits or income thereof in accordance with the Capital Markets Board regulations
14. Authorization of the shareholders that have management control, the members of the Board of Directors, the senior executives and their spouses and relatives related by blood or affinity up to the second degree as per the provisions of articles 395 and 396 of the Turkish Commercial Code and presentation to the shareholders of the transactions carried out thereof in the year 2024 pursuant to the Corporate Governance Communique of the Capital Markets Board
15. Presentation of information to the shareholders regarding Koç Holding's target and progress towards target on transition to a low-carbon economy
16. Wishes and observations

Independent Auditor's Report on the Annual Report

(Convenience translation of the report originally issued in Turkish)

To the Shareholders of Koç Holding A.Ş.

1. Opinion

We have audited the annual report of Koç Holding A.Ş. ("the Company") and its subsidiaries ("the Group") for the period of 1/1/2024-31/12/2024.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

2. Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (IAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Our Auditor's Opinion on the Full Set Consolidated Financial Statements

We have expressed an unqualified opinion in our auditor's report dated February 18, 2025 on the full set consolidated financial statements of the Group for the period of 1/1/2024-31/12/2024.

4. The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the Principles of Financial Reporting in Capital Markets ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Group is responsible for the following items:

- Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.
- The annual report also includes the matters below:
 - Subsequent events occurred after the end of the fiscal year which have significance,
 - The research and development activities of the Group,
 - Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

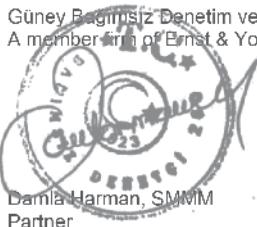
5. Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with IAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

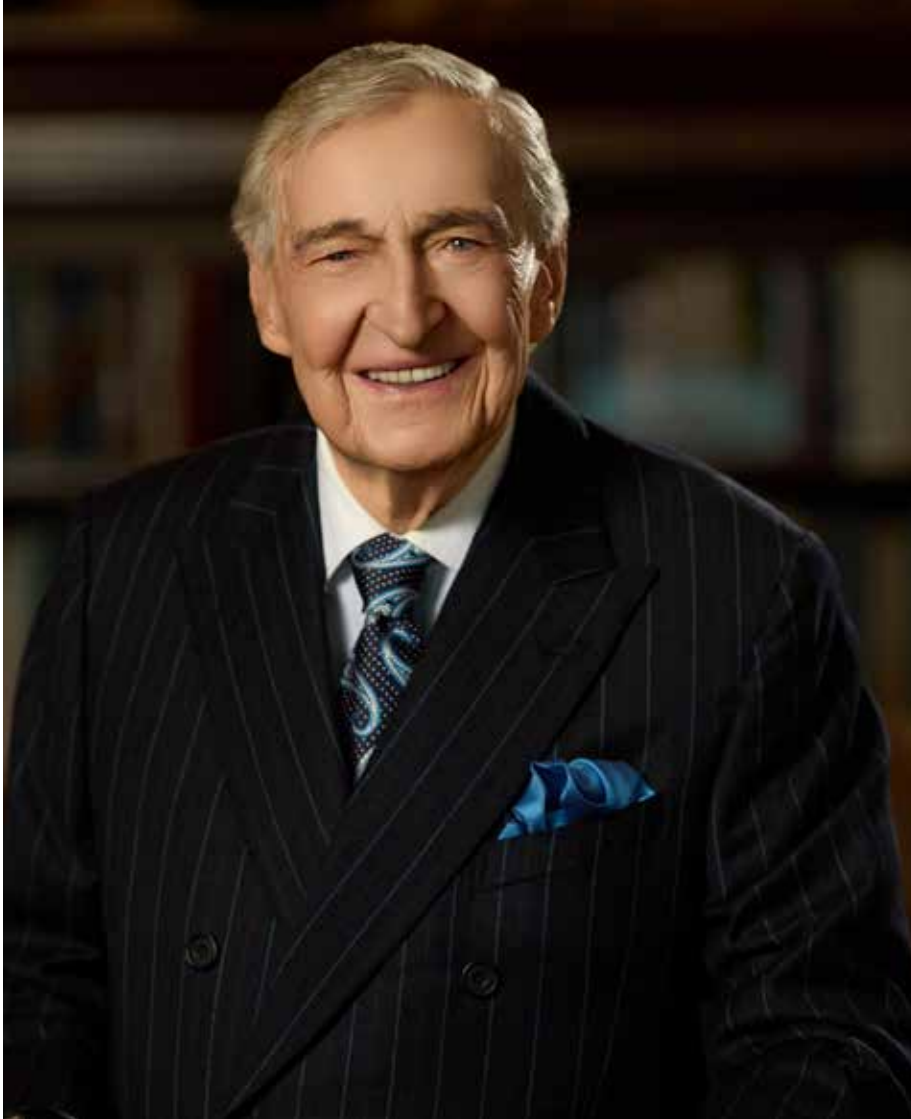
The name of the engagement partner who supervised and concluded this audit is Damla Harman.

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


Damla Harman, SMMMM
Partner

March 11, 2025
İstanbul, Türkiye

Honorary Chair's Message



We continue to add value to our national economy.

Esteemed shareholders,

I would like to greet and welcome each and every one of you to our 61st General Assembly.

In 2024, the global economy and politics witnessed considerable developments that will continue to greatly influence the years to come. As I highlighted in my message last year, the growing trend of economic protectionism has further weakened the waves of globalization that, since the 1990s, have provided significant benefits, particularly to developing countries. With Trump's election as President in the United States, restrictions on international trade and investments are expected to increase in the coming years. Trump and his team have stated unequivocally that they will not hesitate to take actions they deem beneficial to the American economy. In this context, it is clear that the U.S. is prepared to impose high tariffs not only on China, which it views as a strategic rival, but also on allies like the European Union, Canada, and Mexico, with whom it runs a trade deficit. Moreover, Trump's promises to cut taxes and reduce public spending could lead to higher growth in the United States and a stronger dollar. However, if these promises are fulfilled, inflation, which has been declining for some time, could start rising again. In this case, the Fed may adopt a more cautious approach to interest rate cuts, which is not favorable for developing countries like ours.

The Chinese economy grew by 5%, thanks to the government's measures supporting growth last year. Nevertheless, China has substantial excess production capacity and is seeking to redirect this excess capacity toward exports. The European Union countries seem to be its key target market in this effort. Turkey has also been encountering growing competition from Chinese companies, especially in the automotive sector. Both Europe and Turkey have imposed additional tariffs to restrict imports from China. We are seeing Chinese companies shift their production facilities to Europe and our country to overcome these tariffs.

The rivalry between the U.S. and China is not limited to the economy but is also intensifying in technology. Unfortunately, Europe has fallen far behind in this race due to political turmoil and a lack of visionary leadership. The current state of Europe, our most significant economic partner, regrettably poses a major risk for us as well. Nevertheless, strengthening our economic and political ties with Europe will undoubtedly be in our country's best interest.

When we look at the Turkish economy in light of all these developments, we see that the disinflation program, which has been in place since last year, is finally starting to yield tangible results. Inflation peaked at 75.4% in May 2024 before falling to 44.4% by year-end. The gradual decline in inflation is expected to continue in 2025. With this confidence, the Central Bank lowered its policy rate by 250 basis points in December, setting it at 47.5%. Interest rates are also expected to decline in the coming months in line with the anticipated drop in inflation. However, they remain too high to make credit-based business or investment economically viable.

While significant progress has been made in tackling inflation, achieving the targeted single-digit levels will still require a few more years. The main reason for this is the government's reluctance to sacrifice economic growth for the sake of rapidly lowering inflation. Additionally, we see that fiscal policy is not tight enough for an effective effort against inflation. Given this situation, the most effective

tools for combating inflation remain the Central Bank's strong Turkish Lira policy and restrictions on credit growth. The slow pace of exchange rate increases in 2024, well below inflation, is making business significantly more challenging for exporters and those in the tourism sector. Restrictions on credit growth are disrupting cash flows for both individuals and businesses. The disinflation program must incorporate not only exchange rate and monetary policies but also a more balanced approach to fiscal policy and expectation management for a more sustainable and lasting decline in inflation.

The rational economic policies initiated in 2023 and steadfastly maintained throughout 2024 have significantly reduced Turkey's risk premium. In this context, the corporates, banks, and the Treasury secured substantial funding from abroad in 2024. Foreign investors also showed strong interest in short-term Turkish lira-denominated investment instruments. Especially after the local elections at the end of March, domestic savers shifted from foreign currency assets to the Turkish lira to take advantage of high TL returns. As a result of all these developments, the Central Bank's net foreign exchange reserves, which stood at - USD 70.8 billion at the end of March, increased by USD 102.4 billion in the following period, reaching USD 73.5 billion by the end of last year.

Following the slowdown in real wage growth due to the impact of the implemented policies, household purchasing power weakened significantly, especially in the second half of last year. Consequently, domestic consumption demand experienced a noticeable slowdown. Weak demand in Europe as well as the real appreciation of the Turkish lira prevented exports from contributing to growth sufficiently. As a result, GDP growth, which was 5.3% in the first quarter of 2024, declined to 2.4% in the second quarter and further to 2.1% in the third quarter. Growth is likely to remain slow for a while. However, with the expected interest rate cuts by the Central Bank, relatively higher growth rates are projected in the second half of 2025.

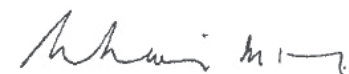
There is a broad consensus that inflation is the most pressing issue for the Turkish economy. The policies implemented over the past year and a half have generally been headed in the right direction. However, it is essential to implement long-overdue structural reforms for inflation to sustainably decline to single-digit levels. Additionally, it is crucial to closely monitor shifts in international trade and supply chains, rising protectionist trends, and groundbreaking technological advancements, while positioning the Turkish economy to benefit from them in the best possible way. My greatest hope is that none of these efforts fall victim to futile political disputes.

In addition to the economic contributions of Koç Group to our country, we also highly value the actions taken by the Vehbi Koç Foundation with its aim of furthering our contributions to our community. With a total asset value reaching TL 56.09 billion (approximately USD 1.6 billion) as of December 31, 2024, the Vehbi Koç Foundation proudly continues to contribute to our society through educational, health, and cultural initiatives, as well as new ventures and investments.

Esteemed shareholders,

As the Koç Group leaves behind nearly a century of business activities, we remain ever mindful of the support and confidence that you have placed in us. We continue to add value to our national economy. And, as we emphasize on every occasion, we have confidence in the future of our country.

I would like to take this opportunity to express my sincerest gratitude to all our shareholders, customers, dealers, suppliers, business partners, labor organizations, executives, and employees, and wholeheartedly wish that 2025 be a year of prosperity for our country.



Rahmi M. Koç
Honorary Chair

Chair's Statement



Working for the future of our country in this direction for a century, Koç Group successfully manages an economic value greater than the national income of 124 countries, with a combined income exceeding USD 100 billion.

Dear shareholders, valuable business partners and employees of Koç Holding,

We have left behind a year where we faced stern challenges in many respects and where, in international relations, the past came to the fore instead of the future, conflict replaced peace and ultimately, uncertainties pertaining to the global order increased.

Providing us with many advantages with its unique location, our country is located in one of the toughest geographies of the world in terms of geopolitical risks. While a ring of fire surrounds us, we once again understand the wisdom and value of Gazi Mustafa Kemal Atatürk's motto "peace at home, peace in the World".

Catastrophic disasters and transformations are taking place concurrently in the Middle East. It is unclear which moral position the

Western civilization, which has brazenly closed its eyes to the ongoing human tragedy in Gaza, will be able to defend in the future. Our neighbor Syria, which has been in a state of turmoil affecting us directly for many years, is once again facing many difficulties in achieving the stability that was anticipated in the aftermath of the sudden change of power.

Entering its third year and triggering major political changes particularly in Europe, the war in Ukraine is likely to be left to the passage of time with only a ceasefire on existing front lines instead of true lasting peace.

Another significant change expected to directly affect developments both in our region and in the world is happening in Washington. Trump, whose political style and views has been causing substantial friction, even with his country's own institutions and allies during his first presidential term will be able to act with much more ease this time thanks to the majority he obtained in both houses of Congress. However, it is understood that this ease will lead to significant uncertainties not only for the US, but also for the global order, which, in spite of all its shortcomings, has been providing a framework for international relations for decades with institutions and rules.

As for the most powerful dynamic shaping world politics, it is the competition for global dominance between the US and China. The repercussions of this competition concern and affect us closely in the business world. The possibility of this rivalry going beyond mere commercial and technological competitiveness and turning into a real conflict is a geopolitical risk that should not be underestimated.

The elections in the European Union, the largest trading partner of our country and of our Group, show that the rise of the far right continues. Moreover, we have witnessed that the financial difficulties that were so far rather affecting peripheral countries are now putting a strain on the politics of even France and Germany, the very core of the Union.

Despite this unfavorable outlook in global politics, global inflation continued to decline in 2024 with US and European central banks finding opportunities to cut interest rates. Nevertheless, the expectations that this positive trend would continue unfortunately dimmed after the US elections. If we take into account the possible global effects of Trump's controversial promises such as additional tariffs, we may enter a period in which global growth may weaken again and interest rates may increase.

As for our country, we left behind a year where economic policies focused on the fight against inflation and yielded some results. We expect the downward trend in inflation to continue in 2025; nonetheless, it will take time to reach levels that enable a healthy investment and trade environment. The decrease in currency-protected deposits, a major risk for the economy, and the increase in the Central Bank reserves were noted as positive developments in 2024. It is evident that due to the tight exchange rate policy considered the most important pillar of the program, production and consumption in our country have become more expensive in foreign currency terms, thus resulting in competitive difficulties for our exporters. After solid growth in the first quarter of the year, our economy slowed down due to the impact of monetary policy, and challenges are likely to persist in 2025 as well.

Since its foundation, Koç Group has prudently managed risks and opportunities without compromising its long-term strategic perspective and will pursue its decisive steps in line with its vision of global growth. In consumer durables, we completed the merger between Arçelik and Whirlpool in Europe, Middle East and Africa. Thus, we became one of the two largest white goods manufacturers in the world. In automotive, Tofaş and Stellantis reached the final stage of their sales and distribution agreement for Turkey. Tofaş maintains its market leadership in Turkey with the Fiat brand. Ford Otosan, the producer of Europe's best-selling commercial vehicles, increases its capacity with the investments it makes. Otokar,

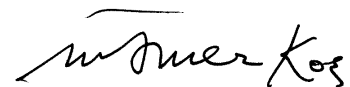
one of the world's leading land platform manufacturers, has signed one of the most comprehensive defence agreements with Romania, while Entek accelerated its renewable energy investments in Romania. Through Yapı Kredi's subsidiary in Germany, we had the opportunity to expand our overseas operations.

On the other hand, we closely monitor global trends and continue to invest in promising sectors and companies. We accelerated productivity growth by incorporating groundbreaking artificial intelligence applications and quantum technologies into the production and service processes of our companies, and we contributed to our competitiveness with the savings we hence made. We are also pursuing our investments in healthcare services and healthcare technologies, two domains with a potential for very rapid growth.

The Great Atatürk's words at the İzmir Economic Congress "... In order to bring Turkey to the greatness it deserves, it is necessary to give importance to, first and foremost, our economy. Our time is nothing but an economic era" have become even more significant in today's environment of rapid change. Working for the future of our country in this direction for a century, Koç Group successfully manages an economic value greater than the national income of 124 countries, with a combined income exceeding USD 100 billion.

I would like to extend my most sincere gratitude to our shareholders, customers, dealers, business partners, trade unions, managers and employees who have supported us on this path we have been travelling along with resolution, and who have always carried our Group forward and for the better.

Sincerely,



Ömer M. Koç
Chair of the Board of Directors

Board of Directors Report

Dear shareholders,

Welcome to Koç Holding's 61st General Assembly Meeting.

We hereby present Koç Holding's 2024 Annual Report for your evaluation. The first section of the report provides general information about Koç Holding, its strategies and operations in 2024, while the rest of the section sets out the developments in its core business segments. In addition, the Koç Group's sustainability initiatives are discussed in detail, along with the strategies devised and the developments that took place. The second part of the report contains externally audited consolidated financial statements and accompanying notes, as of the 31 December 2024 and other disclosures required by the Capital Markets Board (CMB).

The financial results presented in this report have been prepared on a consolidated basis in accordance with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" in compliance with CMB's Turkish Financial Reporting Standards ("TFRS") and the formats specified by the CMB.

As per the announcements of the CMB and the Public Oversight Authority, TAS29 Financial Reporting in Hyperinflationary Economies has been applied in the preparation of the consolidated financial statements for the year ended 31 December 2024.

Dear shareholders,

We left behind a year that put us to acid testing in many aspects; it has been a year of the past and conflicts taking over the future and peace in international relations, ultimately casting more and more uncertainties over the global order.

On behalf of Koç Holding's Board of Directors, I would now like to share our main assessments for 2024.

Economic Developments

Inflation declined in the world throughout 2024; however, annual inflation rates of countries picked up in the last quarter of the year as the positive effects of decreased energy prices subsided. Annual inflation went down from 3.4% in 2023 to 2.9% in the US, from 2.9% to 2.4% in the Euro Zone, and from 4% to 2.5% in the UK. In Japan, on the other hand, inflation was up from 2.6% in 2023 to 3.6% in 2024. Low inflation was sustained in China, where consumer prices that slid down by 0.3% in 2023 marked up by a mere 0.1% in 2024.

In 2024, major central banks started lowering their rates. The European Central Bank (ECB) carried out its first rate cut in June, the Bank of England (BoE) by end-July, and the US Federal Reserve System (the Fed) in September. The funding rate of the ECB went down from 4.5% at year-end 2023 to 3.15% at year-end 2024, and the policy rate of BoE from 5.25% to 4.75%. The Fed decreased its policy rate corridor from the 5.25%-5.5% interval at year-end 2023 to the 4.25%-4.5% interval at year-end 2024. Notwithstanding, the Fed interest rates forecasted for 2025 in the last quarter of the year ascended with the high inflation anticipations in the US. This turn of projections led to an appreciation of the USD, with the EUR/USD parity dropping from 1.1 at end-2023 to 1.04 at end-2024.

In 2024, energy prices dropped on average as compared to 2023. Brent oil retreated from USD 77.6 a barrel at year-end 2023 to USD 74.5 a barrel at year-end 2024. However, Brent oil price soared to as high as above USD 90 in the first half of the year. Showing a consistent rise in 2024, the price of natural gas escalated from

31.6 EUR/MWh to 48.4 EUR/MWh in the twelve months to end-2024. Nonetheless, average natural gas price across the year was below what it was in 2023. LMEX metal prices index hiked significantly in the first half of 2024, before declining in the second half of the year. LMEX was up by 3.8% year-on-year at the end of 2024.

In Turkey, the monetary policy was loose as compared to inflation in the first quarter of 2024. The Central Bank of the Republic of Türkiye (CBRT) hiked the policy rate from 45% to 50% at the end of the first quarter and enforced rules that restrained credit expansion. After keeping the policy rate fixed at 50% through the remaining months of the year, the CBRT decreased it to 47.5% at the end of December. The CBRT also maintained its strong Turkish lira policy. The Turkish currency depreciated marginally in the face of foreign currency when compared to inflation.

High interest rates, eased volatilities and the limited increase in exchange rates resulted in greater demand for the Turkish lira. As foreign currency inflow gathered speed from the second quarter of 2024, FC deposits in the country diminished. FX-protected TL deposit stock, on the other hand, decreased steadily throughout 2024.

Inflation followed a high course in the first quarter of 2024. As the CBRT tightened the monetary policy, inflation slowed down versus the onset of the year, remaining, however, high as compared to the desired levels. Annual inflation started to decline from May owing to the base effect. At the bottom line, annual consumer prices inflation was 44.4% and annual producer prices inflation was 28.5% in 2024. USD/TL parity shot up by 19.8% from 29.4 to 35.3 on an annual basis at the end of 2024, whereas EUR/TL parity hiked by 12.8% from 32.6 to 36.7 in the same timeframe.

Domestic demand in Turkey, which was strong in the first quarter of 2024, slowed down as of the second quarter with the additional effect of the restrained credit expansion. Still, domestic demand displayed a limited recovery in the fourth quarter over the preceding quarters. Industrial production, albeit slower in the second and third quarters, was up by 0.4% on a year-on-year basis owing to the recovery in the last quarter of the year. In 2024, exports increased by 2.4% in USD terms, whereas imports declined by 5% with the contribution of the significantly decreased gold imports. Tourism continued to contribute positively to economic activity in the country in 2024, and the number of foreign tourists increased by 7% as compared to 2023 and reached 52.6 million.

The Koç Group and Koç Holding

The Koç Group is Turkey's largest industrial and services group in terms of revenues, exports, number of employees and market capitalization. Our combined revenues correspond to around 7% of Turkey's GDP and our exports account for around 7% of Turkey's total exports. As of 31 December 2024, Koç Holding and our publicly traded companies at Borsa İstanbul 100 index (BIST 100) accounted for 19% of the total market capitalization of the companies listed on BIST 100.

Koç Holding is the only Turkish company to be listed among the "World's Largest 500 Companies" by Fortune. It was also named Turkey's best employer for the eighth year in a row and ranked 118th in the world in the "World's Best Employers" list published by Forbes.

Koç Holding adds value to its Group companies with the confidence and high reputation borne out of nearly a century long of experience and works to ensure that suitable policies and best practices become widespread throughout the Group.

Koç Holding preserved its strong financial position in 2024 thanks to its diversified portfolio structure, healthy balance sheet and effective risk management.

In 2024, Koç Holding's combined revenues totaled TL 3,626 billion¹. In the same period, its combined operating profit² decreased by 72% to TL 109.4 billion, while its consolidated net profit³ stood at TL 1.3 billion.

Expanding our global presence, creating strong brands, generating ever more value for our customers and improving our human resources continued to shape our investments. The Koç Group's combined investments in 2024 amounted to TL 155.3 billion. The highest amount of investments was made in the auto sector, followed by the consumer durables and energy sectors.

R&D, innovation, technology and digital transformation remained among our main focus areas. Nearly TL 21.6 billion was invested in R&D in 2024.

The share of Koç Group's international revenues in total combined revenues was approximately 30%. Foreign currency and foreign currency linked revenues, including Tüpraş, made up 49% of total combined revenues.

Energy

The Koç Group continues to play a leading role to meet Turkey's demand for petroleum fuel products.

Our energy companies' combined operating profit was down by 67% year-on-year to TL 45.1 billion, while their consolidated net profit was TL 7.0 billion.

Tüpraş continued to fulfill our country's need for petroleum products. The company recorded a 93% capacity utilization rate with a total charge of 27.8 million tonnes, including crude oil and semi-finished products, and produced 26.7 million tonnes of products in 2024. While meeting most of the country's demand

with 23.8 million tonnes of domestic sales, a total of 30.4 million tonnes of sales volume was achieved including exports and transit sales. In addition, a total of 2.7 billion kWh of electricity was sold by Entek in 2024, 1.2 billion kWh of which was provided by renewable energy sources.

Aygaz sold 2.4 million tonnes of LPG in 2024. Furnishing countrywide services with Aygaz and Mogaz brands, Aygaz has 2,010 LPG dealers. The Company maintained its leadership in the LPG market, enabled by its proximity to customers and its service speed and quality, and sold approximately 240,000 tonnes of LPG in total in 2024. Possessing the most extensive autogas distribution network in Turkey with its 1,874 licensed autogas stations, Aygaz sold approximately 760,000 tonnes of autogas in the reporting period.

United Aygaz LPG sales reached approximately 126,000 tons in 2024. In line with the investments it started in Chittagong (Chattogram) in 2021, it operates with six spheres with a total capacity of 16,000 tons. The total size of the Bangladesh LPG market, one of the fastest growing markets in the world, was 148,000 tons in 2015 and reached 1.5 million tons in 2023. The share of domestic use in the total consumption of the Bangladesh LPG market is approximately 85%, and the market's compound growth rate over the last 5 years has been 14.4%.

In 2024, **Opet**'s sales growth in the retail segment outdid the market's expansion. Opet is ranked third in the white products market and first in the black products market. Serving numerous domestic and international airlines in all airports throughout Turkey, THY-Opet reached a jet fuel sales of 950,939 m³ in 2024. Opet Fuchs manufactures automotive and industrial lubricants and auto care products in its new production facility in Aliğa, İzmir; the company reached 44,553 tonnes of mineral oil sales at the end of 2024.

(1) Koç Holding's total 2024 net consolidated revenues amounted to TL 2,318 billion as a result of the deduction of TL 77.2 billion, due to the elimination and other adjustments made for consolidation purposes pursuant to TFRS, and of TL 1,231 billion, due to accounting of joint ventures with equity pick up methodology, made from Koç Holding's combined revenues for 2024.

(2) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables

(3) Net profit attributable to the equity holders of the parent.

Board of Directors Report

Being one of Turkey's first private sector autoproducers, Entek has a total installed electrical capacity of 492 MW. The company carries out power generation with a total of eight hydroelectric power plants (HPPs) located in Kahramanmaraş, Karaman, Samsun and Mersin with a combined installed electricity capacity of 264 MW; two wind farms with an installed capacity of 116 MW located in Edirne and İzmir; and a natural gas cycle power plant with an installed capacity of 112 MW, located in Kocaeli.

Automotive

Through its automotive companies, the Koç Group accounted for 39% of Turkey's total automotive production and 36% of its automotive exports.

The combined operating profit¹ of our automotive companies was down by 70% annually to reach TL 30 billion and their consolidated net profit reached TL 14.3 billion.

Ford Otosan has a production capacity of 934,500 vehicles, 430,000 engines, 112,000 powertrains and 18,500 heavy commercial vehicle automatic transmission. These figures make Ford Otosan the largest commercial vehicle manufacturer of Ford in Europe, the automotive manufacturer with the highest production capacity in Turkey, and the largest company in goods exports in Turkey.

A global player in the automotive industry, Ford Otosan is operating with over 25,000 employees at four locations in Turkey and Romania. With a total commercial vehicle production capacity of 634,500 vehicles at its Kocaeli (Gölcük and Yeniköy Plants) and Eskişehir Plants, the Company is responsible for 83% of Turkey's commercial vehicle production and 92% of

commercial vehicle exports. Ford Otosan has been Turkey's goods export champion for the past nine years in a row.

Tofaş continued to gain the customers' appreciation with the broad product array of the brands it represents while maintaining its leadership in the sector for the sixth consecutive year. Fiat Egea, with its updated versions, has succeeded in being Turkey's most preferred car for the ninth year in a row.

The framework agreement concluded between Koç Holding and the Stellantis Group in March 2023 was followed by the acquisition agreement signed by Tofaş and Stellantis Türkiye in July. Under this strategic partnership, it was covenanted that the commercial operations of all Stellantis brands in Turkey will be gathered under the Tofaş roof, and the new KO model planned for 4 different brands in the medium light commercial vehicles segment will be manufactured at Tofaş. Accordingly, manufacturing and licensing agreements granting Tofaş the right to manufacture KO model have been signed on 4 November 2024; the procedures in relation to the transaction for taking over the shares in Stellantis Türkiye are in progress.

Having celebrated its 70th year in 2024, **TürkTraktör** is the first manufacturing company of the Turkish automotive industry that is still pursuing operations. In 2024, TürkTraktör preserved its unbroken leadership in the sector in Turkey that is the fourth largest tractor market in the world for the 18th year in a row. As of year-end 2024, TürkTraktör's market leader New Holland brand preserved its number 1 spot with 35.8% market share while Case IH ranked 2nd with 10.5% share in the market. In 2024, TürkTraktör was responsible for 60% of the tractor production in Turkey and 73% of Turkey's tractor exports.

Otokar was awarded the contract covering 1,059 4x4 light armored tactical wheeled vehicles of Romtecnica, a company owned by the Romanian Ministry of National Defense. The Company stepped into the pick-up segment with Foton Tunland in 2024. Otokar operates with approximately 4,000 employees at its plant which covers an area of 552,000 m² in Sakarya.

In 2024, **Otokoç Otomotiv** captured 6.3% share in the overall market with 80,726 new vehicles sold. The Company is in leadership position in automotive retailing with the market share it commands. As for second-hand vehicle sales, the Company retained its leadership among corporate brands with 39,167 units sold.

Consumer Durables

Arçelik, the Koç Group's leading company in the consumer durables segment, sustains its global growth journey with 53,000 employees, 22 brands, 124 associated companies in 58 countries, 45 production facilities in 13 countries and 30 R&D Design Centers and Offices.

While retaining its market leadership title in Turkey, **Arçelik** also maintained its leader position with the Dawlance brand in Pakistan, and Defy in South Africa. Beko, its global brand and one of the top two white goods brands in Europe, is ranked first in the white goods category in the UK and Romania.

The merger of Arçelik's and Whirlpool's subsidiaries in Europe under Beko Europe joint venture has been culminated on 1 April 2024. Accordingly, the shares in all the subsidiaries operating in Europe under the control of Arçelik and Whirlpool have been transferred to Beko Europe incorporated in the Netherlands. Beko and Whirlpool hold 75% and 25 % stake, respectively, in the capital of Beko Europe.

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables

Furthermore, the entirety of the shares in Whirlpool's two subsidiaries incorporated in the UAE and Morocco and operating in the Middle East and North Africa (MENA) region, namely Whirlpool MEEA DMCC (Beko Gulf DMCC) and Whirlpool Maroc S.a.r.l. (Beko Maghreb S.a.r.l.), and Whirlpool's operations in the MENA region have been taken over by Beko B.V. on 1 April 2024 following the closing procedures stipulated in the MENA share acquisition agreement.

In Egypt, where Arçelik has been undertaking marketing and sales operations under Beko brand since 2012, the white goods plant whose foundations were laid in 2022 was officially opened in September 2024. With an approximate investment budget of USD 100 million, the plant started serial production in May 2024. The plant will have a total area of 114,000 m² including 70,000 m² of covered area, and a production capacity of 1.5 million units.

In 2024, **Arçelik-LG** once again achieved its production and sales target of over 1,000,000 sets of split AC units as it did the year before. Underlying this successful result of the Company were the broad product array carrying Arçelik, Beko and LG brands, coupled with effective production and supply strategies.

Sustaining its leader position in the Turkish electronics retail sector, **Bilkom** ranked 75th Fortune Turkey 500 list. The Company is the unchanged number 1 distributor of tablet and portable computers in Turkey for the past four years in a row.

Finance

Yapı Kredi, the Koç Group's flagship company in finance, is the 4th largest private bank with TL 2,554 billion of total assets¹.

The combined operating profit of our finance segment decreased by 86% annually to TL 19.2 billion while the consolidated net profit was TL 15.6 billion.

Yapı Kredi² continued to diversify its funding sources, and secured funds worth approximately USD 8.6 billion through various instruments including syndications, subordinated bonds, debt securities that can be included in the additional Tier 1 capital of the Bank, bond issuances, and bilateral loans. Two sustainability-linked syndicated loan agreements were signed in 2024. Both facilities will be utilized within the frame of Yapı Kredi's Sustainable Finance Framework. The Bank obtained the first one of the sustainability-linked facilities in the first half of the year, which was for USD 936 million and participated by 46 banks from 25 countries, and the second one in the second half of the year, which was for USD 1,052 billion and participated by 45 banks from 24 countries.

Offering financing solutions on the back of its broad product array, Koçfinans² is a leading company in its sector with total assets worth TL 32 billion and ranks second in terms of portfolio volume.

Other Lines of Business

The Koç Group continues its operations in other sectors such as food, retail, tourism and IT with its leading companies.

The total combined operating profit² of our other sectors increased by 334% annually to TL 1.1 billion, while consolidated net loss was TL 5 billion.

Düzey charges ahead to become the top distribution platform for the fast moving consumer goods sector in Turkey.

Koçtaş kept consolidating its leadership in the home improvement retail sector. The Company fortified the marketplace platform it has launched in 2023 through improved product diversity and enhanced customer experience in 2024. The number of products offered on the marketplace platform reached 900,000 as the number of vendors increased to the order of 2,000 in the reporting period.

Setur achieved 40% growth in the number of rooms sold in domestic tourism. The first boutique store was opened in Hamburg Airport as part of the Company's overseas growth plans.

Setur Marinas is the leader in the Turkish marina operation sector with its 20% of market share

The **Divan Group** sustained its sustainable and profitable growth journey while also diversifying its portfolio with the catering units that came into service in 2024. The Group opened Telezzüz, Divan Cafeteria Medicana Zincirlikuyu and White Pepper units.

KoçZer kept providing end-to-end solutions to increase the resilience and flexibility of companies, combining strategy, expertise and technology in supply chain and procurement management.

Our IT company **KoçSistem** acquired more than 200 new customers for its portfolio in 2024.

Retaining its title as the leading artificial intelligence company in Turkey, **KoçDigital** pursues its advanced analytics works with the target of sustainable artificial intelligence in various areas ranging from supply chain management to human resources analytics.

Token Financial Technologies provides new generation payment solutions to businesses with its internally developed technologies ranging from physical payment devices to online payments. In 2024, Token reinforced its leading position in the sector by offering innovative solutions that are aligned with the new regulatory requirements and facilitate business management for establishments.

Turkey's leader manufacturer and exporter of electric motors, **WAT** expanded its products and services to cover motion control systems, renewable energy components, electrification elements, electric vehicle charging stations and autonomous systems for production technologies.

With an expanding charging station network, **WAT Mobilite** keeps gaining further strength with a DC charging unit ratio of over 50% at 328 locations in 56 provinces as of end-2024.

(1) Data pertaining to Yapı Kredi and Koçfinans are based on amounts drawn up and publicly disclosed by Yapı Kredi and Koçfinans pursuant to the Banking Regulation and Supervision Agency (BRSA) requirements.

(2) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables

Board of Directors Report

A Netherlands-based healthcare technology company affiliated to the Koç Group, **Koç Medical** authored major achievements in the international markets in 2024. The Company sustains its global expansion by carrying out sales in Europe, UK, Americas and MENA regions. The Company's catheter sales for home care in Germany succeeded in fulfilling 85% of the home care need in the country.

Turkey's first and only hybrid cell and tissue center, **StemBio** services 30 distinct healthcare branches. During 2024, StemBio extended support to citizens of 22 countries from all continents of the world either through direct exportation of its products or through services rendered to international patients. StemBio aims to add momentum to its work and investments concerning effective and accessible treatment solutions particularly in the field of oncology and provide support for this urgent need of the humankind with products manufactured in Turkey.

Sustainability

Koç Holding manages its sustainability activities within the frame of its "Lead. Together" partnership strategy that has been approved by the Board of Directors and publicly disclosed.

As part of this strategy, material issues are reviewed once in every 2 to 3 years in view of stakeholder expectations and global trends. According to the materiality analysis conducted in 2023, "low carbon transition and clean technologies" were stated as the top priority material issues by all stakeholders.

In line with its 2050 carbon neutrality target, Koç Holding targets to reduce its direct (Scope 1 and Scope 2) greenhouse gas emissions by 27% by 2030 and by 49% by 2040. While 3.8% reduction was achieved in the Group's direct greenhouse gas emissions on a year-on-year basis, the reduction since 2017 baseline year is 17%.

A Koç Group company, Arçelik received validation for its 1.5°C aligned near-term and net-zero targets from the Science Based Targets initiative (SBTi), one of the most prestigious sustainability initiatives in the world. Carrying on determinedly with its efforts to become a net zero company by 2050, the Company committed to reduce its absolute Scope 1 and 2 emissions as well as its absolute Scope 3 GHG emissions from the use phase of sold products by 42% by 2030 compared to a 2022 base year, and to cut its absolute Scope 1 and 2 emissions and absolute Scope 3 emissions by 90% by 2050, also compared to a 2022 base year.

Yapı Kredi Bank received verification for its emissions reduction targets from the SBTi and became the first large-scale private bank to have received this approval from Turkey.

Following the earthquakes of 6 February 2023, Koç Holding set up Hope Cities comprised of 5,000 living containers to respond to the sheltering need in the area, which also cater to social needs such as education, culture, arts and sports while also creating employment opportunities. Koç Holding, the Koç Group companies and the Vehbi Koç Foundation continued to support the residents at Hope Cities in 2024 in cooperation with public institutions and civil society organizations. Hope Cities were also recognized by international institutions in 2024. Cited as an example of projects creating social value by the World Economic Forum, Hope Cities was also the recipient of the grand prize at the prestigious Thomson Reuters Sustainability Awards.

Employment and Relations with Trade Unions

The total number of employees working in Koç Holding, its subsidiaries and business partnerships stood at 130,760 as of the end of 2024. The consumer durables sector accounted for the highest level of

employment, with a 41% share in the total. It was followed by the auto and finance sectors, which accounted for 31% and 12% of the total number of employees, respectively.

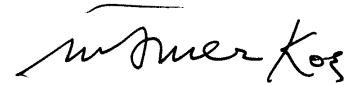
A total of 2 collective bargaining agreements were signed in 2 of our companies during 2024 and good workplace relations were maintained in terms of employment and union relations.

Dear shareholders,

On behalf of the Board of Directors, we would like to express our gratitude to our esteemed shareholders, our customers, our dealers, our suppliers, our supply industry, our business partners, our union members who have been unstinting in their continuous trust in the Koç Group, and to our employees whose outstanding and dedicated contributions have contributed so greatly to our success.

As always, the Koç Group will continue to operate with the objective of creating long-term value also in 2025. Backed by our strong belief in Turkey, we will continue our investments while remaining resilient in the face of market volatility through our disciplined management approach and strong balance sheet.

I would like to extend my greatest respects to you, our esteemed shareholders and representatives, for the honor of your presence in our General Assembly today.



Ömer M. Koç
Chair of the Board of Directors



Independent Auditor's Report on the Financial Statements (Opinion)

Opinion¹

We have audited the consolidated financial statements of Koç Holding Anonim Şirketi ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of balance sheet as at December 31, 2024, and the consolidated statement of income and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (TFRS).

(1) For the full Independent Auditor's Report, see page 198.

Consolidated Balance Sheet

(TL million)	2023 ¹	2024
Total Currents Assets	2,472,313	2,338,684
Total Non-Currents Assets	1,655,431	1,569,468
Total Assets	4,127,744	3,908,152
Total Short Term Liabilities	2,693,843	2,604,653
Total Long Term Liabilities	460,395	444,835
Total Liabilities	3,154,238	3,049,488
Total Equity	973,506	858,664
Total Liabilities & Equity	4,127,744	3,908,152

Consolidated Income Statement

(TL million)	2023 ¹	2024
Total Revenue	2,316,773	2,317,907
Total Costs	-1,772,974	-1,990,072
Gross Profit	543,799	327,835
Operating Profit	321,467	87,366
Profit Before Tax	228,893	26,712
Tax Income / (Expense)	-50,478	-32,000
Profit / Loss for the Period	178,415	-5,288
Equity Holders of the Parent	108,176	1,306
Earnings Per Share (Kır)	42.673	0.515

(1) 2023 figures are in terms of purchasing power as of 31 December 2024.

2024 Board of Directors



Rahmi M. Koç
Honorary Chair



Ömer M. Koç
Chair



Ali Y. Koç
Vice Chair



Semahat S. Arsel
Member



Caroline N. Koç
Member



İpek Kıraç
Member

- For the CVs of the BoD members, see pages 182-185.
- For information about the BoD and executive management members' transactions on behalf of themselves or someone else within the framework of the permission granted by the General Assembly, and their operations within the scope of the competition ban, see the agenda item description numbered 14 in the Informative Document on page 332.
- The key management of Koç Holding is identified as the Chair and members of the Board of Directors, the CEO and presidents. Information on total key management compensation incurred by Koç Holding in 2024 is available in note 29 of the financial tables (see page 298).



Levent Çakiroğlu
Member & CEO



Jacques A. Nasser
Member



Cem M. Kozlu
Independent Member



Peter Martyr
Independent Member



Michel Ray de Carvalho
Independent Member



Ömer Önhon
Independent Member

Dividend Policy

Our Company implements its Dividend Policy within the framework of the provisions of the Turkish Commercial Code (TCC), Capital Markets Legislation, Tax Regulations and other relevant legislation, as well as the provisions of our Articles of Association governing the distribution of profits. In line with the Corporate Governance Principles, a balanced and accurate policy is followed between the benefits of the shareholders and the Company.

In principle, as long as the relevant regulations and financial possibilities allow, taking into consideration market expectations, the long-term strategy of our Group, the capital requirements of our Company, our affiliates and subsidiaries, our investment and financing policies, profitability and cash position, a minimum 5% of distributable profit calculated under Capital Markets Board regulations shall be distributed in cash.

Pursuant to Article 19 of our Articles of Association, no more than 2% of the amount remaining from the pre-tax earnings after the allocation of the first series of legal reserve fund, financial obligations and first level dividend to shareholders withheld as per Capital Markets Legislation, is allocated to Koç Holding Pension and Assistance Foundation. Additionally, without prejudice to the first level dividend established under Capital Markets Legislation, 3% of the amount remaining after the deduction of the first series of the legal reserve fund, financial obligations and 5% of the paid-in capital from the pre-tax earnings, is allocated to holders of usufruct certificates. However, the amount to be paid to holders of usufruct certificates cannot exceed 1/10th of the amount remaining from the net profit after the deduction of the first series of legal reserve fund and first level dividend to shareholders established under Capital Markets Legislation.

Before the allocation of legal reserves under TCC and the above-mentioned dividend for shareholders, no allocation shall be decided for Koç Holding Pension and Assistance Foundation or for holders of usufruct certificates, for any other reserves, or for transfer to subsequent years, and no amount shall be paid for such persons before said dividend is actually paid to the shareholders.

It is expected to distribute dividends within a month following the General Assembly Meeting at the latest. The General Assembly decides the date of the dividend distribution. The General Assembly, or if authorized the Board of Directors, may decide to pay the dividend in installments in line with Capital Markets Board regulations. Reference to the Articles of Association of the Company, the Board of Directors may distribute the dividend in advance only if the Board is authorized by the General Assembly and it is done in parallel with Capital Markets Board regulations.

Dividend Proposal

Based on the consolidated financial statements for the accounting period of 1 January - 31 December 2024 prepared by Koç Holding A.Ş. management in compliance with Turkish Financial Reporting Standards (TFRS) under Capital Markets Board regulations and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and the statutory records and resolved to submit the following decisions to the approval of the Shareholders General Assembly:

The net profit attributable to equity holders of the parent achieved in the financial statements prepared according to TFRS amounts to TL 1,306,263,000 whereas in the statutory records the current year profit amounts to TL 35,195,056,460.88.

- i. As the amount of legal reserves in the Company's statutory records stated under article 519 of Turkish Commercial Code already amounts to 20% of the capital, it is not required to allocate any further legal reserves;

It was observed that in the statutory financial statements the net distributable profit amounts to TL 35,159,289,261.60 after deduction of Prior Years Commercial Losses amounting to TL 35,767,199.28 from the Current Year Profit of TL 35,195,056,460.88. Besides the Prior Years Commercial Losses, following implementation of inflation accounting in the statutory financial statements, the Prior Years Profits/(Losses) account has a TL 73,040,180,169.86 balance; yet the Inflation Adjustment Reserves associated with equity accounts are sufficient to offset the negative balance of TL 73,040,180,169.86. Accordingly, in the statutory financial statements, the net distributable profit amounts to TL 35,159,289,261.60.

The net profit attributable to equity holders of the parent achieved in the consolidated financial statements amounting to TL 1,306,263,000 is determined as the distributable dividend base and TL 1,386,911,547.80 is determined as the first category dividend base after addition of donations made to foundations and associations amounting to TL 80,648,547.80 (according to the purchasing power of the Turkish Lira on 31 December 2024) to distributable dividend base. The prior years' profits account in the consolidated financial statements amount to TL 470,474,360,000.

- ii. Considering the Capital Markets Board Regulations, the Company's Articles of Association and the Dividend Policy, the profit distribution is determined as:
 - TL 69,345,577.39 as first category dividend to shareholders,
 - TL 23,000,000.00 to the Koç Holding Pension Fund Foundation as per article 19/c of our Articles of Association
 - TL 35,384,042.93 to holders of usufruct certificates as per article 19/d of our Articles of Association,
 - TL 1,178,533,379.68 as second category dividend to shareholders,
 - TL 16,199,099,626.93 as dividends to shareholders from retained earnings.
- iii. The sum of dividend amounting to TL 17,446,978,584.00 is proposed to be paid in cash;
- iv. Dividend payments of TL 17,446,978,584.00, payment of TL 35,384,042.93 allocated to usufruct shareholders and payment of TL 23,000,000.00 allocated to the Koç Holding Pension Fund Foundation, amounting to a

total of TL 17,505,362,627.93 will be paid in cash; of which TL 1,306,263,000.00 will be paid from the current year taxable earnings and the remaining TL 16,199,099,626.93 will be paid from the retained earnings in the TFRS financial statements.

- v. As per the statutory records, Prior Years Commercial Losses amounting to TL 35,767,199.28 shall be offset with Current year profit; whereas no setoff shall be made amongst the equity account items related to the effects of inflation accounting due to tax regulations and as such; total cash payments of TL 17,505,362,626.93 shall be paid from the current year taxable earnings.
- vi. It is further resolved that the dividend will be distributed in cash to the resident entity taxpayer shareholders and non-resident taxpayer shareholders obtaining dividend income through an office or a permanent representative in Turkey as (gross=net) 6.88 TL for shares with a nominal value of 1 TL (688%) and, to our remaining shareholders as gross 6.88 TL (5.8480 TL net) for shares with a nominal value of 1 TL (gross: 688%; net: 584.8%).
- vii. The remaining amount after all payments in statutory records shall be transferred to extraordinary reserves.
- viii. The profit distribution date is determined as 10 April 2025.

Dividend Distribution Table

Koç Holding A.Ş. Profit Distribution Proposal for 2024 (TL)

1. Paid-in capital *		2,535,898,050.00
2. General legal reserves (as per statutory records) **		515,256,673.67
Information concerning preferred shares, if, as per the company Articles of Association, there are any privileges for preferred shares in distribution of dividend: No		
	As per Capital Markets Board	As per Statutory Records
3. Profit for the period	26,712,683,000.00	36,622,498,332.91
4. Taxes (-)	32,000,288,000.00	1,427,441,872.03
5. Net profit (=)	1,306,263,000.00	35,195,056,460.88
6. Prior years' losses (-) ***	0.00	35,767,199.28
7. Legal reserve fund (-)	0.00	0.00
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	1,306,263,000.00	35,159,289,261.60
Dividend Advance Distributed (-)	0.00	0.00
Dividend Advance Less Net Distributable Current Period Profit	1,306,263,000.00	35,159,289,261.60
9. Grants made during the year (+)	80,648,547.80	0.00
10. Net distributable profit including grants	1,386,911,547.80	35,159,289,261.60
11. First category dividend to shareholders		
- Cash ****	69,345,577.39	126,794,902.50
- Shares	0.00	0.00
- Total	69,345,577.39	126,794,902.50
12. Dividends distributed to preferred shareholders	0.00	0.00
13. Other dividends distributed	23,000,000.00	23,000,000.00
- Members of the Board of Directors	0.00	0.00
- Employees (Koç Holding Pension and Assistance Foundation)	23,000,000.00	23,000,000.00
- Non-shareholders	0.00	0.00
14. Dividends distributed to holders of usufruct right certificates	35,384,042.93	35,384,042.93
15. Second category dividend to shareholders	1,178,533,379.68	17,320,183,681.50
16. Legal reserve fund	0.00	0.00
17. Status reserves	0.00	0.00
18. Special reserves	0.00	0.00
19. EXTRAORDINARY RESERVES	0.00	17,653,926,634.67
20. Other sources planned for distribution	16,199,099,626.93	0.00
- Prior years' income	16,199,099,626.93	0.00
- Extraordinary reserves	0.00	0.00
- Other distributable reserves as per the legislation and Articles of Association	0	0

Koç Holding A.Ş. Information on Dividend per Share for 2024

GROUP	TOTAL DIVIDEND AMOUNT		TOTAL DIVIDEND AMOUNT / NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND PER SHARE FOR 1 TL NOMINAL VALUE	
	CASH (TL)	SHARES (TL)		AMOUNT (TL)	SHARE (%)
A	4,669,961,145.43	0.00	357.51	6.880000	688.0000
NET B	11,341,327,161.79	0.00	868.23	5.848000	584.8000
TOTAL	16,011,288,307.22	0.00	1,225.73		

No withholding tax is calculated for all of Group A shareholders and some of Group B shareholders who are known as full fledged legal entity tax payers. The calculations have been based on the assumption that other B Group shareholders are subject to withholding tax.

* The amount represents registered capital. In the statutory records, the amount of inflation adjustments associated with capital is TL 67,069,335,154.

** The amount represents the nominal general legal reserves. Due to inflation accounting, in the statutory records, the amount of inflation adjustments associated with general legal reserves (i.e. the sum of legal reserves and issue premiums) is TL 12,532,963,038.

*** In the statutory financial statements, apart from the above, after application of inflation accounting, the Prior Years Profits/(Losses) account has a TL 73,040,180,169.86 balance; yet there are enough Inflation Adjustment Reserves associated with equity accounts to offset the negative balance of TL 73,040,180,169.86.

**** The first dividend amount is calculated based on the nominal registered capital amount.

2025 Board of Directors Candidates

Rahmi M. Koç

Ömer M. Koç

Ali Y. Koç

Semahat S. Arsel

Caroline N. Koç

İpek Kırar

Levent Çakıroğlu

Jacques A. Nasser

Peter Martyr (Independent)

Michel Ray de Carvalho (Independent)

Ömer Önhon (Independent)

Ahmet Kirman (Independent)

See pages 182-185 for the CVs.

Remuneration Policy

This policy determines the remuneration system for the Board of Directors and key executives composed of the CEO and the Presidents.

In accordance with the Turkish commercial code and article 13 of Koç Holding Articles of Association, a fixed remuneration is determined for the board membership functions of all members of the Board at the Annual General Meeting of the Company.

Besides, Executive members of the Board are compensated in accordance with the policy established for senior executives, as outlined below.

In addition to the fixed remuneration that is determined by the Board of Directors for their board membership, additional payment can be granted to the Board members who have been assigned specific duties to support the activities of the Company, the amount of which is to be determined in consultation with the Nomination and Remuneration Committee.

To the chairman and members of the Executive Committee of the Board which supports the Board in the proper management of the Company in all respects and provides coordination between the Board and other administrative units, additional compensation to the fixed remuneration that is determined by the Board of Directors can be granted in consultation with the Nomination and Remuneration Committee by taking into account such Committee Members' contributions, attendance at the meetings, functions, and the like. Payments made thereof to Executive Committee members during the year are to be deducted from the amount determined at the end of the year.

In respect of remuneration of the Independent Members of the Board of

Directors, a payment plan based on the performance of the Company may not be used.

Pro rata payment is made to the members of the Board of Directors by taking into account the time they carried out their duty between the date of appointment and the date of resignation. Expenses incurred by the members of the Board of Directors on account of making contributions to the Company (e.g. transportation, telephone, insurance) can be paid by the Company.

The remuneration of senior executives consists of two components, which are fixed and performance based.

Our remuneration management systems are established and applied in line with fair, objective, competitive, rewarding and motivating criteria and primary goals that recognize high performance.

Fixed salaries of executives are determined in accordance with international standards and legal obligations by taking into account the prevailing macroeconomic data in the market, the salary policies prevailing in the market, the size and long-term targets of the Company and the positions of the persons. With the remuneration policy, the main goals are to increase employee motivation and engagement by taking into consideration internal equity in the company and market compatibility, and to attract employees that have competencies capable of achieving our strategic business goals.

Bonuses for executives are calculated according to the bonus base, the performance of the Company and the individual performance in a way that will support companies to exceed business goals encourage high performance and reward sustainable success. A summary of the criteria is as follows:

- **Bonus Base:** Bonus Bases are updated at the beginning of each year. They vary depending on the work volume of the executives' positions. When updating the bonus bases, senior management bonus policies in the market are taken into account.
- **Company Performance:** The performance of the Company is determined at the end of the year by measuring the financial and operational targets (i.e. market share, exports, overseas operations, productivity) assigned to the Company at the beginning of each year. In determination of the Company's targets, the sustainability of success and the degree to which it incorporates improvements over previous years are the principles taken into account.
- **Individual Performance:** In the determination of individual performance, the individual and collective objectives and key results determined by senior executives together with their teams and executives are taken into account. In the measurement of individual performance, the principle of achieving long-term sustainable improvement in areas and compliance with Environmental, Social and Governance (ESG) policies apart from the financial dimension are also observed.

Severance payments may be granted to the key executives by taking into account total term of service, term of service as an executive, as well as contributions made to the Company, the recent bonus base, and the salaries and bonuses paid in the last year of service.

Total amounts determined by the above principles and paid to the members of the Board of Directors during the year are submitted for shareholder approval at the next General Meeting.

(1) The key management of Koç Holding is identified as the Chair and members of the Board of Directors, the CEO and presidents. Information on total key management compensation incurred by Koç Holding in 2024 is available in note 29 of the financial tables (see page 298).

CEO's Letter



As a century-old organization, we never merely evaluate our success with numerical indicators. We prioritize the responsibility for our most valuable asset, our reputation, over all other business objectives.

With the strength drawn from our deep-rooted history and the confidence we have in the future of our country, we continue to move forward in line with our long-term strategic goals. Despite geopolitical and economic uncertainties, we left behind a year in which we maintained a healthy balance sheet and took strategic steps in our existing businesses as well as new areas within the framework of our vision of global growth.

The passing year was a difficult one in which global risks increased. In addition to geopolitical conflicts, elections were held in numerous countries hosting nearly half of the world's population in 2024. Thanks to its scale and superiority in emerging technologies, China continued to increase its weight in the global economy. Despite these conditions, the world economy remained relatively calm and positive. Global growth was close to its long-

term average. As for Europe, economic activity was weak; recovery remained below expectations. Inflation declined across the world, also due to the decline in energy prices. Along with decreasing inflation, major central banks started to cut policy rates. This stood out as a positive development in terms of reducing borrowing costs from abroad. Global growth estimations for 2025 were similar to last year and policy rates were expected to further decline. However, uncertainties grew with the election of Donald Trump as the US President. In the upcoming period, Trump's policies are expected to be the main determinants of the global economic environment.

When we look at the economic developments in Türkiye, we see that demand was strong and that inflation was high in the first quarter of the year. In March, the Central Bank tightened its monetary policy. It raised the policy interest rate to 50% and imposed limits on credit growth. The Central Bank's policy slowed down domestic demand. The Turkish lira continued to appreciate. This led to an increase in labor costs in foreign exchange terms. The real appreciation of the Turkish lira is expected to continue, albeit not as strong as in 2024. Growth is expected to slow slightly in 2025 compared to the previous year.

As Koç Holding, we closed the year by maintaining a healthy balance sheet without deviating from our long-term strategic goals, despite the challenges that we went through. Our consolidated revenues amounted to USD 65.8 billion, while we achieved a pre-tax profit of USD 0.8 billion. The capital expenditures was USD 4.4 billion. Our combined international revenues increased to USD 31 billion.

We have become a multinational and multicultural Group operating in 61 countries, including Türkiye, with 132 production facilities and sales companies.

42,000 of our 130,000 colleagues work abroad. We speak 45 different languages in our offices and manage 45 different currencies. In line with our global growth vision, we took strategic steps towards our existing businesses and new areas in this period as well.

As a century-old organization, we never merely evaluate our success with numerical indicators. We prioritize the responsibility for our most valuable asset, our reputation, over all other business objectives. Today, companies build their reputation on their inspiring core purpose. How happy are we that our late founder Vehbi Koç's principle "I live and prosper with my country. As long as democracy exists, so do we" has continued serving as our absolute compass for decades.

Our successes recognized both on the national and international scale make us proud and put on us the responsibility to preserve our strong reputation. We were the only company representing our country in the Fortune Global 500 list of the world's largest companies. We were also named Türkiye's number one employer for the eighth time in Forbes magazine's World's Best Employers list.

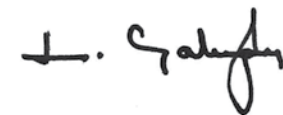
As Koç Group, we see the most concrete example of our strong social impact in the Hope Cities we established after the earthquakes with epicenter in Kahramanmaraş. We have implemented many projects ranging from education to employment, social services to income-generating activities with the aim of turning Hope Cities into living spaces where our citizens affected by the earthquake will hold on to life again. We continued to support the residents of Hope Cities in cooperation with our Group companies, the Vehbi Koç Foundation and public and non-governmental organizations. Hope Cities received the grand prize in the 'Social Impact' category at the Thomson Reuters Sustainability Awards this year.

To ensure the continuity of our achievements, we recognize the importance of adopting a corporate culture that embraces change. Accordingly, we have implemented various initiatives within the scope of the Cultural Transformation Program that we launched in 2016. In this respect, we are carrying Koç Group to an even brighter future with our digital competencies, agile management processes, data-based decision-making and effective resource utilization discipline, and most importantly, our unique human resources equipped with the leading-edge competencies of our age.

In 2026, we are preparing to celebrate our centennial. 100 years is a monumental period of time, representing the rarely achieved longevity of an organization, a brand and a culture. This journey started by our founder, the late Vehbi Koç, in the early years of our young Republic has made Koç Group the pioneer of our country, in line with his vision, prudence and foresight, and with the determined will of the succeeding generations of the Koç Family. With the self-confidence we draw from our deep-rooted past and the courage we derive from our superior corporate competences that we relentlessly develop for the future, we move forward with determination towards our strategic goals.

I would like to take this opportunity to extend my sincere thanks to our shareholders, customers, dealers, suppliers, trade unions and colleagues who have always been strengthening us with their support in all of our achievements.

Best regards,



Levent Çakiroğlu
CEO

Executive Management

- 1 **Levent Çakıroğlu**, CEO
- 2 **Polat Şen**, CFO
- 3 **Yağız Eyüboğlu**, President, Energy Group
- 4 **Dr. Fatih Kemal Ebiçlioğlu**, President, Consumer Durables Group
- 5 **Haydar Yenigün**, President, Automotive Group
- 6 **Gökhan Erün**, President, Banking Group
- 7 **Özgür Burak Akkol**, President, Tourism, Food and Retailing Group
- 8 **Kemal Uzun**, President, Audit Group
- 9 **Kenan Yılmaz**, Chief Legal and Compliance Officer
- 10 **Burçin Girit**, Corporate Communications and External Affairs Director
- 11 **Ali Utku Atalay**, Government Affairs Director
- 12 **Umut Günal**, Human Resources Director
- 13 **Mehmet Apak**, Accounting Director



- For the CVs, see pages 186-188.

- For information about the executive management members' transactions on their own or others' behalf within the framework of the authorization granted by the General Assembly, and their operations within the scope of the competition ban, see the agenda item description numbered 14 in the Information Document on page 332.



History

1920s

Establishment

Sixteen-year-old Vehbi Koç begins his career at his father's grocery store. He registers the business he took over from his father with the Ankara Chamber of Commerce under the name Koçzade Ahmet Vehbi on 31 May 1926. This date symbolizes the birth and official foundation of the Koç Group.

First Ventures

In 1928, Otokoç is founded under which Ankara Ford dealership operations commence. During the same year, Standart Oil Ankara representation is acquired.

1930s

First Joint Stock Company of Turkey

Expanding the areas of business, Vehbi Koç establishes Koç Ticaret A.Ş as Turkey's first joint stock company in 1938.

1940s

First International Operations

In 1945, the first Turkish company in the USA is established and some eminent US companies' Turkish representation is acquired by Koç Ticaret.

First Industrial Initiatives

In the late 1940s, the Group enters the manufacturing sector. In 1948, a light bulb factory is established with General Electric, the first joint venture between Turkey and USA.

1950s

New Sectors and Business Lines

A number of new business lines are entered and some of the now existing companies are founded. Accordingly, many firsts in Turkey are realized.

- **TürkTraktör:** Founded in 1954 and the first tractor in Turkey is manufactured in 1955.
- **Arçelik:** Founded in 1955 in İstanbul-Sütlüce and the first washing machine in Turkey is manufactured in 1959.
- **Koçtaş:** Founded in 1955 in İzmir for sale of construction materials.
- **Divan:** The first hotel and patisserie is opened in İstanbul-Elmadag in 1956.

1960s

The Foundation of Koç Holding and First Steps in Institutionalization

Koç Holding A.Ş is founded in 1963 as Turkey's first holding company with Vehbi Koç as the Chair of the Board. The aim is to manage rapid growth more efficiently and develop business lines under a more professional organization and institutionalized structure.

New Sectors and Business Lines

- **Ford Otosan:** At Otosan factory opened in 1960, the first car is assembled in 1961 for Ford Company.

- **Aygaz:** Founded in 1961, Aygaz commences LPG filling and distribution activities in 1962 and establishes its dealer organization in the same year.
- **Setur:** Founded in 1964 to provide duty-free services.
- **Tat Gıda:** In 1967, the first factory is established in Bursa for the production of tomato products.

The First Private Foundation

In 1969, Vehbi Koç Foundation, the first and largest private foundation in Turkey, is established to serve the community mainly in the areas of education, health and culture.

1970s

Focus on Exports

Ram Dış Ticaret, Turkey's first foreign trade company, is established in 1970 in order to grow and centralize exports. In many of the existing business lines, exports volume increases and export regions are diversified.

New Sectors and Business Lines

- **Tofaş:** At the factory founded in 1968, the serial production of the Murat 124 model starts in 1971.
- **Otokar:** Founded in 1963, Otokar is acquired by Koç Holding in 1976.

First Private Sector R&D Center

The first private sector R&D center is established by Koç Holding in 1975.

1980s

Second Generation Takes Over

Vehbi Koç names his son Rahmi M. Koç Chair of the Board of Directors in 1984.

Growth in Banking

Koç-American Bank is founded as a joint venture with American Express Company in 1986. Until 1993, the shares of the Bank are fully acquired and the Bank is renamed Koçbank. A partnership is established with UniCredit on banking business in 2002.

First Private Museum

The Sadberk Hanım Museum is established as the Turkey's first private museum in 1980.

First Private Sector Education Institution

The Koç Group Education Center becomes operational in 1982.

1990s

The End of an Extraordinary Life

Vehbi Koç passes away on 25 February 1996 at the age of 95. His extraordinary life was marked by constant activity and achievements.

Successful Performance in Exports

In 1990, Ram Dış Ticaret becomes Turkey's first company exceeding USD 500 million in exports. In 1993, Arçelik becomes one of the largest white goods producers in Europe. In 1995, Tofaş starts to produce its Tempura model for the whole world.

2000s

Third Generation Assumes Command

Rahmi M. Koç turns over Chairperson position of the Board of Directors to Mustafa V. Koç on 4 April 2003.

Major Acquisitions and Disposals

In 2005, the Koç Group acquires Tüpraş and Yapı Kredi. Following the merger of Yapı Kredi Bank and Koçbank in 2006, Yapı Kredi Bank becomes the 4th largest private bank in Turkey. Migros, the FMCG retail business of the Koç Group since 1975, is successfully sold in 2008.

Koç Holding Signs the UN Global Compact

A strong sense of corporate citizenship has been an inherent part of Koç Holding since its establishment. With the signing in 2006 of the United Nations Global Compact, this becomes an official policy with an international dimension.

2010s

New Chair

Following the unexpected passing away of Koç Holding Chair Mustafa V. Koç on 21 January 2016, Ömer M. Koç takes over the Chair position.

Extensive investments are initiated

Major investment programs initiated in 2011 result in productivity increases, technology improvements, new product developments, capacity increases and international expansion for most of the Koç Group companies. Thus, the Koç Group accelerates growth in line with its aim of long-term value creation.

Today

The Koç Group; Turkey's largest industrial and services Group in terms of revenues, exports, share in Borsa İstanbul and number of employees

Koç Holding is the only Turkish company to be listed among the top 500 companies globally.

The Koç Group, whose objective is to increase the value created for all its stakeholders, continues its journey that started nearly a century ago, within the framework of its long-term value creation target and global growth vision.

2024 Awards and Achievements

One of the World's Top 500 Companies

Koç Holding remains the only Turkish company in the Fortune Global 500 ranking, placed 194th in the list.

Export Champions

Three Koç Group companies were included in the list of Turkey's top 1,000 goods exporters at the "Export Champions Award Ceremony" organized by the Turkey Exporters Assembly with Ford Otosan ranked 1st, Tüpraş 4th and Arçelik 8th.

In the League of the World's Best Employers

Koç Holding was voted Turkey's best employer for the eighth consecutive year in "The World's Best Employer" survey conducted by Forbes, positioned in the 118th spot globally.

Among Turkey's 10 Largest Industrial Enterprises

The Koç Group successfully retains its position as the largest industrial group in Turkey. The İstanbul Chamber of Industry's survey based on 2023 financial results features three Koç Group companies among Turkey's largest industrial enterprises, Tüpraş placed 1st, followed by Ford Otosan in the 2nd and Arçelik in the 7th spots.

Most Admired Company

Koç Holding was ranked 1st once again in Capital magazine's "Business World's Most Admired Companies Survey", which determines the most successful companies in a variety of areas, in particular reputation, trust and value created for society.

Most Reputable Company

Koç Holding was once again named Turkey's most reputable brand in the "Turkey Reputation Index" survey conducted by Turkey Reputation Academy with a sampling of 15,000 respondents in 72 provinces.

Most Admired Employer

Koç Holding was placed 1st once again in "Turkey's Most Attractive Employers 2024" survey conducted by Universum by economic and administrative sciences students and professionals.

Among Global Leaders in CDP Climate Change and Water Security Programs

Koç Holding was assigned A- score and placed in leadership band in Climate Change and Water Security programs of the CDP (Carbon Disclosure Project), the world's largest environmental reporting platform.

The CDP platform evaluates more than 20,000 companies from across the world on the basis of their sustainability strategy, performance and transparency.

Holding the Highest Number of Awards in the Best Employers Survey

14 Koç Group companies claimed Turkey's Best Employer 2024 award in the global survey gauging excellence in employee experience across 430 companies from 40 different sectors conducted by Kincentric, one of the world's leading HR companies.

TİSK Joint Future Award

At the “Joint Future: Possible Together” award program organized by the Turkish Confederation of Employer Associations (TİSK), Koç Holding garnered five different awards in 2024. With its Support to Education Project intended to support the education of children in Hope Cities, Koç Holding was deemed worthy of the “Social Harmony Award”. The Group companies Ditaş and Otokoç Otomotiv were given “Benefit Creators for Women” award, while Koç Sistem received “Digitalization Award” and Otokar “Occupational Health and Safety Special Award”.

Sustainability Leaders of Turkey

Koç Holding's CEO Levent Çakıroğlu once again topped the rankings in the fourth edition of the “Sustainability Leaders of Turkey” list by Fast Company Turkey magazine.

Fast Company Culture 100

Koç Holding was once more crowned with the first spot in the Corporate Culture 100 list by Fast Company for its praiseworthy corporate culture.

Social Media Awards

At Social Media Awards Turkey, Koç Holding received the “Golden Award” in the “Holding” category once again this year in SocialBrands Data Analytics, which makes a data-based evaluation of brands' social media performances. Koç Holding was also the recipient of the Bronze Prize in the special occasion films category with its film titled “We Remember All the Time, We Understand Every Time” and the Gold Prize in the Centennial of the Republic Communication Activities with its “Long Live Republic” campaign.

Brandverse

Koç Holding garnered major titles at the Brandverse Awards with its Hope Cities project. While the project brought home the Gold prize in the Social Solidarity Projects category under the Social Responsibility and Sustainability main section, it was also crowned with the Grand Prix Award, the grand prize, in the same main section.

Thomson Reuters Sustainability Awards

Hope Cities project has been awarded the Grand Prize in the ‘Social Impact’ category at the Thomson Reuters Sustainability Awards that recognizes projects that make a real impact on business, community and the environment.

Social Value Guide

The Hope Cities project was named in the World Economic Forum's Social Value Guide, being the only one to be included from Turkey.

Crystal Apple

Koç Holding was honored with four different prizes with its communication campaign produced for the Centennial of the Republic at the Crystal Apple contest organized by the Advertising Association

Felis

Koç Holding earned the Grand Prix, the grand prize in the PR category, with its “100 Values of the Republic” produced as a tribute to the centennial of the Republic at the prestigious Felis Awards organized by MediaCat to recognize creative projects.

A Awards

Koç Holding was granted the Jury Special Award with its “Long Live Republic in 81 Provinces” campaign dedicated to the centennial of the Republic at the prestigious A Awards organized by the Foundation of Outdoor Advertisers (ARVAK) that recognizes the most successful outdoor advertising projects.

CM. Awards

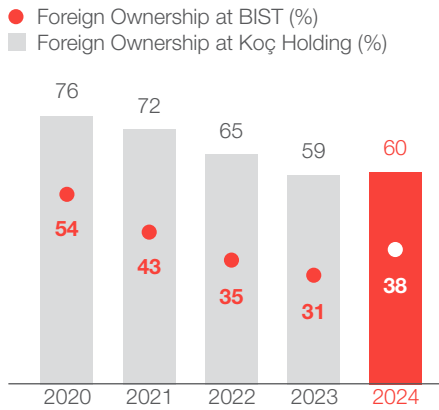
Koç Holding was given the Jury Special Prize for its innovative approach and successful initiatives at the CM. Awards organized by MediaCat and brings the leaders in the marketing and communication sectors together.

Shareholder and Investor Relations

**TL 453 billion
(USD 12.8 billion)**

**Koç Holding's market capitalization
at the end of 2024**

Foreign Ownership in Free Float¹



(1) Based on annual average data from Yapı Kredi Invest. BIST average foreign ownership includes foreign strategic shareholders' share; excluding these shares, average foreign ownership is 28.6%.

(2) For the details of the shareholder structure, refer to page 167. Within the frame of the share buyback initiated based on the Board of Directors decision dated 01 July 2021, shares with a total nominal value of TL 890,475 (0.04% of the capital) in free float were repurchased by Koç Holding as at 31 December 2024, and there were no changes in the total nominal value of repurchased shares as of the date of this writing.

(3) Koç Holding, Arçelik, Aygaz, Ford Otosan, Otokar, Tofaş, TürkTraktör, Tüpraş, Yapı Kredi, Marmaris Altinyunus.

Koç Holding's majority shares are owned by the Koç Family and companies owned by Koç Family members, while 26.9% of its shares are publicly listed². There are ten publicly listed companies³ including Koç Holding within the Koç Group. With listed companies accounting for approximately 90% of its net asset value, Koç Holding has a very transparent structure.

As of the end of 2024, the total market value of Koç Holding and the Koç Group companies constituted around 19% of the total market capitalization of Borsa İstanbul 100 Index (BIST 100 Index).

Koç Holding has a market capitalization of TL 453 billion (USD 12.8 billion) as at year-end 2024. During 2024, Koç Holding share price increased by 31% on TL basis and by 9% on USD basis. Average foreign ownership ratio in the floating shares of Koç Holding was 60.3% in 2023 compared to 37.7%¹ for BIST.

Koç Holding and the Koç Group strive to continuously increase shareholder value by applying international standards in corporate governance and investor relations.

The investor relations department works with the priority of establishing long-term relationships with investors and providing accurate and up-to-date information. In this context, a total of 17 roadshows and conferences were held in 2024, either in person or online, to reach investors resident both in Turkey and abroad with the participation of senior managers, and meetings with more than 600 current and potential investors were held. Meanwhile, website, presentations and all other communication tools were regularly updated and shared with investors.

Financial results are disclosed to investors through webcasts four times a year, and subsequently, their audio recordings and transcripts are posted on the website.

According to the assessment among companies with a market capitalization of above USD 4 billion according to the data maintained by the Central Securities Depository & Trade Repository of Türkiye, Koç Holding was placed 1st in the "Companies with the Highest Number of Countries in the Institutional Investors Base" category and 3rd in the "Company with the Highest Ratio of Institutional Investors" category.

Why Koç Holding?

- Best proxy to invest in Turkey's high growth potential
- Sustainable growth and profitability via a structure focused on increasing shareholder value
- Leading positions and the advantage of economies of scale in sectors with high growth potential
- Unique competitive advantages with strong brands, extensive distribution network and high service quality
- Strong liquidity and balance sheet structure
- Diversified portfolio structure resilient against economic fluctuations and risks
- Value generating portfolio management and proven track record dating back nearly 100 years with worldwide partnerships
- Large database providing effective opportunity and risk management
- Pioneer in R&D, innovation and digital transformation
- Environmental, Social and Governance (ESG) practices at international standards

Human Resources

The Koç Group aims to be Turkey's most admired and preferred institution to attract the most successful professionals that create high added value for sustainable growth and be a place in which all stakeholders are proud to be a part of. To achieve these goals, the Group applies human resource systems and approaches developed through many years of hard work and experience and continuously upgrades them in line with current needs.

As of the end of 2024, there were 88,215 people working in the Koç Group, including 42,545 in Turkey and 130,760 abroad.

İçinde Koç Var

İçinde Koç Var is the unifying brand representing the Koç Group's image as an employer. All employee experience practices, implemented by placing people at the heart of its activities, are handled on the axes of the values such as equality, inclusion, modernity and development with the İçinde Koç Var brand, and communicated internally and externally.

Performance Management System: Koç Diyalog

Across the Koç Group, company strategies and objectives are shared with the employees with "Koç Diyalog", which is a performance management system focused on increased dialogue and development. Koç Diyalog uses the OKR (Objectives and Key Results) method, in which employees set objectives and key

results in alignment with the company objectives and strategies where objectives are dynamically revised according to changing priorities throughout the year. Koç Diyalog is a system compatible with agile working, where employees and their first managers conduct five check-ins called "Development Dialogues" throughout the year, and instant feedback is provided through the "Give Feedback/Request Feedback" mechanism. Based on the progress attained in OKRs and check-ins during the year, employees' performance results are determined at year-end, according to which they are rewarded.

During 2024, AI-based solutions that will support the OKR methodology were added to the Koç Diyalog performance system.

Compensation Management System

The Koç Group's Compensation Management System is based on factors such as the salary market, the current salary structure of the Company, purchasing power, compensation policy, individual performance and employee job grade. Based on regular market analyses, a competitive and fair compensation policy is applied.

Job grades which are the basis of the compensation management system are determined by job evaluations. An international system is used to ensure that all jobs in all areas across the Koç Group

are ranked according to their potential contribution to organizational goals and their responsibility levels.

The bonus system in use encourages high performance while rewarding continuity and superior achievement. The bonus system works in line with individual target realizations with variations according to company and position in areas such as economic profit, share performance and long-term strategic targets.

Fringe Benefit System

Fringe benefits are offered to employees in line with their positions and they are reviewed every year considering employees' expectations and the Group's competitiveness in the market. Accordingly, private health insurance policy conditions are enhanced each year, while the existing strong aspects of the policy are retained. To ensure that no employee remains without private health insurance coverage, all employees are offered complementary health insurance. In addition, employees are offered the chance to hold online contacts with specialists from various disciplines.

In addition to existing fringe benefits, employees can flex and personalize the social aids made available to them by choosing from amongst more than 400 options offered within Flextra, the flexible fringe benefits application.

Human Resources

Agile Transformation

Agile transformation initiatives are carried on across the Koç Group, and the number of employees that espoused agile methods at nearly 30 Group companies exceeded 14,000 as of 2024 year end.

Under the Koç Agile Academy roof aimed at supporting and accelerating the Group companies' transformation through training and development activities, more than 30 programs were launched in partnership with prestigious institutions including Harvard Business School, MIT, Scrum.inc, Kanban University and Business Agile Institute. To date, nearly 15,000 people benefited from Koç Agile Academy programs that cover training focused on technical competencies and leadership development.

While cultural and organizational transformation efforts of Group companies are monitored, improvement opportunities are determined using common metrics and agile maturity assessments, and are targeted to be continuously enhanced.

Talent Management Approach

At the Koç Group companies, 'employees with high potential' based evaluation processes designed for different organizational levels and positions. Employees who possess top executive level competencies are identified by the "Executive Assessment Center". This enables an effective succession plan for top executive positions and proactively develops candidates for these positions via training-development programs and job rotation opportunities.

LEAD Training Programs

"LEAD" supports the Koç Group employees at different stages of their careers in the areas of leadership, strategy, change management and digital transformation with more than 300 programs designed together with the top training companies in Turkey and in the world.

A number of programs are implemented, which are designed to transform executive level managers into leaders that manage change. Now completed, one such program was "BeGlobal", which enabled on-location perusal of best practices at global companies in Silicon Valley and China. Another one is the "Personal Development Program" co-designed by the Harvard Business School (HBS) and Aberkyn.

KoçAkademi

KoçAkademi is an online video training platform and a learning management system for Koç employees, offering numerous educational contents in highly diverse topics including business world, leadership, culture/arts, health and technology.

KoçKariyerim

KoçKariyerim is a portal used to announce all available positions within the Group and manage the application process, enabling employees to actively participate in shaping their own career paths. Group employees are given priority for filling open positions. KoçKariyerim is available for use also by non-Group candidates, giving access to career opportunities at the Group companies collectively on the platform. The developments made to the non-Group candidates platform are intended for increased effectiveness of use by the candidates. The artificial intelligence technology employed in the platform allows matching the candidates with the roles fitting their skills more quickly and accurately, and saves time in recruitment processes.

Recruitment and Candidate Experience

Globally recognized assessment tools and inventories are used in the recruitment process, and “Candidate Experience Survey” is sent to regularly monitor applicants’ experience with the Group Companies’ recruitment process. The Recruitment Accreditation Program (RE-PAP) that has been designed for the actively recruiting professionals across the Group is updated in collaboration with the Koç University and the Society for Human Resource Management (SHRM) to capture the current trends.

Employee Experience and Satisfaction

Employee satisfaction is regularly monitored with employee engagement surveys conducted across the Koç Group by an independent company. Digital listening mechanisms are used to define needs in various topics from candidate experience to performance experience. Through ethnographic research, needs of employees from different sectors and personas are analyzed in greater depth. Based on the findings from all these analyses, employee experience actions are introduced.

Industrial Relations

A total of 41 unions are organized across the Koç Group, 6 of them in Turkey 35 in foreign countries. The Group strives to maintain strong and constructive social dialogue with these unions in accordance with European Union regulations, the Group’s human resources processes and the UN Global Compact, of which the Koç Group is a signatory.

Through the meetings held with the Industrial Relations Coordination Board and employee trainings, a sustainable and constructive industrial relations culture is developed across the Group. As always, the focus of these activities are to:

- ensure rapid adaptation of the Group companies to the changes in the framework governing work life,
- establish practices that will protect employee and community health and guarantee their continuity,
- introduce new practices to meet to the current needs of companies and employees, and deploy good practice examples to the Group.

Occupational Health and Safety

The central Occupational Health and Safety (OHS) Unit of the Koç Group, in cooperation with the OHS Committee consisting of participants from the companies, work on strategies, roadmaps, management systems and standards that will cover the entire Group.

During 2024;

- The OHS Policy was updated,
- The activities within the scope of the Disaster and Contingency Management Standard were revisited,
- Potential crisis scenario initiatives were deepened,
- Pre- and post-disaster processes were reviewed, and
- Capacity building and improvement initiatives were carried out in line with the needs.

Koç Holding Pension and Assistance Foundation

Koç Holding Pension and Assistance Foundation was established in 1967 to provide additional social security and support to the Koç Group employees who are also covered by the Social Security Institution. The Foundation operates to provide assistance and solidarity among its members, to encourage its members to save and realize other social purposes included in the Foundation Deeds. The Foundation offers its members lump sum payments, retirement pensions, health insurance and services of financial assistance to ensure their comfortable and peaceful retirement. The foundation has more than 73,000 active members and more than 1,100 retired members.

KoçAilem

KoçAilem is Turkey’s first and largest corporate privileges platform that makes the Koç Group employees, employees’ families, pensioners, dealers and Koç University students feel privileged also in their social lives as part of the Koç Group family. KoçAilem gives privileged access to its 235,000 members to products and services of over 400 Group and non-Group brands in more than 15 sectors. In addition, the program aims to enhance member satisfaction and loyalty with benefits that have high interaction impact and enrich their social lives.

Human Resources

KoçAilem Peer to Peer Blood Donation Platform

The platform quickly connects the Koç Group employees that need blood with volunteering Koç employees. Its experience and technology enable this unmatched platform to match those needing blood with the fitting volunteers in the shortest time possible. To date, 1,500 Koç Group employees fulfilled their blood need thanks to this platform.

KoçAilem Market

KoçAilem Market is an innovative and user-friendly e-commerce marketplace platform offering a broad range of products of hundreds of select brands in numerous categories from cleaning to personal care products, technological products to foodstuff. Aiming to bring quality products at advantageous prices, the platform is noted for its price advantage and simple shopping experience. With its reliable service concept, KoçAilem Market seeks to ensure satisfaction while favoring the budgets of KoçAilem members.

KoçAilem 2nd Hand Platform

Inspired by the sense of trust experienced among Koç employees, it is a second-hand buying and selling platform that Koç employees use to securely do their shopping in various categories including real property, vehicles, lifestyle/household, and electronics. While the platform lets Koç employees easily place ads for the products they wish to sell, contact one another quickly and securely, it also allows easily finding the products of interest thanks to the advanced filtering capability.

Koç Group Sports Club and Sports Festival

The Koç Group Sports Club undertook activities in many different branches during the reporting period and made it a mission to contribute value to the lives of employees with extensive events with the purpose of improving the sporting and social opportunities provided to Koç employees.

Organized for the 35th time in 2024 and having made a new start with the participation of employees that know no limitations, the Sports Festival was held with the participation of more than 7,000 athletes from 15 countries across three continents. The festival ended with the Closing Ceremony held on May 26th.

In 2024, thousands of employees had the chance to do sports thanks to tournaments held in various disciplines and events such as the İstanbul Marathon, in which the Group took part collectively.

Thousands of employees and their families find a pleasant setting in the extended picnic areas at the Woods that received Zero Waste Certificate, as well as in the recently opened Padel Court and Telezzüz, the vegan fine dining restaurant. The Woods also promises its visitors enjoyable times with the outdoor events organized, aside from sports activities.

Sustainability

Lead. Together

Creating long-term, sustainable value for the world and the countries in which it operates lies at the heart of Koç Group's business model. Koç Group's heritage,

influence and leadership role offer a variety of opportunities in sustainability. Along this line, Koç Holding manages its efforts in this area within the framework of "Lead. Together" partnership strategy, which is approved by the Board of Directors and

publicly disclosed. Enabled by talent, expansive networks, technology and innovation, the main pillars of this strategy are business, people, the planet, and communities.




















Sustainability

Sustainability Governance

Focusing on managing its sustainability efforts at the highest level, Koç Holding reports on progress in relation to its “Lead. Together” strategy and other priority issues through regular reports prepared

in accordance with the “Sustainability Principles Compliance Framework of the Capital Markets Board (CMB) of Türkiye” to the Board of Directors via the Corporate Governance Committee and the Risk Committee. Tasked with the

implementation of the strategy as well as coordinating with the different units across the group, the Sustainability Unit is part of the Corporate Communications and External Affairs Department, which reports to the CEO of Koç Holding.

	Companies								
	 Koç	 Arçelik	 AYGAZ	 FORD OTOSAN	 Otokar	 TOFAŞ <small>TÜRK OTOMOBİL FABRİKASI A.Ş.</small>	 Tüpraş	 TürkTraktör	 YapıKredi
Member of Dow Jones Sustainability Indices <small>Powered by the S&P Global CSA</small>		✓							
 MSCI	✓	✓		✓		✓	✓		✓
 FTSE4Good	✓	✓		✓			✓		✓
 SUSTAINALYTICS RATED	✓	✓	✓	✓		✓	✓	✓	✓
 BORSA İSTANBUL	✓	✓	✓	✓	✓	✓	✓	✓	✓
 Bloomberg SUSTAINABILITY 2023		✓		✓			✓		✓
 MOODY'S ANALYTICS	✓	✓					✓		
 ecovadis		✓							
 CDP	✓	✓		✓		✓	✓	✓	✓

As of 31 December 2024

Koç Group adopts a holistic perspective in the execution and reporting of sustainability activities. In this respect, while the manager reporting to the General Manager or Deputy General Manager is responsible within Koç Group companies, the responsible works in coordination with the Company's environmental, human resources, finance, law, audit, procurement, innovation and digital transformation teams. The relevant units in the Koç Group companies are regularly informed of Koç Holding's sustainability efforts. These departments meet twice a year to establish cross-sectoral connections, evaluate global trends and potential impacts, and share the companies' strategic priorities and best practices. Koç Holding works to continuously improve its performance and reinforce its position in various indices such as CDP, FTSE4Good, MSCI ESG, Borsa İstanbul Sustainability Index, LSEG, S&P Global CSA, Moody's Analytics and Sustainalytics.

Material Sustainability Issues

Material issues that underlie the "Lead. Together" strategy are revised every two to three years in line with stakeholder expectations, global trends and industrial dynamics. Unlike the previous analysis, the materiality analysis conducted focused on double materiality approach in line with global standards. This approach enables an evaluation of the impacts on the society, environment and economy, as well as the topics that might impact Koç Holding's financial performance. The most critical topics that will guide Koç Holding in managing the Group's financial

performance and the impacts on the society, environment and economy have been identified.

In the first phase of the materiality analysis, a long list of 25 topics were identified upon reviewing sustainability initiatives, standards, companies from the sector and global trends. After the topic list was developed, the topics that made the highest impact on the society, environment and economy and that impacted Koç Holding the most were determined, using questionnaires administered with internal and external stakeholders and online interviews. In the process, the Company got together with a diverse group of stakeholders covering employees, suppliers, customers and distributors, international organizations, academicians and the public sector, industrial organizations, NGOs and consultants. 266 responses were collected from a total of 11 stakeholder groups.

Determining the impacts on the society, economy and the environment

Stakeholders were asked to prioritize the topics in the long topic list and to evaluate the positive or negative impact created with respect to the topics they deemed a priority. In addition to stakeholder analysis, external trends, and impacts on the society, economy and the environment were separately assessed. In the impact assessment, each topic was analyzed according to their respective positive and/or negative impact, magnitude, impact area and probability of impact, taking stakeholder opinions into consideration as well.

In the external trend analysis, the UN Sustainable Development Goals (SDGs), the World Economic Forum (WEF) Global Risks Report, MSCI, S&P Global Corporate Sustainability Assessment (CSA), European Green Deal, Carbon Disclosure Project (CDP), Task Force on Climate-related Financial Disclosures (TCFD), Task Force on Nature-Related Financial Disclosures (TNFD), Republic of Türkiye's First Updated Nationally Determined Contribution and the Twelfth Development Plan have been reviewed. The stakeholder analysis, external trend analysis and impact assessment results were consolidated in different weights, and social, economic and environmental impacts were determined.

Determining the impacts of the material issues on the Holding

Opinions of investors and senior executives were sought to determine the financial impacts of the topics on Koç Holding. Investors' opinions were obtained in interviews held with them, while those of 82 senior executives from the Holding and the Group companies were collected by way of questionnaires.

In this report, the data and disclosures presented within the scope of sustainability have not been prepared in accordance with the provisions of the TSRS under Public Oversight, Accounting and Auditing Standards Authority (KGK) regulations and have not been subjected to the assurance audit required by KGK. The report, to be prepared in accordance with TSRS 1 and TSRS 2 including the necessary data and disclosures, and subject to sustainability assurance audit by an independent auditor, will be publicly disclosed separately within the legal allowed timeline.

Sustainability

Materiality Matrix

Outputs from the analysis conducted to establish various impacts were reviewed and finalized in a meeting held with senior executives. While four issues were assigned very high priority, issues of high and medium priority were also classified.

- As a result of the analysis, it was observed that water management emerged among the top priority issues distinct from previous materiality analysis.
- Climate-related issues preserved and further increased their importance; the top three issues were climate-related. Previously tackled under “transition to a low carbon economy”, the “renewable energy” topic was addressed as a separate subject and included in top priority issues.
- Under social issues, “talent attraction, development and retention” and “human rights and labor standards” topics remained material.
- Senior management assigned materiality to topics associated with digital transformation, i.e. data analytics and artificial intelligence, cyber security and data security and so on.



Very high priority

- Transition to a low-carbon economy and clean technology
- Water management
- Renewable energy
- Talent attraction, development and retention

- Employee health, wellbeing & safety
- Corporate governance












High priority

- Data analytics and artificial intelligence
- Sustainable products
- Climate-related trade dynamics (Green Deal)
- Cyber security and data security
- Human rights and labor standards
- Ethics and compliance
- Equal opportunity, diversity and inclusion
- R&D capacity

Medium priority

- Internet of Things (IoT) and digitalization of operations
- Accountability and transparency
- Sustainable supply chain management
- Biodiversity and conservation
- Socio-economic contribution
- Waste management
- Innovation culture and intrapreneurship
- Resilience and business continuity
- Open innovation and partnerships
- Short- and long-term support following natural disasters
- Customer and distributor resilience

- Koç Holding 2023 materiality analysis has been verified by KPMG in accordance with AA1000AS principles.

	Low carbon transition and clean technologies	Water Stewardship	Renewable energy	Talent attraction, development and retention
Impacted Areas/Stakeholders	Environment and society	Environment and society	Environment and society	Employees
Impact on the Value Chain	Entire value chain	Entire value chain	Operations and products/services	Operations
Strategy	Please see the “Carbon Transition” section for details.	Please see the “Water Stewardship” section for details.	Please see the “Carbon Transition” section for details.	Please see the “Human Resources” section for details.
Executive Compensation	The CEO, CFO, Corporate Communications and External Affairs Director, Human Resources Director, and Sustainability Coordinator of Koç Holding have sustainability-related objectives in their Objective Key Result (OKR) scorecards as part of their assigned targets. The OKR system is a performance tool that sets, communicates, and monitors goals in an organization so that all employees work together in one direction. The system is followed up quarterly and every employee can see the score cards of each other internally. The results at the end of the year make up the final performance of each individual, which is used for base salary raise and bonus calculations.			
Related SDGs	          			
Targets	<p>Koç Holding aims to be carbon neutral by 2050 and reduce its Scope 1 and Scope 2 greenhouse gas emissions by 27% compared to 2017 and 2030, and by 49% by 2040.</p> <p>In the automotive industry, Ford Otosan targets to sell only zero-emission vehicles in passenger cars by 2030, in light/medium commercial vehicles by 2035, and in heavy commercial vehicles by 2040.</p> <p>Arçelik received validation for its 1.5°C-aligned near-term targets and net zero target from the Science Based Targets initiative (SBTi), one of the world's most prestigious sustainability initiatives. Carrying on committedly with its efforts to become net zero by 2050, the Company commits to reduce its absolute Scope 1 and Scope 2 emissions by 42% by 2030 from a 2022 base year and reduce absolute Scope 3 emissions from use of sold products by 42% for the same period. By 2050, Arçelik has pledged to reach a 90% decrease in absolute Scope 1- 2 and absolute Scope 3 emissions from a 2022 base year.</p> <p>Ford Otosan aims to reduce water consumption per vehicle in its facilities in Turkey by 40% by 2030 (base year: 2019).</p> <p>Yapı Kredi received approval for its emissions reduction target from the Science Based Targets Initiative (SBTi), becoming the first large-scale private bank from Turkey to do so.</p> <p>For more information, please see “Water Stewardship” section.</p> <p>As part of the group-wide Renewable Energy for Self Consumption Project, a total of 306 MW of solar power plants have been installed as of May 2023. Once all plants become operational, 33% of the electricity used for production will be supplied from renewables.</p> <p>Arçelik targets to establish renewable energy systems with 50 MW capacity by 2030. The company has already exceeded this target, increasing its total renewable energy installed capacity to 90.2 MW by the end of 2024.</p> <p>The Koç Group commits to maintaining an Employee Engagement Score higher than the average of Turkey – however, the Group also benchmarks its scores against European and global averages. Similarly, in terms of involuntary turnover (turnover that is not desired by the company), the Group aims to always remain lower than that of the country average.</p>			

Sustainability

Stakeholder Engagement

Koç Holding aims to develop relationships based on trust through regular and long-term communication with its stakeholders. In the management of sustainability issues,

it ensures the participation of employees, distributors and suppliers on the one hand, and public institutions and organizations, NGOs, international organizations and universities on the other. In this regard, stakeholder engagement as outlined in

the Koç Group Sustainability Guidelines is carried out in three stages; short-term and one-off support, partnerships focused on mutual solutions, and multi-stakeholder initiatives aimed at finding solutions to complex problems.

SPONSORSHIPS	PARTNERSHIPS	MULTI-STAKEHOLDER INITIATIVES
One-way and short-term support for engagements aiming to increase awareness or capacity building	Establishing two-way partnerships with the external stakeholders such as public and private sector, international organizations, non-governmental organizations and universities for managing recurring and material sustainability issues	Establishing multi-stakeholder initiatives in addressing and tackling complex environmental and social issues

Public sector, non-governmental organizations, international organizations, and universities

Frequency of stakeholder interaction is determined depending on the characteristics of the related topic, expectations and needs. Additionally, stakeholders’ views about sustainability are incorporated in decision-making processes by way of the strategic materiality analysis conducted once in every three years. Additional information can be found in the section “Material Sustainability Issues” (page 43).

Non-governmental organizations, international organizations, public institutions, universities and suppliers are the leading stakeholders with whom subject-oriented collaborations are

developed in managing the sustainability priorities. Within the scope of this collaboration, regular communication with institutions is maintained and common solutions are developed for sustainability issues. In addition, senior executives of the Koç Group companies direct the work of business organizations both on a sectoral and subject-oriented basis. Detailed information on the cooperation with different stakeholders, including TÜSİAD, the UN Development Program, UN Women and the World Economic Forum is included in the relevant headings of this section.

Koç Holding's current Disclosure Policy, which details the communication practices of the Koç Group with its stakeholders, particularly its investors, can be viewed on the website.

Sustainability Reporting

Compliance with International Standards

Koç Holding publicly discloses the developments in the Group's material issues with different stakeholders through its annual reports and its sustainability reports prepared in line with Global Reporting Initiative (GRI) guidelines. In addition, indicators are regularly updated according to the prominent sustainability standards, policies and principles to the extent that the Group's data set and disclosure methodologies allow.

The UN SDGs represent a set of targets which must be reached by 2030 in order to end poverty, protect natural resources and ensure prosperity for all. The Koç Group fully acknowledges the role of business in the realization of these essential goals, and with its “Lead. Together” strategy, consciously and directly contributes towards them.



Koç Holding annually reports to the UN Global Compact on its performance in relation to UN SDGs through sustainability reports. The UN Global Compact signed by Koç Holding in 2006 serves as a powerful framework for sustainability efforts. A member of the Board of Directors of Global Compact Türkiye, Koç Holding sustains its support to initiatives for propagating the UN Global Compact.

A supporter of WEF Stakeholder Capitalism Metrics, Koç Holding publishes its sustainability reports in accordance with these metrics. Koç Holding has been a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) since 2020, whose recommendations have been incorporated into the ISSB (International Sustainability Standards Board) standards in 2024. Accordingly Koç Holding now aims to address climate risks and opportunities and regularly disclose them to its stakeholders within the ISSB (International Sustainability Standards Board) framework which it targets to disseminate across its ecosystem. In addition to policies, global standards such as the Greenhouse Gas Protocol, ISO 14001 Environmental Management System, the ISO 50001 Energy Management System and AA1000AS, and the ISO 14064-1 Greenhouse Gas Accounting and Verification Management System are used in the management of environmental issues. Group companies comply with local laws and regulations on environment and report transparently. The verification of environmental sustainability data for 2024 according to ISAE 3000 and ISAE 3410 standards is ongoing.

CMB Sustainability Principles

Compliance Framework

The CMB Sustainability Principles Compliance Framework published in 2020 sets out the basic principles which are expected to be disclosed while conducting ESG activities in public partnerships. Attaching importance to transparent, balanced and holistic reporting, Koç Holding publishes its approach and practices with respect to the mentioned principles in its publicly disclosed annual reports, sustainability reports and website content. Studies conducted within the scope of the principles are described in the relevant sections of the report. In this context, necessary alignment in relation to reporting has been achieved, and work is ongoing for attaining total compliance with the principles. The activities carried out in relation to the principles are disclosed in the Sustainability Principles Compliance Report (pages 353-360).

This section provides a detailed description of the topics in which compliance has been achieved with the principles in the CMB Sustainability Principles Compliance Framework that has been prepared based on “comply-or-explain” approach, and assessments about the principles not yet fully complied with are addressed in Declaration of Compliance with Sustainability Principles (page 174) under the Corporate Governance section.

Koç Holding
Sustainability
Reports



Scope

The publicly available sustainability performance data covers Arçelik, Aygaz, Entek, Ford Otosan, KoçSistem, Opet, Otokar, Otokoç Otomotiv, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi among the Koç Group companies. Environmental, social and OHS performance data cover the period from 1 January to 31 December 2024, with the first two sets encompassing 90% of employees and 92% of combined revenues, whereas OHS data cover 100% of the employees. Performance data was calculated as realized over the 11-month period and projected for the 12th month.

Act for the Planet. Together.

This section, which is one of the four main pillars of the “Lead. Together” strategy, is aimed at integrating environmental issues into decision-making processes. Koç Holding believes that a healthy business is not possible without a healthy world and society, and aims to manage all environmental risks and opportunities, especially climate change, from a long-term perspective.

Climate change is one of today's biggest crises with its global and unpredictable consequences. The Paris Agreement's goal to keep the rise in global temperatures to below 2°C and, if possible, to less than 1.5°C, with respect to global temperatures in the pre-industrial period, requires rapid action from governments, business and societies. Additionally, the “Green Deal” announced by the European Commission in 2019 is aimed at achieving the European Union's net-zero carbon emission target by 2050. To achieve this goal, it is projected that a 57% reduction needs to be achieved in the EU's emissions by 2030 as compared to 1990 levels. The Green Deal, which has the potential to change the functioning of the global economy and international trade with the goals it has set out, is of tremendous importance for Turkey and the Koç Group, which carries out more than 50% of its foreign trade with the EU. In this sense, the business world has an important responsibility in adapting to changing climate conditions.

Grow the Business. Together



Empower People. Together



Act for the Planet. Together.



Strengthen Communities. Together



Sustainability

In order to develop a progressive climate change agenda, it is imperative that all parties adopt a common global vision. Given that the new climate agenda presents both risks and opportunities for the global economy and society, it is necessary that innovative methods are developed with the collaboration of stakeholders to produce and roll out solutions. The Koç Group aims to be a role model for stakeholders both locally and globally with its contributions to the climate agenda.

For efficient use of water and natural resources, the conservation of biodiversity and the prevention of environmental pollution, companies need to responsibly manage their operational impacts. The Koç Group monitors performance in water resources, waste and biodiversity in order to reduce operational environmental impacts and takes measures within the framework of targets to effectively manage it. Koç Group Environmental Policy is the framework of reference to manage the environmental impacts.

The Koç Group Environment Council, a platform that brings together experts in the field of the environment, energy and sustainability, is aimed at creating common knowledge in all of the sectors in which we operate. The Council coordinates work in the areas of focus. While each company carries out activities in line with the requirements of its sector, activities are carried out to implement the Group's long-term environmental strategies in the field of the environment, while environmental risks and opportunities are reviewed, regular environmental audits are carried out and necessary actions are monitored.

Partnerships

With its presence in many local and international platforms since 2011, the Koç Group represents the Turkish business world on environmental sustainability issues, especially climate change. Koç Holding is also among the supporters of the Stakeholder Capitalism Metrics that have been devised by TCFD and WEF.

The Koç Group has been carrying out activities to contribute to the implementation of the Green Deal with the principle of multilateralism and to evaluate the opportunities it will create. Koç Holding is part of the World Economic Forum (WEF)'s Centre for Nature and Climate initiative. In addition, Koç Holding's CEO represents the Koç Group in the CEO Action Group for the European Green Deal of WEF. Koç Holding has signed the joint statement prepared by the Action Group, which includes the CEOs of more than 40 global companies, to mobilize the business world in line with the 2050 net zero carbon emission target. It is essential for the EU to formulate an inclusive perspective and adopt a multilateral approach in policy and tool development processes if the Green Deal is to achieve its goals. Taking into account its relations with EU trading partners, the Koç Group voices a concern on different platforms that inclusive steps should be taken towards supply chains, adding that access to funding mechanisms should be facilitated also for the trade

partners in non-EU countries. The Koç Group also contributes to the manifestation of the potential implications of the mechanisms planned to be introduced under the Green Deal upon Turkey and to policymaking processes. TÜSİAD (Turkish Industry and Business Association) Green Deal Workspace set up in 2020 is chaired by a president-level executive from the Koç Group.

Koç Holding is also an endorsing company of the CEO Water Mandate, an initiative of the UN Global Compact, in order to align with an international framework on water management, as well as disseminate and learn from best practices at a global level.

In addition, Koç Holding is a member of CFO Coalition for the SDGs that brings together the CFOs of UN Global Compact-member companies with the aim of adding momentum to sustainability investments.

A C-level executive from the Koç Group has been leading the Environment and Climate Change Working Group within TÜSİAD since 2015. Through its companies and the Environmental Council, the Koç Group regularly contributes to the attitude documents and research studies developed by TÜSİAD.

Koç Group
Environmental
Policy

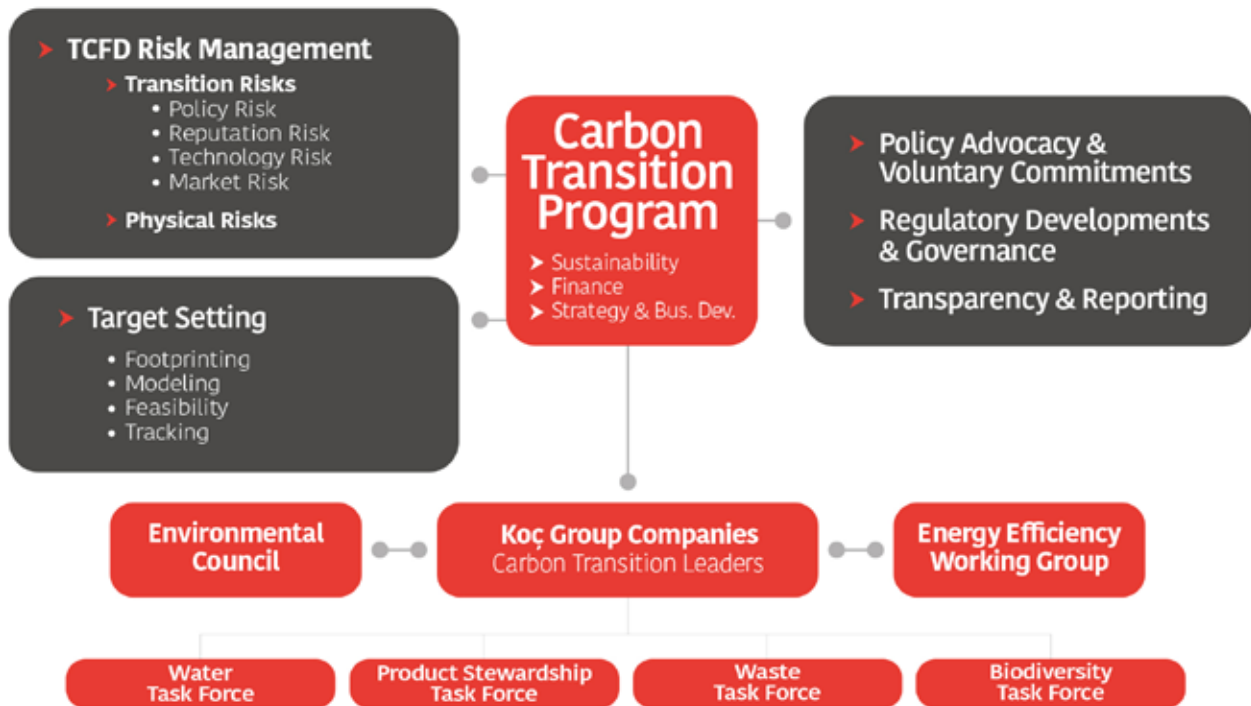


Carbon Transition Program

Carrying out their low carbon transition efforts in the light of Koç Holding's target to become carbon-neutral by 2050 and the Carbon Transition Program devised accordingly, the Group companies work towards effective monitoring and reporting of greenhouse gas (GHG) emissions, and their reduction to the extent possible.

The Koç Group Carbon Transition Program is led by Koç Holding CEO Levent Çakıroğlu, and coordinated by sustainability, finance and strategic planning teams at Koç Holding. The Koç Group Environment Council extends technical support to the Program, which is executed with the contributions of the Carbon Transition Leaders consisting of senior executives at the Group companies and employees from various departments they collaborate with, which include R&D, environment, finance, innovation, HR, corporate communications, marketing, purchasing, strategy and manufacturing.

In line with its **2050 carbon neutrality target**, Koç Holding aims to reduce its Scope 1 and Scope 2 GHG emissions by **27%** by 2030 and by **49%** by 2040 (2017 baseline year: 7.8 million tCO₂e). Scope 1 and Scope 2 GHG emissions in 2024 were 6.5 million tCO₂e.



Sustainability

Disclosure of Climate-Related Risks and Opportunities

Koç Holding, which is among the companies that support TCFD, aims to manage the risks and potential opportunities arising from climate change

within the framework of TCFD, to regularly disclose them to its stakeholders and to extend them across its ecosystem.

This section, which is prepared in line with the TCFD Recommendations, describes Koç Holding's approach and performance

regarding each of the TCFD's thematic areas: Governance, Risk Management, Strategy, and Metrics and Targets. It also presents the Holding's strategy and business model with respect to different climate scenarios.

Task Force on Climate-Related Financial Disclosures (TCFD) - Koç Holding Disclosure	
	<p>Climate-related risks and opportunities are monitored and managed under the Carbon Transition Program.</p> <p>The Koç Group Carbon Transition Program is led by Koç Holding CEO Levent Çakıroğlu, and coordinated by sustainability, finance and strategic planning teams at Koç Holding The Koç Group Environment Council extends technical support to the Program, which is executed with the contributions of the Carbon Transition Leaders consisting of senior executives at the Group companies and employees from various departments they collaborate with, which include R&D, environment, finance, innovation, HR, corporate communications, marketing, purchasing, strategy and manufacturing.</p>
Corporate Governance	<p>Water Management, Circularity, Emissions and Biodiversity Working Groups bring together experts from various Koç Group companies, and are led by the Head of Koç Holding Environmental Council. These working groups collaborate with the aim of developing a uniform approach for effective management of climate action efforts and capitalizing on opportunities materializing in their respective fields. The shared knowledge and experience compiled by experts allow good practices to be propagated across the Group companies.</p> <p>In 2024, targets for climate risks and opportunities have been added to the performance management system in which employee targets are integrated for executives including the CEOs and employees of the Group companies.</p>
Risk Management	<p>Climate-related risks are addressed at the Board of Directors level under the supervision of the Risk Committee. Details about risk management can be found in the Risk Management section (page 189-191) under Corporate Governance. Details about Transition Risks (Policy/Regulatory Risks, Market Risks, Reputational Risks, Technology Risks), Physical Risks and Opportunities, on the other hand, are discussed in the Climate Related Risks and Opportunities section (page 49) under the Carbon Transition Program.</p>
Strategy	<p>With the increasing significance of combatting climate crisis among stakeholders and the European Green Deal, the Koç Group has declared its target to become carbon-neutral in 2050. To devise the roadmap for transitioning to a low-carbon economy necessary for achieving this target, the Carbon Transition Program has been launched across the Koç Group. Details about the strategy can be found in the Carbon Transition Program section.</p>
Metrics and Goals	<p>Carrying out their low carbon transition efforts in the light of Koç Holding's target to become carbon-neutral by 2050 and the Carbon Transition Program devised accordingly, the Group companies work towards effective monitoring and reporting of greenhouse gas (GHG) emissions, and their reduction to the extent possible. Related details can be found in the Carbon Transition Program section (page 54).</p>

* As of 2024, TCFD takes place under the ISSB roof.

Climate Risks and Opportunities

Within the scope of the first focus area of the Carbon Transition Program, main transition risks and physical risks have been identified in line with the TCFD recommendations. Accordingly, main risks and financial impacts to be faced by the Koç Group and companies in the short-, medium- and long-term have been determined within the frame of different climate scenarios. Setting targets and determining roadmaps of the companies for the effective management of these risks is among the other objectives of the program. In addition to the management of risks, the intention is to seize opportunities in relation to new product and services and to implement resilient business models.

In 2021, a scenario analysis study was conducted at Arçelik, Aygaz, Entek, Ford Otosan, Opet, Otokar, Otokoç, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi, which represent 91.3% of the Koç Group's combined revenues for the period between 2017-2021. The risk analysis of Yapı Kredi, which operates in the finance sector, was based on its

entire credit portfolio within the scope of various climate-related physical and transition risks, including extreme weather conditions, national and international regulations, stakeholder expectations, changing market outlooks and emerging technologies. Details regarding the risk analysis of the companies operating in the non-finance sectors are presented on the following sections. The preliminary analysis was conducted independently by a third-party, and these analyses are regularly updated according to evolving company strategies, employing the same methodology.

Transition Risks

Transition risks are addressed under four different categories.

Policy/Regulatory Risks

Policy/regulatory risks include increases in carbon pricing, associated financial risks, and operational costs. Countries are expected to take greater action against the climate crisis as a result of rises in the carbon prices in the global emissions trading systems along with carbon and fuel taxes and other climate driven

pricing measures aligned with the Paris Agreement. These assessments take into consideration the rate of increase in carbon pricing and the level difference based on country and region.

The analysis is based on three different climate action scenarios; potential additional costs that might result for the following three scenarios have been calculated for 2030, 2040 and 2050.

The calculation of financial risks is based on current carbon pricing, future scenarios, the Group companies' GHG reduction targets and projected revenue. Possible costs associated with Scope 1 and Scope 2 GHG emissions were presented within this scope.

On the other hand, since the regulatory framework concerning carbon pricing has yet to be finalized, there is not a carbon pricing system in which Koç Holding is included. Various tools to be deployed across the Koç Group for low carbon transition are being considered and those that are deemed appropriate will possibly be put into implementation as per the strategy devised.

Three different climate action scenarios that the policy risks analysis is based on:

Low carbon price scenario	Medium carbon price scenario	High carbon price scenario
Assumes that Nationally Determined Contributions (NDC) are fully implemented, but the goals of the Paris Agreement remained elusive due to inadequate climate actions	Relies on NDCs of the Organisation for Economic Co-operation and Development (OECD), International Energy Agency (IEA) and countries and assumes that despite inadequate climate action in the short-term, temperature rise is limited to 2°C by 2100 owing to the adequacy of actions taken in the medium and long-term	Relies on OECD and IEA (2017) research and assumes that temperature rise is limited to 2°C by 2100 owing to adequate climate policies

Sustainability

Market Risks

Market risks address the market-related effects on revenues. The impact of the climate crisis on the market and the risks and opportunities in products, commodities and services with regards to supply and demand are taken into account. This analysis considers the potential risks along the supply chain, and the financial risks that may arise as a result of disruptions and fluctuations in the raw material, commodity and carbon prices of Koç Group suppliers are analyzed on a sectoral basis.

Within the scope of the analysis, the supply chain of each Group company was mapped and categorized on the basis of sectors. For categorization purposes, suppliers having the highest share in the purchasing budget of each company were identified, and EBITDA at risk for suppliers was determined in relation to the carbon pricing in the scenario limiting global warming to below 2°C. The sectors where these risks will be most common

are respectively, electricity producers, mining and metallurgy, oil, gas and fuels, chemistry and packaging.

Koç Holding works to establish a strategic approach in order to address market risks and reduce the supply chain-related emissions of the Group companies, as well as to disseminate projects and programs that will transform the supply chains.

Reputational Risks

Reputational risks address risks such as potential concerns and negative feedbacks from stakeholders in the event of inadequate climate action. In relation to these risks, the Group companies' sustainability strategies, their relevant sectors, their carbon intensity performances as compared to their sectors, and how the targets set overlaps with the Paris Agreement have been analyzed.

The Koç Group companies were later classified under low, medium and high-risk categories.

Technology Risks

Within the scope of the technology risks, low-carbon sustainable products and services of the Group companies, business areas facilitating a low-carbon future according to the EU Taxonomy, and investments for low-carbon products, processes and services have been assessed. It has been determined that Arçelik, Aygaz, Ford Otosan, Otokar and Tofaş have sustainable products, services and strategies for facilitating low carbon transition.

In the energy sector, Tüpraş announced the roadmap for the transition to a low-carbon economy with its Strategic Transformation Plan, which it shared with the public, explaining the investments to be made for sustainable products, services and strategies. Yapı Kredi, on the other hand, operating in the finance sector, offers financial solutions to the climate change problem with its sustainable products and services it provides.

All these studies reduce the impact of technology risks.

Physical Risks

Within the scope of physical risks, the effects of climate-related indicators on assets were examined based on three different global warming scenarios. These indicators include water stress, floods, cold and heat waves, hurricanes, fires and sea level rise.

Three different climate scenarios that have been adopted by the Intergovernmental Panel on Climate Change (IPCC) were considered within the scope of physical risks.

The Koç Group has been regularly assessing catchment risks employing a scenario-based approach. Areas with high water stress are identified in all areas and physical risk exposure is reported in the TCFD disclosure. In 2023, the Water Stewardship Task Force conducted the catchment-based risk assessment using the Aqueduct tools of the World Resources Institute. The assessment covered 65 facilities of 10 companies¹. The evaluation involved drought, flood and water quality aspects for 2030, 2050 and 2080 projections based on best, average and worst case scenarios. As a result, it has been established that 78% of Koç Holding operations are located in high and extremely high water stress areas.

Koç Holding worked on developing its water strategy in view of international frameworks and investor expectations. Please refer to Koç Holding 2023 Sustainability Report, Water Stewardship section for further information.

Opportunities

In order to better understand climate-related opportunities, sectoral comparisons were made, and company-specific global best practices were evaluated. By integrating these outputs into its business strategy, Koç Group aims to assume a leading role in the low-carbon economy and creates new business opportunities by transforming its products and services.

Clean technology and innovative sustainable products with high resource efficiency and low environmental impact play an important role in the transition to a low carbon economy and offer a wide array of opportunities for the business world. Developed products and technologies support the circular production systems, helping the Koç Group companies reduce their consumption of natural resources and emissions of greenhouse gases along their value chain. New products and technologies which enable companies to manage their environmental impacts more effectively also help them to increase their

revenues by meeting consumer demand for eco-friendly products. In 2024, Koç Holding Sustainability and Finance teams defined, and started regularly tracking, the metrics that will allow measuring operational and product-driven financial opportunities that transition to a low-carbon economy provide the Koç Group with.

Set up under the Koç Group Environmental Council, Product Stewardship and Waste Management working groups focus on circular economy practices - particularly industrial symbiosis- and process- or product-oriented lifecycle analyses, and aim to capture the potential opportunities in production processes.

Details of the roadmaps that Koç Group companies have put forward in line with their efforts to transition to a low carbon economy can be found on the relevant company pages.

Three different climate scenarios adopted by the IPCC within the scope of physical risks:

Low-End Climate Change Scenario (<2°C):	Moderate Climate Change Scenario (>2°C):	High-End Climate Change Scenario (>4°C)
This scenario, where rapid and effective reduction measures are taken to reduce carbon emissions by half by 2050, assumes a below-2°C temperature rise by 2100.	This climate scenario assumes that carbon emissions will be down to half of their current levels by 2080, but the temperature rise will be between 2°C to 4°C by 2100.	This scenario, where existing carbon emissions remain unchanged and hence climate action turns out to be inadequate, assumes that global warming will exceed 4°C by 2100.

(1) Arçelik, Aygaz, Entek, Ford Otosan, Opet, Otokar, Otokoç Otomotiv, Tofaş, Tüpraş, TürkTraktör

Sustainability

Climate and Technology

Koç Holding strongly believes that the digital and green transitions reinforce each other. These two pillars prepare Koç Holding for future needs and help gain competitive advantage. Koç Holding prioritizes digital and sustainable production to ensure environmentally responsible manufacturing through the deployment of technology. Beyond internal operations, Koç Holding also extends its focus to stakeholders and leverage technology for the climate adaptation of its value chain in the face of climate crisis.

Fostering digital and sustainable production

To align with Koç Holding carbon neutrality objective, Koç Group companies leverage the power of new technologies including artificial intelligence, data analytics, robotics, the internet of things (IoT), and automation.

With another Group company factory admitted to the “Global Lighthouse Network” of the World Economic Forum (WEF) that acknowledges global best-in-class Industry 4.0 operations, the Koç Group made a new addition to its achievements in its transformation journey. The Group’s leader consumer durables company Arçelik’s Dishwasher Plant in Ankara joined the “Global Lighthouse Network” owing to its successful digital transformation. The said plant is the Koç Group’s fourth production facility admitted to the Network following the Washing Machine Plant in Ulmi, Romania, the Refrigerator Plant in Eskişehir and Ford Otosan’s Kocaeli Plant.

Ford Otosan Eskişehir Solar Power Plant Project

10 MWe portion of the Solar Power Plant (SPP) projects initiated to fulfill the energy need of the Eskişehir Plant was completed successfully in February 2025.

This investment did more than enabling an environment-friendly transformation; it was a major step itself in the sustainability pathway. Thanks to the SPP projects, 50% of the plant’s electricity consumption is now met with clean energy. Furthermore, carbon emissions were reduced, allowing green industry transformation and paving major distance towards a greener future.

Köprülü Project

Thanks to the Afyonkarahisar Köprülü SPP project that was commissioned in October 2024, the generated energy now contributes directly to own consumption.

Ocaklı Project

With the Afyonkarahisar Ocaklı SPP project initiated in November 2024, a substantial portion of the energy need is met with renewables.

SPP investments are carried on in 2025. The second phase of the project is slated for being commissioned in 2026.

Energy efficiency stands as a crucial pillar in Koç Holding’s transition pathway. This involves identifying opportunities to reduce energy consumption, optimizing production processes, and exploring new technologies to help Koç Holding become more efficient. Koç Group companies utilize cutting-edge technology to optimize energy efficiency in their production processes.

Internet of Things

Arçelik - WEF Lighthouse Factory

In 2024, Arçelik added yet another achievement to its successful initiatives in its transformation journey as one more Arçelik Factory was selected to the Global Lighthouse Network, where WEF determines the world’s leading production facilities in Industry 4.0. Ankara Dishwasher production facility has been the third Lighthouse factory of Arçelik following the Ulmi Washing Machine Factory in Romania and Eskişehir Refrigerator Factory. Set on a total area of 110,000 m2, Ankara Dishwasher Plant uses artificial intelligence, machine learning and autonomous systems. The company is realizing digital transformation by integrating all its foundational systems with FLOW, the Internet of Things (IoT) infrastructure designed in-house. This shortened the market entry times of products by 46%, reduced field breakdown rates by 29.2% and improved transformation costs by 26.1%. In the mechanical manufacturing areas of the plant where there are 171 robots and 5.2 terabytes of data are collected on a daily basis, dishwasher inner body manufacturing is carried out without human intervention with an automation level of 90%. The plant’s carbon emissions are reduced by 23% on the back of digital solutions, and energy costs are also decreased thanks to the Solar Panel System with a capacity of 1,500 MWh.

Artificial
IntelligenceMachine
Learning**Tüpraş – Proactive Energy Platform**

In optimizing energy consumption at refinery units, Tüpraş has implemented a digital energy twin through artificial intelligence algorithms. This initiative ensures the unit operates under the most efficient conditions by modeling optimal energy consumption. The system calculates the optimal energy that should be consumed under relevant conditions, triggering technical teams to intervene and take precautions if it detects a negative discrepancy, all done through machine learning technology. Tüpraş currently uses 2,010 data points to monitor, analyze and model energy efficiency.

Ford Otosan – Photovoltaic Glass Wall

Ford Otosan redesigned and rebuilt its Yeniköy plant with an approach targeting maximum efficiency and stands as a testament to its future vision to lead Türkiye's automotive industry. Yeniköy will carry Ford Otosan and Türkiye into the future, and it also represents the future of automotive production. It is equipped with innovations such as Photovoltaic Glass Wall, Solar Wall, and SunTracker, which are firsts in Türkiye and in the Ford community. To utilize sunlight as much as possible for energy efficiency, thanks to the solar panels used on the ceiling in the Welding workshop as well as the Photovoltaic Glass Wall installed on the front facade of the factory, a first among Ford factories worldwide. The Photovoltaic Glass Wall was designed on the facade of the factory to generate the electricity consumed by the factory from the sun.

The glass wall having an installed power of 83 kWe generates renewable energy while also providing the lighting for the working spaces in the building's façade. In addition, the rooftop SPP with an installed capacity of 2,897 kWe supplies 3% the plant's energy need from renewables.

Leveraging Technology for Climate Adaptation of Value Chain

As Koç Holding is working towards its carbon neutrality target and minimize its impact, it is equally important to lower dependence on natural resources. Climate change presents significant physical risks, particularly with heightened water stress. Koç Group proactively addresses this challenge through the development of innovative solutions for climate adaptation as well as mitigation. This strategic approach aims to enhance the resilience of Koç Group's operations.

Artificial
IntelligenceMachine
LearningDeep
Learning**Entek - AI-driven Hydrology Forecasting**

Entek initiated a project aimed to increase energy production utilizing the same amount of water. The project integrates AI-driven hydrology forecasting into dam operations with machine learning and deep learning. The model considers 56 variables, including demographic trends, topographical and meteorological data such as temperature, snow depth, humidity, underground water levels and operational decisions from neighboring plants. The data used spans over the past 25 years, and this enhances the prediction capabilities significantly. The project enables a 2.5% increase in energy generation productivity and boosted forecasting accuracy for water flow volume to approximately 90%. AI-driven hydrology forecasting project of Entek have been conducted in collaboration with KoçDigital. Koç Group information technology company, KoçDigital is committed to developing technological solutions in such a way that will benefit the environment and communities. With the Green Intelligence Program, digital solutions are being developed to enable companies to manage their environmental impacts. Koç Holding aims to create shared value and a positive impact on society and its stakeholders. To achieve the objectives, Koç Holding believes that it is essential to facilitate the transition of its ecosystem and provide support for adaptation to the impacts of climate change.

Machine
LearningImage
Processing**TürkTraktör – Mobile Field App**

As a Koç Group company, specialized in the production of tractors and agricultural equipment, TürkTraktör identifies the digitalization of agriculture as a key area of development to enhance value for farmers.

The Mobile Field app that the Company developed in 2019 currently has 170,000 users.

Offering customized weather information to farmers according to the location of their fields, the Mobile Field app blends satellite imagery with Artificial Intelligence (AI) and machine learning to deliver digital decision-making support. Other capabilities include satellite-enabled daily crop health monitoring for making suggestions regarding irrigation, fertilizer and pesticide application and tractor usage.

In addition, TrakBot, the first AI-based chatbot of the Mobile Field app that has been specifically designed for the agricultural industry offers digital assistance to farmers around the clock.

Farmers are provided with support in relation to their agricultural activities with personalized, comprehensive solutions devised using big data analytics and agricultural industry knowledge.

Sustainability

Metrics and Targets

Energy Management and Emissions

Carrying out their low carbon transition efforts in the light of Koç Holding's target to become carbon-neutral by 2050 and the Carbon Transition Program devised accordingly, the Group companies work towards effective monitoring and reporting

of greenhouse gas (GHG) emissions, and their reduction to the extent possible.

Koç Holding targets to reduce its Scope 1 and Scope 2 GHG emissions by 27% by 2030 and by 49% by 2040 in line with the target to become carbon-neutral by 2050 (2017 baseline year: 7.8 million tCO₂e). A year-on reduction of 3.8% has been

observed in Koç Holding's total Scope 1 and Scope 2 GHG emissions. Emissions reduction and energy efficiency activities underway at the Group Companies secured 17% reduction in the Group's emissions since 2017 baseline year in the 2050 carbon neutrality journey.

Emission Category ¹ (tCO ₂ e)	2017 ²	2020	2021	2022	2023	2024
Scope 1 emissions	7,572,664	6,156,671	6,245,166	6,864,059	6,625,491	6,293,508
Scope 2 emissions ³ (market-based)	129,471	119,421	127,516	127,838	109,877	183,140
Scope 1 and 2 emissions of the Group companies' subsidiaries	134,671	- ⁴	184,271	- ⁴	- ⁴	NA
Total Scope 1 and 2 emissions	7,836,806	6,276,092	6,556,953	6,991,897	6,735,368	6,476,648
Emission Intensity ⁵ (CO ₂ e/million USD)	132	142	107	81	77	63

As per the transparency principle that it intends to further increase continually, Koç Holding disclosed consolidated Scope 3 emissions for 2019, 2022 and 2023 under the Carbon Transition Program. The calculation of consolidated Scope 3 emissions for 2024 is underway, and they are targeted to be publicly disclosed in 2024 Sustainability Report. The approach Koç Holding adopts to manage the emissions resulting from its operations and its value chain is addressed in the

Transition Roadmap that entails sector-specific decarbonization strategies for different Koç Group companies. Accordingly, the energy industry plans its transition with a focus on well-balanced, diversified and clean energy portfolio by manufacturing different types of energy such as zero-carbon electricity, green hydrogen and biofuels within an integrated business model. The transition of the automotive sector relies on increased weight occupied by electric vehicles and

vehicles that use alternative fuels in the product portfolio and the transformation of the supply chain. For the consumer durables sector, low carbon transition entails production of energy-efficient products, reduction of emissions generated during use and transformation of the supply chain. The finance sector, on the other hand targets to channel its capital to low-carbon initiatives and to transform its portfolio in line with clean energy investments.

(1) The Koç Group's consolidated Scope 1&2 emissions include emissions by Arçelik, Aygaz, Entek, Otokar, Otokoç Otomotiv, Tüpraş, Yapı Kredi companies. Koç Holding received a moderate level of assurance by British Standard Institution (BSI) in line with AA1000AS on its consolidated scope 1&2 emissions for 2017, 2021 and 2022. Consolidated scope 1, 2 and 3 emissions for 2023 have been verified by TÜV SÜD in accordance with AA1000AS verification standards.

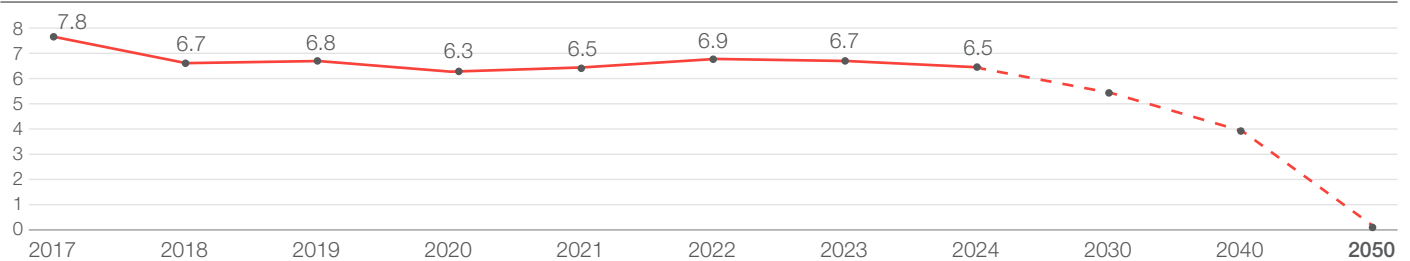
(2) 2017 is the baseline year for Koç Holding's Scope 1&2 emissions target.

(3) Scope 2 emissions increased due to modified boundary of GHG emissions inventory resulting from mergers and acquisitions of the Group companies.

(4) For 2017 and 2021, we estimated the GHG emissions of the subsidiaries owned by our Group companies using EEIO factors. This estimation was presented in the third line as 'Total Scope 1&2 emissions of subsidiaries owned by Koç Group companies.' In 2022, we obtained accurate emissions data for the subsidiaries of our Group companies and included this data in the Scope 1 and Scope 2 categories, respectively presented in the first and second lines.

(5) The decreased emission intensity is a result of the increase in combined revenues, as well as Scope 1&2 emissions reduced thanks to renewable energy and energy efficiency projects launched at the Group companies.

Scope 1 and 2 Emissions Reduction Target (million tCO₂e)



Emission Category ¹ (tCO ₂ e)	2019 ²	2022	2023
Scope 3 emissions	191,811,457	200,287,630	219,729,882

The Koç Group companies avoided 259,000 tonnes of emissions in total and secured financial saving in the amount of 24 million USD in 2024 thanks to energy efficiency initiatives introduced.

Verification process is underway for Scope 1, 2, and 3 GHG emissions, waste and water data, and verified data will be disclosed in 2024 Sustainability Report.

In 2024, purchased renewable energy amounted to 2.03 million GJ whereas the amount of the Group's self-generated renewable energy was 4.7 million GJ.

	2022	2023	2024
Reduction through energy efficiency (million GJ)	1.73	2.41	1.93*
GHG emissions reduced (000 tCO ₂ e)	96	137	259

Energy Consumption (GJ)	2022	2023	2024
Net renewable energy consumption	2,413,434	2,818,505	1,770,701
Net non-renewable energy consumption	95,892,866	96,630,145	94,142,235
Total	98,306,300	99,448,650	95,912,936*

*Excluding Arçelik

Water Stewardship

In order to effectively manage the increased water risks associated with

climate change, it is important to increase water efficiency in production through recycling and recovery, and to have a

holistic approach. The Koç Group aims to reduce water withdrawal, reduce stress on water resources through resource diversification, and increase wastewater quality. Work was carried out to formulate Koç Holding's water strategy paying regard to international frameworks and investor expectations.

Water stress risk analysis has been updated in 2024, and 65 facilities of 10 Group companies have been included. The evaluation involved drought, flood and water quality aspects for 2030, 2050 and 2080 projections. As a result, it has been established that 78% of Koç Holding operations are located in high and extremely high water stress areas.



(1) The Koç Group's consolidated Scope 3 emissions cover Scope 3 emissions of Arçelik, Aygaz, Entek, Otokar, Otokoç Otomotiv, Tüpraş, Yapı Kredi companies, and Scope 1, 2, 3 emissions of Ford Otosan, Opet, Tofaş and TürkTraktör companies. Calculation of consolidated Scope 3 emissions for 2024 is underway and they are targeted to be disclosed in 2024 Sustainability Report. The acquisition of new production facilities by our Group companies, along with an increase in use-phase emissions of the Group companies operating in energy sector has resulted an increase in Scope 3 emissions.

(2) 2019 is the initial year when Koç Holding's consolidated Scope 3 emissions started to be consolidated.

Sustainability

Measures are being taken to increase the recycling and reuse of water in an effort to reduce the impact on natural resources.

Total Water Withdrawal by			
Resource (thousand m ³)	2022	2023	2024
Surface water	17,449	15,389	17,963
Ground water	7,046	7,416	2,764
Municipal water	2,359	3,324	3,748
Treated municipal water, rainwater and other resources	9,795	6,724	7,085
Total	36,649	32,853	31,561
Water Consumption (thousand m ³)			
	2022	2023	2024
Total	17,456	8,250	12,000

Waste Management

Effective waste management and circular models are vital in preventing environmental pollution and reducing pressure on natural resources. The Koç Group aims to reduce waste at source and continuously increase the percentage of recycled and reused waste.

Environment Training	2022	2023	2024
Number of participants (employees)	41,609	45,096	74,080
Number of participants (Subcontractors)	34,545	28,803	21,374
Training hours (person*hour) (Employees)	32,876	62,953	64,016
Training hours (person*hour) (Subcontractors)	37,555	22,139	29,200

Koç Group Environmental Fines Imposed/Paid ^{1,2} (TL)	2022	2023	2024
Tüpraş and subsidiaries	263,032/197,274	6,761,568 / 5,071,176 ²	5,354,125.03 / 4,015,594.5
Ford Otosan			464,585 / 348,438.75
Setur Marinaları - Setur Yalova Marina İşl. A.Ş.			929,170 / 696,877.5
Divan			522,594 / 522,594

(1) The table reports the amounts accrued for environmental fines in excess of USD 10,000 and the amounts actually paid by benefiting from early payment option.

(2) The fine has been levied because the investments within the scope of Kırıkkale Solar Power Plant capacity increase project were completed sooner than the relevant permission procedures. The positive EIA report for the project has been submitted to the Company on 29 December 2024.

Please refer to Koç Holding 2023 Sustainability Report Water Stewardship section for further details.

Water Discharge (thousand m ³)	2022	2023	2024
Surface water	6,476	4,868	4,477
Ground water	10	0	0
Sea	10,539	12,055	10,987
Third Party Water Providers	2,231	7,680	4,097
Total	19,256	24,603	19,561

Waste by type (tonnes)	2022	2023	2024
Recycled/recovered hazardous waste (R-Code)	28,072	40,298	43,871
Recycled/recovered non-hazardous waste (R-Code)	262,411	328,680	310,657
Hazardous waste disposed of (D-Code)	4,925	15,066	24,460
Non-hazardous waste disposed of (D-Code)	6,375	12,675	8,288
Total recycled/recovered waste	290,813	368,978	354,528
Total waste disposed of	11,301	27,741	32,748
Total	302,114	396,719	387,275

The Koç Group is a signatory of the Business Plastics Initiative, established in partnership with Global Compact Network Türkiye, Business Council for Sustainable Development Türkiye and TÜSİAD, to prevent plastic pollution which is beginning to threaten human and environmental health. The target of ending single-use plastics consumption among employees has been achieved as of year-end 2023.

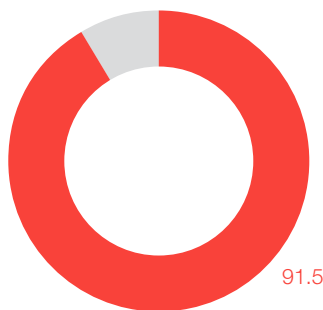
In addition, the Koç Group develops methods for the safe disposal of waste and supports the transition to circular models in the sectors in which it operates.

Additional Indicators

In 2024, the Koç Group posted USD 64 million in total environmental investments and expenses that include costs associated with environmental management such as waste costs, chemicals costs, consultancy and training and so on. Environmental investments and expenses incurred served to bring USD 6.3 million in financial saving.

Waste Recovery Rate (%)

Recovered Waste



Empower People. Together

The Koç Group aims to possess employees armed with the knowledge and competence necessary to create the business models of the future and to offer them the best employee experience. In line with its global growth vision, it strives to attract, retain and develop versatile talent in all of the countries where it operates and to strengthen the employee experience.

Since its establishment, the Koç Group has served as a role model in the sectors in which it operates, ensuring that employees reach their potential with a people-first approach. The Group attaches importance to contributing to the development of its employees throughout their careers and to provide the most appropriate environment for them to succeed in an agile business environment. The Koç Group focuses on building a workplace which invests in talent and respects the rights of employees in line with Koç Group Code of Ethics and SDGs.

Human Rights and Labor Rights

The Koç Group aims to provide a fair, equal and safe business environment which respects human rights. As an establishment operating on a global scale, adopting an approach which respects the people of its stakeholders in the societies in which it operates is a key priority. Under the Human Rights Policy, the Group acts in accordance with global ethical principles on issues such as recruitment, promotion, career development, pay, benefits and diversity, and respects it is the rights of its employees to establish non-governmental organizations and become union members of their own choice. The Group has zero tolerance to forced labor, child labor or any form of discrimination or harassment.

Koç Group
Human
Rights
Policy



The Koç Group Human Rights Policy, guided by the Universal Declaration of Human Rights, takes into account various international standards and principles, such as the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the ILO Declaration of Fundamental Principles and Rights at Work, the Women's Empowerment Principles, the Convention on Worst Forms of Child Labor and the OECD International Business Directory. The Koç Group Human Rights Policy is expected to be adopted by all business partners. In addition, with the developed Supply Chain Compliance Policy, a general framework is drawn on human rights, discrimination, harassment, union freedoms, forced labor and child labor.

Employees can report any non-compliance with the Human Rights Policy to their immediate managers. In addition, they are entitled to report non-compliances to the Koç Holding Ethics Hotline via the website (<https://www.koc.com.tr/ihbarbildirim>) and the phone lines numbered 0850-577-1926, 0850-220-3845 (ETİK). Koç Holding Human Resources and Industrial Relations Division is responsible for the execution of the Policy.

Koç Group Human Rights Policy is available on the Koç Holding website.

Equal Opportunity and Diversity

The Koç Group has been working to ensure equal opportunity, diversity and inclusion for many years. In line with its Board Diversity Policy approved by the Board of Directors of Koç Holding in March 2021, Koç Holding aims to keep the ratio of the number of women members within the Board of Directors at least 30% at all times. In order to ensure equality at all levels throughout the Group, the Declaration of Equality at Work was signed in 2015; later, together with Koç Holding, 30 Group companies became signatories of the UN Women's Empowerment Principles (WEPS).

Sustainability

Between 2015-2021, Koç Holding was one of the 10 Impact Champions of the global HeForShe movement run by UN Women. In addition, Koç Holding led the TÜSiAD Gender Equality Working Group from 2017 until 2022. Within the scope of its initiatives based on Gender Equality in Communication Guide, Koç Holding aims to eradicate judgments about gender roles in the society and to reinforce role models. Koç Holding is a global member of UN Women Unstereotype Alliance fighting detrimental stereotypes in all kinds of media and advertising contents.

In 2021, Koç Holding added a new link to its efforts in equal opportunities and diversity, and became one of the Action Coalition Leaders on Technology and Innovation of the UN Women Generation Equality Forum. Koç Holding assumed yet another important role for securing gender equality in the field of technology and innovation by announcing its commitments that will guide the efforts in this direction on a global scale. To this end, Koç Holding started the equality movement in Technology and Innovation within the Group in 2022 as a result of which Arçelik, Aygaz, Ford Otosan, Koçfinans, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi became global commitment maker companies.

To date, Koç Holding has implemented a wide range of initiatives to offer equal opportunities to employees at all levels. Along this line, training programs and support systems were updated to cover all job categories to enable all employees to access the same communication tools. Through such efforts, the Group pursues gender equality in the business environment with the aim of ensuring

that all positions and roles are more appealing to female applicants. At the Koç Group, women constitute 31% of all employees. Being a conglomerate intent on strengthening woman representation in executive roles, the Koç Group's management succession plans are prepared so as to cover at least one woman successor for each position.

Reliable and globally-recognized evaluation inventories are used in recruitment processes, and the "Candidate Experience Questionnaire" is employed to track the experiences of candidates applying to the Group companies. The Recruitment Accreditation Program (RE-PAP), which is intended to build on recruiters' competence and has been ongoing for five years, is regularly revised to capture the latest trends in cooperation with Koç University and SHRM (Society for Human Resources Management). The Koç Group Human Rights Policy provides a general framework for the Koç Group's general approach to equality and equal opportunities.

Improvements were made to counselling services offered before and after maternity leave, childcare and nursery assistance, and workplace safety. In 2024, 1,072 women employees took maternity leave and 72% of them returned to work following the end of their official leave. 1,673 women employees benefit from the childcare support.

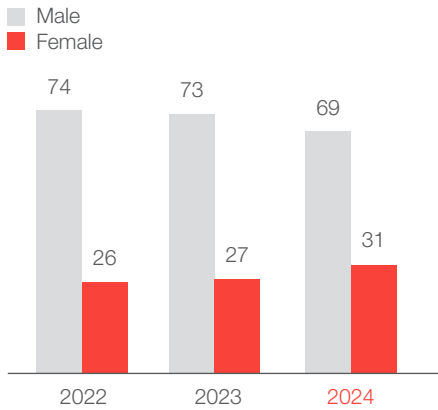
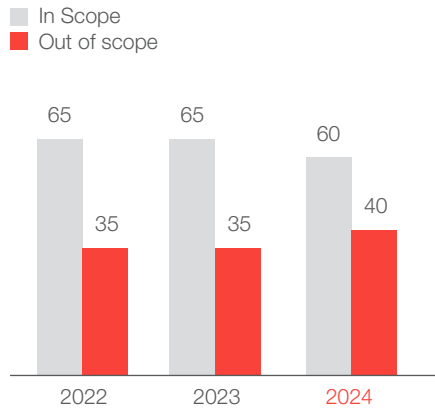
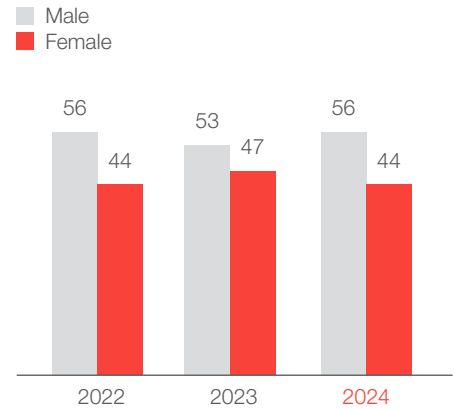
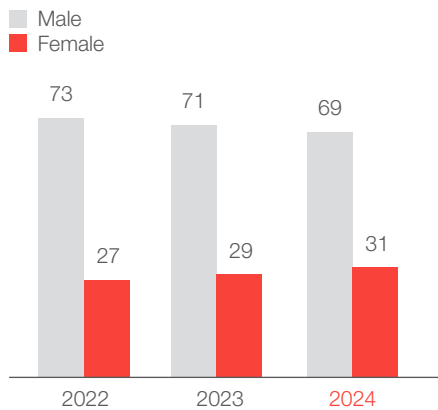
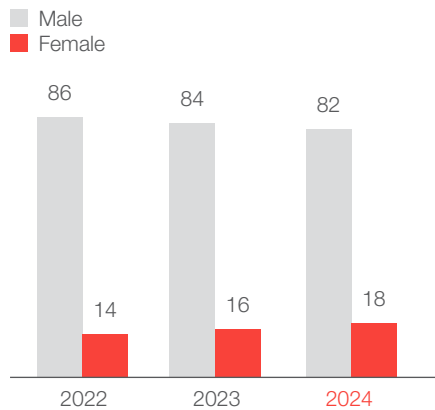
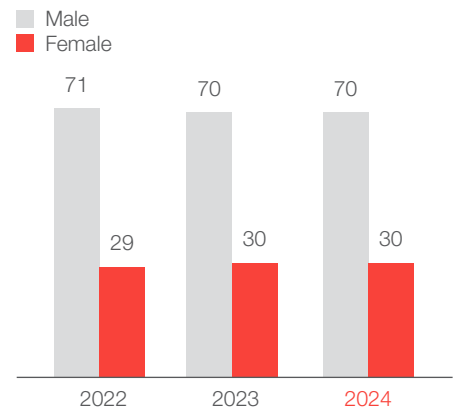
Talent Management

One of the Koç Group's priorities in sustainable talent management is to attract young talents to the Group through creating a talent pool among Koç Group interns and hiring them after their graduation. 41% of the new graduates who joined the Koç Group in 2024 consisted of interns at the Group.

The Koç Group plans the careers and developments of its talents on a yearly basis and monitors them closely along with personalized actions. The employees have the chance to work in the sector, company or function of their choice at the Group companies. Job opportunities available at the Koç Group are announced via posts on the KoçKariyerim platform. The Group's employees can apply for the roles they pursue without going through any approval mechanism and are prioritized with respect to new career opportunities. In 2024, ~2,500 employees of the Koç Group participated in intra-Group rotation processes and started their new jobs in different sectors, companies and departments.

Various training and development opportunities are offered to ensure employees reach and even exceed their potential. In addition to training in areas such as the environment, ethics and OHS, many different training programs are offered to employees for technical and leadership development in line with future business models.

More information on talent management processes can be found in the Human Resources/Talent Management Approach section. (page 36).

Employees by Gender (%)**Unionization (%)****Promotions by Gender (%)****New Recruitment by Gender (%)****Senior Executives by Gender (%)****Middle Managers by Gender (%)**

Sustainability

Occupational Health and Safety

The Koç Group carries out its activities to achieve excellence in occupational health and safety (OHS) practices in all its operations in line with its zero-accident target. OHS guidelines are considered an integral part of the business culture.

Bimonthly OHS Committee Board meetings participated by both occupational health and occupational safety representatives of the Group companies are intended to improve communication and cooperation among teams, prevent recurrence of accidents through information and experience sharing by all companies, and spread good practices.

The Koç Group OHS Management System Procedure defines minimum OHS requirements under 20 main headings for all Group companies. Nine standards published within this framework detail the requirements related to implementation. Led by Koç Holding OHS Unit, working groups set up under the OHS Committee

formed of representatives from the Group companies published “Management of Change Standard” and “Safe Riding Standard For Motorcycles And Motorcycle-Like Vehicles” in 2024. In addition, the “Driving Safety Standard and Accident-Incident Reporting and Investigation Standard” was updated to respond to evolving needs within the scope of continuous improvement as part of the governance system, and the “Accident-Incident Reporting and Investigation Implementation Guidance” published helped investigate accidents for the entire Group employing the best global methods. “Seat Belt Usage” campaign was carried out centrally to raise increased awareness of Group-wide employees about driving safety.

Ever since its inception, the Koç Group introduced numerous different initiatives for the wellbeing of its employees and their families. In 2024, work was carried out on various practices and standards to gather these important initiatives under a single roof and to contribute to the wellbeing efforts.

OHS Indicators (Employees and Subcontractors)	2020	2021	2022	2023	2024 ¹
Fatal Accidents	5	0	1	6	4
Injury Rate (IR) ²	6.07	5.98	4.47	4.19	3.37
Occupational Illness Frequency (OIFR) ³	0.04	0.09	0.10	0.07	0.04
Lost-time injury frequency rate (LTIFR) ⁴	3.3	3.23	2.92	3.07	2.31
OHS training hours (employee*hours)	626,981	732,602	746,549	1,066,481	1,783,585
OHS training hours (employee*hours)-subcontractors	88,397	95,162	116,353	356,306	350,598

(1) The scope has been expanded to include domestic and international operations of all companies.

(2) IR = (Number of injuries in given period*1,000,000) / Total hours worked in given period.

(3) OIFR: (Number of occupational illnesses in given period*1,000,000) / Total hours worked in given period

(4) LTIFR: (Number of lost time injuries in given period*1,000,000) / Total hours worked in given period.

Grow the Business. Together

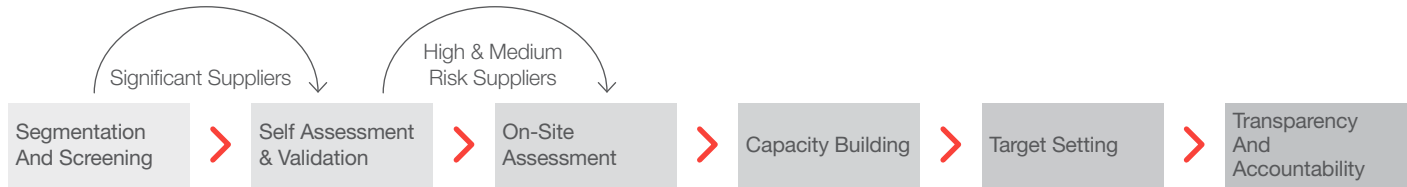
Issues related to innovation and digital transformation are among the key material issues, especially in terms of business success, in parallel with the Koç Group’s “Lead. Together” strategy. Under the general headings of innovation and digital transformation, data analytics and artificial intelligence come to the forefront as priority topics, as well as innovation culture and intrapreneurship, Internet of Things and process digitalization, cybersecurity and data security, R&D capabilities, open innovation and partnerships. More information can be found in the Digital Transformation Program and Research and Development sections (p. 68-69 & 71-73).

Supply Chain Sustainability

The Koç Group has the potential to generate positive impact and change in the value chain in different sectors thanks to its global operations. In this vein, the Group aims to lead positive change in society by creating value for all segments of the population with impact-oriented business models. It is responsible for ensuring that each link offers its products and services in accordance with international standards, laws and regulations throughout the value chain.

Resilient supply chains are integral to mitigating the environmental, social and governance risks in a company’s value chain. Emerging regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD), social risks associated with the transition to clean energy, and the role of suppliers in reducing Scope 3 emissions make sustainable transformation of the suppliers more important than

Systematic Approach to Identify Supplier Specific Risks and Dependencies



ever. Koç Holding 2023 materiality analysis results show that the Koç Group suppliers are ready for the sustainability transformation and that Koç Holding investors are ready to support this move.

Koç Group Supply Chain Sustainability Initiative is structured to integrate environmental, social, and governance (ESG) strategies into supplier selection, retention, assessment and capacity building processes at Group Companies. Its purpose is to identify material risks and impacts, ensuring that supplier business practices and purchasing practices towards suppliers are continuously reviewed to ensure alignment with ESG requirements and the Koç Group's Supply Chain Compliance Policy. As part of the Initiative, Koç Holding developed the Supplier ESG Guide to define the expectations from the Group Companies. This guide encompasses corporate governance principles, supplier onboarding, retention and termination processes, supplier segmentation and screening methods, supplier assessment procedures, development and capacity-building initiatives, recognition and

incentivization systems, grievance mechanisms, transparency and reporting, and conflict minerals procurement guidelines.

At the Koç Group, all suppliers undergo quality and product safety assessments with a focus on social, environmental and ethical criteria to ensure that all supply chain operations comply with the relevant company's standards.

Across the Group Companies, Arçelik and Ford Otosan have in place Supplier ESG Programs that cover supplier screening, assessment and development processes and Conflict Minerals Policy.

At Arçelik, a minimum 20% of a supplier's ESG score is weighted into the overall performance score to be selected for contract awarding. Arçelik has set the following targets:

- As of 2023, suppliers representing 90% of purchasing volume of Tier-1 material and OEM suppliers are required to apply for ISO 14001 Environmental Management Systems Certification.

- As of 2025, suppliers representing 90% of purchasing volume of Tier-1 material and OEM suppliers exceeding 1,000 tons of oil equivalent (TOE) are required to have ISO 50001 Certificates.
- As of 2025, Arçelik has committed to collect, monitor, and publicly disclose scope 1–2 GHG emissions, energy, water, and waste data of suppliers representing 90% of purchasing volume of Tier-1 material and OEM suppliers. The Company will also encourage them to set their own targets.
- Arçelik has committed to ensure that 5,000 supplier employees will receive OHS training by 2030.
- Arçelik has committed to ensure that suppliers representing 90% of purchasing volume of Tier-1 material and OEM suppliers will use 100% green electricity by 2030.

Ford Otosan released its Supply Chain Compliance Policy in 2022 and Supplier Sustainability Manifesto in the first half of 2023. In alignment with its long-term sustainability targets, Ford Otosan aims to become carbon neutral throughout its supply chain by 2035. During the Supplier Sustainability Workshop organized in November 2023, targets addressing all aspects of sustainability, which are committed to be achieved in 6 months, 1 year and 2 years were set together with critical suppliers under Environmental, Social, Governance and Supply Chain headings. By year-end 2023, work was carried out to create the Net Zero Roadmap and update existing procedures for suppliers manufacturing critical product

Hours of Training to Suppliers	2021	2022	2023	2024
Ethics	353	1,069	242	289
Environment	4,335	12,828	578	1,681
Social	4,479	2,485	1,754	451
Total	9,167	16,382	2,574	2,421

Sustainability

groups. While 13 critical suppliers have carbon neutrality by 2050 target, a target was set with Ford Global in 2024 for sharing supplier responsibilities. Suppliers are encouraged to share their good practices, and training is given in relation to improvement areas via external experts and in the form of internal information sharing.

More information can be found in Koç Holding 2023 Sustainability Report, Supply Chain section.

The Koç Group companies strive to provide the best service to their customers. Accordingly, they develop customer policies in the sectors which they operate in and work to a principle of responding to all kinds of requests and complaints and adapting accordingly. The Koç Group Code of Ethics provides guidance to the Group's business partners, suppliers, distributors and contractors. At the same time, the Supply Chain Compliance Policy sets out a general framework on human rights, occupational health and safety, and environmental and ethical issues. By encouraging business associations, business partners, suppliers, distributors and contractors are supported in the quest to improve production quality, increase their awareness of the environment and human rights, and establish a strong company culture based on Code of Ethics. For this purpose, suppliers are given trainings on environmental, ethical and social issues. In 2024, a total of 2,421 hours of training were provided to suppliers and distributors through training programs.

Strengthen Communities. Together

The Koç Group believes that a strong and stable society structure is the most fundamental factor for success in the business world. From this point of view, it has pioneered a wide array of social investments over the years and focused on large-scale programs to make a difference in the society.

The effectiveness and scalability of social investments is central in the implementation of the "Lead. Together" strategy. In this context, the Koç Group Community Investment Policy has been prepared to develop social investments within the framework of common principles. While making community investments, in line with the policy, Koç Group companies consider the following:

- whether the relevant Community Investment is compatible with the priorities and needs of the regions where business activities are carried out,
- providing a clear connection between Community Investment activities and business strategy,
- establishing strong partnerships with civil society organizations, international organizations, universities, or individuals in order to put forward applicable solutions,
- ensuring that the objective and results of the Community Investments are measurable and scalable by design, and the results have the potential to be disseminated across other businesses and regions and

- ensuring that they are aligned with social and environmental goals, as mentioned in the UN Sustainable Development Goals.

In this direction, Koç Holding has focused on the impact of rapid advances in technology on society in recent years, particularly in line with the Group's agenda on digital transformation and innovation. Rapid changes in technology raise opposing scenarios for the future. On one hand, there may be a future which is fairer, more equal, inclusive and where everyone lives in prosperity; in the converse scenario, there may be further widening in the gap between countries, regions and societies. In order to reach the SDGs, it is imperative that all stakeholders are aware of these different scenarios and act together to ensure the positive scenario is realized.

The Koç Group aims to take maximum advantage of the opportunities offered by digital technologies. In this context, besides transforming the Group's business, it attaches importance to creating a rippling impact on the whole society, starting with employees, distributors and suppliers; the Group conducts studies to contribute to the strengthening of all those it can reach with technology, by adapting to change.

In 2021, Koç Holding became one of the Action Coalition Leaders on Technology and Innovation of the Generation Equality Forum that steers UN Women's gender equality initiatives.

The Generation Equality Forum

Action Coalition on Technology and Innovation for Gender Equality

Koç Holding is one of the leaders of the Generation Equality Forum, which is established by UN Women in 2021 and which steers the gender equality initiatives based on a 5-year action agenda. Taking place among the Action Coalition Leaders on Technology and Innovation in this context, Koç Holding has assumed another major mission towards ensuring gender equality on a global scale after the HeForShe initiative.

The Generation Equality Forum, is a global, multi-stakeholder initiative coordinated by UN Women, brings together civil society, governments, international organizations and the business world for gender equality. Through the Generation Equality Forum, UN Women aims to accelerate progress for gender equality before 2030 in line with the vision set forth in the Beijing Declaration and Platform for Action.

Led by Koç Holding, the Action Coalition works on transformative steps and projects in technology and innovation for eradicating the obstacles to gender equality. In addition, the roadmap and five-year goals were set for global roll out. Koç Holding announced three commitments in this context:

- **To develop a global blue print that can be used to ensure that innovation efforts are responsive to gender:** To fulfill this commitment, Gender Transformative Innovation (<https://techforgenerationequality.org/innovation/>) guide was prepared, the product of a collaborative effort of private sector and civil society organizations that are members of the Action Coalition on Technology and Innovation for Gender Equality of the Generation Equality Forum with the engagement of the Koç Group innovation leaders.
- **To endorse Koç Group Companies to carry their ongoing projects and future-oriented plans towards women and girls in technology and innovation into the global network of the UN Women Generation Equality Forum, and to become global commitment makers for solutions:** To fulfill this commitment, eight Koç Group companies capable of influencing their respective sectors, namely Aygaz, Arçelik, Ford Otosan, Koçfinans, Tofaş, Tüpraş, TürkTraktör and Yapı Kredi, announced their commitments globally within the scope of the UN Women's Generation Equality Forum. Over 30 programs such as training, mentoring, internship are implemented to reach out to a total of 500,000 women and girls and to increase the representation of women in technology and innovation by 2026. In addition, the commitment maker companies committed to set

minimum targets of 30% women representation in their technology and innovation departments focusing on the fields of science, technology, engineering, and mathematics (STEM). The exact ratios of the commitment maker companies are covered in detail on the company pages of this report.

- **To support the women innovators to narrow the gender gap in technology and innovation:** To fulfill this commitment, 13 women-led startups have been supported under the regional BOOST program, a joint initiative of UNDP and Koç Holding, and implemented in partnership with Koç University Entrepreneurship Research Center (KWORKS) between 2021 and 2024. Under the program, women entrepreneurs received leadership, business development, impact and behavioral insight, mentoring and grant support. While one participating innovator received a grant, investor presentation preparations have been completed for all participants and investor meetings have been organized. Work is ongoing to scale up learnings and experiences from the program across regional and global innovation ecosystems.

Sustainability

Hope Cities

After the earthquakes that struck the Southeastern Region of Turkey on 6 February 2023, Koç Holding carried out its relief efforts in coordination with the relevant public authorities from the first day. Following search & rescue and emergency relief efforts, Koç Holding and the Group companies have established the Hope Cities consisting of 5,000 container houses in Adıyaman, Hatay, İskenderun, Kahramanmaraş and Malatya in coordination with AFAD (Disaster and Emergency Management Authority). Life in Hope Cities has continued in 2024.

Established with the aim of contributing to long-term recovery after the earthquake, Hope Cities include accessible and inclusive social units that are responsive to gender equality, prioritize the needs of children and youth, and strengthen employment and economic participation. These social units operate in cooperation with public institutions, civil society organizations, and national and international organizations.

Schools established within Hope Cities, provide students with the opportunity to continue their education without interruption. In addition to schools, there are also educational units and activity



areas that offer creative learning and motivational support to help children attain 21st century skills. There are specially designed container classrooms for children with autism in schools where this facility is needed.

In each Hope City, modern and technological settings have been created with specially equipped classrooms enabling students to take “Technology Design” classes in line with the curriculum. In these specially designed classrooms, students have access to an educational environment where they can explore their interest in technology while also taking their

classes in accordance with their respective curricula. Libraries, also serve the residents of Hope Cities wishing to spend a beneficial and quality time.

Youth centers offer psychosocial support service and various activities for children and young people. Group work, art and drama activities, family education sessions and psychological support groups are organized at these centers to contribute to the emotional and social development of children and discover their potential. Football fields and basketball and volleyball courts, alongside the sports schools in these disciplines helped young people to discover their talents and participate in sports activities.

Koç Holding, the Group companies and Vehbi Koç Foundation provide comprehensive support for the education of children and young people living in Hope Cities. In addition to the support including educational materials and culture and art activities, Vehbi Koç Foundation provides scholarships to high school and university students, and tutoring opportunities for young people preparing for exams. Details about the activities carried out by the Vehbi Koç Foundation and the Disaster Relief Fund can be found in the present report's Vehbi Koç Foundation section. (page 161-162).



Koç Volunteers displayed exemplary solidarity, organizing various events to support the citizens in Hope Cities. More than 1,500 Koç employees from the Group companies volunteered for the projects, carrying out a number of meaningful initiatives at Hope Cities. Having provided online tutoring in Math, Turkish, Science and English lessons to 5th, 6th and 7th graders, Koç Volunteers continue to extend this support throughout the year. They have contributed to the children's education in summer schools organized in the summertime and reinforced social bonds by enthusiastically celebrating the holidays and national days with the residents. Koç Volunteers devotedly carry on with their volunteer work in a bid to enrich the social life and strengthen the solidarity culture at the Hope Cities.

"Women's Solidarity Centers" operating in partnership with UN Women and civil society organizations incorporate spaces such as textile and cooking workshops to increase women's participation in the economy and help them build on their existing skills. These centers also offer counseling and training services to support women's recovery processes. Women have the opportunity to generate income by improving their existing skills in the workshops at the centers.



Customer Service Centers established by Group companies provide the opportunity to work and to build a career while living in Hope Cities. The establishment of customer service centers in Hope Cities has enabled many young people affected by the earthquake to go through the application and training process and secure full-time employment. Hope Cities offer not just temporary settlement but also employment opportunities, thus providing time. Youth for individuals' empowerment.



Hope Cities is an example of urban planning rapidly implemented to address post-disaster housing needs. The project involved planning, procurement, logistics, operations, coordination, partnerships, and contributions from thousands of employees through the Koç Volunteers Movement. In 2024, Umut Kentler was recognized as a model by international organizations, cited by the World Economic Forum as an example of a project creating social value, and won the grand prize in the "Social Impact" category at the Thomson Reuters Sustainability Awards.



Compliance Program

The Compliance Program is constantly improved in view of global standards and best practices, and are integrated in operations.



The Code of Ethics and universal values upon which the Koç Group is founded, and the approach to business conduct that places the human and the society we live in in its focus are captured in all activities of the Group. The diversity of the sectors the Koç Group is engaged in and its growing geographical span require compliance with a high number of local and international legal rules and regulations. The Compliance Program, which was put in practice extensively in 2021 in line with this understanding, is constantly improved in view of global standards and best practices, and are integrated in operations.

Compliance Program and Training Activities

Under the Compliance program that is conducted under the motto “THE RIGHT WAY TO DO IT” and that covers the set of guidelines, policies and procedures, areas of compliance to be focused on are identified and effectively managed with

a risk-based approach in order to cater to the expectations of all domestic and international stakeholders.

Care is taken to keep employee knowledge of ethics and compliance up-to-date through training processes. To this end, ethics and compliance training programs in force have been updated and refresher modules have been developed for employees who had already received the training; in addition, the programs were enriched with Romanian, Russian and English dubbing.

An Anti-Retaliation Policy was prepared to boost the sense of trust for whistleblowing. The policy encourages employees to report issues in a more transparent and effective manner.

Technology and System Developments

The Koç Group's investments in technology significantly increase the effectiveness of the Compliance Program. The **Koç Diligence** project automatizes the acceptance processes of business partners, and allows thorough analysis of sanctions, export bans and ESG risks. This helps the Koç Group better understand the parties it works with and manage risks stemming from business partners more effectively. The **Systematic Compliance Risk Analysis System**, on the other hand, is intended to deliver a more predictable management through instant analysis of the Group companies' potential risk exposure. Playing a critical

role with respect to compliance with international standards, the **Gift Tracking System** ensures systematic tracking of gifts received by employees and gifts given to third parties.

The data collected via all these systems are combined with risk scenarios, and action plans are intended to be implemented quickly and effectively. Such effective use of technology goes beyond risk alleviation and contributes to the development of a proactive compliance management concept.

Risk Management and Monitoring Processes

Periodic risk assessments are conducted regularly to identify and prevent compliance risks. These analyses assess the potential compliance risk exposure of activities, employees and business partners, with additional policies and procedures prepared as needed. Existing documentation and work flows are updated and regular compliance training programs are organized in relation to topics deemed to be risky.

Available for use by all stakeholders, the reporting mechanisms for establishing any violation of the Code of Ethics and/or other Compliance Policies are run actively. The Koç Group Ethics Hotline is available in more than 50 countries, in 34

Code of Ethics
& Compliance
Policies



languages online and in 19 languages on the phone. Independent service providers are engaged for this service that allows unanimous reporting

Koç Holding Legal and Compliance Department closely monitors the compliance activities conducted across the Koç Group, identifies the compliance risks with the potential to affect the Group, and makes sure that necessary measures are adopted. Additionally, Koç Holding Risk Management Committee and Compliance Committee hold meetings regularly and actively evaluate the Group-wide activities in relation to management of ethics and

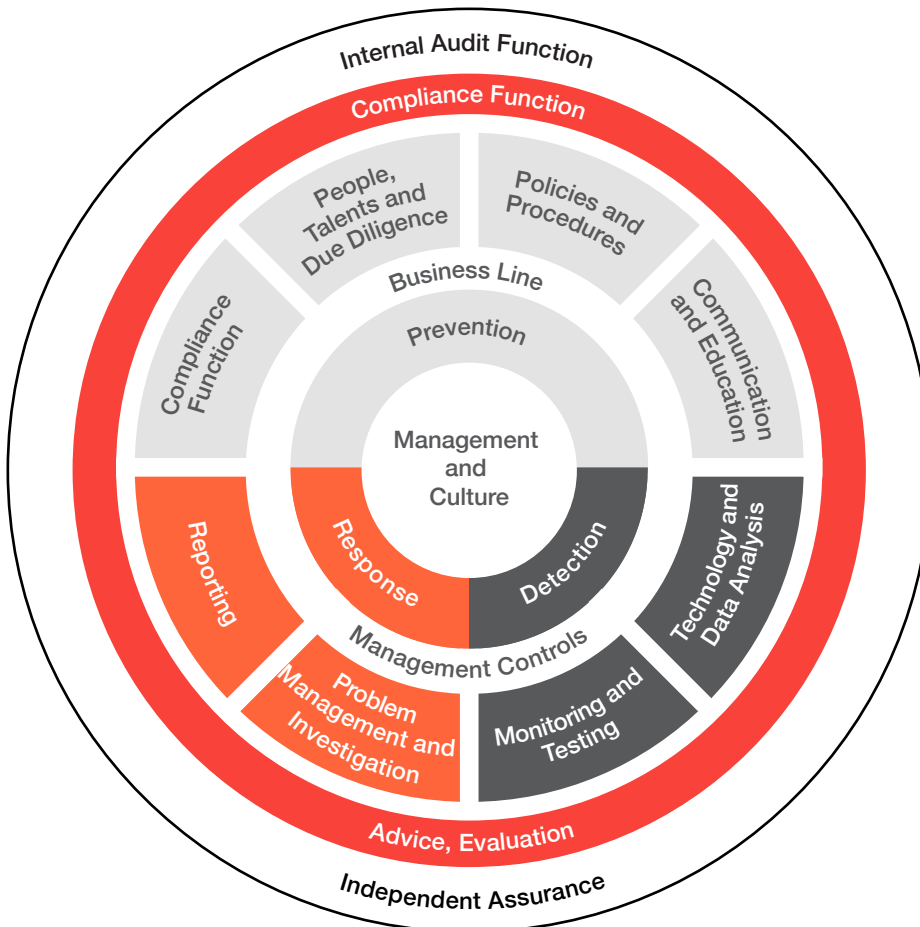
compliance risks and the effectiveness of the Compliance Program. All these activities are intended for effective, equal and consistent implementation of the Compliance Program by all stakeholders.

Future of Compliance

In the future, it is targeted to create a digital and data-driven Compliance Program, integrating such technologies as Artificial Intelligence (AI) and data analytics at a greater degree. This transformation will presumably help the Koç Group retain its leadership in the area of ethics and compliance, and make a differentiation

in all its sectors and geographies on the back of innovative approaches. The Koç Group resolutely carries on with its initiatives to carry the Compliance Program into the future and to remain one step ahead at all times.

The Koç Group Code of Ethics, as well as the Compliance Policy and other compliance policies for further details about the compliance organization can be found on the websites of Koç Holding and the Koç Group companies.



Digital Transformation Program

The Digital Transformation Program bears strategic importance with respect to global competition and being future-ready.

Digital Transformation Themes and Initiatives

Initiated in 2016, the Digital Transformation Program entered upon its ninth year as part of a process that proceeds successfully. The uninterrupted continuation of this program has proven to be a significant contributor to the successful business results achieved by the Group companies in this period of high performance. The activities carried out within the scope of the Digital Transformation Program bear strategic importance with respect to global competition and being future-ready.

Under the Digital Transformation Program, all the Group companies developed and implemented projects on digital technologies such as advanced data analytics, machine learning, artificial intelligence, natural language processing and the Internet of Things, generative artificial intelligence and on various themes including customer experience, smart manufacturing, operational efficiency and so on. There was a total of more than 2,500 projects within the Digital Transformation Program as of the end of 2024. Most of these projects have been successfully completed.

Groundbreaking Technologies

Groundbreaking technologies and innovation are regarded as the transformative power behind the Group's growth vision, and best practices that are recognized as pioneering in the world are introduced. In this context, the Group companies use quantum computing technologies to address complex problems that are difficult to solve with classical methods.

Example: **Yapı Kredi** introduced the model that uses quantum computing technology in risk management analysis to predict the effects of the financial hardship a given corporate customer experiences upon the Bank's other customers it has trade relations with.

Ford Otosan integrated Quantum Computing technology into its body production line at its Gölçük Plant to manage the complexity of producing over 1,500 variants of Ford Transit, for which it serves as the sole global production hub. By optimizing the production sequences of vehicles with different features, this innovative technology reduces transition times and balances workloads.

Both applications were named among the top 13 best practices recognized by the World Economic Forum (WEF) as pioneering in their respective industries.

Digital Marketing and Customer Experience

Getting to know the customer better by evaluating data in both the digital and physical world, and thus offering products and services aligned with their needs and preferences at the right time, through the right channel and at right conditions via a completely new experience is among the primary objectives of many group companies.

Example: As part of **Yapı Kredi** Mobile Superapp transformation, Seyahatim+ (MyTrip+) mini app was introduced in cooperation with Setur. Seyahatim+ is a GPT-enabled Travel Assistant, which is developed to provide fast and effective guidance to Yapı Kredi clients with their travel planning and any matter they might need during their trips. Seyahatim+ assistant instantly responds to users' travel-related questions and aims to offer AI-supported suggestions and solutions.

Digital Supply Chain and Manufacturing

The core business of nearly half of the Group companies is manufacturing. The so-called Industry 4.0 technologies in this field go beyond traditional automation and robot usage, and offer the opportunity to improve all processes including products, services and design, based on customer requests, feedback and complaints. The Group's manufacturing companies strive to take advantage of these opportunities at the highest level and bring suppliers to the same level.

Example: Under the Program for Digital Transformation of the Supply Chain which is executed by **KoçDigital**, projects were launched at nine companies addressing parts network optimization, integrated planning design and management, demand forecasting and planning, shipment and inventory optimization. In addition to these projects, AI-based algorithms are used to track the entire supply process in real-time with the aim of increasing operational efficiency.

Digital Lean Workplace

Ensuring that the processes other than manufacturing are lean and pave the way for employees to focus on more value-added activities by facilitating their daily work with digital technologies has contributed to the success of the Group companies, by increasing not only the efficiency but also the employee satisfaction.

Example: Tüpraş Assistant, which is a GenAI-supported Q&A assistant developed for **Tüpraş**, is a system that gives employees quick and effective access to the correct information on nine different verticals (Maintenance and Operational Safety, Human Resources, PYM (Kırıkkale Refinery), Technical Security and Environment, KRK Plant 2900 (Project Management Module), Customs, Customer Experience, Production Planning, Refinery Glossary). The system is built upon OpenAI's GPT-4o model and integrated with a user-friendly interface via MS Teams.

Group Wide Supportive Activities

Themes that are of common interest to several Group companies are handled under the leadership of Koç Holding.

Data and Analytics

Data analytics plays an important role in the Digital Transformation Program of the Koç Group companies. The companies strengthened the data-driven decision-making and business conduct discipline by using advanced data collection and analysis technologies. On another front, the Data Governance Program of the Koç Group plays a critical part in increasing the realization speed of AI projects besides creating a reliable data infrastructure.

Industry 4.0

The manufacturing companies within the Koç Group continue to focus on increasing efficiency in production by following up the technologies in the field of Industry 4.0. The Group companies continue to boost the usage of Internet of Things technology at their facilities both domestically and overseas. In 2024, Arçelik's Dishwasher Factory in Ankara was included in the "Global Lighthouse Network", an initiative of the World Economic Forum that recognizes companies with the best-in-class application of Industry 4.0 technologies. As a result, it has become the fourth production facility from the Koç Group to be named a Global Lighthouse following the three factories that qualified previously.

Cultural Transformation

Cultural transformation efforts are undertaken with the vision of leadership in the digital world and embrace all employees and the wider ecosystem.

Intellectual Property

Turkey's largest intellectual property portfolio with

- > 8,600 trademarks
- > 2,800 patent families
- > 5,700 patents
- > 1,000 industrial designs
- > 6,500 internet domain names

The Koç Group derives its growing competitiveness from the innovations it achieves in all fields. Therefore, the Koç Group's intellectual property rights constitute one of its most important drivers of growth, competitiveness and profitability.

With the goal of increasing value for investors, the Koç Group places great importance on intellectual property management.

The Koç Group's intellectual property rights strategy:

1. Maximize use of the intellectual property rights system to obtain a sustainable competitive advantage and achieve strong business results
2. Protect game changing innovations and strong brands in markets of operation
3. Create value by managing the intellectual property portfolio aligned with business goals
4. Commercialize intellectual property through acquisition, sale or licensing and be open to partnerships
5. Respect intellectual property rights of others

The Koç Group is the first group in Turkey to have established and publicly shared an intellectual property strategy. Koç Holding initiated the "Koç Intellectual Property Management" project to implement its intellectual property strategy and achieved important results.

The Group maintains and monitors its growth in intellectual property by setting various goals at the Group and individual company level. In addition, the Group continues to work on various initiatives to transform the investments made in intellectual property rights into value.

The Koç Group intellectual property rights portfolio - consisting of over 8,600 trademarks, over 2,800 patent families and over 5,700 patents, more than 1,000 industrial designs and over 6,500 internet domain names - is the largest and the most important one in Turkey. In addition, Koç Group companies review this portfolio every year and are working to keep it in such a mixture that it will further support their business goals.

The Koç Group companies filed over 1,500 patent and utility model applications in the last 5 years including 305 in 2024.

Turkey's patent champion, the Koç Group companies have long been part of the rankings showing domestic companies with the highest number of patent applications and released by the Turkish Patent and Trademark Offices, and are awarded in various categories.

The Koç Group leads many initiatives to develop Turkey's intellectual property rights ecosystem and widen their use in the commercial arena. The Group also shares its experience through various seminars and conferences.

Research and Development (R&D)

While the Koç Group companies lead their sectors with R&D and innovation investments and international partnerships, they have also made significant contributions to Turkey's R&D ecosystem.

The Koç Group's **R&D investments** in 2024 added up to **TL 21.6 billion**.

The Koç Group's R&D investments in 2024 added up to TL 21.6 billion. With 37 R&D centers, one design center and five technopolis R&D offices that make it the conglomerate with the highest number of R&D and design centers of any group in Turkey, the Koç Group is home to 3.5%¹ of all the R&D personnel employed by Turkey's private sector with 6,786 R&D personnel.

European Union (EU) Projects

Koç Holding provided mentorship to more than 130 firms under the Horizon Europe Mentoring Program. Ford Otosan was ranked first in terms of grant size and Arçelik was ranked first in the number of projects in TÜBİTAK (The Scientific and Technological Research Council of Turkey)'s list of the "Most Successful Turkish Industrial Organizations in Horizon Europe". While Tofaş and Tüpraş were placed in the top 5 in both lists, Koç University was ranked first in terms of grant size and third in terms of the number of admitted projects in the list of the "Most Successful Research Institutions".²

- **Arçelik-LG** passed the first phase in the Horizon Europe application with the digital twin project developed for plastic injection process.
- **Arçelik** received acceptance for 12 new Horizon Europe projects. Cirpass and Cyber Sec4OT projects have been kicked off on Digital Europe.
- **Ford Otosan** conducts BrakeAM, Permanet and H2UpScale projects on Horizon Europe.
- **Koçfinans** assumes coordinator role in IRA-SME with its project concerning predictive maintenance.
- **KoçDigital's** ITEA 4 FERIDE project in smart farming received acceptance.
- **Koçtaş** and **KoçSistem** launched projects "CAPE" and "SINTRA" ITEA 4 in relation to Artificial Intelligence.
- **Koç Savunma** extends support to BS-SEOS (smart buoys and unmanned marine vessels) and LEARN4SEA project.

(1) Based on TurkStat "R&D Personnel by Professions and by Sectors" 2023 data.

(2) <https://ufukavrupa.org.tr/tr/en-basarili-turk-sanayi-kuruluslari>

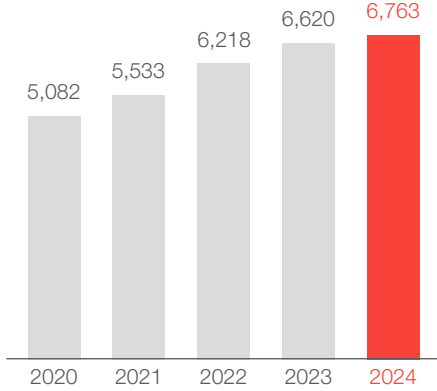
Research and Development (R&D)

The Koç Group is committed to technology-, R&D- and innovation-driven growth.

Total R&D Employees of the Koç Group Companies

33%

Increase between 2020-2024



- **Otokoç Otomotiv** continues to conduct the projects titled “EcoMobility” and “ZEV-UP” on Horizon Europe.
- **Setur** applied for autonomous smart mobility and secure travel management projects and submitted a bid for the “Hospitality of the Future” project within the scope of ITEA 4.
- **Tofaş** increased the number of its projects with international partners to 22 including six projects accepted in 2024.
- **Tüpraş** works on environment-friendly and sustainable technologies within the frame of its projects named Eastern Lights, ICO2NIC and HERMES.
- **WAT** carries on with its R-PODID project on Horizon Europe and commenced project Mainverse in collaboration with Business Finland and TÜBİTAK.
- **Yapı Kredi Teknoloji** received Horizon Europe support with project QEC4QEA in cooperation with Koç University. In addition, the Company applied for EUROHPC Benchmark Access program.

Innovation Partnerships, Projects and Platforms

- **Arçelik-LG** and Yıldız Technical University Department of Mechanical Engineering co-organized a “Sustainability and Innovation Hackathon”.
- **Aygaz** earned the first place at the WLGA 2024 “Global Technology Conference” event with its project “Development of Zeolite-Based Adsorbent for Deep Desulfurization of LPG” in the “Best Product” category. It was placed in the third spot in the “Innovation Strategy” at TIM İnovalig.
- **Arçelik** was awarded the first place in the “Energy-Efficient Product” category at the Green Transformation Awards by İstanbul Chamber of Industry with its Heat Pump Dishwasher in A-%20 Energy Efficiency Class. The company also won the “Sustainable Product Innovation” award at the Sustainable Business Awards – Türkiye with its “Neo Autonomous Washing Machine”.
- **Ford Otosan’s** project FO&US (Focus on Battery Reuse & Storage) received the Sustainable Business Award - Türkiye and Ford Global Henry Ford Technology Award with the first waste EV batteries transformed into an energy storage system and repurposed for new use. The project was also awarded the first place in the “Architectural, Engineering, Scientific and Technical Services” category by the Turkish Exporters Assembly.

- **Koç Bilgi** ve Savunma completed the MALAMAN Smart Sea Mines project. Also prototype production of a system enabling underwater wireless communication was realized with the Digital Underwater Telephone (D-SATEL).
- Developed by Koç Bilgi ve Savunma, **TürkTraktör's** Manual Steering Support System went into serial production in 2023.
- **KoçDigital**, TÜBİTAK and Koç conduct work on renewable energy and water management. It was placed third in IDC Türkiye Future Enterprise Awards and was cited in the Gartner report for its digital twin solutions.
- **Koçfinans** successfully completed the TÜBİTAK 1505 project and introduced the first analytical models in the area of brand new and second-hand corporate loans. The company co-organized the "Finnovate" Idea Camp in 2024 with the Genç Başarı Foundation, a member of JA Worldwide.
- **KoçMedical's** B-safe valve for needle-free injection, new surgical table and surgical light were showcased at Medica Dusseldorf 2024 Trade Fair and three patent applications have been filed.
- **KoçSistem's** submissions for TEYDEB 1509 projects for "Cognitively Smart Assistant in Phygital Environment" and "Disaster Relief Logistics and Coordination Technology" have been accepted.
- **Koçtaş** published its "MISS" project in EPSTEM journal. Data-Driven Dynamic Pricing Project co-executed by Koçtaş and KoçDigital was awarded at the CXO Medya Future of AI & Cloud Summit.
- **Koç University** established the Hydrogen Technologies Center in cooperation with Aygaz, Ford Otosan, Opet, Otokar and Tüpraş.
- **Opet** Fuchs carried on with product development of industrial and automotive lubricants and took steps for energy efficiency and emissions reduction in 2024.
- **Otokoç Otomotiv** developed innovative projects with TÜBİTAK TEYDEB and KWORKS, and started collaborating with three startups in the Sustainability Innovation Challenge program.
- **Otokar** equipped Turkey's first medium-duty unmanned ground vehicle with fully autonomous driving capability and showcased e-Kent, the company's new electric bus, at the Busworld.
- **Unvest R&D Center** made a submission to TÜBİTAK 1501 program with its project titled "Psych-AI-Ist AI-Enabled Modular Psychiatry Assistant" and launched a project about zeolite-aerogel composite adsorbents in cooperation with TUSAŞ.
- **Setur** was awarded in the "Best in Future of Customer Experience" category at IDC DX Türkiye Summit with its Travel Assistant application.
- **Tofaş** İzmir R&D Center was registered by the Ministry of Industry and Technology, and focused on automotive software and Artificial Intelligence projects.
- **Tüpraş** successfully carried on with its "Ceramic Based Heat Insulation Material" project, and qualified for the I-REC certificate that endorses renewable energy consumption.
- **WAT** has been expanding its industrial PM motor product range with TÜBİTAK 1832 project and developing servo motors and precision guide kits.
- **Yapı Kredi** made 17 partnerships under FRWRD Partnership Program and consolidated its international networking during the FRWRD Global Program co-organized in Portugal with Unicorn Factory Lisboa.

Energy

With our investments,
strong brands and
customer focus, we are
the energy of a growing
Turkey.



Energy

Developments in the oil sector

Having stood at USD 75.7 a barrel at the onset of 2024, Brent crude oil price started soaring due to the OPEC+ countries' decision to carry on their existing production cuts, Ukraine's drone attacks on the Russian oil and refining infrastructure, and ongoing geopolitical tensions, shooting up to USD 93.4 a barrel just before Iran's attack on Israel in April and preserved its relatively strong course during the summertime. After slumping to the order of USD 70.6 a barrel in September due to several reasons including declined war risk premium and weak economic data, Brent crude oil price came to USD 74.7 a barrel at the end of December. At 80.8 USD/barrel, the annual average price of crude oil was 2.3% lower than what it was in 2023.

Crack margins continued to support refineries' profitability in the first half of the year with the effect of the solid demand, combined with the increased tension at the Red Sea and the drone attacks on Russian refineries. In the second half of the year, on the other hand, they underperformed as compared to the first six-month period of the year owing to partial weakening that resulted from increased refinery charges.



According to Energy Market Regulation Agency (EMRA)'s December data, jet fuel demand in Turkey was up 5% year-on-year to 5.7 million tonnes and gasoline consumption increased by 20.1% to 4.9 million tonnes in 2024, while diesel consumption was up by 0.4% to 26.1 million tonnes.

Developments in the electricity sector

According to the Turkish Electricity Transmission Corporation (TEİAŞ) data, of the total installed electricity capacity of Turkey, 28% consisted of hydroelectric power plants, 21% of natural gas power plants, 19% of coal power plants, 11% of wind power plants, 17% of solar power plants and 4% of other renewable and thermal power plants. Electricity consumption in 2024 in Turkey was 4% higher than the previous year and was recorded as 348 TW hours.

Developments in the LPG sector

Turkey is the 10th largest LPG market in the world and the 2nd largest¹ in Europe. According to the World LPG Association (WLPGA) data released in 2024, Turkey is the world's 2nd largest in autogas consumption after Russia. Turkey also has the world's largest LPG vehicle fleet and the widest LPG station network.

According to EMRA's December data, LPG consumption in 2024 declined 6.2% year-over-year to 4.1 million tonnes, and the autogas market shrank by 2.1% to 3.4 million tonnes, whereas cylinder gas market was down by 7.6 % to 0.5 million tonnes in 2024.

In 2024 Turkey's total LPG demand was split as 83% autogas, 14% cylinder gas and 3% bulk.



The Koç Group in the Energy Sector

Koç Group continues to play a leading role to meet Turkey's demand for petroleum products.

Companies and Domestic Positions

Tüpraş

Turkey's **biggest refining capacity**

Aygaz

#1 LPG distribution company

#1 Cylinder gas

#1 Autogas

Opet

#3 Fuel distribution company

Entek

The thriving player in the electricity generation sector

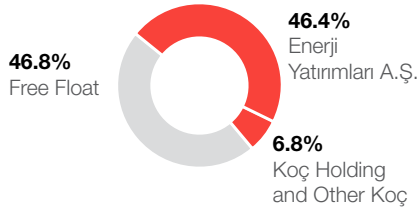
Competitive Advantages

- High refinery complexity
- A wide range of crude oil processing capability
- Close proximity to oil producers in the Middle East
- A strong logistics advantage with marine and rail transport fleet
- Further added value to the supply and sales chain with the London-based trade company.
- Qualified work force
- High storage capacity
- Widespread LPG and fuel oil distribution network
- Strong brand value
- High and sustained customer satisfaction
- Good practices in sustainability
- Pioneer in investing in innovative practices and future technologies

Tüpraş is the largest industrial company in Turkey.



Ownership Structure



Domestic Position

70% of Turkey's **refining capacity**
Leader in petroleum fuel products market consisting of gasoline, diesel, jet fuel and fuel oil

International Position

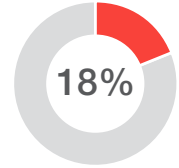
The **7th** largest **refining capacity** in Europe and **36th** largest in the world

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
810,386	40,256	31,746	18,315	
-18%	-69%	-62%	-76%	
(2023: 991,203)	(2023: 130,250)	(2023: 83,480)	(2023: 77,354)	

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.



Non-financial Indicators

ESG Commitments

- GHG emissions reduction in Scope 1 and 2 (2024: down 18% - base year: 2017)
- Commitment for % of women on board: 25%¹ in 5 years (2024: 27%)
- Target for % of women in new recruitments: 50% (2023: 37%, 2024: 31%)
- Commitment for increasing % of women working in STEM positions (2021 base year: 23%, 2022: 25%, 2023: 29%, 2024: 30%, 2026 target: 40%)
- Commitment to reach 100,000 girls by 2026 STEM Women in Technology and Innovation Program (2024: 57,930)

International Platforms

- UN Women's Empowerment Principles (UN WEPs)
- United Nations Global Compact (UNGC)
- Action Coalition on Technology and Innovation of the UN Generation Equality Forum
- Signatory to TCFD²
- Hydrogen Europe
- Water Europe
- Processes4Planet

Sustainability Indices

- BIST Sustainability Index
- Sustainalytics ESG Rating
- MSCI ESG Rating
- FTSE4Good
- Vigeo Eiris (Moody's ESG Solutions)
- CDP Climate Change and CDP Water Security Program
- Bloomberg Gender Equality Index

(1) Policy acceptance date: March 2021

(2) As of 2024, TCFD is addressed under the scope of ISSB.

Website



Integrated Annual Report



Established in 1983 through the merger of refineries that have been in operation since 1955, Tüpraş has a total refining capacity of 30 million tonnes at its four refineries located in Kocaeli, İzmir, Kırıkkale and Batman. Tüpraş is the largest industrial company in Turkey with the added value and total revenues that it generates via Ditaş, in which it holds 79.98% share, Opet Petrolcülük A.Ş., its subsidiary in which it holds 41.67% stake, and its wholly-owned subsidiaries Tupras Trading Ltd, Entek and Tupras Ventures.

Tüpraş fulfilled its mission to respond to our country's energy need adhering to its safe facility understanding, and recorded a 93% capacity utilization rate with a total charge of 27.8 million tonnes, including crude oil and semi-finished products, and produced 26.7 million tonnes of products in 2024. While meeting most of the country's demand with 23.8 million tonnes of domestic sales in connection with recovering demand, a total of 30.4 million tonnes of sales volume was achieved including exports and transit sales. Furthermore, electric sales in 2024 totaled 2.7 billion kWh, including Entek's sales of 1.2 billion kWh renewable energy.

With its qualified human resources and global competitiveness, Tüpraş continues to create added value for its shareholders, business partners and for Turkey as a whole.

Steps taken in the strategic transformation journey

Tüpraş carries on with the combat against the climate crisis and its low carbon transition journey in line with the vision unveiled by Koç Holding. The leader of the Turkish energy industry for 69 years, the Company disclosed its "Strategic Transformation Plan" devised with the target of producing the energy of the future in 2021. Tüpraş aims to lead the transformation of the Turkish energy industry by investing in new domains that support the low carbon transition, while managing its existing assets based on sustainable profitability approach within the frame of its Strategic Transformation Plan. In line with this Plan, the Company embarked upon a journey to be



transformed into a carbon-neutral energy company through emissions reduction to achieve a well-balanced and diversified clean energy portfolio. According to this plan, Tüpraş aims to reduce its Scope 1 and 2 emissions resulting from its production operations, and to pursue its operations as a carbon-neutral energy company from 2050. The actions taken under the Plan resulted in 18% reduction in Scope 1 and 2 emissions by year-end 2024 as compared to 2017.

Within the frame of Strategic Transformation Plan, Tüpraş has focused on four business areas:

Sustainable refining

In refining operations, focus will be placed on projects for carbon reduction, or investments with short-term returns, and more valuable products will be produced with existing assets and lower emissions.

As part of energy efficiency activities, 59 energy efficiency projects were carried out at Tüpraş refineries in 2024, which resulted in 1,732 Gcal energy saving annually and 135,000 tonnes of CO₂ emissions reduction. At year-end 2024, the Company's CO₂ emissions decreased by 18% as compared to 2017 base year. The energy intensity index value used to measure the energy efficiency performance of the refineries in the world was 92.3 in 2024.

Water saving projects in 2024 resulted in saving more than 1 million m³ of water.

Within the scope of sustainable refining, it has been decided to make two investments for producing high value-added chemicals, namely "İzmit and İzmir Refineries Propylene Splitter Project" and "İzmir Refinery Propane Propylene Storage and Sales System Facility Project".

On the other hand, assessments are ongoing for the alkylation project for which basic engineering work has been completed at İzmit and İzmir Refineries. With a targeted annual production of 345,000 tonnes of alkylate, the units are slated for being commissioned in the last quarter of 2030 subject to positive feasibilities.

Zero carbon electric generation

As the first step towards its target of becoming the leader in zero carbon electricity generation in Turkey, Tüpraş acquired Entek Elektrik Üretim A.Ş. that has a total capacity of 442 MW in 2022, increasing its total zero-carbon electricity installed power to 380 MW, and reaching a total installed capacity of 492 MW as of 2024.

Following the execution of the Share Purchase Agreement for the takeover of the entirety of shares in the companies holding the permissions for solar power plants that are in development phase in Romania and will have a capacity of 214.26 MWm and

owning the project plot by Enspire which is wholly owned by Entek, the shares in the companies were transferred to Enspire upon payment of EUR 29.2 million in total in January 2025 at a current purchase price of EUR 33.2 million with the companies' shares being subject to post-closure adjustments.

Following applications submitted to the Energy Market Regulatory Authority (EMRA), Entek received preliminary license approval, and out of 12 projects with a total capacity of 718.3 MW in development phase, clearance was obtained for nine for which Technical Interaction Analysis (TEA) applications were filed. From amongst the projects whose Environmental Impact Assessment (EIA) process is ongoing, "positive EIA" decision has been issued for Büyükkışla wind farm and Eren wind farm projects, which will have 99.9 MW and 55 MW capacities respectively.

While an important turn was taken towards reaching the installed capacity targets set out in the Strategic Transformation Plan with the Entek's takeover and ongoing growth, work was initiated to establish solar and wind power plants in refineries at the same time. In this framework, installation of 36.3 MW has been completed at the refineries, whereas projects with a total capacity of 92.4 MW are in progress. In addition, capacity allocation and call letter has been received for the license-free, 41.2 MW-SPP project in Tekirdağ, for which lands have been purchased and EIA processes are ongoing.

Sustainable aviation fuel production

Within the scope of the target of producing sustainable aviation fuel (SAF) that will also be a significant contributor to decarbonization goals of Tüpraş, engineering work is ongoing for the planned investment at İzmir Refinery and the final investment assessment is anticipated to be completed by year-end 2025. Moreover, raw material trading and procurement agreements have been signed for supplying second-generation vegetable and bovine fat waste to ensure reliable raw material procurement upon commencement of production. Under the agreements concluded, it is planned for Tüpraş Trading



Ltd. to start waste fat trading in 2025 and it has been targeted to guarantee the procurement of a minimum portion of 300,000 tonnes of Tüpraş's vegetable and animal waste raw material need estimated at an annual 450,000 tonnes for a period of 10 years starting from 1 January 2029.

Green Hydrogen

Turkey's biggest hydrogen manufacturer, Tüpraş is focused on producing green hydrogen using electrolyzers. In keeping with this area of focus, basic engineering work has been completed for the installation of a 20 MW pilot electrolyzer and periodic assessments are ongoing.

Sustainability-related activities

At Tüpraş, digital transformation, R&D, intrapreneurship and open innovation strategies are managed holistically, while global trends and developments in the industry are monitored closely.

As part of R&D initiatives, 17 project submissions were made to the EU Framework Programmes. Including four Horizon Europe projects that qualified for funding, the number of projects within the scope of Horizon Europe Programme rose to 7, and the number of projects within the scope of EU Framework Programmes increased to 25. Of the existing projects, five are funded by Horizon 2020, seven by Horizon Europe, and two by TÜBİTAK, whereas 15 are conducted using entirely internal funds.

Work on innovative technologies is ongoing with a sustainability value focus. Tüpraş R&D Laboratory took a major step in I-REC Renewable Energy Certification process and successfully earned the Green Laboratory Certificate that the UN considers as an important criterion in transitioning to a carbon-neutral future.

Carrying out activities of the present and the future through entrepreneurship, innovation, open innovation and startup integration, Tüpraş keeps building collaborations by trying out domestic and international startups and innovative technologies at its refineries.

Equal Opportunities and Diversity

Placing an inclusive, egalitarian, fair, and safe working environment that is respectful of human rights at the core of all its processes in keeping with its motto "Our Energy for Equality", Tüpraş aims to make sure that one out of every two people employed in all new hirings is a woman. 31% of the employees employed in 2024 were women.

Inclusive Community Benefits

In keeping with its approach to corporate citizenship, Tüpraş targets to contribute to social advancement on the back of projects in various fields including education, gender equality, culture and arts, environment and sports. The Company devised the Women in Technology and Innovation Program to contribute to Koç Holding's global leadership pledges to the UN Women

Generation Equality Forum. The projects conducted within this framework are “Women Entrepreneurship in Technology and Innovation Training” that brings university-going youth together with the innovation ecosystem, Technology and Design Workshops offering coding and 3D education in collaboration with the Ministry of National Education at 46 secondary schools in seven provinces, and “Our Energy for the Students” that encompasses science experiments.

Forward-looking expectations

In 2025, crack margin is projected to be at the order of ~USD 5-6 per barrel. The Company targets approximately 26 million tonnes of production and a total sales volume of approximately 30 million tonnes, along with about USD 600 million investments in 2025.

Ditaş

With approximately 80% of its shares held by Tüpraş, Ditaş possesses one of the largest Turkish-flagged fleet of oil products tankers with 16 tankers and a carrying capacity of approximately 661,787 DWT. The tug and mooring services required by Tüpraş are carried out with 12 tugs, six mooring vessels, one service vessel, two agency vessels, one pilot craft and one solid waste boat. Ditaş transported 10.5 million tonnes of crude oil and 6.9 million tonnes of petroleum products in 2024.

Körfez Ulaştırma

Wholly-owned by Tüpraş, Körfez Ulaştırma transported 2.2 million tonnes of fuel and intermediate products while acting as an organizer in the transportation of 20,000 tonnes of iron ore in 2024. Körfez Ulaştırma carries on with its transportations with 14 locomotives – five diesel and nine dual fuel (hybrid) locomotives-, and a total of 551 freight cars -517 fuel oil and 34 platform cars. The manufacturing of 30 new tank cars having the same specifications with the existing ones has been completed and road testing is ongoing with two prototypes. The share of rail transportation in total road and rail transportation, which was 62% in 2017, was 93% in 2024.



Tupras Trading Ltd

Pursuing its operations in the UK, Tupras Trading Ltd continued to contribute positively to Tüpraş's activities with spot crude oil trading in addition to fuel oil trading operations. In 2024, Tupras Trading Ltd. realized a total of 4.7 million tonnes of product trade, 6.6 million tonnes of spot crude oil transactions needed by Tüpraş refineries, and 1.4 million tonnes of third-party transactions.

Entek¹

Entek has a total electrical installed power of 492 MW comprised of eight HPPs (264 MW), two WPPs (116 MW) and one natural gas combined cycle plant in Kocaeli (112 MW).

In 2024, Entek registered sales of approximately 2.7 billion kWh. The portion 1.5 billion kWh of the sales quantity comprised of sales from production, whereas sales from the production at zero-carbon electricity facilities amounted to 1.2 billion kWh.

Tupras Ventures

Tupras Ventures invests in startups engaged in any smart information technology, industry 4.0, green energy and natural resources, energy efficiency, environment and recycling, waste management and robotic solution technologies with a particular focus on

priority topics including sustainable fuels, biobased products, hydrogen, zero-carbon electricity and carbon management, and associated sub-sectors.

Tüpraş has been an investor in the Emerald Technology Ventures venture capital fund since 2020. By early 2024, it has invested in a North America-based venture capital company focused on energy conversion technologies and business models. Through these funds, it has become an indirect investor in 34 startups and later exited two of them. Indirect investments via funds and direct investments will continue in 2025.

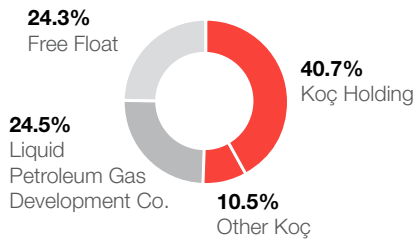
Tupras Ventures invested directly in five technology startups in total. Investments were made in the İzmir-based Turkish early startup engaged in hydrogen, California-based green hydrogen startup Verdagy, and Ankara-based startup AISFields working on robotic technologies. With the related investment procedures completed in May 2024, the Canada-based Ionorm develops membrane and polymer solutions for diverse uses including hydrogen production, fuel cells and energy storage. In 2024, the Company invested also in Electrified Thermal Solutions, which is a startup based in Massachusetts, USA, that works on thermal energy storage systems.

(1) See page 88-89 for further details about Entek.

The unwavering leader of the LPG sector



Ownership Structure



Domestic Position

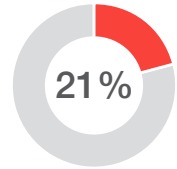
Leader of the LPG sector since its establishment in 1961
Leader in the overall LPG market with **25.2%** market share

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
81,773 -13% (2023: 93,608)	807 4% (2023: 779)	2,645 -66% (2023: 7,892)	2,123 -75% (2023: 8,596)	21%

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.



Non-financial Indicators

ESG Commitments

- Reducing Scope 1 and 2 greenhouse gas emissions by 50% by 2030 and becoming a carbon neutral company by 2050
- Commitment for % of women on board: 25%¹ in 5 years (2023: 25%)
- Commitment to increase the ratio of women in STEM positions (2021 baseline year: 13.5%, 2022: 15%, 2023: 16%, 2021: 24%, 2026 target: 35%)

- Commitment to increase the ratio of women managers in STEM and innovation areas (2021 baseline year: 13%, 2022: 16%, 2023: 16%, 2024: 21%, 2026 target 21%)
- Commitment to reach 100,000 women and girls between 2022-2026 with community programs to be conducted in the areas of STEM (2023: 43,417, 2024: 83,788)

International Platforms

- UN Women's Empowerment Principles (UN WEPs)
- Action Coalition on Technology and Innovation of the UN Generation Equality Forum

Sustainability Indices

- BIST Sustainability Index
- Sustainalytics ESG Rating
- Bloomberg ESG Ratings

(1) Policy acceptance date: August 2021

Website



Annual Report



Sustainability Report



Founded in 1961, Aygaz is the one and only publicly-held company engaged in the LPG sector. The Company ranks in the 25th spot in Turkey's largest industrial companies list released by İstanbul Chamber of Industry. According to independent research carried out since 2003, Aygaz consistently remains the leading brand providing high level of customer satisfaction of any brand in both the cylinder gas and autogas segments in the sector.

Aygaz continued to lead the sector with its effective dealer and distribution network also in 2024.

Aygaz realized 2.4 million tonnes of LPG sales in 2024. Providing countrywide services with the Aygaz and Mogaz brands, Aygaz has 2,010 cylinder gas stations. The Company maintained its sectoral leadership with its proximity to the customers and its service speed and quality in the cylinder gas market. In 2024, the Company sold a total of 240,000 tonnes of cylinder gas.

Aygaz has Turkey's most extensive autogas distribution network of 1,874 licensed autogas stations. The Company recorded 760,000 tonnes of autogas sales in 2024.

Aygaz conducts its shipping activities that add value to supply chain processes via Anadoluhisar Tankercilik A.Ş., its wholly owned subsidiary owning four specially-equipped LPG tankers with a total transportation capacity of 67,000 m³.

In 2024, Aygaz and its subsidiaries undertook TL 3,113 million in investment mainly in facility modernization, new autogas stations, cylinder, environment, safety and digital transformation.



Carbon transition initiatives

A part of Koç Holding's Carbon Transition Program designed for becoming carbon-neutral by 2050 and covering concrete and feasible steps for combating the climate crisis, Aygaz announced its target to reduce its Scope 1 and 2 emissions by 50% by 2050 and its pledge to become carbon neutral by 2050.

GHG emissions verification activities continued in 2024. Along this line, carbon footprint intensity which was 1.19 tCO₂e / million TL in 2021 was found to be 0.15 tCO₂e / million TL in 2024. Additionally, efficiency projects implemented at the facilities helped avoid 735 tCO₂e of emissions. In line with its carbon and energy transition targets, Aygaz targets to supply its energy need for 2,900 MWh from solar power, which corresponds to the energy consumption by its two facilities, under its renewable energy source investment, which is the Manisa SPP project with an installed capacity of 1.59 MW. This renewable energy investment is anticipated to result in 8.5% GHG emissions reduction.

R&D initiatives

Having the one and only R&D Center of the Turkish LPG sector, Aygaz sustains its pioneering position in the industry and carries on with its R&D initiatives on new product, machinery and process development and on alternative fuel and clean energy. In 2024, the Company's projects concentrated on digitalization, increasing LPG use and product quality, and reducing its emission levels and carbon footprint.

Smart Scale, the first product of the R&D Center with IoT technology, has been commercialized. This innovative product that measures the quantity of gas inside the cylinder and enables users to follow up the level of gas via the mobile app made the users' gas consumption and ordering processes more productive and practical.

"Development of Zeolite-Based Adsorbent for Deep Desulfurization of LPG" project earned the first place in the "Best Product" category at the Global Technology Conference 2024 event organized by the World Liquid Gas Association (WLGA) in South Africa.

Aygaz focuses on developing innovative and sustainable energy solutions in the energy sector through its R&D initiatives. In this framework, the Company conducts projects aimed at the dual purpose of increasing the product efficiency of LPG and enhancing its environmental advantages. The Company targets to preserve its competitive advantage in the sector in the future on the back of projects focused on digitalization and environment-friendly technologies.

Compliance and corporate governance

In addition to the policies introduced in previous years for more effective management of the Company's compliance risks, "Personal Data Protection Policy", "Competition Law Compliance Policy" and "Policy on Prevention of Laundering the Proceeds of Crime, Financing of Terrorism and Weapons of Mass Destruction" were developed in 2024 within the scope of the compliance program. In addition, the "Compliance Policy" enforced in 2022 was revised and publicly disclosed.

Aygaz has been included in the BIST Sustainability Index for its effective and strong sustainability management since 2018. It is the first Turkish energy company reporting at "B" level in Turkey according to the Global Reporting Initiative (GRI) criteria.

Corporate citizenship

Aygaz invests in the future by extending support to projects that serve to the UN Sustainable Development Goals that it has introduced in keeping with corporate citizenship understanding. The Company contributes to environmental, social and cultural progress through social responsibilities initiatives that support sustainable and long-lasting projects that add value to the society. During 2024, Aygaz continued with its sponsorship of the İstanbul Theater Festival, Beşiktaş Handball, Fenerbahçe Football and



Tofaş Basketball teams. The Company also extended support to Sagalassos and İznik Tile Kilns excavations. Having made a five-year pledge in line with the gender equality movement in technology and innovation Koç Holding launched in cooperation with the UN Women's Generation Equality Forum, Aygaz carried out its projects with the target of reaching out to 100,000 girls and women of different age groups with its educational, mentoring and scholarship projects in 2024 as well.

Digital Transformation

Charging ahead with its digitalization and innovation initiatives, Aygaz continues to introduce novelties to its e-commerce applications. The commencement of Pürsu products' sales and expanded coverage of campaigns on the back of diverse collaborations resulted in 2.1 million Aygaz Mobile downloads and 1.6 million subscribers. 41% of household customers of Aygaz use the Company's e-commerce channels to place their cylinder gas orders.

In line with growth and profitability targets of Aygaz, Data Analytics Section has been set up under the Information Technology and Digital Transformation Directorate, and Optima and Price Analytics projects

have been launched for improving data-driven decision-making capability and optimizing work processes. The Optima Project is targeted at operational efficiency through reliable sales projection in autogas distribution planning, map-based live operation tracking and route optimization. The Price Analytics Project is focused on increasing profitability by improving pricing strategies using advanced data analytics methods.

Strategies of Aygaz

- Create sustainable value by strengthening its existing position in LPG and natural gas business in Turkey
- Expand its international presence through LPG investments in developed and developing countries
- Tap opportunities in existing and adjacent business lines with a focus on sustainability and energy transformation

Forward-looking expectations

Aygaz targets to sell 220,000-230,000 tonnes of cylinder gas, and 755,000-785,000 tonnes of autogas in 2025.

United Aygaz LPG

Established in Bangladesh as a joint venture of United Enterprises, one of the country's largest companies, and Aygaz within the frame of Aygaz's international growth strategy, and having commenced sales operations as of August 2022, United Aygaz LPG registered nearly 126,000 tonnes of sales in 2024. The Company operates with six spheres with a total capacity of 16,000 tonnes in line with its investments initiated at Chittagong (Chattogram) in 2021. For the investments in the Dhakka region as part of the expansion into Bangladesh, the installation of a sphere with a 3,000 tonne-capacity has been completed substantially and the construction of the filling facility and annexes is ongoing.

One of the world's fastest growing markets, Bangladeshi LPG market's total size, which was 148,000 tonnes in 2015, reached 1.45 million tonnes¹ in 2023. With household consumption constituting 85% of total consumption, Bangladeshi LPG market had a combined annual growth rate (CAGR) of 14.4% over the past five years.

Two capital increases were carried out in August 2024 in line with the Company's investment program. As a result of this transaction, the capital of United Aygaz LPG went up from 5,844 million BDT to 7,496 million BDT (ca. USD 75 million²).



Sendeo Dağıtım Hizmetleri A.Ş.

The operations of Aykargo Cargo Distribution Project, which emerged as an intrapreneurship project for penetrating the cargo delivery sector that has been growing in parallel with the developments in e-commerce and the economy, were initially started under the name Aygaz Aykargo Dağıtım Hizmetleri A.Ş making use of Aygaz's brand value, dealer network and home delivery experience, and the Company name was changed to Sendeo Dağıtım Hizmetleri A.Ş (Sendeo) in 2021. In June 2024, all prerequisites were completed for conducting the activities of Sendeo and Kolay Gelsin, a company wholly owned by Ahmet Musul, under the "Kolay Gelsin" brand with the principle of equal partnership of Koç Holding A.Ş., Aygaz A.Ş. and Ahmet Musul'.

Sendeo carries on with its activities under the shareholding structure where Koç Holding holds 22.5% share, Aygaz 27.5% and Ahmet Musul 50%, under the brand "Kolay Gelsin" with a capital in the amount of TL 930 million as of 31 December 2024.

Aygaz Doğal Gaz

Established in 2004 and a subsidiary of Aygaz, Aygaz Doğal Gaz is engaged in the sale of natural gas through pipelines to eligible consumers. It also has wholesale, transmission and export operations to provide liquefied natural gas (LNG) to customers who do not have access to natural gas by pipeline through special transport vehicles. Aygaz Doğal Gaz reached a sales volume of 88 million m³ in 2024.

Pürsu (Bal Kaynak Su)

Delivered to customers under the brand name Pürsu, Bal Kaynak Su (natural spring water) sales in PET and glass bottle segment reached 66.2 million liters, whereas 6.2 million units of bottled water were sold in 2024.

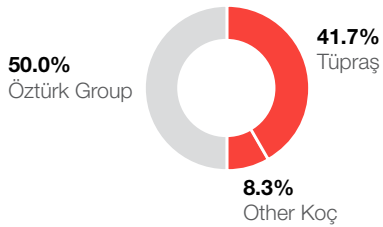
(1) Source: WLPGA data

(2) Calculated using the exchange rates for the relevant period.



Opet brings superior-quality products and services to its customers with its network of 1,882 stations.

Ownership Structure



Domestic Position

3rd in white products with **18.55%** market share
1st in black products with **31.96%** market share

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
365,821	3,711	4,093	2,508	
-9%	-16%	-5%	-33%	
(2023: 401,160)	(2023: 4,429)	(2023: 4,330)	(2023: 3,739)	

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

International Platforms

- UN Women's Empowerment Principles (UN WEPs)



Established in 1992, Opet has been managed by the Öztürk Group and the Koç Group since 2002. The Company operates in the fuel distribution sector via retail sales, commercial and industrial fuel sales, storage and international product trade. With more than 1,000 employees, 1,882 stations including the Sunpet brand and 1.1 million m³ of storage capacity, Opet manages an extensive service network throughout Turkey with 5 terminals and provides high-quality products and services to its customers.

Opet manufactures and markets mineral oil through its subsidiary Opet-Fuchs, a 50-50% partnership with the German mineral oil company, Fuchs; supplies and sells jet fuel via THY-Opet, a 50-50% partnership with Turkish Airlines (THY); undertakes EV charging station operation via WAT Mobilite in which it holds 24% stake, and makes renewable and sustainable energy investments through Esinti Enerji Üretim A.Ş. in which it holds a 24% stake. The company is engaged in gas station operation via Opet Market ve Akaryakıt İstasyon İşletmeciliği A.Ş.

Opet ranks 3rd in white products and 1st in the black products segments.

In 2024, Opet's sales grew 7% whereas the market expanded by 4% in the retail sales segment. Opet is ranked 2nd in the retail sales segment.

THY-Opet, which serves a number of domestic and international airlines in all airports throughout Turkey, recorded jet fuel sales of 950,939 m³ in 2024.

Opet Fuchs manufactures automotive and industrial lubricants and auto care products in its brand new production facility in Alağa, İzmir; the company's mineral oil sales amounted to 44,553 tonnes at the end of 2023.

Opet continues to contribute value to its home country through its high social impact projects.

Placing its focus on the priority needs of the society in areas outside its activity scope, Opet has been taking important steps about community health with its "Clean Toilet Campaign" that started 24



years ago, supporting the establishment of a shared consciousness of hygiene and cleanliness in Turkey. Continuing to share its experience and knowledge in this area with its stakeholders and particularly with public institutions and schools, Opet offered the educational program and materials developed for its "Spotless Future Begins at Schools" project for use by approximately 20 million students and their parents via 1.1 million teachers at all schools across the country, and "Good Practices Competition" was organized in an effort to raise increased awareness. The project is intended to establish a permanent habitude for cleanliness and hygiene in students and to bring up a healthy generation.

On another front, the coverage of the "Our Business is Clean" project expanded to all 81 provinces, which is designed around training programs for business owners seeking to establish better hygienic norms and their employees. So far, approximately 250,000 people benefited from the training offered under the project.

Under the "Respect for the Nature Project" conducted with the aim of helping with the redevelopment of the villages that suffered from the 2021 wildfires in Muğla and environs, restoration, rehabilitation and education activities in Çökertme village affiliated to Milas have been brought to completion, resulting in a renewed visage for the Çökertme village.

Striving to increase women's employment at Opet fuel stations and help eliminate occupational gender-typing, the "Women Power Project" has been ongoing since 2018. Implemented in cooperation with the UN Women as an extension of this project, "Equality Matters" initiative is aimed to accelerate effective implementation of the Women's Empowerment Principles (WEPS). In this framework, the plan is to give "basic gender equality training" to approximately 16,000 fuel oil station employees and stakeholders. The ultimate goal is to achieve the development of gender-responsive corporate policies and practices in the sector and within the society.

Forward-looking expectations

Opet targets to grow above the sector without compromising profitability, while remaining adhered to its main priority to maintain customer satisfaction and leading digital transformation.

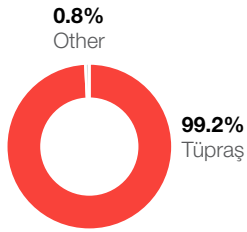
Opet takes the necessary actions under the Carbon Transition Program launched by Koç Holding to become carbon-neutral by 2050 and covering concrete and feasible steps for combating the climate crisis.

In 2024, the Company continued to evaluate renewable energy projects and carry on with the execution of new initiatives for the establishment of EV charging stations via its new investment, WAT Mobilite Çözümleri.



Entek targets to be the leading company in the electricity market with its renewable energy investments.

Ownership Structure



Domestic Position

Total installed capacity of **492 MW**, of which 380 MW is zero carbon electricity

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²
10,771	1,266	1,352	587
-6%	-24%	+10%	-64%
(2023: 11,482)	(2023: 1,664)	(2023: 1,231)	(2023: 1,630)

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

ESG Commitments

- Commitment to increase % of women working in corporate and managerial positions by 40%¹ by 2028 (5 years) (2024: 40%)

Sustainability Indices

- CDP Climate Change and CDP Water Security Program



Website
Sustainability
Report



Being one of Turkey's first private sector autoproducers, Entek was established in 1995 to supply electricity and steam. Having started actual production in December 1998, the Company has a total installed capacity of 492 MW with a total of eight hydroelectric power plants (HPPs) located in Kahramanmaraş, Karaman, Samsun and Mersin with a combined installed electricity capacity of 264 MW; two wind farms with an installed capacity of 116 MW located in Edirne and İzmir; and a natural gas cycle power plant with an installed capacity of 112 MW, located in Kocaeli.

Besides its own power generation facilities, Entek holds 100% stake in Eltek that is engaged in electricity wholesaling, 100% stake in Enspire positioned for overseas investments, 75% stake (including indirectly held shares) in Esinti Energy acquired in November 2023, 10% stake in WAT Mobilite incorporated for dissemination of vehicle charging stations across Turkey, and 0.5% stake in Enerji Piyasaları İşletme A.Ş. established to operate the Energy Exchange.

In 2024, Entek generated 1.2 TWh electricity from renewables.

Zero-carbon electricity pathway

Aiming for growth in the field of zero-carbon electricity and diversification of its portfolio composed mainly of hydroelectric resources, Entek has finalized the Ministerial approval for the 20 MW-hybrid SPP for the operational Süloğlu wind farm having an electrical power of 66 MW, which will remain unchanged, by early February and commenced electricity generation. In addition, the Company received Technical Interaction Analysis (TIA) permission for 14.4 MW additional capacity entitlement for Süloğlu wind farm, and work is in progress for obtaining Environmental Impact Assessment (EIA) permission.

Entek carries on with the development and permission procedures for the project with a total capacity of 653.3 MW and 11 storages, and for the 65 MW project with



storage, which is in essence an existing license amendment. Out of 12 projects with a total capacity of 718.3 MW, TIA applications have been submitted for 10 wind farm projects, all of which were concluded positively.

Out of the projects with ongoing EIA processes, "EIA Positive" decisions were issued for Büyükkışla Wind Farm project with a planned capacity of 99.9 MW and Eren Wind Farm project with a planned capacity of 55 MW.

In June 2024, Enspire, which is wholly owned by Entek, signed the Share Purchase Agreement for purchasing 100% of the shares in Eco Sun Niculesti S.R.L., which holds permissions -some of which are in application stage- for solar power plants in development phase in Romania that will have a capacity of 214.26 MWm, and in Euromec-Ciocanari S.R.L. that owns the land of the developed project from Econergy International Limited company at an approximate company value of EUR 32.9 million, subject to closing adjustments.

Entek increased its 73.77% stake (including indirect shares) in Esinti Enerji that owns Kınık Wind Farm to 75% through its additional share purchases in October and December.

Menzelet Kılavuzlu company, which includes Menzelet and Kılavuzlu HEPPs that Entek took over through privatization

in 2018, was merged with Entek on 31 May 2024 to simplify the subsidiary structure.

Entek is also active in the construction of SPP projects for self-consumption. In this context, the Company completed the construction of approximately 100 MW SPP projects so far.

Forward-looking expectations

In order to reach a balanced portfolio structure and increase its market share in the coming period, Entek plans to press ahead with its investments in power plants based on renewable energy resources through asset purchases, privatization and project development methods.

While continuing to take advantage of the opportunities offered in our country, Entek also has an interest in renewable energy projects in the operational and development stages in priority markets with the aim of spreading to different regions and diversifying risks.

In 2021, Tüpraş announced its Strategic Transformation Plan and commitment to be carbon neutral by 2050. Being an important investment in the field of "zero-carbon electricity" that represents one of the four strategic business lines Tüpraş will focus on, the renewable energy company Entek has been taking the necessary actions to that end.

Automotive

We are the leader in Turkey's automotive industry that we have laid the groundwork for, drawing on our production, brand, R&D and export power.





Automotive

Developments in the automotive sector

The strong performance of domestic sales despite the high base was enabled by several factors that included the higher price cap allowed to be purchased with Special Consumption Tax exemption granted to citizens with disabilities and their next of kin, the domestic demand that moved forward prior to the local elections, the competitive pricing environment created by the inventory pressure which resulted from the sooner-than-expected enforcement of the General Safety Regulation (GSR), demand for renewal of fleets for leasing, and new demand supported by the market entry of new brands and tax advantage offered in electric vehicle sales. Passenger car sales was up by 1.3% year-on-year to 980,341 units, while light commercial vehicle sales declined by 2.7% to 258,168 units due to relatively low availability. Heavy commercial vehicles sales, on the other hand, were down by 8.3% to 47,123 units. At the bottom line, total automotive sales in Turkey in 2024 edged up 0.1% to capture a new historic-high of 1,285,632 units.

In Europe, Turkey's most important export market, demand for passenger cars remained flat by a marginal 0.8% increase, while demand for light commercial vehicles went up by 8.3%, and heavy commercial vehicles market shrank by 6.3%.

In 2024, passenger car production was down by 5.1% on an annual basis to 904,513 units and commercial vehicle production was down by 10.7% to 460,783 units. Total automotive production in Turkey declined by 7% to 1,365,296 units.



As for exports, passenger cars went down by 1.4% to 654,115 units, whereas commercial vehicles went up by 1.1% to 358,919 units. Hence, Turkish automotive exports decreased by 0.5% annually in terms of volume to end the year at 1,013,034 units. Having closed 2024 with 3% rise in export revenues corresponding to USD 36.8 billion, the automotive sector remained the leading industry in Turkish exports.

According to data by the Turkish Statistical Institute (TurkStat), the Turkish bus market grew by 4.6% in 2024 compared to the previous year. The growth was driven by the intercity bust market, which was the last segment to recover following the Covid pandemic.

The European over 8-tonne bus market sustained its post-pandemic recovery and expanded by 3.8% as compared to the previous year. While UK and Italy were the highest-growing markets, France remained as the largest one. The share of alternative-fuel and zero-emission

buses continue to increase in public transportation and short-distance segments.

Developments in the tractor market

Turkey is Europe's largest market in terms of the number of tractors sold. According to the data released by TurkStat the Turkish tractor market went down to 63,546 units in 2024, marking a 18% decline year-on-year.

According to figures published by The Turkish Association of Agricultural Machinery & Equipment Manufacturers (TARMAKBIR), Turkey's tractor exports went down by 15% to 17,106 units. According to the same data, production declined by 22% to 72,562 units.

Developments in the defense industry

Looking at the defense industry, while domestic and national industry continues to gain the foreground in the domestic market, the sector has been mostly turning towards export markets in recent years.



The Koç Group in the Automotive Sector

39% of Turkey's automotive production and 36% of its exports are realized by the Koç Group companies.

Companies and Domestic Positions

Ford Otosan

#3 in Total Automotive
#1 in Commercial Vehicles
#2 in Trucks

Tofaş

#1 in Total Automotive
#2 in Light Commercial Vehicles
#2 in Passenger Cars

TürkTraktör

#1 in Tractors

Otokar

#1 in Buses

Otokoç Otomotiv

#1 in Automotive Retailing
#1 in Car Rental

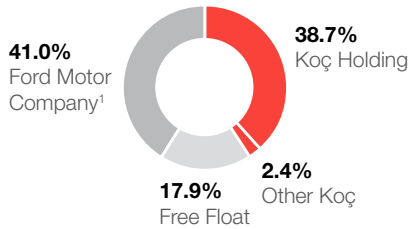
Competitive Advantages

- Economies of scale and leadership positions
- High growth potential in the domestic market due to low penetration
- Established international partnerships and export contracts
- Largest sales, after-sales and service network in Turkey
- Strong brand value
- Highest number of R&D employees in the Turkish automotive sector
- Continuous investments
- Adaptation to the new technologies such as electrification
- Focus on efficiency and product diversity
- Flexible development and manufacturing competence enabling finding alternative solutions to crises such as supply problems

FORD OTOSAN

Ford Otosan is Ford's largest commercial vehicle manufacturer in Europe; the automotive manufacturer with the highest capacity and the largest company in goods exports in Turkey.

Ownership Structure



(1) Ford Motor Company wholly owns Ford Deutschland GmbH.

Domestic Position

3rd in total automotive market with a **8.9%** market share
Leader in commercial vehicles with a **28.7%** market share

International Position

Accounts for **92%** of Turkey's **commercial vehicle exports**

The largest commercial vehicle manufacturing hub of Ford in Europe

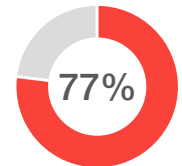
One of the 4 automotive factories in the world and the **only Ford factory** included in the Global Lighthouse Network

International automotive manufacturer with 4 production centers

100% intellectual property rights and 90% localization rate at Ford Trucks

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
594,995 0% (2023: 594,705)	28,487 -47% (2023: 53,317)	37,007 -46% (2023: 68,477)	38,864 -47% (2023: 70,826)	



(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

ESG Commitments

- Carbon neutrality in supply chain operations (Scope 1 & 2) by 2035, carbon neutrality in logistics operations by 2035.
- Reduction in fresh water consumption per vehicle by 40%¹
- Commitment to keep the % of women on the board of directors at 25%² (2024: %25)
- Commitment to increase % of women in all executive positions (2022: 23%, 2023: 24%, 2024: 24.89, 2030 target 50%)
- Commitment to increase % of women working in the fields of technology and innovation to 30% by 2026 (2021 baseline year: 18%, 2022: 20%, 2023: 22%, 2024: 23.76%)

International Platforms

- UN Women's Empowerment Principles (UN WEPs)
- Action Coalition on Technology and Innovation of the UN Generation Equality Forum
- United Nations Global Compact (UNGC)
- Signatory to TCFD³
- Science Based Targets initiative (SBTi)
- CDP Climate Change Score "B", CDP Water Security Score "B"

Sustainability Indices

- BIST Sustainability index
- Bloomberg Gender Equality Index
- FTSE4Good
- MSCI
- Sustainalytics
- Refinitiv

(1) Base year: 2019

(2) Policy acceptance date: July 2022

(3) As of 2024, TCFD is addressed under the scope of ISSB.



Ford Otosan succeeded in becoming one of the largest vehicle manufacturing hubs in Europe and Turkey as it has reached the production capacity of 934,500 units in line with its 5-year growth and electrification plans disclosed in 2020.

Established in 1959, Ford Otosan has a production capacity of 934,500 vehicles, 430,000 engines, 112,000 powertrains and 18,500 Ecotorq transmissions, which make it Ford's largest commercial vehicle manufacturer in Europe; the automotive manufacturer with the highest capacity in Turkey, and the largest company in goods exports in Turkey.

Ford Otosan operates with over 25,000 employees at four different locations in Turkey and Romania. With a total commercial vehicle production capacity of 634,500 vehicles at its Kocaeli (Gölcük and Yeniköy Plants) and Eskişehir Plants in Turkey, the Company is responsible for 83% of Turkey's commercial vehicle production and 92% of commercial vehicle exports, making the Company Turkey's goods export champion for the past nine years in a row.

Ford Otosan pursues its operations as the global engineering hub for Ford's heavy commercial vehicles, diesel engines and engine systems as well as a global support center for design and engineering of light commercial and passenger vehicles. Operating since 1961, Ford Otosan's Sancaktepe R&D Center in İstanbul is the largest one in the Turkish automotive industry and continues to work on advanced technology and innovative projects with 2,381 R&D employees. The Company commands all the know-how, competencies and infrastructure necessary to design, develop, and test vehicles and engines.

Keeping abreast of technological transformation, Ford Otosan works on innovations in various fields including fuel optimization, emissions reduction, connected and autonomous vehicles, EV manufacturing, electrification and light vehicle technologies. FO&US (Focus on



Battery Reuse & Storage) project, co-conducted in 2024 by Ford Otosan and POMECA as part of these efforts, was granted the Henry Ford Technology Award, a globally prestigious award in the US in energy storage and sustainability.

Furthermore, the highly productive spare parts warehouse in İstanbul serves as one of Turkey's largest automotive spares distribution centers with a 95% order fulfillment rate.

Following the internal combustion version of the new generation Custom that was put on the line within the scope of 1-tonne commercial vehicle investment plans at the Yeniköy Plant restructured by year-end 2023, Ford Otosan introduced the all-electric and plug-in hybrid versions in the first half of 2024. Under the strategic partnership established between Ford and Volkswagen (VW), the production of Volkswagen's new generation 1-tonne commercial vehicles started by year-end 2024, bringing the total capacity of the Yeniköy Plant to 405,000 units.

After the ongoing investments at the Craiova Plant, vehicle production capacity rose to 300,000. Concurrently having an engine production capacity of 350,000, the Craiova Plant makes Ford Otosan the second largest exporter of Romania. The Company started the production of the redesigned Puma in 2024, followed by the all-electric Puma Gen-E by the end of the

year. After the internal combustion version of the new generation Courier put on the market in 2023, its all-electric version has also been added to the production portfolio.

Ford Otosan realized 83% of Turkey's commercial vehicle production and 45% of Romania's vehicle production.

Having completed the renewal processes for the all-new Custom named the International Van of the Year and the all-new Courier granted the Euro NCAP Platinum rating, Ford Otosan produced 632,683 vehicles in total and registered a capacity utilization rate of 81% in 2024. Capacity utilization rates were 76%, 80%, 55% and 90% at Gölcük, Yeniköy, Eskişehir and Craiova Plants, respectively. Accordingly, Ford Otosan's share in Turkey's commercial vehicle production reached 83% with respect to the commercial vehicles manufactured in the plants in Turkey. With 250,670 vehicles manufactured at the Craiova Plant, Ford Otosan carried out 45% of total vehicle production in Romania.

Set to produce six electric vehicles on Ford's production portfolio from 2025, Ford Otosan can produce internal combustion and all-electric models on the same lines depending on the demand in the European and Turkish markets, a capability warranted by its flexible production lines. With its competitive product portfolio manufactured with an on-time, flexible,

efficient and high-quality production concept, Ford Otosan is the key enabler of Ford's leadership in commercial vehicles in Europe.

Ford Otosan manufactures 76% of commercial vehicles and 36% of passenger cars Ford Pro sells in Europe. While Ford Otosan's Kocaeli Plants are the pioneering production hub in Europe for the Transit line, Ford Otosan is the sole manufacturer of Ford Custom, Ford Courier and Ford Puma.

As the overseas shipments of the all-new Custom and Courier models manufactured by Ford Otosan gathered speed, high demand for Ford's vehicles increased in 2024, and Ford's commercial vehicle leadership in Europe made it to its 10th year with a market share that went up to 15.4%. Commercial vehicle sales in Europe, which is Ford Otosan's primary export market, increased by 8.3% annually, and the Company's overseas sales grew by 12% year-on-year and reached 550,577 vehicles in the same timeframe.

Following the record sales of 2023 in the domestic market, Ford Otosan's total domestic sales remained flat at 113,538 vehicles in 2024 due to the competitive pricing environment that resulted from the earlier-than-expected enforcement of the General Safety Regulation (GSR) and the later-than-predicted commencement of production of the renewed Courier and Custom. Pursuing its operations adhering to profitable growth strategy in commercial vehicles in the same period, Ford Otosan sustained its leadership with 28.7% share. The Company got 3% market share in passenger cars, maintaining its profitability focus. According to the Automotive Distributors Association data, Ford has been the "Best-Selling Commercial Vehicle Brand of the Year" and Ford Transit has been the "Best-Selling Commercial Vehicle of the Year".

Within the scope of its international expansion plans, Ford Trucks added six more countries to the territories it pursues operations in in 2024, and carries on with its operations in 53 countries.



The competitive pricing environment that resulted from the Advanced Driver Assistance Systems (ADAS) that have become compulsory to be used as per the EU security regulations, Ford Truck's production quantities dropped by 35%, leading to 47% decline in international market sales and 26% decline in the domestic market sales. The share in the domestic market was recorded as 25.4%.

Ford Trucks charges ahead with its work on electrification projects and alternative fuel technologies in the pathway to zero-emissions by 2040. Ford Trucks, which ignited its hydrogen-powered single-cylinder research engine last year, successfully conducted the first firing of the multi-cylinder hydrogen-fueled H2-Ecotork engine in 2024. Ford Trucks also unveiled its first truck that runs on hydrogen fuel cell in accordance with the EU directives under its cooperation with the Slovak company Mobility & Innovation Production s.r.o. On another note, the production of its all-electric E-Truck is slated for commencement at the Eskişehir Plant in 2025.

One of the most reliable dividend payers on BIST

In 2024, Ford Otosan paid out TL 23,530 million in total, which was paid in two instalments. All in all, dividends distributed by Ford Otosan since 2004 to date amounted to USD 6.1 billion.

2024 marked Ford Otosan's inaugural bond issuance. Ford Otosan completed the USD 500 million Eurobond issuance targeting non-resident investors with a maturity of 5 years and an interest rate of 7,125%. In the process, Ford Otosan was rated BB+ by Fitch Ratings and BB- by S&P Global Ratings. More than 75 institutional investors participated in the roadshow events organized in London, New York and Boston, resulting in a bookbuilding in excess of USD 1.5 billion. The borrowing achieved the lowest interest rate observed in Turkish bond issuances since January 2022.

Ford Otosan revealed its medium and long-term sustainability targets in 2022.

In 2022, Ford Otosan announced its medium and long-term sustainability targets focused on "Climate Crisis and Energy Management", "Waste Management and Circular Economy", "Water", "Gender Equality" and "Social Benefit".

Climate Crisis and Energy Management Targets:

- Become carbon neutral in logistics operations and Scope 1 and 2 emissions along its supply chain by 2035
- Sell zero-emission passenger cars, light and medium commercial vehicles by 2035
- Sell zero-emission heavy commercial vehicles by 2040

• Waste Management and Circular Economy

- Zero waste to landfill policy in its operations by 2030
- Eliminate single-use plastics in personal use by 2030

Water

- Reduce use of clean water per vehicle by 40% by 2030

Social Benefit

- Increase % of employees volunteering for community projects to total employees to 35% by 2030

Gender Equality

- Increase % of women in all managerial positions to 50% by 2030
- Increase % of women working in technology and innovation to 30% by 2026
- Double % of women working in technology and innovation throughout the dealer network by 2026¹
- Reach 100,000 women by 2026 through community training, awareness and financial support projects
- Support at least 50% women-led startups

Ford Otosan had its first Corporate Governance Principles Compliance Rating performed in 2024 and was assigned a score of 9.57 on a scale of 10.

Having committed to reduce its emissions to the Science Based Targets initiative (SBTi), Ford Otosan is also among the supporters of the Task Force on Climate-Related Financial Disclosure (TCFD). Hence, the Company conducted a TCFD analysis study in 2021 in parallel with the management strategy, whereby TCFD recommendations, climate-related risks and opportunities were tackled in detail. The Company made its first TCFD reporting in 2022. Later, the Company released its first integrated annual report in 2023, in which it has disclosed

its Integrated Value Creation Model. In 2024, the Company performed a double materiality analysis and will make TSRS (Turkish Sustainability Reporting Standards)-compliant reporting.

Its exemplary sustainability initiatives put Ford Otosan in S&P Global's The Sustainability Yearbook – 2024 as the only automotive company from Turkey.

Endorsing that the electrical energy consumed at its domestic campuses is entirely supplied from renewable sources with I-REC certifications, Ford Otosan also focuses on direct power generation at all its campuses using wind energy, Solarwall and solar power plants.

Collaboration established with suppliers play a big part in the automotive industry. As the background of manufactured vehicles is woven by procurement of thousands of parts, suppliers are supported in their development in order to maintain Ford Otosan standards.

The activities Ford Otosan initiated in 2022 to become carbon neutral throughout its value chain continued at a faster pace in 2023. Having started with consciousness sessions, the process goes on with self-assessment and training involving all suppliers, and auditing of critical suppliers. Ford Otosan published "Supply Chain Compliance Policy" in 2021 and "Supplier Sustainability Manifesto" in 2023. Via the Supplier Sustainability Committee established in 2024, the Company comes together with its critical suppliers quarterly to discuss action plans regarding the road map, encouraging its suppliers to share their good practices, and provides training in their improvement areas with external experts as well as in the form of internal knowledge sharing. Sustainability training is organized quarterly for the purchasing teams that are in one-on-one contact with the suppliers, thus raising their increased awareness. Human Rights Due Diligence was carried out for suppliers and employees in 2024. Analysis outputs and

actions taken will be reported in 2025.

Forward-looking expectations

Following the historic high figures in 2024, sales in the Turkish automotive industry is projected to decline gradually in 2025 due to the tight monetary and fiscal policies implemented for fighting inflation. The normalization process in the automotive market will presumably have a limited impact on the commercial vehicles segment as the result of domestic investment expenditures anticipated to be carried on, coupled with fleet renewals.

In Europe, despite ongoing geopolitical tensions, customs tariff risks and highly competitive environment, downturn in interest rates and the transition trend to zero-emission vehicles are anticipated to support fleet renewal tendency. In addition, Ford brand, which sustains its leadership in the commercial vehicles market, is expected to maintain its strong position in domestic and overseas markets by catering to customer expectations through zero-emission versions added to the portfolio coupled with the restyled models. On another front, Ford Otosan's domestic sales and export figures are projected to increase with the support to be lent by 1-tonne commercial vehicles started to be co-manufactured under the Ford-VW strategic alliance.

In 2025, Ford Otosan will carry on with the digitalization of its manufacturing facilities and operations focusing on quality, cost and talent management and adopting agile management approach, and will remain one of Europe's largest automotive companies with its manufacturing capacity in excess of 900,000 units, manufacturing in every segment and electric vehicle versions. The company will prioritize active working capital and cash management, and continue to back its profitability with cost reduction measures and disciplined pricing strategies.

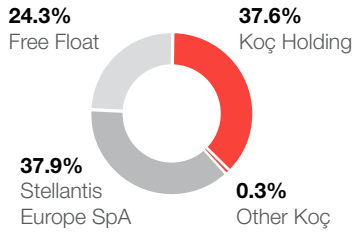
(1) Base year: 2022
Base year value: 11.54%

TOFAŞ

TÜRK OTOMOBİL FABRİKASI A.Ş.

Tofaş maintained its leadership in the Turkish automotive market with Fiat brand for the sixth consecutive year.

Ownership Structure



Domestic Position

With **11.2%** market share, Fiat is the leading and **the most preferred brand (for 6 consecutive years)**
Most preferred automobile (for 9 consecutive years) Fiat Egea
 Highest share of **local production** in the sector **77%** share in total sales
10% of the total production in Turkey with 140,484 units

International Position

Advanced R&D center with new vehicle development competence and responsibility within the Stellantis Group
Automotive exports to various parts of the world with **Egea** model under **Fiat Tipo** brand

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
120,267 -35% (2023: 184,229)	2,645 -88% (2023: 22,321)	4,890 -82% (2023: 26,460)	5,221 -76% (2023: 21,777)	17%

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

ESG Commitments

- Scope 1 and 2 GHG emissions target: 50% reduction compared to 2021 baseline year by 2030 (2024: 39%)
- Commitment for % of women on the board of directors seats: 25%¹ in five years (2022: %20, 2023: %20, 2024: %10)
- Target to increase % of women employees:
 - 2026 target for total number of office employees: 35% (2021 baseline year: 22.9%, 2022: 23.5%, 2023: 24.5%, 2024: 24.5%)

- STEM positions 2026 target: 30% (2021 baseline year 18%, 2022: 19%, 2023: 20%, 2024: 22%)
- Senior executive positions in STEM 2026 target: 20% (2021 baseline year: 13%, 2022: 15%, 2023: 12%, 2024: 11%)
- Commitment to reach 30,000 women and girls until 2026 through STEM community programs (2023: 2,350, 2024: 26,000)

International Platforms

- UN Women's Empowerment Principles (UN WEPs)
- Action Coalition on Technology and Innovation of the UN Generation Equality Forum

Sustainability Indices

- BIST Sustainability 25 Index
- CDP Climate Change Score "B", CDP Water Security Program Score "B"

(1) Policy acceptance date: January 2022

Website



Annual Report



Integrated Report



Tofaş, with its history going back to 1968, is one of Turkey's leading industrial companies with its production capacity, export performance, R&D capabilities and approximately 4,500 employees. Tofaş's factory produces Fiat Egea family's sedan, cross and cross wagon models, as well as K0 mid-size light commercial vehicle product group for four brands of Stellantis. In 2024, Tofaş realized 10% of Turkey's total automotive manufacturing.

A strong player in the domestic market with a broad portfolio of brands and products catering to customer expectations, Tofaş is also the representative of five brands, namely Fiat, Alfa Romeo, Jeep®, Maserati and Ferrari.

Besides its sustained leadership in the industry over the past six years, Tofaş continued to secure customers' admiration with the broad product range of the brands it represents. Fiat Egea, developed and manufactured by Tofaş, has succeeded in being Turkey's most popular car for the ninth year in a row with its renewed versions.

The framework agreement concluded between Koç Holding and the Stellantis Group in March 2023 was followed by the acquisition agreement signed by Tofaş and Stellantis Türkiye in July. Under this strategic partnership, it was covenanted that the commercial operations of all Stellantis brands in Turkey will be gathered under the Tofaş roof, and the new K0 model planned for four different brands in the medium light commercial vehicles segment will be manufactured at Tofaş. The procedures for this transaction are ongoing, which will be subject to necessary regulatory approvals including the approval of the governing competition authorities.

A production agreement has been signed that grants Tofaş the right to manufacture versions of 'K0' model on multiple energy platforms in Turkey, and sets the sales



conditions for the vehicles and spare parts produced, as well as a license agreement for the use of intellectual and industrial property rights belonging to the Stellantis Group. Under the project with an estimated investment of up to EUR 276 million, the target is to produce one million vehicles between 2024 and 2032. A significant portion of the investment was completed in 2024 and production started in November 2024. Tofaş aims to reduce fresh water consumption per vehicle to 2.5 m³/vehicle by 2026. (2023: 2.4 m³/vehicle, 2024: 3.07 m³/vehicle)

Focusing on sustainable future, Tofaş creates added value with its technology, mobility and R&D activities.

Considering its digital optimization practices aimed at productivity and its initiatives targeted at smart factory among its priorities to constantly improve its competitive strength, Tofaş realized more than 1,800 projects in digitalization over the past five years, approximately 250 of them in 2024. The main projects in 2024 included technologies such as Artificial Intelligence (AI), business intelligence, the Internet of Things (IoT), image processing and Generative AI (Gen AI). Tofaş increases its customers' interaction with vehicles by developing the connectivity solutions it introduces to

the market on new generation vehicle platforms with Fiat Connect application, i.e. its in-house developed connectivity technology. The first remote access technology in its class, Fiat Connect enjoys a pioneering position in the domestic market being an internet- and mobile-based support service that makes it easier for users to learn about and act on the details about motor vehicles including servicing history, and provides special reminders such as custom-tailored campaigns and periodic maintenance dates.

In 2024, Link was launched, a vehicle connectivity technology developed specifically for Alfa Romeo, Tonale and Junior models that will redefine user habits and their relationship with the automobiles. Another introduction to the market has been Jeep Link, which is a comprehensive vehicle connectivity technology for the Jeep® brand's Renegade, Compass and Avenger model users.

Possessing the know-how and competencies to develop a complete vehicle from scratch at the point it has reached, Tofaş R&D Center is involved in the product development of different models of Stellantis as well as those manufactured at the Tofaş factory. One

of Turkey's top corporate R&D spenders, Tofaş constantly expands its scope of activities to respond to global automotive software needs. Tofaş R&D Center targets to expand its team by including engineering companies and freelance software developers, and to increase its R&D exports by working with a much wider R&D ecosystem. Via Tofaş İzmir Branch that became operational in 2022 and registered as an R&D center by the Ministry of Industry and Technology in 2024, Tofaş works on various areas such as component and system design for various makes and models in the Stellantis universe, virtual/physical verification, prototyping, etc.

A constantly improving, value-generating management model

Considering all its activities in terms of their social, environmental and economic aspects, Tofaş makes it a priority to create a constantly improved, value-generating management model. Sustainability approach and practices are addressed as a whole by involving all stakeholders of Tofaş.

The first Turkish company to be included in the CDP Global climate leaders list, Tofaş regards it a fundamental responsibility to conserve natural resources and minimize the environmental impacts of its operations. The Company focuses on controlling and minimizing the indirect environmental impacts emerging across the entire value chain, as well as its own direct impact upon the environment.

As being a part of Koç Holding's Carbon Transition Program designed for becoming carbon-neutral by 2050 and covering concrete and feasible steps for combating the climate crisis, Tofaş targets to achieve 50% carbon reduction in Scope 1 and 2 combined by 2050, mainly through energy efficiency projects, solar power generation and consumption.



To achieve its carbon-neutrality goal by 2050, Tofaş will consider using green and blue hydrogen depending on the development of the relevant technology, and electrification in manufacturing and carbon capture activities.

Tofaş is planning to add momentum to various initiatives like energy efficiency projects and circular economy, while increasing green material use and the share of electrification in products. In parallel with the Stellantis target of having 40% green materials in new vehicles by 2030, Tofaş is targeting to increase the green material usage ratio in new vehicles that it will design and manufacture. Tofaş is also carrying out pilot studies on updating the vehicles with high GHG emissions in its vehicle park.

Support to empowering women in technology and innovation

To Tofaş, it is a primary responsibility to create a working environment that is safe, healthy and conducive to learning and development for all its employees. In keeping with the UN Women's Empowerment Principles (UN WEPs) that

it has become a signatory to in 2017, and the Tofaş Code of Ethics, the Company considers all differences in gender, age, ethnicity, faith, lifestyles and expressions, mental and physical traits as wealth. Tofaş reflects this perspective in all its HR processes and policies, and it is important for the Company that its dealers and suppliers also abide by these principles.

In 2022, Tofaş joined among the Action Coalition Leaders on Technology and Innovation of the UN Generation Equality Forum and made commitments to empower women and girls in technology and innovation together with the Koç Group companies. The Company targets to increase the ratio of women employees in STEM fields from 18% in 2021 to 30% and the ratio of women in STEM management positions from 13% in 2021 to 20% by 2026. Another target Tofaş set in this area is to reach 30,000 girl students in an effort to increase the number of girls studying STEM fields by 2026.



Forward-looking expectations

Tofaş aims to maintain its sustainable success by becoming a “global company” that generates value for its customers, and that its employees and business partners are proud to belong to, on the back of its half a century of experience, solid competencies and the aspiration to self-renew continuously.

Set to take on an active role in the sector's transformation hereinafter, Tofaş considers upskilling its human resource, pioneering in mobility solutions, strengthening its global positioning in product development, mitigating its environmental impact and greater inclusion of women in the industry as major topics to be addressed.

Koç Fiat Kredi

Koç Fiat Kredi offers financial solution services for second hand vehicles and byproducts, besides the brands sold by Tofaş. Furnishing financing support to individual and corporate customers on the back of its robust operational structure, the Company enables submission of applications via online channels as well as offering customers one-stop fast service opportunity at the dealers' premises.

In 2024, Koç Fiat Kredi extended TL 23.7 billion in loans for the purchase of 46,000 cars and financed 50.7% of Tofaş's retail sales. The Company's total loan portfolio stood at TL 16.7 billion at year-end 2024.

In 2024, the Company's national short-term credit rating was affirmed as (TR) A1+ and its long-term national credit rating as (TR) AA, and both were assigned a stable outlook.

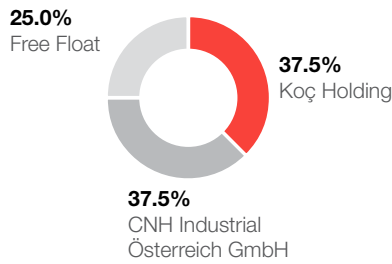
Forward-looking expectations

Embracing digitalization-focused culture and targeting to create end-to-end value, Koç Fiat Kredi carries on with remote customer acquisition and robotic process automation projects, alongside infrastructure upgrading initiatives. The Company aims to sustain its digital transformation journey on the back of the experiences gained in completed projects with its competent employee body, spread the agile working model throughout the Company, and maintain its competitive advantage.

TürkTraktör turns 70!

TürkTraktör

Ownership Structure



Domestic Position

18 years of **uninterrupted leadership** in tractor market
Leader with the New Holland brand
2nd with the Case IH brand
60% of Turkey's **tractor production**
73% of Turkey's **tractor exports**

International Position

The sole design and main production center for New Holland TD and Case IH JX series tractors

The sole production center for New Generation Utility Medium series tractors and transmissions, Utility Light series tractors and transmissions, and TD series transmissions

The sole engineering and production center for TD series transmissions

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
66,970	8,225	7,976	5,741	
-21%	-53%	-54%	-57%	
(2023: 84,367)	(2023: 17,505)	(2023: 17,523)	(2023: 13,488)	

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

ESG Commitments

- Reducing Scope 1 and 2 greenhouse gas emissions by 42% by 2030 (compared to the 2021 baseline, 2024: 25%)
- Commitment for % of women on board: in 5 years 25%¹ (2024: 25%)
- Commitment to increase % of women in STEM positions (2021 baseline year 28%, 2022: 28%, 2023: 31%, 2024: 34%, 2026 target: 50%)
- Commitment to reach 30,000 women and girls between 2022-2026 through STEM community programs (2023: 7,492, 2024: 19,370)

International Platforms

- UN Women's Empowerment Principles (UN WEPs)
- Action Coalition on Technology and Innovation of the UN Generation Equality Forum
- Signatory to TCFD²
- United Nations Global Compact (UNGC)
- CDP Climate Change Score "B", CDP Water Security Score "B"

Sustainability Indices

- BIST Sustainability Index
- BIST Sustainability 25 Index
- Sustainalytics ESG Rating
- FTSE4Good

(1) Policy acceptance date: April 2022

(2) As of 2024, TCFD is addressed under the scope of ISSB.

Website



Annual Report



Sustainability Report



Having celebrated its 70th year in 2024, TürkTraktör is the first manufacturing company of the Turkish automotive industry that is still pursuing operations. Catering to the mechanization need in agriculture through a high ratio of domestic production and world-class product quality, TürkTraktör carries on with its activities as Turkey's leading company in agricultural mechanization. With an annual production capacity of 54,000 tractors at its Ankara and Erenler plants, TürkTraktör offers Turkey's widest product range in the tractor and agricultural equipment market. Working on product development and new technology implementation at its R&D centers in Ankara and İstanbul, the former being the first R&D center in the sector that was registered by the Ministry of Industry and Technology in 2009 and the latter having become operational in 2018, TürkTraktör has 206 active patents, nine of them international. TürkTraktör firmly remains among Turkey's leading enterprises with exports to 125 countries to date.

18 years of unbroken leadership in the Turkish tractor market

Having the widest dealer and service network in Turkey, TürkTraktör retained its unbroken leadership in the sector in Turkey that is the fourth largest tractor market in the world for the 18th year in a row. As of year-end 2024, TürkTraktör's market leader New Holland brand preserved its number 1 spot with 35.8% market share while Case IH ranked 2nd with 10.5% share in the market.

In 2024, TürkTraktör was responsible for 60% of the tractor production in Turkey and 73% of Turkey's tractor exports.

TürkTraktör, which remains in the field with its environmentally friendly products equipped with the cutting-edge engine technology, single-handedly realized 60% of the tractor production in Turkey with 43,611 tractors manufactured in 2024 according to the Automotive Industry Association (in Turkish: OSD) data. With 29% of its tractor production supplied to the overseas markets, TürkTraktör was responsible for 73% of Turkey's total tractor exports, and remained Turkey's largest tractor exporter in the reporting



period. In 2024 that marked its 70th year in operation, TürkTraktör successfully passed a new threshold as it got its 1,111,111th tractor off the production line.

TürkTraktör now has a decade-long history in the construction machinery industry.

New Holland and Case brands that have been helping with the development of the agriculture sector reproduce the same success in construction machinery. Under the distribution agreement signed in 2013, TürkTraktör has added the distribution of New Holland and Case brand construction machinery in Turkey to its operations in 2014 besides its operations in the agricultural sector. From 2020, TürkTraktör has been manufacturing New Holland and Case branded domestic backhoe loaders at its Ankara Plant.

In the construction machinery industry that it stepped into 10 years ago, TürkTraktör today possesses a product range that fulfills various product demands of its customers. TürkTraktör's rich product portfolio of construction machinery in various segments covers New Holland branded, domestically-produced backhoe loader, mini excavator, skid steer mini loader, and Case brand domestically-produced backhoe loader, tracked excavator, wheeled loader, mini excavator, skid steer mini loader, compact wheeled loader and grader product groups. The Company reaches the customers directly via its extensive dealer and service network

and sales and after-sales points scattered all around Turkey.

TürkTraktör completed the transition of all its products to Phase 5 emission level.

Continuing to upgrade its products and services for more productive and sustainable farming, TürkTraktör offers high performance and efficiency in combination, a strength enabled by the new generation motor technology that has Phase 5 emission level. Thanks to the pioneering work by its R&D centers, TürkTraktör completed the transition of its entire product array to Phase 5, the latest emission level at world standards in the agricultural equipment sector. In 2024, the Company also started the manufacturing of F36 diesel engines with Phase 5 emission level at the Ankara Plant.

With 18 years of unbroken market leadership, the New Holland family's new members with Phase 5 motor technology that fulfills environmental criteria, namely New Holland T5 EC, T5 DC, T4B Phase 5 Cabbed, T580S Cabbed, and TT60 Classic Cabbed domestic tractors were presented to farmers in 2024.

Standing out with its premium features and occupying the second spot in the market, Case IH brand launched its latest models with Phase 5 emission level, namely Farmall A and Farmall C new series, Puma X and Maxxum AD8 tractors, and Quadtrac 715, the most powerful tractor in

the Case IH product array, in the reporting period. In the “Phase 5 Days” event organized at 23 locations in 2024, New Holland and Case IH tractors with Phase 5 emission level, equipment and precision agricultural products were exhibited, giving farmers the chance to experience these products at close range.

TürkTraktör keeps standing by the farmers with its broad product array and innovative and high-end agricultural equipment.

The Company caters to all needs of the farmers with agricultural equipment designed according to the needs in every aspect of farming and having properties that make a differentiation under New Holland, Case OH, TürkTraktör and Red Pro brands. Commanding leader position in the combine harvester segment, TürkTraktör sustains its successful performance also in non-tractor segments.

Electric tractors and autonomous agricultural robots make their debut before farmers.

Pursuing its operations for productive and sustainable farming in line with its “Future Ready” motto, TürkTraktör authored a major achievement in its 70th year. The product of four years of R&D work, New Holland T3 Electric Power, the electric tractor developed by Turkish engineers, was showcased at Konya Agriculture Fair. The latest addition with alternative fuel technology to the New Holland family, T3 Electric Power is an all-electric vehicle that provides power and efficiency at the cost of zero emissions.

Supporting sustainability in agriculture, TürkTraktör exhibited two new agricultural products that resulted from extensive R&D efforts at Bursa Agricultural Fair to farmers. The Autonomous Spraying Machine that has been engineered to carry out remote spraying operations to prevent farmers’ exposure to hazardous chemicals and to minimize chemical use, which features an electric vehicle architecture, can operate fully autonomously in vineyards and orchards. It stands out with its ability to perform low-volume spraying with precision. An all-electric autonomous agricultural robot, “New Holland R3S” uses an AI-supported pressurized spraying



system to distinguish between cultivated plants and weeds, delivering highly precise spraying where needed. These innovative systems help reduce unnecessary chemical use in farming practices, thereby supporting environmental sustainability.

TürkTraktör keeps supporting sustainable agriculture with its precision and smart agricultural solutions.

The Company keeps working on precision agricultural practices to facilitate the transition of the Turkish agriculture and farmers to high technology and help with the achievement of higher efficiency in agricultural production.

Precision farming systems offer significant advantages to farmers as they enable increased crop growth on the existing agricultural field, providing cost saving on various inputs including pesticides, fertilizers, seeds and fuel, and reducing plant crushing during maintenance. TürkTraktör’s precision farming range covers Automatic Steering Systems, domestically developed TTCenter multimedia interface and smart guiding system TTGuide, the domestic fleet and vehicle tracking system TTConnect, TürkTraktör Drone, and finally, Flow and Ratio Control Systems.

Providing cost, labor and time-saving advantages in the spraying of expansive areas, offering wide range of usages, ease of use and maintenance, high efficiency and environmental protection, TürkTraktör drone services provide drone-assisted

spraying at seven pilot dealers as of the end of 2023.

Launched in 2019 with the aim of supporting agricultural digitalization and offering “digital decision-making support” to producers in agricultural activities, TarlamCepte (MyMobileField) application supports the farmers by giving recommendations that reduce input costs and increases operational efficiency in farming. With its current version introduced in 2023, the application provides convenience to users with its various improved features including digital service processes based on online booking, smart guidance with crop humidity mapping and irrigation recommendations, yield and crop estimations that use image processing, crop health information, and early warning systems. Designed to increase yield and contribute added value to farmers’ agricultural activities, My Mobile Field application was offering service to more than 170,000 users at the end of 2024.

A new investment was made for the domestic production of tractor cabins in the tenth year of the Erenler Factory.

It has been decided to establish a new 8,000 m² welding, cataphoresis, and paint shop facility with an investment of approximately EUR 29 million by the end of the first quarter of 2025 in the Erenler Factory, which is the largest tractor production center in Europe. Once it is commissioned, the facility will enable cabin skeleton production at the

Erenler Factory, and enhance production capabilities by incorporating welding into TürkTraktör's production operations for the first time.

Continuing to advance its operations toward Industry 4.0 by using image processing and artificial intelligence technologies, TürkTraktör utilized AMR robots in the cabin assembly line and successfully implemented a flexible and non-stop AMR assembly line, realizing a first in its field in Turkey.

TürkTraktör signed a Share Purchase Agreement in relation to agricultural equipment.

To expand and grow its operations in the agricultural equipment business line, TürkTraktör signed a share transfer agreement for taking over the entirety of the shares in Kayhan Ertuğrul Makina Sanayi ve Ticaret A.Ş. that wholly owns Kayhan Ertuğrul Tarım Sanayi ve Ticaret A.Ş. and in Terramak Tarım Makinaları Dış Ticaret A.Ş. Offering Turkey's broadest range of agricultural equipment, featuring over 30 product types and more than 800 variants under the brands New Holland, Case IH, TürkTraktör, and Red Pro, TürkTraktör targets to consolidate its leader position in the tractor market as a key player in the agricultural equipment sector on the back of this acquisition and to be a prominent actor in equipment production through an expanded product array.

TürkTraktör carries on with its activities within the scope of its "Future Impact" sustainability strategy.

In a bid to create positive value across its sphere of influence spanning the entire ecosystem, TürkTraktör focuses on four areas within the scope of its "Future Impact" sustainability strategy launched in 2022:

1. Impactful Leadership for the Future
2. Impact the Future Competencies with Innovation
3. Impact Responsibly in Operations and Products
4. Impact the Future of Agriculture

Acting with the vision of being a pioneering leader in its sector and spheres of influence in the future, as it is today, TürkTraktör publicly disclosed its short-, medium- and long-term targets in four areas of focus in April 2023 and set its roadmap to achieve them. Guided by an awareness of its responsibility towards the entire ecosystem with respect to all its operations, value chain and products, TürkTraktör assigns priority to minimizing the environmental impact of its operations. To this end, TürkTraktör targets to supply the entirety of its total electricity need, which is fulfilled by purchased 100% renewable energy, with its self-produced renewable energy by the end of 2026. Accordingly, the Rooftop SPP project that was being carried out for the Ankara Plant was commissioned in 2024 following the Rooftop SPP project that went into operation at the Erenler Plant in September 2023. In addition, work is underway for the installation of an SPP in Sivas. The projects carried out in Ankara and Sivas are planned to supply 93% of the forecasted annual electricity need of the Ankara Plant.

Carrying out various activities to enhance its suppliers' ESG capabilities, TürkTraktör launched the Supplier Assessment and Development Program in 2024. The Company targets to integrate suppliers that account for 80% of the direct material purchases volume from domestic suppliers in the Supplier Assessment and Development Program by the end of 2025. Accordingly, system integration was completed for 30 suppliers in 2024.

92% of TürkTraktör's total GHG emissions stem from the use of sold products. In 2024, the first Life Cycle Analysis (LCA) was completed for a tractor model as the result of studies that analyzed the carbon footprint of products.

Having qualified to be included in national and international sustainability indices owing to its strong performance warranted by the sustainability efforts undertaken, TürkTraktör has been a constituent of Borsa İstanbul (BIST) Sustainability Index

since 2016. Moreover, the Company has been part of the BIST Sustainability 25 Index that comprises 25 companies from the index with the highest sustainability performance since 2022. Achieving a score of 86 in 2024, TürkTraktör was ranked among the top 10 companies with the highest sustainability rating in Turkey and in the 1% tranche of its sector in global rankings. TürkTraktör is also a constituent of the FTSE4Good Emerging Markets Index, designed by the global index and data provider FTSE Russell to measure the performance of companies that demonstrate strong environmental, social and governance (ESG) practices. Having been assigned a score of B in the CDP 2023 Climate Program and B in the Water Program, TürkTraktör responded to the S&P Global Corporate Sustainability Assessment questionnaire for the first time in 2024 and was placed in the 7% tranche of its sector. As part of its sustainability efforts, TürkTraktör disclosed its Scope 1 and 2 reduction targets, and keeps working on determining its Scope 3 goal.

Forward-looking expectations

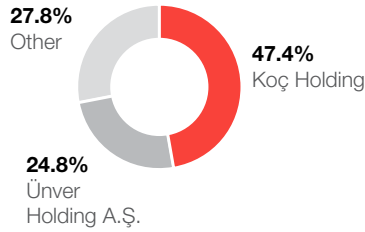
Persisting with its efforts and initiatives for the development and sustainability of the agricultural sector in Turkey with the awareness of the responsibilities deriving from its deep-rooted history and leadership in the industry, TürkTraktör aims to increase productivity in cultivation, and hence targets to contribute value not just to agriculture but also to the industry, to retain its leadership in the sector, to sustain its initiatives to drive the development of domestic production of construction machinery on the back of R&D, innovation and digitalization projects, and to broaden its operations in agricultural equipment business line.

TürkTraktör is aware of its responsibility towards the ecosystem with respect to all its operations, value chain and products, and will continue to create value for the agricultural sector and its stakeholders as it has always done with the vision of being a pioneering leader in its respective sector and spheres of influence.

Otokar is Turkey's ground vehicles export champion.

Otokar

Ownership Structure



Domestic Position

16 years of uninterrupted leadership in the bus market, **one in three vehicles sold** is Otokar branded
100% intellectual property rights in military vehicles and buses
Turkey's defense industry land vehicles product group **export leader**

International Position

Europe's 4th largest bus manufacturer
Bus exports to **nearly 60 countries**
Export of military vehicles to more than 60 users in **over 40 countries**, serving in UN and NATO missions
Subsidiary companies in **5 countries and branches in 2 countries**

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
33,886	-1,249	-2,988	-3,104	
-14%	-157%	-242%	-209%	
(2023: 39,327)	(2023: 2,210)	(2023: 2,105)	(2023: 2,841)	

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

ESG Commitments

- Commitment for % of women on board: 25%¹ in 5 years (2024: 22%)

International Platforms

- UN Women's Empowerment Principles (UN WEPs)

Sustainability Indices

- BIST Sustainability Index

(1) Policy acceptance date: December 2021

Website



Annual Report



Sustainability Report



Otokar provides tailored solutions for users in the automotive and defense industries with its proprietary technology, design and applications. The Company produces buses for public transportation, light trucks for logistics, and wheeled and tracked armored vehicles and tower systems for the defense industry. In 2024, the Company stepped into the pick-up segment with Foton Tunland. Otokar operates with nearly 4,000 employees at its plant which covers an area of 552,000 m² in Sakarya.

In 2024, the Company took place among the top exporters of 2023 and was awarded in the “Export Champions” listing of Uludağ Automotive Industry Exporters’ Association. Otokar climbed up 38 places from its standing in the previous year in the İstanbul Chamber of Industry’s Turkey’s Top 500 Industrial Establishments Survey and was ranked 59th with its 2023 financial results. The Company rose to 68th place in the list covering Turkey’s top 1,000 exporters published by the Türkiye Exporters Assembly (TİM) with its financial results in 2023.

At the Defence and Aviation Industry Global Strategies Conference organized by the Turkish Defence and Aerospace Industry Exporters’ Association under the leadership of the Presidency of the Republic of Türkiye Secretariat of Defence Industries, the Company was named the top exporter of Türkiye in the land vehicles segment according to 2024 financial results.

Being the first company to use computer-aided design in automotive in Turkey, Otokar has one of the few test centers in Turkey and Europe possessing hydraulic road simulator, climatized room, and EMC/EMI capabilities. In 2024, the Company allocated approximately 5% of its annual turnover to R&D expenditures.



Defense industry

Otokar was awarded the contract covering 1,059 4x4 light armored tactical wheeled vehicles of Romtecnica, a company owned by the Romanian Ministry of National Defense. Under the RON 4.26 billion (ca. EUR 857 million) contract (excluding VAT) covering vehicles and integrated logistic support service, the first 278 Cobra II armored vehicles will be manufactured in Turkey and the rest will be produced locally in Romania. Deliveries are slated for commencement in the last quarter of 2025 and are planned to be completed in batches over the course of five years.

By year-end 2024, Otokar started delivering the orders it has received from Estonian Armed Forces in the previous year. This order marks the second time Arma 6X6 armored vehicles are included in the inventory of a NATO-member country.

Alpar, Turkey’s first heavy unmanned tracked armored vehicle and Arma II, the new member of Otokar’s worldwide-renowned Arma vehicle family, made their first appearance on the international arena in France in 2024. Its military vehicles being operated by more than 60 customers in over 40 countries, Otokar opened a branch in Romania in 2024, and globally, Otokar carried on with its promotion activities attending events and trade shows held in different geographies including Saudi Arabia, Bahrain, Philippines, Brazil, Malaysia and Chile.

As the result of its R&D efforts, Otokar equipped Alpar, Turkey’s first medium duty unmanned ground vehicle, with fully autonomous driving capability with the addition of GPS and camera support systems.

Commercial vehicles

Having manufactured the 30,000th Sultan bus -known as Navigo around the world- and the 5,000th Atlas truck in 2024, the Company kept growing in the domestic market and its export markets.

Otokar is the fourth larger producer in the bus segment in Europe. The Company retained its leadership in the Turkish market that has been unbroken for 16 years, and outperformed the market's growth as one of every three buses sold was branded Otokar. On the export wing, the Company increased its bus sales in various countries including Italy, Spain and France, and opened its Germany branch as part of its growth targets in Europe. Publicity activities and vehicle tests were carried on in various countries such as Switzerland, Italy, Germany, Spain and Sweden, and Portugal has received the Company's maiden exportation of its telematics solution in fleet management. Production and deliveries of Iveco Buses continued in the reporting period under the agreement for their manufacturing in Turkey. Otokar's new electric bus joined the e-Kent product family and was promoted in the domestic market in 2024.

Throughout the reporting period, autonomous bus development efforts were carried on as planned. Functional safety tests conducted by an independent third party in Hungary have been completed successfully.

Having expanded its truck range with 11- and 15-tonne models in 2024, Otokar increased its sales, and also sold its first electric light truck in Turkey. A sales network was built covering eight countries including Spain, Poland and Bulgaria for Atlas light trucks and exports started.



Otokar broadened its product array with the pick-up segment in November 2024. The Company carried its successful cooperation in the truck segment with Foton, one of the world's largest commercial vehicle manufacturers, to the pick-up segment with Tunland.

Sustainability

Otokar plays an active role in Koç Holding's Carbon Transition Program to become carbon-neutral by 2050. Having increased the number of vehicle solutions using alternative fuels in its product array, the Company kept working on renewable energy in 2024. Following its successful projects of 2021 and 2022 such as LED transformation and waste heat recovery, the Company was entitled to VAP (Efficiency Enhancing Project) incentives of the Ministry of Energy and Natural Resources in 2024. Seeking to increase its environmental efficiency in sustainable water management via its rainwater harvest and water reclamation projects, Otokar harvests rainwater using its rainwater collection system and reclaims deionized (pure water) process water at

its cataphoresis facility, thereby providing water circularity.

In 2024, Otokar conducted successful projects in employee engagement and talent management; the Company was actively involved in the Koç Group's Hack Your Job organization, and carried out encouraging initiatives for reversing brain drain.

In the reporting period, the Company launched "Powerful Future with Otokar", a project designed to contribute to raising a competent generation well-educated in STEM fields and having good command of technology. Under the project, the Company signed a protocol with the SATSO Motor Vehicles Technology Vocational and Technical High School in Arifiye covering various support mechanisms including internships, scholarships and education, and the replenishment of the school's electric vehicles shop. The project also includes initiatives to encourage providing equal opportunities to girl students.



Four Otokar projects that deal with digital transformation, cyber security and autonomous driving technology qualified for support under various programs in Europe and Turkey.

A constituent of the BIST Sustainability Index since 2014, Otokar is included in LSEG ESG Score evaluation.

Forward-looking expectations

Intending to concentrate on the deliveries of the projects it has undertaken in the defense industry segment as part of its near-future plans, Otokar maintains its targets of growing its vehicle park in its export markets and tapping various opportunities including co-production. Otokar will continue to offer its products, capabilities and facilities for the benefit of our country.

Otokar targets to preserve its leadership in the Turkish bus market and aims to expand its vehicle park in its export markets, particularly in Europe, through its subsidiaries. Otokar's range of products using alternative power sources are already set for fulfilling the needs of all cities, primarily of European countries that are undergoing transformation in a bid to minimize the negative impacts of global climate change. The Company targets to constitute its entire product array delivered to these markets of low and zero emission vehicles. In logistics, the Company aims to increase the share of its Atlas truck product range in the domestic market and export markets. It also aims to reinforce its position in the recently-penetrated pick-up segment.

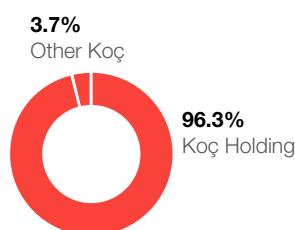
Targeting to maintain employee engagement and develop its human resources through reskilling; the Company will carry on with its sustainability initiatives in environment, innovation and corporate governance areas.

Headed towards becoming a global company, Otokar aims to sustain its growth also in the coming year together with its subsidiary companies in France, United Arab Emirates, Romania, Kazakhstan and Italy, as well as its new branches.

Otokoç Otomotiv

The leader in car rental in the domestic market, Otokoç Otomotiv pursues operations in nine countries in total.

Ownership Structure



Domestic Position

6.3% share with **80,726** new vehicle sales in a market of **1.3 million** units

Leader in second hand vehicle sales among corporate brands with sales of around **39,167** units

Leader in car rental with a vehicle fleet of **46,702** thousand vehicles

International Position

Management of the vehicle park with **60,939** vehicles with **601** employees at **74** points in **8** countries

The **leader** of the car rental industry in Greece, Azerbaijan and Kazakhstan

The **leader** of the long-term car rental industry in Georgia

International operations account for **67.9%** of EBITDA

One of the key investment partners of Avis Budget Group and its **largest licensee**

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss) ¹	Profit/(Loss) Before Tax	Net Profit/(Loss) ²	Share of International Revenues
146,385	-7,160	-3,791	-3,676	
-9%	n.m.	n.m.	n.m.	
(2023: 160,635)	(2023: 7,058)	(2023: 13,484)	(2023: 9,635)	

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

International Platforms

- UN Women's Empowerment Principles (UN WEPs)



Established in 1928 as Koç Holding's first automotive sector investment, Otokoç Otomotiv is today Turkey's largest automotive retailer and car rental company offering services with its Otokoç, Avis, Avis Filo, Avis Filo Maestro, Budget, Otokoç Sigorta, Otokoç 2. El, Otokoç İhale and Otokoç Parça brands. Otokoç carries on with its operations in Turkey, Greece, Azerbaijan, Hungary, Georgia, Kazakhstan, Ukraine, Turkish Republic of Northern Cyprus and Northern Iraq with the vision of being "a global and leading reference point developing innovative mobility solutions".

In 2024, Otokoç Otomotiv was recognized with nearly 100 awards, including a number of prestigious and international accolades.

80,726 vehicles sold in 2024

Otokoç Otomotiv commanded a share of 28% in Ford sales, 19.4% in Ford Trucks sales, 31.7% in Fiat sales, 36.9% in Alfa Romeo and Jeep sales, 30.3% in Volvo sales and 36.3% in Maserati sales in automotive retail during 2024. Having 3,526 employees on its payroll, the Company had a 6.3% share in the total Turkish automotive market. The market share it secured made the Company the leader in automotive retailing. In second hand vehicle sales, Otokoç maintained its leadership among the corporate brands with 39,167 units sold.

The market leader in car rental operates in the world with 106,900 vehicle parks

Otokoç Otomotiv, which is an investment partner and the world's largest licensee for the Avis Budget Group, retained its leadership in the car rental sector in Turkey. The Company is the leading car rental company in Greece, Azerbaijan and Kazakhstan and the leader in the long-term car rental sector in Georgia. The average vehicle park in all geographies it pursues operations in is 106,900.



Sustainability

Having embraced the approach "Destination: Future", Otokoç Otomotiv released its first sustainability report discussing its ESG performance based on its 2023 operations.

Following Otokoç Antalya Ford, Otokoç Adana Fiat and Otokoç İnönü Ford Trucks branches, the ground-mounted SPP project with a capacity of 17.4 GWh/year was realized in Niğde. The first ground type SPP implemented by any Koç Group company, this project supplies the electricity needed by all locations of the Company in Turkey from solar energy.

In the third year of the Fellow Traveler Who Saves Home Program co-conducted with Yuvam Dünya Association, Otokoç Otomotiv took an important step in climate action and published the Climate-Friendly Mobility Guide.

The Company began implementing Koç Holding Supply Chain Sustainability Guide to identify critical suppliers with a high share in the total purchasing volume and integrate its sustainability approach in its value chain.

As part of continuous improvement activities, the Company carries out business excellence initiatives and Lean 6 Sigma projects.

The recipient of the "Achievement" award following a thorough assessment covering all the WEF (World Economic Forum) Stakeholder Capitalism metrics at the Sustainable Future Awards organized by the Turkish Society for Quality, Otokoç Otomotiv charges ahead with its sustainability journey adhering to the vision #Destination:Future.

Corporate Social Responsibility

Collaborations are carried on with various NGOs including the Association for Educational Activities for Hearing-Impaired Individuals, UN Women, Women in Sales Network Program, Professional Women Network (PWN) İstanbul, El Ele Education and Culture Foundation, Tohum Autism Foundation and Yuvam Dünya for various targets including Gender Equality, Reduced Inequalities and Climate Action that take place among the UN Sustainable Development Goals.

"Cam Tavan Arabada Güzel" (Glass ceilings are for cars only) project was carried on by drawing the attention to "Glass Ceilings", a metaphor used to represent all sorts of invisible barriers that prevent women from realizing their full potentials. Sign language refresher courses were given to Avis field employees under Avis's "We Speak the Same Language" project. The sign

language training that encompassed all Otokoç Otomotiv employees was given in hybrid format.

Support is extended to Tohum Autism Foundation, and internal awareness raising activities are organized. In the reporting period, Otokoç Otomotiv volunteers ran in the 46th Istanbul Marathon to raise funds for Tohum Autism Foundation and Turkish Education Foundation (TEV). Every stride turned into contribution for the education of children with autism and university students. In addition, internal awareness training programs were organized.

Within the scope of the project co-conducted with Ford Otosan in cooperation with El Ele Education and Culture Foundation, post-earthquake support continued to be extended to the Youth Centers set up in the Hope Cities in Hatay and to Hope Cities.

Customer Experience

In the 1st League category of the “International Region Net Promoter Score” measurement that Avis Budget Group implements via an independent research company, Avis Turkey finished the year as the leader for the 16th time.

Innovation and Intrapreneurship

Offering services at various points of the mobility ecosystem, Otokoç Otomotiv continues with its activities in relation to Intrapreneurship and Open Innovation.

The collaboration that started out as a co-innovation project with e-bike and e-scooter manufacturer Alba Elektrikli Ulaşım Sistemleri led to an investment of TL 21.6 million in that company. During 2024, 421 products were sold at Otokoç points only.

Sustainability Innovation Challenge was organized to support the startups focused on developing innovative sustainability solutions. Seven startup presentations were heard in the Demo Day held in this framework. Based on the jury's decision, PoC (Proof of Concept) process was commenced with Apollo for energy management and Blueit for water management; the successful PoC evolved into cooperation. Mobix working on sustainable mobility and Novocycle working on lithium ion batteries' recycling was introduced with micromobility manufacturer ALBA Elektrikli Ulaşım Sistemleri that Otokoç Otomotiv invested in in 2023, paving the way for a collaboration.

During 2024, the Company interacted with over 100 startups in diverse fields including mobility, retailing technologies, sustainability, platform technologies and so on within the scope of Open Innovation initiatives. Thirty-three startup solutions directed towards areas of need were presented and at least two-month PoCs were carried out with 15 startups with the support of working units.

Synergy Mobility Innovation program was launched in 2024 with the vision of adding momentum to the future of smart mobility as the first co-innovation program at the Koç Group which blended the innovation and mobility capabilities of Otokoç Otomotiv and Ford Otosan. At the end of the Demo Day in October, two teams qualified to move on to the six-month pilot phase, in which they will be able to develop, test and sell their prototypes with their allocated budgets.

In 2024, more than 1,300 new customers were acquired from the business models that were commercialized within the frame of intrapreneurship initiatives.

Digital Governance and Efficiency

Otokoç Otomotiv upgraded its digital transformation maturity score from 1.9 to 2.51 with the help of the initiatives covered in its 2024 plan.

The fleet management business managed under the Avis Filo Maestro brand doubled in two years.

Efficiency-oriented Service 4.0 project that was put in pilot run in automotive retailing business line at Otokoç Ataşehir branch in 2024 secured the project's targeted 10% efficiency increase, and was introduced at six different Otokoç branches in 2024. The number of branches implementing Service 4.0 is targeted to be increased to 14 in total in 2025.

The goal is to procure 14,000 zero-emission electric and plug-in hybrid vehicles over the course of five years under Avis Greece's Green Loan investment plan in the amount of EUR 760 million. Phase 1 financing agreement for EUR 260 million for the next three years and 5,000 electric vehicles was signed in August 2022. Between August 2022 and December 2024, an RRF (Recovery and Resilience Facility) loan for the total amount of EUR 245 million was utilized and investment was made for a total of 10,205 electric and plug-in vehicles, 3,081 of them in 2024.

The Company generated productivity worth USD 26 million in total with 377 initiatives it has scrutinized under the Zero-Based Budgeting (ZBB) methodology.

Employees and Development

In 2024, the Company achieved an Employee Engagement Score of 64.2. This score was as high as 80.2 in Greece.

Otokoç Otomotiv cooperated with a volunteering platform to encourage its employees to take part in social responsibility projects to the benefit of

the society. Otokoç Otomotiv employees volunteering for social responsibility initiatives were unified under the “İyi 1 Dünya Elçisi” (Ambassadors for a Good World) brand and 73 Ambassador participated in ten different projects to which they devoted 140 volunteering hours throughout the year.

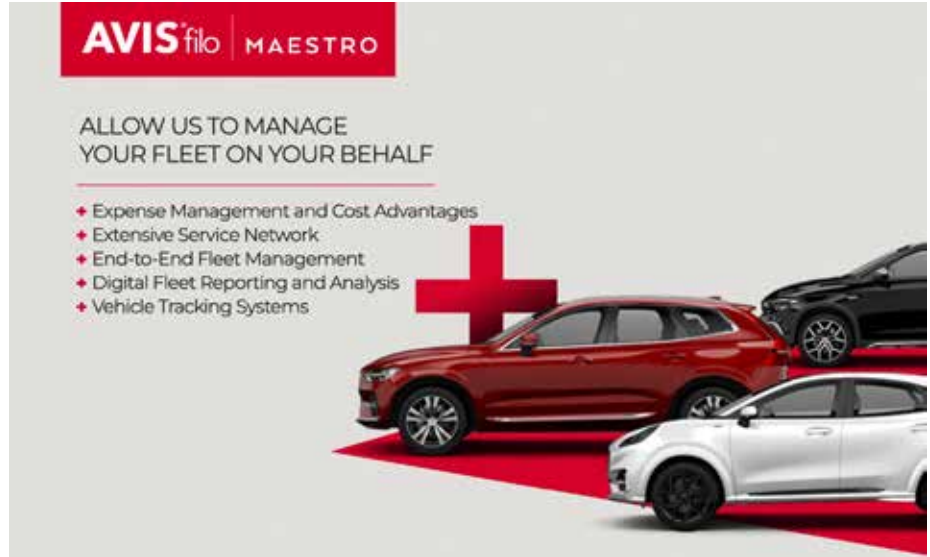
Covered in the Koç Group’s transformation agenda, the “Future Fit” project that embodied various focus areas such as working productively with qualified work force, identifying new skills based on need, and so on, was brought to completion.

All internal coaching programs were positioned with the motto “Fark Et, Yenilen, Parla” (Realize, Refresh, Shine). The Reverse Mentoring process that is intended to be persevered year after year was branded “Sirius”, and the process continued, in which Management Trainees provide reverse coaching to members of senior management.

Under the maiden edition of the Leadership Development Program, which is designed to support employees who have recently been appointed to a managerial position, 13 training sessions were offered to 51 employees and the program was completed.

Cultural Transformation Journey and Agile Transformation

2024 has been an important milestone in the agile transformation journey of Otokoç Otomotiv. Focus was placed on integrating agile working culture in day-to-day work processes and raising increased awareness by way of events and workshops carried out at all locations of the Company across Turkey. All employees completed the agile approach training, resulting in a more flexible, adaptive and effective way of doing business. Also improved were information sharing and perspective alignment among units.



In 2024, the Company held training programs that addressed all business units, functions and employee groups, gave training to over 2,000 people within the scope of 2,244 group training programs, 129 people were provided with individual training in 39 different contents.

Forward-looking expectations

Carrying out operations at 39 representation points in 26 cities in Turkey with Otokoç 2. El brand, the Company will keep working to become the largest “second-hand vehicle brand” possessing omnichannel capability. Offering service via its 13 dealers as of 2024, the brand will expand its dealership network across several locations in Turkey under its five-year growth plan.

Avis Filo Maestro, which has consistently sustained its growth since its establishment in 2022, offers end-to-end fleet management and telematics services to institutions and individuals. The brand will carry on with its leapfrog growth in 2025 in a manner to cater to the evolving customer needs in the mobility sector and targets to double its growth each year in its five-year plan.

Smart omnichannel lead management systems are being developed for all brands with the aim of increasing the number of sales leads.

Following the successful introduction of “Switch by Avis” in Greece, the vehicle subscription model developed by Avis Greece, the product will continue to be deployed in Avis Budget Group’s corporate countries.

The biennial Avis Budget Group Global Conference that brings together Avis Budget licensees will be held in Turkey in 2025. The 50th anniversary of Avis Turkey will also be celebrated within the frame of this organization. 2025 will also mark the 10th year of Budget Hungary.

Consumer Durables

We strengthen our global presence by providing the unique combination of technology and design.





Consumer Durables

Developments in the consumer durables sector

The global white goods market expanded by approximately 1.4% to reach USD 123 billion in revenues despite the negative impact the energy crisis that resulted from the conflict between Russia and Ukraine, and the inflationist pressure dominating global markets had on purchasing power in 2024.

In Europe (the European market excluding Russia and Poland), Turkey's main export market, the white goods market grew by approximately 3.1% in volume in 2024 as compared to the previous year.

In 2024, the Western European market enlarged by 2.1%. While the UK market grew by 4.4%, Austria's growth was measured as 5.3%, Belgium's 6.4%, Italy's 4.0%, Spain's 5.0%, Germany's 1.4% and Holland's 0.7%. The French market, on the other hand, contracted by 0.3%.

The Eastern European market excluding Russia and Poland recorded approximately 9.9% growth in 2024. The Romanian market posted about 12.7% expansion. In addition to the above, the Ukrainian market showed a positive performance to achieve 9.7% expansion in the period that followed the war.



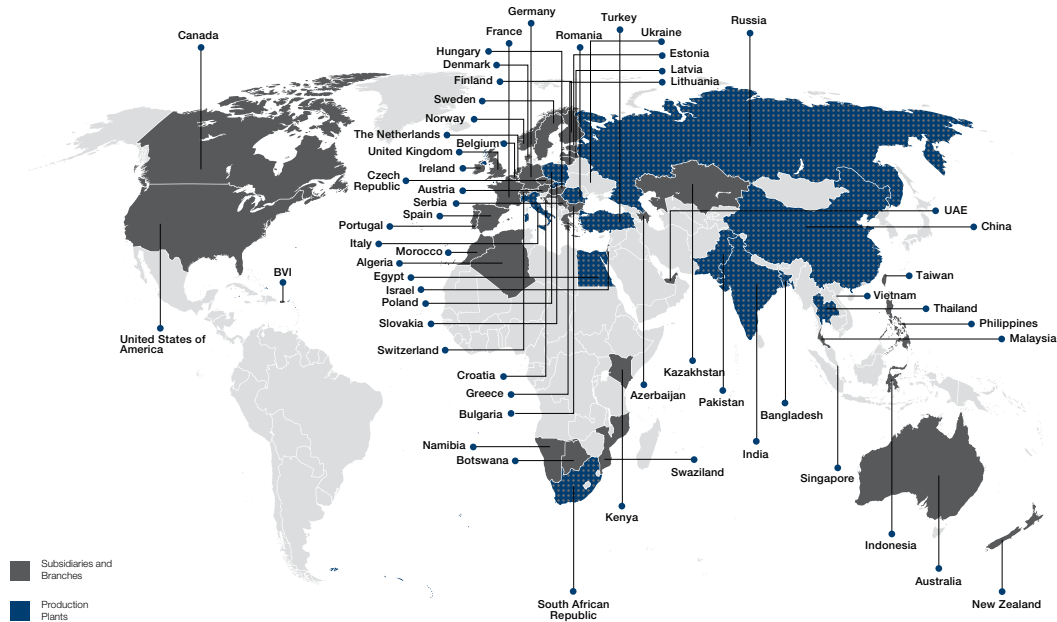
The South African white goods market, which is one of the main markets apart from Europe, enlarged by 11.5% as compared to 2023.

In 2024, domestic sales in six main products group grew by 7% to 10 million units in the Turkish white goods market. Exports ended the year at the order of 22 million units, down by 3% year-on-year.

Total production came to 32 million units, 2% lower¹ than what it was in 2023.

TV market narrowed down by approximately 7.9%, whereas the air conditioning market enlarged by 22.9% in volume.

1) According to the data of the members of the White Goods Manufacturers Association, 6 main products are included in the white goods.



The Koç Group in the Consumer Durables Sector

The Koç Group realizes nearly 40%¹ of the total exports of Turkey in white goods sector.

Companies and Domestic Positions

Arçelik

- #1 in white goods
- #1 in TVs
- #1 in air conditioning

Bilkom

Distribution of information and communication technologies to more than 4,000 sales point

Competitive Advantages

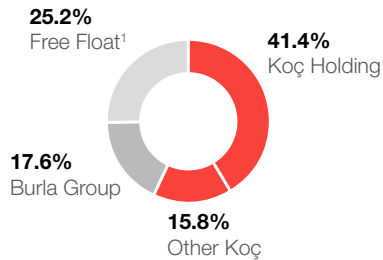
- Low-cost production centers; 13 countries, 45 production facilities
- Turkey's most extensive sales and after-sales service network supported by strong brand value
- Production facilities included in the "Global Lighthouse Network", where WEF - World Economic Forum determines the world's leading production facilities in Industry 4.0
- Solid position in the countries where it pursues operations; the largest white goods company in Europe
- Export to the world with 124 subsidiaries and global sales & marketing organization located in 58 countries.

(1) According to the data of the members of the White Goods Manufacturers Association, 6 main products are included in the white goods.

Arçelik

Arçelik offers products and services globally through 45 production facilities in 13 countries, 124 associated companies in 58 countries and its global brands.

Ownership Structure



(1) Includes shares with a nominal value of TL 68,876,288 TL repurchased by Arçelik (share in capital: 10.19%).

Domestic Position

Leader in stand-alone and built-in white goods
Leader in TVs
Leader in air conditioning

International Position

Europe's **#1** white goods manufacturer¹
Market leader with the Dawlance brand in Pakistan and Defy in South Africa
Beko-Global brand:
 One of the **top 2 white goods brands** in Europe
 The white goods category **leader** in the UK and Romania

(1) Based on 2024 major home appliance unit manufacturing data provided by Euromonitor, an independent global research company.

Financial Indicators (TL million)

Total Revenues	Operating Profit/(Loss)¹	Profit/(Loss) Before Tax	Net Profit/(Loss)²	Share of International Revenues
428,548 %15 (2023: 371,203)	10,609 -%36 (2023: 16,479)	-1,610 n.m. (2023: 18,771)	1,689 -%91 (2023: 19,505)	68%

(1) Excluding FX gains/losses and credit finance income/expenses on trade receivables and payables.

(2) Net profit/loss attributable to the equity holders of the parent.

Non-financial Indicators

ESG Commitments

- Short-term target: Reduce in Scope 1 and 2 emissions and Scope 3 emissions from the product use phase by 42% by 2030 (Base year: 2022)
- Long-term target: Achieve net-zero emissions by 2050
- Commitment for % of women on board¹: 25% in 5 years (2024: 25% - target achieved)
- Commitment to increase the percentage of women by 2030: To 35% in the total workforce (2023: 28%, 2024: 29%), and to 30% in all management positions (2023: 23%, 2024: 26%)

International Platforms

- United Nations Global Compact (UNGC)
- UN Global Compact CFO Coalition for the SDGs
- Science Based Targets initiative (SBTi)
- Business Ambition for 1.5°C)
- Race to Zero
- WEF Alliance of CEO Climate Leaders
- Climate Group EP100
- Signatory to TCFD²
- UN CEO Water Mandate
- Business Plastics Initiative (iPG)
- UN Women's Empowerment Principles (UN WEPS)
- Action Coalition Leader on Technology and Innovation at the UN Generation Equality Forum
- World Business Council for Sustainable Development (WBCSD)

Sustainability Indices and Reporting Platforms³

- Included in Dow Jones Sustainability Index for 8 years in a row
- S&P Global Corporate Sustainability Assessment, the highest score in its sector for 6 years in a row
- Included in TIME magazine's list of World's Most Sustainable Companies 2024
- 2024 CDP Climate Change Score "A", CDP Water Security Score "A"
- BIST Sustainability 25 Index
- In the list of the Top 100 Most Sustainable Corporations compiled by Corporate Knights for the past 5 years
- AAA rating in the MSCI list since 2016
- FTSE4Good

Website



Annual Report



Sustainability Report



Plastic Commitment (iPG)



(1) Policy acceptance date: May 2021

(2) As of 2024, TCFD is addressed under the scope of ISSB.

(3) For other indices and achievements, please see pages 120-123

Arçelik A.Ş. carries out production, marketing, sales and after sales customer service activities in white goods, consumer electronics, small home appliances and kitchen accessories, and is the largest white goods company in Europe.

Steady growth in global leadership journey

Arçelik sustains its global growth journey with 53,000 employees, 22 brands, 124 associated companies in 58 countries, 45 production facilities in 13 countries and 30 R&D Design Centers and Offices. Arçelik, the market leader in Turkey, also maintained its leader position with the Dawlance brand in Pakistan, and Defy in South Africa. Beko, its global brand and one of the top two brands in the European territory in six basic appliance categories combined, maintained its leadership position in the UK and Romania white goods markets.

The merger of Arçelik's and Whirlpool's subsidiaries in Europe under Beko Europe partnership company has been successfully completed on 1 April 2024. Under the transaction, the shares in the subsidiaries operating in Europe under Arçelik's and Whirlpool's control have been transferred to Beko Europe incorporated in the Netherlands. Beko Europe's 75% shares are owned by Beko and 25% owned by Whirlpool.

Additionally, all shares of two subsidiaries of Whirlpool, namely Whirlpool MEEA DMCC (Beko Gulf DMCC) and Whirlpool Maroc S.a r.l. (Beko Maghreb S.a.r.l), operating in the Middle East and North Africa ("MENA") market in the United Arab Emirates and Morocco, respectively, along with Whirlpool's activities in the MENA region, were acquired by Beko B.V. on 1 April 2024, following the closing procedures outlined in the MENA Share Purchase Agreement. The transaction amount, which was estimated at EUR



20 million subject to adjustments for net indebtedness and net working capital based on the closing financial statements, has been recalculated as EUR 38 million, taking into account the impact of the current financial information on the net cash position.

In September 2024, Arçelik officially opened the white goods plant in Egypt, where it has been carrying out marketing and sales operations under Beko brand since 2012. The plant, whose foundations were laid in 2022, will have a total area of 114,000 m² including 70,000 m² of covered area and a production capacity of 1.5 million appliances. The plant is intended to become the new regional manufacturing hub, with plans to export more than 60% of its production to the Middle East, Africa, Europe, and many other regions. The plant will initially manufacture refrigerators, ovens and dishwashers, with plans to produce other household appliance categories in the future. The facility will also incorporate an R&D center that will function as an innovation center for regional product and technology development. With an approximate investment value of USD 110 million, the plant commenced serial production in May 2024.

The construction of the high-tech production facility of Singer Bangladesh started on the 135,000 m²-land in Bangladesh Special Economic Zone (BSEZ) with an investment worth USD 78 million. Following a successful trial production in March 2024, serial production of refrigerators commenced in April 2024. Serial production of other categories, i.e. televisions, washing machines and small appliances, started in November 2024. While AC manufacturing production lines are ready, production is planned for 2025 to accommodate seasonal demand. Singer Bangladesh production plant is designed to qualify for a LEED certification in sustainability. The plant is envisaged to provide employment up to 4,000 people when it operates at full capacity. The Company targets to produce 90% of its products locally.

Arçelik has increased its investments in renewable energy with the aim of making greater contribution to sustainable energy and extending support to ecological energy solutions, and diversified its product array in 2024 at the facility with an area of 12,000 m² established in Beylikdüzü, İstanbul. Transformation investments were

completed upon the commissioning of new cell technologies in solar panel production, and solar panel production using TOPCon cell was commenced. Arçelik solar panels have also been used for the Company's Solar Power Plant (SPP) projects in Aksaray, Kayseri and Nevşehir regions. These solar power plants installed are projected to supply 45% of the electricity need of the Company's establishments in Turkey.

Incorporated in 2021, Arçelik Hitachi Home Appliances carried on with product development between 2021 and 2023 and kept bringing higher segment products with upgraded properties to consumers in more than 65 countries.

Arçelik issued a Eurobond USD 400 million with a maturity date on 25 September 2028. The facility was the first Eurobond issue by a private sector company in Turkey in almost two years. On 17 November 2023, an additional USD 100 million was issued with the same maturity and the same interest rate, and the total amount of the Eurobond reached USD 500 million.

Arçelik's dishwasher plant in Ankara was welcomed to the World Economic Forum's (WEF) "Global Lighthouse Network" that determines the world's leading production facilities with their success in digital transformation.

Arçelik develops technologies for the future based on its sustainability vision.

Arçelik regards sustainability as a business model in keeping with its vision "Respectful of the World, Respected Worldwide" and designs the future now.



Arçelik's sustainability vision is erected on three pillars:

- "In Touch With Our Planet" to shrink our environmental footprint
- "In Touch With Human Needs" to create value for the community
- "In Touch With Business" to drive sustainable development in the value chain

Home appliances are responsible for about 30% of household emissions. It is considered that emissions stemming from home appliances will increase with the need for higher energy consumption to be driven by the rapidly growing middle class in the Asia-Pacific and Sub-Saharan countries. A great deal of the demand for energy will stem from increased volume of equipment, devices, lighting, and other products.

Approximately 99% of Arçelik's carbon footprint is made up of indirect emissions, i.e. Scope 3 emissions. Energy consumed by products are accountable for the highest share within Scope 3 emissions with 82%. Therefore, capability to produce energy-efficient products has become one of the most strategic

sustainability targets for Arçelik. The Company focuses on energy-efficient product development strategies in accordance with Scope 3 targets it has submitted to the Science Based Targets initiatives (SBTi), and benefits from green finance supports in this respect. Through the energy-efficient products it does, and pledges to, manufacture, Arçelik works with the aim of changing consumers' lifestyles and creating a meaningful impact on the future in the long-term not just in regions with stricter regulations such as the European Union but also in markets where sustainability transformation is a challenge and needs to be supported. Washing machines with Energyspin and Coldwash technologies, having auto dosage and microfiber filtering properties and offering A-50% energy efficiency have been introduced in various markets. Reducing Scope 1 and Scope 2 emissions are equally strategically important for Arçelik as are Scope 3 emissions. Increasing installed renewable energy power particularly in production and using 100% green electricity for consumption in global manufacturing facilities are among the Company's important priorities.

- In the developing and booming electric vehicle market, Arçelik and WAT Mobility completed the Arçelik Integration Project for the sales and after-sales services of EV charging stations and adapted the same to the field in 2023. Sold via Arçelik and Beko authorized dealers, Arçelik by WAT branded charging stations started to be serviced by Arçelik authorized service centers.
- Arçelik makes use of sustainable financing to reach its goals. The Company completed the allocation of the green bond with a 5-year maturity for the amount of EUR 350 million that it has issued in international markets in 2021. Furthermore, the EUR 83 million-portion of the loan agreement signed with the European Bank for Reconstruction and Development (EBRD) for the total amount of EUR 150 million is a green loan. These green funds are allocated to environmental sustainability and R&D projects and serve to put to life significant projects to achieve the net-zero goal throughout the value chain by 2050. In 2024, the Company entered into a sustainable deposit transaction worth TL 30 million with a maturity of 9 months.
- In 2024, the Supplier ESG Program, which is designed to reflect the Company's Environmental, Social and Governance (ESG) standards to the supply chain, was integrated with C2FO Prepayment Platform, and the Company assessed suppliers' ESG performances and their progress with respect to their targets to offer them more advantageous prepayment benefits. Arçelik realized its first cooperation with İşbank in relation to the Sustainable Supplier Finance System that will make its debut in Turkey, and played a part in İşbank's providing financing to its suppliers.



- In April 2024, the Company released its Sustainability-Linked Financing Framework that is built on its sustainability agenda and goals. The framework covers the Company's 2030 targets for reducing its Scope 1, Scope 2 and Scope 3 GHG emissions from use phase of sold products and for increasing female representation in its total workforce. The framework has also been prepared in line with the Sustainability-Linked Bond Principles (SLBP) released by the International Capital Market Association (ICMA) in June 2023 and the Sustainability Linked Loan Principles (SLLP) published by the Loan Market Association (LMA) in February 2023.
 - Arçelik was ranked 44th with a score of 75.68 out of 100 in the Time Magazine's inaugural list of the "World's Most Sustainable Companies 2024". Arçelik is the highest-ranking home appliance company in the list that reviewed more than 5,000 companies.
 - Arçelik has been assigned a score of "A" in the Carbon Disclosure Project (CDP) 2024 Climate Change program and "A" in the Water Security Program.
 - Arçelik made it for the fifth consecutive time to the Global 100 List, in which the Corporate Knights ranks the world's most sustainable companies.
 - Arçelik was assigned an ESG Risk Assessment score of 13.6 by Morningstar Sustainability, and was assessed¹ to be at low risk of material financial impact stemming from ESG factors as of October 2024.
 - Having scored 71/100 in 2024 EcoVadis Sustainability Assessment, Arçelik earned a Silver EcoVadis Medal.
 - Arçelik was awarded Prime degree at International Shareholder Services (ISS) ESG.
- Global leadership in sustainability**
- Arçelik has earned the highest score among the 45 companies evaluated in the DHP Household Durables sector of S&P Global Corporate Sustainability Assessment as of 22 November 2024. With this achievement, Arçelik has been the top scorer in its sector for the sixth consecutive time, and was included in the Dow Jones Sustainability Index for the eighth consecutive time.

(1) Must in no event be constructed as an investment advice or expert opinion as defined in the legislation in force.

- Since November 2014, Arçelik has been a permanent constituent of the BIST Sustainability Index. Arçelik has also been included in BIST Sustainability 25 Index since its inception in 2022.
- According to 2023 data, Arçelik received the highest LSEG ESG Score of 89/100 in the Durable Home Appliances industry.
- Arçelik has succeeded in being included in the FTSE4Good Emerging Markets Index since 2016, which lists companies with strong environmental, social and governance performance as measured by FTSE Russell, a global provider of indices and data owned by the London Stock Exchange.
- Arçelik has been rated AA in the MSCI Sustainability Index in 2015, and consistently AAA since 2016.
- In 2024, Arçelik has received the approval of the Science Based Targets Initiative (SBTi) for its GHG emissions reduction and net-zero science-based targets aligned with the Paris Agreement scenario to limit global warming to 1.5°C above pre-industrial levels. Accordingly, as near-term targets, the Company aims to reduce its Scope 1 and 2 emissions by 42% in 2030 compared to a 2022 base year, and Scope 3 emissions from use phase of sold products by 42% for the same timeframe. For its long-term targets, the Company aims to become a net-zero company by 2050. To this end, Arçelik will cut its Scope 1, 2 and 3 emissions by 90%, by 2050, also compared to a 2022 base year.

Arçelik declared gender equality commitments in technology and innovation as part of UN Women Generation Equality Forum, of which Koç Holding is one of the global leaders. The Company's commitments to be achieved by 2026 in this context are as follows:



1. Provide technology, design, information technology and software education to 100,000 girls (aged 10 to 14) in all 81 cities of Turkey to mitigate the Gender Digital Divide (The Digital Wings project reached 34,819 girls in 2024).

2. Support the career developments of women engineers (university students aged 17 to 23) in R&D and innovation at Arçelik's facilities in Romania, Pakistan and South Africa (Under the WE-inTech Project, workshops and training programs were organized for 40 female engineering students in 2024).

3. Increase the number of women entrepreneurs in the retail ecosystem by increasing the ratio of women dealers at Beko Turkey from 86 to 150 (In 2024, women dealers were present in 93 districts across 42 provinces in Turkey with 125 dealers and 151 stores.)

4. Reach 1,000 women through global entrepreneurship programs and contribute each year to funds allocated to women entrepreneurs (87 women entrepreneurs were reached through the entrepreneurship programs organized in 2024.)

5. Increase the % of women in STEM positions at Arçelik from 16% to 35% in its global organization (Ratio of women employed in STEM positions went up from 21.3% to 21.5% in 2024).

6. Facilitate the provision of technical training to 1,000 women and their employment at Arçelik authorized service centers as technical service staff. (500 Women Technicians Project has been instrumental in winning 70 new women technicians for the system following eight new training programs organized in 2024. Total number of women reached since the commencement of the project arrived at 734, out of which a total of 447 are actively working).

Under the partnership developed with Water.org to support a social responsibility program that will give 10,000 Kenyans access to safe water or sanitation solutions, Beko has been sponsoring Water.org and its local partner Association of Microfinance Institutions-Kenya (AMFI Kenya) from the fourth quarter of 2022, and giving populations deprived of safe water sources and sanitation solutions access to safe water or sanitation solutions. Upon the completion of the project in 2024, the Company has

succeeded in bringing safe water or sanitation solutions to 10,236 people in the region.

Arçelik aims to work towards increasing its biodiversity footprint to the no-net-loss level by 2050 and thus, carried out a biodiversity risk assessment of its own operations. Arçelik targets to increase biodiversity in the land of the Arctic Ulmi plant located near Natura 2000 key biodiversity area (KBA) by 2027.

In 2023, Arçelik unveiled the game “DOMINO: The Little One” co-developed with the Beko brand to draw the attention to the climate crisis and environmental issues. Developing sustainable technologies for the planet’s future, Beko aims to raise increased awareness of individual steps that can be taken against the issues impacting the continuity of the ecosystem with a focus on climate crisis through the protagonist named Domino. As of 2024, DOMINO reached more than 500 million people through global and local launches and over 180,000 players added the game to their game libraries. The games received positive reviews by 80% on the platforms.

Below are highlights of the projects the Company carried out to date in line with its 2030 strategy based on its sustainability approach:

- Use recycled and bioplastic parts in products, which have less carbon footprint as compared to their oil-based alternatives.
- Use 100% recycled and recyclable cardboard in the boxes of certain models of its products
- Product line with EPS-free packaging,

- Capability to filter up to 90% of microplastics that damage the marine ecosystem and threaten health by making its way into the food chain with the world’s first-ever washing machine fitted with FiberCatcher® filter, an integrated microfiber filtration system.
- The first autonomous washing machine in A-10% energy efficiency class that optimizes detergent, water and energy consumption by creating the most accurate washing steps went into serial production. 24% of the weight of the washing machine consists of recycled materials. The AutoDose feature guarantees just the right amount of detergent to be used for every wash that reduces the product’s carbon footprint by 32% over its lifecycle.²

Forward-looking expectations and growth strategy

In a bid to become one of the largest white goods manufacturers in the world, Arçelik formulated its future strategy under four main pillars focused on economic growth under the sustainability roof:

- **Strengthening:** Strengthening the key markets and product groups
- **Expanding:** Achieving increased geographical penetration and capitalizing on new growth opportunities
- **Enriching:** Diversification of the product portfolio, after-sales services and customer experience
- **Contributing value:** Technology for the planet, society and our business

In the aftermath of the acquisition, the Company carries on with its investments to consolidate the position of the Company’s markets in Europe that represents its primary market, and to respond to evolving customer demands. It also keeps working on optimizing a manufacturing network to achieve synergy and efficiency in its operations in Europe.

In pursuit of increased geographical penetration, Arçelik carries on with its growth investments through its partnership with Hitachi, with its facility investments in Bangladesh and with its Beko brand in the Asia-Pacific region that presents a young population ratio, high purchasing power and developing economies, and keeps cementing its position through investments in the MENA region.

With respect to enriching its product portfolio, Arçelik is targeting to increase its market share particularly in small home appliances and built-in appliances market. The Company develops business models that pays regard to specific country needs by enriching its products and services within the scope of after-sales services.

Arçelik is guided by energy efficiency and circular economy principles in its products in line with its publicly disclosed targets within the scope of its sustainability strategy. Through wider production and sales of energy-efficient products, it is aimed to reduce the emissions resulting from their use. Arçelik targets to be a part of the transformation process with its investments and energy efficient products in countries where there is a burgeoning middle class over the next 10 years.

(2) Carbon emissions vary depending on consumer usage. Lower emission by the washing machine is enabled mainly by the use of a liquid detergent. The values stated are calculated in comparison with Arçelik 10140 PM washing machine.



The largest manufacturer of air conditioning units under one roof in Turkey and Europe

Arçelik-LG, which started its operations in 2000, is the largest manufacturer of air conditioning (AC) units under one roof in the Middle and the Near East and Europe with an annual production capacity of 1.75 million units, with an average of 950 employees throughout the year.

The Company is the leader in Turkey with over 50% market share captured with Arçelik's brands in the market that has grown by 40% over the last two years, thanks to its innovative and competitive approach, strong technological infrastructure as well as wide distribution network. Approximately 20% of air conditioners produced by Arçelik-LG are exported to a number of countries, primarily Europe and Africa.

In 2024, Arçelik-LG successfully achieved its production and sales target of more than 1,000,000 sets of split AC units. This achievement was enabled by the broad product range covering Arçelik, Beko and LG brands, and effective production and procurement strategies.

First and new products continued at full speed in 2024

On the back of its R&D activities, Arçelik-LG made a new addition to its pioneering technologies in Turkey and has become the first domestic manufacturer to use the radar technology in its Pro Smart Plus line. This technology detects the presence of people in the room to provide the optimum air flow, while generating value for customers through energy saving.



Based on the product design strategy centered on customer expectations, 21 K BTU/h air conditioner design was added to the product portfolio in Southeastern Anatolia Region. Moreover, the product's outdoor operating temperature limit was increased to 55oC, resulting in the market introduction of a design that is compatible with extreme heat and tropical conditions. These two properties make the 21 K BTU/h product another first in these respects.

"Smart AC" and "EPS Free" projects were finalists at the Ministry of Industry and Trade's Efficiency Project Awards 2024, where the evaluations are ongoing.

2024 has been a year of major steps taken by Arçelik-LG in relation to operational excellence and technological transformation. The factory's efficiency was increased through continued investments that enabled innovative approaches to production technologies based on the future-ready factory vision.

The Company creates a differentiation in the sector also through its AI-based production solutions and secures competitive edge through the solutions introduced in production.

Digital transformation activities set off a new era in data management and process optimization. It is intended to increase the effectiveness and efficiency of the factory's decision-making mechanisms by supporting the integration of smart algorithms.

With a human focus, Arçelik-LG introduces new projects with "Zero Risk" target in relation to occupational health and safety. Accordingly, the "Con-Dancer" (Condenser Bending Automation) project that will eliminate occupational safety risks during production and will enhance machinery security and ergonomic comfort levels was a finalist in the OHS Special Prize category organized by MESS, Turkish Employers' Association of Metal Industries.

Despite the uncertainties experienced in supply chain management such as the "Red Sea Situation", supply routes were modified that resulted in a more shock-resistant structure and thus, 99.2% success rate was captured in on-time shipment of products to sales channels and customer delivery.

Forward-looking Expectations

Arçelik-LG targets to increase its domestic market share and penetrate new export markets, while consolidating its leadership in the sector by offering competitively priced, high-quality and sustainable products with high energy efficiency. The Company has focused on innovative product development based on analyses of user and technology trends, and embraced R&D investments in this area as a critical step for sustainable growth. It also aims to carry on with its R&D work in the commercial AC segment to expand its domestic product portfolio.

Website





Beko Europe plays a key role in the goal of being Europe’s #1 white goods manufacturer.

Committed to enhancing people’s everyday lives through innovative and sustainable solutions, Beko Europe is a global leader in the design and manufacture of home appliances and consumer electronics. Beko Europe was set up in April 2024 for the purposes of streamlining Beko’s European market operations, fostering closer ties with local markets, and boosting operational efficiency across the continent. Beko BV and Whirlpool Corporation hold 75% and 25% stakes in Beko Europe respectively.

This new structure is a strategic move that marks a significant milestone in Beko’s pursuit of sustainable growth. Beko Europe aims to further strengthen Beko’s market position while simultaneously emphasizing the brand’s focus on sustainability, operational



excellence, and innovation. Its goal is to contribute to long-term value-creation and competitiveness by adapting quickly to changing consumer needs and expectations through a steadily growing brand portfolio. Beko Europe plays a key role in Beko’s goal of being Europe’s foremost white goods manufacturer.¹ It manages a portfolio of sixteen brands that include Beko, Whirlpool,² Grundig, Hotpoint, Arctic, Ariston,² Leisure, Indesit, Blomberg, Bauknecht, ElektraBregenz, Privileg, Flavel, Altus, Ignis, and Polar.

With the benefit of Beko’s 70-year legacy of innovation, Beko Europe aims to inspire sustainable living in every home through its advanced technologies, strong production capabilities, and a skilled workforce. The company’s design philosophy is centered on creating

comprehensively functional, aesthetically appealing, and sustainable people-focused solutions.

Going beyond sustainable production processes, Beko Europe also invests heavily in the sustainability of its after-sales service operations. For example to prolong the useful lifetimes of the home appliances it manufactures, every year the company channels more than 40,000 refurbished items back into the market through its Refurbishment Centers in the UK and Italy. With an extensive European after-sales service network, the company has an outstanding reputation for delivering trustworthy, top-tier customer support.

(1) Source: 2024 white goods unit-production figures compiled by Euromonitor, an independent global research firm.
(2) Territory and/or product-limited trademark rights.

Arçelik

HITACHI
Home Appliances

Founded in 2021 as an Arçelik (60%) and Hitachi (40%) joint venture, Arçelik Hitachi Home Appliances focused on accelerated product development, digital transformation, and innovation in 2024. The company's adoption of SAP HANA infrastructure for its digital transformation has already resulted in increased operational efficiency and optimized data-driven decision-making. In line with its mission to lead Arçelik Hitachi Home Appliances' global presence in the APAC region, the company has launched



an R&D Center and Robot Automation Application Laboratory to develop innovative solutions and strengthen its technology leadership in the region. This center will leverage advanced technologies to create market-driven solutions and boost competitiveness. Thanks to a significantly enhanced technology platform supporting its diverse product portfolio, the company introduced over 600 new items in 2023 and 2024, expanding its reach to consumers in over 65 countries. Benefitting especially

The company aims to provide consumers with an extensive product portfolio through an enhanced technological platform.

from market dynamics, Arçelik Hitachi has been registering strong, rapid growth in Iraq, Saudi Arabia, and BAE.

In 2015 Arçelik Hitachi will be looking to further drive its sustainable growth by entering into strong partnerships with leading market players so as to continue offering a range of top-of-the-line, superior-quality products that enhance the consumer experience.

VOLTAS • beko



VoltasBeko supplies goods to consumers through 15,000 retail outlets in India.

VoltasBeko is a joint venture formed in 2017 between Arçelik and Voltas, India's leading air conditioner brand. This partnership leverages Arçelik's technology and innovation expertise along with Voltas' extensive domestic market knowledge and sales experience.

By combining Arçelik's strengths in R&D, advanced technology, and manufacturing with Voltas' established market position and brand recognition in India, VoltasBeko delivers customer-centric, innovative, and sustainable products of the highest quality at competitive prices. With an

extensive product portfolio encompassing refrigerators, washing machines, dryers, dishwashers, and microwave ovens, VoltasBeko reaches consumers through a network of 15,000 retail outlets across India.

VoltasBeko has set its sights on becoming a leading brand in India's home appliance market. To achieve this, the company is focused on accelerating its growth year over year as well as on increasing brand penetration across all regions of the country. VoltasBeko ranks among the top seven most recognized white goods brands in India.

VoltasBeko expanded its international footprint in 2024, achieving two key milestones. The company began exporting top-loading washing machines to Bangladesh and made its first foray into the Sri Lankan market, extending its reach beyond Nepal, the Maldives, Bangladesh, and Turkey.

In the five years between 2020 and 2024, the company's refrigerator production surpassed 2.8 million units.



The number one distributor in Turkey's electronics retail sector.

With its experience of 41 years and its expert staff, Bilkom is one of our country's leading distributors of Information and Communication Technologies (ICT), distributing products of leading global brands directly and indirectly to over 4,000 sales points spread throughout Turkey.

Bilkom is the name that brings to customers one out of every six tablet computers and one out of every six smart watches, one out of every product in the gaming accessories category, and one out of every three kick scooters sold in electronics retail stores in Turkey. The leading distributor of games consoles and industrial drones in the overall Turkish market, Bilkom reinforces its number 1 position in its sector with the market shares achieved.

Carrying out its activities with sustainable profitable growth focus, Bilkom's revenues reached TL 37.5 billion (USD 1 billion). In 2024, Bilkom carried out three bond issuances worth TL 1,350,000,000 in total with a maturity of 3 to 6 months to qualified investors.

Placed in 75th spot in Fortune Turkey 500 list and in 104th spot in Capital 500 rankings, Bilkom has been the unchanged number 1 distributor of tablet and portable computers in Turkey for the past four years in a row.



Value added and focused distributor

Under its value-added service package named Bilkom Plus, Bilkom offers services such as 360-degree brand management, business development, licensed domestic production, channel domestic production, business and channel program development, consumer experience management and far-reaching countrywide after-sales services up to the endpoint to select and pioneering global brands that lead the digital and mobile transformation in the world such as Apple, Huawei, TCL Electronics, DJI Enterprise, Segway-Ninebot, Razer, Meross, Aqara and Pico. The Company makes a difference with its installation, warranty and maintenance services furnished to consumers under "Bilkom's warranty".

New Generation Agile Organization

Of the 126 employees on its payroll, the percentage of women employees at Bilkom is 57% and that of Millennials is 72%.

Having been assigned a score of 4 stars and boasting an employee engagement score of 88% according to the Business Agility Assessment conducted by BAI for its innovative HR practices introduced based on its agile management concept, Bilkom was named among the best employers in Turkey in 2024.

Digital investments

In line with its motto spelled out as 'Digital Life Coach', Bilkom supports digitalization as a tool to foster operational efficiency and sustainable growth. The Company aims to become a "Digital Role Model Company" with its digital transformation and data analytics projects to which approximately 57% of its total investments over the past four years were allocated.

Social Responsibility Projects

The project "Code: Hope" was put into implementation in Malatya Hope City. The project is intended to develop the technological skills of the youth in the earthquake-affected region, support their educational life and improve their future career opportunities.

Forward-looking expectations

Regional expansion, care/service sales and smart home solutions are among Bilkom's future innovation focuses. The internationally awarded closed marketplace platform, "Lonca Market", launched as an online innovation project, continues its investments. Making investments for domestic production in television and smartphone categories, Bilkom capitalizes on new production opportunities that will reinforce its "Manufacturer-Distributor" identity.

Website



Finance

We offer the most creative solutions to our customers on every platform through our investments in digital transformation and widespread branch network.





Finance

In 2024, despite the improved inflation outlook, central banks of developed countries maintained their cautious stance due to the uncertainties stemming from trade policies and geopolitical risks. Rate cut cycle was initiated by the central banks in developed countries from the second half of 2024. As a result of these developments, the International Monetary Fund (IMF)'s World Economic Outlook dated October 2024 estimates that global economy will slow down to 3.2% in 2024.

As for the Turkish economy, domestic economic activity lost pace because of the tight monetary policy implemented to control inflation, and domestic demand was rebalanced. This and the tight monetary policy that pushed inflation and foreign trade deficit down, coupled with the strong performance of the services balance resulted in improved current accounts balance. While the implemented policies reflected positively on the level of reserves, moderate capital inflows to Turkey were observed. The tight monetary policy stance supported the betterment in the risk sentiment towards Turkey and the decline in risk premium.

The Central Bank of the Republic of Türkiye (CBRT) raised the policy rate from 42.5% in 2023 to 50% through a total increase of 750 bps in January and March. Emphasizing that the tight monetary



policy stance will be maintained until a significant and sustained decline in the underlying trend of inflation is secured, the policy rate was kept unchanged at 50% for eight months, and the first rate cut by 250 bps was realized in December upon the recuperation in inflation. In addition, the CBRT imposed a limitation on Turkish lira and FC loan expansion, increased the required reserves for the TL liquidity in the market, and adopted various macroprudential measures to grow the share of TL deposits and gradually decrease the volume of FX-protected deposits (in Turkish: KKM). Consequently, TL loan expansion remained below inflation. In 2024, the sector's TL loans grew 29%; the growth was driven mainly by consumer loans and credit cards.

Demand for FC loans, on the other hand, increased by 28% on USD basis owing to the relatively low FC interest rates. The steps taken within the frame of the liraization strategy helped grow TL deposits by 42% whereas FC deposits contracted by 8%. The sector's NPL ratio in 2024 worsened by an annual 15 bps to come to the order of 1.8% due to the slowdown in economic activity and due mainly to personal and credit cards. Regulatory institutions provided restructuring opportunity for overdue personal credit cards and general-purpose loans in the last quarter of the year in an effort to slow down the deterioration of asset quality.



The Koç Group in the Banking Industry

Yapı Kredi got 15% market share in TL cash loans and 13.5% in customer deposits among private banks.

Companies and Domestic Positions

Yapı Kredi

#4 among private banks

Yapı Kredi İştirakleri

- Yapı Kredi Leasing
- Yapı Kredi Factoring
- Yapı Kredi Invest
- Yapı Kredi Asset Management
- International operations: Yapı Kredi Nederland, Yapı Kredi Azerbaijan, Yapı Kredi Deutschland

Koçfinans

The growing player in the area of integrated financing solutions

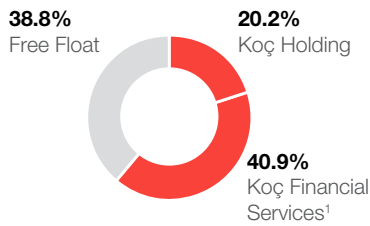
Competitive Advantages

- Experience dating back 80 years
- Innovative service and branch network
- Pioneer in digital solutions
- Customer focused growth strategy
- Strong and diversified funding base
- Meeting all of the financial needs of its customers under one roof



In 2024, Yapı Kredi preserved its liquidity and capitalization and high provisioning level, while sustaining its successful balance sheet management performance.

Ownership Structure



(1) Koç Holding has a direct shareholding of 84.53% in Koç Financial Services.

(2) Position and market shares among private banks.

Domestic Position²

15.2% market share in total assets
17.4% market share in total cash and non-cash loans
15.4% market share in TL cash loans
13.5% market share in customer deposits

International Position

Yapı Kredi Leasing
17.0% market share
Yapı Kredi Faktoring
7.4% market share
Yapı Kredi Invest
13.3% market share
Yapı Kredi Asset Management
8.6% market share
Yapı Kredi Bank Nederland
Yapı Kredi Bank Azerbaijan
Yapı Kredi Deutschland

Financial Indicators (BRSA Consolidated-TL billion)

Total Assets	Total Cash Loans	Net Profit	Return on Average Tangible Equity	Cost / Income
2,554 +37% (2023: 1,863)	1,264 +37% (2023: 920)	29 -57% (2023: 68)	15.8% -29 pp (2023: 45%)	96% +18 pp (2023: 78%)

Non-financial Indicators

ESG Commitments

- SBTi-approved target to reduce Scope 1, 2 GHG emissions by 42% until 2030 (6.4% reduction as of 2024)
- Target to continue to meet all electricity needs from renewable sources (2030: 100%)
- SBTi approved reduction targets in Scope 3 Category 15 financed emissions
- Commitment to be net zero by 2050 under NZBA membership
- As part of the UN Principles for Responsible Banking, commitment to increase by 10% the % of women entrepreneurs who own 2 or more active financial products from different categories in order to enhance their financial resilience
- Commitment for % of women on board¹: 30% until 2026 (2024: 20%)

- Commitment to increase % of women in STEM positions to 40% by 2026 (2021 baseline year: 35%, 2022: 37%, 2023: 37%, 2024: 39%)
- Commitment to reach 80,000 women and girls until 2026 through community programs within the scope of the Equal Opportunity Program in Technology (2024: 13,657)

International Platforms

- Science Based Targets initiative (SBTi)
- Net Zero Banking Alliance (NZBA)
- Signatory to TCFD²
- Finance for Biodiversity Foundation
- UN Women's Empowerment Principles (UN WEPS)
- Action Coalition on Technology and Innovation of the UN Generation Equality Forum
- UN Principles for Responsible Banking (UN PRB)

- United Nations Global Compact (UNGC)

Sustainability Indices

- BIST Sustainability Index
- Bloomberg Gender Equality Index
- FTSE4Good Emerging Markets Index
- Sustainalytics ESG Rating: 15.8
- MSCI (AA Leader Category)
- S&P ESG: 67
- CDP: Climate Change Score "A"
- Fitch ESG: 60
- ISS ESG: C-

(1) Policy Acceptance Date: February 2021

(2) As of 2024, TCFD is addressed under the scope of ISSB..



Established in 1944, Yapı Kredi is a leading financial group together with its domestic and international subsidiaries. It carries out its activities in “Retail Banking” (individual banking, business banking, private banking and wealth management, and payment systems), “Corporate Banking” and “Commercial and SME Banking” segments. The Bank’s operations are supported by its domestic subsidiaries consisting of portfolio management, brokerage, leasing and factoring as well as international banking subsidiaries in the Netherlands, Azerbaijan and Germany.

Yapı Kredi kept strengthening its position in the sector while sustaining its support to the Turkish economy.

In line with its strategy, Yapı Kredi continues to reduce the concentration in loans and deposits, pursue fragmented and broad-based growth, and focus on transaction banking for fee and commission generation. At the same time, the Bank keeps preserving and further improving its solid balance sheet composition drawing on its sound capitalization and liquidity.

The Bank’s cash and non-cash loans expanded by 39% to reach TL 1,813 billion. Cash loans amounted to TL 1,264 billion, up by 37%. While loan growth was driven by TL and foreign currency denominated loans, Yapı Kredi continued to support companies and exporters, and remained by the side of its retail customers. The Bank’s customer deposits volume grew by 25% to reach TL 1,348 billion. In addition, the customer TL demand deposits enlarged by 64% and the share of customer TL demand deposits to total TL deposits rose to 27% owing to Yapı Kredi’s maintained focus on fragmented transactions in deposits and the positive effect of lucrative customer acquisitions.



The Bank continued to diversify its funding sources and secured approximately USD 8.6 billion through syndications, subordinated bonds, debt securities that can be included in the calculation of Additional Tier 1 capital, bond issuances and bilateral loans.

Yapı Kredi signed two syndicated loan agreements in 2024. Both facilities will be utilized under Yapı Kredi’s Sustainable Finance Framework. In the first half of the year, the Bank secured a sustainable syndicated loan of USD 936 million which was participated by 46 banks from 25 countries. In the second half of the year, Yapı Kredi obtained a sustainable syndicated loan of USD 1,052 billion which was participated by 45 banks from 24 countries.

In 2024, the Bank preserved its strong capital buffers, and the consolidated capital adequacy ratio realized at 15.2%. In the same period, Yapı Kredi’s net interest margin adjusted for swap costs declined by 466 bps to 0.73% due to the ongoing limitations imposed on loan expansion by macroprudential measures and the

increased cost of deposits stemming from legal requirements, coupled with the high inflation environment. With the contribution of strong growth in commissions, the coverage of costs by commissions was registered as 96%. As the Bank sustained its strong collections performance, it carried on with solid provisioning in keeping with its prudent approach. Hence, Yapı Kredi’s net cost of risk (adjusted for FC protection) was registered around 58 bps in 2024. The Bank’s total loan coverage ratio was 3.8%. In the light of all these developments, Yapı Kredi posted a return on equity of 15.8%.

Continuing to support the country’s economy in line with its customer-oriented banking approach, Yapı Kredi carries on with its digital banking focused approach that places people at the heart of its activities, and maintains its investments in this field by incorporating technology in its business processes to the maximum extent, in a manner which makes life easier for its customers and enriches their experience.

Yapı Kredi continues to grow sustainably in its targeted areas.

Drawing on its solid capitalization, people-oriented innovative service concept without limits, and qualified human resource, Yapı Kredi keeps growing sustainably in its targeted areas. The Bank believes that economic growth can be achieved with a holistic perspective that tackles environmental and social sustainability issues in combination. Having successfully maintained its identity as the exemplary institution for the banking sector and the country for many years with the steps taken along this line, Yapı Kredi espouses sustainability in every aspect and integrates it in all its business processes.

As a result of its gender equality initiatives, Yapı Kredi qualified for inclusion in the Bloomberg Gender Equality Index (GEI). The Bank has committed to reaching a total of 20,000 women entrepreneurs by the end of 2026 with advantageous products and services specifically for women entrepreneurs. On another front, the Bank targets to reach out to 80,000 women by 2026 through training programs devised under 14 different headings in information technology within the scope of the Equality in Technology Project. In addition, with the Snowball for Tomorrow education program that the Bank launched in keeping with the principle to help build a robust foundation for the future of children, the Bank aims to support the development of children in the 0-6 age group, which is the mental development stage, and contribute to raising a generation that will be able to compete with the rest of the world.

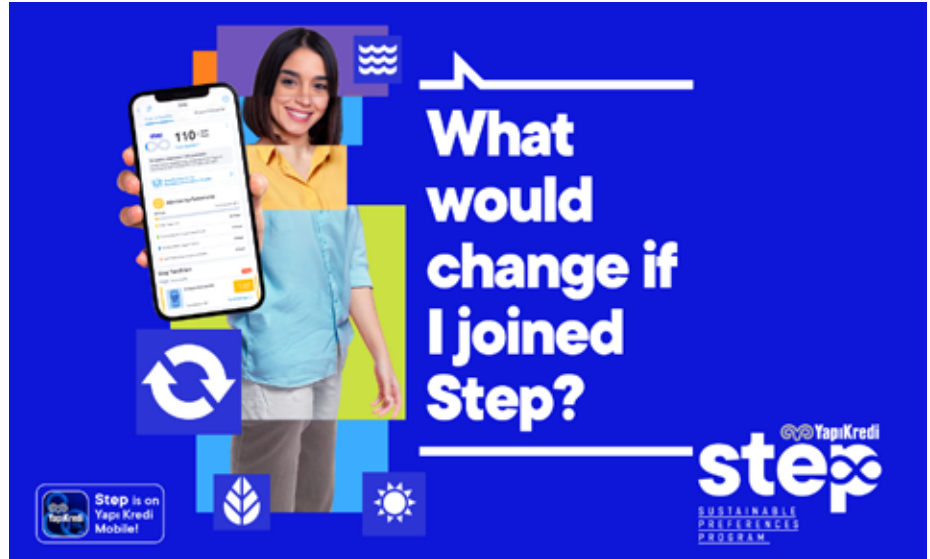


Furthermore, Yapı Kredi became a signatory to the Net Zero Banking Alliance (NZBA) set up by the UN Environment Programme Finance Initiative (UNEP FI) in a continuation of the steps it takes for combating the global climate crisis. On another front, the Bank was placed in A (Leadership) band in the Climate Program of the CDP, the world's largest environmental reporting platform; outperforming the global finance sector average. Yapı Kredi became the first and only financial institution from Turkey to make it to the Global A List. It has also joined the Business Ambition for 1.5°C platform of the Science Based Targets initiative (SBTi) and committed to set GHG emission reduction targets that will limit global warming to 1.5°C. Yapı Kredi is among the banks supporting the Task Force on Climate-Related Financial Disclosures (TCFD). On top of all those, Yapı Kredi has been the only Turkish financial institution to become a signatory to the Finance for Biodiversity Foundation.

Under the UN PRB (United Nations Principles for Responsible Banking), of which it is a founding signatory, Yapı Kredi identified its three priority impact areas: Climate Change, Financial Inclusion and Health, Gender Equality. In this context, the Bank continues to disclose the progress it achieves towards the targets it has identified as per the target setting guidelines developed by UNEP FI through the UN PRB progress report on an annual basis.

Undertaking significant work in relation to carbon emissions as well, Yapı Kredi minimizes environmental risks through its initiatives targeted at low-carbon transition and combating climate change. The Bank effectively manages its environmental and social impacts arising from its operations and its lending. Implementing ISO 14001 Environmental Management System at its Head Office, domestic and overseas (Yapı Kredi Azerbaijan, Yapı Kredi Nederland) subsidiary locations, all regional office buildings and branches,

the Bank calculates and reports its GHG emissions from its operations each year in line with the ISO 14064 standard. Yapı Kredi successfully completed the ISO 50001 Energy Management third party audits for its Head Office buildings (Plaza D Block and the Banking Base), and kept monitoring energy management at international standards. In cooperation with Apollo IoT, the Bank launched the “AI-Based Digital Portal” project which will allow instant tracking of electricity, gas and water consumption at its buildings via a digital platform for increased efficiency. In addition to the emissions reductions achieved by the projects in 2024, the Bank neutralized Scope 1 and 2 emissions by purchasing Carbon Neutral Certificate for Scope 1 emissions and IREC for Scope 2 emissions. In the reporting period, the Bank also finalized the deployment of ISO 14001 Environmental Management System and ISO 14046 Water Footprint certifications and zero waste practice across all its locations including the Head Office buildings. Having carried out the rooftop SPP project at the Banking Base buildings in 2022, Yapı Kredi initiated the 25 MWe SPP project at Yapı Kredi Tekirdağ within the scope of the Selfie Project initiated by Koç Holding in 2024, and received the call approval. The regulatory approval procedures for the project are in progress; upon their completion, it is planned to commission the PPS and commence electricity generation. The Bank targets to supply 59% of its annual self-consumption from renewables. In addition, the Bank’s Banking Base building qualified for LEED Platinum Certificate, one of the world’s most prestigious green building certificates.



Yapı Kredi aims to encourage its customers to turn to ecofriendly solutions by raising their awareness and reduce carbon emissions through Step, the Sustainable Choices Program it has launched in 2023. The Bank also continues to raise awareness of its customers through its livestreamed programs focused on sustainability, podcasts and blog posts, and to minimize its environmental impact through its digital banking solutions.

Furthermore, within the scope of the Carbon Transition Program launched by Koç Holding, Yapı Kredi calculated the emissions arising from its credit portfolio in accordance with the international PCAF (Partnership for Carbon Accounting Financials) methodology and set its science-based reduction target in relation thereto. In 2023, Yapı Kredi finalized the loan transformation plan development for the targets it has set, and took steps to reformulate its lending policies as per this

strategy. In 2024, Yapı Kredi has become the first large-scale private bank to have received SBTi verification for its reduction targets of its emissions resulting from both its operations and credit portfolio. In this context, Yapı Kredi aspires to keep on with its efforts within the frame of the transformation plan designed to reduce the financed emissions and to go beyond being a mere lender but act as a guide and partner for its customers along their net zero pathways.

In 2022, Yapı Kredi also conducted a project for integrating climate risks within all risk management processes starting with credit assessment. In 2023, capacity building training programs and workshops have been organized for advancing the Bank’s internal approach to this topic under the project titled “Integrating Climate Risks and Opportunities in Lending Processes”. Specifically for this purpose, the Bank keeps actively participating in working groups set up

under BAT (The Banks Association of Türkiye) and closely monitors the regulations developed by the BRSA (Banking Regulation and Supervision Agency).

Under the policies updated in 2021, Yapı Kredi announced that it will not finance greenfield coal-fired thermal power plants and greenfield coal mining projects. As it authors numerous pioneering initiatives within the framework of sustainability, the Bank keeps supporting the green transition by extending financial support to green projects and investments. Having updated its Sustainable Finance Framework in 2024, the Bank incorporated new green and social loan categories within the scope of sustainable finance.

Forward-looking expectations

In 2025, Yapı Kredi aims to preserve its sound capital base while maintaining its strategic balance sheet composition, successful assets-liabilities management and strong liquidity. The strongly positioned balance sheet composition in the face of macroprudential framework will be supportive in the anticipated loosening phase of the monetary policy in 2025. In line with its strategies, the Bank will continue to consolidate its lucrative customer base by growing its robust customer base while maintaining its broad-based growth target on both the loan and deposit sides.



In the medium term, Yapı Kredi targets to be the best in its class in value creation with the support of its strong balance sheet and customer-oriented service model.

Undertaking initiatives that will cater to customer expectations and enrich their experience, Yapı Kredi will keep supporting its customers in any respect they need based on its people-oriented service concept. Along this line, drawing on its solid position in the sector and its innovative character, the Bank will continue to author projects that lift limits in every aspect of banking, just like it has presented numerous trend-setting innovations to the sector ever since its inception.

In the coming period, Yapı Kredi will work committedly to contribute to the society through initiatives in environmental, social and governance areas. In this framework, the Bank will support green transition in all respects, including the financing channels offered to the business world. Yapı Kredi will continue to deliver financial solutions for sustainable development through its wide variety of products and services centered on sustainable finance, such as green bonds, sustainability-linked loans, renewable energy and energy efficiency loans, electric vehicle loans, ecofriendly housing loans, and ESG mutual funds.



Koçfinans has been delivering financial solutions, and leading its sector with its innovative vision for 30 years.

Koçfinans is a leading company in its sector with total assets worth TL 32 billion and ranks second in terms of portfolio volume. The Company's loans portfolio augmented by 83% to TL 27.6 billion as compared to 2023, and its net profit for the period grew by 103% to TL 1.0 billion.

Koçfinans offers service in all vehicle segments for brand new and second-hand vehicles with a robust financial product composition addressing the entire value chain, from individual and commercial customer finance to dealer finance and insurance.

As the company's R&D center that is the first in the sector draws near its fifth year, a pioneering role is assumed in the sector with the digital solutions developed using data analytics. Investments continue in projects that employ scoring and AI models that use alternative data and methods. The Company reached an automation level of above 90% in retail credit evaluation employing analytical models. Credit lines can be opened with digital competencies, robotic processes and automatic systems without the need for any manual procedures and controls.

Koçfinans measures its customers' and business partners' opinions and makes use of their feedback for improvement.



While the Company increased its customer NPS from 64 to 78 as compared to 2023, it maintained the in-network dealer NPS at above 80.

Koçfinans carried out the "Finnovate" Koçfinans Idea Camp in an effort to equip the youth with an innovative perspective. Youngsters had the chance to experience teamwork, receive training on user experience and observe sales processes during dealer visits.

Work is underway for the third term of the "Orange Wings Mentoring Program" designed to support young women at Anatolian universities through their career journeys in technology and innovation fields.

With the Asset Backed Security issue backed by domestic vehicle loans carried out in collaboration with the Turkey Securitization Company that was another addition to the firsts it authored in its sector, Koçfinans earned the "Securitization Deal of the Year" award by Global Banking & Markets. At The Horizon Interactive Awards, Koçfinans Mobile clinched the Silver Prize in the Mobile Apps /Business category. While Koçfinans was the recipient of a certificate at Great Place To Work® Turkey 2023, it was also included in the Best Employers in Turkey, Social Responsibility and Volunteering, Financial Services & Insurance, and Innovation By All lists.

The Company was given the "Technology Project Award" at the CIO awards program.

Forward-looking expectations

Koçfinans invests in a future where financial solutions will run swiftly, simply and in integration with the product buying experience. The Company aims to stand out with its broad credit diversity that encompasses the entire sales chain with its financing products targeted at its institutional customers besides its innovative credit products offered to individual customers, as well as with its personalized service concept. It will continue to expand its customer base with its technology that accommodates digitalizing business models, its experience in the sector, power in the field, growth potential, and integrated insurance solutions.

Maintaining its focus on automotive, Koçfinans will keep growing its market share and reach increasing lending ratios driven by new brand additions and credit model campaigns. Koçfinans develops diverse business models and targets sustainable growth in keeping with its aspiration to be the sector's pioneer and innovation leader. In addition, it pursues new collaborations in tractor loans in line with its strategy to achieve diversification in the automotive sector.

Website



Annual Report



Other Lines of Business

We serve our customers with high quality products, exceptional services and reliable brands.



Düzey

Düzey continues to charge ahead to become the top distribution platform for the fast moving consumer goods sector.

Founded in 1975, Düzey is active in the fast moving consumer goods sector with its expert team of 1,000 people and field support team of 141 people assigned in chain markets across the country. Düzey takes the lead among Turkey's top B2B sales and distribution companies with its ability to reach any sales outlet in the country, multiple-brand distribution capacity, and capability to service all micro and macro customers thanks to the most extensive distribution network at its disposal.

Düzey has undertaken the sales and distribution of products in its portfolio with 1 main warehouse, 6 regional warehouses, 2 hybrid distributor warehouses, 49 distributors and 33 mobile dealers.

Düzey keeps growing with its broadening categories, brand owners, and new business models.

The Company carries out the sales and distribution of 22 manufacturers and 35 brands. The Company sustained its growth by performing the sales and distribution of Dardanel, Ferrero, Mixmey, Pürsu, Tat, Upfield, Maret, Kahve Dünyası and Bahar Hindi brands in the food category, and Aksan Kozmetik, Macromax, Cire Aseptine, Turmepa and Kimberly-Clark brands in the non-food category. In 2024, the Company undertook the sales and distribution of Avoya and Makaroma brands in addition to the existing brands.

The most extensive distribution network in the fast moving consumer goods sector

Düzey offers service to its inner-city customers and those in nearby cities with a daily distribution capacity of nearly 80 TIR trucks and 515 micro vehicles.

During 2024, Düzey issued invoices to approximately **70,000** outlets on the conventional channel, and to **48,000** outlets on the national and modern channels, and realized the sales and distribution of **107,000** tonnes of food products to a total of **188,000** outlets including other channels. In 2024, Düzey recorded approximately **59%** growth on an annual basis and posted **TL 15 billion**.

Düzey achieves efficiency in distribution costs along with competitive advantage in the sector by placing data analytics in its focal point.





The Company regularly shares a large quantity of data flowing from sales channels and sub-distributors on a daily basis to speed up strategic decision-making processes of its business partners.

Targeting to reach new consumers through vending machine investments

Acting with the goal of directly offering to consumers a broader range covering additional products to those on its portfolio, Düzey set up Koç Otomat (Koç Vending Systems) business unit in 2023 and stepped into the vending machine sector. During 2024, 1,500 vending machines were installed, which allow bringing service at numerous different locations with the highest number of active vending machines in the sector.

Digitalization process

In line with its goal of becoming a digital platform, Düzey added speed to its target of implementing the projects it designed for the B2B channel in 2023. In 2024, on the other hand, the Company had over 9,000 convenience stores place at least one order within the scope of its B2B project. Receiving more than 30,000 orders in total, the Company recorded 68% of them as repeat orders. Furthermore, it achieved an order share of 9.4% in the project regions and channels.

Forward-looking expectations

Düzey keeps working to become the largest B2B platform in Turkey on the back of its sales and distribution services offered with the highest competitiveness enabled by the completed digital infrastructure and continued inclusion of global and domestic new brands in the fast moving consumers goods industry to its portfolio.



Koçtaş keeps growing through novelties in its stores and in the marketplace.

Engaged in home improvement (DIY) retailing, Koçtaş is a one-stop solution center bringing together all needs and ideas for improving and beautifying every living space via its digital channels, and its stores across 55 provinces in Turkey.

In 2024, Koçtaş updated its stores located in shopping malls. Koçtaş targeted improvement in product groups addressing women and families such as decoration, children's products and furniture, while preserving its already strong position in technical and project products. In line with this target, new product lines backed by inspiration and experience areas were launched at test stores, which started producing positive business results. The Company plans to roll out similar initiatives across other stores in the future. Also ongoing at full speed are store efficiency activities. Express check-outs were introduced at 18 Koçtaş stores, which resulted in increased efficiency and faster check-outs.



Koçtaş launched its marketplace platform in 2023 which the Company strengthened in 2024 with increased product diversity and improved customer experience. During 2024, the number of products offered to customers on the marketplace platform reached 900,000, with the number of vendors going up to the order of 2,000. These improvements resulted in 134% expansion of the Company's online sales outlet. Possessing physical store strength as opposed to other marketplaces, Koçtaş backed the multi-channel experience delivered to its customers further with the fast order screens available in its stores.

To date, more than 130,000 technicians and over 500,000 customers registered in "Ustabilir", a Koçtaş platform bringing customers and technicians together. In 2024, the number of repair people registered with Ustabilir platform increased by 30%. The improvements carried out in 2024 transformed the "Ustabilir" platform into a "Handyman's Club" offering various advantages to handymen, bringing about increased interaction with them.

R&D activities

The projects and applications implemented at the Koçtaş R&D center maximize customer, employee and stakeholder satisfaction. As of 2024, Koçtaş brought 10 R&D projects to completion.

Under the international ITEA program, Koçtaş received acceptance for its two projects: "Cognitively Smart Assistant in Phyigital Environment (CAPE)" and "Security of Critical Infrastructure by Multi-Modal Dynamic Sensing and AI (SINTRA)". Submissions for both projects under TÜBİTAK-TEYDEB 1509 program were concluded successfully and project work was initiated at TÜBİTAK (The Scientific and Technological Research Council of Turkey) as well as at the R&D center.

2024 has been a year of the utmost strategic importance for Koçtaş, which also saw the implementation of projects that sped up the Company's digital transformation journey. Three key projects stand out among these initiatives that target to increase the Company's

Website



competitive strength and to improve the customer experience at the same time: “AI-driven Pricing Project (Pricing Optimization)”, “Channel-Independent Campaign and Loyalty Project (Joyalty)” and “AI-driven Digital Sales Assistant Project (Koçtaş GPT)”.

Koçtaş successfully completed agile transformation at all central units, which it had been carrying out since 2019, and transitioned to the SAFe (Scaled Agile Framework) model in the IT Department at end-2024, targeted at greater focus in project and portfolio management. Aiming to achieve leanness and efficiency at its stores, the Company assembled Fix and large format stores under a single organization. “The Specialist Project”, which is introduced to create new career opportunities and support technical specialization”, continues to be rolled out across the stores. These strategies are intended to result in customer-oriented value generation by ensuring effective use of the workforce and correct identification of priorities. The team culture backed by transparency and cooperation is anticipated to drive strategic growth and innovation.

Koçtaş was awarded at the Stevie Awards with its STEP internship program that trains the future Koçtaş employees within the frame of its practices that put employee experience at the heart of its HR initiatives, and at the 66th International Safety Awards organized by the British Safety Council with its OHS practices. Developing initiatives that seek to improve the technical expertise of its employees, handymen and customers in home improvement, Koçtaş grows by promoting from within in keeping with its transparent and development-oriented promotion and career progress approach in talent management.



OHS practices

Thanks to the measures adopted as part of OHS initiatives and installation of the digital infrastructure, Koçtaş decreased the lost time injury rate by 15% as compared to 2023. Observing its employees' acts under the Behavior-Oriented OHS Project, the Company conducted observation dialogues upon identification of unsafe acts. Initiated with the motto “Trust Me”, the project played an important role in creating safe working spaces by reinforcing the awareness within the Company.

In 2023, heavy-duty equipment in Koçtaş warehouses were renewed and intralogistics initiatives were commenced. Safe operation of heavy-duty equipment was monitored by way of various implementations such as monitoring horizontal and vertical moves using the G sensor and impact-locking the equipment, operator authorization using the card system, and supervising the operators in orientation period.

Sustainability indicators

In 2024, Koçtaş successfully completed ISO 14001 recertification, covering all its bigbox stores. Hence, all stores pursue operations in accordance with ISO 14001 standard. Carbon computations that started with 2022 data were carried on in 2024; 2023 carbon emissions were calculated according to the GHG Protocol, and verification audit was completed successfully. Thus, the Company earned ISO 14064 certification.

Following the necessary investment made by the Company, the solar power generation facility with a 1 MWe-capacity started generating electricity in 2024. Representing an investment aligned with sustainability and carbon reduction targets of Koçtaş, the facility will generate 1,500,000 kWh of electricity per year.

Forward-looking expectations

Koçtaş aims to sustain strong and sustainable growth in digital channels alongside store operation. To this end, the Company will carry on with its investments in its digital infrastructure, human resource and innovative solutions.

Setur

Setur is one of the first and pioneering tourism companies in Turkey.

Established in 1965, Setur is engaged in duty-free store management, and the tourism sector, offering domestic and international tour operation, health tourism, hotel accommodation, air ticket sales, visa services, and congress and event organization services.

Duty-free stores

Duty free store management carried out via 63 Setur Duty Free Stores in 24 locations at airports, land borders and seaports make up a substantial portion of Setur's revenues.

In this segment, the Company, in 2024:

- opened its first boutique store in Hamburg Airport within the frame of its overseas growth plans;
- sustained its strong position at land border gates in the country, and increased the number of its stores at Gürbulak border gate from two to four;
- expanded the passenger store at Kapıköy border gate to offer a more comfortable experience to customers;
- added Eskişehir Airport stores in arrivals and departures sections to the Company's network of domestic airports;
- achieved increased operational efficiency with the relocation and enlargement of the seaports regional warehouse located in Adnan Menderes Airport in İzmir.



Tourism agency

In this segment, Setur, in 2024;

- organized hotel accommodation for approximately 220,000 individual and 260,000 corporate customers in domestic tourism, and secured nearly 40% increase in the number of rooms;
- organized hotel accommodation for approximately 43,000 individual and corporate customers in the international market,
- handled nearly 400,000 ticketing sales within the scope of ticketing operations,
- opened 25 new authorized sales agencies, 20 of them located inside shopping malls whereas the remaining five are on the main streets. At present, the Company furnishes service out of three branches and 65 authorized agencies.
- offered service to 176,000 people in 1,000 organizations via MICE unit.
- established the Setur Health brand in 2024 in line with the motto "Your Health is Our Priority". It offers high quality and reliable tourism service aligned with the respective needs of its guests by accompanying them on their health-related trips.
- received the "Best in Customer Experience Management" award in the "Tour Operators" category at ALFA Awards 2024 based on the survey administered by Akademetre.

Sustainability

Setair has become the first private air carrier company to receive "Zero Waste Certification" under the "Zero Waste" project launched by the Ministry of Environment, Urbanization and Climate Change, Setur and Setair.

Forward-looking expectations

Setur targets to expand its tourism and duty free operations with new store openings and hotel contracts in and outside the country, and to further increase its share in online sales volume, total profitability and productivity through digital transformation projects.

SeturBiz Mobile app has been developed with the aim of enhancing customer satisfaction and experience in the corporate travel segment. In the Individual Travel segment, on the other hand, the Company will initiate "Integrated Marketing and Service Management Using Customer Data Platform" project in order to deliver personalized customer experience.

Within the frame of its strategy for globalization of duty free store management operations, the Company will keep a close eye on potential projects abroad and is targeting to increase the number of its stores in 2025, giving priority to Germany in this respect.

Website



SeturMarinas

Setur Marinas is the leader in Turkey with a 20% market share.

Having started operations 46 years ago with the Çeşme Altinyunus Marina, today Setur Marinas is the leader in the marina sector with 20% market share in Turkey.

Operating at 11 marinas in total and at one rib & refit park

One of the few marina chains in the Mediterranean basin, the Company pursues operations at 11 marinas in total in Turkey: Kalamış-Fenerbahçe, Yalova, Ayvalık, Çeşme, Kuşadası, Marmaris, Kaş, Demre, Antalya, and Finike, and on the Lesbos Island abroad. The Company also operates the Ören Rib and Refit Park that was put in service last year. Setur Marinas has a total berth capacity of 5,566 yachts, 5,309 in Turkey and 257 abroad.

Offering yacht owners the privileges derived from being a marina chain, Setur Marinas secures significantly enhanced customer loyalty each year through the chain marina campaigns launched in early 2018.

Apart from offering the usual marina services, Setur Marinas' experienced staff assists yachters in many areas such as hotel and airline reservations, excursions, car rentals and insurance. Social areas such as trade centers, supermarkets and restaurants located in the majority of the marinas offer visitors a pleasurable experience.



Setur Marinas, which has rapidly adapted to the digital transformation and aims to be a pioneer in its sector in terms of digitalization, is closely followed by other marina businesses with its innovative approach to operational requirements. Having put into life a number of successful digitalization projects, the Company breaks new ground with the services it offers its customers such as making payments and performing contract transactions via mobile applications.

The operating right of the Fenerbahçe-Kalamış Yacht Marina, the management of which was assumed for over 25 years as Tek-Art Kalamış ve Fenerbahçe Marmara Turizm Tesisleri Anonim Şirketi ("Tek-Art"), has been handed over to **Kalamış ve Fenerbahçe Marina İşletmeciliği Anonim Şirketi** owned by Tek-Art for 40 years starting from 5 February 2025 as the result of the tender proceedings carried out by the Republic of Türkiye Ministry of Treasury and Finance Privatization Administration.

Social and environmental responsibility

An important mission of Setur Marinas is to promote, popularize and spread seamanship, marine tourism, sailing and other marine sports. As a prerequisite embedded in this mission, the Company hosts sailing clubs, a number of yacht races and events, including the Aegean Yacht Rally that covers the mainland and islands of Greece.

Extending support in marine-related social issues, and owning initiatives for protecting the environment and the nature make another major area of responsibility for Setur Marinas.

Setur Marinas ensures harmonious execution of all its activities in line with its environmental policy and environmental strategy plan, and addresses global environmental issues such as climate crisis, plastic pollution, depletion of natural resources and biodiversity loss within priority environmental risks. The Company carries out its activities making it a principle to make environmentally-sensitive investments based on a business model that integrates environmental sustainability in all its activities. As a result of these efforts, Kaş Marina received the Monaco Smart & Sustainable Marina Award in September 2024.

Forward-looking expectations

In the years ahead, Setur Marinas aims to consolidate its leading position in Turkey by growing its market share and to increase the number of marinas it operates outside of Turkey and become an international brand in sustainable marina operation and digitalization. Along this line, the Company closely follows opportunities both domestically and internationally, and monitors global trends.

Website



divan

The Divan Group offers a broad spectrum of services ranging from accommodation to food and beverages, catering and production of bakery products.

The Divan Group operates with a total of 11 hotels including an overseas establishment in Iraq, one residence, 24 patisseries/café, 272 bakeries (266 of which are in Opet Ultra Markets), two stadiums, three banquet units, and a production facility with an enclosed area of 15,000 m² located in Taşdelen.

Developments in 2024

The Divan Group carried on with its sustainable and profitable growth journey on the back of its portfolio further diversified with Telezzüz, Divan Cafeteria Medica Zincirlikuyu and White Pepper units that started operations in 2024.

In 2024, the Divan Group continued with the renovation and refurbishment of the hotel in Akaretler that the Group rented by year-end 2023. The hotel is slated for opening in 2025.

The Divan Group made it into the recommended establishments list of the Michelin Guide 2025 with Telezzüz, located in Abdülmecit Efendi Woods, and Lokanta by Divan, located in Divan İstanbul Hotel. The Group also earned a Michelin Green Star with Telezzüz.

Gault & Millau 2025 list awarded:

- Telezzüz two toques in the “Chef’s Table” category as well as the Best Sustainability Award,



- Lokanta by Divan two toques in the “Chef’s Table” category 2025 selections,
- Maromi Kalamış located in Kalamış Setur Marina one toque in the “International Cuisine” category, and
- Divan Kuruçeşme Bistro was placed in the “Best Brunch Venue” category.

Sustainability

The Divan Group released its second sustainability report covering its activities in 2023 in accordance with the GRI standards. The Divan Group completed the Environmental Impact Report and zoning procedures for its application for 10 MW-capacity for the installation of an SPP in line with its carbon-neutral target. The carbon-neutral stay project launched under the slogan “We are at Divan for the Future” at six Divan Hotels supports the mission of informing the guests and reducing environmental impact. Also carbon-neutrality projects were put into life for events and organizations in addition to carbon-neutral stay services.

Divan also qualified for Stage 3 Global Sustainable Tourism Council’s certification.

On another note, collaboration with Arçelik was carried on with growing coverage in 2024 for producing a coffee machine using coffee grounds, which is being developed using the biocomposite technology. The

initiatives undertaken for biodiversity were awarded by the Turkish-German University in İstanbul.

The Divan Group reproduced its success of the past three years and was named the “Happiest Workplace” in the hospitality industry in the “Happy Place To Work 2024” survey. The Divan Group was also placed first in the “Tourism” category in the “Top100 Talent Programs 2024” awards selecting the most admired talent programs in Turkey with its “d.one stars” project that focuses on further vocational training and talent development.

Forward-looking expectations:

In 2025, Divan will address its improvement areas in all departments adhering to the “operational excellence” motto in keeping with its “all-round efficiency” focus. The Company targets to carry on with its quality investments, while maintaining its focus on efficiency.

In keeping with its long-term sustainable and profitable growth target, Divan aims to keep investing in unparalleled guest experience, qualified human resource and digital transformation, and retain its pioneering position in the hospitality industry.

Website



Sustainability Report



KoçZer

KoçZer is a leading company providing purchasing and supply chain management services combined with strategy, expertise and technology.

Having started out as a company offering centralized purchasing service exclusively for the Koç Group companies in 2003, KoçZer now serves more than 1,600 customers via its 61,000 suppliers in four main sectors and over 140 different categories. In 2024, KoçZer broadened its customer portfolio in and outside of the country, and increased the purchasing volume it handles to the order of USD 2 billion; the Company also brought the share of its non-Group customers to 28%.

Ranking in the top 100 in Fortune 500 rankings listing Turkey's largest companies, KoçZer commands 11% of the advertisers' market in Turkey with its media and advertising buying services. In line with its global growth strategy, the Company now operates in 17 countries via 18 distributors. KoçZer endorsed its achievements in the sector with 94 global awards garnered in the past four years.

Website



2024 performance and targets

KoçZer expanded its purchasing services offered and took important strides in line with its overseas expansion targets in 2024. The Company made significant progress in the diversification of purchasing services, overseas growth and digitalization in the reporting period.

- **Expansion in Media and Production:** Digital Panorama, a digital content and creative agency, was acquired by KoçZer, thus broadening media consultancy services.
- **International Growth:** KoçZer Romania SRL has been incorporated within the frame of the Company's strategic growth in Europe. This affiliate that will be engaged in logistics and material purchasing will become KoçZer's hub in Europe.
- **Digitalization and Innovative Solutions:** KoçZer continues to develop new solutions by strengthening its digital purchasing strategies. In the reporting period, ZerGO has been launched, which is a trustworthy digital marketplace platform. ZerGO brings institutional buyers and vendors together on a secure platform and digitalizes trade.

ZerCard, another new digital product by KoçZer, offers a rewarding application for company employees and trade distribution network organizations. While it facilitates fringe benefits and rewarding to increase employee motivation, it provides an alternative to the premium management in the sales and after-sales channel organizations.

Forward-looking expectations

KoçZer targets to increase its influence in the global market by broadening its customer and supplier ecosystem, and to consolidate its presence especially in Europe on the back of its operations in Romania.

The Company aims to optimize purchasing processes through AI-enabled supplier finding and tendering solutions on the Promena platform combining purchasing expertise and digital solutions, and to increase efficiency on online ordering platforms thanks to suggestion algorithms.

KoçZer intends to blend its expertise in purchasing and supply chain management with its sustainability and Environmental, Social and Governance (ESG) targets, and to create more responsible and sustainable supply chains.



“Turkey’s Most Valuable IT Brand” KoçSistem exports its experience to the nearby geography.

The leading technology company that focuses on the customer, sector and business needs, and offers integrated solutions and services on a global scale, KoçSistem contributes to digital transformation of Turkey with its 80 years of business experience, more than 80 national and international strategic business partnerships, its wholly-owned subsidiaries KoçDigital and Koç Bilgi ve Savunma companies.

Named “Turkey’s Most Valuable IT Brand” (Brand Finance Survey) and “System Integrator Market Leader” (Bilişim 500 Survey) by independent research companies, KoçSistem offers new generation technologies in various areas including cloud, security, business solutions, artificial intelligence, generative AI, advanced analytics and Internet of Things (IoT) to its customers in Turkey and in the global arena. Furnishing cyber security service 24/7 to numerous national and international organizations with Turkey’s first “Security Operations Center”,



KoçSistem makes a differentiation in cloud services with its three data centers in İstanbul and Ankara. Possessing the largest institutional cloud infrastructure of Turkey, KoçSistem is the leader in IT managed services market with Turkey’s broadest service portfolio. KoçSistem digitizes the total value chain of organizations with its innovative portfolio in more than 30 countries from Saudi Arabia to China, the UK to Azerbaijan, and Malaysia to United Arab Emirates.

Developments in 2024

Providing services to more than 1,350 companies operating in diverse sectors from retail to manufacturing, and finance to energy, KoçSistem booked TL 16.9 billion in consolidated revenues in 2024. KoçSistem acquired more than 200 new customers in the reporting period.

KoçDigital creates value for institutions through its solutions such as “Platform360”, the largest industrial IoT platform of Turkey, “Production Management System”, “Energy Monitoring”, “Supply Chain” and “Generative AI”. Having become the leader in the IoT applications category for two consecutive times with its pioneering work on the Internet of Things (IoT) and in data technology category for three consecutive times, KoçDigital continues to work on sustainable artificial intelligence in various areas ranging from supply chain management to human resources analytics.

Developing electronic systems for marine platforms with a particular focus on underwater acoustic solutions, Koç Bilgi ve Savunma company produces solutions for private sector organizations that use the marine ecosystem. The Company pursues operations in energy, agriculture and tourism sectors as well as in the defense industry.

Website



Contribution to Turkey's technology initiatives through overseas investments

In line with its overseas growth targets, KoçSistem opened two more new offices, one in Dubai, United Arab Emirates and the other in Riyadh, Saudi Arabia in 2024, thus reaching three overseas offices including the Azerbaijan office that has been offering services since 2012. Turkey's leading technology company, KoçSistem continued to establish regional alliances with global technology companies in line with its overseas growth target. The Company signed a strategic cooperation agreement with Saudi Business Machines (SBM), a technology company providing information technology and telecommunication solutions to institutions in Saudi Arabia. Furthermore, KoçSistem entered into a new collaboration with Amazon Web Services (AWS) and expanded its international operations with global cloud infrastructure and data centers. In line with its international targets, the Company also completed the E-Turquality (Stars of Informatics) process, under which financial resource is offered to companies with branding potential to become a global brand, and succeeded in taking part in this program.



KoçSistem brought all its sustainability initiatives together under a single roof, including those by its subsidiaries KoçDigital and Koç Bilgi ve Savunma companies, and devised the “Green Intelligence” sustainability program. Thus, the Company creates value in the sustainability journeys of organizations it collaborates with.

With its business partners AÇEV and YKY, KoçSistem continues to educate parents on the proper use of technology and raise awareness of the subject within the scope of the social responsibility project, the “Family Hour”, which it started for the healthy use of technology.

Forward-looking expectations

KoçSistem intends to remain committed to developing domestic technology with the first software R&D Center in our country, the “KoçSistem R&D and Innovation Center” and the “KoçDigital R&D Center”. KoçSistem will keep contributing to our country's technology initiative by leading successful digital transformation projects for organizations, by expanding its overseas operations and by increasing opportunities for high added-value exportation.

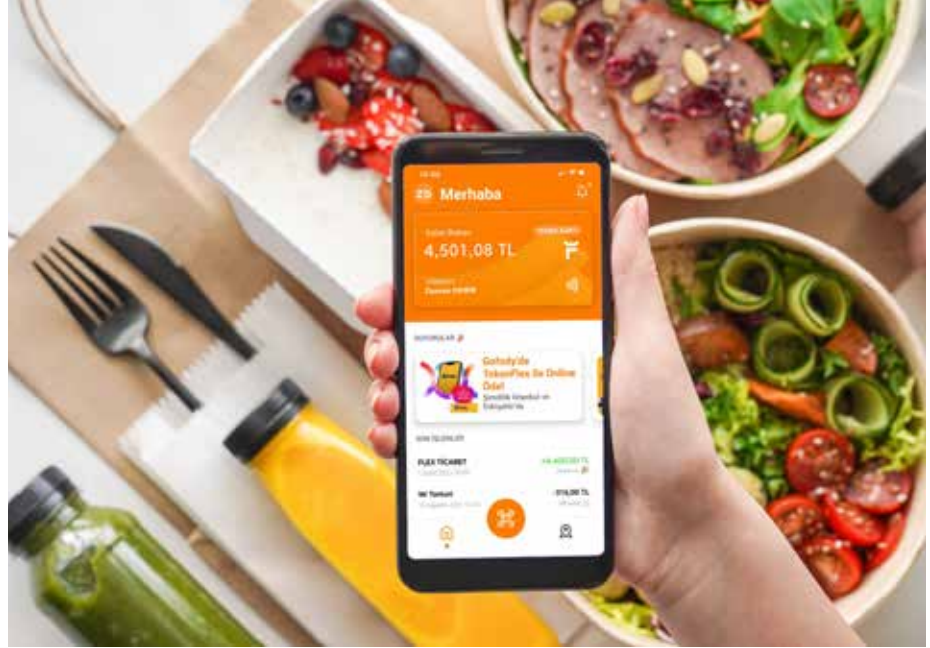


Token Financial Technologies reinforced its leadership in the sector with innovative solutions, global initiatives and products focused on digital transformation.

Continuing to transfer its experience in physical payment devices to online payments, Token Financial Technologies offers end-to-end service to businesses with innovative solutions. Token aims to accelerate the digital transformation of the SMEs, facilitate their access to financial services, and increase the efficiency of their work processes with the new generation cash registers, mobile applications and digital payment infrastructures it has developed.

Payment devices: An overall assessment and regulatory implications

In 2024 that has been a year of major transformation as the Revenue Administration enforced regulations associated with the transition to a cashless society aimed at preventing tax losses/evasions, Token fortified its pioneering position in the sector by offering innovative solutions that are aligned with the new regulations and that make business management of establishments easier.



Beko X30 TR, the new generation cash register POS device that speeds up everyday transactions of SMEs, was put on sale in May 2024. Designed to capture the feedback collected from hundreds of thousands of establishments, Beko X30 TR presented the sector with a number of novelties with its software and interface properties. Turkey's first Android cash register POS device featuring a completely touch screen, Beko X30 TR received the iF Design Award.

Under the Tax Procedural Law Communiqué no. 557 requiring all retail establishments to transition to new generation cash register devices that have at least one payment application by July 2024, device sales and bank app numbers surged thanks to communication activities and bank collaborations. The EFT-POS ban introduced the same year obligated withdrawal of bank-allocated EFT/POS devices by 10 January 2025 and to use new generation cash registers instead.

Preserving its 50% market share in the cash register sector in 2024 with more than 950,000 devices, Token more than doubled its sales year-on-year to reach a sales figure of 120,000 units.

The first phase of the communiqué that compels new generation cash registers to run in integration with sales software targeted the pharmacy sector. Accordingly, integration is being made for 8,000 Beko cash registers in use by pharmacies until year-end 2024. Within the scope of this communiqué that affects more than 100,000 Beko cash registers, a substantial amount of additional revenue is anticipated to be generated on integration solutions to be offered on sector-basis in the coming period.

Within the scope of the new generation gas station cash register OPT conversion that started in 2022 and was completed in 2024, 24,000 Beko 1000 TR were sold, and BEKO 1000 TR was preferred by 50% of all gas stations in Turkey.

Website



Fito mobile application

Developed for Beko POS device users, the mobile app Fito digitized authorized service shop processes associated with businesses' devices. The app enables filing a service request for Beko POS devices and tracking the process. Through Fito, businesses can reach support content for the devices, follow up sectoral developments and apply for bank applications at advantageous commission rates for their devices. With more than 35,000 active users, Fito succeeded in entering the "Most Innovative Companies 2024" list of the Fast Company.

Online payment solution: Ödero

Token's subsidiary offering online payment and wallet solutions, Token Ödeme Hizmetleri ve Elektronik Para offers virtual POS, dealer collection solution and supplier payment services to Koç Holding companies engaged mainly in consumer durables, healthcare, automotive and retailing industries under the Ödero brand name. With innovative solutions that improve business capitals, Ödero reached a transaction volume of TL 30 billion and registered a fast growth in 2024. In addition, a license application has been filed with the CBRT for broadening open banking operations.

2025 plans envisage democratization of Ödero products and services among Koç Holding companies and their introduction to external markets. Intending to focus particularly on B2B collection and payment solutions in the coming period, Token Ödeme Hizmetleri ve Elektronik Para aims to offer end-to-end service with solutions such as e-wallet, shopping loan, order management and stock tracking.

Digital meal card: TokenFlex

Its foundations going back to 2022 and built upon closed circuit wallet infrastructure, TokenFlex quickly spread among the Koç Group companies during 2023 and became a meal card solution preferred also by non-Group companies in 2024.

TokenFlex continues to broaden its customer portfolio with the gift card and passage card solutions introduced with the vision of making available diverse secondary benefits over a single application. Having grown its business volume by 2.5 folds on a year-on-year basis in 2024, TokenFlex reached over 70,000 users, 35,000 meal card and 25,000 gift card redemption points.

Having improved awareness of its brand and solutions through one-on-one contacts with HR leaders and sponsorship supports extended to major events during the reporting period, TokenFlex moves ahead with the vision of being the only solution partner for employee fringe benefit solutions it furnishes to companies. Having developed a B2B e-commerce platform to facilitate businesses' access to quality products at affordable costs, TokenFlex contributes to the sustainability of the sector in this way.

International activities

Token, which retains its leader position in payment systems in Turkey, broadens its coverage with international expansion of its products and services, starting with nearby geographies.

Having stepped into the Azerbaijan market with PCI-DSS certificate and eight bank integrations, Token received the first payment service provider license bearing the number 001 from the Central Bank of the Republic of Azerbaijan. This achievement strengthened the Company's standing in secure and innovative online payments. Users were presented with fast and secure payment facilities with such solutions as Google Pay, Apple Pay and Merchant App.

In October 2024, Token received its money transfer license for payment receipt and e-commerce marketplace transactions from the National Bank of Romania. This license is the first one issued for accepting online and offline payments under the European Union payment systems legislation. Approvals

have been received from the Ministry of Finance of Romania for Beko X30 TR and Beko 1000 TR devices, and sales were initiated via an extensive distributor network.

Forward-looking expectations

In 2025, Token is planning to offer a platform under the Ödero brand name for small and medium sized enterprises, which will facilitate their financial operations, connect all their accounts, and will provide a single-point access to all collection and payment instruments. Online payment and collection solutions are intended to be integrated with the widespread Beko POS devices available in the field in an effort to ensure secure and frictionless provision of innovative payment technologies.

Token targets to process the data to be derived from payment systems using generative AI technology and thus, to derive additional service revenue on the back of value-added services to commercial business places, manufacturers and distribution companies.

Offering need-based flexible solutions in the rapidly growing gift card market, TokenFlex aims to increase its market share with the fuel card and flexible secondary benefit solutions it will introduce in 2025.

In Azerbaijan, the Company targets to increase product diversity and reach a broader audience via wholesalers, SMEs and non-bank credit agencies, and to strengthen Ödero's position as the most reliable payment service provider in that country.

The Company's plans for the coming year also include tapping cooperation opportunities with major global players with the goal of creating and rolling-out a cross-border service that is applicable in all countries based on the experience garnered in payment systems.



WAT is Turkey's leader manufacturer and exporter of electric motors.

WAT is the leading manufacturer of electric motors in Turkey since 1965. In keeping with the transformation vision introduced in 2018, the Company expanded its products and services to cover motion control systems, renewable energy components, electrification elements, electric vehicle charging units and manufacturing technologies. Exporting its products under the brand names WAT and TEE to more than 40 countries, WAT develops environment-friendly products compliant with eco-design criteria.

WAT is the pioneering and defining actor of its sector in sustainability.

While WAT targets to increase long-term environmental and social impact through its sustainability strategies, it develops innovative approaches integrated with its targets. Having defined the carbon reduction by 2030 and net-zero by 2050 targets, WAT has developed new product lines that are noted for their energy efficiency and carbon footprint reduction with its product strategy



devised in line with the European Union's Fit-for-55 goals. This approach placed WAT in the top spot in the "Environment-Friendly Product" category at the Green Transformation Awards 2024 organized by the İstanbul Chamber of Industry.

Being the first company in the Turkish machine industry to report to the CDP (Carbon Disclosure Project), WAT released its first Sustainability Report prepared in accordance with international standards in 2024. The report provided a thorough account of the Company's success and future vision regarding energy efficiency, decarbonization, circular economy, social responsibility and supply chain.

Forward-looking expectations

In 2024, WAT commenced autonomous intralogistics operations; since then, the Company has been upgrading its clients' internal logistics processes by introducing fast and efficient systems free of workplace accident risk with the motto "Factories of the Future" enabled by the Autonomous Systems Business Unit that

is experienced in system integration.

The Company targets to consolidate its domestic market share while growing its exports with competitive products that have high energy efficiency under the electric motors heading. Aiming to grow on the back of new business lines and product ranges, WAT carries on with its investments in future technologies. Accordingly, WAT expanded its product range with the electronically commutated (EC) motor and continues to build on its industrial permanent magnet motor product line with its project 1832, which qualified for a grant under TÜBİTAK's Green Transformation in Industry program. Furthermore, the Company widens its product range with micro motors for special purpose motion control systems, servo motors and drives.

Website





WAT Mobilite offers electric vehicle charging station solutions.

WAT Mobilite was established in 2022 to engage in EV charging station management operations with the purpose of consolidating the operations in the e-mobility ecosystem and providing superior quality experience to electric vehicle users. WAT Mobilite installs charging stations at homes and in business places at users' request, besides the fast charging service provided on intracity and intercity roads. WAT Mobilite responds to the needs of users from any segment with the life-easing charging service for EV drivers, as well as value-added digital solutions, and the latest-technology, high-quality and reliable charging units that support commercial and passenger electric vehicles it supplies.

With an expanding charging station network, the Company keeps gaining further strength with charging units -more than half of them DC charging units- at more than 328 locations in 56 provinces as of end-2024. WAT Mobilite seeks to achieve differentiation in energy

management especially with its software, digital technology infrastructure, and its current and future solar hub project investments.

Forward-looking expectations

Turkey is anticipated to materialize its net-zero target by 2053 within the frame of the Paris Agreement. Road vehicles that are responsible for nearly 20% of global GHG emissions are expected to be replaced with electric vehicles as per carbon neutrality targets. The International Energy Agency (IEA)'s Sustainable Development Scenario (SDS) envisages that one out of every two vehicles sold during the year will be an EV by 2030.

In pursuit of the carbon-neutrality target, WAT Mobilite is making significant investments for increasing the coverage of EV charging stations across Turkey with the aim of delivering superior quality experience to electric vehicle drivers and to accelerate integration of the e-mobility ecosystem to our era. WAT Mobilite grows constantly in order to fulfill the increasing

demand with charging stations for electric vehicles of cutting-edge technology, which have less carbon footprint as compared to vehicles with conventional internal combustion engines. Through the charging stations that make the key to the green future, the Company broadens its network in everyday life through end-to-end solutions it offers for fleets, homes, and all stakeholders involved in electrification.

In 2025, WAT Mobilite targets to create value in the sector with its approximately 2,000 devices in public and semi-public areas and carries on with its investments to this end. Bringing the charging infrastructure up to the minimum level in provinces and districts is of the utmost importance to secure the fast expansion targeted for electric vehicles in our country. Besides establishing its own charging stations, WAT Mobilite also undertakes platform sales by granting certificates via its dealers, and keeps working to speed up the electric vehicle transformation in Turkey.



Website





KoçMedical targets to enhance people's quality of life and wellbeing thanks to pioneering healthcare technologies.

A Netherlands-based healthcare technology company, KoçMedical targets to enhance people's quality of life and wellbeing thanks to pioneering healthcare technologies with the aim of complementing the shortages in the healthcare industry and offering modern solutions for healthcare needs.

Being a healthcare technology company, KoçMedical works to offer solutions for healthcare needs and to make a difference in the industry as a global player. The Company carries out its activities in two main product groups: disposable medical consumables and medical devices. KoçMedical focuses on the design and manufacturing of medical devices and medical consumables in the conventional products group.

KoçMedical possesses a robust structure resulting from the merger of two companies: Koç Yaşa Çok Yaşa Medikal A.Ş. incorporated in 2022 and Bıçakçılar Tıbbi Cihazlar Sanayi ve Ticaret A.Ş., a company engaged in medical devices for over 60 years which was wholly acquired in July 2023. The merger served to increase the diversity of the healthcare technology product range and is intended to expand export markets and significantly contribute



to growth on global scale. As such, it is aimed to extend major support to our country's export/import ratio in the area of medical supplies.

In its conduct, KoçMedical is committed to core values including fair labor practices, improving working standards, women's employment and inclusiveness, and does not discriminate on the basis of woman, man, faith, language, race, ethnicity, age, disability, immigration, etc. Being an organization where 70% of its employees is comprised of women, KoçMedical's long-term target is to create a broad healthcare technology ecosystem both in Turkey and abroad. The Company aspires to have a solid presence in selected areas associated with medical devices in line with its goal of being a pioneer in the sector with a fast-moving, dynamic and innovative character.

2024 repercussions of inorganic growth and strategic investments

The know-how, production capacity and broad sales network of Bıçakçılar that has been a leading medical consumables company in Turkey have proven to be one of the key factors that boosted KoçMedical's influence both in Turkey and in global markets. The strength of

Bıçakçılar in several product groups including catheters, tubing sets, IV cannulas and cardiovascular surgery consumables contribute to KoçMedical's growth vision.

KoçMedical manufactures over 2,000 types of products on an area of 25,000 m² with more than 900 employees at Europe's second highest-capacity catheter plant located in Esenyurt, İstanbul. Thanks to its extensive sales network of more than 150 dealers that span over 100 countries globally, KoçMedical further cements its position in the healthcare technology industry. The Company also supports its growth targets by broadening its product portfolio in new clinical areas such as neurosurgery.

KoçMedical further reinforced its ventilator production competencies acquired during the pandemic with its work at the accredited R&D center. Having powerfully penetrated new clinical fields with its value-added and innovative product portfolio enabled by these developments, KoçMedical is committed to accelerating its growth in domestic and global markets in 2024 and thereafter.

Website



2024 production target and capacity increase

Capacity increase and productivity improvement projects were enforced in line with 2024 production targets and in parallel with the Company's domestic and overseas growth plans. These projects are targeted at expanding the production capacity and increasing the effectiveness of operational processes.

In 2024, productivity increased and production capacity grew owing to the revamped injector production processes and the introduction of new molds.

Turkey sales and exportation performance

In 2024, nearly 187 million units of disposable products from the product portfolio were sold.

Accounting for 55% of total sales, domestic sales consisted mainly of catheters, cannulas and tubing set groups.

Participation in the Turkish State Supply Office tenders that bring successful results in disposable and cardiovascular surgery product groups contributes significantly to the Company's growth and consolidation of its solid market position. The progress in these areas are also aligned with the Company's strategic goals to increase its effectiveness in the sector. In addition, medical device product group sales showed significant progress, registering 20% increase over 2023.

Export sales, on the other hand, account for 45% of the total sales revenues. Having realized half of the sales, the Europe region came out as the largest market in the distribution of 2024 exports by regions.

In 2024, KoçMedical authored significant achievements in international markets. The Company sustains its global growth, making substantial sales in Europe, UK, Americas and MENA regions. Catheter sales for home care in Germany succeeded in fulfilling 85% of the home care need in the country. While growth was achieved in cardiovascular surgery sales in Russia, surgical table sales in the US market were also carried out successfully. Sales performed through the NHS (National Health Service) in the UK continued throughout 2024. The



achievements secured in the Algerian and Egyptian markets, on the other hand, serve as concrete indicators of the Company's growth and strengthening presence in these geographies.

Furthermore, the Company cooperated with institutions such as METU MEMS Center, UNAM (National Nanotechnology Research Center) and Koç University Research Center for Translational Medicine (KUTTAM) and the development of domestic technological medical devices took place among the Company's priorities. These cooperations are intended to achieve a powerful position both in the country and in the international arena. The developments in electronics and software technologies play an important role in the healthcare industry, as they do in all parts of our lives; accordingly, KoçMedical targets to integrate these innovations in its products and sustain its leadership in the sector.

Forward-looking expectations

The Company focuses on four main areas for attaining sustainable growth targets in 2025:

- **Operational Excellence:** Work processes are optimized on the back of digital transformation and quality enhancement projects, resulting in increased efficiency and higher effectiveness in resource utilization.

- **Innovative Product Portfolio:** It is planned to carry on with value-added product developments so as to secure a solid position particularly in the strategically important US and European markets. Product diversity that will cater to customer needs is increased and innovation is transposed into competitive advantage.
- **Cost and Financial Management:** Costs are minimized through effective resource utilization, resulting in higher profitability, and this advantage is reflected on consumers in the form of competitive prices. Financial stability is increased on the back of the efficiency across the supply chain and production processes.
- **Corporate Culture and Human Resource:** An agile and sustainable organizational structure is created which bolsters employee engagement and employer brand is reinforced. Value creation through cultural transformation projects continues both for employees and stakeholders.

During 2025, the Company aims to work committedly and reach the targets in every respect from operational excellence to innovation, from cost management to a robust corporate culture.



Turkey's first and only hybrid cell and tissue center, StemBio services 30 distinct healthcare branches.

Established in 2020, StemBio operates as Turkey's first and only hybrid center working on cell and tissue technologies. The Company aims to develop innovative solutions in the light of science, ultimately reducing dependence on foreign countries in biotechnology and to leverage Turkey to a leading position in global healthcare industry.

As a biotechnology base, StemBio is a modern center that processes human-derived cells and tissues, stores the processed products in a ready-to-be-used form, and presents them for clinical use at its high-tech facility that meets cGMP (Current Good Manufacturing Practice) standards. The Company also works in complete harmony with the Republic of Türkiye Ministry of Health, Organ Transplantation Coordination Center to reduce Turkey's foreign dependence in tissue needs and plays an active role in the processing of donated human tissues and their delivery to the patients at the healthcare centers where they are needed.

StemBio made its highest-priority R&D investment in the human resource possessing an academic career in cells/tissues and deep experience in the sector. The Company focused on creating

the conditions conducive for scientific team members to be motivated to generate added value in the fields fitting their academic backgrounds. StemBio contributes to the education and training of the future scientists in line with its HR policy seeking to increase the educated human power which remains as a major need in the biotechnology area.

StemBio introduced a number of firsts in a short period of time and steered the sector in our country.

- **Hybrid Cell and Tissue Center:** Turkey's one and only hybrid center offers comprehensive service in cord blood cell, stem cell and cell banking. It also has a dedicated laboratory that develops cell products for our animal friends.
- **Stem Cell-Derived Exosome Production:** It is the first biotechnology center in Turkey undertaking production in this field at Ministry-approved cGMP standards.
- **Limbal Stem Cell and Tissue Production:** It is the one and only biotechnology base possessing production permission in Turkey for the treatment of chemical burns and workplace accidents resulting in vision loss.

• Domestic Cell Growth Medium

Production: Aiming to reduce importation dependence, StemBio was involved in the development of Turkey's first domestic cell growth medium.

StemBio attaches great importance to initiatives for the development of high value-added products enabled by R&D investments and scientific projects.

In 2024, StemBio allocated an R&D budget in excess of TL 60 million including for capacity increasing purposes in order to contribute new products to the market on an ongoing basis and to keep abreast of the market's rapid expansion.

With the project supported by TÜBİTAK and jointly executed and finalized with Florabio Tek. San. Tic. A.Ş., product development was completed for the growth medium –essential for cell feeding and reproduction- which constituted an absolute foreign dependence. The developed product is now available for commercial use. We take further pride in the fact that the effectiveness of the developed product has superior qualities



Website



over the imported equivalents. The resulting high value-added product will help preclude the outflow of resources.

The TÜBİTAK-supported cell counter development project moved on to phase 2 following the production of the prototype. Co-conducted with Optofil Optik ve Elektronik Tasarım A.Ş., the project that is nearing completion will enable high-accuracy automated cell counting by a national and domestic device. It will be introduced for use at research centers and university research labs, and it will present high export potential as it allows further development.

Clinical studies

StemBio conducts PHASE II clinical study for the treatment of meniscus damage, in which the number of cases soars by the day, using cell products in collaboration with Eskişehir Osmangazi University Department of Stem Cell. The potential project outputs are targeted to be used for a treatment model anticipated to bring advantages from the standpoint of several factors including the treatment duration, cost and external dependence. In addition, the initial data from the clinical study concerning the effectiveness of amniotic membrane tissue in burn treatment have been published in cooperation with Kartal Lütfi Kırdar Training and Research Hospital. New clinical studies co-designed with a number of different research teams specialized in their respective fields will be launched in the short/medium term.

Other R&D projects

StemBio is conducting a number of ongoing projects that are supported by institutions such as TÜBİTAK and TUSEB (Health Institutes of Türkiye). Besides these projects, there are numerous R&D projects that are self-funded and are involved in by the Company.

Work is carried out actively for development of cell-based products for use in indications such as wound healing, diseases of the eye, oncological illnesses, hair and skin treatments, tendon tears/ fractures within the scope of the projects conducted with Hacettepe University Basic Oncology Subdivision, Koç University Department of Plastic Surgery, Cerrahpaşa University Department of



Dermatology, 9 Eylül University Department of Ophthalmology, 9 Eylül University Department of Dermatology, Etlik City Hospital Department of Plastic Surgery, Konya Selçuk University Department of Plastic Surgery, and Kocaeli University Department of Stem Cell.

Forward-looking expectations

StemBio invests in the training and education of sector stakeholders to ensure most effective and ethical use of the rapidly growing biotechnology products in the global market employing the right treatment protocols in the light of scientific data in Turkey and in other countries served. To this end, the Company raises consciousness of healthcare workers about regulations, product safety, correct documentation, traceability, and clinical data bank by way of meetings, seminars, domestic and international training programs. The Company allocated a total budget of TL 10 million for this purpose in 2024. Using the right product for the right indication directly affects the future potential of cell treatments in the making. StemBio will concentrate on shaping the future of these new treatments by continuing with its investments in training.

During 2024, StemBio extended support to citizens of 22 countries from all continents of the world either through

direct exportation of its products or through services rendered to international patients. One of the main foundational goals of StemBio is to help bring Turkey to the position of an exporter of healthcare products and services rather than an importer of the same. Along this line, steps have been taken for collaboration with the US, Middle East and Africa regions, moving closer to the targets step by step.

StemBio aims to add momentum to its work and investments concerning effective and accessible treatment solutions particularly in the field of oncology and provide support for this urgent need of the humankind with products manufactured in Turkey. The Company will keep representing Turkey in the global market with scientific projects.

StemBio is committed to preserving its prestige that it quickly built upon trust and science and to charging ahead with this sense of responsibility. In the present era when biotechnology evolves continually, StemBio will add momentum to expanding its team, mainly with the engagement of our country's scientists, and to investing in new production technologies and capacity growth to become a major player in Turkey and on the global arena.



RMK Marine keeps breaking new ground.

Focusing on commercial and naval vessel and super yacht building projects, RMK Marine is one of the leading shipyards in the international shipbuilding sector with its constantly upgraded infrastructure and capability sets and the innovative projects undertaken.

Developments in 2024

2024 highlights for RMK Marine are presented below:

- The 37-meter explorer-type yacht's building was completed and launched at Monaco Yacht Show.
- Block building continues for the 65-meter polar-class superyacht.
- The 135-meter "Europe's largest inland LNG bunker vessel" Energy Stockholm was completed and delivered to the customer.
- Block building was completed for the 136-meter "Sail Powered Roro Carrier", a first in the world, and it was put to the sea in January 2025. It is slated for being delivered to the customer by end-June 2025.



- Detailed design work reached the finalization stage for two 125-meter chemical tankers to be built for Ditaş. The first steel cutting for both tankers are slated to occur in February 2025 and June 2025, thus initiating the actual building phase.
- Within the scope of naval vessel building operations, testing and trial were completed for the corvette that was being built for the Ukrainian Naval Forces and it is scheduled to be delivered to STM A.Ş., the main contractor, in January 2025.
- Within the scope of product line modernization, CNC cutting lines were upgraded and steel cutting capacity was increased.
- The reclaimed land within the shipyard created extra space for building, repairing and refitting vessels and yachts up to 120 meters.
- As per the decision to carry out yacht building and refitting operations in a separate shipyard, administrative procedures were completed for a greenfield shipyard investment in Yalova area. The infrastructure construction of the shipyard is planned to be commenced in the first quarter of 2025.

Forward-looking expectations

Given the ongoing yacht and ship building projects, RMK Marine will spend 2025 and 2026 with scheduled building operations and deliveries. The Company will keep responding to project demands for innovative and eco-friendly designs that emerged from the awareness and interest it has stirred particularly in the LNG bunker vessel market and wind-powered original vessels market.

Following the relocation of the yacht department to the new yacht yard, custom and serial yacht production will be resumed from early 2026.

Infrastructure investment planning and design works are already underway to transform the spaces vacated in the RMK Marine shipyard by the relocation of the yacht department into a high-capacity shipyard that will be capable of manufacturing larger naval/commercial projects by equipping these spaces with high-level integration systems. RMK Marine brand name is targeted to make a splash in the international arena in 2025 in the field of naval vessel exports where business development efforts continue at a high speed.





Ram contributes to exports and the economy with the added value it creates.

Ram Dış Ticaret boosts its efficiency in foreign trade initiatives with the digital transformation and paperless office projects that are being carried out, while developing new business models in new markets on the back of its agile organization.

Iron & steel and aluminum products

Continuing to supply flat steel products at the desired quality and the right time for the Koç Group and supply industry companies from reliable sources, Ram delivered 294,000 tonnes of flat steel sheet in 2024. As for aluminum sheet and plate supply for the automotive industry, the Company further expanded its supplier and customer portfolios and reached 4,000 tonnes in deliveries in 2024, tripling its shipments as compared to the year before.

The Company continued to act as a solution partner in fulfilling the needs of the automotive supply industry with its cutting, slitting, and dimensioning services in flat sheet supply; steel and aluminum sheet and plate procurement on its product and service portfolio, and supplier development and cost saving benefits.



Reliable supplier of humanitarian aid services

The global supplier to the United Nations and other international relief organizations, Ram Dış Ticaret delivers exports aid kits to fulfill the humanitarian aid needs of refugees and people in need all over the world, primarily in Turkey, Afghanistan, Ukraine, Sudan, Syria and Ethiopia. Under these procurement contracts, humanitarian aid kits have been delivered to more than 400,000 families and over 100,000 students across the world. In 2024, two new contracts -one with a 5-year term and the other with a 1-year term- have been signed with UNFPA Egypt country office and UNICEF MENA office to ship hygiene and stationery kits to the refugees in Palestine.

An international gateway for SMEs

Founded with the mission of increasing and improving exports by SME-scale producers besides the Koç Group companies, Ram keeps providing financial and governance support to the SMEs in this context. Ram Dış Ticaret extends support in export-related matters to the companies undertaking production in the medical industry (medical products, devices and consumables) and develops new business.

Digital transformation

While the projects initiated for performance improvement, speed and efficiency are ongoing, efforts to comply with the Information Security Management System standards have also continued.

Throughout the year, user-based training programs and informative contents on data security and awareness were offered to users, digital innovations were developed for enhanced employee satisfaction, and S4HANA transition was realized in the ERP system.

Sustainability

Ram exercises the utmost care in each stage of its business processes in line with the 2050 carbon neutrality targets and the Koç Group's sustainability principles. In its contracts with suppliers, the company opts for eco-friendly, biodegradable and reusable products and thus, encourages development of sustainable products.

Forward-looking expectations

Ram will develop joint projects with development banks and agencies providing funding globally, and will focus on delivering high value-added products, systems and services in healthcare, automotive and high technology for developing countries, as well as on upgrading the solutions offered in these areas and marketing.

Website



Corporate Brand Projects and Sponsorships

İstanbul Biennial

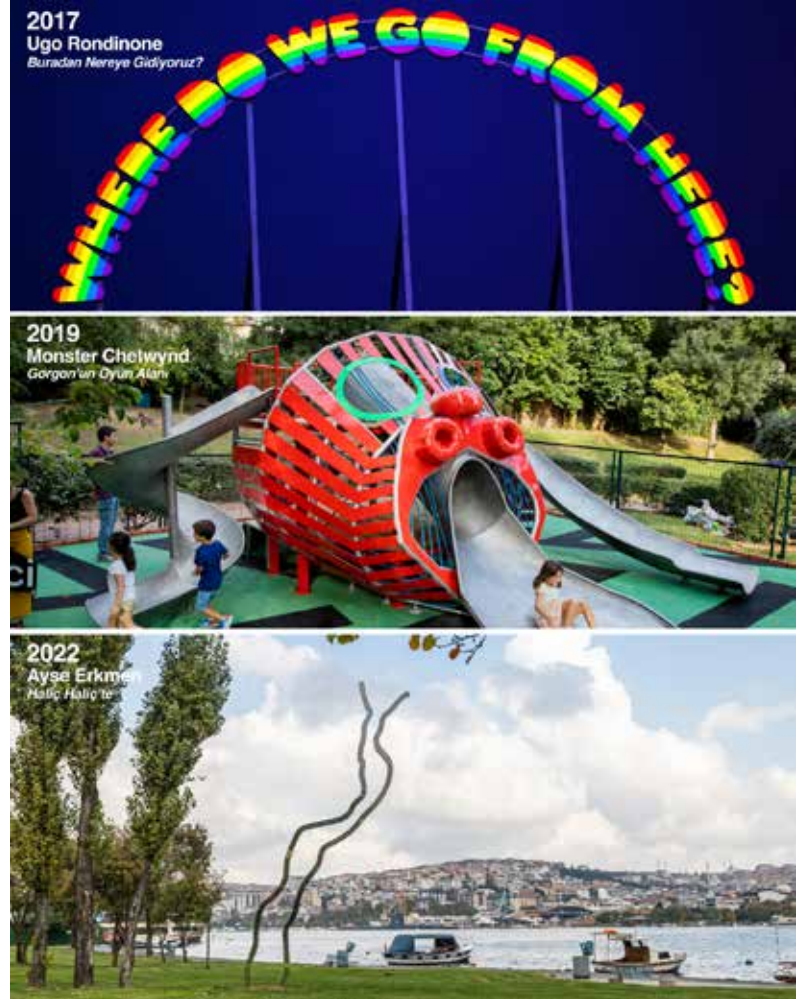
The largest contemporary art platform in Turkey and one of the most important contemporary art events in the world, the İstanbul Biennial has been supported with the aim of creating awareness about contemporary art, and introducing contemporary art to those who may not yet have been exposed to it since 2007. The sponsorship, which was first signed in 2007, will continue until 2036.

The İstanbul Biennial has hosted hundreds of thousands of visitors over many years by opening its doors free of charge to all visitors with the support of Koç Holding. As part of the biennial event, guided tours and children's workshops were held, reaching thousands of people.

The İstanbul Biennial, which has reached a dimension where it has been one of Turkey's art fixtures attracting significant interest from the foreign press and international art circles, gaining recognition in the world. It serves to provide a significant contribution to the perception and brand value of both our country and İstanbul abroad.

In 2017, the decision was taken to bestow a permanent piece to İstanbul in every biennial year. After Ugo Rondinone's neon sculpture entitled "Where Do We Go from Here?", Monster Chetwynd's outdoor installation "Gorgon's Head Playground" was installed in the Maçka Art Park in 2019. In 2022, Ayşe Erkmen's sculpture that the artist created based on the mysterious and dynamic form of The Golden Horn, the primary inlet of the Bosphorus in İstanbul, "Golden Horn in Golden Horn" was erected in Akşemsettin Park between Balat Hospital and the ferry dock. With new works to be added in the coming years, it is intended to make İstanbul a rich, contemporary art exhibitions location.

The 18th İstanbul Biennial, which will be curated by Christine Tohmé, will span three years from 2025 through 2027, unfolding in three distinct legs. Each program presented in the biennial will build on and carry forward lines of inquiry and research from the previous one.



The permanent artworks gifted to Istanbulites by Koç Holding as part of the İstanbul Biennial

The first leg of the Biennial will feature exhibitions and public programs running from 20 September to 23 November 2025. Throughout 2026, the Biennial will focus on establishing a permanent academic structure. This edition will culminate between 18 September and 14 November 2027, with a series of exhibitions, publications, performances, and discursive gatherings that will result from the collaborations established and research conducted in the process.

Vehbi Koç Foundation

Vehbi Koç Foundation, the first large-scale privately-funded charitable NGO chartered by the Republic of Turkey, was established on 17 January 1969 by Vehbi Koç.

Working to contribute benefits to the society, the Vehbi Koç Foundation centrally conducts various initiatives. In addition, the Foundation carries out its activities in education, culture and healthcare via the institutions under its management.

Below are the highlights of the Foundation's activities in 2024:



VEHBI KOÇ FOUNDATION DISASTER RELIEF FUND

"I live and prosper with my country." Those are the very words by our founder Vehbi Koç, in the light of whose vision, Vehbi Koç Foundation works to contribute benefits to the society. The Disaster Relief Fund set up by the Foundation carries on with its efforts in the region following the Kahramanmaraş Earthquakes of 6 February 2023. Along this line, support projects focused on the development of all earthquake-victim children and youngsters aged 0-18 residing in Hope Cities that the Koç Group erected in Adıyaman, İskenderun, Hatay, Kahramanmaraş and Malatya where nearly 20,000 people live were launched in an effort to promote social solidarity with the support of Koç Holding as well as the Koç Group companies and employees. In this framework, various projects have been carried out covering

diverse aspects including crammer support, scholarships, educational coaching, educational materials, sports gear and so on. In addition, Community Health Volunteers Project was launched under which healthcare training will be offered to volunteers.

The Vehbi Koç Foundation's 2024 initiatives carried out at five Hope Cities are as follows:

- Stationery sets and school bags were distributed to 4,485 children.
- Packages comprised of readers, textbooks and exam workbooks were delivered to 5,255 children.
- Scholarships were provided to 288 high school students, while 157 students received endowments.
- Crammer support was provided to 625 secondary and high school students for their exam preparations.

Vehbi Koç Foundation

- Equipment and gear support was provided to 884 students attending the sports schools of the Koç Group Sports Club.
- Vehbi Koç Foundation, via the Education Volunteers Foundation of Türkiye (TEGV), supports TEGV Learning Units at three Hope Cities.
- Contribution was made to the establishment of “Gelecek Hayalim Youth Centers” where Innovative Solutions for Sustainable Development Association conducts programs for the youth at two Hope Cities in collaboration with Ford Otosan.

Using its own funds, the Vehbi Koç Foundation also carried out supportive activities for parents, schools, teachers and the experts from the civil society organizations (CSO) working on the ground. Additionally, the Foundation has been conducting the Community Health Volunteer Projects in collaboration with Koç University. In addition, the Foundation hosts the on-site activities of the Koç Group Companies and CSOs through the Vehbi Koç Foundation Coordination Centers set up in three cities.

The initiatives launched in the Koç Group container cities within the scope of the Disaster Relief Fund are intended to continue for at least two years, and the donations collected are planned to be spent flexibly in view of the children's needs and the circumstances on the ground as they evolve.



EDUCATION

Scholarship Programs

In keeping with its pursuit to promote equality of educational opportunity, the Vehbi Koç Foundation has been providing scholarships to students since 1969. During the 2023-2024 academic year, scholarship support was provided to a total of 7,844 successful and underprivileged students, including high school, undergraduate and research assistant scholarships. <http://www.vkv.org.tr/>

Vehbi Koç Award goes to Turkish Female Physicians' Education Support Foundation

The Turkish Female Physicians' Education Support Foundation (KAHEV) has been the recipient of the 2024 Vehbi Koç Award, annually presented by the Vehbi Koç Foundation, the first private foundation established 55 years ago in Turkey, in the fields of culture, education and healthcare, in alternating order. The Vehbi Koç Foundation Board of Directors named KAHEV as the award recipient among the three candidates

nominated by the Selection Committee, chaired by Prof. Dr. Hüseyin Vural, himself the recipient of the 20th Vehbi Koç Award, and consisting of Prof. Ebru Aktan Acar, Prof. Soner Yıldırım, Prof. Emine Erkin and Prof. Yüksel Kavak.

Established in 2018 by a group of female physicians, KAHEV is committed to improving educational opportunities, particularly for underserved children and schools in rural areas. Initially focused on granting scholarships to students, the foundation has expanded its scope significantly over the years. KAHEV now extends its support beyond financial aid to provide services such as maintenance and repairs for rural schools and building new classrooms, laboratories and libraries within these educational institutions. KAHEV grants regular scholarships to more than 5,000 students, while providing ongoing educational support and assistance to the children of healthcare workers who lost their lives during the COVID-19 pandemic. The foundation currently has more than 5,500 registered members and over 26,000 volunteers.

The Koç School - High graduates received acceptance from approximately 250 universities in 13 countries.

Koç School-High Class of 2024 authored successful results in university admissions. Out of 240 graduating students, 188 completed their registration at overseas universities, and 39 of the 44 students who were placed in universities in Turkey preferred foundation universities (16 of them on scholarship) whereas five chose to attend state universities.

According to the results of the High School Entrance Exams (in Turkish: LGS), student enrolments to the Koç School-High were completed in the 0.01% to 1.33% percentile range.

<https://www.koc.k12.tr/>

Prof. Mete Atatüre is awarded the Koç University Rahmi M. Koç Medal of Science

The Koç University Rahmi M. Koç Medal of Science that recognizes the achievements of successful scholars of Turkish origin for outstanding contributions to their discipline was awarded for the ninth time in 2024. Koç University Rahmi M. Koç Medal of Science is presented to Prof. Mete Atatüre for his outstanding and pioneering contributions to quantum optics and quantum technologies where his research has significantly advanced the understanding of quantum systems.



59 Students in Top 100 chose Koç University

In student placements following 2024 High Education Institutions Exam (YKS), 59 students in top 100, 158 in top 500, 213 in top 1,000, 370 in top 5,000 and 421 in top 10,000 enrolled in Koç University. 36% of the students were placed in top 20,000, 48% in top 50,000 and 67% in top 100,000 (within the highest 3% bracket in Turkey).

Koç University has been the only university from Turkey ranked in the top 500 in the past three years.

Koç University was ranked 401st in the QS World University Rankings 2024, becoming the only university from Turkey to be placed in the top 500 for the third time successively in the last three years. The top place secured in 2023 in the URAP-Turkey Ranking was preserved in 2024. In the THE World Rankings, Koç University retained its positioning in the 351-400 range that it secured the year before. The institution preserves its number 1 spot in Turkey in terms of scientific productivity indicators of the Turkish Higher Education Quality Council (THEQC).

Koç University was named Turkey's best research university based on the results of 2023 Research Universities Performance Monitoring Index conducted by the Council of Higher Education (YÖK). The index comprises 23 universities, including 20 state universities and three foundation universities, evaluated on the basis of their research capacity, research quality, interaction and cooperation. Koç University's leadership in securing the highest Horizon Europe funding among Turkish universities and hosting 31 of Turkey's 53 ERC (European Research Council) projects solidifies its position as a hub of research excellence.

<https://www.ku.edu.tr/>

Vehbi Koç Foundation

HEALTH

American Hospital and Koç University Hospital become members of the “Mayo Clinic Care Network”.

American Hospital and Koç University Hospital collaborated with Mayo Clinic in a bid to maintain international standards in healthcare and to be able to always offer higher quality healthcare services to patients. Displaying a high performance in Mayo Clinic’s thorough review that entails an in-depth scrutiny of clinical and business practices and quality and safety standards, American Hospital and Koç University Hospital joined the “Mayo Clinic Care Network”.

Koç University Health Sciences Campus Guesthouse opened.

The guesthouse that offers accommodation to Nursing Services employees, School of Nursing students, School of Medicine students and postgraduate students is now open for service.



CULTURE

Sadberk Hanım Museum is the recipient of the Ministry of Culture and Tourism Special Prize

Republic of Türkiye Ministry of Culture and Tourism Special Award, regarded a recognition of the highest order in protecting and promoting cultural heritage, has been presented to Vehbi Koç Foundation’s Sadberk Hanım Museum this year by the President Recep Tayyip Erdoğan during a ceremony held at the Presidential Complex on 27 November 2024. The award has been received by the Museum Director Hülya Bilgi. The Museum has been honored with the award for its rich collection shedding light on Anatolia’s thousands of years of culture and art history, its successful projects in the restoration and conservation of ancient works, the modern techniques it implements and exemplary projects introduced. Two exhibitions and parallel events Sadberk Hanım Museum organized in 2023 on the occasion of the centennial

of the Turkish Republic remained on display for visitors in 2024. “Elegance from Past to Future: Women’s Costume from the Late Ottoman Empire to the Early Republican Era” held at Abdülmecid Efendi Mansion on behalf of Koç Holding inaugurated on 27 October 2023 with a special reception. The exhibition, which was open for public visitation from 29 October 2023 until 19 May 2024, provided an account of how Ottoman women’s clothing in the 19th century transformed from traditional to Western style in the early 20th century and how the new fashion that started from the palace in İstanbul quickly spread to the major cities with the proclamation of the Republic. Probing into being a child in the Ottoman Empire era through children’s garments and accessories in the Sadberk Hanım Museum Collection, the exhibition “Adorable & Precocious” opened with a reception held on 23 November 2023. The exhibition that also reflected the tradition of being a child and childhood was on display until 31 December 2024. www.sadberkhanimmuzesi.org.tr

Arter's Collection hits the World Scene

Having grown into a collection comprising over 1,400 contemporary works of art since its instigation in 2007, Arter gave 177 works of art on loan to 86 institutions until 2025. Arter hosted seven new exhibitions in the January 2024 – December 2024 period. “Farz Et Ki Sen Yoksun | Suppose You Are Not”, “Johanna Gustafsson Fürst & Dilek Winchester: Glossolalala” exhibition, “Şakir Gökçebağ: Görüldüğü Gibi | As It Seems”, “Prix Pictet: Human” exhibition and “Jackie Matisse” exhibition were showcased for the visitors.

In the fall season, Arter brought the “Yasemin Özcan: Islak Zemin / Wet Floor” and “Maaria Wirkkala: Karaya Çıkmak Yasaktır / Landing Prohibited” exhibitions to its visitors. Koray Ariş’ exhibition titled “The Skin We Live In” has been on from December 12th.

Having mounted six new exhibitions comprised of works from its own collection as well as others on-loan in 2024, Arter also hosted the 10th cycle of Prix Pictet, the global award for



Arter Collection, “Jackie Matisse” exhibition

photography and sustainability, in İstanbul. Arter continued to act as a live platform for culture, offering various learning opportunities that included interpretation events, workshops and guided tours, alongside performances from various artistic disciplines in 2024.

As part of the Learning Programme, workshops for adults, workshops for children, interpretation events and contemporary art seminars focused on the current exhibitions on display at Arter were carried out in 2024 as well.

www.arter.org.tr

İstanbul as Far as the Eye Can See at Meşher

Opened on 20 September 2023, Meşher's exhibition titled “İstanbul as Far as the Eye Can See: Views across Five Centuries” postponed its closing date from 26 May 2024 to 29 September 2024 due to the great interest it has drawn. Curated by Şeyda Çetin and Ebru Esra Satıcı, the exhibition's advisor was Bahattin Öztuncay. Based on a selection of rare works from the Ömer Koç Collection, the exhibition spanned 500 years, from the 15th century – when İstanbul became Ottoman Empire's capital – to the first quarter of the 20th century. Offering a richly varied visual record of the city, the exhibition comprised over 100 works of art ranging from paintings and engravings showing wide-angle views to rare books, albums to panoramic photographs, and souvenirs of İstanbul.

www.meshher.org

CORPORATE GOVERNANCE

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Declaration of Compliance with Principles of Corporate Governance

Declaration of Compliance with Sustainability Principles

Explanations Regarding Corporate Governance

2024 Board of Directors Structure

Organization Chart

Board of Directors

Executive Management

Risk Management

Internal Control Systems and Audit

Independent Limited Assurance Report (Materiality Assessment)

Statement of Responsibility for Financial Statements

Statement of Responsibility for Annual Report

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When they appear in this annual report, “the Company” and “Koç Holding” mean the legal entity Koç Holding A.Ş., whereas “the Koç Group” and “the Group” refer to Koç Holding together with the consolidated companies.

Shareholder Structure and Voting Rights

Our Company's shares are divided into two groups, A and B. Each Group A registered share holds two voting rights at our General Assembly. However, for decisions concerning the amendment to the Articles of Association, acquittal or filing a liability lawsuit, all shares hold one right to vote.

Our shareholders' voting rights, taking into account the privileged shares, are presented below:

Shareholder	Group	Amount (TL)	Share Stake (%)	Voting Right	Voting Right Stake (%)
Family Danışmanlık Gayrimenkul ve Ticaret A.Ş. ¹	A	678,773,422	26.77	135,754,684,460	42.23
Family Danışmanlık Gayrimenkul ve Ticaret A.Ş. ¹	B	430,566,455	16.98	43,056,645,478	13.39
Koç Family ²	B	464,947,514	18.33	46,494,751,430	14.46
Vehbi Koç Vakfı	B	184,171,754	7.26	18,417,175,384	5.73
Koç Holding Emekli ve Yardım Sandığı Vakfı	B	59,553,491	2.35	5,955,349,123	1.85
Rahmi M. Koç ve Mahdumları Maden İnşaat Turizm Ulaştırma Yatırım ve Ticaret A.Ş.	B	35,385,424	1.40	3,538,542,410	1.10
Publicly held ³	B	682,499,989	26.91	68,249,998,945	21.23
Total		2,535,898,050	100.00	321,467,147,230	100.00

(1) Family Danışmanlık Gayrimenkul ve Ticaret A.Ş. is a wholly-owned subsidiary of Temel Ticaret A.Ş. Majority of Temel Ticaret ve Yatırım A.Ş. shares belong to Koç Family members.

(2) Koç Family Members: Rahmi M. Koç, Semahat S. Arsel, M. Ömer Koç, Ali Y. Koç, İpek Kırac, Caroline N. Koç, Esra Çiğdem Koç and Aylin Elif Koç.

(3) The publicly held portion includes shares bought back by Koç Holding A.Ş. which have a nominal value of TL 890,475 (ratio in capital: 0.04%).

Legal Disclosures

Information concerning significant changes in Koç Holding A.Ş.'s ownership of non-current financial assets held in 2024

Information on changes in ownership of non-current financial assets that Koç Holding A.Ş. holds directly which exceed or fall below the thresholds specified by the Turkish Commercial Code is set out in the table below.

Companies	2024 (%)	2023 (%)	Description
Düzey Tüketim Malları Sanayi Pazarlama A.Ş.	76.72	32.23	Shares corresponding to 1.12% of the capital in Düzey and held by Tat Gıda and those corresponding to 43.36% of the same and held by Temel Ticaret have been acquired by Koç Holding.
Intumo Therapeutics, Inc.	70.00	-	Koç Holding acquired the shares corresponding to 70% of the capital in Intumo Therapeutics
Kemer Medical Center Özel Sağlık Hizmetleri Turizm ve Ticaret A.Ş.	80.00	-	Koç Holding acquired the shares corresponding to 80% of the capital in KMC Sağlık
Koç Investments B.V.	73.17	55.00	The capital increase carried out in 2024 has been covered by Koç Holding
Koç Yapı Malzemeleri Ticaret A.Ş.	92.47	49.21	Shares corresponding to 42.56% of the capital in Koç Yapı Malzeme held by Temel Ticaret and those corresponding to 0.70% of the same held by non-controlling shareholders have been acquired by Koç Holding.
RMK Marine Gemi Yapım Sanayi ve Deniz Taş. İşl. A.Ş.	74.91	43.17	The capital increase carried out in 2024 has been covered by Koç Holding
Sendeo Dağıtım Hizmetleri A.Ş.	22.50	45.00	The sales of the shares corresponding to 50% of the capital in Sendeo (Koç Holding: 22.5%, Aygaz: 27.5%) to non-Group parties has been completed in 2024.
Set Air Hava Taşımacılığı ve Hizmetleri A.Ş.	90.00	60.00	Shares corresponding to 30% of the capital in Set Air and held by Temel Ticaret have been acquired by Koç Holding.
Stembio Kök Hücre Teknolojileri A.Ş.	65.00	-	Shares corresponding to 65% of the capital in Stembio Kök Hücre have been acquired by Koç Holding.
Tat Gıda Sanayi A.Ş.	-	43.65	The sale of shares, corresponding to 49.04% of Tat Gıda's capital and 15 founder usufruct shares held by Koç Holding, Koç Group companies, Koç Family Members and foundations related to Koç Group to Memişoğlu Tarım Ürünleri Ticaret Limited Şirketi was completed on 19 February 2024.
Wat Mobilite Çözümleri Teknoloji ve Ticaret A.Ş.	21.00	-	Shares corresponding to 51% of the capital in Wat Mobilite and held by Wat Motor have been acquired by Koç Holding (21%) and Otokoç (30%).

Information on transactions that result in indirect shareholding ratios in non-current financial assets indirectly held by Koç Holding to reach or fall below the thresholds set out in the Turkish Commercial Code can be found in the table below.

Companies	2024 (%)	2023 (%)	Description
Adalar Tankercilik A.Ş.	36.90	-	Established in 2024.
Bauknecht AG ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Bauknecht Hausgeräte GmbH ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Bebek Shipping S.A.	40.68	-	Established in 2024.
Beko AE LLC	46.13	-	Established in 2024.
Beko Canada INC	46.13	-	Established in 2024.
Beko Europe Austria GmbH ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation

(1) Included in the scope of consolidation given the merger of all of Arçelik's and Whirlpool Corporation's production, sales and marketing subsidiaries operating in Europe in a new company, Beko Europe B.V., in which Arçelik will have 75% controlling interest and Whirlpool will have 25% non-controlling interest.

Companies	2024 (%)	2023 (%)	Description
Beko Europe Bulgaria EOOD ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Denmark A/S ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Estonia OÜ ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Holdings BV ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Iberia, S.A. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Latvia SIA ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Lithuania UAB ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe Management SRL ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Europe R&D SRL ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Gulf DMCC ¹	46.13	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Italy Manufacturing SRL ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Maghreb Sarl ¹	46.13	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Manufacturing Slovakia Spol. S.R.O. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Beko Poland Manufacturing Sp.Z O.O. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Demre 7 Tankercilik A.Ş.	19.70	-	Established in 2024.
Demre 8 Tankercilik A.Ş.	19.70	-	Established in 2024.
Digital Panorama Bilgi ve İletişim Teknolojileri Sistem ve Hizmetleri A.Ş.	39.54	-	Koç Holding's effective ownership interest rate has changed following Zer Ticaret's acquisition of the shares representing 100% of the capital in Digital Panorama.
Düzey Tüketim Malları Sanayi Pazarlama A.Ş.	76.72	32.73	Koç Holding's effective ownership interest rate has changed following Koç Holding's acquisition of shares representing 1.12% and 43.36% of the capital in Düzey, which were held by Tat Gıda and Temel Ticaret respectively. Furthermore, the transfer of shares representing 1.11% of the capital in Düzey to non-controlling shareholders has been completed.
European Appliances Balkans d.o.o. Beograd ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Belgium N.V. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Croatia d.o.o. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Czech Spol. S.R.O. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Finland OY ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances France Holdings SAS ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances France SAS ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Greece SA ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Hungary KFT ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Italy SRL ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Netherlands B.V. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Nordic AB ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Norway AS ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Poland Sp. Z O.O. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Romania SRL ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Slovakia Spol. S R.O. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Appliances Ukraine LLC ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
European Home Appliances Spain S.A. ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Galataport İstanbul Liman İşletmeciliği ve Yatırımları A.Ş.	7.37	-	Yapı Kredi Bank took over the shares in the company's capital in 2024
General Domestic Appliances Holdings LTD ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Hotpoint Ireland Ltd ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Hotpoint UK Appliances Limited ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Indesit Company International Business SA ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Indesit Company UK Holdings LTD ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation

(1) Included in the scope of consolidation given the merger of all of Arçelik's and Whirlpool Corporation's production, sales and marketing subsidiaries operating in Europe in a new company, Beko Europe B.V., in which Arçelik will have 75% controlling interest and Whirlpool will have 25% non-controlling interest.

Legal Disclosures

Companies	2024 (%)	2023 (%)	Description
Ingage Dijital Pazarlama Hizmetleri A.Ş.	24.17	19.70	As a result of the acquisition of Temel Ticaret's shares, corresponding to 11.31% of Ingage's capital, by Zer Ticaret, Koç Holding's effective ownership interest rate in the relevant company has changed.
Intumo Therapeutics, Inc.	70.00	-	Shares corresponding to 70% of Intumo Therapeutics capital were acquired by Koç Holding.
IRE Beteiligungs GmbH ¹	34.60	-	Effect of the merger between Arçelik and Whirlpool Corporation
Kemer Medical Center Özel Sağlık Hizmetleri Turizm ve Ticaret A.Ş.	80.00	-	Koç Holding acquired the shares corresponding to 80% of the capital in KMC Sağlık.
Koç Investments B.V.	73.17	55.00	Koç Holding's effective ownership interest rate has changed following the capital increase at Koç Investments B.V. in 2024, which was covered by Koç Holding.
Koç Yapı Malzemeleri Ticaret A.Ş.	92.47	49.21	Following Koç Holding's acquisition of Temel Ticaret-owned shares representing 42.56% of the capital in Koç Yapı Malzeme and shares representing 0.70% of the same held by non-controlling shareholders, Koç Holding's effective ownership interest rate in the related companies has changed
KoçZer Romania SRL	39.54	-	Established in 2024.
Otokoç Sigorta Aracılık Hizmetleri A.Ş.	99.85	48.23	Following Otokoç's acquisition of the shares representing 49.98% of the capital in Otokoç Sigorta, Koç Holding's effective ownership interest rate has changed.
Ram Dış Ticaret A.Ş.	69.70	59.60	Following Koç Holding's acquisition of Tat Gıda-owned shares representing 7.5% of the capital in Ram Dış Ticaret and Zer Ticaret's acquisition of Temel Ticaret-owned shares representing 14.66% of the same, Koç Holding's effective ownership interest rate in the related companies has changed.
Ramerica International, Inc.	69.70	59.60	Following Koç Holding's acquisition of Tat Gıda-owned shares representing 7.5% of the capital in Ram Dış Ticaret and Zer Ticaret's acquisition of Temel Ticaret-owned shares representing 14.66% of the same, Koç Holding's effective ownership interest rate in the related companies has changed
RMK Marine Gemi Yapım Sanayi ve Deniz Taş. İşl. A.Ş.	81.86	58.90	Koç Holding's effective ownership interest rate has changed following the capital increase at RMK Marine in 2024, which was covered by Koç Holding.
Sendeo Dağıtım Hizmetleri A.Ş.	33.69	67.38	Following the completion of the sales of the shares representing 50% of the capital in Sendeo to non-Group parties, Koç Holding's effective ownership interest rate has changed.
Set Air Hava Taşımacılığı ve Hizmetleri A.Ş.	95.45	64.58	Koç Holding's effective ownership interest rate has changed following Koç Holding's acquisition of Temel Ticaret-owned shares representing 30% of the capital in Set Air.
SMS Gemi İnşa Sanayi A.Ş.	81.86	-	RMK Marine acquired 100% of the shares in SMS Gemi İnşa Sanayi A.Ş.
Stembio Kök Hücre Teknolojileri A.Ş.	65.00	-	Koç Holding acquired shares representing 65% of the capital in Stembio Kök Hücre
Tat Gıda Sanayi A.Ş.	-	43.84	The sale of shares, corresponding to 49.04% of Tat Gıda's capital and 15 founder usufruct shares held by Koç Holding, Koç Group companies, Koç Family Members and foundations related to Koç Group to Memişoğlu Tarım Ürünleri Ticaret Limited Şirketi was completed on 19 February 2024.
Vice 2 Tankercilik A.Ş.	19.70	-	Established in 2024.
Wat Mobilite Çözümleri Teknoloji ve Ticaret A.Ş.	75.24	51.83	Koç Holding's effective ownership interest rate has changed following the acquisition of Wat Motor-owned shares representing 51% of the capital in Wat Mobilite by Koç Holding (21%) and Otokoç (%30).
Wat Motor San. ve Tic. A.Ş.	73.17	55.00	Koç Holding's effective ownership interest rate has changed following the capital increase at Koç Investments B.V. in 2024, which was covered by Koç Holding.

(1) Included in the scope of consolidation given the merger of all of Arçelik's and Whirlpool Corporation's production, sales and marketing subsidiaries operating in Europe in a new company, Beko Europe B.V., in which Arçelik will have 75% controlling interest and Whirlpool will have 25% non-controlling interest.

Extraordinary General Assembly Meeting held during the year, if any

None.

Organizational Changes within the Year

Koç Holding's organizational structure as at year-end 2024 is presented on page 181 of the annual report. No significant organizational change took place during the year.

Associated Company Report

Turkish Commercial Code No. 6102 article 199 obliges Koç Holding's Board of Directors to prepare, within the first three months of the operating year, a report on the Company's relations with its controlling shareholders and their associated companies for the previous operating year, and to include the conclusion section of this report in the annual report.

Koç Holding A.Ş. Board of Directors report of 11 March states: "In all transactions conducted in 2024 with Koç Holding's controlling shareholders and their associated companies, based on the circumstances and conditions known by us at the moment the transaction was conducted, measures were taken, or avoided; it was determined that appropriate action had been taken in each transaction, and that no measure was taken or avoided that could harm the Company, and accordingly, that no compensatory transactions or measures needed to be taken."

Lawsuits against the Company and any probable outcomes that could impact the Company's financial situation and operations

No lawsuits significant enough to have a material impact on its financial situation or operations were filed against the Company, including those related to environmental, social and governance issues.

Information on administrative or judicial sanctions imposed on the Company and its management due to practices in violation of regulations

There were no administrative or judicial sanctions imposed on the Company or the members of its management due to regulatory violations.

Information about regulatory changes that may have a significant impact on Company's operations

There were no regulatory changes that could have a significant impact on Company's operations.

Information on conflicts of interest with organizations from whom the Company obtains investment consultancy, rating or similar services and measures taken by the Company to prevent such conflicts of interest

There were no incidents that may cause any conflicts of interest with organizations from whom the Company obtains investment consultancy, rating or similar services.

Information about changes to the articles of association during the reporting period

No changes were made to the articles of association in 2024.

Assessment under article 376 of the Turkish Commercial Code

The Company's capital was reviewed under article 376 of the Turkish Commercial Code to determine the extent to which it is secured. It was concluded that Koç Holding's issued capital in the amount of TL 2,535,898,050 reserves its existence eminently with TL 528.6 billion in total equity attributable to the parent company as of 31 December 2024, and with a net financial debt/invested equity multiplier of 0.41, the Company's debt structure is sufficient to carry on its operations in a healthy manner.

Declaration of Compliance with Principles of Corporate Governance

Declaration of Compliance with Principles of Corporate Governance

“Corporate Governance Principles” enacted by the Capital Markets Board (CMB) is an area of priority for Koç Group. Our Company fully complies with the compulsory principles within the scope of the Corporate Governance Communiqué n.II-17.1 (the Communiqué) that was in force in 2024, and Koç Holding has also widely implemented most of the non-mandatory principles. However, Koç Holding has not yet achieved full compliance due to: the challenges encountered in the implementation of some principles; ongoing discussions in Turkey and internationally regarding compliance with certain principles, and the failure of the current market and corporate structure to comply with such principles in a proper manner. We are continuously working on the principles not yet implemented with maximum effort and we plan to evaluate them once the administrative, legal and technical infrastructure for the effective governance of our company has been investigated.

The major non-compulsory Corporate Governance Principles that we have not yet achieved full compliance with are explained below.

- Regarding principle n. 1.3.10; the agenda of the General Shareholders' Meeting included a separate item for the total amount of the donations and contributions made and major donations were explained in the general assembly informative document. The remaining amount for which the details were not provided, includes donations to various parties each below 1,000,000 TL, which were not deemed as material information to our shareholders. As the donations below this threshold are not interrogated by our investors, we foresee to continue with the current practice of disclosing only the material amounts.
- Regarding principle n. 1.4.2; the Company has shares entailing voting privileges as explained in Legal Disclosures Section; however, privileged voting rights do not constitute more than half of total voting rights. As these rights have been present since the establishment and accordingly the initial public offering of our shares and taking into account that it is not possible to make a decision by the affirmative votes of privileged shares only and also given that they do not prevent the holders of publicly traded shares from being represented at company board, any changes to the current structure is not foreseen.
- Regarding principle n. 1.5.2: Minority rights are not vested by the Articles of Association in shareholders holding less than one twentieth of the capital and rights are vested within the general framework of the regulations. Any changes to the current structure is not foreseen in the near future.
- Regarding principle n. 1.7.1; Article 9 of our company's Articles of Association sets out the principles regarding transfer of shares and there are no provisions in the Articles of Association that complicate or restrict the transfer of Group B shares traded on the stock exchange. As the existing restrictions relate only to non-listed group of shares, any changes to the current structure is not foreseen.
- Regarding principle n. 4.4.7; There are no restrictions for BoD Members on assuming other positions or duties outside the Company. Such a restriction is not deemed necessary as the business and sectoral experience of BoD Members makes a vital contribution to the BoD. CVs of the BoD Members are provided in the annual report. Given the performance and the efficiency of the BoD and taking into account the fact that the current structure does not impose any challenges in terms of corporate governance, any changes to the current structure is not foreseen in the short-run.

- Regarding principle n. 4.5.5: Know-how and experience of the Members of our BoD is taken into consideration when appointing members to the committees in line with the relevant regulations. Some of the Members of our BoD can assume duties in more than one committee. However, members who assume duties in more than one committee enable communication among the committees that carry out activities in connected subjects and increase the opportunity of collaboration. Given the performance and the efficiency of the committees and the valuable contributions of Board members, any changes to the current structure is not deemed necessary.
- Regarding principle n.4.6.5: remuneration of the Members of the BoD and managers who have administrative responsibilities is disclosed on a non-individual basis – in parallel to the general practices – in the footnotes of our financial statements and at the General Assembly meetings. We are monitoring the general market practices in this subject which we deem to be material in terms of the protection of personal information, and intend to follow such prevalent practice.

Our company was not exposed to any conflict of interest due to non-compliance with such principles.

Within 2024, the activities in the field of Corporate Governance were carried out in accordance with the Capital Markets Law that includes the regulations regarding the CMB's Corporate Governance Principles, and with the communiqués issued based on this Law. In our Ordinary General Assembly held in 2024, our BoD and the Committees of our BoD were established in accordance with the regulations stipulated in the Communiqué. Before the General Assembly, the procedures for designating independent candidates and making public disclosures were completed and candidates were elected according to regulations. The Committees established under the BoD continued to function effectively. The General Assembly Informative Document that contains the compulsory information such as information on preferred shares, voting rights and organizational changes, as well as the CVs of BoD Membership Candidates, the Remuneration Policy for Board Members and Executive Management was provided to our investors three weeks prior to the General Assembly. In 2024, studies focused on protection of inside information and prevention of insider trading have been conducted. The Koç Group Policy on the Protection of Inside Information and Prevention of Insider Trading, which, as an integral part of the Koç Group Code of Ethics, sets the principles and rules regarding the obligations of Koç Holding employees and executives, business partners, and all other stakeholders with access to inside information related to Koç Holding in relation to the use and protection of inside information, was adopted by the Board of Directors in January 2024 and publicly disclosed thereafter.

We will continue our endeavors to ensure compliance with the Principles in light of the developments in legislation and general market practices.

Corporate Governance Compliance Report and Corporate Governance Information Form of Koç Holding prepared in accordance with the CMB decision dated 10.01.2019 n. 2/49 and approved by Koç Holding Board of Directors is available at pages 340-353 of the annual report. These documents are also available at Corporate Governance Section of Koç Holding at Public Disclosure Platform <https://www.kap.org.tr/en/sirket-bilgileri/ozet/1005-koc-holding-a-s>.

Declaration of Compliance with Sustainability Principles

The Koç Group monitors the best practices in terms of sustainability, including CMB's Sustainability Principles and performs its activities with the aim of ensuring compliance to these best practices. Many of the issues stated in the Sustainability Principles enacted by CMB in 2020 overlap with the principles of Koç Holding's sustainability strategy "Lead together". Accordingly, Koç Holding complies with many of the voluntary principles mentioned in Sustainability Principles enacted by CMB with a "comply-or-explain" approach. However, full compliance is not yet achieved for reasons such as the difficulties in implementation of some principles, the uncertainties in this area in both local and global arena, the mismatch between some of the principles and the company structure, the intention to design the compliance structure based on the outcome of ongoing studies, etc. For the principles where the company currently does not fully comply with, it is intended to ensure full compliance after the review of the global best practices and the completion of technical infrastructure and data collection analysis on the Group scale with the purpose of supporting our company's efforts to create value in a sustainable manner.

The Koç Group's efforts on sustainability issues that overlap with CMB's Sustainability Principles are explained in a detailed manner in the Annual Report in mainly the Sustainability section and Human Rights and Compliance Program sections. For the principles where full compliance is not achieved, the explanations are provided below. For such principles, the implications on environmental and social risk management are analyzed within the scope of our sustainability efforts.

- Principle B.24: Since regulatory framework governing carbon pricing system has yet to be finalized in our country, the Company is not included in any carbon pricing system. Notwithstanding, internal carbon pricing efforts are being carried out at some Koç Group companies, but they are not spread across the Koç Group yet. For a low carbon transition, different instruments are evaluated to be used at Group-level and those that are appropriate will be implemented in line with the developed strategy.

Sustainability Principles Compliance Report prepared in accordance with the formats defined by the CMB Resolution dated 23 June 2022, numbered 34/977, and approved by the Company's Board of Directors is appended to the annual report (page 354-361), and related documents can also be accessed on our Company's page on the Public Disclosure Platform.

<https://www.kap.org.tr/sirket-bilgileri/ozet/1005-koc-holding-a-s>

The report which will be prepared in accordance with Turkish Sustainability Reporting Standards, released by Public Oversight, Accounting and Auditing Standards Authority's decision dated 29.12.2023, will be published separately within the legal allowed timeline.

The report which will be prepared in accordance with Turkish Sustainability Reporting Standards, released by Public Oversight, Accounting and Auditing Standards Authority's decision dated 29.12.2023, will be published separately within the legal allowed timeline.

Explanations Regarding Corporate Governance

Shareholders

Investor Relations Department (IR) is responsible for liaising in the relations between Koç Holding and its shareholders in coordination with other relevant departments. IR is responsible for providing information, excluding confidential information and trade secrets, to existing and potential shareholders on the Company's operations, its financial position and strategy and managing the bilateral communication between the shareholders and the Company management. The information is provided in an orderly manner that will not cause any inequality of information, by consulting the relevant departments and coordinating with the Group companies when required. Some of the activities that are stipulated in the Corporate Governance Communiqué are carried out by the Legal Affairs Department (ensuring that the General Assembly meetings are held in compliance with the regulations in force, the Articles of Association and other internal regulations of the Company) and Finance Department (fulfilling all obligations of public disclosure required by the regulations such as, preparation of documents that shareholders will use at the General Assembly meetings, public disclosure of financial reports and material events).

IR submits an activity report, at least annually, to the Corporate Governance Committee and CEO to be submitted to the BoD. The report regarding the activities in 2023 was submitted to the Corporate Governance Committee in order to be presented to the BoD in March 2024. The report regarding the activities of 2024 was submitted to the Corporate Governance Committee and the BoD on March 2025.

Investor Relations Contacts*:

CFO: Polat Şen

Finance Coordinator Responsible for Ensuring Compliance with Corporate Governance and Capital Markets Regulations: Nevin İmamoğlu İpek

Finance Coordinator: Ayça Sandıkcioglu

Investor Relations Manager: İsmail Özer

Investor Relations Manager: Cansev Atak

Finance Manager: Bora Kılıç

(*) Mrs. Nursel İlgen, who served as the Investor Relations Coordinator in 2024, has left her duty due to retirement on 31 January 2025

Explanations Regarding Corporate Governance

Board of Directors and Committees

In the table below, brief information is given about our Members of the BoD who all are Non-executive Members in accordance with the definition made in the CMB Corporate Governance Principles except our CEO Levent Çakıroğlu. All BoD Members currently on duty were elected at the General Assembly dated 18 April 2024 for a term of one year to serve until the General Assembly where the operations of 2024 will be discussed.

Name Surname	Position	Current Positions Held Outside the Company	Independent BoD Member?	Committees and Position
Rahmi M. Koç	Honorary Chair	BoD Chair and Member, Committee Member	Not Independent Member	Executive Committee Member
Ömer M. Koç	Chair	BoD Chair and Member, Committee Member	Not Independent Member	Executive Committee Chair
Ali Y. Koç	Vice-Chair	BoD Chair and Member, Committee Member	Not Independent Member	Executive Committee Member, Nomination and Remuneration Committee Member
Semahat S. Arsel	Member	BoD Chair and Member, Committee Member	Not Independent Member	Executive Committee Member
Caroline N. Koç	Member	BoD Chair and Member, Committee Member	Not Independent Member	Risk Management Committee Member
İpek Kırac	Member	BoD Chair and Member	Not Independent Member	Corporate Governance Committee Member
Levent Çakıroğlu	Member, CEO	BoD Chair and Member, Committee Member	Not Independent Member	
Jacques A. Nasser	Member	BoD Member in companies outside the Group	Not Independent Member	
Cem M. Kozlu	Member	BoD Chair and Member in companies outside the Group	Independent Member	Corporate Governance Committee Chair, Audit Committee Chair
Peter Martyr	Member	BoD Chair and Member in companies outside the Group	Independent Member	Risk Management Committee Chair
Michel Ray de Carvalho	Member	BoD Chair and Member in companies outside the Group	Independent Member	
Ömer Önhon	Member	BoD Member in companies outside the Group	Independent Member	Nomination and Remuneration Committee Chair, Audit Committee Member

The CVs of the BoD Members can be found on our website and in our Annual Report. (See pages 182-185)

The duties of the BoD Chair and CEO are performed by different persons. Attention is paid to the allotment of enough time BoD Members need for corporate business; there are no restrictions for BoD Members on assuming other positions or duties outside the Company. Such a restriction is not deemed necessary as the business and sectoral experience of BoD Members makes a vital contribution to the BoD. Prior to the General Assembly, the CVs of the BoD Independent Members and the positions they held outside the Company are provided to shareholders.

At the meetings held in 2024, the Board has adopted 28 decisions, seven of which were during physical meetings amongst four of which were during meetings at which strategic issues were discussed. Every member has one vote at BoD meetings; differences of opinion and grounds for opposing votes and specific questions raised by Members of the BoD at Board Meetings are recorded in the Resolution Book. No opposition or difference of opinion has been declared recently.

Skills**100%**

Core Industry

92%

Senior Executive

58%

Environmental

92%

Financial / Audit and Risk

17%

Cybersecurity / IT

92%

Social

42%

Legal / Public Policy

83%

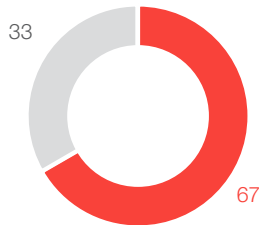
M&A / Capital Market

100%

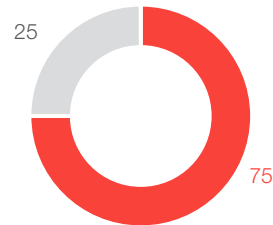
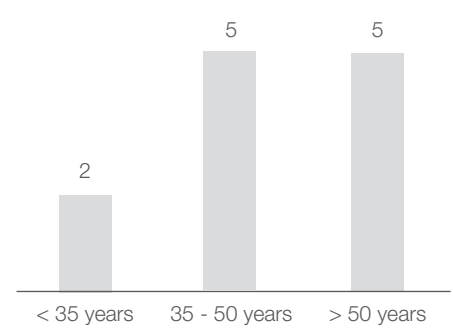
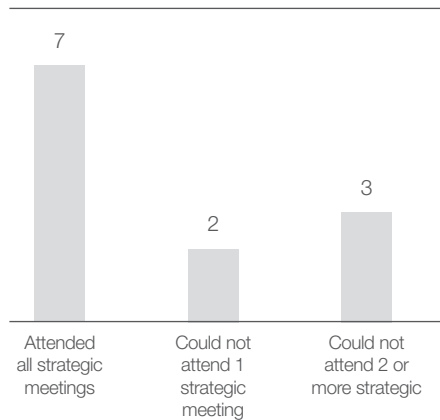
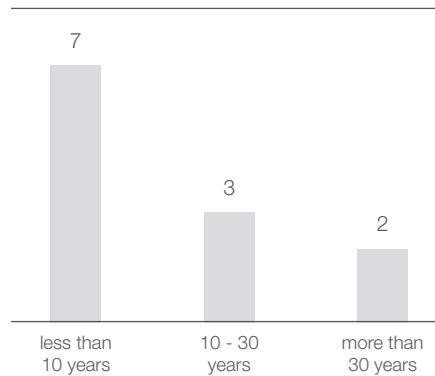
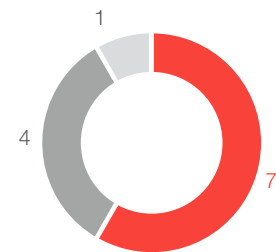
International Markets

*Glass Lewis Board of Directors Talent Matrix was taken into consideration in the evaluation.***Independence Status (%)**

■ Independent ■ Not independent

**Citizenship/Residency (%)**

■ Turkey ■ Others

**Work Experience (person)****Attendance in Meetings (person)****Term of Office on the Company's Board of Directors (person)****Educational Status (person)**■ Master's / PhD ■ Licence
■ Associate Degree / High School

Explanations Regarding Corporate Governance

Koç Holding BoD manages and represents the Company through its strategic decisions, taking into consideration particularly long-term interests in light of keeping the Company's risk-growth-profits balance at the most appropriate level through a rational and cautious risk management approach. Our BoD determines Koç Holding's strategic goals, identifies the human and financial resources needed to achieve them, and oversees the performance of management and the BoD. The BoD, through the strategic meetings it holds, in principle, four times a year, compares the Holding's quarterly financial performance with the budget, monitors strategic developments and develops new strategies and makes investment decisions taking into account the management's recommendations. Besides evaluating financial and operational indicators, in its end-of-year performance evaluation, the BoD assesses the extent to which the Company's strategies have been implemented, thereby forming a basis for determining performance and rewards.

The "Remuneration Policy for BoD Members and Senior Executives," which contains the remuneration principles and the criteria used in determining every right, benefit and remuneration given to BoD Members and senior executives is available at page 25 of the Annual Report. Koç Holding does not get involved in material transactions that might lead to conflicts of interest such as extending loans the BoD Members or Executive Management, or providing collateral on their behalf.

In 2024, all Committees of the Board of Directors (BoD) fulfilled their duties and responsibilities stipulated by the Corporate Governance Principles and their working principles, and convened in conformity with their working schedules. Reports including the information about the activities of the Committees and the results of the meetings held within the year were presented to the BoD.

Board of Directors has concluded that the benefit expected from the activities of the Board of Directors' Committees was obtained.

Working Principles and Operations of the Audit Committee

The working principles of the Audit Committee are posted on the Company website.

<https://www.koc.com.tr/investor-relations/corporate-overview-and-governance>

The operations of the Committee are summarized below:

The Audit Committee monitors the implementation of the accounting and reporting systems pursuant to the relevant laws and regulations, disclosing financial data to the public, and the effectiveness of the internal audit and inspection system within our company. The Committee convenes at least every quarter with minimum of four times a year and submits its findings and recommendations in writing to the BoD.

On 18 April 2024, it was decided by the Board that the Audit Committee shall be composed of two Independent Board Members and that the Audit Committee President shall be Mr. Cem M. Kozlu and the Committee Member shall be Mr. Ömer Önhon.

In 2024, the Audit Committee convened four times to review the audit related operations particularly with regards to internal audit and compliance with tax laws and regulations. The Committee passed four resolutions and accordingly submitted to the BoD its written assessments on selection of the independent audit firm and annual & interim financial reports in terms of their truthfulness, accuracy, and compliance with the accounting principles adopted by the Company. Decisions have been made regarding the scope and fees of audit and non-audit services to be received from the independent auditor for 2024 and the selection of the auditor.

Working Principles and Operations of the Corporate Governance Committee

The working principles of the Corporate Governance Committee are posted on the Company website.

<https://www.koc.com.tr/investor-relations/corporate-overview-and-governance>

The operations of the Committee are summarized below:

The Corporate Governance Committee aims to find out whether the corporate governance principles are applied within the Company, and, if not applied, to find out the reasons and the possible conflicts of interests that may have occurred as the result of the violation of such principles. It also gives advice to the BoD on improving governance applications. The Committee meets frequently enough to manage the duties assigned to it.

On 18 April 2024, it was decided by the Board that the Corporate Governance Committee shall be composed of three members and the Independent Member Mr. Cem M. Kozlu be appointed as its Chair and Ms. İpek Kırac and Mr. Polat Şen as the members.

In 2024, the Committee made an assessment of the Company's corporate governance practices and the Corporate Governance Compliance Report and also the explanations regarding Sustainability Principles and informed the BoD on the activities of the Investor Relations Unit.

Working Principles and Operations of the Nomination and Remuneration Committee

The working principles of the Nomination and Remuneration Committee are posted on the Company website.
<https://www.koc.com.tr/investor-relations/corporate-overview-and-governance>

The operations of the Committee are summarized below:

The Nomination and Remuneration Committee gives advice and recommendations to the BoD for the purpose of improving the corporate governance implementations on the issues of nomination of Board Members and remuneration of the key executives of our company under the provisions defined in the Corporate Governance Principles of Capital Markets Board of Turkey. The Committee convenes at least twice a year.

On 18 April 2024, it was decided by the Board that the Committee shall consist of two members, with Independent Member Mr. Ömer Önhon as Chair and Mr. Ali Y. Koç as Member.

In 2024, the Committee worked on the nomination of Independent Board Members, on the assessment of the board performance and on the benefits provided to Board Members and senior management.

Working Principles and Operations of the Risk Management Committee

The working principles of the Risk Management Committee are posted on the Company website.
<https://www.koc.com.tr/investor-relations/corporate-overview-and-governance>

The operations of the Committee are summarized below:

The purpose of the Risk Management Committee is to early identify the risks that would endanger the existence, development and continuity of the Company; implement measures and remedies required in this respect; manage and report these risks in parallel with the Company's corporate risk profile; apply necessary precautions relevant to recognized risks; evaluate options while making decision and make recommendations to the Board about developing and integrating internal control systems. The Committee convenes at least six times a year.

On 18 April 2024, it was decided by the Board that the Committee shall consist of two members: Independent Member Peter Martyr as Chair and Ms. Caroline N. Koç as Member.

In 2024, the Committee worked to assess the Company's risk profile, identify measures to be taken in risk prone areas, implement information security policy, review compliance risks and the related studies thereof, assess sustainability risks and prepare the risk management chapters in the annual report. In its report dated 18 February 2025, Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. stated that Koç Holding's early detection of risk system and its Risk Management Committee are adequate in all major aspects within the framework of the provisions of Turkish Commercial Code (TCC) no. 378. Detailed information on the activities of the Risk Management Committee is available in the report on pages 189-191.

Working Principles and Operations of the Executive Committee

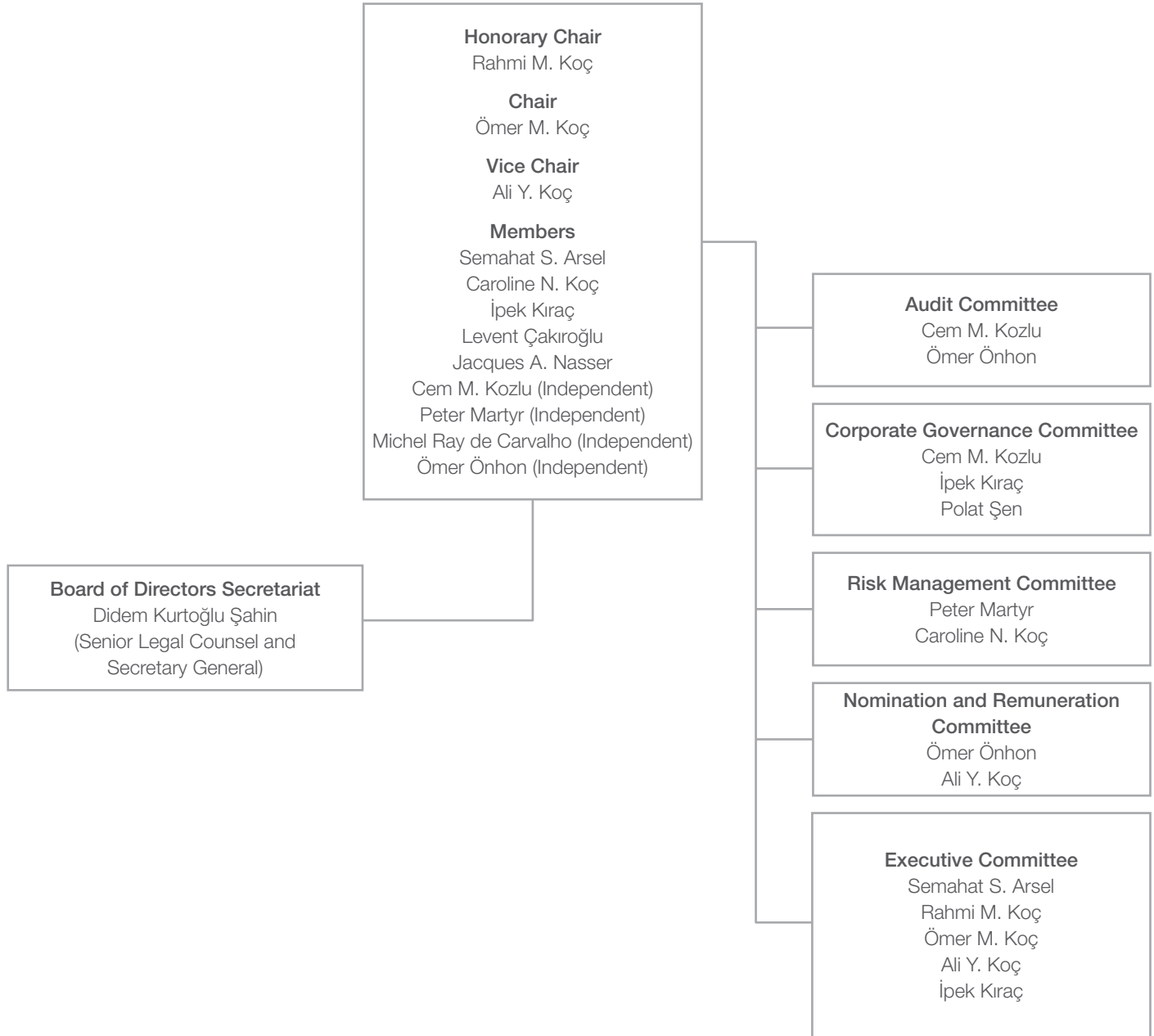
The operations of the Executive Committee are summarized below:

The Executive Committee, by providing effective coordination between the BoD and other administrative units of the Company, aims to enhance the efficiency of the BoD and to steer investments toward more appropriate strategic goals and to improve business development. The Executive Committee convenes regularly at least once a month.

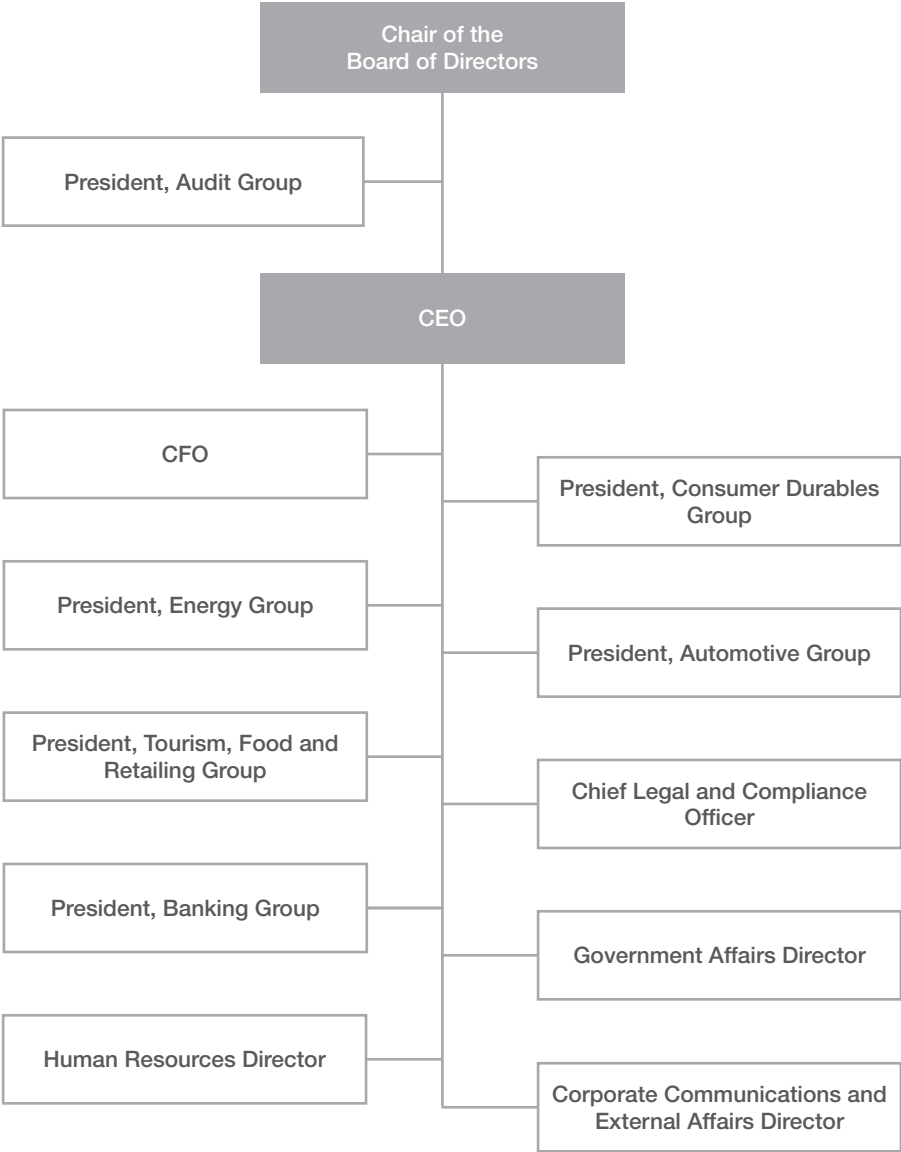
On 18 April 2024, Semahat S. Arsel, Rahmi M. Koç, Ömer M. Koç, Ali Y. Koç and İpek Kırac were elected by the Board as Committee members.

The BoD may not always be able to meet as often as it would like, therefore one of the functions of the Executive Committee is to monitor developments in the Company's sectors of operation and to keep the BoD informed of them. Another of its functions is to provide coordination between the administrative structure of the Company and the BoD. It also makes recommendations for developing appropriate Company strategies and increasing the effectiveness of its operations.

2024 Board of Directors Structure



Organization Chart



Board of Directors

Rahmi M. Koç, Honorary Chair

A graduate of Johns Hopkins University in Business Administration, he joined the Koç Group in 1958 at Otokoç Ankara. He became Chair of the Management Committee in 1980 and was named Chair of the Board of Directors of Koç Holding in 1984, a post he held until 2003 when he became the Honorary Chair. Apart from Koç Holding, he also serves as a Member / Chair of the Board of Directors of other Koç Group companies. In addition, Rahmi M. Koç is or has been affiliated with social and professional organizations including:

- The Metropolitan Museum of Art, New York City, Former Honorary Member of the Board of Trustees
- Former Co-Chair of the Business Advisory Council for South East Europe (BAC SEE)
- Vice Chair of the Board of Trustees of Vehbi Koç Foundation
- Honorary Chair of the Board of Trustees of Koç University
- Founder and Chair of the Board of Directors of the Rahmi M. Koç Museum and Cultural Foundation
- Chair of the Board of Directors of the Vehbi Koç Foundation American Hospital
- Honorary Chair and Founding Member of TURMEPA, The Turkish Marine and Environment Protection Association
- Honorary Chair of the Advisory Board of the Turkish Industrial and Business Association (TÜSİAD)
- Member of the Advisory Board of the Turkish Employers Association
- Founding Chair of the Global Relations Forum
- Former President of the International Chamber of Commerce (1.1.1995-31.12.1996)
- Former President of the Turkish Greek Business Council (1992-1999)
- Former Member of the Allianz AG International Advisory Board
- Former Member of the J.P. Morgan International Council
- Former Member of the International Advisory Board of the US Council on Foreign Relations

Rahmi M. Koç has been awarded with the following merits and degrees:

- “Honorary Doctorate” degrees by Johns Hopkins University (Baltimore-Maryland), Eskişehir Anadolu University, İzmir Ege University, Ankara Bilkent University, Ovidius University of Constanza and Aydın Adnan Menderes University
- “Outstanding Service Award” by the President of the Turkish Republic
- German Government’s “Grosses Verdienst Kreutz”
- “Order of High Merit of the Italian Republic”
- “Order of Merit of the Austrian Government”
- “(Honorary) Commander of the Most Excellent Order of the British Empire (CBE)”
- “Officier dans l’Ordre National de la Légion d’Honneur”, the highest medal awarded by the French government
- “Responsible Capitalism Lifetime Achievement Award” from FIRST, a leading multidisciplinary international affairs organization
- The medal of Foreign Policy Association (FPA), globally recognized think-tank with its 100-year history
- “Hadrian Award” by the World Monuments Fund to the Koç Family
- “Carnegie Medal of Philanthropy” (New York) to the Koç Family
- “BNP Paribas Philanthropy Award” (Paris) to the Koç Family
- “Iris Foundation Award” from BARD Graduate Center to the Koç Family

Ömer M. Koç, Chair

In 1985, he received his B.A. degree in Ancient Greek Language and Culture from Columbia College, which is linked to Columbia University. He worked at Kofisa Trading Company in Switzerland for one year. He completed his MBA at Columbia University in 1989. After working at New York-based Ramerica International Inc. between 1989 and 1990, he joined Koç Group in 1990. He held various senior positions at Koç Holding including Finance Coordinator, Vice President and President of Energy Group. He became member of Board of Directors in 2004 and Vice Chair in May 2008. In February 2016, he was appointed as the Chair of the Board of Directors of Koç Holding. He serves as the Vice President of TÜSİAD High Advisory Council, Chair of Turkish Educational Foundation Board of Trustees, President of Geyre Foundation and Chair of Yapı Kredi Kültür Sanat Yayıncılık Board of Directors, Chair of İstanbul Foundation For Culture and Arts Board of Trustees, Chair of Tüpraş Board of Directors, Chair of Tofaş Board of Directors and Member of the Board of Directors at other Koç Group companies.

Ali Y. Koç, Vice Chair

He received his bachelor's degree from the Management Faculty of Rice University and MBA from Harvard Business School. He started his career at American Express Bank as a Management Trainee and continued as an Investment Analyst at Morgan Stanley Investment Bank. Ali Y. Koç joined Koç Holding in 1997 and held senior-level positions until 2010 including new business development and information technologies (IT) as well as the President of Corporate Communications and IT Group. After serving as a Member of the Board of Directors at Koç Holding for over 8 years, he was elected as the Vice Chair in February 2016. Since April 2016, Ali Y. Koç also serves as Chair of the Board of Directors of Koç Financial Services, Yapı Kredi Bank, Ford Otosan, Otokar as well as several other Koç Group companies. In addition to being Chair and Vice Chair at Turkey's largest companies and financial institutions, Ali Y. Koç also contributes to the country's social and economic development and currently is the President of Fenerbahçe Sports Club, Member of the Board of Directors of the International Competitiveness Research Institute (URAK), Member of the Executive Board of European Club Association (ECA) and Member of the Board of Directors of Endeavor Turkey and also Member of the Board of Trustees at Tema . He is also a Member of the Global Advisory Council of Harvard University, Bank of America and Council on Foreign Relations and a Member of the Panel of Senior Advisers at Chatham House. He represents Turkey at the CBI - Confederation of British Industry.

Semahat S. Arsel, Member

She began her career in 1964 as a Member of the Board of Directors of Koç Holding, a position she continues to hold. In addition, she is Chair of the Board of Directors of Vehbi Koç Foundation and the Divan Group, founder of the Semahat S. Arsel Nursing Education and Research Center and the Koç University School of Nursing. She also serves as Member of the Board of Directors of other Koç Group companies as well as Member of the Board of Trustees of the Educational Volunteers Foundation of Turkey (TEGV). Semahat Arsel has received an "Honorary Doctorate" degree from İstanbul University.

Caroline N. Koç, Member

Caroline Koç, after graduating from high school at Switzerland's St. George's School, went on to receive a Bachelor's degree in Business Administration from Babson College, USA. She is fluent in English, Turkish, French, Italian and Swedish. Ms. Koç started her professional career in 1992 at Edwards of Hisar, where she acted as the managing director until 1998. Subsequently, she founded 'İlkadım Play and Education Center for Kids' in 1998. She was the acting manager of the Center until 2003. She founded "Haremliques İstanbul" in 2008 and "Selamlıques Turkish Coffee" in 2009 and is currently the Chairwoman of the Board of Directors of both companies. In addition, she is a Member of the Board of Directors of several Koç Group companies. She is a Member of the Board of Directors of Tohum Autism Foundation, a Founding Member of Tina Foundation and Mediterranean Conservation Society as well as the Contemporary Education Foundation. She has been a Member of Koç Holding Board of Directors since 2016 and Jury President of Mustafa V. Koç Sports Award.

İpek Kırar, Member

İpek Kırar graduated from Koç Private High School in 2002 and from Brown University Department of Biology in 2007. Between 2012 and 2018, she was the CEO of Sirena Marine Maritime Industry and Trade Inc. and has been serving as Chair of the Board of Directors since November 2018. Kırar is a member of the Board of Directors of Vehbi Koç Foundation, Temel Trade and Investment Inc., American Hospital (Moment Health Services Trade Inc.), Zer Central Services Inc., Arçelik Marketing Inc., Setur Service Touristic Inc., VetAmerikan Veterinary Services Inc. and Trustees of Educational Volunteers Foundation of Turkey (TEGV). In addition, Kırar continues to work as the Chair of the Board of Directors of Koç School and as a member of the Board of Trustees of Koç University, Galatasaray Education Foundation and Trustees of Educational Volunteers Foundation of Turkey (TEGV). İpek Kırar is also a Founding Member of the Board of Suna and İnan Kırar Foundation. She launched Suna'nın Kızları (Suna's Daughters-named after her mother Suna Kırar), an education initiative which will be taking a multi-dimensional and holistic approach for creating ecosystems of support that will empower girls to identify and pursue their dreams. She also launched SemtPati (Neighborhood Paws) Foundation working on the welfare of stray animals by using digital Technologies and mobilizing volunteers. She has been a member of Koç Holding Board of Directors since 2016.

Board of Directors

Levent Çakıroğlu, Member & CEO

Levent Çakıroğlu graduated from Ankara University Faculty of Political Sciences, Business Administration Department and received his master's degree from University of Illinois. He started his career as an Assistant Auditor at the Ministry of Finance in 1988, where he worked as a Senior Auditor between 1991 and 1997. He served as Vice President of Financial Crimes Investigation Board between 1997 and 1998, meanwhile he taught as a Part Time Instructor at Bilkent University. Çakıroğlu joined Koç Group in 1998 as Koç Holding Financial Group Coordinator. He was the General Manager of Koçtaş between 2002 and 2007 and the CEO of Migros between 2007 and 2008. He was assigned as the CEO of Arçelik in 2008 and also became President of the Durable Goods Group of Koç Holding in April 2010. Çakıroğlu has been appointed as the CEO of Koç Holding in April 2015. He currently serves as the CEO and has also been a Member of the Board of Directors of Koç Holding since April 2016. Levent Çakıroğlu is also the Chair of the Board of Directors of Arçelik- LG and TürkTraktör, the Vice Chair of Yapı Kredi Bank and Member of the Board of Directors at various Koç Group companies.

Jacques A. Nasser, Member

Following a 33-year global career with Ford Motor Company, Jacques Albert Nasser served as a Member of its Board of Directors, President and Chief Executive Officer. He has also served as the Board Chairman of BHP Billiton, and as a Member on the Board of Directors of Brambles, Sky, and FOX. From 2002-2010, he was also a Partner of One Equity Partners, the private equity arm of JPMorgan. Nasser graduated in Business from RMIT University in Melbourne, Australia, and received a Doctorate of Technology honoris causa. In recognition of his work for industry, the community and as an advisor to government, he has received various awards in Australia, Lebanon and the United States. Jacques Albert Nasser has been a Member of the Koç Holding Board of Directors since 2015.

Cem M. Kozlu, Independent Member

Cem Kozlu received his bachelor's degree from Denison University, MBA from Stanford University and PhD from Boğaziçi University. He held executive positions at NCR in the US, Procter & Gamble in Switzerland and was the General Manager of Komili for 10 years. He was the General Manager and the Chair of the Board of Directors of Turkish Airlines between 1988 and 1991, and the Chair of the Association of European Airlines (AEA) in 1990. Cem Kozlu remained in public service as a member of the Turkish Parliament from 1991 to 1995 and as the Chair of the Turkish Airlines Board of Directors from 1997 until 2003. Having held different positions in The Coca Cola Company from 1996, Cem Kozlu was responsible for 51 countries in his Vienna-based position as the Group President for Central Europe, Eurasia and Middle East prior to his retirement in 2006. He then acted as a consultant for The Coca-Cola Company Eurasia & Africa Group between 2007 and 2015. Currently, Cem Kozlu serves as a member on the Board of Directors of Pegasus Airlines, Vienna-based DO&CO AG, and Tüpraş. Cem Kozlu lectured at Boğaziçi University and Denison University at different times, has published 11 books, numerous articles, and produced TV series on leadership. He has been a member of Koç Holding Board of Directors since 2019.

Peter Martyr, Independent Member

Peter Martyr is the Former Global Chief Executive Officer (CEO) of Norton Rose Fulbright, a major global law firm. He obtained his Law Society Part 2 Professional Qualification from College of Law and received his LLB (Hons) from University College Cardiff, University of Wales. He started his career in 1979 in Norton Rose as a solicitor; where he became a partner, managing partner, CEO and finally Global CEO between 2010 and 2020. As the Global CEO, he was responsible for setting and driving the global strategic direction of the firm, completing major law firm mergers in Australia, South Africa and Canada between 2010 and 2012, in 2014 creating Norton Rose Fulbright through a further merger with Fulbright & Jaworski LLP. Subsequent mergers included the New York firm of Chadbourne & Parke LLP. He introduced a number of new global business lines, particularly Risk Advisory (focusing on cyber, ESG, sustainability, regulation and financial services) and NRF Transform, a global change and innovation program, designed to create more efficient legal solutions for clients. He also established a Global Diversity and Inclusion Advisory Council, responsible for driving diversity and inclusion targets and initiatives across the global firm. He is an experienced advisor to boards and management committees on global strategy, governance and enterprise risk management issues. He has significant experience of global strategic development and implementation, creating innovative culture and change management programs. At Norton Rose Fulbright, he undertook multiple integration programs and has been responsible for development of Executive Committee, Board governance and risk management functions. He was identified in 2013 as a “Top 50 innovator over the last 50 years” by American Lawyer, and “Top 10 Business People” by The Times in 2012 and “Honorary Catalyst CEO Champion for Change” in 2020 and is the recipient of a number of law firm management awards. Martyr became a Member of Koç Holding Board of Directors in 2021.

Michel Ray de Carvalho, Independent Member

Michel Ray de Carvalho is, since 1 April 2018, the Chair of Capital Generation Partners LLP, CapGen. He joined CapGen in 2018 after a 20-year career at Citigroup where he served as Vice Chair of Citi Investment Banking, EMEA. He was also named Chair of Citi Private Bank for EMEA in 2009 and Global Chair of Citi Private Bank in February 2016. Mr. de Carvalho has over 40 years’ experience in the banking industry, having started his career in 1970 as an investment banking trainee for White Weld and Co. Ltd in London, the predecessor firm to Credit Suisse First Boston (CSFB). Michel Ray de Carvalho is also a Member of the Supervisory Board of Heineken NV since 1996, and an Executive Director of Heineken Holding NV. Michel Ray de Carvalho is a graduate of Harvard Business School; he obtained a Masters of Business Administration in 1970. He also holds a BA from Harvard College. Carvalho became a Member of Koç Holding Board of Directors in 2022.

Ömer Önhon, Independent Member

Önhon graduated from Kingston University, Faculty of Politics and Economy and worked for the Ministry of Foreign Affairs from 1985 to 2021. He served at the Embassy of Türkiye in Riyadh, at the Permanent Mission of Türkiye to the Organization for Security and Cooperation in Europe, at the NATO Permanent Mission of Türkiye to NATO and at the Embassy of Türkiye in Damascus. He then served as Consul General of Türkiye in New York, and as Ambassador of Türkiye in Damascus and Madrid. Returning to Ankara, he served as Deputy Undersecretary in charge of the Middle East and Asia at the Ministry of Foreign Affairs, and as Director General of International Security Affairs. Following his departure from the Ministry of Foreign Affairs in 2021, he founded a company carrying his own name where he is self-employed and through which he provides strategic consultancy and organization services. Önhon is currently Board Member at the Ankara Policy Center, and Director of the Center for the Eurasian Security and Cooperation within the Economic Policy Research Foundation of Türkiye. Önhon published a book named “Büyükelçinin Gözünden Suriye” (which can be translated as “Syria through the eyes of the Ambassador”) and was a writer for the “Sharq al Awsat” newspaper. Since last year, he continues to write for “Al Majalla” which belongs to the same media group.

Executive Management

Levent Çakıroğlu, CEO

Levent Çakıroğlu graduated from Ankara University Faculty of Political Sciences, Business Administration Department and received his master's degree from University of Illinois. He started his career as an Assistant Auditor at the Ministry of Finance in 1988, where he worked as a Senior Auditor between 1991 and 1997. He served as Vice President of Financial Crimes Investigation Board between 1997 and 1998, meanwhile he taught as a Part Time Instructor at Bilkent University. Çakıroğlu joined Koç Group in 1998 as Koç Holding Financial Group Coordinator. He was the General Manager of Koçtaş between 2002 and 2007 and the CEO of Migros between 2007 and 2008. He was assigned as the CEO of Arçelik in 2008 and also became President of the Durable Goods Group of Koç Holding in April 2010. Çakıroğlu has been appointed as the CEO of Koç Holding in April 2015. He currently serves as the CEO and has also been a Member of the Board of Directors of Koç Holding since April 2016. Levent Çakıroğlu is also the Chair of the Board of Directors of Arçelik- LG and TürkTraktör, the Vice Chair of Yapı Kredi Bank and Member of the Board of Directors at various Koç Group companies.

Polat Şen, CFO

Polat Şen received his bachelor's degree from Marmara University, Department of Economics (in English) in 1998 and his master's degree in international accounting and finance from the University of Bradford, School of Management in 1999. Şen completed the Harvard Business School Advanced Management Program in 2016. Having started his career in the Internal Audit Department of Koç Holding in 2000, he was appointed as Internal Audit Manager at Arçelik A.Ş. in 2005, and Group Director of Finance and Accounting at Grundig Electronics / Grundig Multimedia B.V. in 2008. He worked as Finance and Accounting Director at Arçelik A.Ş. / Grundig Multimedia B.V. in 2009 and 2010, and as Purchasing Director from 2010 until 2015. Polat Şen served as the CFO of Arçelik A.Ş. between 2015 and 2022, in tandem with which he held the position of Assistant General Manager responsible for Sub-Saharan Operations of Arçelik Group. Polat Şen has been named the CFO of Koç Holding in 2022.

Yağız Eyüboğlu, President, Energy Group

Yağız Eyüboğlu received his bachelor's degree in economics from Boğaziçi University in 1991 and earned an MBA from Koç University in 1996. He began his professional career as a Management Trainee at Arçelik in 1991. From 1993, he worked at Koç Holding for nearly 10 years, as Senior Internal Auditor, Assistant Financial Coordinator and Financial Coordinator, respectively. Between 2004 and 2009, he served as the CFO of Arçelik; the CEO and Board Member of Beko Elektronik; Assistant to the President of the Foreign Trade and Tourism Group at Koç Holding; and Human Resources Director of Koç Holding. He held the position of the CEO of Aygaz from 2009 until October 2015, when he was appointed the Deputy President of the Energy Group at Koç Holding. Mr. Eyüboğlu was named the President of Energy Group in April 2016. Holding seats on the Boards of Directors as chairperson or member in various companies of the Koç Group, Yağız Eyüboğlu had served as the President of the World LPG Association, the Chair of TISK Turkish Confederation of Employer Associations (TİSK), and the Chair of the Board of Trustees of the Turkish Family Health and Planning Foundation (TAPV).

Dr. Fatih Kemal Ebiçlioğlu, President, Consumer Durables Group

At 1989 Fatih Kemal Ebiçlioğlu started his career at the Ministry of Finance as a Junior Financial Auditor and served as a Financial Auditor and Chief Financial Auditor. He joined the Koç Group in 2002 and worked as the Coordinator of the Finance Group and continued as the Coordinator of Audit Group between 2004-2005. In April 2005 he was assigned as Chief Financial Officer (CFO) of Arçelik AS. From February 2015, he serves as President of Consumer Durables at Koç Holding AS. Fatih Ebiçlioğlu is also a Member of the Board of Directors of Arçelik. He also serves as the Chair of the Board of Directors and a Member of the Board of Directors of some other Koç Group companies. He graduated from Ankara University, Faculty of Political Science and Public Administration. He completed his MBA in Finance at Virginia Commonwealth University and has a PhD from Ankara University, Faculty of Business Administration. Mr. Ebiçlioğlu is also a Member of the Board of Directors of TÜSİAD (Turkish Industry and Business Association).

Haydar Yenigün, President, Automotive Group

Haydar Yenigün graduated from Yıldız Technical University in Mechanical Engineering and joined Ford Otosan in 1987. He served to the Company in many different departments in production and worked as a Project engineer between 1992 and 1996. Once Ford Motor Company and Koç Holding decided to equalize the shares in Ford Otosan, he continued serving in different positions during the initiation of the Kocaeli Plant. He worked as Body Construction Area Manager in the Kocaeli Plant between 1999 and 2007 and served as Kocaeli Plant Manager and Assistant General Manager from 2007 to 2012. He was appointed as Ford Otosan General Manager and Board Member in 2012. After 35 years of service in Ford Otosan, he was assigned as the President of Automotive Group of Koç Holding. Currently, Mr. Yenigün is a member of the Istanbul Chamber of Industry (ISO), a member of the Turkish Industry and Business Association (TUSIAD), and Vice Chairperson of the Turkish-American Business Council Executive Committee (TALK). Besides, he served as the Chairperson of the Automotive Manufacturers Association (OSD) Board of Directors between March 2018 and March 2022 and a member of the European Automobile Manufacturers' Association (ACEA) Board of Directors between 2020 and 2022.

Gökhan Erün, President, Banking Group

After graduating from İstanbul High school (İstanbul Erkek Lisesi), Gökhan Erün earned his undergraduate degree from İstanbul Technical University - Department of Electronics and Communications and graduate degree from Yeditepe University - Business Administration. Erün began his career at Garanti Bank Treasury Department in 1994. Between 1999-2004, Erün served as the Senior Vice President of Commercial Marketing and Sales Department. After becoming the CEO of Garanti Pension and Life in 2004, he was appointed as Executive Vice President of Garanti Bank in September 2005. Erün began to serve as the Deputy CEO of Garanti Bank in September 2015, also in charge of Corporate Banking, Treasury, Treasury Marketing and Financial Solutions, Derivatives, Cash Management and Transaction Banking, and Financial Institutions. At the same time, he was Board Chairman and Board Member in various local and international subsidiaries of Garanti Bank. As of January 2018, Erün has continued his career in Yapı Kredi as Executive Director in Board of Directors and Chief Executive Officer (CEO). In addition, Erün is the CEO of Koç Financial Services and holds positions in the Boards of various Yapı Kredi Group subsidiaries, Koç Finansman, Tanı and Allianz Yaşam ve Emeklilik. Also as of April 2021, Erün became the President of Koç Holding's Banking Group.

Özgür Burak Akkol, President, Tourism, Food and Retailing Group

After receiving his Bachelor's degree in Industrial Engineering from İstanbul Technical University, Akkol completed the Executive MBA program and received a Master's degree from Koç University in 2011. As he continued his professional career, he successfully graduated from Harvard Business School and Columbia University completing the "Executive Development" and "Leadership Education" programs, Columbia Business School and London Business School Global Executive MBA. Akkol started his career in 2001 in the USA, as a Production and Productivity Specialist at Nautilus Foods. After working abroad, Akkol returned to Turkey and started working for Koç Holding in 2003, as a Human Resources Assistant Specialist. He worked as a Human Resources Specialist between 2004 and 2005, and as an Audit Specialist and Senior Audit Specialist between 2005 and 2009. Akkol then worked as a System Development and Human Resources Manager between 2009 and 2010, as a System Development and Human Resources Coordinator between 2010 and 2014, and as a Human Resources Director between 2014 and 2021. He worked as Koç Holding Human Resources and Industrial Relations President between 2021 and 2022. Özgür Burak Akkol was appointed as the Tourism, Food and Retailing Group President in 2022. Akkol is the Chair of Board of Koç Pension & Assistance Foundation, Koç Group Sports Association and Member of the Board of some other Koç Group companies. At the same time, he is the Chair of the Board of Turkish Confederation of Employer Associations (TİSK), Turkish Employers Association of Metal Industries (MESS) and MESS Education Foundation, member of the Board of Turkish Employment Agency (İŞKUR) and Chairman of the Board of Directors of TİSK Microsurgery and Reconstruction Foundation.

Kemal Uzun, President, Audit Group

Kemal Uzun received his Bachelor of Arts degree in Business Administration from Ankara University, and his Master's degree in Finance from the University of Illinois College of Business. He started his business life as an Apprentice Public Account Inspector in 1990. He worked at the Ministry of Finance as Assistant Tax Auditor (1991-1994), Tax Auditor (1994-2002), Senior Tax Auditor (2002-2003), and Head of Department (2003-2005). Later, he functioned in Group Head (2005-2006) and Department Head (2006) positions at the Revenue Administration. Having worked as Koç Holding's Audit Group Coordinator from 2006 until 2011, Kemal Uzun assumed the position of Tax Management Director from 2011 until 2021. He has been serving as the President of Koç Holding's Audit Group since April 2021. He is also a member of the Boards of Directors of various Koç Group companies. In tandem with these roles, he is a member of Turkish Industry and Business Association (TUSIAD), Tax Council and TURMEPA.

Executive Management

Kenan Yılmaz, Chief Legal and Compliance Officer

He graduated from İstanbul University, Faculty of Law in 1983. He was admitted to the İstanbul Bar Association in 1984. He earned an LLM in International Business Transactions from Tulane University Law School in New Orleans, Louisiana (USA) and received an EMBA from Koç University. He began his career as Legal Counsel at Koç Holding in 1989. He worked as Assistant Chief Legal Counsel between 2000 and 2006, and as the General Counsel between 2006 and 2021. From the beginning of 2021, he has been working as the Chief Legal and Compliance Officer of Koç Holding, also responsible for the Compliance Program. Kenan Yılmaz is also a Member of the Board of Directors of Tofaş Türk Otomobil Fabrikası A.Ş. and Marmaris Altiynyus. He also serves as the Chair of the Board of Directors and Member of the Board of Directors of some other Koç Group companies. In addition, Mr. Yılmaz is a founding member of Turkish Center for Ethical Values Foundation and founding member and Vice Chair of the Board of Directors of Turkish Institute of Nautical Archeology (TINA) and Vice Chair of the Board of Directors of Koç Holding Pension and Support Fund Foundation, and a member of Turkish Industry & Business Association (TÜSİAD).

Burçin Girit, Corporate Communications and External Affairs Director

Girit received her bachelor's degree in Psychology from Boğaziçi University in 1993 and her master's degree in Business Administration and Communication from Emerson College in 1995. Girit started her career as Public Relations Department Manager at Kanal D in 1995. Between 1996 and 1998, she worked as Marketing Operations Specialist at Pfizer Pharmaceuticals. Between 1998 and 2007, she was Public Relations Manager responsible for Turkey, Middle East and North Africa Region at Intel, Marketing and Communications Director at Accenture, Consumer Credit Products Marketing Manager at Bank Europa, CEO Technical Assistant and Press and Sponsorship Manager at Avea, respectively. After joining to BSH Home Appliances as Corporate Communications Director in 2010, Mrs. Girit has been served as Corporate Communications Director and Sustainability Leader responsible for the Emerging Markets Region (Turkey, Middle East, Africa, CIS, India and Southeast Asia) between 2020 and 2023. Since March 2023, she has been working as Corporate Communications and External Affairs Director at Koç Holding.

Ali Utku Atalay, Government Affairs Director

Ali Utku Atalay graduated from Gazi University Engineering & Architecture Faculty in 1998. He received his Finance & Financial Law postgrad degree (MSc.) from University of London (SOAS) in 2008 and Public Administration postgrad degree (MPA) from Harvard University (Kennedy School of Government) in 2013. Following an MT programme at Ziraat Banking School in 2000, he worked as a banking expert for a year. Between 2001 and 2015, Ali Utku Atalay served at the Secretariat General for EU Affairs (later on Ministry for EU Affairs) in the areas of financial assistance projects, economic and financial policies and translation of the *acquis communautaire*, assuming various responsibilities and latest as a Director. In 2015, he moved to private sector as the first Government Affairs Coordinator of Ford Otosan and started his mission at Koç Holding as the Corporate Affairs Coordinator in 2019. He was appointed as Koç Holding's Government Affairs Director in 2024. He is a member of Government and Corporate Affairs Management (KIYED) and Global Relations Forum (GIFGRF) associations.

Umut Günal, Human Resources Director

Umut Günal received his degree from Koç University, Business Administration Department in 2007. He started his professional life as a researcher at Profil International in 2007. He worked as a consultant at Hay Group Consultancy between 2007 and 2010, and as Compensation and Benefits Analyst for Middle East and North Africa at Ericsson in 2010 and 2011. He completed his master's studies in Human Resources Management at İstanbul Bilgi University in 2013. Having functioned as Senior Consultant and Information Services Country Manager at Hay Group Consultancy between 2011 and 2014, he worked as General Manager at TalentSys Consultancy between 2014 and 2017. After working as Koç Holding Performance and Compensation Manager (2017-2021) and Koç Holding Human Resources Coordinator (2021-2022), Umut Günal has been serving as Koç Holding Human Resources Director since 2022.

Mehmet Apak, Accounting Director

After working as a management trainee at Türk Demir Döküm Fabrikaları A.Ş. between 1995 and 1999, he started to work as an Audit Specialist within the Koç Holding Audit Group Presidency in 1999. In addition to his audit role, he also served as Finance and Financial Affairs Manager of Koç Statoil, which was founded with Statoil in 2001. In 2004, he was appointed as Audit Group Assistant Coordinator at Koç Holding. Between 2009 and 2018, he also worked as Audit Group Coordinator at Koç Holding. He served as General Manager at Zer Merkezi Hizmetler ve Ticaret A.Ş. and Executive Board Member at Ingage Digital Marketing within Koç Group between 2019 and 2023. As of March 2023, Apak has been serving as the General Manager of Temel Ticaret ve Yatırım A.Ş. and Accounting Director of Koç Holding. Mehmet Apak received his bachelor's degree in management engineering from Rowan University at USA. Apak was born in Ankara in 1970. He is fluent in English.

Risk Management

Since its foundation the Koç Group has achieved long-term success through its cautious and robust approach toward risk management. To this end, Koç Holding uses sophisticated risk assessment, modeling, reporting, and capital allocation techniques. These processes boost transparency and encourage the application of a more systematic approach to risk assessment in investment and business decisions at all levels.

At the Koç Group, risks are managed by the Finance Department with the oversight of the Board of Directors, in coordination with all Group presidents. Koç Holding's Risk Management function was established to further develop the Group's risk policies, limits and review mechanisms. This risk management function leverages the risk infrastructures in each of the Company's businesses, which have adopted an approach that is aligned with the Group's overall risk policies and limits.

Risks identified through risk management processes are prioritized depending on their probability and impact. It is ensured that most important risks are within the responsibilities of business leaders at company and/or Group level. In the management of risks, the Company has general response strategies that identify categories according to whether it will avoid, transfer, reduce or accept the risk. These response strategies are tailored to ensure that risks are within acceptable tolerance levels set by the Board of Directors.

The major risks that Koç Holding is exposed to are classified under four main categories:

1. Financial Risks

Financial risks relate to a company's ability to meet its financial obligations and mitigate the effects of market volatility. To keep financial risks under control, a variety of financial indicators, especially Net Financial Debt / EBITDA, Net Foreign Currency Position / Shareholders' Equity, current ratio and the maturity profile of financial liabilities, are monitored, at the Company and Group level on a combined and consolidated basis, and are kept within particular limits. Financial risks are broken down into five main categories:

i) Foreign Currency Risk: The Koç Group companies keep their foreign currency risk exposure within certain limits. As a foreign currency risk management tool, derivative transactions are used when needed. Loans that are designated as cash flow hedges and net investment hedges in foreign operations are excluded from the calculation of the amount subject to foreign currency risk exposure. Moreover, those assets that are reported as TL on the balance sheet and, for which exchange rate changes can be reflected to their sales prices are designated as "natural hedges" and considered as "foreign currency denominated assets" while evaluating the foreign currency risk exposure.

ii) Liquidity Risk: In accordance with the management of liquidity risk, the Group continues to diversify its funding sources, increase the average duration of its financial liabilities, maintain a sufficient level of cash and cash equivalents and sustain the current ratio above a certain limit in case of a sudden cash need.

iii) Credit Risk: The Company mitigates this risk by conducting credit analysis, setting credit limits, trade receivables insurances and obtaining the maximum degree of guarantee. In addition, with the "E-Risk Commercial Risk Application", every effort is taken to ensure that the risk of commercial receivables arising from the Group's operations is followed up centrally.

iv) Interest Rate Risk: In order to manage interest rate risk, the Koç Group implements asset liability management and employs certain derivative financial instruments when necessary.

v) Commodity Price Risk: The Company accepts commodity price risk where they are part of its core business and avoid or reduce exposure where possible through a variety of hedging mechanisms.

Risk Management

2. Strategic Risks

i) Sustainability Risks: Sustainability risks refer to those that arise from environmental and social impact related to company's products, services and operations. Koç Group's sustainability materiality issues and strategy were defined in line with industry drivers and stakeholder expectations. At Koç Holding, the results of the materiality analysis, which are renewed regularly every 3 years, are integrated into the risk management process. According to the results of the 2023 materiality analysis, low-carbon transition, water management and data analytics and artificial intelligence were determined as the three highest priority issues. In this regard, Koç Holding integrates data analytics and artificial intelligence into its business processes within the scope of the Digital Transformation Program, as well as effectively manages its risks and opportunities related to climate change within the scope of the Carbon Transformation Program. (For the Sustainability section, see page 39-65, for the Digital Transformation Program section, see page 68-69)

The relevant activities of the Koç Group are reviewed on an annual basis within the framework provided by the environmental, social and governance (ESG) perspective. Climate-related risks and opportunities are monitored and managed under the Carbon Transition Program, and the Risk Committee set up under the Board of Directors is kept regularly informed about climate-related risks and opportunities. The details of the Carbon Transition Program management structure can be found in the Sustainability section.

ii) Other Strategic Risks: Other strategic risks relate to the demand for the Company's products and services, market regulations as well as factors that affect market share such as competition, technological changes, and consumer trends and product innovation.

The most effective way to reduce risks defined to sales is to diversify markets sectorally and geographically. As a long-term risk management strategy, Koç Holding is increasing both its sectoral and geographical diversification. In the short term, macroeconomic and sector specific developments are monitored centrally by the president of each group. Koç Holding's strong presence and diversified business lines in the national economy enables it to recognize market changes early and take rapid and coordinated measures.

3. Operational Risks

i) Cyber Risks: Cyber risks, which are critical with respect to the management of operational risks, cover breach of data integrity in the technology and infrastructure where data are stored, transferred or processed, failure to ensure business continuity and data leaks. In addition to achieving regulatory compliance in this respect, international cyber security standards are monitored, risks are analyzed and necessary controls are implemented. Information Technology Security Committee works towards mitigating cyber risks through establishing common cyber security standards applicable across the Koç Group, creating risk corrective controls, and triggering the incident response process in case of cyber incidents. Cyber risks are included in the senior management's agenda so that they can provide the necessary support and guidance, and the process is followed up through regular reporting and auditing functions. Potential risks are identified in advance by way of cyber threat reports and the risk is transferred through cyber risk insurance that covers the Koç Group companies.

ii) Other Operational Risks: Other operational risks include incidents that affect the Company's operations such as earthquakes, fires and environmental accidents, as well as the integrity of its internal systems and processes. Insurable risks are frequently re-assessed and transferred out of the Group based on a cost-benefit analysis. The risk and fraud audit of financial and operational processes are periodically performed at the Koç Group companies.

4. Compliance Risks and Legal Risks

Koç Holding has developed various systems against potential legal and compliance risks. Some examples of these systems, which are designed for creating a common database and early warning purposes, include the intellectual property rights management program, legal compliance test (in Turkish: HUY) and practices under the compliance program.

There are six main risk headings under the Koç Holding Compliance Program: competition law, protection of data privacy, human rights violations, laundering proceeds from crime, international sanctions and export controls, and anti-bribery and anti-corruption. There are policies in place for the prevention and early detection of risks and for duly responding to the risks that materialize.

Compliance teams have been assigned at the Group companies for analyzing compliance risks with a systematic approach, and various processes including third-party controls and sanction list screenings were introduced. In addition, commencement of systematic compliance risk analyses served to reinforce identification and prevention mechanisms for potential compliance risks. The Ethics Hotline, which is developed for establishing violations of the legislation in force, Code of Ethics and other compliance policies, is open for use by, first and foremost, all the Koç Group employees, as well as the Koç Group business partners and all the Koç Group stakeholders all over the world. The Ethics Hotline is available in more than 50 countries, in 34 languages online and in 19 languages over the phone. Support is provided from independent service providers for the ethics hotline service that allows unanimous reporting, and the Group's employees are protected against potential retaliation in connection with their reports.

Please refer to pages 66-67 for further details about the Compliance Program.

Risk Management Committee Activities

In 2012, a Risk Management Committee was set up for the purpose of ensuring that the mechanisms to implement measures deemed necessary for early detection of risks and managing those risks are in place. The Committee is chaired by the independent Board member Mr. Peter Martyr since 12 April 2021. The other member of the Committee is the Board member, Ms. Caroline N. Koç.

The Committee evaluates Koç Holding risk management system and the principles of risk reporting, and analyzes the risk reports prepared within this framework, as well as making recommendations for measures to be taken to address matters that do not conform to designated limits in the Risk Management System. The Committee also assesses information security practices, monitors compliance risks, follows up related activities and evaluates sustainability risks. Reports and committee assessments are periodically provided to the Board of Directors.

The Committee held 6 meetings in 2024.

In its report dated 18 February 2025, Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş stated that Koç Holding's early detection of risk systems and its Risk Management Committee are adequate in all major aspects within the framework of the provisions of Turkish Commercial Code (TCC) no. 378.

Internal Control Systems and Audit

Internal Control System and Internal Audit Activities

The objective of the Company's Internal Control System is to ensure operational effectiveness and productivity, financial reporting system reliability and compliance with legal regulations.

Independent from executive functions, the Audit Group reports directly to the Chairman of the Board. The Audit Group organization is composed of 30 audit professionals and it is responsible for the execution of internal audit activities and regular evaluation of the internal control system. Members of the Audit Group hold two sworn-in CPA, eight CPA, one CIA, one CFE, two CRMA, and one CAMS certificates.

The audit approach encompasses financial audit, process audit, thematic audit, examinations and investigations. In audit activities, International Audit Standards and generally accepted audit principles and norms are taken into consideration. The activities are carried out according to the Audit Plan intended to provide reasonable assurance about the accuracy, effectiveness and efficiency of the Group Companies' processes and activities. In the course of the audits, the Audit Group also assesses social and environmental issues such as ethical compliance, occupational health and safety and energy efficiency as well as financial risks, process risks and opportunities.

On another front, the Audit Group ensures qualitative and quantitative capability of the Group companies internal audit functions. The Audit Group is responsible for the coordination of audit plans, the monitoring of audit activities and results, and the implementation of standard methodologies.

In relation to the tax management, the Audit Group extends support to Group companies for compliance with tax laws, provides briefings on changes in the tax legislation, provides guidance regarding the implications of new regulations for the Group companies, and provides support for tax audit and conflict management.

Audit reports covering the risks identified during the audits are submitted to the Senior Management and Chair of the Board. The management's actions based on reported findings and suggestions are assessed with respect to their adequacy and effectiveness through regular monitoring of findings. All these audit activities are quarterly delivered to the Audit Committee composed of two Independent Board Members.

Information on Preparation of Consolidated Financial Statements

As a first step, Koç Holding Reporting Unit delivers "Financial Reporting Directives" to Group companies for the preparation of consolidated financial statements. Once financial data is reported by the Group companies through the "Hyperion KOCFR Application", Koç Holding Financial Reporting Unit examines the data whereupon it is transferred to the consolidated financial statements. The consolidated financial statements are audited by the Audit Committee, Internal Audit Group and independent audit company Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi.

Independent Assurance Opinion Statement on Sustainability Data for 2023

Independent Assurance Opinion Statement

To the Management of Koç Holding,

Scope and Objectives :

TÜV SÜD Turkey was commissioned by Koç Holding to conduct independent assurance of its 2023 Sustainability Report ('the Report'), as published on the company's website at <https://www.koc.com.tr/sustainability/sustainability-reports-and-policies> and to carry out an independent verification of Scope 1 and Scope 2 GHG emissions for 2023, Scope 3 GHG emissions for 2019 , 2021, 2022 and 2023. Water withdrawal for 2023 and waste, waste disposal indicators for 2023.

Our assurance engagement was planned and carried out in accordance with AA1000 Assurance Standard AA1000AS v3.

TÜV SÜD's approach

TÜV SÜD's assurance engagements are carried out in accordance with our verification procedure. Reviewing the data collection and consolidation processes used to compile selected data, including assumptions made, and the data scope and reporting boundaries; We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We were engaged to provide Type 2 moderate level assurance, which covers:

- Evaluation of adherence to the AA1000AS v3 principles of inclusivity, materiality and responsiveness and impact (the Principles); and
- The reliability of specified sustainability performance information along with related claims in the report including:
 - Desk review
 - Site visit
 - Data sampling
 - Reporting

Inclusivity, Materiality, Responsiveness and Impact principles;

Koç Holding has made a commitment to its stakeholders. The participation of stakeholders has been initiated in developing and achieving an accountable and strategic response to sustainability.

Koç Holding publishes sustainability information that enables its stakeholders to make informed judgments about the company's management and performance. In our professional opinion the report covers the Koç Holding 's materiality issues.

Koç Holding has implemented the practice to respond to the expectations and perceptions of its stakeholders.

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Independence/Responsibilities of Koç Holding and of the Assurance Providers

TÜV SÜD was not involved in collecting and calculating data, or in the development of the Report. TÜV SÜD's activities are independent from Koç Holding. Koç Holding has sole responsibility for preparation of the Report. In performing our assurance work, our responsibility is to the management of Koç Holding.

The assurance team was composed of Lead auditors and Carbon Footprint Verifiers experienced in industrial sector, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, and ISO 9001 EU ETS, GS, VCS, ISO 50001 etc. "Add value. Inspire trust." Since it was established more than 150 years ago, TÜV SÜD has been guided by this purpose: to make progress attainable by protecting people, the environment and assets from technology-related risks. More than 26,000 employees at over 1,000 locations in around 50 countries around the world work to provide safety, security, certainty and added value for our customers.

Materiality Analysis

Koç Holding publishes sustainability information that enables its stakeholders to make informed judgments regarding the company's management and performance. In our professional opinion, the report covers Koç Holding 's materiality issues, their related business impact, and the associated risks and opportunities.

Koç Holding has implemented the practice of responding to the expectations and perceptions of its stakeholders. Furthermore, in 2023, the company conducted a materiality assessment process based on the principles of dynamic materiality and double materiality, in line with the European Union Corporate Sustainability Reporting Directive and the methodology provided by the European Financial Reporting Advisory Group.

Independent Assurance Opinion Statement on Sustainability Data for 2023

TÜV SÜD's Opinion

Based on TÜV SÜD's approach, we believe that Koç Holding A.Ş. has:

- Met the requirements above
- Disclosed accurate and reliable GHG emissions, water withdrawal and waste data.
- Scope 3 emissions include the emissions from all 15 categories in line with GHG Protocol

Verified Data:

Emission Category (tCO ₂ e)	2023			
Total Scope 1 emissions				6,625,491
Total Scope 2 emissions – market based				109,877
Total Scope 1 and 2 emissions				6,735,368

Emission Category (tCO ₂ e)	2019	2021	2022	2023
Total Scope 3 emissions	191,811,457	184,680,349	200,287,630	219,729,882

Water Withdrawal (thousand m ³)	2023
Surface Water	15,389
Ground Water	7,416
Municipal Water	3,324
Treated urban wastewater and other sources	6,724
Total	32,853
Water discharge	24,603
Water consumption	8,250

Waste by Type (tons)	2023
Recovered and recycled hazardous waste (R code)	40,298
Recovered and recycled non-hazardous waste (R code)	328,680
Hazardous waste disposed (D code)	15,066
Non-hazardous waste disposed (D code)	12,675
Total	396,719

Waste Disposed (tons)	2023
Hazardous waste incinerated without energy recovery	18
Non-hazardous waste incinerated without energy recovery	53
Hazardous waste incinerated with energy recovery	14,209
Non-hazardous waste incinerated with energy recovery	1,533
Hazardous waste landfilled	800
Non-hazardous waste landfilled	8,055

Mehmet Kumru
Head of Sustainability, Director

Date: 04.06.2024




AA1000
Licensed Assurance Provider
000-473

Statement of Responsibility for Financial Statements

STATEMENT OF RESPONSIBILITY PREPARED IN ACCORDANCE WITH ARTICLE 9 OF THE CAPITAL MARKETS BOARD'S COMMUNIQUE II-14.1. ON FINANCIAL REPORTING

INFORMATION ON THE BOARD OF DIRECTOR'S RESOLUTION REGARDING THE APPROVAL OF THE FINANCIAL STATEMENTS

RESOLUTION DATE: 18 February 2025

RESOLUTION NUMBER: 06

Under the Capital Markets Board Regulations; within the framework of the information provided to us in relation to our tasks and responsibilities related to the Company, we hereby declare that;

The consolidated Balance Sheet, Statement of Income, Statement of Comprehensive Income, Statement of Cash Flow, Statement of Changes in Equity along with the related Notes prepared by the company for the period of 01.01.2024 – 31.12.2024 under the Capital Markets Board's ("CMB") Financial Reporting Communiqué II.14.1. (Communiqué) and the CMB resolution dated 28.12.2023 on application of inflation accounting in accordance with Turkish Financial Reporting Standards (TFRS) and in line with the formats determined by the CMB and independently audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.,

- have been reviewed by us,
- do not contain any inaccuracy in all material respects and are free of omissions that may be regarded as misleading as of the issue date,
- The financial statements prepared in line with the Communiqué present fairly the assets, liabilities, financial position and the results of operations of the company as well as of the companies included in the scope of consolidation.

Regards,



Cem M. Kozlu
Committee Chair



Ömer Önhon
Committee Member



Polat Şen
CFO

Statement of Responsibility for Annual Report

STATEMENT OF RESPONSIBILITY PREPARED IN ACCORDANCE WITH ARTICLE 9 OF THE CAPITAL MARKETS BOARD'S COMMUNIQUE II-14.1. ON FINANCIAL REPORTING

INFORMATION ON THE BOARD OF DIRECTOR'S RESOLUTION REGARDING THE APPROVAL OF THE ANNUAL REPORT

RESOLUTION DATE : 11 March 2025

RESOLUTION NUMBER : 11

Under the Capital Markets Board (CMB) Regulations; within the framework of the information provided to us in relation to our tasks and responsibilities related to the Company, we hereby announce and declare that the attached Annual Report, which includes the Corporate Governance Compliance Report, the Corporate Governance Information Form and the CMB Sustainability Principles Compliance Report, for the year of 2024 prepared by the Company in accordance with Turkish Commercial Code and the CMB Financial Reporting Communiqué numbered as II.14.1. and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in accordance with CMB Regulations;

- has been reviewed by us;
- does not contain any inaccuracy in all material respects and is free of omissions that may be regarded as misleading as of the issue date;
- presents fairly the progress and the performance of the business, the financial position of the Company and the companies included in the scope of consolidation together with the material risks and uncertainties.

Regards,

11 March 2025



Cem M. Kozlu
Committee Chair



Ömer Önhon
Committee Member



Polat Şen
CFO

CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2024 TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT

(Convenience translation into English of the Independent auditors' report and consolidated financial statements originally issued in Turkish)

Presentation

General Assembly

Koç Group

Sectors and Companies

Social Investments

Corporate Governance

Financial Statements

Other Information

INDEPENDENT AUDITOR'S REPORT



Güney Bağımsız Denetim ve
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To the Shareholders of Koç Holding Anonim Şirketi

A. Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the consolidated financial statements of Koç Holding Anonim Şirketi ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of balance sheet as at December 31, 2024, and the consolidated statement of income and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (TFRS).

2. Basis for Opinion

We conducted our audit in accordance with the Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA) and adopted within the framework of Capital Markets Board (CMB) regulations. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) as issued by the POA and other ethical principles included in CMB legislation, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Other Matter

The consolidated financial statements of the Group prepared as of December 31, 2023 in accordance with TFRSs issued by POA were audited by another auditor who expressed an unqualified opinion on those consolidated financial statements in their report dated March 15, 2024.

As explained in Note 2.1.4 to the consolidated financial statements, EUR and USD amounts shown in the accompanying consolidated financial statements have been translated from Turkish Lira ("TL"), at the official EUR and USD bid rates announced by the Central Bank of the Republic of Turkey ("CBRT") at 31 December 2024 for the consolidated financial statements and they do not form part of the consolidated financial statements.

4) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the Key Audit Matter Was Addressed in the Audit
<p>Application of the hyperinflationary accounting</p> <p>As stated in Note 2.1.2 to the consolidated financial statements, the Group has started to apply "TAS 29 Financial Reporting in Hyperinflation Economies" since the functional currency of the Group is the currency of a hyperinflationary economy as per TAS 29 as of December 31, 2024.</p> <p>In accordance with TAS 29, consolidated financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish Lira and, as a result, are expressed in terms of purchasing power of Turkish Lira as of the reporting date.</p> <p>In accordance with the guidance in TAS 29, the Group utilised the Turkey consumer price indices to prepare inflation adjusted financial statements. The principles applied for inflation adjustment is explained in Note 2.1.2.</p> <p>Given the significance of the impact of TAS 29 on thereported result and financial position of the Group, we have assessed the hyperinflation accounting as a key audit matter.</p>	<p>Our audit procedures included the following;</p> <ul style="list-style-type: none"> · We inquired management responsible for financial reporting on the principles, which they have considered during the application of TAS 29, identification of non-monetary accounts and tested TAS 29 models designed, · We have tested the inputs and indices used, to ensure completeness and accuracy of the calculations, · We have audited the restatements of corresponding figures as required by TAS 29, · We assessed the adequacy of the disclosures in inflation adjusted financial statements for compliance with TAS 29.
Key Audit Matters	How the Key Audit Matter Was Addressed in the Audit
<p>Business Combination</p> <p>In order to contribute to the Group's growth target in Europe, a contribution agreement has been signed between Arçelik A.Ş. and Whirlpool Corporation for the purpose of merging all of the production, sales and marketing subsidiaries of Arçelik A.Ş. and Whirlpool Corporation operating in Europe under a new company, Beko Europe BV, in which Arçelik will have 75% controlling interest and Whirlpool Corporation will have 25% non-controlling interest.</p> <p>The values of identifiable assets and liabilities arising on the accounting for the acquisition and the gain on bargain purchase are significant to the consolidated financial statements. However, in the allocation of the purchase price, the Group Management has made significant estimates and assumptions, such as discount rates and growth rates, using valuation experts. The fair values calculated as a result of these estimates and assumptions had a significant impact on the Group's consolidated statement of financial position. For these reasons, business combination accounting is an important matter for our audit.</p> <p>The Group's accounting policies and related disclosures regarding the accounting for business combinations are disclosed in Notes 2.4 and 3.</p>	<p>During our audit, we performed the following audit procedures related to the accounting for the business combination:</p> <ul style="list-style-type: none"> · Review of the contribution agreement and assessment of the effects on the accounting for the transaction, · Perform of procedures in accordance with the relevant auditing standards regarding the audit of the balance sheet, which is the basis for the allocation of the purchase price for the transaction, · Including our valuation experts, inquiring about the completeness, measurement method and accuracy of the tangible and intangible assets considered during the purchase price allocation study, · Assessment of the appropriateness of key assumptions, such as discount rates and growth rates, used in the Group's valuation of the purchase price allocation, including our valuation experts, · Evaluation of the future plans and explanations used in these studies within the framework of macroeconomic data by conducting interviews with the Group management, · Evaluation of the adequacy of the disclosures in the notes to the consolidated financial statements regarding the business combination.

INDEPENDENT AUDITOR’S REPORT

4) Key Audit Matters (Continued)

Key Audit Matters	How the Key Audit Matter Was Addressed in the Audit
<p>Impairment tests of brand and goodwill</p> <p>The carrying value of brands and goodwill which are accounted for under indefinite-life intangible assets amounted to TL21.778 million and TL69.660 million, respectively, in the consolidated financial statements as of 31 December 2024. In accordance with TFRS, these indefinite-life intangible assets should be tested for impairment annually.</p> <p>Brands and goodwill are material to the consolidated financial statements. In addition, significant judgements and estimates are used in the impairment tests performed by management. These are, for goodwill impairment tests; earnings before interest, tax, depreciation and amortization (“EBITDA”) growth forecasts, long term growth rates and discount rates and in addition to these, royalty rates used in the relief from royalty method for the brand impairment tests. The outcome of such estimates is very sensitive to changes in market conditions. Therefore, these impairment tests are key matters for our audit.</p> <p>Please refer to notes 2.4, 2.5, 14 and 15 for the relevant disclosures, including the accounting policy and sensitivity analysis of indefinite life intangible assets.</p>	<p>We performed the following auditing procedures in relation to the impairment tests of brands and goodwill:</p> <ul style="list-style-type: none">• Evaluation of the appropriateness of the cash generating units determined by management,• Evaluation of management forecasts and future plans based on macroeconomic information for each relevant cash generating unit by discussion with Group management,• Assessing whether future cash flows are based on the strategic plan prepared by management,• Through involvement of our valuation specialists, assessing the reasonableness of key assumptions, including long term growth rates, discount rates and royalty rates and benchmarking these against rates used in the durable goods and consumer electronics industries,• Testing of the setup of the discounted cash flow models and their mathematical accuracy,• Assessing management’s sensitivity analysis for key assumptions,• Testing of the disclosures in the consolidated financial statements in relation to indefinite-life intangible assets and evaluating the adequacy of these disclosures for TFRS’ requirements.

4) Key Audit Matters (Continued)

Key Audit Matters	How the Key Audit Matter Was Addressed in the Audit
<p>Yapı ve Kredi Bankası A.Ş. ("YKB") - Valuation of Pension Fund ("Pension Fund") obligations</p> <p>The Group has recognized a provision amounting to TL12.991 million related to the obligations of Yapı Kredi Bankası A.Ş. ("YKB") under the long-term provisions account in its consolidated financial statements as of December 31, 2024.</p> <p>The provision amount recognized for the obligations is significant in terms of YKB and, consequently, Koç Holding's consolidated financial statements. In addition, the total provision for the obligations is calculated using separate methods and assumptions for the transferable benefits and additional benefits that will remain under the responsibility of the Fund. These assumptions include transferable social benefits, discount rates, salary increases, and economic and demographic expectations used in the calculations of pension fund obligations. The estimates and assumptions used are highly sensitive to expected future market conditions. Due to these reasons, along with the uncertainty at the transfer date of the Fund, the legal determination of the technical interest rate, and the potential variations in these assumptions affecting the Fund's obligations, the recognition of provisions related to the Fund's obligations is a significant matter in our audit.</p> <p>The Group's accounting policies regarding these provisions and the related disclosures are presented in Notes 2.4, 2.5, and 19.</p>	<p>During our audit, the following audit procedures were performed regarding the recognition of provisions related to the Fund's obligations:</p> <ul style="list-style-type: none"> Testing the accuracy of the retirement and employee data provided to an external actuarial firm by YKB management through sampling in the calculations of the Fund's obligations. Testing the existence and valuation of the assets included in the Fund's balance sheet. Evaluating whether there have been significant changes in the actuarial assumptions used in the calculations, the benefits provided to employees during the period, the plan assets and liabilities, and the regulations and standards related to valuations. Assessing the reasonableness of the assumptions and valuations used in calculating the obligation by external actuaries through our actuarial experts. Evaluating the adequacy of the disclosures made regarding the Fund in the Group's consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

4) Key Audit Matters (Continued)

<i>Key Audit Matters</i>	<i>How the Key Audit Matter Was Addressed in the Audit</i>
<p><i>Measurement and Recognition of Impairment of Receivables Related to Financial Sector Activities under the "TFRS 9 Financial Instruments" Standard ('TFRS 9')</i></p> <p>In the Group's consolidated financial statements as of December 31, 2024, there are gross loans and receivables amounting to TL1.364.083 million from YKB, along with an impairment provision of TL48.638 million related to these receivables.</p> <p>The balance sheet and off-balance sheet financial assets subject to expected credit loss calculations are significant in terms of the financial statements. The classification of financial instruments under the relevant standard is based on the business model used by the Group and the characteristics of the contractual cash flows. Significant estimates and assumptions are utilized in determining the business model and identifying the cash flow characteristics of the contracts. The policies established by management for calculating expected credit losses carry various risks regarding their compliance with regulations and other practices.</p> <p>Considering the reasons outlined above and the comprehensive and complex disclosure requirements, this area has been evaluated as a key audit matter.</p> <p>The accounting policies related to the expected credit loss provision for loans and receivables and the related disclosures are presented in Notes 2.4, 2.5, and 10.</p>	<p>During our audit, the following audit procedures were performed regarding the recognition of receivables from financial sector activities:</p> <ul style="list-style-type: none"> · Evaluating the compliance of the accounting policies applied with TFRS 9, the Group's historical performance, and local and global practices. · Understanding the policies, procedures, and management principles established for the classification of loans according to the stages under TFRS 9 and the calculation of expected loss provisions, and testing the design and operational effectiveness of the controls performed by management in these processes. · Assessing whether the key judgments, estimates, and methods used in calculating expected losses determined by management are reasonable and appropriate, considering standard requirements, industry norms, and global practices. · Testing the criteria used to determine cash flows based solely on principal and interest payments related to the principal balance through sampling, and evaluating the appropriateness of these criteria in relation to the Group's business model. · Reviewing the Group's classification and measurement models for financial instruments and comparing them with the requirements of the standard. · Evaluating the appropriateness of key and significant estimates and assumptions related to the significant increase in credit risk, definitions of default and restructuring, probability of default, loss given default, default amount, and macroeconomic variables, as assessed by financial risk management experts, in relation to the Group's historical performance, regulations, and other processes involving future forecasts, along with examining selected credit files through sampling.

5. Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

6. Auditor's Responsibilities for the Audit of the consolidated Financial Statements

In an independent audit, our responsibilities as the auditors are:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

B. Report on Other Legal and Regulatory Requirements

- 1) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on February 18, 2025.
- 2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January - 31 December 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.
- 3) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The name of the engagement partner who supervised and concluded this audit is Damla Harman.

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

Damla Harman, SMMM
Partner

February 18, 2025
İstanbul, Türkiye

KOÇ HOLDİNG A.Ş.**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 1 JANUARY- 31 DECEMBER 2024**

Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

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KOÇ HOLDİNG A.Ş. CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

	Notes	2024 (⁽¹⁾) Million EUR	2024 (⁽¹⁾) Million USD	Audited 2024 Million TL	Audited 2023 Million TL
ASSETS					
Current assets:					
Cash and cash equivalents	5	8.360	8.721	307.172	417.840
Balances with the Central Bank of the Republic of Turkey	6	10.014	10.446	367.960	348.846
Financial assets	7	1.577	1.645	57.958	56.344
Trade receivables	9	4.961	5.175	182.259	207.100
- Related parties	9	416	434	15.270	15.999
- Third parties	9	4.545	4.741	166.989	191.101
Receivables from finance sector operations	10	27.406	28.589	1.006.984	1.006.132
Derivative instruments	11	239	250	8.797	15.112
Inventories	12	4.524	4.719	166.226	167.231
Other receivables	21	525	548	19.289	31.661
Other current assets	22	6.043	6.304	222.039	213.887
		63.649	66.397	2.338.684	2.464.153
Assets held for sale		-	-	-	8.160
Total current assets		63.649	66.397	2.338.684	2.472.313
Non-current assets:					
Financial assets	7	13.010	13.572	478.033	560.409
Investments accounted for using the equity method	8	2.711	2.828	99.618	99.685
Trade receivables	9	36	37	1.305	1.460
- Third parties	9	36	37	1.305	1.460
Receivables from finance sector operations	10	9.149	9.544	336.171	379.904
Derivative instruments	11	270	282	9.937	19.758
Investment properties		75	78	2.764	3.585
Property, plant and equipment	13	11.590	12.090	425.860	398.275
Intangible assets		4.142	4.321	152.173	139.473
- Goodwill	14	1.896	1.978	69.660	70.022
- Other intangible assets	15	2.246	2.343	82.513	69.451
Deferred tax assets	18	827	863	30.398	29.315
Other non-current assets	22	904	943	33.209	23.567
Total non-current assets		42.714	44.558	1.569.468	1.655.431
Total assets		106.363	110.955	3.908.152	4.127.744

(⁽¹⁾ Euro ("EUR") and US Dollar ("USD") amounts presented above have been translated from Turkish Lira ("TL") for convenience purposes only, at the official TL bid rate announced by the Central Bank of the Republic of Turkey ("CBRT") effective as of 31 December 2024, and therefore do not form part of these consolidated financial statements (Note 2.1.4).

These consolidated financial statements as of and for the year ended 31 December 2024 have been approved for issue by the Board of Directors ("BOD") on 18 February 2025. These consolidated financial statements will be finalised following their approval in the General Assembly.

The accompanying notes form an integral part of these consolidated financial statements.

KOÇ HOLDİNG A.Ş.

CONSOLIDATED BALANCE SHEETS

AT 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

	Notes	2024 Million EUR	2024 Million USD	Audited 2024 Million TL	Audited 2023 Million TL
LIABILITIES					
Current liabilities:					
Short term borrowings	16	7.534	7.859	276.806	277.862
Short term portion of long-term borrowings	16	6.791	7.084	249.531	243.967
Trade payables	9	6.820	7.114	250.577	269.482
- Related parties	9	398	415	14.609	16.923
- Third parties	9	6.422	6.699	235.968	252.559
Payables of finance sector operations	17	41.595	43.389	1.528.303	1.625.666
Derivative instruments	11	426	445	15.671	5.621
Current income tax liabilities	18	97	101	3.568	10.502
Short term provisions	20	526	549	19.322	15.759
Other payables	21	1.388	1.448	50.995	43.659
Other current liabilities	22	5.707	5.959	209.880	195.337
		70.884	73.948	2.604.653	2.687.855
Liabilities related to assets held for sale		-	-	-	5.988
Total current liabilities		70.884	73.948	2.604.653	2.693.843
Non-current liabilities:					
Long term borrowings	16	9.607	10.021	352.987	357.184
Payables of finance sector operations	17	362	378	13.298	14.608
Derivative instruments	11	189	197	6.929	14.006
Deferred tax liabilities	18	658	687	24.195	21.915
Long term provisions		931	972	34.208	38.351
- Long term provisions for employee benefits	19	792	827	29.113	31.001
- Other long-term provisions	20	139	145	5.095	7.350
Other non-current liabilities	22	360	375	13.218	14.331
Total non-current liabilities		12.107	12.630	444.835	460.395
Total liabilities		82.991	86.578	3.049.488	3.154.238
Equity:					
Paid-in share capital	23	69	72	2.536	2.536
Adjustment to share capital	23	1.876	1.957	68.921	68.921
Treasury shares	23	(2)	(3)	(90)	(90)
Share premium	23	9	9	331	331
Other comprehensive income/(expense) not to be reclassified to profit or loss	23	(364)	(380)	(13.388)	(11.005)
Other comprehensive income/(expense) to be reclassified to profit or loss	23	(454)	(474)	(16.686)	11.561
Restricted reserves	23	415	432	15.231	15.231
Prior years' income		12.804	13.357	470.474	390.742
Profit for the period		37	37	1.306	108.176
Equity holders of the parent		14.390	15.007	528.635	586.403
Non-controlling interests		8.982	9.370	330.029	387.103
Total equity		23.372	24.377	858.664	973.506
Total liabilities and equity		106.363	110.955	3.908.152	4.127.744
Commitments and contingent liabilities	32				

(¹) EUR and USD amounts presented above have been translated from TL for convenience purposes only, at the official TL bid rate announced by the CBRT effective as of 31 December 2024, and therefore do not form part of these consolidated financial statements (Note 2.1.4).

The accompanying notes form an integral part of these consolidated financial statements.

KOÇ HOLDİNG A.Ş. CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

	Notes	2024 Million EUR	2024 Million USD	Audited 2024 Million TL	Audited 2023 Million TL
Revenue	24	43.859	45.751	1.611.489	1.760.013
Revenue from finance sector operations	24	19.226	20.055	706.418	556.760
Total revenue	4	63.085	65.806	2.317.907	2.316.773
Cost of sales	25	(37.735)	(39.363)	(1.386.482)	(1.437.943)
Cost of finance sector operations	25	(16.427)	(17.136)	(603.590)	(335.031)
Total costs		(54.162)	(56.499)	(1.990.072)	(1.772.974)
Gross profit (non-finance)		6.124	6.388	225.007	322.070
Gross profit (finance)		2.799	2.919	102.828	221.729
Gross profit		8.923	9.307	327.835	543.799
Marketing expenses	25	(3.003)	(3.133)	(110.352)	(96.787)
General administrative expenses	25	(3.605)	(3.761)	(132.466)	(126.707)
Research and development expenses	25	(187)	(196)	(6.886)	(4.685)
Other operating income	26	1.577	1.645	57.949	55.258
Other operating expenses	26	(1.887)	(1.969)	(69.329)	(93.764)
Share of profit/loss of investments accounted for using the equity method	8	561	585	20.615	44.353
Operating profit	4	2.379	2.478	87.366	321.467
Gains from investment activities	27	94	98	3.448	1.878
Losses from investment activities	27	(26)	(27)	(945)	(188)
Operating profit before financial income/(expense)		2.447	2.549	89.869	323.157
Financial income	28	2.093	2.183	76.886	103.374
Financial expense	28	(2.770)	(2.888)	(101.747)	(138.858)
Net monetary position gains/(losses)	36	(1.042)	(1.087)	(38.296)	(58.780)
Profit before tax	4	728	757	26.712	228.893
Tax expense		(871)	(907)	(32.000)	(50.478)
- Current income tax expense	18	(388)	(404)	(14.242)	(45.179)
- Deferred tax expense	18	(483)	(503)	(17.758)	(5.299)
Profit/(loss) for the period		(143)	(150)	(5.288)	178.415
Attributable to:					
Non-controlling interests	4	(179)	(187)	(6.594)	70.239
Equity holders of the parent	4	36	37	1.306	108.176
Earnings per share (Kr)	35			0,515	42,673

EUR and USD amounts presented above have been translated from TL for convenience purposes only, at the official TL bid rate announced by the CBRT effective as of 31 December 2024, and therefore do not form part of these consolidated financial statements (Note 2.1.4).

The accompanying notes form an integral part of these consolidated financial statements.

KOÇ HOLDİNG A.Ş. CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

	2024 Million EUR	2024 Million USD	Audited 2024 Million TL	Audited 2023 Million TL
Profit for the period	(143)	(150)	(5.288)	178.415
Other comprehensive income:				
Items not to be reclassified to profit/loss	(142)	(148)	(5.214)	(11.657)
Gains/(losses) on remeasurements of defined benefit plans	(135)	(141)	(4.953)	(12.116)
Share of other comprehensive income/(expenses) of investments accounted for using the equity method	(7)	(7)	(261)	459
Taxes relating to other comprehensive income not to be reclassified to profit/(loss)	38	39	1.380	2.973
Gains/(losses) on remeasurements of defined benefit plans, tax effect	38	39	1.380	2.973
Items to be reclassified to profit/loss	(1.606)	(1.675)	(58.982)	(53.069)
Currency translation differences	(663)	(692)	(24.359)	(5.272)
Gains/(losses) on financial assets measured at fair value through other comprehensive income	(587)	(612)	(21.557)	(22.434)
Gains/(losses) on hedges of net investments in foreign operations	(147)	(154)	(5.412)	(17.805)
Gains/(losses) on cash flow hedges	(106)	(110)	(3.888)	(839)
Share of other comprehensive income/(expenses) of investments accounted for using the equity method	(103)	(107)	(3.766)	(6.719)
Taxes relating to other comprehensive income to be reclassified to profit/loss	216	226	7.944	11.199
Gains/(losses) on financial assets measured at fair value through other comprehensive income, tax effect	143	149	5.238	6.520
Gains/(losses) on hedges of net investments in foreign operations, tax effect	40	42	1.487	4.050
Gains/(losses) on cash flow hedges, tax effect	33	35	1.219	629
Other comprehensive income	(1.494)	(1.558)	(54.872)	(50.554)
Total comprehensive income	(1.637)	(1.708)	(60.160)	127.861
Attributable to:				
Non-controlling interest	(848)	(885)	(31.173)	48.354
Equity holders of the parent	(789)	(823)	(28.987)	79.507

EUR and USD amounts presented above have been translated from TL for convenience purposes only, at the official TL bid rate announced by the CBRT effective as of 31 December 2024, and therefore do not form part of these consolidated financial statements (Note 2.1.4).

The accompanying notes form an integral part of these consolidated financial statements.

KOÇ HOLDİNG A.Ş. CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

	Paid-in share capital	Adjustment to share capital	Treasury shares	Share premium	Items not to be reclassified to profit/loss Gains/(losses) on remeasurement of defined benefit plans
Balances at 1 January 2023 - previously reported	2.536	68.921	(90)	331	(6.841)
Restatement impact (Note 2.1.3)	-	-	-	-	-
Balances at 1 January 2023 - restated	2.536	68.921	(90)	331	(6.841)
Transfers	-	-	-	-	-
Dividends paid	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	347
Total comprehensive income/(expense)	-	-	-	-	(4.511)
Balances at 31 December 2023	2.536	68.921	(90)	331	(11.005)
Balances at 1 January 2024	2.536	68.921	(90)	331	(11.005)
Transfers	-	-	-	-	-
Dividends paid	-	-	-	-	-
Acquisition of a subsidiary (Note 3)	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	27
Total comprehensive income/(expense)	-	-	-	-	(2.410)
Balances at 31 December 2024	2.536	68.921	(90)	331	(13.388)

The accompanying notes form an integral part of these consolidated financial statements.

Items to be reclassified to profit/loss			Retained earnings					
Currency translation differences	Gains/(losses) on hedge	Gains/(losses) on financial assets measured at fair value through other comprehensive income	Restricted reserves	Prior years' income	Profit for the period	Equity holders of the parent	Non-controlling interests	Total equity
29.904	(9.461)	19.845	7.289	310.717	104.909	528.060	352.556	880.616
(1.939)	-	-	-	3.069	-	1.130	(1.130)	-
27.965	(9.461)	19.845	7.289	313.786	104.909	529.190	351.426	880.616
-	-	-	7.942	96.967	(104.909)	-	-	-
-	-	-	-	(13.746)	-	(13.746)	(35.364)	(49.110)
(1.578)	113	(1.165)	-	(6.265)	-	(8.548)	22.687	14.139
(1.635)	(13.928)	(8.595)	-	-	108.176	79.507	48.354	127.861
24.752	(23.276)	10.085	15.231	390.742	108.176	586.403	387.103	973.506
24.752	(23.276)	10.085	15.231	390.742	108.176	586.403	387.103	973.506
-	-	-	-	108.176	(108.176)	-	-	-
-	-	-	-	(27.326)	-	(27.326)	(32.486)	(59.812)
-	-	-	-	-	-	-	6.568	6.568
(454)	-	-	-	(1.118)	-	(1.572)	2.009	437
-	90	-	-	-	-	117	(1.992)	(1.875)
(15.002)	(2.829)	(10.052)	-	-	1.306	(28.987)	(31.173)	(60.160)
9.296	(26.015)	33	15.231	470.474	1.306	528.635	330.029	858.664

Presentation

General Assembly

Koç Group

Sectors and Companies

Social Investments

Corporate Governance

Financial Statements

Other Information

KOÇ HOLDİNG A.Ş. CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2024 AND 2023

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

	Notes	2024 M Million EUR	2024 M Million USD	Audited 2024 Million TL	Audited 2023 Million TL
A. Cash Flows From Operating Activities:					
Profit/(loss) for the period		(143)	(150)	(5.288)	178.415
Adjustments to reconcile profit for the period:					
Tax (income)/expense	18	871	907	32.000	50.478
Undistributed profits of investments accounted for using the equity method	8	(561)	(585)	(20.615)	(44.353)
Depreciation and amortisation	4	1.586	1.654	58.268	44.197
Adjustments for provisions	37	(122)	(128)	(4.501)	4.317
Adjustments for impairment loss/(reversal of impairment loss)	37	1.298	1.354	47.687	42.452
Adjustments for non-finance sector interest (income)/expenses, net	28	221	230	8.114	10.617
Adjustments for finance sector interest (income)/expenses		(1.687)	(1.759)	(61.969)	(41.471)
Fair value losses/(gains) on derivative instruments		106	111	3.893	(16.043)
Fair value losses/(gains) on financial investments	27	-	-	-	(193)
Unrealised foreign exchange losses/(gains)		1.540	1.607	56.594	115.494
- Exchange (gains)/losses on borrowings, net		4.983	5.198	183.098	328.449
- Exchange (gains)/losses on cash and cash equivalents, net		(1.111)	(1.159)	(40.828)	(114.221)
- Exchange (gains)/losses on financial investments, net		(2.332)	(2.432)	(85.676)	(98.734)
Losses/(gains) on disposal of Subsidiaries	27	(37)	(39)	(1.358)	-
Losses/(gains) on disposal of non-current assets	27	7	7	240	(557)
Losses/(gains) on disposal of financial investments	27	-	-	-	(388)
Adjustments for dividend income	27	(6)	(6)	(209)	(135)
Adjustments for gain on bargain purchase	26	(471)	(491)	(17.306)	-
Other adjustments for profit/(loss) reconciliation		(17)	(18)	(629)	-
Adjustments for monetary position gain/(loss)		2.661	2.776	97.789	131.132
Changes in net working capital	37	(2.037)	(2.128)	(74.940)	47.145
Income taxes refund/(paid)		(563)	(587)	(20.686)	(46.786)
Dividends received from Joint Ventures and Associates, net	8	523	546	19.224	15.144
Total cash flows from operating activities		3.169	3.301	116.308	489.465
B. Cash Flows From Investing Activities:					
Cash outflows from purchases of property, plant and equipment and intangible assets	4	(2.665)	(2.780)	(97.925)	(98.575)
Cash inflows from sale of property, plant and equipment and intangible assets		786	820	28.888	22.483
Cash inflows from disposal of Subsidiaries		78	81	2.862	-
Cash outflows from acquisition/payments to gain control of Subsidiaries, net		99	103	3.638	(2.987)
Cash inflows from sale of shares of Subsidiaries without a change of control		-	-	-	12.194
Cash outflows from acquisition of additional interest in Subsidiaries		-	-	-	(1.403)
Cash outflows from acquisition of interest/capital increase in financial investments		(52)	(54)	(1.893)	(4.188)
Cash inflows from sale of shares of financial investments		-	-	-	452
Cash outflows from capital increase of Joint Ventures	8	(45)	(47)	(1.661)	(501)
Dividends received	27	6	6	209	135
Other cash inflows/(outflows)		(1.510)	(1.575)	(55.490)	(166.502)
- Cash outflows from purchase/sale of financial assets measured at fair value through other comprehensive income and measured at amortised cost, net		(1.510)	(1.575)	(55.490)	(166.502)
Total cash flows from investing activities		(3.303)	(3.446)	(121.372)	(238.892)
C. Cash Flows From Financing Activities:					
Dividends paid		(1.628)	(1.698)	(59.812)	(49.110)
Cash inflows from borrowings	16	15.373	16.036	564.846	501.430
Cash outflows from repayments of borrowings	16	(12.832)	(13.386)	(471.493)	(471.475)
Cash inflows/(outflows) from derivative instruments, net		(244)	(254)	(8.964)	11.715
Cash outflows from payments of lease liabilities	16	(212)	(221)	(7.779)	(6.070)
Transactions with non-controlling interests		(97)	(101)	(3.547)	-
Non-finance sectors interest paid		(1.163)	(1.213)	(42.719)	(35.670)
Non-finance sectors interest received		1.063	1.109	39.065	24.036
Total cash flows from financing activities		260	272	9.597	(25.144)
Inflation impact on cash and cash equivalents		(4.714)	(4.917)	(173.191)	(255.166)
Impact of exchange rate changes on cash and cash equivalents		1.111	1.159	40.828	114.221
Net increase/(decrease) in cash and cash equivalents		(3.477)	(3.631)	(127.830)	84.484
Cash and cash equivalents at the beginning of the period		17.192	17.934	631.689	547.205
Cash and cash equivalents at the end of the period	37	13.715	14.303	503.859	631.689

EUR and USD amounts presented above have been translated from TL for convenience purposes only, at the EUR and USD average CBRT bid rates for the year ended 31 December 2024, and therefore do not form part of these consolidated financial statements (Note 2.1.4).

The accompanying notes form an integral part of these consolidated financial statements.

KOÇ HOLDİNG A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Koç Holding A.Ş. ("Koç Holding") was established on 11 December 1963 in Turkey. Koç Holding's business activities include ensuring the establishment of participating in various companies and promoting the achievements of these companies; ensuring a more profitable, efficient management appropriate for current conditions and creating common service areas and therefore lightening the financial burden of these services on the companies.

Total end of period and average number of personnel employed by the Parent Company Koç Holding, its Subsidiaries and Joint Ventures (together referred as the "Group") by their categories are as follows:

	End of Period		Average	
	2024	2023	2024	2023
Monthly paid	55.891	53.722	57.721	53.514
Hourly paid	74.869	65.656	75.356	66.018
Total number of personnel	130.760	119.378	133.077	119.532

The registered address of Koç Holding is as follows:

Nakkaştepe Azizbey Sok. No: 1

Kuzguncuk-İSTANBUL

Koç Holding is subject to regulations of the Capital Markets Board ("CMB") and its shares have been quoted on the Borsa İstanbul ("BİST") since 10 January 1986. As of 31 December 2024, shareholding structure of Koç Holding is as follows:

	%
Companies owned by Koç Family members	45,14
Koç Family members (Note 23)	18,33
Vehbi Koç Vakfı	7,26
Koç Holding Emekli ve Yardım Sandığı Vakfı	2,35
Other ⁽¹⁾	26,92
	100,00

⁽¹⁾ Includes treasury shares of 0,04% as of 31 December 2024 (Note 23).

Koç Holding is organised mainly in Turkey under five core business segments:

- Energy
- Automotive
- Consumer durables
- Finance
- Other ⁽¹⁾

⁽¹⁾ Other operations of Group mainly comprise of food, retail, tourism, information technologies, ship construction and healthcare, none of which are of a sufficient size to be reported separately.

KOÇ HOLDİNG A.Ş.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

The subsidiaries ("Subsidiaries"), the joint ventures ("Joint Ventures") and the associates ("Associates") included in the consolidation scope of Koç Holding, their country of incorporation, nature of business and their respective business segments are as follows:

Energy Sector

Country of Subsidiaries	Nature of incorporation	Nature of business
Adalar Tankercilik A.Ş. ("Adalar Tankercilik") ⁽¹⁾	Turkey	Petroleum Shipping
Akpa Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş. ("Akpa")	Turkey	Marketing
Anadoluhisari Tankercilik A.Ş. ("Anadoluhisari Tankercilik")	Turkey	Petroleum Shipping
Aygaz A.Ş. ("Aygaz")	Turkey	LPG
Aygaz Doğal Gaz İletim A.Ş. ("Aygaz İletim")	Turkey	Natural Gas
Aygaz Doğal Gaz Toptan Satış A.Ş. ("Aygaz Toptan Satış")	Turkey	Natural Gas
Bakırköy Tankercilik A.Ş. ("Bakırköy Tankercilik")	Turkey	Petroleum Shipping
Bal Kaynak Su İhracat İthalat San. ve Tic. A.Ş. ("Bal Kaynak Su")	Turkey	Trading of Water Products
Balat Tankercilik A.Ş. ("Balat Tankercilik")	Turkey	Petroleum Shipping
Bebek Shipping S.A. ("Bebek Shipping") ⁽¹⁾	Panama	Petroleum Shipping
Beykoz Tankercilik A.Ş. ("Beykoz Tankercilik")	Turkey	Petroleum Shipping
Çengelköy Tankercilik A.Ş. ("Çengelköy Tankercilik")	Turkey	Petroleum Shipping
Ditaş Deniz İşletmeciliği ve Tic. A.Ş. ("Ditaş")	Turkey	Petroleum Shipping
Enerji Yatırımları A.Ş. ("Enerji Yatırımları")	Turkey	Investment
Eltek Elektrik Enerjisi İthalat İhracat ve Toptan Ticaret A.Ş. ("Eltek")	Turkey	Power Generation
Enspire Enerji Yatırımları ve Hizmetleri A.Ş. ("Enspire Enerji")	Turkey	Power Generation
Enkar Doğal Enerji Üretim ve Sanayi Ticaret A.Ş. ("Enkar Enerji")	Turkey	Power Generation
Entek Elektrik Üretimi A.Ş. ("Entek")	Turkey	Power Generation
Esinti Enerji Üretim Ticaret ve Sanayi A.Ş. ("Esinti Enerji")	Turkey	Power Generation
Florya Tankercilik A.Ş. ("Florya Tankercilik")	Turkey	Petroleum Shipping
Göztepe Tankercilik A.Ş. ("Göztepe Tankercilik")	Turkey	Petroleum Shipping
Kadıköy Tankercilik A.Ş. ("Kadıköy Tankercilik")	Turkey	Petroleum Shipping
Kandilli Tankercilik A.Ş. ("Kandilli Tankercilik")	Turkey	Petroleum Shipping
Karaköy Tankercilik A.Ş. ("Karaköy Tankercilik")	Turkey	Petroleum Shipping
Karşıyaka Tankercilik A.Ş. ("Karşıyaka Tankercilik")	Turkey	Petroleum Shipping
Kartal Tankercilik A.Ş. ("Kartal Tankercilik")	Turkey	Petroleum Shipping
Körfez Ulaştırma A.Ş. ("Körfez")	Turkey	Air, Sea, Road and Railway Transportation
Kuleli Tankercilik A.Ş. ("Kuleli Tankercilik")	Turkey	Petroleum Shipping
Kuruçeşme Tankercilik A.Ş. ("Kuruçeşme Tankercilik")	Turkey	Petroleum Shipping
Kuzguncuk Tankercilik A.Ş. ("Kuzguncuk Tankercilik")	Turkey	Petroleum Shipping
Maltepe Tankercilik A.Ş. ("Maltepe Tankercilik")	Turkey	Petroleum Shipping
Pendik Tankercilik A.Ş. ("Pendik Tankercilik")	Turkey	Petroleum Shipping
Salacak Tankercilik A.Ş. ("Salacak Tankercilik")	Turkey	Petroleum Shipping
Sarıyer Tankercilik A.Ş. ("Sarıyer Tankercilik")	Turkey	Petroleum Shipping
T Damla Denizcilik A.Ş. ("T Damla Denizcilik")	Turkey	Mooring and Tug Service
Tarabya Tankercilik A.Ş. ("Tarabya Tankercilik")	Turkey	Petroleum Shipping
Tuzla Tankercilik A.Ş. ("Tuzla Tankercilik")	Turkey	Petroleum Shipping
Türkiye Petrol Rafinerileri A.Ş. ("Tüpraş")	Turkey	Production and Trading of Petroleum Products
Tüpraş Enerji Girişimleri A.Ş. ("Tüpraş Ventures")	Turkey	Technology And Venture Investments
Tüpraş Trading Ltd. ("Tüpraş Trading")	The UK	Petroleum Products Trading
Üsküdar Tankercilik A.Ş. ("Üsküdar Tankercilik")	Turkey	Petroleum Shipping

Menzelet Kılavuzlu Elektrik Üretimi A.Ş. ("Menzelet Kılavuzlu Elektrik") merged with Entek through the acquisition of all its assets and liabilities by Entek, and the relevant resolutions of the Board of Directors and the merger agreement were registered on 31 May 2024.

KOÇ HOLDİNG A.Ş.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Energy Sector (Continued)

Joint Ventures	Joint Venture Partner	Country of incorporation	Nature of business
Demre 7 Tankercilik A.Ş. ("Demre 7 Tankercilik") ⁽¹⁾	Öztürk Family	Turkey	Petroleum and Chemical Shipping
Demre 8 Tankercilik A.Ş. ("Demre 8 Tankercilik") ⁽¹⁾	Öztürk Family	Turkey	Petroleum and Chemical Shipping
Güney Tankercilik A.Ş. ("Güney Tankercilik")	Türk Hava Yolları	Turkey	Petroleum Shipping
Kuzey Tankercilik A.Ş. ("Kuzey Tankercilik")	Türk Hava Yolları	Turkey	Petroleum Shipping
Opet Aygaz Gayrimenkul A.Ş. ("Opet Aygaz Gayrimenkul")	Öztürk Family	Turkey	Real Estate
Opet Fuchs Madeni Yağ San. ve Tic. A.Ş. ("Opet Fuchs")	Fuchs Petrolub SE	Turkey	Lubricant Trading
Opet International Limited ("Opet International")	Öztürk Family	The UK	Petroleum Products Trading
Opet Market ve Akaryakıt İstasyon İşletmeciliği A.Ş. ("Opet Market ve Akaryakıt")	Öztürk Family	Turkey	Petroleum Products Trading and Retail
Opet Petrolcülük A.Ş. ("Opet")	Öztürk Family	Turkey	Petroleum Products Trading
Opet Trade B.V. ("Opet Trade BV")	Öztürk Family	Netherlands	Petroleum Products Trading
Sendeo Dağıtım Hizmetleri A.Ş. ("Sendeo") ⁽²⁾	Ahmet Musul	Turkey	Cargo Transport/Distribution
Tasfiye Halinde Opet Trade (Singapore) Pte. Ltd. ("Opet Singapore") ⁽³⁾	Öztürk Family	Singapore	Petroleum Products Trading
THY Opet Havacılık Yakıtları A.Ş. ("THY Opet")	Türk Hava Yolları	Turkey	Petroleum Products Trading
United Aygaz LPG Ltd ("United Aygaz LPG")	United Enterprises & Co. Ltd.	Bangladesh	LPG Supply, Filling and Distribution
Vice 2 Tankercilik A.Ş. ("Vice 2 Tankercilik") ⁽¹⁾	Öztürk Family	Turkey	Petroleum Products and Chemicals Shipping

⁽¹⁾ Established in 2024.

⁽²⁾ Sendeo has been accounted for using the equity method in the Group's consolidated financial statements following the sale of 50% of its shares to third parties.

⁽³⁾ In the process of liquidation.

KOÇ HOLDİNG A.Ş.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Automotive Sector

Subsidiaries		Country of incorporation	Nature of business
Cronus Finance D.A.C. ("Cronus Finance") ⁽¹⁾		Ireland	Special Purpose
Icarus Finance D.A.C. ("Icarus Finance") ⁽¹⁾		Ireland	Special Purpose
Metalloplastiki Energiaki I.K.E. ("Metalloplastiki")		Greece	Production
Olympic Commercial and Tourist Enterprises S.A. ("Olympic")		Greece	Car Rental and Trading
Otokar Europe SAS ("Otokar Europe")		Fransa	Sales and Marketing
Otokar Europe Filiala Bucuresti S.R.L. ("Otokar Europe Filiala")		Romania	Sales and Marketing
Otokar Italia SRL ("Otokar Italia")		Italia	Sales and Marketing
Otokar Land Systems LLC ("Otokar Land Systems")		UAE	Sales and Marketing
Otokar Otomotiv ve Savunma Sanayi A.Ş. ("Otokar")		Turkey	Production
Otokoç ABG Holland B.V. ("Otokoç Hollanda")		The Netherlands	Investment
Otokoç Azerbaijan MMC ("Otokoç Azerbaycan")		Azerbaijan	Car Rental
Otokoç Otomotiv Tic. ve San. A.Ş. ("Otokoç")		Turkey	Car Rental and Trading
Otokoç Hungary KFT ("Otokoç Hungary")		Hungary	Car Rental
Otokoç Kazakistan LLP ("Otokoç Kazakistan")		Kazakhstan	Car Rental
Otokoç Sigorta Aracılık Hizmetleri A.Ş. ("Otokoç Sigorta")		Turkey	Insurance
Joint Ventures	Joint Venture Partner	Country of incorporation	Nature of business
Al Jasoor Heavy Vehicle Industry LLC ("Al Jasoor")	Tawazun	UAE	Sales and Marketing
Fer Mas Oto Ticaret A.Ş. ("Fer-Mas")	Stellantis N.V.	Turkey	Trading
Ford Otomotiv Sanayi A.Ş. ("Ford Otosan")	Ford Deutschland Holding Gmbh	Turkey	Production
Ford Otosan Netherlands B.V. ("Ford Netherlands")	Ford Deutschland Holding Gmbh	The Netherlands	Sales and Marketing
Ford Romania SRL ("Ford Romania")	Ford Deutschland Holding Gmbh	Romania	Production
Koç Fiat Kredi Finansman A.Ş. ("Fiat Finans")	Stellantis N.V.	Turkey	Consumer Finance
Koç Fiat Sigorta Aracılık Hizmetleri A.Ş. ("Koç Fiat Sigorta")	Stellantis N.V.	Turkey	Insurance
Tofaş Türk Otomobil Fabrikası A.Ş. ("Tofaş")	Stellantis N.V.	Turkey	Production
Türk Traktör ve Ziraat Makinaları A.Ş. ("Türk Traktör")	CNH Österreich Gmbh	Turkey	Production

⁽¹⁾ The special purpose company established for securitisation transactions of Otokoç is included in the scope of consolidation.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Consumer Durables Sector

Subsidiaries	Country of incorporation	Nature of business
Arçelik A.Ş. ("Arçelik")	Turkey	Production/Sales
Arçelik Hitachi Home Appliances B.V. ("Arçelik Hitachi")	Netherlands	Holding
Arçelik Hitachi Home Appliances IBC Co. Ltd. ("Arçelik Hitachi Thailand IBC")	Thailand	Services
Arçelik Hitachi Home Appliances (Shanghai) Co., Ltd. ("Arçelik Hitachi Shanghai")	China	Production/Sales
Arçelik Hitachi Home Appliances (Thailand) Ltd. ("Arçelik Hitachi Thailand")	Thailand	Production/Sales
Arçelik Hitachi Home Appliances Sales (Singapore) Pte. Ltd ("Arçelik Hitachi Singapore")	Singapore	Sales
Arçelik Hitachi Home Appliances Sales (Thailand) Ltd. ("Arçelik Hitachi Sales Thailand")	Thailand	Sales
Arçelik Hitachi Home Appliances Sales (Malaysia) Sdn. Bhd. ("Arçelik Hitachi Malaysia")	Malaysia	Sales
Arçelik Hitachi Home Appliances Sales (Middle East) Fze ("Arçelik Hitachi Dubai")	UAE	Sales
Arçelik Hitachi Home Appliances Sales (Vietnam) Co., Ltd. ("Arçelik Hitachi Vietnam")	Vietnam	Sales
Arçelik Hitachi Home Appliances Sales (Hong Kong) Limited ("Arçelik Hitachi Hong Kong")	Hong Kong, China	Sales
Arçelik Hitachi Taiwan Home Appliances Sales Ltd. ("Arçelik Hitachi Taiwan")	Taiwan	Sales
Arçelik Pazarlama A.Ş. ("Pazarlama A.Ş.")	Turkey	Service/Sales/Marketing
Arch R&D Co. Ltd. ("Arch R&D")	China	R&D
Arcwaste Collection SRL ("Arcwaste")	Romania	Services
Bauknecht AG ("Bauknecht AG") ⁽¹⁾	Switzerland	Sales
Bauknecht Hausgeräte GmbH ("Bauknecht Hausgeräte GmbH") ⁽¹⁾	Germany	Sales
Beko A and NZ Pty Ltd. ("Beko Australia")	Australia	Sales
Beko A and NZ Pty Ltd. New Zealand Branch ("Beko New Zealand")	New Zealand	Sales
Beko AE LLC ("Beko AE") ⁽²⁾	UAE	Sales
Beko Algeria EURL ("Beko Algeria")	Algeria	Sales
Beko APAC IBC Co. Ltd. ("Beko APAC")	Thailand	Services
Beko Appliances Indonesia, PT ("Beko Indonesia")	Indonesia	Sales
Beko Appliances Malaysia Sdn Bhd. ("Beko Malaysia")	Malaysia	Sales
Beko Austria AG ("Beko Austria")	Austria	Sales
Beko Azerbaijan MMC ("Beko Azerbaijan")	Azerbaijan	Sales
Beko Balkans D.O.O ("Beko Balkans")	Serbia	Sales
Beko Bangladesh B.V. ("Beko Bangladesh")	Netherlands	Holding
Beko Belgium N.V. ("Beko Belgium")	Belgium	Sales
Beko B.V. ("Beko B.V.")	Netherlands	Holding
Beko Canada INC ("Beko Canada") ⁽²⁾	Canada	Sales
Beko Central Asia LLC ("Beko Central Asia")	Kazakhstan	Sales
Beko Cesko ("Beko Cesko") ⁽³⁾	Czechia	-
Beko Croatia d.o.o. ("Beko Croatia") ⁽⁴⁾	Croatia	Sales
Beko Egypt Home Appliances Industries LLC ("Beko Egypt LLC")	Egypt	Production/Sales
Beko Egypt Trading LLC ("Beko Egypt")	Egypt	Sales
Beko Electrical Appliances Co. Ltd. ("Beko China")	China	Sales
Beko Europe Austria GmbH ("Beko Europe Austria") ⁽¹⁾	Austria	Sales
Beko Europe B.V. ("Beko Europe")	Netherlands	Holding
Beko Europe Bulgaria EOOD ("Beko Bulgaria") ⁽¹⁾	Bulgaria	Sales
Beko Europe Denmark A/S ("Beko Europe Denmark") ⁽¹⁾	Denmark	Sales
Beko Europe Estonia OÜ ("Beko Estonia") ⁽¹⁾	Estonia	Sales
Beko Europe Holdings BV ("Beko Holdings") ⁽¹⁾	Netherlands	Holding
Beko Europe Iberia, S.A. ("Beko Europe Iberia") ⁽¹⁾	Portugal	Sales
Beko Europe Latvia SIA ("Beko Latvia") ⁽¹⁾	Latvia	Sales
Beko Europe Lithuania UAB ("Beko Lithuania") ⁽¹⁾	Lithuania	Sales
Beko Europe Management SRL ("Beko Europe Management") ⁽¹⁾	Italy	Sales
Beko Europe R&D SRL ("Beko R&D") ⁽¹⁾	Italy	R&D
Beko France S.A.S. ("Beko France")	France	Sales
Beko Germany GmbH ("Beko Germany")	Germany	Sales
Beko Greece Single Member SA ("Beko Greece") ⁽⁴⁾	Greece	Sales
Beko Gulf DMCC ("Beko Gulf DMCC") ⁽¹⁾	UAE	Sales
Beko Gulf FZE ("Beko Gulf")	UAE	Sales
Beko Hong Kong Ltd. ("Beko Hong Kong")	Hong Kong, China	Procurement

KOÇ HOLDİNG A.Ş.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Consumer Durables Sector (Continued)

Subsidiaries	Country of incorporation	Nature of business
Beko Hungary Kft ("Beko Hungary")	Hungary	Sales
Beko Ireland (Beko PLC Branch) ("Beko Ireland")	Ireland	Sales
Beko Israel Household Appliances Ltd. ("Beko Israel")	Israel	Marketing
Beko Italy Manufacturing SRL ("Beko Italy Manufacturing") ⁽¹⁾	Italy	Production/Sales
Beko Italy SRL ("Beko Italy")	Italy	Sales
Beko LLC. ("Beko Russia")	Russia	Production/Sales
Beko Maghreb Sarl ("Beko Maghreb") ⁽¹⁾	Morocco	Sales
Beko Manufacturing Slovakia Spol. S R.O. ("Beko Manufacturing Slovakia") ⁽¹⁾	Slovakia	Production
Beko Morocco Household Appliances SARL ("Beko Morocco")	Morocco	Sales
Beko Netherlands B.V. ("Beko Netherlands")	Netherlands	Sales
Beko Nordic AB. ("Beko Sweden")	Sweden	Sales
Beko Nordic AB, Finland Rep Office of Nordic AB ("Beko Finland") ⁽⁴⁾	Finland	Sales
Beko Nordic AS ("Beko Norway")	Norway	Sales
Beko Nordic DK, Denmark Branch of Beko Nordic AS ("Beko Denmark") ⁽⁴⁾	Denmark	Sales
Beko Pilipinas Corporation ("Beko Philippines")	Philippines	Sales
Beko Plc. ("Beko UK")	The UK	Sales
Beko Poland Manufacturing Sp.Z O.O. ("Beko Poland Manufacturing") ⁽¹⁾	Poland	Production
Beko Portugal, Unipessoal LDA ("Beko Portugal")	Portugal	Sales
Beko Romania SA ("Arctic") ⁽⁴⁾	Romania	Production/Sales
Beko Shanghai Trading Company Ltd. ("Beko Shanghai")	China	Sales
Beko Slovakia S.R.O. ("Beko Slovakia")	Slovakia	Sales
Beko Spain Electronics S.L. ("Beko Spain") ⁽⁴⁾	Spain	Sales
Beko Switzerland GmbH ("Beko Switzerland")	Switzerland	Sales
Beko S.A. ("Beko Polska")	Poland	Sales
Beko S.A., Czech Branch of Beko S.A ("Beko Czech")	Czechia	Sales
Beko Thai Co. Ltd. ("Beko Thailand")	Thailand	Production/Sales
Beko Ukraine LLC. ("Beko Ukraine")	Ukraine	Sales
Beko US INC. ("Beko US")	United States of America	Sales
Bilkom Bilişim Hizmetleri A.Ş. ("Bilkom")	Turkey	Trading
Dawlance (Private) Ltd. ("DPL")	Pakistan	Production/Sales
Defy Appliances (Proprietary) Limited ("Defy")	South Africa	Production/Sales
Defy (Botswana) (Proprietary) Limited ("Defy Botswana")	Botswana	Sales
Defy (Namibia) (Proprietary) Limited ("Defy Namibia")	Namibia	Sales
Defy Sales East Africa Limited ("Defy Kenya")	Kenya	Sales
Defy (Swaziland) (Proprietary) Limited ("Defy Swaziland")	Swaziland	Sales
DEL Electronics (Pvt.) Ltd. ("DEL")	Pakistan	Sales
European Appliances Balkans d.o.o. Beograd ("European Balkans") ⁽¹⁾	Serbia	Services
European Appliances Belgium N.V. ("European Belgium") ⁽¹⁾	Belgium	Sales
European Appliances Croatia d.o.o. ("European Croatia") ⁽¹⁾	Croatia	Sales
European Appliances Czech Spol. S.R.O. ("European Czech") ⁽¹⁾	Czechia	Sales
European Appliances Finland OY ("European Finland") ⁽¹⁾	Finland	Services
European Appliances France Holdings SAS ("European France Holdings") ⁽¹⁾	France	Holding
European Appliances France SAS ("European France") ⁽¹⁾	France	Sales
European Appliances Greece SA ("European Greece") ⁽¹⁾	Greece	Sales
European Appliances Hungary KFT ("European Hungary") ⁽¹⁾	Hungary	Sales
European Appliances Italy SRL ("European Italy") ⁽¹⁾	Italy	Sales
European Appliances Netherlands B.V. ("European Netherlands") ⁽¹⁾	Netherlands	Sales
European Appliances Nordic AB ("European Nordic") ⁽¹⁾	Sweden	Sales
European Appliances Norway AS ("European Norway") ⁽¹⁾	Norway	Services
European Appliances Poland Sp. Z O.O. ("European Poland") ⁽¹⁾	Poland	Sales
European Appliances Romania SRL ("European Romania") ⁽¹⁾	Romania	Sales
European Appliances Slovakia Spol. S R.O. ("European Slovakia") ⁽¹⁾	Slovakia	Sales
European Appliances Ukraine LLC ("European Ukraine") ⁽¹⁾	Ukraine	Sales
European Home Appliances Spain S.A. ("European Spain") ⁽¹⁾	Spain	Sales
General Domestic Appliances Holdings LTD ("General Appliances") ⁽¹⁾	The UK	Holding
Grundig Intermedia Ges.m.b.H ("Grundig Austria") ⁽³⁾	Austria	-

KOÇ HOLDİNG A.Ş.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Consumer Durables Sector (Continued)

Subsidiaries	Country of incorporation	Nature of business
Grundig Multimedia A.G. ("Grundig Switzerland")	Switzerland	Sales
Hotpoint Ireland Ltd ("Hotpoint Ireland") ⁽¹⁾	Ireland	Sales
Hotpoint UK Appliances Limited ("Hotpoint Appliances") ⁽¹⁾	The UK	Production/Sales
IHP Appliances Sales LLC ("IHP Appliances Sales")	Russia	Sales
IHP Appliances LLC ("IHP Appliances")	Russia	Production/Sales
IHP Kazakhstan LLP ("IHP Kazakhstan")	Kazakhstan	Sales
Indesit Company International Business SA ("Indesit International") ⁽¹⁾	Switzerland	Treasury
Indesit Company UK Holdings LTD ("Indesit UK") ⁽¹⁾	The UK	Holding
IRE Beteiligungs GmbH ("IRE Beteiligungs") ⁽¹⁾	Germany	Sales
Life Tech Trading DMCC ("Life Tech")	UAE	Sales
Pan Asia Private Equity Ltd. ("Pan Asia")	British Virgin Islands	Holding
PT Arçelik Hitachi Home Appliances Sales Indonesia ("Arçelik Hitachi Indonesia")	Indonesia	Sales
PT Home Appliances Indonesia ("PT Home")	Indonesia	Sales
Singer Bangladesh Limited ("Singer Bangladesh")	Bangladesh	Production/Sales
United Refrigeration Industries Ltd. ("United Refrigeration")	Pakistan	Production/Sales
Vietbeko LLC. ("Vietbeko")	Vietnam	Sales
Wat Mobilite Çözümleri Teknoloji ve Ticaret A.Ş. ("Wat Mobilite")	Turkey	Sales
Wat Motor San. ve Tic. A.Ş. ("Wat Motor")	Turkey	Production/Sales

Joint Ventures	Joint Venture Partner	Country of incorporation	Nature of business
Arçelik-LG Klima San. ve Tic. A.Ş. ("Arçelik LG")	LG Electronics Inc.	Turkey	Air Conditioner Production
VoltBek Home Appliances Private Limited ("VoltBek")	Tata Group	India	Production/Sales

⁽¹⁾ Related companies were included in the Group consolidation following the business combination that took place on 1 April 2024 (Note 3). The registration processes for the board of directors and title changes have been completed in the relevant country registries.

⁽²⁾ Established in 2024.

⁽³⁾ Non-operational companies as of the balance sheet date.

⁽⁴⁾ The title changes of the related companies were registered in 2024.

Beko B.V. Taiwan was liquidated in 2024.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Finance Sector

Subsidiaries	Country of incorporation	Nature of business
KF Sigorta Aracılık Hizmetleri A.Ş. ("KF Sigorta")	Turkey	Insurance
Koç Finansal Hizmetler A.Ş. ("Koç Finansal Hizmetler" veya "KFS")	Turkey	Holding
Koç Finansman A.Ş. ("Koç Finansman")	Turkey	Consumer Finance
Stiching Custody Services YKB ("Stiching Custody")	Netherlands	Custody
Yapı Kredi Azerbaijan C.J.S.C. ("Yapı Kredi Azerbaijan")	Azerbaijan	Banking
Yapı Kredi Bank Deutschland OHG ("Yapı Kredi Deutschland") ⁽¹⁾	Germany	Banking
Yapı Kredi Bank Nederland N.V. ("Yapı Kredi Nederland")	Netherlands	Banking
Yapı Kredi Diversified Payment Rights Finance Company ("Yapı Kredi SPC") ⁽²⁾	Cayman Islands	Special Purpose
Yapı Kredi Faktoring A.Ş. ("Yapı Kredi Faktoring")	Turkey	Factoring
Yapı Kredi Finansal Kiralama A.O. ("Yapı Kredi Finansal Kiralama")	Turkey	Leasing
Yapı Kredi Holding B.V. ("Yapı Kredi Holding")	Netherlands	Financial Consulting
Yapı Kredi Portföy Yönetimi A.Ş. ("Yapı Kredi Portföy")	Turkey	Portfolio Management
Yapı Kredi Yatırım Menkul Değerler A.Ş. ("Yapı Kredi Yatırım")	Turkey	Brokerage
Yapı ve Kredi Bankası A.Ş. ("Yapı Kredi Bankası")	Turkey	Banking

Associates	Country of incorporation	Nature of business
Allianz Yaşam ve Emeklilik A.Ş. ("Allianz Emeklilik")	Turkey	Insurance
Banque de Commerce et de Placements S.A. ("Banque de Commerce")	Switzerland	Banking

⁽¹⁾ The process of acquisition of all shares of Bankhaus J. Faisst OHG, a banking entity in Germany, by Yapı Kredi Bankası was completed on 23 July 2024. The title of Bankhaus J. Faisst OHG was changed to Yapı Kredi Bank Deutschland OHG on 1 August 2024.

⁽²⁾ The special purpose company established for securitisation transactions of Yapı Kredi Bankası is included in the scope of consolidation.

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NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Other Sectors

Subsidiaries	Country of incorporation	Nature of business
Ayvalık Marina ve Yat İşletmeciliği San. ve Tic. A.Ş. ("Ayvalık Marina")	Turkey	Tourism
Bıçakçılar Tıbbi Cihazlar Sanayi ve Ticaret A.Ş. ("Bıçakçılar Tıbbi Cihazlar") ⁽¹⁾	Turkey	Health
Divan Turizm İşletmeleri A.Ş. ("Divan")	Turkey	Tourism
Düzey Tüketim Malları Sanayi Pazarlama A.Ş. ("Düzey")	Turkey	Trading
Entegart Teknoloji Çözüm ve Hizmetler A.Ş. ("Entegart")	Turkey	Technology
Intumo Therapeutics, Inc. ("Intumo Therapeutics") ⁽¹⁾	Turkey	Health
Kemer Medical Center Özel Sağlık Hizmetleri Turizm ve Ticaret A.Ş. ("KMC Sağlık") ⁽¹⁾	Turkey	Health
Koç Bilgi ve Savunma Teknolojileri A.Ş. ("Koç Bilgi ve Savunma")	Turkey	Technology
KoçDigital Çözümler A.Ş. ("KoçDigital")	Turkey	Technology
Koç Investments B.V. ("Koç Investments")	Netherlands	Investment
KoçSistem Bilgi ve İletişim Hizmetleri A.Ş. ("KoçSistem")	Turkey	Technology
KoçSistem Azerbaijan LLC ("KoçSistem Azerbaijan")	Azerbaijan	Technology
Koç Medical B.V. ("Koç Medical")	Netherlands	Health
Koç Yapı Malzemeleri Ticaret A.Ş. ("Koç Yapı Malzeme")	Turkey	Trading
Marmaris Altinyunus Turistik Tesisleri A.Ş. ("Mares")	Turkey	Tourism
Ram Dış Ticaret A.Ş. ("Ram Dış Ticaret")	Turkey	Foreign Trade
RMK Marine Gemi Yapım Sanayi ve Deniz Taş. İşl. A.Ş. ("RMK Marine")	Turkey	Ship Construction
Select Tours AT ("Select Tours")	Austria	Tourism
Setur Antalya Marina İşletmeciliği A.Ş. ("Antalya Marina")	Turkey	Tourism
Setur GmbH ("Setur GmbH")	Germany	Duty Free
Setur Servis Turistik A.Ş. ("Setur")	Turkey	Tourism
Setur Yalova Marina İşletmeciliği A.Ş. ("Yalova Marina")	Turkey	Tourism
Stembio Kök Hücre Teknolojileri A.Ş. ("Stembio Kök Hücre") ⁽¹⁾	Turkey	Health
Tek-Art Kalamış ve Fenerbahçe Marmara Turizm Tesisleri A.Ş. ("Tek-Art Marina")	Turkey	Tourism
Token Azerbaijan MMC ("Token Azerbaijan")	Azerbaijan	Payment Services
Token Finansal Teknolojiler A.Ş. ("Token")	Turkey	Information Technologies
Token Ödeme Hizmetleri ve Elektronik Para A.Ş. ("Token Ödeme Hizmetleri")	Turkey	Payment Services
Token International Holdings B.V. ("Token International")	Netherlands	Holding
Token Payment Services SRL ("Token Payment")	Romania	Payment Services
Zer Merkezi Hizmetler ve Ticaret A.Ş. ("Zer Ticaret")	Turkey	Trading

Joint Ventures	Joint Venture Partner	Country of incorporation	Nature of business
Demre Marina İşletmeciliği A.Ş. ("Demre Marina") ⁽²⁾	Makyol İnşaat	Turkey	Tourism
Ingage Dijital Pazarlama Hizmetleri A.Ş. ("Ingage")	Russell Square Holding	Turkey	Digital Marketing
Koçtaş Yapı Marketleri Ticaret A.Ş. ("Koçtaş Yapı Market")	Kingfisher Plc	Turkey	Retail
Makmarin Kaş Marina İşl. Turizm ve Tic. A.Ş. ("Kaş Marina")	Makyol İnşaat	Turkey	Tourism
Netsel Turizm Yatırımları A.Ş. ("Netsel")	Torunlar GYO A.Ş.	Turkey	Tourism

⁽¹⁾ Included in the scope of consolidation through the business combinations.

⁽²⁾ Included in the scope of consolidation as of balance sheet date.

The sale of Tat Gıda shares, a former Subsidiary of the Group as of 31 December 2023, was completed on 19 February 2024.

Bıçakçılar Global Tıbbi Ürünler Sanayi ve Ticaret A.Ş. ("Bıçakçılar Global") merged with Bıçakçılar Tıbbi Cihazlar through the acquisition of all of its assets and liabilities by Bıçakçılar Tıbbi Cihazlar and the relevant Board of Directors' resolutions and the merger agreement were registered on 18 December 2024.

For segment presentation in these consolidated financial statements, Koç Holding's stand-alone financial statements have been included in the "Other" segment (Note 4).

KOÇ HOLDİNG A.Ş.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards

The consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards ("TFRS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") that are set out in the 5th article of the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on 13 June 2013 and published in Official Gazette numbered 28676.

The accompanying consolidated financial statements are presented in accordance with the "Announcement regarding to TAS Taxonomy" by POA and the format and mandatory information recommended by CMB.

Koç Holding, its Subsidiaries and Joint Ventures registered in Turkey maintain their books of account and prepare their statutory financial statements in TL in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Treasury and Finance, banking law, accounting principles and instructions promulgated by the Banking Regulation and the Supervision Agency ("BRSA") and TFRS together with notes and explanations related to the accounting and financial reporting standards issued by POA in case of no specific regulations have been introduced by these institutions. Foreign Subsidiaries, Joint Ventures and Associates maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These consolidated financial statements have been prepared under the historical cost conversion except for the revaluations related to the financial assets and liabilities presented at fair values. Adjustments and restatements, required for the fair presentation of the consolidated financial statements in conformity with the TFRS, have been accounted for in the statutory financial statements, which are prepared in accordance with the historical cost principle.

2.1.2 Financial reporting in hyperinflationary economies

Pursuant to the decision of the CMB dated 28 December 2023 and numbered 81/1820, it has been decided that issuers and capital market institutions subject to financial reporting regulations that entities applying TFRS to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies as of financial statements for the annual reporting period ending on or after 31 December 2024. In accordance with the aforementioned CMB decision and the announcement by POA initially made on 23 November 2023 and updated on 16 January 2025 the "Guidance on Financial Reporting in Hyperinflationary Economies", the Group has prepared the consolidated financial statements as of 31 December 2024 by applying TAS 29. According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2023, on the purchasing power basis as of 31 December 2024.

As of 31 December 2024, the indices and adjustment coefficients which obtained from the Consumer Price Index (CPI) of Turkey published by the Turkish Statistical Institute (TÜİK) and used in the adjustment of the consolidated financial statements for the current and prior periods since 1 January 2005, the date on which TL ceased to be designated as the currency of a hyperinflationary economy, are as follows:

Date	Index	Conversion Factor	Three-year Inflation Rate
31 December 2024	2.684,55	1,00000	291%
31 December 2023	1.859,38	1,44379	268%
31 December 2022	1.128,45	2,37897	156%

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The main factors regarding financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities (such as cash and cash equivalents, trade receivables and payables, receivables and payables from financial sector operations, borrowings) are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items (such as inventories, property, plant and equipment, intangible assets, investment properties and equity items) exceed their recoverable amount or net realizable value, the provisions of TAS 36 "Impairment of Assets" and TAS 2 "Inventories" are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.
- The impact of inflation on the Group's net monetary asset position in the current period is recognised under net monetary gain/(loss) account in the consolidated income statement. The purchasing power of companies carrying more monetary assets than monetary liabilities weaken with inflation, while the purchasing power of companies carrying more monetary liabilities than monetary assets increases with inflation. Net monetary position gain or loss is derived from the restatement differences of non-monetary items, shareholders' equity, items in the income statement and other comprehensive income statement.
- The financial statements of Subsidiaries, Joint Ventures and Associates operating in countries other than Turkey are compiled by the TFRS promulgated by the POA to reflect the proper presentation and content. Their assets and liabilities are translated into TL from the foreign exchange rate at the reporting date and income and expenses are translated into TL at the monthly average foreign exchange rate. Incomes and expenses have been indexed to reflect their purchasing power at the end of the current period. Exchange differences arising from the translation of the opening net assets and differences between the average and balance sheet date rates are recognised in the "currency translation difference" under the use of equity.

2.1.3 Comparatives and adjustment of prior periods' financial statements

Comparative Information and Restatement of Prior Period Consolidated Financial Statements

The current period consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period consolidated financial statements and the significant changes are explained.

Except for the changes mentioned in the paragraph below, the Group has applied consistent accounting policies in its consolidated financial statements for the periods presented, and there have been no significant changes in accounting policies and estimates during the current period.

Due to the restatement in net monetary position gains/(losses) account resulting from the indexing of the shareholding amount of Arçelik's foreign subsidiaries, a reclassification has been made among the consolidated net profit for the period, consolidated retained earnings and consolidated foreign currency translation differences in the statement of changes in equity as of 1 January 2023 and 31 December 2023. The restatement amounts expressed in terms of 2024 purchasing power are indicated below respectively.

As of 1 January 2023, the reclassifications amounting to TL3.069 million in retained earnings, TL(1.939) million in foreign exchange translation differences and TL(1.130) million in non-controlling interests have been made.

As of 31 December 2023, the reclassifications made were as follows: TL3.069 million in retained earnings, TL(4.900) million in foreign exchange translation differences, TL(2.060) million in non-controlling interests and TL3.891 million in net profit for the period attributable to the equity holders of the parent. The reclassifications have been presented in the comparative period's balance sheet and income statement. These changes do not have any impact on the Group's total equity.

2.1.3 Comparatives and adjustment of prior periods' financial statements

Comparative Amounts

As explained in Note 2.1.2, figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the currency of the reporting period end. Information disclosed for prior periods is also expressed in the currency of the reporting period.

KOÇ HOLDİNG A.Ş. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.1.4 EUR and USD amounts presented in the financial statements

EUR and USD amounts shown in the consolidated financial tables prepared in accordance with the TFRS have been translated from TL, at the official EUR and USD bid rates announced by the CBRT effective as of 31 December 2024 of TL36,7429 = EUR1 and TL35,2233 = USD1, respectively and do not form part of these consolidated financial statements.

2.2 Amendments in Turkish Financial Reporting Standards

The accounting policies applied in the preparation of the consolidated financial statements as of 1 January - 31 December 2024 are consistent with those applied in the previous year except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2024 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as of 1 January 2024 are as follows:

- Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities
- Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback
- Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

These amendments did not have any significant impact on the financial position or performance of the Group.

Standards issued but not yet effective and not early adopted as of 31 December 2024:

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- TFRS 17 - The new Standard for insurance contracts
- Amendments to TAS 21 - Lack of exchangeability

The impacts of the new standards, amendments and improvements on the financial position and performance of the Group is being assessed.

The amendments which are effective immediately upon issuance:

- Amendments to TAS 12 - International Tax Reform - Pillar Two Model Rules

The amendments did not have a significant impact on the financial position or performance of the Group. Additionally, the Group has applied the mandatory exemption from recognising and disclosing of deferred taxes assets and liabilities related to Pillar Two Model Rules Income Taxes in the financial statements.

The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA):

Two amendments related to IFRS 9 and IFRS 7, as well as the Annual Improvements to IFRS Accounting Standards, IFRS 18 and IFRS 19 standards, have been published by the IASB but have not yet been adapted/published by the Public Oversight Authority (POA) to TFRS. Therefore, they do not form part of TFRS. The Group will make the necessary changes in the consolidated financial statements and notes after these standards and amendments come into effect in TFRS.

- Amendments to IFRS 9 and IFRS 7 - Classification and measurement of financial instruments
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- IFRS 18 - The new Standard for Presentation and Disclosure in Financial Statements

The impacts of the amendments on the financial position and performance of the Group is being assessed.

- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

The standard is not applicable for the Group.

KOÇ HOLDİNG A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 Changes in Accounting Policies, Estimates and Errors

Any change in accounting policies resulting from the first time adoption of a new TFRS is made either retrospectively or prospectively in accordance with the transition requirements of TFRS. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements.

If changes in accounting estimates are related to only one period, they are recognised in the period when the changes are applied; if changes in estimates are related to future periods, they are recognised both in the period where the change is applied and in future periods prospectively. The Group doesn't have any significant changes in accounting policy or accounting estimates in the current period.

2.4 Summary of Significant Accounting Policies

Accounting policies used in the preparation of consolidated financial statements are summarised below:

2.4.1 Group accounting

a) The consolidated financial statements include the accounts of the parent company, Koç Holding, its Subsidiaries, its Joint Ventures and its Associates on the basis set out in sections (b) to (f) below. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements with adjustments and reclassifications for the purpose of fair presentation in accordance with "TFRS" and the application of uniform accounting policies and presentation.

b) Subsidiaries are companies over which Koç Holding has the power to control the financial and operating policies for the benefit of Koç Holding, either (a) through the power to exercise more than 50% of voting rights relating to the shares in the companies as a result of the ownership interest owned directly and indirectly by itself, and by certain Koç Family members or companies owned by them whereby Koç Holding exercises control over the ownership interest of the shares held by them and shares to be used according to Koç Holding preferences; or (b) although not having the power to exercise more than 50% of the ownership interest, Koç Holding has power to control the investee due to the dispersed capital structure of the investee and/or Koç Holding has rights or is exposed to variable returns from its involvement with the investee and when at the same time it has the power to affect these returns through its power over the investee.

The balance sheets and income statements of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by Koç Holding and its Subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Koç Holding and its Subsidiaries are eliminated during the consolidation. The nominal amount of the shares held by Koç Holding in its Subsidiaries and the associated dividends are eliminated from equity and income for the period, respectively.

Subsidiaries are consolidated from the date on which the control is transferred to the Group and are no longer consolidated from the date that the control ceases.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Subsidiaries included in the scope of the consolidation and their effective interests (%):

Subsidiaries	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Adalar Tankercilik ⁽¹⁾	36,90	-	100,00	-	-	-	100,00	-
Akpa	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Anadoluhisan Tankercilik	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Antalya Marina	59,77	59,77	100,00	100,00	-	-	100,00	100,00
Arch R&D	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Arcwaste ⁽²⁾	33,46	44,62	96,72	96,72	-	-	96,72	96,72
Arçelik ⁽³⁾	46,13	46,13	51,62	51,62	10,77	11,42	62,39	63,04
Arçelik Hitachi	27,68	27,68	60,00	60,00	-	-	60,00	60,00
Arçelik Hitachi Dubai	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Hong Kong	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Indonesia	18,68	18,68	67,50	67,50	-	-	67,50	67,50
Arçelik Hitachi Malaysia	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Sales Thailand	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Shanghai	26,29	26,29	95,00	95,00	-	-	95,00	95,00
Arçelik Hitachi Singapore	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Taiwan	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Thailand	23,27	23,27	84,07	84,07	-	-	84,07	84,07
Arçelik Hitachi Thailand IBC	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Hitachi Vietnam	27,68	27,68	100,00	100,00	-	-	100,00	100,00
Arçelik Pazarlama	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Aygaz ⁽⁴⁾	40,68	40,68	40,68	40,68	10,17	10,53	50,85	51,21
Aygaz İletim	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Aygaz Toptan Satış	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Ayvalık Marina ⁽⁵⁾	60,03	60,03	97,45	97,45	2,41	2,55	99,86	100,00
Bakırköy Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Bal Kaynak Su	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Balat Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Bauknecht AG ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Bauknecht Hausgeräte GmbH (6)	34,60	-	100,00	-	-	-	100,00	-
Bebek Shipping ⁽⁷⁾	40,68	-	100,00	-	-	-	100,00	-
Beko AE ⁽⁸⁾	46,13	-	100,00	-	-	-	100,00	-
Beko Algeria	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko APAC	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Australia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Austria ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Azerbaijan	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Balkans ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Bangladesh	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Belgium ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Bulgaria ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko B.V.	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko B.V. Taiwan ⁽⁹⁾	-	46,13	-	100,00	-	-	-	100,00
Beko Canada ⁽⁸⁾	46,13	-	100,00	-	-	-	100,00	-
Beko Central Asia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Cesko ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko China	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Croatia ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Czech ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Denmark ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Egypt	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Egypt LLC	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Estonia ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-

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(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Subsidiaries (Continued)	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Beko Europe ⁽²⁾	34,60	46,13	75,00	100,00	-	-	75,00	100,00
Beko Europe Austria ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Europe Denmark ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Europe Management ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Finland ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko France ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Germany ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Greece ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Gulf	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Gulf DMCC ⁽⁶⁾	46,13	-	100,00	-	-	-	100,00	-
Beko Holdings ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Hong Kong	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Hungary ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Iberia ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Indonesia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Ireland ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Israel	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Italy ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Italy Manufacturing ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Latvia ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Lithuania ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Maghreb ⁽⁶⁾	46,13	-	100,00	-	-	-	100,00	-
Beko Malaysia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Manufacturing Slovakia ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Morocco	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Netherlands ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko New Zealand	46,13	46,13	100,00	100,00	-	-	-	100,00
Beko Norway ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Philippines	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Poland Manufacturing ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Polska ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Portugal ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko R&D ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Beko Romania ⁽²⁾	33,46	44,62	96,72	96,72	-	-	96,72	96,72
Beko Russia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Shanghai	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko Slovakia ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Spain ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Sweden ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Switzerland ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Thailand	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beko UK ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko Ukraine ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Beko US	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Beykoz Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Bıçakçılar Global ⁽¹⁰⁾	-	100,00	-	100,00	-	-	-	100,00
Bıçakçılar Tıbbi Cihazlar ⁽¹¹⁾	100,00	100,00	100,00	100,00	-	-	100,00	100,00
Bilkom	100,00	100,00	100,00	100,00	-	-	100,00	100,00
Çengelköy Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
DEL	46,13	46,13	100,00	100,00	-	-	100,00	100,00
DPL	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Defy	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Defy Botswana	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Defy Kenya	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Defy Namibia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Defy Swaziland	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Ditaş	36,90	36,90	80,00	80,00	-	-	80,00	80,00

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(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Subsidiaries (Continued)	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Divan	40,16	40,16	51,77	51,77	48,23	48,23	100,00	100,00
Düzey ⁽¹²⁾	76,72	32,73	76,72	33,36	16,86	61,33	93,57	94,68
Eltek	45,77	45,77	100,00	100,00	-	-	100,00	100,00
Enerji Yatırımları	85,73	85,73	98,50	98,50	-	-	98,50	98,50
Enkar Enerji	45,77	45,77	100,00	100,00	-	-	100,00	100,00
Enspire Enerji	45,77	45,77	100,00	100,00	-	-	100,00	100,00
Entegart ^(13,14)	74,15	73,49	100,00	100,00	-	-	100,00	100,00
Entek	45,77	45,77	99,23	99,23	-	-	99,23	99,23
Esinti Enerji ^(15,16)	39,25	38,56	87,50	85,90	-	-	87,50	85,90
European Balkans ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Belgium ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Croatia ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Czech ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European France Holdings ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European France ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Finland ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Greece ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Hungary ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Italy ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Netherlands ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Nordic ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Norway ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Poland ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Romania ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Slovakia ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Ukraine ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
European Spain ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Florya Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
General Appliances ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Göztepe Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Grundig Austria ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Grundig Switzerland ⁽²⁾	34,60	46,13	100,00	100,00	-	-	100,00	100,00
Hotpoint Ireland ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Hotpoint UK ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
IHP Appliances Sales	46,13	46,13	100,00	100,00	-	-	100,00	100,00
IHP Appliances	46,13	46,13	100,00	100,00	-	-	100,00	100,00
IHP Kazakhstan	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Indesit International ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Indesit UK ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Intumo Therapeutics ⁽¹¹⁾	70,00	-	70,00	-	30,00	-	100,00	-
IRE Beteiligungs GmbH ⁽⁶⁾	34,60	-	100,00	-	-	-	100,00	-
Kadıköy Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Kandilli Tankercilik	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Karaköy Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Karşıyaka Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Kartal Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
KF Sigorta	72,87	72,87	100,00	100,00	-	-	100,00	100,00
KMC Sağlık ⁽¹¹⁾	80,00	-	80,00	-	-	-	80,00	-
Koç Bilgi ve Savunma ^(13,14)	65,42	63,24	92,24	92,24	7,76	7,76	100,00	100,00
Koç Finansal Hizmetler ⁽¹⁷⁾	86,62	86,62	89,70	89,70	5,92	5,96	95,62	95,66
KoçDigital ⁽¹⁴⁾	48,42	48,39	100,00	100,00	-	-	100,00	100,00
Koç Finansman	72,87	72,87	100,00	100,00	-	-	100,00	100,00
Koç Investments B.V. ⁽¹⁸⁾	73,17	55,00	73,17	55,00	26,83	45,00	100,00	100,00
Koç Medical B.V.	100,00	100,00	100,00	100,00	-	-	100,00	100,00
KoçSistem ^(14,19)	48,42	48,39	48,43	48,43	45,82	46,62	94,25	95,05
KoçSistem Azerbaycan ⁽¹⁴⁾	48,42	48,39	100,00	100,00	-	-	100,00	100,00
Koç Yapı Malzeme ⁽¹⁴⁾	92,47	49,21	92,47	49,21	4,75	47,62	97,22	96,84

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Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Subsidiaries (Continued)	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Körfez	46,12	46,12	100,00	100,00	-	-	100,00	100,00
Kuleli Tankercilik	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Kuruçeşme Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Kuzguncuk Tankercilik	40,68	40,68	100,00	100,00	-	-	100,00	100,00
Life Tech	100,00	100,00	100,00	100,00	-	-	100,00	100,00
Maltepe Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Mares ⁽²⁰⁾	49,98	49,98	49,98	49,98	26,29	26,49	76,27	76,46
Menzelet Kılavuzlu Elektrik ⁽²¹⁾	-	45,77	-	100,00	-	-	-	100,00
Olympic ⁽²²⁾	59,10	57,27	100,00	100,00	-	-	100,00	100,00
Otokar ⁽²³⁾	47,60	44,90	47,62	44,92	-	2,70	47,62	47,62
Otokar Europe ⁽²³⁾	47,60	44,90	100,00	100,00	-	-	100,00	100,00
Otokar Europe Filiala ⁽²³⁾	47,60	44,90	100,00	100,00	-	-	100,00	100,00
Otokar Italia ⁽²³⁾	47,60	44,90	100,00	100,00	-	-	100,00	100,00
Otokar Land Systems ⁽²³⁾	47,60	44,90	100,00	100,00	-	-	100,00	100,00
Otokoç ⁽²²⁾	99,85	96,42	100,00	96,57	-	3,43	100,00	100,00
Otokoç Azerbaijan ⁽²²⁾	99,85	96,42	100,00	100,00	-	-	100,00	100,00
Otokoç Holland ⁽²²⁾	59,10	57,27	59,19	59,40	-	-	59,19	59,40
Otokoç Hungary ⁽²²⁾	99,85	96,42	100,00	100,00	-	-	100,00	100,00
Otokoç Kazakistan ⁽²²⁾	99,85	96,42	100,00	100,00	-	-	100,00	100,00
Otokoç Sigorta ^(22,24)	99,85	48,23	100,00	50,02	-	49,98	100,00	100,00
Pan Asia	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Pendik Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
PT Home	30,91	30,91	67,00	67,00	-	-	67,00	67,00
Ram Dış Ticaret ⁽¹³⁾	69,70	59,60	98,11	83,45	-	14,66	98,11	98,11
RMK Marine ⁽²⁵⁾	81,86	58,90	86,53	69,49	13,47	30,51	100,00	100,00
Salacak Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Sarıyer Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Select Tours	35,10	35,10	75,00	75,00	-	-	75,00	75,00
Setur ⁽²⁶⁾	46,80	46,80	81,13	81,13	18,54	18,87	99,67	100,00
Setur GmbH	46,80	46,80	100,00	100,00	-	-	100,00	100,00
Singer Bangladesh	26,29	26,29	56,99	56,99	-	-	56,99	56,99
Stembio Kök Hücre ⁽¹¹⁾	65,00	-	65,00	-	-	-	65,00	-
Stitching Custody	55,69	55,69	100,00	100,00	-	-	100,00	100,00
T Damla Denizcilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Tarabya Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Tat Gıda ⁽²⁷⁾	-	43,84	-	44,07	-	7,12	-	51,19
Tek-Art Marina	59,77	59,77	89,27	89,27	10,73	10,73	100,00	100,00
Token	54,44	54,44	54,44	54,44	45,56	45,56	100,00	100,00
Token Azerbaijan	54,44	54,44	100,00	100,00	-	-	100,00	100,00
Token International	54,44	54,44	100,00	100,00	-	-	100,00	100,00
Token Ödeme Hizmetleri	54,44	54,44	100,00	100,00	-	-	100,00	100,00
Token Payment	54,44	54,44	100,00	100,00	-	-	100,00	100,00
Tuzla Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Tüpraş ⁽²⁸⁾	46,12	46,12	52,75	52,75	0,46	0,48	53,20	53,22
Tüpraş Enerji Girişimleri	46,12	46,12	100,00	100,00	-	-	100,00	100,00
Tüpraş Trading	46,12	46,12	100,00	100,00	-	-	100,00	100,00
United Refrigeration	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Üsküdar Tankercilik	36,90	36,90	100,00	100,00	-	-	100,00	100,00
Vietbeko	46,13	46,13	100,00	100,00	-	-	100,00	100,00
Wat Mobilite ^(22,29)	75,24	51,83	88,00	88,00	-	-	88,00	88,00
Wat Motor ⁽¹⁸⁾	73,17	55,00	100,00	100,00	-	-	100,00	100,00
Yalova Marina ⁽¹⁴⁾	59,79	59,78	100,00	100,00	-	-	100,00	100,00
Yapı Kredi Azerbaijan	55,69	55,69	100,00	100,00	-	-	100,00	100,00
Yapı Kredi Bankası	55,69	55,69	61,17	61,17	-	-	61,17	61,17
Yapı Kredi Deutschland ⁽³⁰⁾	55,69	-	100,00	-	-	-	100,00	-
Yapı Kredi Faktoring	55,67	55,67	100,00	100,00	-	-	100,00	100,00

Presentation

General Assembly

Koç Group

Sectors and Companies

Social Investments

Corporate Governance

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Other Information

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Subsidiaries (Continued)	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Yapı Kredi Finansal Kiralama	55,68	55,68	99,99	99,99	-	-	99,99	99,99
Yapı Kredi Holding	55,69	55,69	100,00	100,00	-	-	100,00	100,00
Yapı Kredi Nederland	55,69	55,69	100,00	100,00	-	-	100,00	100,00
Yapı Kredi Portföy	55,66	55,66	100,00	100,00	-	-	100,00	100,00
Yapı Kredi Yatırım	55,67	55,67	100,00	100,00	-	-	100,00	100,00
Zer Ticaret ⁽³¹⁾	39,54	39,54	39,54	39,54	57,97	60,11	97,51	99,65

⁽¹⁾ Established as a subsidiary of Ditaş in 2024.

⁽²⁾ Koç Holding's effective ownership interest rate has changed following Whirlpool EMEA Holdings LLC's purchase of shares belonging to Beko B.V. constituting 25% of Beko Europe's share capital.

⁽³⁾ The transfer of shares constituting 0,65% of Arçelik's capital to non-controlling shareholders has been completed.

⁽⁴⁾ The transfer of shares constituting 0,36% of Aygaz's capital to non-controlling shareholders has been completed.

⁽⁵⁾ The transfer of shares constituting 0,14% of Ayvalık Marina's capital to non-controlling shareholders has been completed.

⁽⁶⁾ Included in the scope of consolidation following the business combination that took place on 1 April 2024 (Note 3). The registration processes for the board of directors and title changes have been completed in the relevant country registries.

⁽⁷⁾ Established as a subsidiary of Kuleli Tankercilik in 2024.

⁽⁸⁾ Established in 2024.

⁽⁹⁾ Liquidated in 2024.

⁽¹⁰⁾ Bıçakçılar Global merged with Bıçakçılar Tıbbi Cihazlar through the acquisition of all its assets and liabilities by Bıçakçılar Tıbbi Cihazlar. The relevant Board of Directors' resolutions and the merger agreement were registered on 18 December 2024.

⁽¹¹⁾ Included in the scope of consolidation following the business combinations that took place in 2024 (Note 3).

⁽¹²⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Tat Gıda constituting 1,12% and Temel Ticaret constituting 43,36% of Düzey's share capital. Additionally, the transfer of shares constituting 1,11% of Düzey's capital to non-controlling shareholders has been completed.

⁽¹³⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Tat Gıda constituting 7,5% of Ram Dış Ticaret's share capital and Zer Ticaret's purchase of shares belonging to Temel Ticaret constituting 14,66% of Ram Dış Ticaret's share capital.

⁽¹⁴⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Temel Ticaret constituting 42,56% and non-controlling shareholders constituting 0,70% of Koç Yapı Malzeme's share capital.

⁽¹⁵⁾ Koç Holding's effective ownership interest rate has changed following the Koç Family Member's purchase of shares belonging to Zer Ticaret constituting 0,12% of Opet's share capital.

⁽¹⁶⁾ Koç Holding's effective ownership interest rate has changed following Entek's and Opet's purchases of shares belonging to non-controlling shareholders constituting 1,97% of Esinti Enerji's share capital.

⁽¹⁷⁾ The transfer of shares constituting 0,04% of Koç Finansal Hizmetler's share capital to non-controlling shareholders has been completed.

⁽¹⁸⁾ Koç Holding's effective ownership interest rate has changed following the Koç Holding's funding of the capital increase that took place in Koç Investments B.V. in 2024.

⁽¹⁹⁾ The transfer of shares constituting 0,80% of KoçSistem's share capital to non-controlling shareholders has been completed.

⁽²⁰⁾ The transfer of shares constituting 0,19% of Mares's capital to non-controlling shareholders has been completed.

⁽²¹⁾ Menzelet Kılavuzlu Elektrik merged with Entek through the acquisition of all of its assets and liabilities by Entek, and the relevant resolutions of the Board of Directors and the merger agreement were registered on 31 May 2024.

⁽²²⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Temel Ticaret constituting 3,43% of Otokoç's share capital.

⁽²³⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Temel Ticaret constituting 2,70% of Otokar's share capital.

⁽²⁴⁾ Koç Holding's effective ownership interest rate has changed following Otokoç's purchase of shares constituting 49,98% of Otokoç Sigorta's share capital.

⁽²⁵⁾ Koç Holding's effective ownership interest rate has changed following the Koç Holding's funding of the capital increase that took place in RMK Marine in 2024.

⁽²⁶⁾ The transfer of shares constituting 0,33% of Setur's share capital to non-controlling shareholders has been completed.

⁽²⁷⁾ The sale of shares, corresponding to 49,04% of Tat Gıda's capital and 15 founder usufruct shares held by Koç Holding, Koç Group companies, Koç Family Members and foundations related to Koç Group to Memişoğlu Tarım Ürünleri Ticaret Limited Şirketi was completed on 19 February 2024.

⁽²⁸⁾ The transfer of shares constituting 0,02% of Tüpraş's capital to non-controlling shareholders has been completed.

⁽²⁹⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's (21%) and Otokoç's (30%) purchase of shares belonging to Wat Motor constituting 51% of Wat Mobilite's share capital.

⁽³⁰⁾ The process of acquisition of all shares of Bankhaus J. Faisst OHG, a banking entity in Germany, by Yapı Kredi Bankası was completed on 23 July 2024. The title of Bankhaus J. Faisst OHG was changed to Yapı Kredi Bank Deutschland OHG on 1 August 2024.

⁽³¹⁾ The transfer of shares constituting 2,14% of Zer Ticaret's capital to non-controlling shareholders has been completed.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

c) Under the equity method, the investment in a joint venture is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of the acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss. Distributions (dividends etc.) received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount are necessary for the change in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income. For changes in the equity of an investee that do not go through the investee's profit or loss or other comprehensive income, the Group adjusts the carrying value of its investment with a corresponding change in its own equity.

Direct and indirect ownership held by Koç Holding is used in the equity accounting of Joint Ventures.

Joint Ventures	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Al Jasoör ⁽¹⁾	23,32	22,00	49,00	49,00	-	-	49,00	49,00
Arçelik LG Klima	25,76	25,76	50,00	50,00	-	-	50,00	50,00
Demre 7 Tankercilik ⁽²⁾	19,70	-	50,00	-	-	-	50,00	-
Demre 8 Tankercilik ⁽²⁾	19,70	-	50,00	-	-	-	50,00	-
Demre Marina ⁽³⁾	29,89	29,89	50,00	50,00	-	-	50,00	50,00
Fer-Mas ⁽⁴⁾	37,62	37,59	37,84	37,86	-	-	37,84	37,86
Fiat Finans ⁽⁴⁾	37,62	37,59	37,84	37,86	-	-	37,84	37,86
Ford Otosan	38,65	38,65	38,65	38,65	0,67	0,67	39,32	39,32
Ford Otosan Netherlands	38,65	38,65	39,32	39,32	-	-	39,32	39,32
Ford Romania	38,65	38,65	39,32	39,32	-	-	39,32	39,32
Güney Tankercilik ⁽⁵⁾	9,85	9,87	50,00	50,00	-	-	50,00	50,00
Ingage ⁽⁶⁾	24,17	19,70	31,01	19,70	17,69	30,07	48,70	49,77
Kaş Marina	29,89	29,89	50,00	50,00	-	-	50,00	50,00
Koç Fiat Sigorta ⁽⁴⁾	37,62	37,59	37,84	37,86	-	-	37,84	37,86
Koçtaş Yapı Market ⁽⁷⁾	49,98	43,49	50,00	50,00	-	-	50,00	50,00
Kuzey Tankercilik ⁽⁵⁾	9,85	9,87	50,00	50,00	-	-	50,00	50,00
Netsel	32,88	32,88	55,00	55,00	-	-	55,00	55,00
Opet ⁽⁵⁾	19,70	19,75	42,88	43,00	7,12	7,00	50,00	50,00
Opet Aygaz Gayrimenkul ⁽⁵⁾	30,19	30,22	50,00	50,00	-	-	50,00	50,00
Opet Fuchs ⁽⁵⁾	9,85	9,87	50,00	50,00	-	-	50,00	50,00
Opet International ⁽⁵⁾	19,70	19,75	50,00	50,00	-	-	50,00	50,00
Opet Market ve Akaryakıt ⁽⁵⁾	19,70	19,75	50,00	50,00	-	-	50,00	50,00
Opet Trade BV ⁽⁵⁾	19,70	19,75	50,00	50,00	-	-	50,00	50,00
Opet Trade Singapore ⁽⁵⁾	19,70	19,75	50,00	50,00	-	-	50,00	50,00
Sendeo ⁽⁸⁾	33,69	67,38	50,00	100,00	-	-	50,00	100,00
THY Opet ⁽⁵⁾	9,85	9,87	50,00	50,00	-	-	50,00	50,00
Tofaş ⁽⁴⁾	37,62	37,59	37,62	37,59	0,22	0,27	37,84	37,86
Türk Traktör	37,50	37,50	37,50	37,50	-	-	37,50	37,50
United LPG	20,34	20,34	50,00	50,00	-	-	50,00	50,00
Vice 2 Tankercilik ⁽²⁾	19,70	-	50,00	-	-	-	50,00	-
VoltBek	23,60	23,60	50,00	50,00	-	-	50,00	50,00

⁽¹⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Temel Ticaret constituting 2,70% of Otokar's share capital.

⁽²⁾ Established in 2024.

⁽³⁾ Included in the scope of consolidation as of balance sheet date.

⁽⁴⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Temel Ticaret constituting 0,04% of Tofaş' share capital and transfer of shares of constituting 0,01% of Tofaş's share capital to non-controlling shareholders.

⁽⁵⁾ Koç Holding's effective ownership interest rate has changed following Koç Family Member's purchase of shares belonging to Zer Ticaret constituting 0,12% of Opet's share capital.

⁽⁶⁾ The transfer of shares constituting 1,07% of the Ingage's share capital to non-controlling shareholders has been completed. Koç Holding's effective ownership interest rate has changed following Zer Ticaret's purchase of shares belonging to Temel Ticaret constituting 11,31% of Ingage's share capital.

⁽⁷⁾ Koç Holding's effective ownership interest rate has changed following Koç Holding's purchase of shares belonging to Temel Ticaret constituting 42,56% and non-controlling shareholders constituting 0,70% of Koç Yapı Malzeme's share capital.

⁽⁸⁾ Koç Holding's effective ownership interest rate has changed following the sale of 50% of Sendeo's shares to a third party.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

d) Associates are accounted for using the equity method. Associates are companies in which the Group has voting power between 20% and 50% or the Group has power to participate in the financial and operating policy decisions but not control them. Unrealised gains or losses arising from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

Voting rights of the Associates and their effective interests (%):

Joint Ventures	Proportion of effective interest		Direct and indirect ownership interest held by Koç Holding		Ownership interest held by Koç Family members		Total ownership interest	
	2024	2023	2024	2023	2024	2023	2024	2023
Allianz Emeklilik	11,14	11,14	20,00	20,00	-	-	20,00	20,00
Banque de Commerce	17,08	17,08	30,67	30,67	-	-	30,67	30,67

e) Financial assets in which the Group together with Koç Family members, has ownership interests below 20%, or over 20% but which the Group and Koç family members does not exercise a significant influence or which are not exposed to significant influence of variable returns or which are immaterial are classified as financial assets measured at fair value through profit or loss or financial assets measured at fair value through other comprehensive income in the consolidated financial statements.

f) Non-controlling shares in the net assets and operating results of Subsidiaries are separately classified in the consolidated financial statements as "non-controlling interests". Certain Koç Family members and companies controlled by them have interests in the share capital of certain subsidiaries. In the consolidated financial statements, these interests of Koç Family members and companies controlled by them are treated as non-controlling interests and are not included in the Group's net assets and profits attributable to the equity holders of the parent.

2.4.2 Segment reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments. The sectors reported under "Other" do not meet the required minimum quantitative thresholds to be a reportable segment; hence they have been merged for the purpose of segment reporting.

For an operating segment to be identified as a reportable segment, its reported revenue, including both sales to external customers and intersegment sales or transfers, should be 10 percent or more of the combined revenue, internal and external, of all internal and external operating segments; the absolute amount of its reported profit or loss should be 10 percent or more of the combined profit or loss or its total assets should be 10 percent or more of the combined assets of all operating segments. Operating segments that do not meet any of the quantitative thresholds may be considered as reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The financial information of the Group's Joint Ventures shall not be consolidated by using the proportionate consolidation method in accordance with "TFRS 11, Joint Arrangements". Therefore, in the case that segment reporting is prepared based on the equity method set in "TFRS 11, Joint Arrangements", major financial information of Joint Ventures, except for net profit for the period, such as revenue, operating profit and profit before tax shall not be included in the related segment results.

The operations of Joint Ventures and their impacts on the financial results of the Group and the related segment are continued to be monitored in detail by the chief operating decision maker of the Group. Therefore, segment reporting of Joint Ventures has not been prepared based on the equity method set by the "TFRS 11, Joint Arrangements"; rather, the financial information of Joint Ventures has been included in segment results by full consolidation method (as 100%) within the framework of new segment reporting approach. The Group defines this segment reporting information prepared in conformity with this new approach as "combined financial information".

2.4.3 Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of the Subsidiaries, Joint Ventures and Associates of the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in TL, which is Koç Holding's functional and presentation currency.

Foreign currency transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting from trading activities (trade receivables and payables) denominated in foreign currencies of the Group companies operating in the non-finance sectors, have been accounted for under "other operating income/expenses" whereas foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under "financial income/expenses" in the consolidated income statement. Foreign exchange gains and losses resulting from monetary assets and liabilities denominated in foreign currencies of the Group companies operating in the finance sector, have been classified under "revenue/cost of finance sector operations" in the consolidated income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Financial statements of foreign subsidiaries, joint ventures and associates

The assets and liabilities, presented in the financial statements of the foreign Subsidiaries, Joint Ventures and Associates prepared in accordance with the Group's accounting policies, are translated into TL at the exchange rate at the date of the balance sheet whereas income and expenses are translated at the average exchange rates for the respective periods. Exchange differences resulting from using the exchange rates at the balance sheet date and the average exchange rates are recognised in the currency translation differences under the equity.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.4 Discontinued operations and assets and liabilities held for sale

Discontinued operation is a major line of business or geographical area of operations that is part of a single coordinated plan to be disposed of or is held-for-sale.

A single amount on the face of the income statements comprising the total of the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised by the disposal of the assets constituting the discontinued operation is disclosed. Also, the net cash flows of the discontinued operations associated with the operating, investment and financing activities are specified in the related note.

Group of non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Liabilities directly associated with those assets are classified similarly.

Non-current assets or asset groups that meet the criteria of asset held for sale are measured at the lower of its carrying amount and fair value less cost to sell. These assets are not depreciated.

2.4.5 Related parties

For the purpose of these consolidated financial statements, shareholders, parents of Koç Holding A.Ş, key management personnel and Board of Directors members, their close family members and the legal entities over which these related parties exercise control and significant influence, subsidiaries and joint ventures excluded from the scope of consolidation are considered and expressed as "related parties".

2.4.6 Financial assets

Group classifies its financial assets in three categories of financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss in accordance with TFRS 9.

The classification of financial assets is determined considering the business model under which the financial asset is being managed and contractual cash flows representing solely payments of principal and interest of the financial asset. The appropriate classification of financial assets is determined at the time of the purchase.

Assessment of the business model

The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The business model does not depend on management's intentions for an individual instrument. Accordingly, this condition is not a single instrument basis approach for classification and should be determined on a higher level of aggregation. During the assessment of the business model for management of financial assets, all relevant evidences (policies and targets specified for the portfolio, how the performance of the portfolio is evaluated and reported to the Group's management, how additional payments to management are determined, the risks that affect the performance of the business model and the frequency, volume and timing of sales in prior periods, the reasons for such sales and the expectations about future sales activity) at the assessment date have been taken into consideration.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The business models are divided into three categories. These categories are defined below:

Business model whose objective is to hold assets in order to collect contractual cash flows:

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument. That is, the Group manages the assets held within the portfolio to collect those particular contractual cash flows. Although the objective of Group's business model may be to hold financial assets in order to collect contractual cash flows, the Group does not need to hold all of those instruments until their maturity. Thus, the Group's business model can be to hold financial assets to collect contractual cash flows even when sales of financial assets occur or are expected to occur in the future.

Business model whose objective is achieved by both collecting contractual cash flows and selling financial assets:

The Group may hold financial assets in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In this type of business model, the Group's management has made a decision on both collecting contractual cash flows and selling financial assets are necessary for achieving the objective of the business model. There are various objectives that may be consistent with this type of business model. For example, the objective of the business model may be to manage liquidity needs on daily basis, to maintain a particular interest yield profile or to match the duration of the financial assets to the duration of the liabilities funding those assets. To achieve such an objective, the Group will both collect contractual cash flows and sell financial assets.

Compared to a business model whose objective is to hold financial assets to collect contractual cash flows, this business model will typically involve greater frequency and value of sales. This is because selling financial assets is integral to achieving the business model's objective instead of being only incidental to it.

Other business models:

Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

A business model in which the Group manages its financial assets in order to obtain cash flows arising from their sales, result in the measurement of financial assets by reflecting the fair value changes to profit or loss. The Group is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset at initial recognition. "Interest" is defined as the credit risk associated with the time value of money and the unpaid principal amount over a specified period and other basic lending risks and costs.

When evaluating whether the contractual cash flows are solely payments of principal and interest, the Group considers the terms of the contract for the relevant financial instrument. This assessment includes contract terms such as; conditions that may change the amount or timing of cash flows, leverage features, prepayment and extension terms, terms that limit the Group's claim to demand cash flows from specified assets and features that modify consideration of the time value of money.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Financial asset categories

"Financial assets measured at amortised cost" are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Group's financial assets measured at amortised cost comprise "cash and cash equivalents", "trade receivables", "debt securities" and "receivables from finance sector operations". Financial assets carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortised cost are accounted for under the consolidated statement of income.

"Financial assets measured at fair value through other comprehensive income" are either equity securities or debt securities that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated as financial assets at fair value through profit or loss. The Group measures related financial assets at fair value. Gains or losses on a financial asset classified as debt securities measured at fair value is recognised in other comprehensive income, except for impairment expenses and foreign exchange gains and losses. When an equity security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings. When a debt security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under statement of income.

"Financial assets at fair value through profit or loss" are assets that are not measured at amortised cost or at fair value through other comprehensive income. Financial assets are measured at fair value through profit or loss if they are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and if the cash flows do not solely consist of principal and interest. Gains and losses resulting from the valuation of these assets are accounted in the consolidated statement of income.

2.4.7 Repurchase and resale transactions

Funds attributed to financial assets as reverse repo are recorded as receivables from reverse repo under cash and cash equivalents in the consolidated financial statements. A rediscount income is calculated by using the internal discount rate method for the current year portion of the difference between the sale and purchase price of these reverse repo agreements and accounted by adding to the cost of the reverse repo.

2.4.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held in banks with maturities of 3 months or less, government bonds/treasury bills with original maturities of 3 months or less, other short-term liquid investments and blocked deposits. Group evaluates its cash and cash equivalents in accordance with expected credit loss model for impairment.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.9 Trade receivables

Trade receivables that are created by way of providing goods or services directly to a debtor are carried at amortised cost. Trade receivables, net of unearned financial income, are measured at amortised cost, using the effective interest rate method, less the unearned financial income. Short duration receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant.

The Group collects a part of its receivables through factoring. The amounts that the factoring company takes the risk of collection are deducted from the related receivables accounts. The amount that the Group's collection risk continues are presented in the consolidated financial statements and the amount received from the factoring company in exchange of those receivables is classified as factoring payables under the "Borrowings" account in the consolidated financial statements. Factoring transactions do not change the "hold to collect" business model of the Group as long as only short-term receivables are factored and/or factoring transactions are not frequent.

Impairment

Group has preferred to apply "simplified approach" defined in TFRS 9 for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

Group uses a provision matrix for the calculation of the expected credit losses on trade receivables which is based on past experience and future expectations. The provision matrix calculates fixed provision rates depending on the number of days that a trade receivable is past due and those provision rates are reviewed and, revised if necessary, in every reporting period. The changes in the expected credit losses on trade receivables are accounted for under "other operating income/expenses" account of the consolidated statement of income.

2.4.10 Receivables from finance sector operations

Financial assets generated as a result of lending money or providing a loan are classified as receivables from finance sector operations and are carried at amortised cost, less any impairment. All loans and advances are recognised in the consolidated financial statements when cash is transferred to customers.

Impairment

Group has adopted "three stage approach (general model)" defined in TFRS 9 for the recognition of impairment losses on receivables from finance sector operations, carried at amortised cost or carried at fair value through other comprehensive income. General model considers the changes in the credit quality of the financial instruments after the initial recognition. Three stages defined in the general model are as follows:

"Stage 1", includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month expected credit losses ("ECL") are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date and represents the credit loss on an asset weighted by the probability that the loss will occur in the next 12 months.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

"Stage 2", includes financial instruments that have had a significant increase in credit risk since initial recognition but those do not have objective evidence of impairment. For these assets, lifetime expected credit losses are recognised and interest revenue is calculated on the gross carrying amount of the asset. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument.

"Stage 3", includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit losses are recognised.

Group appropriately classifies its financial instruments considering common risk factors (such as the type of the instrument, credit risk rating, guarantees, time to maturity and sector) to determine whether the credit risk on a financial instrument has increased significantly and to account appropriate amount of credit losses in the consolidated financial statements.

The changes in the expected credit losses on receivables from finance sector operations are accounted for under "other operating income/expenses" account of the consolidated statement of income.

2.4.11 Credit finance income/expenses

Credit finance income/expenses represent imputed finance charges on credit sales and purchases. Such income and expenses are recognised using the effective yield method over the period of credit sales and purchases within the materiality principle and classified under "other operating income/expenses" in the consolidated statement of income.

2.4.12 Inventories

Cost elements included in inventories are materials, labour and an appropriate amount of factory overheads. The cost of inventories is determined by the weighted average method. Inventories are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.4.13 Assets used in operational lease

Assets used in operational lease include the motor vehicles of Otokoç, a Subsidiary of the Group, resourced in rent a car service. The Group classifies the assets, used in operating leases and owned to be leased for over one year, as "property, plant and equipment"; and classifies the assets owned to be leased for shorter than one year and expected to be disposed at the end of related leasing period in the ordinary business of Otokoç, as "other current assets". The difference between the cost and the estimated second-hand sales price of the related assets is (residual value) depreciated on a straight-line basis over the duration of rent contracts. The assets used in operating lease are transferred to inventories based on their remaining net carrying values when they are decided to be sold at the end of their leasing period.

2.4.14 Investment property

Land and buildings that are held for rental yields or for capital appreciation or both rather than held in the production or supply of goods or services or for administrative purposes or for the sale in the ordinary course of business are classified as "investment property". Investment properties are carried at cost less accumulated depreciation. Depreciation is provided for investment properties on a straight-line basis over their estimated useful lives, ranging from 3-50 years.

Investment properties are reviewed for possible impairment losses and where the carrying amount of the investment property is greater than the estimated recoverable amount, it is written down to its recoverable amount. Recoverable amount of the investment property is the higher of future net cash flows from the utilisation of this investment property or fair value less cost to sell.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.15 Property, plant and equipment and related depreciation

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives. Land is not depreciated as it is deemed to have an indefinite useful life.

The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

Buildings	5 - 50 years
Land improvements	3 - 50 years
Machinery and equipment	3 - 50 years
Furniture and fixtures	2 - 50 years
Motor vehicles	3 - 25 years
Leasehold improvements	3 - 10 years

Useful life and the depreciation method are constantly reviewed, and accordingly, parallels are sought between the depreciation method and the period and the useful life to be derived from the related asset.

Property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the asset's net selling price or value in use. Recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilisation of this property, plant and equipment or its fair value less cost to sell.

Repairs and maintenance expenses are charged to the income statements during the period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

Machinery and equipment are capitalised and amortised when their capacity is fully available for use.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/losses from investing activities" in the current period.

2.4.16 Intangible assets and related amortisation

Intangible assets comprise usage rights, brands, development costs, information systems, customer relationships, generation licenses and other identified rights. They are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives. Cost of an intangible asset acquired by a business combination is its fair value at the acquisition date. Intangible assets with indefinite useful lives are not amortised, however are tested for impairment annually. Whenever there is an indication that the intangible is impaired, the carrying amount of the intangible asset is reduced to its recoverable amount and the impairment loss is recognised as an expense.

The amortisation periods for intangible assets, which approximate the economic useful lives of such assets, are as follows:

Rights	4 - 15 years
Brands	Indefinite useful life
Development costs	2 - 10 years
Customer relationships	8 - 50 years
Other intangible assets	5 - 40 years

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.17 Leases

Group - as a lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- Group has the right to obtain substantially all the economic benefits from use of the identified asset,
- Group has the right to direct the use of an identified asset.

Group has the right to direct the use of the asset throughout the period of use only if either:

- a) Group has the right to direct how and for what purpose the asset is used throughout the period of use or
- b) Relevant decisions about how and for what purpose the asset is used are predetermined:
 - i. Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or
 - ii. Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above mentioned factors.

Right-of-use asset

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- a) The amount of the initial measurement of the lease liability,
- b) Any lease payments made at or before the commencement date, less any lease incentives received,
- c) Any initial direct costs incurred by the Group, and
- d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, Group measures the right-of-use asset at cost:

- a) Less any accumulated depreciation and any accumulated impairment losses; and
- b) Adjusted for any remeasurement of the lease liability.

Group applies the depreciation requirements in TAS 16 Property, Plant and Equipment Standard in depreciating the right-of-use asset.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Group applies TAS 36 Impairment of Assets Standard to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) Fixed payments, less any lease incentives receivable,
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- c) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, Group measures the lease liability by:

- a) Increasing the carrying amount to reflect interest on the lease liability,
- b) Reducing the carrying amount to reflect the lease payments made, and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Options to extend and terminate

Group assesses the contractual options to extend or to terminate the lease when determining the lease liability. The majority of the options to extend and terminate are exercisable both by the Group and the respective lessor. Group determines the lease term of a lease considering the periods covered by options to extend and terminate the lease if the options are exercisable by the Group and the Group is reasonably certain to exercise those options. If a significant change in circumstances takes place, related lease term assessment is revisited by the Group.

Variable lease payments

Some lease contracts of the Group contain variable payment terms. Variable lease payments are not in the scope of TFRS 16 Standard and recognised in the statement of income in the related period.

Practical expedients

The short-term lease agreements with a lease term of 12 months or less and agreements related to information technology equipment leases (mainly printer, laptop, mobile phone etc.), which are determined by the Group as low value, have been evaluated within the scope of practical expedients introduced by the TFRS 16 Leases Standard and related lease payments are recognised as an expense in the period in which they are incurred.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Group - as a lessor

All the leases that Group is the lessor are operating leases. Assets leased out under operating leases are classified under investment properties, property, plant and equipment or other current assets in the consolidated balance sheet. Rental income is recognised in the consolidated statement of income on a straight-line basis over the lease term.

2.4.18 Business combinations and goodwill/gain on bargain purchase

Business combinations are accounted for by using the purchase method in the scope of TFRS 3 "Business combinations". Any excess of the cost of acquisition over the acquirer's interest in the (i) net fair value of the acquiree's identifiable assets and contingent liabilities as of the acquisition date, (ii) amount of any non-controlling interest in the acquired entity and (iii) fair value of any equity interest previously held by acquirer is accounted for as goodwill. If those amounts are less than fair value of the net identifiable assets of the business acquired, the difference is recognised directly in "Other operating income" as a gain from bargain purchase.

Under this method, the cost of an acquisition is measured over the fair value of cash and other assets given as of the acquisition date, equity instruments issued or liabilities incurred. If a business combination contract includes clauses that enable adjustments in the cost of business combination depending on events after the acquisition date; in case the adjustment is measurable and more probable than not, than the cost of business combination at acquisition date is adjusted.

Identifiable assets, liabilities and contingent liabilities of the business acquired are measured initially at their fair values at the acquisition date in the scope of TFRS 3.

Goodwill recognised in business combinations is tested for impairment annually (as of 31 December) or more frequently if events or changes in circumstances indicate impairment, instead of amortisation. Impairment losses on goodwill are not reversed. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

TFRS 3 is not applicable to legal merges between the entities controlled by the Group. As a result of these transactions, no goodwill is recognised.

In business combinations involving entities under common control, assets and liabilities subject to a business combination are recognised at their carrying amounts in the consolidated financial statements. In addition, statements of income are consolidated from the beginning of the financial year in which the business combination takes place. Similarly, comparative consolidated financial statements are restated retrospectively for comparison purposes. As a result of these transactions, no goodwill is recognised. The difference between the consideration transferred and the carrying value of the acquired entity's net assets at the acquisition date is directly accounted under "transactions under common control" in "prior years' income".

Transactions with non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners of the Group. For share purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is deducted from equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. In case of the share sales to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recorded in equity.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.19 Taxes on income

Taxes include current period income tax liabilities and deferred tax liabilities. A provision is recognised for the current period tax liability based on the period results of the Group at the balance sheet date.

Deferred income tax is provided for in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements. Currently enacted tax rates are used to determine deferred income tax.

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences (including unused incentive amounts and carried forward tax losses of prior years) are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised.

The parent company Koç Holding recognises deferred tax asset for all deductible temporary differences arising from investments in Subsidiaries, only to the extent that:

- The temporary difference will reverse in the foreseeable future; and
- Taxable profit will be available against which the temporary difference can be utilised.

The parent company Koç Holding recognises deferred tax liability for all taxable temporary differences associated with investments in Subsidiaries except to the extent that both of the following conditions are satisfied:

- The parent is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not reverse in the foreseeable future.

Government grants allowing reduced corporate tax payment are evaluated within the scope of TAS 12 Income Taxes standard and are recognised as deferred tax asset by the qualified tax advantage amount, to the extent it is probable that future taxable profits will be available against which the unused investment tax credits can be utilised.

The tax effects of the transactions that are accounted in other comprehensive income or directly in the equity are also reflected to the equity.

When the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority with the condition of being same taxpayer entity and there is a legally enforceable right to set off current tax assets against current tax liabilities, deferred tax assets and deferred tax liabilities are offset accordingly.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.20 Financial liabilities

Financial liabilities are measured initially at fair value. Any transaction costs directly attributable to the undertaking of a financial liability are added on the fair value of the financial liability. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities are excluded from the balance sheet when the obligation specified in the contract is fulfilled, canceled or expired. When the terms of a financial liability are renegotiated or transferred to another party, the difference between the carrying value of the financial liability and the amount paid, including the transferred non-cash assets and liabilities, is recognised in the income statement as profit or loss.

2.4.21 Trade payables

Trade payables are payments to be made arising from the purchase of goods and services from suppliers within the ordinary course of business. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.4.22 Provisions for employee benefits

a) Provision for employment termination benefits

The provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employees based on the actuarial projections.

TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligation for employment termination benefits. The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/losses and recognised under other comprehensive income.

b) Pension rights

The personnel of Yapı Kredi Bankası, a Subsidiary of the Group, are members of the Yapı ve Kredi Bankası Anonim Şirketi Mensupları Yardım ve Emekli Sandığı Vakfı ("the Fund") which was established in accordance with the 20th temporary article of the Social Security Law numbered 506. Pension fund liabilities are determined by a registered independent actuary based on audited actuary report.

Paragraph one of temporary article 23 of the Banking Act published in the Official Gazette dated 1 November 2005 numbered 25983 stated that foundations like the Fund are to be transferred to the Social Security Institution ("SSI") within three years of the published date of the article. Law article related to the transfer was cancelled by the decision of Constitutional Court (decision no: E.2005/39, K. 2007/33 dated 22 March 2007) published in the Official Gazette No. 26479 dated 31 March 2007, and the effect of the law article was suspended from the date of the publication of the decision.

The reasoning of the Constitutional Court regarding the abrogation of the corresponding article was published in the Official Gazette dated 15 December 2007, numbered 26731. With the publication of the reasoning of the decision, the Grand National Assembly of Turkey ("GNAT") started to work on new legal arrangements regarding the transfer of the fund members to SSI and the related articles of the "Law Regarding the Changes in Social Insurance and General Health Insurance Law and Other Related Laws and Regulations" numbered 5754 ("the New Law") regulating the transfer of the funds were approved by the GNAT on 17 April 2008. The New Law was published in the Official Gazette dated 8 May 2008, numbered 26870 and came into force.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

With the New Law, the pension funds of the banks are transferred to the SSI in three years from the issuance date of the related article and this period can be extended for maximum two years with the decision of the Council of Ministers. The transfer period was extended for another two years with the decision of the Council of Ministers No. 2011/1559 published in the Official Gazette dated 9 April 2011. According to the "Amendment of Social Insurance and General Health Insurance Law No. 6283" published in the Official Gazette dated 8 March 2012, Council of Ministers was authorised to increase the two year extension period to four years. Based on the decision of the Council of Ministers dated 24 February 2014; May 2015 was determined as the date of the transfer. The Council of Ministers was authorised to determine the transfer date of pension funds in accordance with the last amendment in the first paragraph of the 20th provisional article of Law No.5510 implemented by the Law No. 6645 on Amendment of the Occupational Health and Safety Law and Other Laws and Decree Laws published in the Official Gazette dated 23 April 2015 and numbered 29335. The President was authorised to determine the transfer date of pension funds in accordance with the Official Gazette dated 9 July 2018 and numbered 30473.

Under the New Law, a committee is decided to be formed, whose members are the representatives of the SSI, the Ministry of Finance, Turkish Treasury, State Planning Organisation, BRSA and Saving Deposit Insurance Fund ("SDIF") representing the Fund and one member representing the Fund members. This committee is in charge of the calculation of the value of the payment that would need to be made to SSI to settle the obligation using a technical interest rate of 9,8% by law taking into consideration the income and expenses by insurance branches of the funds and the excess of salaries and income paid by the funds over the salaries and income to be paid in accordance with the SSI arrangements which should not be less than SSI arrangements, related to the members of the Fund as of the date of the transfer including the members who have left the scheme.

In accordance with the New Law, after the transfer to SSI, the social rights and payments of Fund members and their beneficiaries, which are not provided although they are included in the Fund Title Deed, will be provided by the Fund and the employers of the Fund members.

Yapı Kredi Bankası accounts for a provision for the technical deficit based on the report prepared by a registered actuary with the rates determined by the New Law and in accordance with "TAS 19 - Employee Benefits" standard. As a result of this, service and interest costs incurred in the change of provision for the pension fund are recognised in the income statement and actuarial gains and losses are recognised under equity.

The accounting for retirement benefit obligations of Arçelik, a Subsidiary of the Group, involves estimating the costs of future benefits and spreading these costs over the employee's expected service life. Determining the obligation and expense related to these costs requires the use of specific assumptions. These key assumptions include the discount rate, the expected long-term return rate on plan assets, life expectancy, and healthcare cost inflation rates. These assumptions may vary based on interest rates in high-quality bonds and equities, as well as medical cost inflation. If actual outcomes differ from these assumptions, the differences accumulate and are amortised over future periods, which generally affects the expense recorded in those periods and the accrued obligation. While it is believed that the assumptions are appropriate considering current economic conditions and actual experience, significant discrepancies in results or significant changes in assumptions could materially impact retirement and other post-retirement benefit obligations and related future expenses (Note 19). The retirement benefit obligation as of 31 December 2024, and the pre-retirement benefit costs for 2024, have been prepared using the assumptions determined as of 31 December 2024.

c) Defined contribution plans

The Group has to pay contributions to the Social Security Institution on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. These contributions are recognised as an employee benefit expense when they are accrued.

d) Unused vacation rights

Liabilities arising from unused vacations of the employees are accrued in the period when the unused vacations are qualified.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.23 Provisions, contingent assets and liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

2.4.24 Revenue recognition

Revenue is accounted for in the consolidated financial statements within the scope of the five-stage model below.

- Identification of customer contracts,
- Identification of performance obligations,
- Determination of the transaction price in the contracts,
- Allocation of transaction price to the performance obligations,
- Recognition of revenue when the performance obligations are satisfied.

Group evaluates each contracted obligation separately and respective obligations, committed to deliver the distinct goods or perform services, are determined as separate performance obligations.

Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognised over time by measuring the progress towards complete satisfaction of that performance obligation.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

Following indicators are considered while evaluating the transfer of control of the goods and services:

- a) Presence of Group's collection right of the consideration for the goods or services,
- b) Customer's ownership of the legal title on goods or services,
- c) Physical transfer of the goods or services,
- d) Customer's ownership of significant risks and rewards related to the goods or services,
- e) Customer's acceptance of goods or services.

If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted. On the other hand, when the contract effectively constitutes a financing component, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Finance sector

Interest income and expenses are recognised in the income statement on an accrual basis by using the effective interest method. When loans and advances to customers are considered doubtful of collection by the management, interest income is suspended and the rediscount amounts recorded until the cessation date are canceled and not recorded as income until the collection is made. Fees and commissions received as a result of the service agreements or arising from negotiating or participating in the negotiation of a transaction on behalf of a third party are recognised either in the period when the transaction is realised or deferred based on the type of the underlying transaction. Other commission income and fees from various banking services are recorded as income at the time of realisation.

The Group classifies inflation-indexed government bonds as "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortised cost". The reference indices used in the calculation of coupon payments are calculated based on the CPI rates of two months ago. Interest income calculated using the effective interest rate is recorded in the net interest income within the framework of TAS 1.

2.4.25 Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.4.26 Dividends

Dividend income is recognised by the Group at the date the right to collect the dividend is realised. Dividend payables are recognised as liability in the consolidated financial statements following the approval of the general assembly.

2.4.27 Research and development costs

Research costs are recognised and expensed in the income statement in the period in which they are incurred. Costs incurred on development projects relating to the design and testing of new or improved products are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility and only if the cost can be measured reliably. Other development expenditures are recognised as an expense as incurred. Development costs previously recognised as an expense cannot be recognised as an asset in subsequent periods. Development costs that have been capitalised are amortised from the commencement of the commercial production of the product on a straight-line basis over their estimated useful lives (2-10 years).

2.4.28 Warranty provisions

Warranty provisions are recorded as a result of repair and maintenance expenses for products produced and sold, authorised services' labour and material costs for products under the scope of the warranty terms without any charge to the customers, initial maintenance costs and estimated costs based on statistical information for possible future warranty services and returns of products with respect to the products sold during the period.

2.4.29 Government grants

Government grants along with investment, research and development grants are accounted on accrual basis with their fair values when the application of grants is approved. These grants are accounted for as deferred income in the consolidated balance sheet and are credited to consolidated income statement on a straight-line basis over the expected lives of related assets. Government grants allowing reduced corporate tax practice are evaluated within the scope of TAS 12 "Income Taxes" standard (Note 2.4.19).

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.4.30 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, one that takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. Borrowing costs that are not in this scope are recognised directly in the income statement.

The financing costs of borrowings attributable to ongoing investments (interest expenses and foreign exchange losses based on the difference between the TL benchmark interest and interest regarding the foreign currency denominated loans) are capitalised until the completion of the investments.

2.4.31 Derivative instruments and hedging activities

Derivative instruments are initially recognised at the acquisition cost reflecting the fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The derivative instruments of the Group mainly consist of foreign exchange forward contracts and currency/ interest rate swap instruments. These derivative transactions, even though providing effective economic hedges under the Group risk management position, do not generally qualify for hedge accounting under the specific rules and are therefore treated as derivatives held for trading in the consolidated financial statements. The fair value changes for these derivatives are recognised in the consolidated income statement.

The hedging transactions of the Group that qualify for hedge accounting are accounted for as follows:

Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of hedged asset or liability attributable to the hedged risk is recorded as part of the carrying value of the hedged asset or liability during the effective hedging relationship. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item, for which the effective interest method is used, is amortised using a recalculated effective interest rate.

Cash flow hedge

Hedges of exposures to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction with and could affect profit and loss are designated as cash flow hedges by the Group.

Changes in the fair value of derivatives, designated as cash flow hedges and qualified as effective, are recognised in equity as "gains/(losses) on cash flow hedges". Where the forecasted transaction or firm commitment results in the recognition of an asset or of a liability, the gains and losses previously recognised under equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. Otherwise, amounts recognised under equity are transferred to the consolidated income statement in the period in which the hedged firm commitment or forecasted transaction affects the consolidated income statement.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or losses previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss.

Foreign currency hedge of net investments in foreign operations

Gains or losses on the hedging instrument relating to the effective portion of the foreign currency hedge of net investments in foreign operations are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the income statement.

On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the income statement.

2.4.32 Earnings per share

Earnings per share disclosed in the consolidated income statement are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Turkey, companies can increase their share capital through a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

2.4.33 Treasury shares

As the Group Companies repurchase their own equity instruments, these instruments are accounted for as "treasury shares" and deducted from equity. Gain or loss is not recognised in the consolidated statement of income due to the purchase, sale, issue or cancellation of the equity instruments of the Group Companies and the amounts received or paid for these transactions are recognised directly in equity.

2.4.34 Events after the balance sheet date

The Group adjusts the amounts recognised in its consolidated financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

2.4.35 Statement of cash flows

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

Cash flows from operating activities represent the cash flows generated from the Group's activities.

Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Group (tangible and intangible assets and financial assets).

Cash flows from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.5 Significant Accounting Estimates and Assumptions

Preparation of consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The accounting assessments, forecasts and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

Impairment tests of intangible assets with indefinite useful lives

As discussed in Note 2.4, goodwill and brands with indefinite useful lives are not amortised but reviewed for impairment on a yearly basis or more frequently, if the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment tests for goodwill are performed by comparing the amount calculated according to the discounted cash flows of each cash generating unit based on long term projections, with the carrying value of the goodwill; whereas impairment tests for brands are performed by comparing the amount calculated by the royalty relief method, with the carrying value of the brand. No impairment was identified as a result of the impairment tests performed as of 31 December 2024 (Note 14 and 15).

Recoverability of deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available in the foreseeable future. The recoverable amount of deferred tax assets, partially or fully, is estimated under the current conditions. During the assessment of the recoverability of deferred tax assets, future taxable profit forecasts and expiration dates of government grants, carry forward tax losses and other tax advantages were considered (Note 18).

Pension fund

Within the scope of pension fund provision of Yapı Kredi Bankası, a Subsidiary of the Group, which is detailed in Note 2.4.22, the present value of funded obligations is calculated by taking into account the discount rate, inflation, wage increase, mortality rate and medical benefits stated in the New Law and related assumptions are explained in Note 19.

Impairment on receivables from finance sector activities

The Group reviews its financial assets classified as measured at fair value through other comprehensive income and measured at amortised cost at each balance sheet date in order to assess whether they are impaired in line with the accounting policies set out in Note 2.4.10.

The methodology and assumptions used for estimating both significant increase in credit risk and forward-looking information in Note 2.4.10 are discussed below.

Significant increase in credit risk

In the assessment of significant increase in credit risk quantitative and qualitative assessments are made.

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NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Qualitative Assessment:

As a result of quantitative assessment, related financial assets are classified as Stage 2 (significant increase in credit risk) when any of the following criterias are satisfied.

As of reporting date;

- Lifetime expected credit losses shall be recognised on a transaction base, when a past due status of over 30 days is reached. The Group can abandon this estimation only if it has positive, reasonable and supportable information available regarding the client's repayment.
- In case a loan has been restructured, it will be followed up under Stage 2 during the follow-up period mentioned in the related regulations. The loan can be transferred back to Stage 1 at end of the follow-up period if there is no significant deterioration.
- Provisions on unindemnified non-cash loans are evaluated as significant increase in credit risk.

Quantitative assessment:

The probability of significant increase in credit risk under qualitative assessment is based on the comparison of probability of default of a loan in the origination and as of reporting date.

The Group uses distribution regression on segment basis in order to calculate the thresholds used in defining the significant increase in credit risk.

Forward-looking macroeconomic information

The Group incorporates forward-looking macroeconomic information into credit risk parameters during the assessment of significant increase in credit risk and expected credit loss calculation.

For the calculation of expected credit loss, the Group uses macroeconomic forecasting model developed in the stage of creating multiple scenarios. Macroeconomic variables prevailing during this forecasting are Gross Domestic Product (GDP), Unemployment Rate. When expected credit losses are estimated in accordance with the forward-looking macroeconomic information, the Group evaluates three scenarios (base, pessimistic and optimistic) with different weights. Each of these three scenarios is associated with different probability of default risk.

2.6 Convenience Translation into English of Consolidated Financial Statements

The accounting principles described in Note 2 (defined as Turkish Financial Reporting Standards) to the accompanying consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting, classification of some income statement items and also for certain disclosure requirements of the POA.

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NOTE 3 - BUSINESS COMBINATIONS

i) As stated in the material event disclosure of Arçelik, a Subsidiary of the Group, dated 17 January 2023, a Shareholder Agreement has been signed between Arçelik and Whirlpool Corporation for the purpose of merging all production, sales and marketing subsidiaries of Arçelik and Whirlpool Corporation operating in Europe under a new company, Beko Europe B.V. which Arçelik will control with 75% shares and Whirlpool Corporation will have a non-controlling interest with 25% shares, in line with Company's growth strategy. Furthermore, as of 1 April 2024, in accordance with the principles stated in the material event disclosure dated 17 January 2023, a Partnership Agreement, Brand License Agreements and other agreements regarding operational and supply matters have been signed. As a result, as of 1 April 2024, the control of all production, sales and marketing subsidiaries of Whirlpool Corporation operating in Europe has been transferred to Arçelik.

The purchase price for this transaction is 25% of the fair value of all production, sales and marketing subsidiaries of Arçelik operating in Europe prior to the transfer and the contingent purchase price. Within the scope of the purchase price allocation process carried out by the independent consultancy firm, TL4.828 million of the purchase price is recognised under equity and TL1.476 million of the purchase price is recognised as a contingent liability and presented under non-current liabilities. Total consideration amounted to TL6.304 million.

The purchase price consideration and the fair values of the assets and liabilities acquired in accordance with TFRS 3 are summarised in the table below:

	1 April 2024
Purchase price	4.828
Contingent purchase price ⁽¹⁾	1.476
Total purchase price	6.304
Cash and cash equivalents	9.263
Trade receivables	25.682
Derivative instruments	53
Inventories	19.033
Other current assets	4.729
Property, plant and equipment	32.981
Intangible assets	8.015
Deferred tax assets/(liabilities), net	11.513
Other non-current assets	1.265
Trade payables and other payables	(55.663)
Provision for pension obligations	(6.072)
Lease liabilities	(6.369)
Other liabilities	(16.314)
Fair value of total identifiable net assets (100%)	28.116
Net assets acquired (corresponding to the 75% share purchased)	21.087
Total consideration	(6.304)
Fair value adjustment of non-controlling interests ⁽²⁾	1.964
Gain on bargain purchase (Note 26) ⁽³⁾	16.747

⁽¹⁾ Contingent purchase price refers to the amount to be paid if Beko Europe B.V. benefits from the unused tax losses and tax incentives in Italy and Poland. The amount likely to be paid is recorded as a contingent liability within the scope of business combinations.

⁽²⁾ According to TFRS 3, non-controlling interests can be measured based on the proportionate share of net assets or at fair value. Non-controlling interests resulting from this acquisition are recognised at fair value and fair value is calculated using the discounted cash flow method. The difference between the proportionate share of net assets and fair value has been included in the calculation of gain on bargain purchase.

⁽³⁾ Gain on bargain purchase amounting to TL16.747 million has been recognised under other operating income (Note 26). The impact of the related amount on net profit for the equity holders of the parent company is TL7.725 million.

KOÇ HOLDİNG A.Ş. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

As of 31 December 2024, total costs associated with the acquisition of Whirlpool (Europe and MENA⁽ⁱ⁾) included in general administrative expenses in Arçelik's consolidated income statement amounted to TL629 million (31 December 2023: TL1.233 million).

Had Whirlpool Euro Holdings B.V. been included in the scope of consolidation as of 1 January 2024, the Group's consolidated income statement would have been affected by additional revenue of TL32.271 million and additional net loss for the period attributable to the equity holders of parent of TL1.061 million.

In the consolidated income statement, Whirlpool Euro Holdings B.V.'s contribution to the revenue generated after the acquisition date is TL88.003 million and its contribution to the profit for the period attributable to the equity holders of the parent is TL7.954 million net loss for the period.

The details of cash outflow due to acquisition are as follows:

Total consideration - cash	-
Cash and cash equivalents - acquired	9.263
Cash inflows due to acquisition (net)	9.263

⁽ⁱ⁾ Represents two subsidiaries of Arçelik, Whirlpool MENA DMCC and Whirlpool Maroc S.ar.l.

ii) Pursuant to the closing of transactions outlined in the share purchase agreement, as stated in the material event disclosure of Arçelik dated 17 January 2023 and 23 June 2023, 100% of the shares in Whirlpool MEEA DMCC and Whirlpool Maroc S.a r.l., Whirlpool Corporation subsidiaries operating in the Middle East and North Africa ("MENA") region and incorporated in the United Arab Emirates and Morocco, respectively, along with all of Whirlpool's MENA operations, were transferred to Beko B.V. on 1 April 2024.

As of 31 December 2024, in accordance with TFRS 3 "Business Combinations Standard", the net assets of the businesses related to the acquisition of Whirlpool MENA have been accounted for within the scope of the purchase price allocation studies performed by the independent consultancy firm.

Furthermore, effective as of 1 April 2024, Beko B.V. and Whirlpool Corporation executed Partnership Agreement, Trademark License Agreements and other agreements setting forth the terms of their cooperation regarding operations and supply, as previously disclosed in the material event disclosure dated 17 January 2023.

The fair values of identifiable assets and liabilities in accordance with TFRS 3 arising from the acquisition are as follows:

	1 April 2024
Cash and cash equivalents	724
Trade receivables	575
Inventories	450
Other current assets	35
Property, plant and equipment	13
Intangible assets	410
Deferred tax assets/(liabilities), net	(56)
Trade and other payables	(699)
Other liabilities	(205)
Fair value of total identifiable net assets (100%)	1.247
Total consideration	(970)
Gain on bargain purchase (Note 26) ⁽ⁱ⁾	277

⁽ⁱ⁾ The difference between the purchase price and the total amount of net assets is recognised as gain on bargain purchase.

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

Had the companies acquired been included in the scope of consolidation as of 1 January 2024, the Group's consolidated income statement would have been affected by additional revenue of TL1.379 million and additional net loss for the period attributable to the equity holders of the parent of TL26 million.

In the consolidated statement of income, Whirlpool MENA's contribution to the revenue generated after the acquisition date is TL3.019 million and its contribution to the net profit for the period attributable to the equity holders of the parent is TL22 million.

The details of cash outflow due to acquisition are as follows:

Total consideration - cash	(970)
Cash and cash equivalents - acquired	724

Cash outflow due to acquisition (net) (246)

iii) Koç Medical B.V., a Subsidiary of the Group, acquired all shares of Bıçakcılar Global Tıbbi Ürünler Sanayi ve Ticaret A.Ş. ("Bıçakcılar Global"), which operates in the medical devices sector, with a consideration of USD30,6 million on 29 July 2023 as part of its inorganic growth strategy. It is aimed to diversify the product range in the field of health technologies, expand export markets and make a significant contribution to global growth.

The difference between the total purchase price amounting to TL1.496 million and the fair value of the assets and liabilities acquired amounting to TL1.440 million determined in accordance with TFRS 3 is recognised as goodwill in the consolidated financial statements.

iv) As stated in the material event disclosure of Koç Holding dated 4 January 2024, as part of the Group's evaluations of growth opportunities in the healthcare sector, the share transfer transactions for the acquisition of 80% of the shares of Kemer Medical Center Özel Sağlık Hizmetleri Turizm ve Ticaret A.Ş. ("KMC Sağlık"), which operates in the private hospital sector under the Anatolia Hospital brand in Antalya, with a consideration of EUR83 million which subject to closing adjustments, were completed on 27 March 2024.

The difference between the purchase price amounting to TL3.620 million, which corresponds to 80% of the shares, and the fair value of the acquired assets and liabilities amounting to TL3.902 million determined in accordance with TFRS 3 is recognised as gain on bargain purchase in the consolidated financial statements (Note 26).

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NOTE 4 - SEGMENT REPORTING

The financial information of the Joint Ventures has been included in the segment results, prepared within the framework of the Group's managerial approach, by full consolidation method (as 100%). The segment reporting information prepared in conformity with this approach is defined as "combined financial information".

"Combined revenue" reported below is before intra and inter segment revenue eliminations. Other financial information except for "combined revenue" represents the amounts after the related consolidation adjustments and profit eliminations.

The reconciliations of the combined financial information to the amounts reported in the consolidated financial statements for the years ended 31 December 2024 and 2023 are presented separately.

1 January - 31 December 2024	Energy	Automotive	Consumer durables	Finance	Other	Total
External revenue	1.135.629	897.134	465.753	706.225	102.406	3.307.147
Intra segment revenue	150.775	67.922	15.755	1.352	4.033	239.837
Inter segment revenue	5.566	6.517	3.904	2.860	59.886	78.733
Combined revenue	1.291.970	971.573	485.412	710.437	166.325	3.625.717
Combined gross profit	92.650	90.004	123.288	94.409	29.682	430.033
Operating expenses	(47.174)	(58.972)	(114.920)	(65.541)	(28.951)	(315.558)
Other operating income/(expenses) (net) ^(1,2)	(334)	(660)	5.125	(9.640)	462	(5.047)
Exchange gains/(losses) and credit finance income/(charges) from operating activities (net) ⁽³⁾	(6.514)	2.863	(3.395)	-	(1.449)	(8.495)
Combined operating profit/(loss)	38.628	33.235	10.098	19.228	(256)	100.933
Gain/(losses) from Investment activities (net) ^(4,5)	81	6.716	393	1.874	1.492	10.556
Financial income/expenses (net)	7.441	(28.398)	(27.751)	-	9.024	(39.684)
Monetary gain/(loss)	(10.603)	32.022	15.668	(38.363)	(10.973)	(12.249)
Combined profit/(loss) before tax	35.547	43.575	(1.592)	(17.261)	(713)	59.556
Tax income/(expense), (net)	(18.931)	469	(827)	(10.306)	(3.723)	(33.318)
Combined net profit/(loss) for the period	16.616	44.044	(2.419)	(27.567)	(4.436)	26.238
Net profit/(loss) for the period ⁽⁶⁾	7.043	14.325	672	(15.651)	(5.083)	1.306

⁽¹⁾ Provisions for loan impairment in Finance sector have been accounted for under "Other operating income/expenses" account.

⁽²⁾ As a result of the acquisition of Whirlpool EMEA and Whirlpool MENA by Arçelik, a Subsidiary of the Group, the gain on bargain purchase amounting to TL17.024 million and the restructuring expenses amounting to TL11.841 million have been recognised under the "Other operating income/expenses" account of the Consumer Durables sector (Note 26).

⁽³⁾ Includes the foreign exchange gains/losses and credit finance income/charges arising from trading activities (trade receivables and payables) of Non-Finance sectors.

⁽⁴⁾ Includes the share of profit/(loss) of investments accounted for using the equity method of Yapı Kredi Bankası, a Subsidiary of the Group, and the valuation of the receivables of Ford Otosan, a Joint Venture of the Group, arising from the finance lease application within the scope of TFRS 16 "Leases Standard".

⁽⁵⁾ Gain on sale of Tat Gıda shares amounting to TL1.567 million have been accounted for under "Gains/(losses) from investment activities" in Other sector, loss on sale from 50% of Sendeo shares amounting to TL209 million have been accounted for under "Gains/(losses) from investment activities" in Energy and Other sectors (Note 27).

⁽⁶⁾ Represents consolidated net profit attributable to the equity holders of the parent.

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NOTE 4 - SEGMENT REPORTING (Continued)

1 January - 31 December 2023	Energy	Automotive	Consumer durables	Finance	Other	Total
External revenue	1.244.677	972.013	414.446	557.775	98.368	3.287.279
Intra segment revenue	268.600	83.772	12.975	456	9.903	375.706
Inter segment revenue	5.218	11.325	1.658	2.791	60.215	81.207
Combined revenue	1.518.495	1.067.110	429.079	561.022	168.486	3.744.192
Combined gross profit	184.085	161.167	113.410	214.790	30.568	704.020
Operating expenses	(47.473)	(61.022)	(93.945)	(60.898)	(30.735)	(294.073)
Other operating income/(expenses) (net) ⁽¹⁾	(221)	920	(318)	(15.352)	442	(14.529)
Exchange gains/(losses) and credit finance income/(charges) from operating activities (net) ⁽²⁾	(27.505)	9.264	(1.569)	-	(1.522)	(21.332)
Combined operating profit/(loss)	108.886	110.329	17.578	138.540	(1.247)	374.086
Gains/(losses) from investment activities (net) ⁽³⁾	686	4.331	(49)	2.870	1.221	9.059
Financial income/(expenses) (net)	(12.599)	(23.171)	(18.862)	-	8.312	(46.320)
Monetary gain/(loss)	(8.824)	36.135	21.460	(69.893)	(9.450)	(30.572)
Combined profit/(loss) before tax	88.149	127.624	20.127	71.517	(1.164)	306.253
Tax income/(expense), (net)	(3.637)	(8.854)	1.439	(45.493)	(1.786)	(58.331)
Combined net profit/(loss) for the period	84.512	118.770	21.566	26.024	(2.950)	247.922
Net profit/(loss) for the period ⁽⁴⁾	37.915	50.745	9.612	14.654	(4.750)	108.176

⁽¹⁾ Provisions for loan impairment in Finance sector have been accounted for under "Other operating income/expenses" account.

⁽²⁾ Includes the foreign exchange gains/losses and credit finance income/charges arising from trading activities (trade receivables and payables) of Non-Finance sectors.

⁽³⁾ Includes the share of profit/(loss) of investments accounted for using the equity method of Yapı Kredi Bankası, a Subsidiary of the Group, and the valuation of the receivables of Ford Otosan, a Joint Venture of the Group, arising from the finance lease application within the scope of TFRS 16 "Leases Standard".

⁽⁴⁾ Represents consolidated net profit attributable to the equity holders of the parent.

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NOTE 4 - SEGMENT REPORTING (Continued)

a) Revenue	2024	2023
Energy	1.291.970	1.518.495
Automotive	971.573	1.067.110
Consumer durables	485.412	429.079
Finance	710.437	561.022
Other	166.325	168.486
Combined	3.625.717	3.744.192
Less: Joint Ventures (Note 8.d)	(1.230.565)	(1.338.292)
Less: Consolidation eliminations and adjustments	(77.245)	(89.127)
Consolidated	2.317.907	2.316.773
b) Operating profit	2024	2023
Energy	38.628	108.886
Automotive	33.235	110.329
Consumer durables	10.098	17.578
Finance	19.228	138.540
Other	(256)	(1.247)
Combined	100.933	374.086
Less: Joint Ventures (Note 8.d)	(42.541)	(103.844)
Less: Consolidation eliminations and adjustments	8.359	6.872
Add: Net profit shares of Joint Ventures and associates (Note 8.c)	20.615	44.353
Consolidated	87.366	321.467
c) Depreciation and amortisation ^(*)	2024	2023
Energy	14.453	13.673
Automotive	39.451	29.897
Consumer durables	16.933	12.818
Finance	8.341	5.677
Other	3.966	4.026
Combined	83.144	66.091
Less: Joint Ventures (Note 8.d)	(24.095)	(20.961)
Less: Consolidation eliminations and adjustments	(781)	(933)
Consolidated	58.268	44.197

^(*) Includes the depreciation expenses of right-of-use assets. As of 31 December 2024, combined depreciation expense of the right-of-use assets amounted to TL11.104 million (31 December 2023: TL8.914 million) and consolidated depreciation expense amounted to TL6.185 million (31 December 2023: TL4.651 million).

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NOTE 4 - SEGMENT REPORTING (Continued)

d) Profit before tax	2024	2023
Energy	35.547	88.149
Automotive	43.575	127.624
Consumer durables	(1.592)	20.127
Finance	(17.261)	71.517
Other	(713)	(1.164)
Combined	59.556	306.253
Less: Joint Ventures (Note 8.d)	(51.768)	(118.958)
Add: Net profit shares of Joint Ventures (Note 8.c)	18.924	41.598
Consolidated	26.712	228.893
e) Net profit for the period	2024	2023
Energy	16.616	84.512
Automotive	44.044	118.770
Consumer durables	(2.419)	21.566
Finance	(27.567)	26.024
Other	(4.436)	(2.950)
Combined	26.238	247.922
Less: Joint Ventures (Note 8.d)	(50.450)	(111.105)
Add: Net profit shares of Joint Ventures (Note 8.c)	18.924	41.598
Less: Non-controlling interests	6.594	(70.239)
Consolidated (attributable to the equity holders of the parent)	1.306	108.176
f) Capital expenditures ^(*)	2024	2023
Energy	18.994	20.043
Automotive	93.843	105.603
Consumer durables	25.022	20.625
Finance	6.236	4.931
Other	11.218	5.793
Combined	155.313	156.995
Less: Joint Ventures	(57.388)	(58.420)
Consolidated	97.925	98.575

^(*) Capital expenditures do not include the additions related to the right-of-use assets.

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NOTE 4 - SEGMENT REPORTING (Continued)

g) Total assets	31 December 2024	31 December 2023
Energy	592.550	714.532
Automotive	623.190	665.075
Consumer durables	412.173	390.267
Finance	2.711.873	2.845.130
Other	329.045	309.133
Combined	4.668.831	4.924.137
Less: Joint Ventures (Note 8.d)	(540.800)	(572.759)
Add: Carrying values of Joint Ventures (Note 8.a)	88.697	87.796
Less: Consolidation eliminations	(308.576)	(311.430)
Consolidated	3.908.152	4.127.744

NOTE 5 - CASH AND CASH EQUIVALENTS

	31 December 2024			31 December 2023		
	Finance	Non-Finance	Total	Finance	Non-Finance	Total
Cash in hand	23.777	162	23.939	32.020	130	32.150
Cheques received	-	428	428	-	514	514
Banks						
- Demand deposits	52.395	19.392	71.787	67.696	30.165	97.861
- Time deposits	36.446	172.575	209.021	37.223	247.831	285.054
Other	-	1.997	1.997	-	2.261	2.261
	112.618	194.554	307.172	136.939	280.901	417.840

As of 31 December 2024, total blocked deposits amounted to TL13.194 million (31 December 2023: TL14.070 million). As of 31 December 2024, TL8.017 million (31 December 2023: TL6.969 million) of the related amount consists of the revenue shares collected by Tüpraş, a Subsidiary of the Group, as indicated in the Petroleum Market License Regulation and TL4.938 million (31 December 2023: TL5.983 million) of the related amount consist of blocked demand deposits Tüpraş, for derivative transactions carried out in foreign stock exchanges.

Group companies operating in Non-Finance sectors have cash and cash equivalent balances amounting to TL26.099 million held at Yapı Kredi Bankası and eliminated during the preparation of consolidated financial statements as of 31 December 2024 (31 December 2023 TL29.184 million).

NOTE 6 - BALANCES WITH CENTRAL BANK OF THE REPUBLIC OF TURKEY

	31 December 2024	31 December 2023
Balances with Central Bank of the Republic of Turkey	367.960	348.846
- Required reserves ⁽¹⁾	158.079	120.927
- Free deposits	209.881	227.919
	367.960	348.846

⁽¹⁾In accordance with the legislation of the CBRT numbered 2013/15 "Decree on Reserve Deposits", banks operating in Turkey must place TL, USD, EUR and gold reserves for their liabilities. As of 31 December 2024, the ratios for TL reserves are between 3% and 33% (31 December 2023: 0% and 30%) and the ratios for foreign currency reserves are between 5% and 30% (31 December 2023: 5% and 30%) for deposits and other liabilities depending on their maturity structures

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NOTE 7 - FINANCIAL ASSETS

	31 December 2024			31 December 2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Financial assets measured at fair value through profit or loss	3.936	3.448	7.384	4.855	6.682	11.537
Financial assets measured at fair value through other comprehensive income	13.458	127.420	140.878	16.469	130.548	147.017
Financial assets measured at amortised cost	40.564	347.165	387.729	35.020	423.179	458.199
	57.958	478.033	535.991	56.344	560.409	616.753

a) Financial assets measured at fair value through profit or loss

	31 December 2024			31 December 2023		
	Finance	Non-Finance	Total	Finance	Non-Finance	Total
Debt securities:						
Government bonds	2.538	-	2.538	2.550	-	2.550
Eurobond	-	892	892	-	-	-
	2.538	892	3.430	2.550	-	2.550
Deposits:						
Time deposits	-	140	140	-	1.567	1.567
	-	140	140	-	1.567	1.567
Equity securities:						
Listed	366	-	366	738	-	738
Unlisted	-	3.448	3.448	-	6.682	6.682
	366	3.448	3.814	738	6.682	7.420
	2.904	4.480	7.384	3.288	8.249	11.537

b) Financial assets measured at fair value through other comprehensive income

	31 December 2024			31 December 2023		
	Finance	Non-Finance	Total	Finance	Non-Finance	Total
Debt securities:						
Government bonds	107.705	-	107.705	97.286	-	97.286
Eurobond	25.458	-	25.458	42.410	-	42.410
Private sector bonds	300	-	300	94	-	94
	133.463	-	133.463	139.790	-	139.790
Equity securities:						
Listed	-	3.909	3.909	-	5.577	5.577
Unlisted	1.991	1.515	3.506	332	1.318	1.650
	1.991	5.424	7.415	332	6.895	7.227
	135.454	5.424	140.878	140.122	6.895	147.017

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NOTE 7 - FINANCIAL ASSETS (Continued)

The movement of financial assets at fair value through other comprehensive income is as follows:

	2024	2023
Beginning of the period - 1 January	147.017	189.871
Additions	107.239	85.604
Disposals/redemptions	(55.486)	(53.658)
Change in exchange rate	(455)	(25.356)
Change in interest accruals	(3.665)	28.246
Fair value gains/impairment losses (net)	(21.557)	3.403
Monetary gain/(loss)	(32.215)	(81.093)
End of the period - 31 December	140.878	147.017

c) Financial assets measured at amortised cost

	31 December 2024			31 December 2023		
	Finance	Non-Finance	Total	Finance	Non-Finance	Total
Debt securities:						
Government bonds	243.011	-	243.011	283.445	-	283.445
Eurobond	126.452	-	126.452	152.630	-	152.630
Other	18.266	-	18.266	22.124	-	22.124
	387.729	-	387.729	458.199	-	458.199

The movement of financial assets measured at amortised cost is as follows:

	2024	2023
Beginning of the period - 1 January	458.199	400.724
Additions	39.882	129.377
Disposals/redemptions	(28.428)	(10.179)
Change in exchange rate	76.003	124.088
Change in interest accruals	44.059	31.607
Monetary gain/(loss)	(201.986)	(217.418)
End of the period - 31 December	387.729	458.199

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NOTE 8 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a) The details of carrying values and consolidation rates subject to equity accounting of Joint Ventures and associates are as follows:

	31 December 2024		31 December 2023	
	%	Amount	%	Amount
Ford Otosan	38,65	44.761	38,65	40.963
Tofaş	37,62	17.572	37,59	19.887
Opet	42,88	11.292	43,00	11.194
Banque de Commerce	30,67	7.820	30,67	8.909
Türk Traktör	37,50	6.363	37,50	8.337
Allianz Emeklilik	20,00	3.101	20,00	2.980
Other		8.709		7.415
		99.618		99.685
Joint Ventures		88.697		87.796
Associates		10.921		11.889
		99.618		99.685

b) The market values (Level 1) of the listed Joint Ventures are as follows:

	31 December 2024	31 December 2023
Ford Otosan	328.803	259.498
Tofaş	102.550	105.000
Türk Traktör	75.050	71.248

c) The movement of Joint Ventures and associates is as follows:

	2024	2023
Beginning of the period - 1 January	99.685	76.260
Shares of profit/(loss)	20.615	44.353
Shares of other comprehensive income/(loss)	(4.027)	(6.260)
Dividend paid	(19.538)	(15.278)
Dividend received	314	134
Contribution to capital increases	1.661	501
Changes in the scope of consolidation ^(1, 2)	831	-
Transactions with non-controlling interests ⁽³⁾	105	-
Profit eliminations	(28)	(25)
End of the period - 31 December	99.618	99.685

⁽¹⁾ Sendeo has been accounted for using the equity method in the Group's consolidated financial statements following the sale of 50% of its shares to third parties on 28 June 2024.

⁽²⁾ Demre Marina, a Joint Venture of the Group, is included in the scope of consolidation as of the balance sheet date.

⁽³⁾ Related to the purchase of shares constituting 0,04% of Tofaş and 11,31% of Ingage capitals from non-controlling interests.

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NOTE 8 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

Shares of profit/(loss) of Joint Ventures and Associates:

	2024	2023
Ford Otosan	15.039	27.376
Tofaş	1.965	8.186
Türk Traktör	2.153	5.058
Opet	639	1.229
Other	819	2.504
	20.615	44.353
Joint Ventures	18.924	41.598
Associates	1.691	2.755
	20.615	44.353

Shares of other comprehensive income/(loss) of Joint Ventures and Associates:

	2024	2023
Ford Otosan	(2.148)	(5.188)
Tofaş	381	240
Türk Traktör	(116)	(23)
Opet	293	426
Other	(2.437)	(1.715)
	(4.027)	(6.260)
Joint Ventures	(1.705)	(5.423)
Associates	(2.322)	(837)
	(4.027)	(6.260)

Dividend income/(capital increases) from Joint Ventures and associates:

	2024	2023
Ford Otosan	9.094	9.992
Tofaş	4.716	2.439
Türk Traktör	4.009	1.704
Opet	1.079	938
Other	(1.021)	(296)
	17.877	14.777

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NOTE 8 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

d) Condensed financial information of Joint Ventures after consolidation adjustments is as follows:

Condensed balance sheet information of Joint Ventures:

31 December 2024	Ford Otosan	Tofaş	Türk Traktör	Opet	Other	Total
Cash and cash equivalents	22.330	19.716	6.594	1.818	6.043	56.501
Other current assets	131.638	30.731	16.635	30.104	13.293	222.401
Receivables from finance sector operations	-	16.882	-	-	-	16.882
Other non-current assets	171.326	23.834	12.954	23.456	13.446	245.016
Total assets	325.294	91.163	36.183	55.378	32.782	540.800
Short-term borrowings	44.858	10.937	8.002	6.503	3.225	73.525
Other current liabilities	78.544	15.579	8.330	23.970	12.222	138.645
Long-term borrowings	78.899	16.964	2.039	3.869	604	102.375
Other non-current liabilities	7.923	1.079	845	1.397	395	11.639
Total liabilities	210.224	44.559	19.216	35.739	16.446	326.184
Net assets:	115.070	46.604	16.967	19.639	16.336	214.616
Allocation of net assets:						
Non-controlling interests	-	-	-	-	-	-
Equity holders of the parent	115.070	46.604	16.967	19.639	16.336	214.616
Reconciliation of carrying value:						
<i>Ownership of the Group</i>	<i>38,65%</i>	<i>37,62%</i>	<i>37,50%</i>	<i>42,88%</i>		
Net asset share of the Group	44.477	17.534	6.363	8.421	8.652	85.447
Goodwill carried at Group level	-	-	-	2.774	-	2.774
Impact of additional share purchase	284	38	-	97	57	476
Carrying value	44.761	17.572	6.363	11.292	8.709	88.697

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NOTE 8 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

31 December 2023	Ford Otosan	Tofaş	Türk Traktör	Opet	Other	Total
Cash and cash equivalents	21.982	35.828	17.803	11.058	3.930	90.601
Other current assets	126.685	41.272	18.301	34.797	21.289	242.344
Receivables from finance sector operations	-	13.925	-	-	-	13.925
Other non-current assets	164.484	22.216	10.755	21.318	7.116	225.889
Total assets	313.151	113.241	46.859	67.173	32.335	572.759
Short-term borrowings	49.038	9.728	7.180	13.452	4.253	83.651
Other current liabilities	86.871	41.622	15.538	27.504	12.077	183.612
Long-term borrowings	60.337	7.353	1.178	5.592	751	75.211
Other non-current liabilities	11.657	1.630	732	1.271	892	16.182
Total liabilities	207.903	60.333	24.628	47.819	17.973	358.656
Net assets:	105.248	52.908	22.231	19.354	14.362	214.103
Allocation of net assets:						
Non-controlling interests	-	-	-	-	-	-
Equity holders of the parent	105.248	52.908	22.231	19.354	14.362	214.103
Reconciliation of carrying value:						
<i>Ownership of the Group</i>	<i>38,65%</i>	<i>37,59%</i>	<i>37,50%</i>	<i>43,00%</i>		
Net asset share of the Group	40.679	19.887	8.337	8.323	7.331	84.557
Goodwill carried at Group level	-	-	-	2.774	-	2.774
Impact of additional share purchase	284	-	-	97	84	465
Carrying value	40.963	19.887	8.337	11.194	7.415	87.796

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NOTE 8 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

Condensed income statement information:

1 January - 31 December 2024	Ford Otosan	Tofaş	Türk Traktör	Opet	Other	Total
Revenue	594.995	129.318	66.970	365.972	73.310	1.230.565
Depreciation and amortisation	10.712	6.200	1.892	4.014	1.277	24.095
Operating profit	28.984	4.122	7.628	1.459	348	42.541
Profit before tax	37.052	4.890	7.976	2.478	(628)	51.768
Net profit for the period	38.908	5.222	5.740	1.491	(911)	50.450
Non-controlling interests	-	-	-	-	-	-
Equity holders of the parents	38.908	5.222	5.740	1.491	(911)	50.450
<i>Ownership of the Group</i>	<i>38,65%</i>	<i>37,62%</i>	<i>37,50%</i>	<i>42,88%</i>		
Net profit share of the Group	15.039	1.965	2.153	639	(872)	18.924

1 January - 31 December 2023	Ford Otosan	Tofaş	Türk Traktör	Opet	Other	Total
Revenue	594.706	188.059	84.369	401.182	69.976	1.338.292
Depreciation and amortisation	8.757	5.686	1.704	3.537	1.277	20.961
Operating profit	63.551	20.225	16.325	1.042	2.701	103.844
Profit before tax	68.476	26.459	17.523	3.446	3.054	118.958
Net profit for the period	70.827	21.777	13.488	2.857	2.156	111.105
Non-controlling interests	-	-	-	-	-	-
Equity holders of the parents	70.827	21.777	13.488	2.857	2.156	111.105
<i>Ownership of the Group</i>	<i>38,65%</i>	<i>37,59%</i>	<i>37,50%</i>	<i>43,00%</i>		
Net profit share of the Group	27.376	8.186	5.058	1.229	(251)	41.598

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES

Trade receivables	31 December 2024	31 December 2023
Trade receivables	167.477	191.490
Notes and cheques receivable	7.282	7.098
Less: Provision for expected credit loss	(3.543)	(3.626)
Less: Unearned finance income	(2.922)	(2.401)
	168.294	192.561
Due from related parties (Note 29)	15.270	15.999
	183.564	208.560
Short-term trade receivables	182.259	207.100
Long-term trade receivables	1.305	1.460
	183.564	208.560

Tüpraş and Arçelik, the Subsidiaries of the Group, offset TL8.235 million (31 December 2023: TL9.377 million) and TL9.670 million (31 December 2023: TL9.426 million) respectively, from their trade receivables that were collected from factoring companies as a part of irrevocable factoring agreements as of 31 December 2024.

Movement of the provision for expected credit losses is as follows:

	2024	2023
Beginning of the period - 1 January	3.626	4.628
Increases during the period	596	510
Business combinations	1.227	-
Collections	(210)	(65)
Write-offs ⁽¹⁾	(564)	(925)
Currency translation differences	(772)	638
Monetary (gain)/loss	(360)	(1.160)
End of the period - 31 December	3.543	3.626

⁽¹⁾ Doubtful receivables, for which no possibility of collection is foreseen, are written off from the records along with their related provisions.

	31 December 2024	31 December 2023
Trade payables		
Trade payables	237.983	254.888
Less: Unearned finance expense	(2.015)	(2.329)
	235.968	252.559
Due to related parties (Note 29)	14.609	16.923
	250.577	269.482

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NOTE 10 - RECEIVABLES FROM FINANCE SECTOR OPERATIONS

	31 December 2024	31 December 2023
Short-term receivables from finance sector operations	1.006.984	1.006.132
Long-term receivables from finance sector operations	336.171	379.904
	1.343.155	1.386.036

The breakdown of receivables from finance sector operations is as follows:

31 December 2024	Corporate and commercial loans	Consumer loans	Credit card receivables	Leasing receivables	Factoring receivables	Total
Stage 1	625.286	223.473	292.152	37.990	23.325	1.202.226
Stage 2	88.632	26.981	30.741	1.363	821	148.538
Stage 3	19.896	12.392	8.577	421	225	41.511
Gross	733.814	262.846	331.470	39.774	24.371	1.392.275
Stage 1 and 2	(15.353)	(3.306)	(3.060)	(309)	(151)	(22.179)
Stage 3	(10.172)	(10.340)	(5.933)	(296)	(200)	(26.941)
Expected credit losses (-) ⁽¹⁾	(25.525)	(13.646)	(8.993)	(605)	(351)	(49.120)
Net	708.289	249.200	322.477	39.169	24.020	1.343.155
31 December 2023	Corporate and commercial loans	Consumer loans	Credit card receivables	Leasing receivables	Factoring receivables	Total
Stage 1	633.318	258.903	300.470	44.258	16.426	1.253.375
Stage 2	114.028	17.587	17.233	1.223	1.159	151.230
Stage 3	27.818	9.509	3.166	580	200	41.273
Gross	775.164	285.999	320.869	46.061	17.785	1.445.878
Stage 1 and 2	(25.080)	(3.348)	(2.137)	(642)	(217)	(31.424)
Stage 3	(17.561)	(8.019)	(2.297)	(398)	(143)	(28.418)
Expected credit losses (-)	(42.641)	(11.367)	(4.434)	(1.040)	(360)	(59.842)
Net	732.523	274.632	316.435	45.021	17.425	1.386.036

⁽¹⁾ TL1.364.083 million of gross receivables from finance sector operations and TL48.638 million of expected credit losses are related to Yapı Kredi Bankası.

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NOTE 10 - RECEIVABLES FROM FINANCE SECTOR OPERATIONS (Continued)

Movement of the expected credit losses is as follows:

2024	Corporate and commercial loans	Consumer loans	Credit card receivables	Leasing receivables	Factoring receivables	Total
Beginning of the period - 1 January	42.641	11.367	4.434	1.040	360	59.842
Increases during the period	12.708	18.290	15.554	330	231	47.113
Collections	(18.281)	(7.823)	(7.701)	(513)	(116)	(34.434)
Disposals due to sale of portfolio	(694)	(4.186)	(1.625)	-	-	(6.505)
Write-offs	-	(19)	-	-	-	(19)
Change in exchange rate	1.664	406	569	50	-	2.689
Monetary (gain)/loss	(12.513)	(4.389)	(2.238)	(302)	(124)	(19.566)
End of the period - 31 December	25.525	13.646	8.993	605	351	49.120

2023	Corporate and commercial loans	Customer loans	Credit card receivables	Leasing receivables	Factoring receivables	Total
Beginning of the period - 1 January	66.153	14.732	5.085	1.824	433	88.227
Increases during the period	19.780	13.434	8.585	295	258	42.352
Collections	(28.324)	(7.223)	(6.096)	(612)	(134)	(42.389)
Disposals due to sale of portfolio	(1.590)	(3.241)	(794)	-	-	(5.625)
Write-offs	(81)	(74)	(55)	-	-	(210)
Change in exchange rate	13.401	205	82	233	-	13.921
Monetary (gain)/loss	(26.698)	(6.466)	(2.373)	(700)	(197)	(36.434)
End of the period - 31 December	42.641	11.367	4.434	1.040	360	59.842

Stage-based movement of the expected credit losses is as follows:

2024	Stage 1	Stage 2	Stage 3	Total
Beginning of the period - 1 January	8.960	22.464	28.418	59.842
Increases during the period	3.516	17.014	26.583	47.113
Collections	(8.685)	(11.332)	(14.417)	(34.434)
Disposals due to sale of portfolio	-	-	(6.505)	(6.505)
Write-offs	-	-	(19)	(19)
Transfers to Stage 1	4.030	(4.027)	(3)	-
Transfers to Stage 2	(152)	572	(420)	-
Transfers to Stage 3	(2)	(3.059)	3.061	-
Change in exchange rate	411	2.189	89	2.689
Monetary (gain)/loss	(2.641)	(7.079)	(9.846)	(19.566)
End of the period - 31 December	5.437	16.742	26.941	49.120

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NOTE 10 - RECEIVABLES FROM FINANCE SECTOR OPERATIONS (Continued)

2023	Stage 1	Stage 2	Stage 3	Total
Beginning of the period - 1 January	11.560	37.267	39.400	88.227
Increases during the period	7.899	13.538	20.915	42.352
Collections	(11.468)	(18.718)	(12.203)	(42.389)
Disposals due to sale of portfolio	-	-	(5.625)	(5.625)
Write-offs	-	-	(210)	(210)
Transfers to Stage 1	5.460	(5.459)	(1)	-
Transfers to Stage 2	(1.738)	1.976	(238)	-
Transfers to Stage 3	(134)	(2.601)	2.735	-
Change in exchange rate	2.466	11.065	390	13.921
Monetary (gain)/loss	(5.085)	(14.604)	(16.745)	(36.434)
End of the period - 31 December	8.960	22.464	28.418	59.842

NOTE 11 - DERIVATIVE INSTRUMENTS

The breakdown of derivative instruments as of 31 December 2024 and 2023 is as follows:

	31 December 2024		31 December 2023	
	Asset	Liability	Asset	Liability
Derivatives held for trading	14.574	19.951	23.814	18.257
Derivatives held for hedging	4.160	2.649	11.056	1.370
	18.734	22.600	34.870	19.627

Finance:

	31 December 2024			31 December 2023		
	Contract amount ⁽¹⁾	Fair Values		Contract amount ⁽¹⁾	Fair Values	
		Asset	Liability		Asset	Liability
Derivatives held for trading:						
Interest rate swaps	751.943	5.044	2.375	723.289	5.712	4.275
Currency swaps	381.272	3.593	11.075	735.237	8.468	6.208
Currency forwards	154.018	846	2.676	72.620	1.168	374
Cross-currency fixed interest rate swaps	14.788	1.262	2.439	21.350	4.001	5.785
Option agreements	52.361	299	401	40.262	46	155
Other derivative instruments	296.898	3.119	-	319.815	3.736	-
	1.651.280	14.163	18.966	1.912.573	23.131	16.797
Derivatives held for hedging:						
Interest rate swaps	42.047	2.543	-	124.037	7.971	47
Cross-currency fixed interest rate swaps	188	-	3	-	-	-
	42.235	2.543	3	124.037	7.971	47

⁽¹⁾ Refers to the aggregate contract amounts of buy and sell legs of the related derivative instruments.

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NOTE 11 - DERIVATIVE INSTRUMENTS (Continued)

Non-finance:

	31 December 2024			31 December 2023		
	Contract amount ⁽¹⁾	Fair values		Contract amount ⁽¹⁾	Fair values	
		Asset	Liability		Asset	Liability
Derivatives held for trading:						
Currency forwards	75.477	237	275	200.357	532	627
Currency swaps	71.290	174	77	32.960	128	51
Cross-currency fixed interest rate swaps	2.448	-	618	1.300	9	782
Commodity futures	8.262	-	15	13.984	14	-
	157.477	411	985	248.601	683	1.460
Derivatives held for hedging:						
Interest rate swaps	4.928	167	19	2.621	190	-
Cross-currency fixed interest rate swaps	13.755	35	-	12.176	-	1.121
Currency forwards	684	-	29	7.107	-	42
Commodity futures	91.728	1.415	2.598	92.078	2.895	160
	111.095	1.617	2.646	113.982	3.085	1.323

⁽¹⁾ Refers to the aggregate contract amounts of buy and sell legs of the related derivative instruments.

NOTE 12 - INVENTORIES

	31 December 2024	31 December 2023
Raw materials and supplies	48.840	46.320
Work in progress	16.941	17.633
Finished goods	50.204	58.760
Merchandise	24.047	21.163
Goods in transit	28.126	24.468
Other inventories	544	527
Less: Provision for impairment	(2.476)	(1.640)
	166.226	167.231

Movement of provision for impairment on inventories is as follows:

	2024	2023
The beginning of the period - 1 January	1.640	2.284
Increase during the period	784	1.035
Business combinations	1.234	-
Reversal of provisions	(806)	(1.445)
Currency translation differences	(376)	(234)
End of the period - 31 December	2.476	1.640

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NOTE 13 - PROPERTY, PLANT AND EQUIPMENT

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
As of 1 January 2024								
Cost	92.279	87.921	306.565	128.478	44.923	27.731	11.655	699.552
Accumulated depreciation	(27.689)	(33.360)	(178.974)	(26.774)	(27.818)	-	(6.662)	(301.277)
Net book value	64.590	54.561	127.591	101.704	17.105	27.731	4.993	398.275
Net book value at the beginning of period	64.590	54.561	127.591	101.704	17.105	27.731	4.993	398.275
Additions	2.752	9.304	7.363	26.403	5.376	24.285	1.347	76.830
Business combinations	5.074	16.458	12.169	374	370	2.934	200	37.579
Disposals	(86)	(3.912)	(381)	(2.360)	(308)	(349)	(82)	(7.478)
Transfers ⁽¹⁾	1.887	4.332	9.459	(10.426)	507	(21.312)	467	(15.086)
Currency translation differences	(947)	(4.999)	(4.651)	(8.757)	(368)	(1.736)	(206)	(21.664)
Changes in the scope of consolidation ⁽²⁾	-	(188)	-	(54)	(110)	(70)	(42)	(464)
Current period depreciation	(1.866)	(7.099)	(13.476)	(13.602)	(5.040)	-	(1.049)	(42.132)
Net book value at the end of the period	71.404	68.457	138.074	93.282	17.532	31.483	5.628	425.860
31 December 2024								
Cost	100.953	100.983	323.283	124.340	47.140	31.483	13.062	741.244
Accumulated depreciation	(29.549)	(32.526)	(185.209)	(31.058)	(29.608)	-	(7.434)	(315.384)
Net book value	71.404	68.457	138.074	93.282	17.532	31.483	5.628	425.860

⁽¹⁾ Includes transfers amounting to TL11.066 million from other non-current assets used in operational lease classified under property, plant and equipment to inventories, transfers amounting to TL2.445 million from property, plant and equipment to other non-current assets and transfers amounting to TL1.575 million from property, plant and equipment to other intangible assets (Note 15).

⁽²⁾ Sendeo has been accounted for using the equity method in the Group's consolidated financial statements following the sale of 50% of its shares to third parties on 28 June 2024.

Net book value of the right-of-use assets classified under property, plant and equipment is TL17.287 million as of 31 December 2024 (31 December 2023: TL14.647 million). For the year ended 31 December 2024, additions to the right-of-use assets amounted to TL7.870 million (31 December 2023: TL8.497 million) and depreciation expenses amounted to TL6.185 million (31 December 2023: TL4.651 million).

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NOTE 13 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land and land improvements	Buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvements	Total
As of 1 January 2023								
Cost	90.790	87.427	306.879	105.701	41.428	17.468	10.377	660.070
Accumulated depreciation	(26.020)	(32.103)	(177.521)	(22.341)	(26.569)	-	(6.467)	(291.021)
Net book value	64.770	55.324	129.358	83.360	14.859	17.468	3.910	369.049
Net book value at the beginning of the period	64.770	55.324	129.358	83.360	14.859	17.468	3.910	369.049
Additions	1.812	9.653	8.215	39.288	6.185	14.932	1.974	82.059
Business combinations	186	59	1.620	32	16	-	-	1.913
Disposals	(13)	(3.569)	(449)	(1.750)	(690)	(40)	(250)	(6.761)
Transfers ⁽¹⁾	(111)	(100)	1.177	(9.412)	465	(4.253)	110	(12.124)
Currency translation differences	(222)	(980)	(1.126)	(71)	(19)	(376)	13	(2.781)
Current period depreciation	(1.832)	(5.826)	(11.204)	(9.743)	(3.711)	-	(764)	(33.080)
Net book value at the end of the period	64.590	54.561	127.591	101.704	17.105	27.731	4.993	398.275
31 December 2023								
Cost	92.279	87.921	306.565	128.478	44.923	27.731	11.655	699.552
Accumulated depreciation	(27.689)	(33.360)	(178.974)	(26.774)	(27.818)	-	(6.662)	(301.277)
Net book value	64.590	54.561	127.591	101.704	17.105	27.731	4.993	398.275

⁽¹⁾ Includes transfers amounting to TL9.656 million from other non-current assets used in operational lease classified under property, plant and equipment to inventories, transfers amounting to TL328 million from property, plant and equipment to other intangible assets and transfers amounting to TL2.140 million to assets classified as held for sale (Note 15).

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NOTE 14 - GOODWILL

	2024	2023
Net book value at the beginning of the period - 1 January	70.022	70.356
Business combinations	1.639	576
Currency translation differences	(2.001)	(910)
Net book value at the end of the period - 31 December	69.660	70.022

The breakdown of the goodwill is as follows:

	31 December 2024	31 December 2023
Tüpraş	59.451	59.451
Hitachi	4.800	5.792
Defy Group	1.528	1.874
Singer Bangladesh	1.119	1.471
Dawlance Group	654	788
Other	2.108	646
	69.660	70.022

Goodwill impairment tests:

As indicated in Note 2.4.18, goodwill allocated to cash-generating units is tested for impairment annually or more frequently when there is an indication of impairment. The recoverable amount of a cash generating unit is determined by calculating the value in use or fair value less costs to sell.

As specified below in details, no impairment has been identified as of 31 December 2024 as a result of the impairment tests realised on the basis of cash generating units.

a) Tüpraş

The recoverable amount of the cash generating unit has been determined using discounted cash flow analyses based on fair value less costs to sell calculations. These fair value calculations include shareholders cash flow projections denominated in USD and are based on the financial plans approved by Tüpraş management covering fourteen years period. The Group considers that, the analysis covering a period longer than five years is more appropriate to evaluate operating results and prospective assumptions in the sector and therefore impairment test is based on longer term plans. The cash flows for the periods beyond fourteen years are extrapolated using the long term growth rate of 2%. The discount rate (cost of equity) used to discount the related cash flows is 9,8%.

b) Hitachi

The recoverable amount of the goodwill has been determined based on value in use calculations. Value in use is determined by discounting the expected future cash flows to be generated by the cash generating unit. Goodwill impairment test is based on the projections denominated in USD, approved by Arçelik management covering five years period between 1 January 2025 and 31 December 2029. Cash flows for further periods were extrapolated using a constant growth rate of 1% (2023: 1%) which does not exceed the estimated average growth rate of economy of the country. Weighted average cost of capital rate of 11% (2023: 13,4%) is used as after-tax discount rate in order to calculate the recoverable amount of the unit.

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NOTE 14 - GOODWILL (Continued)

c) Defy Group

The recoverable amount of the goodwill has been determined based on value in use calculations. Value in use is determined by discounting the expected future cash flows to be generated by the cash generating unit. Goodwill impairment test is based on the projections denominated in South African Rand, approved by Arçelik management covering five years period between 1 January 2025 and 31 December 2029. Cash flows for further periods were extrapolated using a constant growth rate of 6,5% (2023: 7,2%) which does not exceed the estimated average growth rate of economy of the country. Weighted average cost of capital rate of 13,9% (2023: 15,6%) is used as after tax discount rate in order to calculate the recoverable amount of the unit.

d) Singer Bangladesh

In order to test for the impairment of the goodwill generated during the acquisition of Singer Bangladesh, the listed subsidiary of Arçelik, the market value of the Company has been used which was calculated over the share price at Bangladesh Stock Exchange as of 31 December 2024.

e) Dawlance

The recoverable amount of the goodwill has been determined based on value in use calculations. Value in use is determined by discounting the expected future cash flows to be generated by the cash generating unit. Goodwill impairment test is based on the projections in Pakistan Rupee currency, approved by Arçelik management covering five years period between 1 January 2025 and 31 December 2029. Cash flows for further periods were extrapolated using a constant growth rate of 4,5% (2023: 4,5%) which does not exceed the estimated average growth rate of economy of the country. Weighted average cost of capital rate of 14,9% (2023: 18,28%) is used as after tax discount rate in order to calculate the recoverable amount of the unit.

Sensitivity analysis:

For each cash-generating unit, sensitivity scenarios have been analysed in which the key assumptions used in the impairment tests show a 1% negative deviation compared to the baseline scenario or a 20% negative deviation in terms of market value. As of 31 December 2024, the deviations of the recoverable amount compared to the carrying amount including goodwill in the related sensitivity analysis are summarised in the table below:

	Tüpraş	Hitachi	Defy Group	Singer Bangladesh	Dawlance Group
Base scenario	3,7%	78,4%	18,2%	24,9%	47,7%
Sensitivity analysis:					
Long-term growth rate: 1% decrease	-2,5%	30,5%	4,5%	-	37,8%
Discount rate: 1% increase	-3,0%	31,7%	2,7%	-	57,1%
20% decrease in market value	-	-	-	16,2%	-

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NOTE 15 - OTHER INTANGIBLE ASSETS

	Rights	Brand	Deposit base	Development costs	Customer relations	Other	Total
1 January 2024							
Cost	28.357	19.797	8.730	41.250	9.861	17.529	125.524
Accumulated amortisation	(17.724)	-	(4.882)	(24.871)	(2.718)	(5.878)	(56.073)
Net book value	10.633	19.797	3.848	16.379	7.143	11.651	69.451
Additions	1.666	-	-	6.822	-	4.404	12.892
Business combinations	4.461	4.086	-	14	396	4.499	13.456
Disposals	(17)	-	-	(1)	-	(99)	(117)
Transfers ⁽¹⁾	1.425	-	-	718	-	(568)	1.575
Changes in the scope of consolidation ⁽²⁾	(174)	-	-	-	-	-	(174)
Currency translation differences	(735)	(2.105)	-	(198)	(1.271)	(190)	(4.499)
Current period amortisation	(2.542)	-	(1.246)	(3.309)	(818)	(2.156)	(10.071)
Net book value at the end of the period	14.717	21.778	2.602	20.425	5.450	17.541	82.513

31 December 2024							
Cost	31.776	21.778	8.730	48.507	8.442	24.704	143.937
Accumulated amortisation	(17.059)	-	(6.128)	(28.082)	(2.992)	(7.163)	(61.424)
Net book value	14.717	21.778	2.602	20.425	5.450	17.541	82.513

⁽¹⁾ Includes transfers from property, plant and equipment.

⁽²⁾ Sendeo has been accounted for using the equity method in the Group's consolidated financial statements following the sale of 50% of its shares to third parties on 28 June 2024.

	Rights	Brand	Deposit base	Development costs	Customer relations	Other	Total
1 January 2023							
Cost	26.680	20.398	8.731	34.700	9.776	15.854	116.139
Accumulated amortisation	(16.565)	-	(3.637)	(21.754)	(2.017)	(5.160)	(49.133)
Net book value	10.115	20.398	5.094	12.946	7.759	10.694	67.006
Additions	1.916	-	-	5.739	-	1.956	9.611
Business combinations	3	-	-	-	944	1.884	2.831
Disposals	(3)	-	-	(710)	-	(69)	(782)
Transfers ⁽¹⁾	49	-	-	1.333	-	(1.159)	223
Currency translation differences	(62)	(601)	-	74	(646)	(276)	(1.511)
Current period amortisation	(1.385)	-	(1.246)	(3.003)	(914)	(1.379)	(7.927)
Net book value at the end of the period	10.633	19.797	3.848	16.379	7.143	11.651	69.451
31 December 2023							
Cost	28.357	19.797	8.730	41.250	9.861	17.529	125.524
Accumulated amortisation	(17.724)	-	(4.882)	(24.871)	(2.718)	(5.878)	(56.073)
Net book value	10.633	19.797	3.848	16.379	7.143	11.651	69.451

⁽¹⁾ Include transfers amounting to TL328 million from property, plant and equipment to other intangible assets (Note 13) and transfers amounting to TL105 million from other intangible assets to assets classified as held for sale.

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NOTE 15 - OTHER INTANGIBLE ASSETS (Continued)

Total research and development expenditures incurred in 2024 excluding amortisation amounts to TL10.629 million (2023: TL7.580 million).

As of 31 December 2024, net book value of intangible assets with indefinite useful lives amounted to TL21.778 million (2023: TL19.797 million) and consists of brands. The useful lives of the related brands are assessed as indefinite, since there is no foreseeable limit to the period over which they are expected to generate net cash inflows for the Group.

The breakdown of the Group's brands is as follows:

	31 December 2024	31 December 2023
Yapı Kredi Bankası	12.106	12.106
Arçelik		
Grundig	3.162	4.058
Defy	1.959	2.330
Hotpoint	1.619	-
Indesit	903	-
Dawlançe	896	1.038
Bauknecht	847	-
Other	286	265
	21.778	19.797

Brand impairment test

Yapı Kredi Bankası brand

As of 31 December 2024, Yapı Kredi Bankası brand has been tested for impairment using the royalty relief method. Revenue forecasts, considered in the determination of the brand value, are based on the financial plans approved by the management covering a five year period. Beyond the five year period, revenue forecasts have been extrapolated by 8% expected growth rate. The royalty income was estimated by applying 1% royalty rate to these revenue forecasts. Estimated royalty income determined with the aforementioned method has been discounted by using 19% discount rate after tax. Value in use of the brand was calculated 6% above its carrying value and no impairment has been identified.

According to the sensitivity scenario in which 1% higher after-tax discount rate is used in the value in use calculation, value in use of the brands is calculated 2% lower than their carrying amounts.

Arçelik brands

As of 31 December 2024, Arçelik brands have been tested for impairment using the royalty relief method. Sales forecasts, considered in the determination of the brand value, are based on the financial plans approved by the management covering a five year period. Beyond the five year period, sales forecasts have been extrapolated by 3% to 6,5% expected growth rates. The royalty income was estimated by applying 2% to 3% royalty rates to these sales forecasts. Estimated royalty income determined with the aforementioned method has been discounted using 8,3% to 14,9% discount rates after-tax.

Value in use of the brands has been calculated as 7,1 times of their carrying values and no impairment has been identified. According to the sensitivity scenario in which 1% higher after tax discount rate is used in the value in use calculation, value in use of the brands is calculated as 6 times of their carrying amounts.

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NOTE 16 - BORROWINGS

	31 December 2024			31 December 2023		
	Finance	Non-Finance	Total	Finance	Non-Finance	Total
Short-term borrowings ⁽¹⁾ :						
Bank borrowings	283.899	86.736	370.635	213.008	124.340	337.348
Debt securities in issue	110.485	39.533	150.018	140.727	36.514	177.241
Factoring payables	-	1.467	1.467	-	4.456	4.456
Lease liabilities	1.347	2.870	4.217	1.127	1.657	2.784
	395.731	130.606	526.337	354.862	166.967	521.829
Long-term borrowings:						
Bank borrowings	35.420	80.002	115.422	54.864	60.136	115.000
Debt securities in issue	182.563	43.193	225.756	150.080	82.766	232.846
Lease liabilities	4.065	7.744	11.809	3.784	5.554	9.338
	222.048	130.939	352.987	208.728	148.456	357.184
Total borrowings	617.779	261.545	879.324	563.590	315.423	879.013

⁽¹⁾ Includes short-term portion of long-term borrowings.

Group companies operating in Non-Finance sectors have borrowings amounting to TL4.356 million obtained from Yapı Kredi Bankası and eliminated during the preparation of consolidated financial statements as of 31 December 2024 (31 December 2023: TL6.957 million).

Major borrowings in 2024:

Finance:

Yapı Kredi Bankası, a Subsidiary of the Group, issued a Basel III compliant subordinated note with an amount of USD650 million, 10 year maturity and an early payment option at the end of the 5th year on 17 January 2024. The note has 9,25% coupon rate and if the notes are not redeemed at the fifth year, the coupon will be reset as 5 year USD Treasury + 5,278% for the remaining 5 years.

Yapı Kredi Bankası issued a Basel III-compliant demand deposit and issuance facility amounting to USD500 million on 4 April 2024. 5 years from 4 April 2029 to 4 July 2029, corresponding to the first early redemption option, and if the bond is not called during this period, an additional tier 1 convertible bond with an early redemption option on coupon payment dates every six months thereafter. The coupon interest rate of the bond is 9,743% for the first 5 years and if not redeemed in the fifth year, the coupon rate will be 5 year US Treasury + 5,499% for the remaining periods.

Yapı Kredi Bankası issued USD500 million bond with a maturity of 5 years and 1 month on 10 September 2024. The coupon interest rate of the bond was set at 7,125%.

Koç Finansman, a Subsidiary of the Group, completed the issuance of bonds with a nominal value of TL2.150 million, maturity between 12 and 13 months and annual interest rates between 47,50% - 49,00%, with TL1.500 million of principal and coupon payments at maturity and TL650 million of coupon payments every 6 months and principal payments at maturity in 2024.

Non-Finance:

Arçelik, a Subsidiary of the Group, completed the bond issue, quoted on Borsa İstanbul, with a nominal value of TL2.000 million and fixed interest coupon payments every 3 months on 23 January 2024. The maturity of the bond is 21 January 2025 and the coupon rate is 44%.

Arçelik, completed the bond issue, quoted on Borsa İstanbul, with a nominal value of TL2.000 million, fixed interest coupon payments every 3 months on 16 February 2024. The maturity of the bonds is 14 February 2025 and the coupon rate is 47%.

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NOTE 16 - BORROWINGS (Continued)

Arçelik, completed the bond issue, quoted on Borsa İstanbul, with a nominal value of TL1.875,5 million, fixed interest coupon payments every 3 months on 8 April 2024. The maturity of the bond is 6 April 2026 and the coupon rate is 46,5%.

Otokoç, a Subsidiary of the Group, completed the bond issue with a nominal value of TL2.300 million, 726 days maturity, coupon payment every 3 months and repayment of principal and coupon at maturity and the coupon rate of 48% on 25 April 2024.

Tüpraş, a Subsidiary of the Group, completed the bond issue with a nominal value of TL4.000 million, 727 days maturity, coupon payment every 3 months and repayment of principal and coupon at maturity and 100 bps additional yields on TLREF reference rate on 23 July 2024.

Tüpraş, completed the bond issue with a nominal value of TL2.800 million, 730 days maturity, coupon payment every 3 months and repayment of principal and coupon at maturity and 100 bps additional yields on TLREF on 12 August 2024.

Major borrowings before 2024:

Finance:

In September and October 2023, Yapı Kredi Bankası funded USD889,4 million and EUR100 million under the DPR program with a maturity of 5 to 8 years with the participation of 8 investors.

Yapı Kredi Bankası issued a USD500 million sustainable bond with a maturity of 5 years and 1 month on 13 September 2023. The coupon interest rate of the bond was set at 9,25%. On 27 November 2023, an additional USD300 million was issued, bringing the total amount of the bond to USD800 million. The yield rate of the additional issuance was realised as 8,75%.

Yapı Kredi Bankası issued a Basel III compliant subordinated note with an amount of USD500 million, 10 year maturity and an early payment option at the end of the 5th year on 22 January 2021. The note has 7,875% coupon rate and if the notes are not redeemed at the fifth year, the coupon will be reset as 5 year USD Treasury + 7,415% for the remaining 5 years.

Koç Finansman completed the issuance of bonds with a total nominal value of TL1.915 million, with maturities between 18 and 24 months and interest rates between 40,00% and 49,00% per annum, of which TL500 million is principal and coupon payment at maturity and TL1.415 million is coupon payment every 6 months and principal payment at maturity in 2023.

Non-Finance:

Arçelik issued bond with a nominal value of USD400 million on 25 September 2023 and USD100 million on 17 November 2023, both quoted on the Euronext Dublin Stock Exchange with semi-annually interest payment. The maturity of the bond is 25 September 2028 and the coupon rate is 8,5%.

Arçelik obtained the green loan amounting to EUR150 million from European Bank for Reconstruction and Development with maturity of 8 years and interest rate of 2,35% to be used in energy and resource efficiency investments and R&D infrastructure in production facilities in Turkey in November 2021.

Arçelik completed the green bond issue, quoted on the Irish Stock Exchange, with a nominal value of EUR350 million, maturity of 5 years, coupon payments in each year, principal and coupon payments at the end of maturity and annual interest rate of 3% on 25 May 2021.

Koç Holding completed the bond issue, quoted on the Irish Stock Exchange, with a nominal value of USD750 million, maturity of 6 years, coupon payments in every 6 months, principal and coupon payments at the end of maturity and an annual interest rate of 6,625% on 11 March 2019.

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NOTE 16 - BORROWINGS (Continued)

Otokar completed the bonds issue with a nominal value of TL1.500 million, 740 and 752 days maturity, coupon payments in every 6 months, principal and coupon payments at the end of maturity and annual interest rate between 33% - 47% in 2023.

Otokoç completed the bond issue with a nominal value of TL1.000 million, 733 days maturity, coupon payments in every 3 months, principal and coupon payments at the end of maturity and annual interest rate of 39,50% on 28 July 2023.

Tüpraş completed the bond issue, quoted on the London Stock Exchange, with a nominal value of USD700 million, maturity of 7 years, coupon payments in every 6 months, principal and coupon payments at the end of maturity and an annual interest rate of 4,5%. The final coupon payment and redemption transactions were completed on 18 October 2024.

The redemption schedule of long-term financial liabilities is as follows:

	31 December 2024	31 December 2023
1-2 years	63.936	107.760
2-3 years	49.487	34.452
3-4 years	77.185	39.281
4-5 years	72.037	86.626
5 years and over	90.342	89.065
	352.987	357.184

Movement of the financial liabilities as of 31 December 2024 and 2023 is as follows:

	2024	2023
Beginning of the period - 1 January	879.013	900.561
Additions	564.846	501.430
Repayments of borrowings	(471.493)	(471.475)
New lease contracts/impact of lease modifications	7.899	8.583
Cash outflows from payments of lease liabilities	(7.779)	(6.070)
Change in exchange rates	183.098	328.449
Change in interest accruals	12.777	8.621
Currency translation differences	(23.751)	(13.322)
Business combinations	8.070	863
Transfers to liabilities related to asset held for sale	-	(4.321)
Consolidation eliminations and adjustments	14.572	(7.419)
Monetary gain/(loss)	(287.928)	(366.887)
End of the period - 31 December	879.324	879.013

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NOTE 17 - PAYABLES OF FINANCE SECTOR OPERATIONS

	31 December 2024	31 December 2023
Short-term payables to finance sector operations	1.528.303	1.625.666
Long-term payables to finance sector operations	13.298	14.608
	1.541.601	1.640.274

Breakdown of payables to finance sector operations is as follows:

	31 December 2024			31 December 2023		
	Demand	Time	Total	Demand	Time	Total
TL deposits						
Saving deposits	144.470	387.230	531.700	103.248	473.064	576.312
Commercial deposits	54.705	158.531	213.236	77.677	196.537	274.214
Interbank deposits	701	25.270	25.971	977	30.656	31.633
Funds deposited under repurchase agreements	-	177.086	177.086	-	15.577	15.577
Public sector deposits	16.707	1.365	18.072	8.440	4.701	13.141
	216.583	749.482	966.065	190.342	720.535	910.877
Foreign currency deposits						
Saving deposits	254.135	91.848	345.983	303.427	117.663	421.090
Commercial deposits	124.986	87.540	212.526	159.275	80.080	239.355
Interbank deposits	583	13	596	671	14.643	15.314
Funds deposited under repurchase agreements	-	16.431	16.431	-	53.638	53.638
	379.704	195.832	575.536	463.373	266.024	729.397
	596.287	945.314	1.541.601	653.715	986.559	1.640.274

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NOTE 18 - TAX ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Current income tax liabilities	14.242	35.319
Less: Prepaid income tax	(10.674)	(24.817)
Current income tax liabilities (net)	3.568	10.502
Deferred tax assets	30.398	29.315
Deferred tax liabilities	(24.195)	(21.915)
Deferred tax assets/(liabilities) (net)	6.203	7.400
Turkish tax legislation does not permit a parent company to file a consolidated tax return. Therefore, tax liabilities, as reflected in consolidated financial statements, have been calculated on a separate-entity basis.		
The corporation tax rate is 25% in Turkey in 2024 (30% for Finance sector) (2023: 25%, 30% for Finance sector). Corporation tax is payable on the total income of the company after adjusting for certain disallowable expenses, income not subject to tax and allowances.		
Income tax expenses in the consolidated income statements are summarised as follows:		
	2024	2023
Current period tax expense	(14.242)	(45.179)
Deferred tax expense (net)	(17.758)	(5.299)
	(32.000)	(50.478)
Profit before tax	26.712	228.893
Less: Share of profit/loss of Joint Ventures	(20.615)	(44.353)
Profit before tax (excluding share of profit/(loss) of Joint Ventures)	6.097	184.540
Domestic tax rate	25%	25%
Tax calculated at domestic tax rate	(1.524)	(46.135)
Investment tax credits	1.856	18.612
Tax allowances/exemptions	3.683	5.621
Additions	(3.955)	(3.566)
Tax rate differences/changes	(157)	(5.495)
Tax losses and other tax advantages (net effect)	2.182	860
Temporary differences which no deferred tax recognised	(32.714)	(35.643)
Monetary gain/(loss) ⁽¹⁾	1.393	19.676
Other	(2.764)	(4.408)
Tax expense	(32.000)	(50.478)

⁽¹⁾ Includes the effect of adjustments related to inflation accounting within the scope of the communiqué numbered 32415 of the Tax Procedure Law dated 30 December 2023.

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NOTE 18 - TAX ASSETS AND LIABILITIES (Continued)

Deferred tax assets/(liabilities):

Koç Holding, its Subsidiaries and Joint Ventures, recognise deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with TFRS and the Turkish tax legislations.

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

	Cumulative temporary differences		Deferred tax assets/(liabilities)	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Property, plant and equipment and intangible assets	125.420	119.552	(32.020)	(31.052)
Investment incentives ⁽¹⁾	-	-	15.728	14.656
Deductible tax losses and other tax advantages	-	-	17.506	2.827
Impairment provision for loans and receivables	(21.765)	(34.313)	6.479	10.245
Inventories	(13.178)	(17.842)	3.495	4.765
Provision for the pension fund obligations	(12.991)	(14.478)	3.897	4.343
Provision for employment termination benefits	(9.171)	(14.198)	2.377	3.510
Warranty and assembly provisions	(6.898)	(10.353)	1.688	2.543
Other (net)	51.913	17.567	(12.947)	(4.437)
Deferred tax assets/(liabilities) (net)			6.203	7.400

⁽¹⁾ Tüpraş, a Subsidiary of the Group, was granted a large-scaled investment incentive for the Residuüm Upgrade Project (RUP), in the first quarter of 2011, within the scope of the decree of the Council of Ministers dated 14 July 2009 and numbered 2009/15199. In accordance with the related legislation, Tüpraş can deduct 30% of its capital expenditures related with RUP, with a rate of 50% from tax base in accordance with the legislation provisions, at the time investment is completed and the revenue is started to be recognised. As of 7 October 2013, RUP was granted Strategic Investment Incentive by Incentive Implementation and Foreign Investment Department of Ministry of Economy of Republic of Turkey that would be applicable after 19 October 2012. Within the scope of the Strategic Investment, Tüpraş can deduct 50% of its capital expenditures related with RUP, with a rate of 90% from tax base in accordance with the legislation provisions. The Company indexed the unused investment incentives within the scope of both incentive certificates with a valuation rate of 43,93%. In accordance with the related investment incentives, tax credits of TL10.172 million as of 31 December 2024 (31 December 2023: TL11.010 million) that Tüpraş will benefit in the foreseeable future have been recognised as deferred tax asset in the consolidated financial statements.

Gains of Arçelik, arising from investments under incentive certificate are subject to corporate income tax at reduced rates being effective from the financial year which the investment starts to be operated partially or entirely till the period that the investment reaches to the contribution amount. In accordance with the related investment incentives, tax credits of TL5.556 million as of 31 December 2024 (31 December 2023: TL3.646 million) that Arçelik will benefit in the foreseeable future have been recognised as deferred tax asset in the consolidated financial statements.

Net deferred tax assets and liabilities recognised in the Subsidiaries' financial statements prepared in accordance with TFRS, are separately classified under deferred tax assets and liabilities accounts in Koç Holding's consolidated balance sheet. Temporary differences and deferred tax assets and liabilities presented above, which are prepared on the basis of gross amounts, present the net deferred tax position.

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NOTE 18 - TAX ASSETS AND LIABILITIES (Continued)

Tax Advantages Obtained Under the Investment Incentive System:

Earnings of the Group that are derived from investments linked to an investment incentive certificate are subject to corporate tax at discounted rates for a certain period, which initiates when the investment starts to operate and ends when the maximum investment contribution amount is reached partly or fully. Within this scope, tax credits of TL15.728 million (31 December 2023: TL14.656 million) have been recognised as deferred tax asset in the consolidated financial statements as of 31 December 2024, which are expected to be recovered in the foreseeable future. TL1.072 million of deferred tax income is recognised in the consolidated income statement for the period 1 January - 31 December 2024 following the accounting of the mentioned deferred tax assets.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences, carry forward tax losses and indefinite-life investment incentives, which allows payment of corporate tax at discounted rates, as long as it is probable that sufficient taxable income will be generated in the future. In this context, the Group recognises deferred tax assets from investment incentives based on long-term plans, including taxable profit projections derived from business models, which are re-evaluated at each balance sheet date to assess recoverability of such deferred tax assets. The Group expects to recover related deferred tax assets within 5 years from the balance sheet date.

According to the sensitivity analysis performed as of 31 December 2024, when the inputs of key macroeconomic and sectoral assumptions that form the business plans are increased/decreased by 10%, there is no change in the projected 5 year recovery period of deferred tax assets related to the investment incentives.

The redemption schedule of carry forward tax losses which are not considered in deferred tax calculation is as follows:

	31 December 2024	31 December 2023
Up to 1 year	1.226	1.211
Up to 2 years	371	387
Up to 3 years	399	1.424
Up to 4 years	1.298	1.263
5 years and above	61.054	3.838
	64.348	8.123

Movements in deferred tax assets/(liabilities) are as follows:

	2024	2023
Beginning of the period - 1 January	7.400	(2.945)
Charge to the income statement	(17.758)	(5.299)
Charge to equity:		
- Gains/(losses) on financial assets measured at fair value through other comprehensive income	5.238	6.520
- Gains/(losses) on cash flow hedges	1.219	629
- Gains/(losses) on hedges of net investments in foreign operation	996	2.620
- Gains/(losses) on remeasurements of defined benefit plans	1.380	2.973
Business combinations	9.656	(1.175)
Changes in the scope of consolidation ⁽¹⁾	71	-
Currency translation differences	(1.999)	4.077
End of the period - 31 December	6.203	7.400

⁽¹⁾ Sendeo has been accounted for using the equity method in the Group's consolidated financial statements following the sale of 50% of its shares to third parties on 28 June 2024.

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NOTE 19 - PROVISIONS FOR EMPLOYEE BENEFITS

	31 December 2024	31 December 2023
Provision for the pension fund	12.991	14.478
Provision for employment termination benefits	9.348	14.134
Provision for retirement obligations ⁽¹⁾	3.948	-
Provision for unused vacations	2.826	2.389
	29.113	31.001
Provision for employment termination benefits:		
- Domestic	7.658	12.139
- Foreign	1.690	1.995
	9.348	14.134

⁽¹⁾ Related to the acquisition of Whirlpool EMEA by Arçelik, a Subsidiary of the Group (Note 3).

Under Turkish Labour Law, Koç Holding and its Turkish Subsidiaries and Joint Ventures are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men).

As of 31 December 2024, the amount payable consists of one month's salary limited to a maximum of TL41.828,42 (31 December 2023: TL23.489,83) for each year of service.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of Koç Holding and its Subsidiaries registered in Turkey arising from the retirement of employees.

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TL46.655,43 effective from 1 January 2025 (1 January 2024: TL35.058,58) has been taken into consideration in calculating the consolidated reserve for employment.

TFRS require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions have been used in the calculation of the total liability. Related rates have been presented by considering the weighted average of actuarial assumptions of the Subsidiaries within the scope of consolidation.

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NOTE 19 - PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

	31 December 2024	31 December 2023
Net discount rate (%)	3,38	2,90
Turnover rate to estimate the probability of retirement (%)	91,16	93,83
Movements in the provision for employment termination benefits are as follows:		
Beginning of the period - 1 January	14.134	18.067
Increases during the period	1.752	3.471
Losses on remeasurement of defined benefit plans	2.136	3.105
Payments during the period	(5.572)	(4.305)
Interest expense	745	511
Currency translation differences	(392)	14
Business combinations	99	13
Monetary (gain)/loss	(3.554)	(6.742)
End of the period - 31 December	9.348	14.134

Provision for the pension fund:

Yapı Kredi Bankası, a Subsidiary of the Group, accounted for a provision amounting to TL12.991 million (31 December 2023: TL14.478 million) as of 31 December 2024 for the technical deficit based on the report prepared by a registered actuary in accordance with the technical interest rate of 9,8% determined by the New Law and CSO 1980 mortality table (Note 2.4.22). The following disclosures reflect the actuarial parameters and results in accordance with the New Law.

	31 December 2024	31 December 2023
Present value of funded obligation of pension benefits and post-employment medical benefits transferable to SSI	24.385	26.161
Fair value of plan assets	(11.394)	(11.683)
	12.991	14.478

The movement for the provision of pension fund is as follows:

	2024	2023
Beginning of the period - 1 January	14.478	7.007
Charge to equity	2.798	10.148
Contributions paid	(3.447)	(2.626)
Charge to the income statements	3.612	2.704
Monetary (gain)/loss	(4.450)	(2.755)
End of the period - 31 December	12.991	14.478

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NOTE 19 - PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

The fair value of pension assets are comprised as follows:

	31 December 2024	%	31 December 2023	%
Government bonds and treasury bills	4.715	41,0	5.295	45,0
Bank placements	3.107	27,0	3.339	29,0
Property, plant and equipment	2.487	22,0	2.286	20,0
Other	1.085	10,0	763	6,0
	11.394	100	11.683	100

The main actuarial assumptions used are as follows:

	31 December 2024	31 December 2023
Discount rates (%):		
- Pension benefits transferable to SSI	9,80	9,80
- Post-employment medical benefits transferable to SSI	9,80	9,80

The average life expectancy of a pensioner is defined according to CSO 1980 mortality table.

The sensitivity analysis of provision for the pension fund is as follows:

% change in defined benefit obligation	%
Discount rate +1%	(11,84)
Discount rate -1%	14,70
Price inflation +1%	14,95
Price inflation -1%	(12,17)

NOTE 20 - PROVISIONS

a) Short-term provisions	31 December 2024	31 December 2023
Provisions for warranty and assembly	6.997	6.387
Provisions for lawsuits and penalties	3.485	371
Provisions for demurrage	1.668	1.276
Provisions for transportation	1.472	1.635
Expense accruals of construction contracts	1.118	1.184
Provision for price revision	683	825
Other	3.899	4.081
	19.322	15.759
b) Other long-term provisions	31 December 2024	31 December 2023
Provisions for warranty	2.590	1.618
Provisions for non-cash loans	1.553	4.757
Provisions for lawsuits and penalties	455	509
Provisions for credit card points	258	282
Other	239	184
	5.095	7.350

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NOTE 20 - PROVISIONS (Continued)

The movements of provision for non-cash loans, provisions for warranty and assembly, expense accruals of construction contracts and provision for lawsuits for the years ended 31 December 2024 and 2023 are as follows:

	Provision warranty and assembly	Provision for lawsuits	Provision for non-cash loans
As of 1 January 2024	8.005	880	4.757
Additions	17.948	479	220
Business combinations	3.227	4.515	-
Payments	(887)	(121)	(1.963)
Reversals	(15.859)	(927)	-
Currency translation differences	(1.328)	(656)	-
Monetary (gain)/loss	(1.519)	(230)	(1.461)
As of 31 December 2024	9.587	3.940	1.553

	Provision warranty and assembly	Provision for lawsuits	Provision for non-cash loans
As of 1 January 2023	7.742	1.673	5.291
Additions	15.197	283	1.978
Business combinations	176	-	-
Payments	(12.899)	(72)	-
Reversals	-	(478)	-
Currency translation differences	(126)	105	(3)
Monetary (gain)/loss	(2.085)	(631)	(2.509)
As of 31 December 2023	8.005	880	4.757

NOTE 21 - OTHER RECEIVABLES AND PAYABLES

a) Other receivables	31 December 2024	31 December 2023
VAT and SCT receivables	13.578	27.081
Taxes and funds deductible	5.711	4.580
	19.289	31.661
b) Other short-term payables		
Taxes and duties payable	37.984	40.512
Social security premiums payable	12.962	3.088
Other	49	59
	50.995	43.659

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NOTE 22 - OTHER ASSETS AND LIABILITIES

a) Other current assets	31 December 2024	31 December 2023
Prepaid expenses	112.817	103.114
Pledged assets ⁽¹⁾	43.076	44.368
Interbank cheque clearing accounts	23.327	18.526
Short-term assets used in operational lease	15.411	20.011
Advances given	8.403	10.293
Income accruals	7.470	5.202
Gold reserves	4.397	3.170
Assets received for commitments of loans and receivables	859	4.762
Other	6.279	4.441
	222.039	213.887

⁽¹⁾ Includes collaterals given by Yapı Kredi Bankası to the counter parties of derivative transactions.

The movement of short-term assets used in operational lease is as follows:

	2024	2023
Beginning of the period - 1 January	20.011	18.429
Additions	16.072	15.654
Transfers ⁽¹⁾	(14.420)	(10.889)
Current period depreciation	(5.986)	(3.179)
Currency translation differences	(266)	(4)
End of the period - 31 December	15.411	20.011

⁽¹⁾ Represents the net amount of transfers from other non-current assets used in operational lease classified under property, plant and equipment and transfers to inventories.

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NOTE 22 - OTHER ASSETS AND LIABILITIES (Continued)

b) Other non-current assets	31 December 2024	31 December 2023
Spare parts and other materials	16.745	14.374
Advances given	12.794	7.682
Prepaid expenses	916	1.014
Other	2.754	497
	33.209	23.567
c) Other current liabilities		
Credit card payables	97.291	88.871
Interbank clearing accounts	23.152	14.693
Accruals for sales and incentive bonus	17.636	15.531
Advances received	14.502	7.728
Revenue share ⁽¹⁾	8.063	7.013
Payables to personnel and premium accruals	7.914	10.772
Miscellaneous payables to bank customers	6.647	7.361
Deferred income	5.314	4.411
Deposits and guarantees received	5.190	11.628
Import deposits and transfer orders	1.519	5.658
Saving deposit insurance fund payable	852	817
Accruals for rent and advertising expenses	737	1.147
Other	21.063	19.707
	209.880	195.337
d) Other non-current liabilities	31 December 2024	31 December 2023
Deferred income	7.288	7.487
Liabilities related to the business combinations ⁽¹⁾	3.456	5.581
Other	2.474	1.263
	13.218	14.331

⁽¹⁾ In accordance with the Petroleum Market License Regulation and Liquefied Petroleum Gas ("LPG") Market Regulation, revenue shares collected by Tüpraş, but not recognised in the statement of comprehensive income, have been recorded as revenue share within "Other current liabilities" and blocked in banks as overnight deposits according to the decision of National Petroleum Reserves Commission. Deposits related to the revenue share are classified as time deposits under "Cash and cash equivalents" (Note 5).

⁽¹⁾ The contingent consideration amount of IHP Appliances JSC and IHP Appliances Sales LLC, whose acquisition transactions was completed on 31 August 2022, is recognised at fair value in the consolidated financial statements as of 31 December 2024. The contingent consideration amount is calculated by discounting the cash flows expected to be generated from the acquired companies to the present value. In calculating the net present value of future cash flows, the growth expectation in earnings before interest, taxes, depreciation and amortisation and discount rate estimates are taken into consideration.

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NOTE 23 - EQUITY

Share Capital

Koç Holding adopted the registered share capital system and its registered and issued share capital is as follows:

31 December 2024

Limit on registered share capital (historical)	5.000
Issued share capital in nominal value	2.536

Companies in Turkey may exceed the limit on registered share capital in the event of the issuance of free capital shares to existing shareholders.

The shareholding structure of Koç Holding with the historical values is as follows:

	31 December 2024		31 December 2023	
	Share %	Amount	Share %	Amount
Family Danışmanlık Gayrimenkul ve Ticaret A.Ş.	43,75	1.109	43,75	1.109
Koç Ailesi Üyeleri ^(1, 2)	18,33	465	18,65	473
Rahmi M. Koç ve Mahdumları Maden, İnşaat, Turizm, Ulaştırma, Yatırım ve Ticaret A.Ş.	1,40	35	1,40	35
Total Koç Family members and companies owned by Koç Family members	63,48	1.609	63,80	1.617
Vehbi Koç Vakfı	7,26	184	7,26	184
Koç Holding Emekli ve Yardım Sandığı Vakfı	2,35	60	2,35	60
Treasury shares ⁽³⁾	0,04	1	0,04	1
Other	26,88	681	26,55	673
Paid-in share capital	100,00	2.536	100,00	2.536
Adjustment to share capital ⁽⁴⁾		68.921		68.921
Total share capital		71.457		71.457

⁽¹⁾ Koç Family Members: M.Rahmi Koç, Semahat S. Arsel, M.Ömer Koç, Y. Ali Koç, İpek Kırarç, Caroline N. Koç, Esra Ç. Koç and Aylin E. Koç.

⁽²⁾ The transfer of shares constituting 0,32% of Koç Holding' capital to non-controlling shareholders has been completed.

⁽³⁾ Represents the shares that have been repurchased and publicly traded as of 31 December 2024.

⁽⁴⁾ Adjustment to share capital includes the restatement effect of cash and cash equivalent contributions to share capital measured in accordance with TAS 29 and fair value differences of share issues within the context of acquisitions and mergers.

The analysis of shares by group is as follows:

Group	Unit of shares	Million TL	Nature of shares
A	67.877.342.230	679	Registered
B	185.712.462.770	1.857	Registered
		2.536	

In the Articles of Association ("the Articles") Koç Holding sets out the following privileges for A-group shares:

- In accordance with Article 6, pre-emptive rights are used in purchase of new shares issued for their own groups; however, pre-emptive rights not used by B-group shareholders, can be used by A-group shareholders within the terms of CMB Legislation.
- In accordance with Article 15 paragraph "c", A-group shareholders have two voting rights for each share owned at the General Assembly meetings (except for resolutions to change the Articles and decisions given for filing release and liability suits).

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NOTE 23 - EQUITY (Continued)

Treasury shares

Driven by the recent market conditions and the impacts of the developments in the global economies on the sectors operated in and on the Turkish capital markets, the current market price and the current net asset value discount of Koç Holding A.Ş. shares traded at Borsa İstanbul is deemed ineffective in reflecting the true value and fundamentals of Koç Holding. In this respect, in order to contribute to the fair valuation of Koç Holding A.Ş. shares, the Board of Directors of Koç Holding A.Ş. resolved to initiate a share buyback program from the market as of 1 July 2021. Within the scope of related decision, equivalent of 0,04% of the share capital with a nominal value of TL890 thousand (31 December 2023: TL890 thousand) were bought back, with a total cost of TL90 million including the transaction costs of which clearings have been completed as of 31 December 2024. (31 December 2023: TL90 million). No treasury shares have been sold as of the date of the report.

Other Comprehensive Income/Expense

	31 December 2024	31 December 2023
Items not to be reclassified to profit/loss:		
Gains/(losses) on remeasurement of defined benefit plans	(13.388)	(11.005)
	(13.388)	(11.005)
Items to be reclassified to profit/loss:		
Currency translation differences	9.296	24.752
Gains/(losses) on hedge	(26.015)	(23.276)
- Cash flow hedge	(751)	(380)
- Net investment hedge	(25.264)	(22.896)
Gains/(losses) on financial assets measured at fair value through other comprehensive income	33	10.085
	(16.686)	11.561

The movements in other comprehensive income/expenses are presented in the statement of comprehensive income and statement of changes in equity.

Restricted Reserves

The details of the restricted reserves are as follows:

	31 December 2024	31 December 2023
Legal reserves	6.641	6.641
Special reserves	8.500	8.500
Reserves for treasury shares ⁽¹⁾	90	90
	15.231	15.231

⁽¹⁾ In accordance with the TCC and CMB regulations, reserves are provided for the treasury shares in an amount corresponding to the purchase price. In this context, reserves are provided within the legal reserves amounting to TL90 million (31 December 2023: TL90 million) including the transaction costs in the consolidated financial statements as of 31 December 2024 for the treasury shares.

Within the scope of the Exemption for Sale of Property and Participation Shares, the gains in statutory financial statements arising from the sale of investments and sale of properties have been classified under "Special Reserves".

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NOTE 23 - EQUITY (Continued)

Dividend Distribution

Listed companies in BIST are subject to dividend regulations of CMB as follows:

According to the Article 19 of the Capital Market Law, numbered 6362 and Dividend Communiqué of CMB, numbered II-19.1, listed companies shall distribute their profits within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the prevailing regulations. Regarding the profit distribution policies of the listed companies, CMB may set different principles on companies with similar qualifications.

In accordance with the Turkish Commercial Code, unless the required reserves and the dividend for shareholders as determined in the Articles of Association or in the dividend distribution policy of the company are set aside; no decision may be taken to set up other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct shares, to the members of the board of directors or to the employees; and no dividend can be distributed to these people unless the determined dividend for shareholders is paid in cash.

For the listed companies, dividend distribution is made evenly to all existing shares as of the date of dividend distribution without considering the dates of issuance and acquisition of the shares.

Companies shall distribute their profits through general assembly decisions in accordance with the profit distribution policies to be determined by their general assemblies as well as the related provisions of the prevailing regulations. A minimum distribution rate has not been determined in these regulations. The companies pay dividends as determined in their articles of associations or profit distribution policies. Furthermore, dividends may be paid in installments with same or different amounts and profit share advances may be distributed over the profit in the interim financial statements.

In accordance with profit distribution policy of Koç Holding, as long as regulatory policies and financial conditions permit, 5% of distributable profit of the period is paid in cash to the shareholders after taking market expectations, long term Group strategies, capital needs of the Company, associates and subsidiaries, investing and financing policies, profitability and cash position into the consideration.

In accordance with Article 32 of the Company's Articles of Association, a contribution of a maximum 2% (according to the decision of the General Assembly) of the amount remaining after the first legal reserves set aside over income before tax, financial obligations and first level dividends, is paid to Koç Holding Emekli ve Yardım Sandığı Vakfı. In addition, save for the first level dividend determined according to the Capital Markets Law, 3% of the amount remaining after the first legal reserves, financial obligations and 5% of the paid-in capital are deducted from the income before tax, is allocated to holders of dividend-right certificates. However, the amount to be paid to the holders of dividend-right certificates may not exceed 1/10 of the amount remaining after the first legal reserves and first level dividend calculated according to CMB regulations are deducted from the net profit.

As of 31 December 2024, total amount of reserves that can be subject to dividend distribution without creating additional corporate tax burden is TL42.314 million.

At the Ordinary General Assembly Meeting of Koç Holding A.Ş. held on 18 April 2024, it was decided to distribute cash dividends, corresponding to a gross=net cash dividend of TL8,00 per share with a nominal value of TL1,00, TL20.287.184.400 in total to shareholders, TL2.163.106.533 to holders of usufruct shares and TL20.000.000 to the Koç Holding Emekli ve Yardım Sandığı Vakfı. Dividend payments were completed as of 24 - 26 April 2024. The total amount of dividend and profit share payments calculated on a purchasing power basis is amounting to TL27.236 million as of 31 December 2024.

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NOTE 23 - EQUITY (Continued)

The historical values and inflation adjustment effects of the following accounts under shareholders' equity of Koç Holding as of 31 December 2024 in accordance with TFRS and Tax Procedure Law ("TPL") financial statements are as follows:

31 December 2024 (TFRS)	Historical value	Inflation adjustment effect	Indexed value
Paid-in share capital	2.536	68.921	71.457
Share premium	9	322	331
Legal reserves	507	6.224	6.731
Special reserves	4.647	3.853	8.500

31 December 2024 (TPL)	Historical value	Inflation adjustment effect	Indexed value
Paid-in share capital	2.536	67.069	69.605
Share premium	9	256	265
Legal reserves	507	8.838	9.345
Special reserves	4.647	2.428	7.075

NOTE 24 - REVENUE

Non-finance revenue

	2024	2023
Domestic revenue	1.100.932	1.263.918
Foreign revenue	510.557	496.095
Revenue	1.611.489	1.760.013
Sales of goods	1.546.724	1.704.229
Sales of services	64.765	55.784
Revenue	1.611.489	1.760.013

The Group has accounted for revenue amounting to TL1.586.659 million (2023: TL1.746.655 million) related to performance obligation at a point in time and TL24.830 million (2023: TL13.358 million) related to performance obligation over time.

Revenue from finance sector operations

	2024	2023
Interest income	555.317	414.435
Fee and commission income	132.478	92.151
Other operating income	18.623	50.174
Revenue from finance sector operations	706.418	556.760

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NOTE 25 - EXPENSES BY NATURE

Expenses by nature include cost of goods sold, marketing expenses, general administrative expenses and research and development expenses.

	2024	2023
Raw materials and supplies	607.232	884.362
Changes in work in progress and finished goods	(14.202)	(29.218)
Cost of merchandise sold	651.253	457.491
Personnel expenses	148.176	125.165
Depreciation and amortisation charges	58.268	44.197
Transportation, distribution and storage expenses	34.956	34.482
Energy and utility expenses	21.980	29.657
Maintenance and repair expenses	18.108	14.971
Warranty and assembly costs	18.041	15.238
Outsourcing expenses	15.024	14.943
Advertisement and promotion expenses	14.932	15.140
Information systems and communication expenses	8.224	6.737
Rent expenses ⁽¹⁾	7.260	6.504
Litigation and consultancy expenses	6.622	5.361
Insurance expenses	6.090	5.330
Taxes, duties and charges	5.774	5.065
Sales, incentives and premium expenses	3.646	4.001
SDIF expenses	3.149	3.585
Travel expenses	2.936	2.801
Royalty and license expenses	2.294	1.825
Grants and donations	915	4.500
Other	15.508	13.985
	1.636.186	1.666.122

⁽¹⁾ In 2024, TL5.553 million (2023: TL5.198 million) of the rent expenses is related to variable leases, TL1.204 million (2023: TL876 million) is related to short-term leases and TL503 million (2023: TL430 million) is related to low-value leases.

The functional breakdowns of depreciation, amortisation and personnel expenses are as follows:

	2024	2023
Depreciation and amortisation charges		
Cost of sales	33.456	23.288
Marketing expenses	6.597	5.688
General administrative expenses	15.071	12.343
Research and development expenses	3.144	2.878
	58.268	44.197

Total depreciation charges capitalised in 2024 is TL146 million (2023: TL92 million).

	2024	2023
Personnel expenses		
Cost of sales	49.502	36.957
Marketing expenses	24.010	18.543
General administrative expenses	72.978	68.571
Research and development expenses	1.686	1.094
	148.176	125.165

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NOTE 25 - EXPENSES BY NATURE (Continued)

Cost of finance sector operations

	2024	2023
Interest expense	511.455	277.988
Fee, commissions and other expenses	92.135	57.043
Cost of finance sector operations	603.590	335.031

Fees for Services Received from Independent Auditor/Independent Audit Firms

The Group's explanation regarding the fees for the services received from the independent audit firms, which is based on the letter of POA dated 19 August 2022, the preparation principles of which are based on the Board Decision published in the Official Gazette on 30 March 2022 and calculated on purchasing power basis as of 31 December 2024 are as follows:

	2024 ⁽¹⁾	2023 ⁽¹⁾
Audit and assurance fee	435	202
Tax consulting fee	66	95
Other assurance services fee	55	38
Other non-audit services fee	10	4
	566	339

⁽¹⁾ The fees above have been determined through including the legal audit and other related service fees of all Subsidiaries and Joint Ventures, and the foreign currency fees of foreign subsidiaries and affiliates have been converted into TL using the annual average rates of the relevant years.

NOTE 26 - OTHER OPERATING INCOME/(EXPENSES)

	2024	2023
Other operating income		
Foreign exchange gains arising from trading activities	22.058	38.447
Gain on bargain purchase (Note 3) ⁽¹⁾	17.306	-
Foreign exchange gains arising from trading activities	14.220	12.239
Other	4.365	4.572
	57.949	55.258
Other operating expenses		
Foreign exchange losses arising from trading activities	(30.065)	(63.010)
Credit finance charges arising from trading activities	(12.759)	(11.735)
Restructuring expenses ⁽²⁾	(11.841)	-
Provision expenses for loans and receivables	(11.320)	(17.425)
Other	(3.344)	(1.594)
	(69.329)	(93.764)

⁽¹⁾ Related to the acquisition of Whirlpool MENA and Whirlpool EMEA by Arçelik, a Subsidiary of the Group, and the acquisition of KMC Sağlık by Koç Holding (Note 3).

⁽²⁾ Related to the expenses of Arçelik, a Subsidiary of the Group, incurred as part of the restructuring activities initiated in Turkey, the United Kingdom, Italy and Poland with the aim of enhancing efficiency and synergy.

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NOTE 27 - GAINS/(LOSSES) FROM INVESTMENT ACTIVITIES

	2024	2023
Gains from investment activities		
Gain on disposal of subsidiary and financial assets ⁽¹⁾	1.567	388
Changes in contingent liabilities ⁽²⁾	1.123	-
Rent income	377	417
Dividend income	209	135
Gain on sale of property, plant and equipment and scraps	172	745
Gain on fair value change of financial assets	-	193
	3.448	1.878
Losses from investment activities		
Loss on sale of property, plant and equipment	(412)	(188)
Provision for impairment of financial assets	(324)	-
Loss on disposal of subsidiary ⁽³⁾	(209)	-
	(945)	(188)

⁽¹⁾ Related to the disposal of Tat Gıda shares in 2024.

⁽²⁾ The contingent consideration amount of IHP Appliances JSC and IHP Appliances Sales LLC, whose acquisition transactions was completed on 31 August 2022, is recognised at fair value in the consolidated financial statements (Note 22). Due to changes in market conditions and terms, the fair value of the contingent liability amount has changed compared to previous reporting periods and the related fair value change has been recognised as income from investing activities in the consolidated financial statements.

⁽³⁾ Related to the sale of 50% of Sendeo shares.

NOTE 28 - FINANCIAL INCOME/(EXPENSES)

	2024	2023
Financial income		
Foreign exchange gains ⁽¹⁾	35.459	56.543
Interest income	37.920	27.161
Gains on derivative instruments	3.215	18.823
Other financial income	292	847
	76.886	103.374
Financial expenses		
Foreign exchange losses ⁽¹⁾	(39.395)	(87.151)
Interest expenses ⁽²⁾	(46.034)	(37.778)
Losses on derivative instruments	(12.404)	(11.637)
Other financial expenses	(3.914)	(2.292)
	(101.747)	(138.858)

⁽¹⁾ Foreign exchange income/(expenses) arising from trading activities (trade receivables and payables) are accounted for under "other operating income/(expenses)".

⁽²⁾ In 2024, TL1.141 million of interest expense is related to lease liabilities (2023: TL771 million).

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NOTE 29 - RELATED PARTY DISCLOSURES

a) Related party balances

	31 December 2024			31 December 2023		
	Joint Ventures	Other	Total	Joint Ventures	Other	Total
Trade receivables	14.652	618	15.270	14.773	1.226	15.999
Trade payables	13.534	1.075	14.609	15.571	1.352	16.923
Receivables from finance sector operations	3.958	1.590	5.548	6.051	2.029	8.080
Payables of finance sector operations	10.467	43.178	53.645	12.230	44.570	56.800
Borrowings	-	372	372	-	289	289

b) Related party transactions

	2024			2023		
	Joint Ventures	Other	Total	Joint Ventures	Other	Total
Sales of goods and services	165.110	1.894	167.004	279.304	2.850	282.154
Purchases of goods and services	89.848	6.641	96.489	128.921	6.617	135.538
Interest expense (-)	-	(140)	(140)	-	(69)	(69)

The Joint Ventures of the Group have been accounted for using the equity method in the consolidated financial statements. Accordingly, the transactions of Group's Subsidiaries with Joint Ventures and the balances from Joint Ventures are not subject to elimination.

As of 31 December 2024, TL8.305 million (31 December 2023: TL8.575 million) of trade receivables is composed of Tüpraş balances against Opet and THY Opet, TL2.313 million (31 December 2023: TL2.661 million) of trade receivables is composed of balances of Zer Ticaret and TL1.679 million (31 December 2023: TL1.234 million) of trade receivables is composed of balances of Ram Dış Ticaret arising from the sales transactions with other Group companies. TL11.597 million (31 December 2023: TL12.515 million) of trade payables is composed of balances due to vehicle purchases of Otokoç from Ford Otosan and Tofaş, and TL942 million (31 December 2023: TL1.928 million) of trade payables is composed of balances due to air conditioner purchases of Arçelik from Arçelik LG. Loans and advances given and deposit balances arise from loan and deposit transactions of Yapı Kredi Bankası, a Subsidiary of the Group, with Joint Ventures and other related parties.

TL138.993 million (31 December 2023: TL247.106 million) of sales of goods and services is composed of balances arising from the sales of Tüpraş' petroleum products to Opet and THY Opet for the year ended 31 December 2024. TL65.279 million (31 December 2023: TL94.289 million) of purchases of goods and services is composed of balances due to Otokoç's vehicle purchases from Ford Otosan and Tofaş, and TL10.963 million (31 December 2023: TL10.505 million) of purchases of goods and service is composed of transactions due to air conditioner purchases of Arçelik from Arçelik LG.

c) Key management compensation

The key management of Koç Holding is identified as the members of the Board of Directors (including the President), CEO and the Group Presidents. As of 31 December 2024, total key management compensation incurred by Koç Holding amounted to TL2.696 million (31 December 2023: TL3.745 million) on the purchasing power basis of 31 December 2024. The total respective amount is comprised of short-term employee benefits (31 December 2023: TL352 million of the amount is comprised of short-term employee benefits).

After charging the costs to Koç Group companies to whom services are provided, the cost incurred by Koç Holding A.Ş. amounted to TL986 million (31 December 2023: TL1.345 million) on the purchasing power basis of 31 December 2024. The total respective amount is comprised of short-term employee leaves (31 December 2023: TL79 million of the amount is related to the payments made for employee leaves).

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NOTE 30 - DISCLOSURES ON INTERESTS IN OTHER ENTITIES

Information regarding the Subsidiaries in which the Group has major non-controlling interests is as follows:

Subsidiary	31 December 2024			
	Non-controlling interest %	Gains/(losses) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Yapı Kredi Bankası	44,31%	(12.253)	102.893	5.672
Tüpraş	53,88%	8.521	143.852	22.529
Arçelik	53,87%	(3.134)	41.444	1.228
Aygaz	59,32%	2.124	16.195	1.276

Subsidiary	31 December 2023			
	Non-controlling interest %	Gains/(losses) attributable to non-controlling interests	Accumulated non-controlling interests	Dividend paid to non-controlling interests
Yapı Kredi Bankası	44,31%	11.543	133.090	7.412
Tüpraş	53,88%	41.689	162.864	22.847
Arçelik	53,87%	7.046	48.913	3.085
Aygaz	59,32%	2.579	15.319	510

Condensed financial information of Subsidiaries after consolidation adjustments and before eliminations is as follows:

Condensed balance sheet information:

	31 December 2024			
	Yapı Kredi Bankası	Tüpraş	Arçelik	Aygaz
Cash and cash equivalents	478.927	73.534	50.816	3.844
Receivables from finance sector operations	1.322.723	-	-	-
Other current assets	252.353	112.300	178.650	6.964
Deferred tax assets	345	5.438	23.029	24
Other non-current assets	541.630	240.821	141.547	25.826
Total assets	2.595.978	432.093	394.042	36.658
Short-term borrowings	372.930	9.054	62.267	1.338
Payables to finance sector operations	1.567.775	-	-	-
Other current liabilities	173.444	139.922	158.971	6.590
Long-term borrowings	220.628	9.935	75.776	663
Other non-current liabilities	29.016	6.672	25.324	765
Total liabilities	2.363.793	165.583	322.338	9.356
Total equity	232.185	266.510	71.704	27.302

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NOTE 30 - DISCLOSURES ON INTERESTS IN OTHER ENTITIES (Continued)

	31 December 2023			
	Yapı Kredi Bankası	Tüpraş	Arçelik	Aygaz
Cash and cash equivalents	483.479	140.515	70.445	4.871
Receivables from finance sector operations	1.376.883	-	-	-
Other current assets	244.998	149.974	176.908	9.773
Deferred tax assets	686	13.953	11.884	482
Other non-current assets	630.050	232.279	110.023	24.227
Total assets	2.736.097	536.721	369.260	39.354
Short-term borrowings	349.305	43.267	82.943	3.071
Payables to finance sector operations	1.670.212	-	-	-
Other current liabilities	166.766	180.949	116.013	9.975
Long-term borrowings	206.469	7.736	64.192	134
Other non-current liabilities	43.013	4.932	23.225	693
Total liabilities	2.435.766	236.884	286.373	13.873
Total equity	300.331	299.837	82.887	25.481

Condensed income statement information:

	2024			
	Yapı Kredi Bankası	Tüpraş	Arçelik	Aygaz
Revenue	698.140	810.677	428.548	81.773
Depreciation and amortisation	8.275	9.318	16.550	1.114
Operating profit	17.254	35.789	7.122	829
Profit before tax	(18.211)	30.953	(1.884)	4.899
Net profit for the period	(27.650)	15.316	(2.481)	3.905

	2023			
	Yapı Kredi Bankası	Tüpraş	Arçelik	Aygaz
Revenue	553.994	991.325	371.204	93.608
Depreciation and amortisation	1.851	1.308	4.780	348
Operating profit	137.312	106.139	14.666	279
Profit before tax	71.173	81.115	10.391	4.744
Net profit for the period	26.046	78.616	12.177	4.756

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NOTE 31 - GOVERNMENT GRANTS

The Group is entitled to the following incentives and rights:

- a) 100% exemption from customs duty on machinery and equipment imported,
- b) Exemption from VAT on investment goods supplied from home and abroad,
- c) Incentives under the jurisdiction of the research and development law (100% corporate tax exemption, Social Security Institution incentives, etc.),
- d) Inward processing permission certificates,
- e) Cash refund from Tübitak-Teydeb for research and development expenditures,
- f) Exemption from taxes, duties and charges,
- g) Discounted corporate tax incentive,
- h) Insurance premium employer share incentive,
- i) Corporate tax incentive within the scope of investment incentive exemption,
- j) Brand supporting government grants given by the Ministry of Economy of Turkey (Turquality),
- k) Patent incentives.

NOTE 32 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

Guarantees given:

Finance:

Non-cash loans:

	31 December 2024	31 December 2023
Letters of guarantee	439.685	439.176
- TL	261.059	242.839
- Foreign currency	178.626	196.337
Letter of credits	63.783	78.079
Acceptance credits	3.164	3.145
Other	42.776	40.698
	549.408	561.098
Less: Provisions (Note 20.b)	(1.553)	(4.757)
	547.855	556.341

Non-Finance:

	31 December 2024	31 December 2023
Letters of guarantee	93.996	54.091
Letters of credit	23.181	43.662
Guarantees given to banks	3.630	4.240
Guarantorships given to banks	3.321	5.276
Other	1.176	874
	125.304	108.143

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NOTE 32 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Collaterals/pledges/mortgages/bill of guarantees ("CPMB") of Subsidiaries of the Group as of 31 December 2024 and 2023 are as follows (foreign currency CPMBs are presented by their TL equivalents):

	31 December 2024	31 December 2023
A. Total amount of CPMB's given in the name of its own legal personality	85.704	83.849
- TL	32.387	25.049
- USD	24.998	45.137
- EUR	11.862	9.571
- Other	16.457	4.092
B. Total amount of CPMB's given on behalf of the fully consolidated companies ⁽¹⁾	39.600	24.293
- TL	1.116	637
- USD	9.816	13.575
- EUR	20.887	4.071
- Other	7.781	6.010
C. Total amount of CPMB's given on behalf of third parties for ordinary course of business ⁽²⁾	549.408	561.098
- TL	280.167	258.024
- USD	138.345	147.763
- EUR	109.544	135.054
- Other	21.352	20.257
D. Total amount of other CPMB's given		
i) Total amount of CPMB's given on behalf of the majority shareholder	-	-
ii) Total amount of CPMB's given to on behalf of other group companies which are not in scope of B and C		
- TL	-	-
- USD	-	-
- EUR	-	-
- Other	-	-
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C		
	674.712	669.240

⁽¹⁾ As of 31 December 2024, the total amount of incurred commission expenses for the CPMBs of the Subsidiaries of the Group, except for 'A. CPMB's given in the name of its own legal personality', is TL80 million (31 December 2023: TL100 million).

⁽²⁾ Related amount consists of the CPMB's (non-cash loans) given by Yapı Kredi Bankası, a Subsidiary of the Group, to related and third parties within the scope of its ordinary business activities.

Finance:

Financial assets pledged as collateral:

As of 31 December 2024, financial assets measured at fair value through other comprehensive income, measured at amortised cost and measured at fair value through profit and loss whose total carrying amount is TL236.686 million (31 December 2023: TL92.894 million) are pledged to banks and other financial institutions against funds obtained under repurchase agreements, borrowed funds and total return swap transactions.

In addition, as of 31 December 2024, financial assets amounting to TL174.860 million (31 December 2023: TL201.533 million) are also pledged to regulatory authorities for legal requirements and other financial institutions as a guarantee for stock exchange and money market operations. These are mainly the CBRT, Borsa İstanbul, Settlement and Custody Bank and other various banks.

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NOTE 32 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Guarantees received:

Non-finance:

	31 December 2024	31 December 2023
Letters of guarantee	50.194	42.866
Mortgages	10.651	13.353
Bill of guarantees	7.778	8.320
Direct crediting limit	7.714	7.508
Other	4.398	5.465
	80.735	77.512

NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments and Financial Risk Management

Financial Risk Management

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk, interest rate risk, product profit margin/crack margin risk and commodity price risk) and liquidity risk. The Group's overall risk management strategy focuses on the unpredictability of financial markets and targets to minimise potential adverse effects on the Group's financial performance. The Group also uses derivative instruments to hedge risk exposures.

A) Credit Risk

Credit risk is the risk that a counterparty cannot fulfill its obligations in the agreements that the Group is party to. The Group monitors the credit risk by credit ratings and limitations to the total risk of a single counterparty. The credit risk is diversified as a result of large number of entities comprising the customer bases and the penetration to different business segments.

Credit risk management procedures

Finance:

Credit risk which is inherent in all products ranging from loans to customers and commitments to letters of credit is monitored through detailed credit policies and procedures by the management of companies operating in the finance sector.

Yapı Kredi Bankası identifies loan limits for each customer considering statutory regulations, the internal scoring system, financial analysis reports and industry and geographical concentration and considering credit policies determined by the Board of the Directors each year. The limits defined by the Board of Directors for each bank are followed up daily by Treasury Management for the transactions related with placements with domestic and correspondent banks or treasury operations such as forward buy and sell transactions. Moreover, daily positions and limit controls for each Treasury Management employee authorised for market transactions are followed by the system. During the loan granting process, liquid collaterals are preferred to the greatest extent possible. While granting of long term project finance loans, long term projections of the companies are analyzed both by financial analysis specialists and head office. Also the pricing of these commitments are decided by coordination with treasury management.

Rating system used for corporate/commercial customers, medium sized entities and small and medium sized entities is also used for defining the authorization level for loan granting. Thus, customers with a low rating are assigned to higher authority levels, whereas customers with a high rating are assigned to lower authority levels. By using this methodology it is aimed to establish risk based optimization in the loan processes. Furthermore, probability of default of a customer with different characteristics is calculated through this internally developed rating system.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

There are control limits over the positions of forwards, options and similar agreements. These positions are measured and managed by following their market values and by taking potential risk into considerations throughout their maturities, in accordance with counterparty credit risk management. Yapı Kredi Bankası dynamically manages and calculates its limits by taking these potential risks into considerations. Daily market value calculations, limit controls, collateral assessments are performed and reported to the relevant departments.

Yapı Kredi Bankası may use its rights, as stated in the derivative agreements based on which the derivative transactions are realised, in order to eliminate the risks that may arise due to being exposed to severe risk levels arising from fluctuations in the market.

Non-finance:

The Group's non-finance sector companies are exposed to credit risk arising from their trade receivables, financial assets, derivative instruments and bank deposits.

Major portion of trade receivables stem from the dealers over which the Group exerts a significant control mechanism. Credit risk by dealer is followed up by taking into account the relevant customers' financial position, past experience and other related factors; and guarantees are obtained to the greatest extent possible.

Credit risk details

The exposure of consolidated financial assets to credit risk is as follows:

31 December 2024	Trade receivables	Receivables from finance sector operations	Cash and cash equivalents	Financial assets	Derivative instruments
Maximum exposure to credit risk as of reporting date (A+B+C+D)	183.564	1.343.155	283.233	524.762	18.734
A. Book value of neither past due nor impaired financial assets ⁽¹⁾	172.781	1.322.628	283.233	524.762	18.734
B. Book value of past due but not impaired financial assets	10.459	28.136	-	-	-
C. Net book value of impaired assets	400	14.570	-	-	-
- Past due	400	14.570	-	-	-
- Gross amount	3.867	41.511	-	-	-
- Impairment	(3.467)	(26.941)	-	-	-
- Secured with guarantees	80	6.148	-	-	-
- Not past due	-	-	-	-	-
- Gross amount	-	-	-	-	-
- Impairment	-	-	-	-	-
- Secured with guarantees	-	-	-	-	-
D. Expected credit losses (-) ⁽²⁾	(76)	(22.179)	-	-	-

⁽¹⁾ Trade receivables and receivables from finance sector operations include related party balances amounting to TL15.270 million and TL5.548 million, respectively (Note 29).

⁽²⁾ Include expected credit losses related to receivables from finance sector operations classified under "A" and "B" categories in the table above.

As of 31 December 2024, the Finance Segment is exposed to credit risk arising from non-cash loans in the amount of TL549.408 million (Note 32). By taking the related risk into consideration, the maximum credit risk amount, to which the Group is exposed, is TL2.902.856 million.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2023	Trade receivables	Receivables from finance sector operations	Cash and cash equivalents	Financial assets	Derivative instruments
Maximum exposure to credit risk as of reporting date (A+B+C+D)	208.560	1.386.036	385.690	602.106	34.870
A. Book value of neither past due nor impaired financial assets ⁽¹⁾	199.241	1.390.169	385.690	602.106	34.870
B. Book value of past due but not impaired financial assets	9.367	14.434	-	-	-
C. Net book value of impaired assets	57	12.857	-	-	-
- Past due	57	12.857	-	-	-
- Gross amount	3.578	41.275	-	-	-
- Impairment	(3.521)	(28.418)	-	-	-
- Secured with guarantees	141	9.614	-	-	-
- Not past due	-	-	-	-	-
- Gross amount	-	-	-	-	-
- Impairment	-	-	-	-	-
- Secured with guarantees	-	-	-	-	-
D. Expected credit losses (-) ⁽²⁾	(105)	(31.424)	-	-	-

⁽¹⁾ Trade receivables and receivables from finance sector operations include related party balances amounting to TL15.999 million and TL8.080 million, respectively. (Note 29).

⁽²⁾ Include expected credit losses related to receivables from finance sector operations classified under "A" and "B" categories in the table above.

As of 31 December 2023, the Finance Segment is exposed to credit risk arising from non-cash loans in the amount of TL561.098 million (Note 32). By taking the related risk into consideration, the maximum credit risk amount, to which the Group is exposed, is TL3.178.360 million.

Trade receivables

a) Details of neither past due nor impaired trade receivables' credit quality:

	2024	2023
Customers with no payment defaults	147.862	182.905
Public institutions and corporations	17.357	8.637
Customers with prior collection delays	5.688	4.255
New customers (less than 3 months)	1.874	3.444
	172.781	199.241

As of 31 December 2024, trade receivables that are not due and not impaired amounting to TL84.767 million are secured by guarantees (2023: TL82.683 million).

b) Analysis of past due trade receivables:

Not impaired	2024	2023
Past due up to 1 month	6.392	5.384
Past due 1 - 3 months	1.448	1.682
Past due 3 - 12 months	1.004	934
Past due more than 1 year	1.615	1.367
	10.459	9.367

As of 31 December 2024, past due but not impaired trade receivables amounting to TL4.832 million are secured by guarantees (2023: TL4.770 million).

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

<i>Impaired</i>	2024	2023
Past due up to 3 months	466	312
Past due 3 - 6 months	1.519	64
Past due 6 - 12 months	596	1.367
Past due more than 1 year	1.286	1.835
Less: Provision for impairment	(3.467)	(3.521)
	400	57

As of 31 December 2024, impaired receivables amounting to TL80 million are secured by guarantees (2023: TL141 million).

c) Expected credit losses:

31 December 2024	Not overdue	0 - 1 month overdue	1 - 3 months overdue	More than 3 months overdue	Total
Expected loss rate (%)	0,002	0,02	0,14	1,14	
Period end balance ⁽¹⁾	157.511	6.438	1.867	6.021	171.837
Expected credit losses	3	1	3	69	76
31 December 2023					
Expected loss rate (%)	0,001	0,01	0,13	1,78	
Period end balance ⁽¹⁾	183.241	5.605	1.772	5.569	196.187
Expected credit losses	2	1	2	100	105

⁽¹⁾ Represents gross trade receivables excluding related party balances and impairment losses.

Receivables from finance sector operations

a) As of 31 December 2024, the rating concentration of undue corporate and commercial loans of Yapı Kredi Bankası is as follows:

	Concentration level (%)		
	Rating class	31 December 2024	31 December 2023
Strong	1 - 4	57,6	46,2
Standard	5+ - 6	24,3	41,3
Below standard	7+ - 9	18,1	12,6

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

b) Considering the scoring models, Yapı Kredi Bankası classifies its credit portfolio into the following groups as of 31 December 2024 and 2023:

31 December 2024	% of loans and advances	Provision coverage (%)
Stage 1	86,19	0,44
Stage 2	10,83	11,27
Stage 3	2,98	65,24

31 December 2023	% of loans and advances	Provision coverage (%)
Stage 1	86,61	0,70
Stage 2	10,53	14,85
Stage 3	2,86	68,88

c) The details of the receivables from finance sector operations that are overdue but not impaired, which are classified as Stage 2, are as follows:

31 December 2024	Corporate and commercial loans	Consumer loans	Credit card receivables	Financial leasing receivables	Factoring receivables	Total
0 - 1 months overdue	1.342	5.647	5.214	259	15	12.477
1 - 3 months overdue	2.113	6.748	6.439	303	56	15.659
	3.455	12.395	11.653	562	71	28.136

31 December 2023	Corporate and commercial loans	Consumer loans	Credit card receivables	Financial leasing receivables	Factoring receivables	Total
0 - 1 months overdue	2.093	2.854	1.646	101	6	6.700
1 - 3 months overdue	905	4.700	2.091	32	6	7.734
	2.998	7.554	3.737	133	12	14.434

d) Sectoral details of receivables from finance sector operations are as follows:

	31 December 2024	%	31 December 2023	%
Consumer loans	571.700	43%	591.245	42%
Production	307.671	23%	305.209	22%
Food and retail	65.216	5%	97.158	7%
Financial institutions	27.627	2%	51.757	4%
Public sector	23.023	2%	37.342	3%
Real estate	24.073	2%	26.039	2%
Other sectors	323.845	24%	277.286	20%
	1.343.155	100%	1.386.036	100%

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

B) Market Risk

a) Foreign Exchange Risk

The difference between the foreign currency denominated and foreign currency indexed assets and liabilities of the Group are defined as the "Net foreign currency position" and it is the basis of the currency risk. Another important dimension of the currency risk is the changes of the exchange rates of different foreign currencies in net foreign currency position (cross currency risk).

The Group keeps the currency risk exposure within the limits set by Koç Holding, the Parent Company and within the limits approved by their Board of Directors. Derivative contracts such as swaps, options and forwards are also used as instruments for currency risk management for hedging purposes, when needed.

Assets and liabilities denominated in foreign currency are as follows:

	31 December 2024	31 December 2023
Assets	1.132.168	1.301.483
Liabilities	(1.381.372)	(1.663.738)
Net balance sheet position	(249.204)	(362.255)
Derivative instruments net position	165.560	308.562
Net foreign currency position	(83.644)	(53.693)
Loans designated as hedging instruments ⁽¹⁾	28.647	20.172
Net foreign currency position after hedging instruments	(54.997)	(33.521)
Inventories under the natural hedge ⁽²⁾	62.786	66.686
Net foreign currency position after hedging instruments and natural hedge	7.789	33.165

⁽¹⁾ The loans of Tüpraş related to financing the Residuüm Upgrade Project (RUP) are designated as hedging instruments against the spot foreign exchange rate risk (USD/TL) associated with highly probable USD denominated export revenues. The loans of Tüpraş which are subject to cash flow hedge amounted to USD9 million (TL321 million) as of 31 December 2024 (31 December 2023: USD24 million (TL1.002 million)).

The EUR denominated loans of Wat Motor are designated as hedging instruments against the spot foreign exchange risk (EUR/TL) associated with highly probable EUR denominated export revenues. The loans of Wat Motor which are subject to cash flow hedge amounted to EUR24 million (TL866 million) as of 31 December 2024 (31 December 2023: USD25 million (TL1.176 million)).

Foreign exchange gains/losses related to the loans of Tüpraş and Wat Motor are recognised under equity as "gains/losses on cash flow hedges" until the realisation of the cash flows at the hedged items.

Arçelik designated EUR500 million (TL18.371 million) of bank loan and RUB10.321 million (TL3.375 million) of contingent liability; Otokoç designated EUR125 million (TL4.610 million) and USD31 million (TL1.104 million) of bank loan as hedging instruments in order to hedge the foreign currency risk arising from the translation of net assets of the subsidiaries operating in Europe and Russia from foreign currency to Turkish Lira (31 December 2023: Arçelik: EUR210 million - RUB11.853 million, Otokoç: EUR54 million). Foreign exchange gains/losses of the related loans are recognised under equity as "gains/(losses) on net investment hedges" in order to offset the foreign exchange gains/(losses) arising from the translation of the net assets of investments in foreign operations to Turkish Lira.

⁽²⁾ Tüpraş and Aygaz manage their foreign currency risk resulting from their net financial liabilities by reflecting the effects of the changes in foreign currencies to their selling prices of petroleum products ("natural hedge"). As of 31 December 2024, Tüpraş and Aygaz have raw materials and petroleum products amounting to TL61.168 million (31 December 2023: TL64.392 million) and TL1.618 million (31 December 2023: TL2.294 million), respectively.

Excluding the loans designated as hedging instruments and the inventories under the natural hedge, the Group has TL7.789 million (USD221 million) foreign exchange net long position as of 31 December 2024.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

As of 31 December 2024, if EUR and USD had appreciated by 10% against TL with all other variables held constant, profit before tax would have been TL6,1 billion lower, mainly as a result of foreign exchange losses on the translation of the foreign exchange position as presented in detail in the table below. The net effect of the related foreign exchange losses on the net profit (attributable to equity holders) is approximately TL1,6 billion.

The impact of 10% exchange increase in income statement (pre-tax profit):

	USD	EUR	Other	Total
31 December 2024				
Foreign currency net position ⁽¹⁾	(4.327)	(2.539)	759	(6.107)

⁽¹⁾ Profit before tax impacts arising from foreign exchange positions of Joint Ventures have been included in the sensitivity analysis.

Above sensitivity analysis has been performed by taking "net foreign currency position after hedging instruments" into account and based on a scenario of a sudden increase in exchange rates as of the balance sheet date. Therefore, related analysis does not include the profitability that will arise in the following months, via the reflection of the exchange rate increase on the sales prices of the products defined as "natural hedges". If "net foreign currency position after hedging instruments and the natural hedge" is taken into account, which is followed by the Group in the context of risk management policies, a possible 10% increase in foreign exchange rates would have a limited effect on Group's pre-tax profitability, since the net position after natural hedge is limited.

The impact of 10% exchange increase in other comprehensive income statement (pre-tax profit):

	USD	EUR	Other	Total
31 December 2024				
Hedged items ⁽¹⁾	(142)	(5.925)	-	(6.067)

⁽¹⁾ Related balances include foreign exchange impacts which are within the scope of cash flow hedge and net investment hedge in foreign operations and which are recognised under the hedging reserve.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

	31 December 2024			
	USD ⁽¹⁾	EUR ⁽¹⁾	Other (TL Equivalent)	Total (TL Equivalent)
Assets:				
Trade receivables ⁽²⁾	713	686	7.242	57.578
Receivables from finance sector operations	2.471	3.001	21.250	218.559
Monetary financial assets	6.427	3.117	37.134	378.050
Non-monetary assets	8	2	235	596
Other assets	1.066	569	9.586	68.041
Current assets	10.685	7.375	75.447	722.824
Receivables from finance sector operations	3.138	3.227	3.163	232.265
Monetary financial assets	3.700	638	8.793	162.542
Other assets	295	86	927	14.537
Non-current assets	7.133	3.951	12.883	409.344
Total assets	17.818	11.326	88.330	1.132.168
Liabilities:				
Trade payables ⁽²⁾	3.486	596	9.119	153.801
Borrowings	6.653	2.531	2.787	330.118
Payables of finance sector operations	6.891	5.205	131.645	565.615
Other liabilities	674	474	7.948	49.094
Short-term liabilities	17.704	8.806	151.499	1.098.628
Borrowings	6.103	1.283	1.024	263.114
Payables of finance sector operations	26	323	39	12.845
Other liabilities	138	52	24	6.785
Long-term liabilities	6.267	1.658	1.087	282.744
Total liabilities	23.971	10.464	152.586	1.381.372
Net balance sheet position	(6.153)	862	(64.256)	(249.204)
Derivative assets	9.419	2.424	86.932	507.745
Derivative liabilities	(4.513)	(4.547)	(16.165)	(342.185)
Derivative instruments net position	4.906	(2.123)	70.767	165.560
Net foreign currency position	(1.247)	(1.261)	6.511	(83.644)
Loans designated as hedging instruments ⁽³⁾	40	649	3.375	28.647
Net foreign currency position after hedging instruments	(1.207)	(612)	9.886	(54.997)
Net foreign currency position of monetary items	(1.255)	(1.263)	6.276	(84.240)
Fair value of derivative instruments held for hedging	15	10	-	889

⁽¹⁾ Presented in original currencies.

⁽²⁾ Represents balances before consolidation eliminations

⁽³⁾ Includes loans of Tüpraş, Arçelik, Otokoç and Wat Motor designated as hedging instruments.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

	31 December 2023			
	USD ⁽¹⁾	EUR ⁽¹⁾	Other (TL Equivalent)	Total (TL Equivalent)
Assets:				
Trade receivables ⁽²⁾	1.025	720	8.085	85.501
Receivables from finance sector operations	1.979	1.977	19.197	196.290
Monetary financial assets	7.170	3.326	34.031	495.226
Non-monetary assets	20	-	-	843
Other assets	1.026	195	7.172	59.958
Current assets	11.220	6.218	68.485	837.818
Receivables from finance sector operations	2.585	2.295	2.935	220.712
Monetary financial assets	4.511	548	9.633	227.167
Other assets	272	87	161	15.786
Non-current assets	7.368	2.930	12.729	463.665
Total assets	18.588	9.148	81.214	1.301.483
Liabilities:				
Trade payables ⁽²⁾	3.903	616	2.512	197.358
Borrowings	5.854	2.635	8.225	380.939
Payables of finance sector operations	8.110	5.310	123.550	717.967
Other liabilities	404	466	9.403	48.548
Short-term liabilities	18.271	9.027	143.690	1.344.812
Borrowings	5.507	1.206	1.023	291.831
Payables of finance sector operations	9	296	94	14.402
Other liabilities	245	49	39	12.693
Long-term liabilities	5.761	1.551	1.156	318.926
Total liabilities	24.032	10.578	144.846	1.663.738
Net balance sheet position	(5.444)	(1.430)	(63.632)	(362.255)
Derivative assets	10.544	1.974	81.039	622.006
Derivative liabilities	(5.450)	(1.455)	(13.398)	(313.444)
Derivative instruments net position	5.094	519	67.641	308.562
Net foreign currency position	(350)	(911)	4.009	(53.693)
Loans designated as hedging instruments ⁽³⁾	24	289	5.581	20.172
Net foreign currency position after hedging instruments	(326)	(622)	9.590	(33.521)
Net foreign currency position of monetary items	(370)	(911)	4.009	(54.536)
Fair value of derivative instruments held for hedging	167	23	-	8.175

⁽¹⁾ Presented in original currencies.

⁽²⁾ Represents balances before consolidation eliminations

⁽³⁾ Includes loans of Tüpraş, Arçelik, Otokoç and Wat Motor designated as hedging instruments.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Export and import details (TL Equivalent)

Group's consolidated export and import balances are as follows:

Export	2024	2023
USD	183.716	224.495
EUR	75.793	80.395
Other	30.435	32.901
	289.944	337.791
Import		
USD	695.371	803.065
EUR	28.504	35.057
Other	1.503	244
	725.378	838.366

b) Interest Rate Risk

The Group is exposed to interest rate risk arising from the rate changes on interest-bearing liabilities and assets. The Group manages this risk by balancing the repricing terms of interest-bearing assets and liabilities with fixed-floating interest and short-long term nature of borrowings as well as using derivative instruments for hedging purposes.

The monitoring of interest rate sensitive assets and liabilities and sensitivity analysis of Yapı Kredi Bankası, a Subsidiary of the Group, regarding the effect of interest rate fluctuations on the financial statements are performed by the Risk Management Department for all interest sensitive instruments. The results of studies such as time analysis, difference analysis, base point value analysis, scenario analysis, net interest income simulations are presented to the Board of Directors monthly within the scope of the Asset-Liability Management function. By using sensitivity and scenario analyses, the possible loss effects on the equity are analysed due to the interest rate volatility not only within current year but also for the future periods. The effects of the volatility of market interest rates on positions and on cash flows are also closely monitored.

The weighted average effective annual interest rates (%) for the consolidated financial assets and liabilities outstanding as of 31 December 2024 and 2023 are as follows:

	31 December 2024			31 December 2023		
	USD	EUR	TL	USD	EUR	TL
Assets						
Cash and cash equivalents	3,59	3,25	46,52	5,91	5,13	39,82
Financial assets						
- Measured at fair value through profit or loss	5,12	3,65	-	5,75	5,98	-
- Measured at fair value through other comprehensive income	6,24	4,68	36,24	7,65	4,12	38,34
- Measured at amortised cost	6,48	3,56	34,85	6,45	3,05	39,55
Receivables from finance sector operations	8,96	7,85	49,54	8,99	7,66	40,86
Liabilities						
Borrowings	6,91	4,72	37,78	7,42	5,53	33,21
Payables of finance sector operations	1,13	0,88	33,33	0,87	0,93	20,29

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Consolidated financial assets and liabilities in carrying amounts classified in terms of periods remaining to contractual repricing dates are as follows:

31 December 2024	Up to 3 months	3 months - 1 year	1 year - 5 years	5 years and over	Non- interest bearing	Total
Assets						
Cash and cash equivalents	186.639	15.125	2.355	-	103.053	307.172
Balances with CBRT	146.735	-	-	-	221.225	367.960
Financial assets	222.936	42.420	117.861	141.947	10.827	535.991
- Measured at fair value through profit or loss	906	140	940	229	5.169	7.384
- Measured at fair value through other comprehensive income	46.604	17.618	22.914	48.084	5.658	140.878
- Measured at amortised cost	175.426	24.662	94.007	93.634	-	387.729
Receivables from finance sector operations	583.467	443.550	265.505	50.633	-	1.343.155
	1.139.777	501.095	385.721	192.580	335.105	2.554.278
Liabilities						
Borrowings	426.094	185.112	237.368	30.552	198	879.324
Payables to finance sector operations	895.199	45.446	12.478	820	587.658	1.541.601
	1.321.293	230.558	249.846	31.372	587.856	2.420.925
31 December 2023	Up to 3 months	3 months - 1 year	1 year - 5 years	5 years and over	Non- interest bearing	Total
Assets						
Cash and cash equivalents	251.726	26.345	523	-	139.246	417.840
Balances with CBRT	1.149	-	-	-	347.697	348.846
Financial assets	237.648	41.215	130.526	191.991	15.373	616.753
- Measured at fair value through profit or loss	1.633	780	357	609	8.158	11.537
- Measured at fair value through other comprehensive income	53.449	11.405	22.919	52.029	7.215	147.017
- Measured at amortised cost	182.566	29.030	107.250	139.353	-	458.199
Receivables from finance sector operations	556.368	516.304	243.795	69.569	-	1.386.036
	1.046.891	583.864	374.844	261.560	502.316	2.769.475
Liabilities						
Borrowings	424.392	230.052	209.309	11.266	3.994	879.013
Payables to finance sector operations	823.006	158.434	13.676	933	644.225	1.640.274
	1.247.398	388.486	222.985	12.199	648.219	2.519.287

Sensitivity to interest rate risk

The sensitivity analysis of Yapi Kredi Bankası, a Subsidiary of the Group operating in the finance sector, regarding fluctuations in interest rates was carried out for all interest-bearing assets and debts with interest. In the case of 100 bps rise in the annual interests in TL, USD and EUR currencies, the negative impact on the Group's consolidated equity holders of the parent is around TL1,8 billion. (In the case of 100 bps decrease in the annual interests, the positive impact on the Group's consolidated equity holders of the parent is around TL2,3 billion.)

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

In the case of 100 bps rise in the annual interests, the additional annual consolidated interest expense resulting from the repricing of borrowings within 1-year period is around TL9.000 million for the subsidiaries of the Group which operate in non-finance sector. It is expected that this interest expense will be substantially offset by the additional interest income resulting from the repricing of cash and cash equivalents due to their short-term maturities and therefore, 100 bps rise in interest rates is not expected to have a material net interest income/(expense) effect at the Group's non-finance sector operations' results within 1-year period.

The interest rate position is as follows:

	31 December 2024	31 December 2023
Fixed interest rate financial instruments		
Financial assets		
Cash and cash equivalents	176.699	236.392
Balances with CBRT	146.735	1.149
Financial assets		
- Measured at fair value through profit or loss	2.215	3.379
- Measured at fair value through other comprehensive income	77.514	107.743
- Measured at amortised cost	187.619	377.481
Receivables from finance sector operations	1.234.740	1.117.226
	1.825.522	1.843.370
Financial liabilities		
Borrowings	590.337	591.330
Payables to finance sector operations	953.881	995.960
	1.544.218	1.587.290
Floating interest rate financial instruments		
Financial assets		
Cash and cash equivalents	27.420	42.202
Financial assets		
- Measured at fair value through other comprehensive income	57.706	32.059
- Measured at amortised cost	200.110	80.718
Receivables from finance sector operations	108.415	268.810
	393.651	423.789
Financial liabilities		
Borrowings	288.789	283.689
Payables to finance sector operations	62	89
	288.851	283.778

c) Commodity price risk

Tüpraş, a Subsidiary of the Group is exposed to risk arising from fluctuations in crude oil prices due to raw material inventory held for production. Tüpraş management manages the risk by regularly reviewing the amount of the inventory held.

Tüpraş sets its sales price according to Petroleum Market Law No: 5015 considering the product prices at the Mediterranean market, which are the closest reachable world competitive market and USD currency rates. The changes in prices in the Mediterranean market and USD currency rate are evaluated daily by Tüpraş management and sales prices are updated when prices calculated according to the aforementioned factors differ significantly from the current sales prices.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Since instability in crude oil prices may cause fluctuations in net profit and cash flows, Tüpraş management has constituted a hedging policy in order to eliminate the aforementioned risk. In accordance with the policy, short and long term hedging transactions are realised by utilising various derivative instruments.

d) Product Profit Margin (Crack Margin) Risk

Besides the fluctuations in crude oil prices, Tüpraş is also exposed to the risk of fluctuations in crack margins arising from the changes in product prices. In order to eliminate the aforementioned risk in crack margins, a hedging policy has been constituted by considering historical product price levels, market expectations and forecasted sales volumes. In accordance with the policy, crack margins are hedged by utilising various derivative instruments.

c) Liquidity Risk

Liquidity risk comprises the risks arising from the inability to fund the increase in the assets, the inability to cover the liabilities due and the operations performed in illiquid markets. In the framework of liquidity risk management, funding sources are being diversified and sufficient cash and cash equivalents are held. In order to meet instant cash necessities it is ensured that the level of cash and cash equivalent assets does not fall below a predetermined portion of the short term liabilities.

Liquidity risk comprises the risks arising from the inability to fund the increase in the assets, the inability to cover the liabilities due and the operations performed in illiquid markets. In the framework of liquidity risk management, funding sources are being diversified and sufficient cash and cash equivalents are held. In order to meet instant cash necessities it is ensured that the level of cash and cash equivalent assets does not fall below a predetermined portion of the short term liabilities. Yapı Kredi Bankası mainly uses derivative transactions as managing liquidity risk and monitors cash inflow and outflow periods in the framework of funding plan balancing the distribution among currencies.

Undiscounted contractual cash flows of the consolidated financial liabilities as of 31 December 2024 and 2023 are as follows:

31 December 2024	Book value	Total contractual cash outflow	Demand or up to 3 months	3 months - 1 year	1 - 5 years	5 years and over
Financial liabilities						
Borrowings	879.324	1.000.292	257.108	295.400	343.374	104.410
<i>Borrowings, debt instruments and factoring liabilities</i>	863.298	981.805	256.045	291.563	331.813	102.384
<i>Lease liabilities</i>	16.026	18.487	1.063	3.837	11.561	2.026
Trade payables	250.577	259.418	253.686	5.732	-	-
Payables to finance sector operations	1.541.601	1.575.764	1.513.521	48.719	12.711	813
Derivative instruments⁽¹⁾						
Cash inflows	18.734	530.648	387.965	104.968	26.508	11.207
Cash outflows	22.600	(563.039)	(423.709)	(97.882)	(28.125)	(13.323)

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

31 December 2023	Book value	Total contractual cash outflow	Demand or up to 3 months	3 months - 1 year	1 - 5 years	5 years and over
Financial liabilities						
Borrowings	879.013	1.001.569	248.982	326.060	335.665	90.862
<i>Borrowings, debt instruments and factoring liabilities</i>	866.891	987.394	247.675	323.766	328.394	87.559
<i>Lease liabilities</i>	12.122	14.175	1.307	2.294	7.271	3.303
Trade payables	269.482	279.925	269.692	10.233	-	-
Payables to finance sector operations	1.640.274	1.672.713	1.480.025	178.318	13.453	917
Derivative instruments ⁽¹⁾						
Cash inflows	34.870	682.550	495.171	136.494	29.732	21.153
Cash outflows	19.627	(680.643)	(491.685)	(130.490)	(35.276)	(23.192)

⁽¹⁾ Derivative instruments do not include the carrying value (Note 11) of changes in the fair value changes arising from the off-balance sheet operating lease transactions of Otokoç, a Subsidiary of the Group, denominated in foreign currency.

The distribution of non-cash loans (Note 32) of Yapı Kredi Bankası, a Subsidiary of the Group, by original maturity is as follows:

31 December 2024	Indefinite	Up to 1 year	1-5 years	5 years and over	Total
Letters of guarantee	110.011	86.034	221.016	22.624	439.685
Letter of credits	-	44.777	18.993	13	63.783
Acceptance credits	-	2.790	374	-	3.164
Other	5.001	20.546	5.347	11.882	42.776
	115.012	154.147	245.730	34.519	549.408
31 December 2023	Indefinite	Up to 1 year	1-5 years	5 years and over	Total
Letters of guarantee	118.110	73.906	220.122	27.038	439.176
Letter of credits	-	54.929	23.132	18	78.079
Acceptance credits	-	3.078	67	-	3.145
Other	5.063	13.059	5.258	17.318	40.698
	123.173	144.972	248.579	44.374	561.098

Capital Risk Management

The Group's main objectives for capital management are to keep the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may decide on the amount of dividends paid to shareholders, issue of new shares or sell assets to decrease net financial debt.

The Group monitors capital on the basis of the net financial debt/invested capital ratio. Net financial debt is calculated as total financial liabilities less cash and cash equivalents (excluding blocked deposits) and invested capital is calculated as net financial debt plus total equity.

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NOTE 33 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Consolidated net financial debt/invested capital ratio as of 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
Total borrowings	879.324	879.013
Less: Cash and cash equivalents	(293.978)	(403.770)
Net financial debt	585.346	475.243
Equity	858.664	973.506
Invested capital	1.444.010	1.448.749
Net financial debt/invested capital ratio	0,41	0,33

NOTE 34 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS

Fair value of financial instruments

Estimated fair values of financial instruments have been determined by the Group by using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data. Accordingly, estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange.

The following methods and assumptions are used to estimate the fair values of financial instruments:

Financial assets

Carrying values of cash and cash equivalents and trade receivables are assumed to reflect their fair values due to their short-term nature. The estimated fair value of interest bearing placements of cash and cash equivalents of finance sector is calculated based on discounted cash flows using prevailing money market interest rates at the statement of financial position date with similar credit risk and remaining maturity.

The estimated fair value of receivables from finance sector operations represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates with similar currency and remaining maturity in order to determine their fair value.

The fair value of financial assets measured at amortised cost is determined based on market prices; or when market price is not available, based on market prices quoted for other securities subject to the same redemption qualifications in terms of interest, maturity and other similar conditions.

Financial liabilities

Fair values of short-term trade payables and borrowings with floating interest rate are assumed to approximate their carrying values. The estimated fair value of issued debt securities and other long-term borrowings without quoted market price is based on discounted cash flows using market interest rates prevailing at the statement of financial position date with similar credit risk and remaining maturity.

The estimated fair value of demand deposits with no stated maturity classified under payables to finance sector operations, represents the amount repayable on demand. The fair value of overnight deposits refers to the book value. The estimated fair value of fixed-interest deposits is calculated based on discounted cash flows using market interest rates applied to similar loans and other debts. In case the maturities are short-term, the carried value is assumed to reflect the fair value.

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NOTE 34 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS (Continued)

Within the framework of the methods and assumptions explained above, the carrying values and estimated fair values of financial assets and liabilities as of 31 December 2024 and 2023 are presented in the table below:

	31 December 2024		31 December 2023	
	Carrying value	Fair value	Carrying value	Fair value
Assets				
Receivables from finance sector operations	1.343.155	1.338.343	1.386.036	1.361.647
Financial assets measured at amortised cost	387.729	352.335	458.199	444.438
Liabilities				
Borrowings	879.324	884.553	879.013	856.684
Payables to finance sector operations	1.541.601	1.542.036	1.640.274	1.630.431

Fair value estimation

The classification of the Group's consolidated financial assets and liabilities at fair value is as follows:

Level 1: *Quoted prices (unadjusted) in active markets for identical assets or liabilities:* The fair value of financial assets and financial liabilities are determined with reference to quoted market prices.

Level 2: *Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):* The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other variables used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

Level 3: *Inputs for the asset or liability that are not based on observable market data.*

31 December 2024	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit/(loss)				
- Equity securities	9	357	3.448	3.814
- Time deposits	-	140	-	140
- Debt instruments	2.538	892	-	3.430
Financial assets measured at fair value through other comprehensive income				
- Equity securities	5.900	1.515	-	7.415
- Debt instruments	133.163	300	-	133.463
Derivative instruments	-	18.734	-	18.734
Total assets	141.610	21.938	3.448	166.996
Derivative instruments	-	22.600	-	22.600
Liabilities related to business combinations	-	3.456	-	3.456
Total liabilities	-	26.056	-	26.056

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NOTE 34 - FAIR VALUE DISCLOSURES OF FINANCIAL INSTRUMENTS (Continued)

31 December 2023	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit/(loss)				
- Equity securities	53	685	6.682	7.420
- Time deposits	-	1.567	-	1.567
- Debt instruments	2.550	-	-	2.550
Financial assets measured at fair value through other comprehensive income				
- Equity securities	5.907	1.320	-	7.227
- Debt instruments	139.695	95	-	139.790
Derivative instruments	-	34.870	-	34.870
Total assets	148.205	38.537	6.682	193.424
Derivative instruments	-	19.627	-	19.627
Liabilities related to business combinations	-	5.581	-	5.581
Total liabilities	-	25.208	-	25.208

NOTE 35 - EARNINGS PER SHARE

	2024	2023
Earnings per share:		
Profit for the period	(5.288)	178.415
Less: Profit attributable to non-controlling interests	(6.594)	70.239
Profit attributable to equity holders of the parent	1.306	108.176
Weighted average number of shares with nominal value of Kr 1 each ⁽¹⁾	253.500.758	253.500.758
Earnings per share (Kr)	0,515	42,673

⁽¹⁾ Calculated by adjusting the treasury shares (Note 23).

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NOTE 36 - EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/(LOSSES)

The amounts of the Group's subsidiaries' net monetary position gains and losses before consolidation eliminations and adjustments are as follows:

<i>Non-Monetary Items</i>	31 December 2024
Balance sheet items	(20.290)
Inventories	24.885
Other current assets	2.056
Investments accounted for using the equity method, financial assets, subsidiaries	127.447
Property, plant and equipment	105.621
Intangible assets	18.377
Investment properties	1.049
Other non-current assets	31.857
Other current liabilities	(5.264)
Paid-in share capital	(75.859)
Share premium	(1.261)
Treasury shares	3.542
Other comprehensive income/(expense) not to be reclassified to profit or loss	6.041
Other comprehensive income/(expense) to be reclassified to profit or loss	4.487
Restricted reserves	(14.482)
Retained earnings	(248.786)
Statement of income items	(18.006)
Revenue	(260.538)
Cost of sales	217.120
Research and development expenses	1.746
Marketing expenses	7.861
General administrative expenses	14.475
Other operating income/expenses	(1.075)
Income/expenses from investment activities	(6.367)
Financial income/expenses	573
Tax expense	8.199
	(38.296)

KOÇ HOLDİNG A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

NOTE 37 - SUPPLEMENTARY CASH FLOW INFORMATION

Supplementary information for the details included in the consolidated cash flow statements as of 31 December 2024 and 2023 is as follows:

	2024	2023
Changes in provisions:		
Provisions for warranty and assembly	1.202	2.475
Provisions for lawsuits	(569)	(279)
Provisions for non-cash loans	(1.743)	1.978
Provisions for employee benefits	(3.260)	(1.551)
Other provisions	(131)	1.694
	(4.501)	4.317
Adjustments for impairment loss/(reversal of impairment loss):		
Provisions for impairment on receivables from finance sector operations	47.113	42.352
Provisions for impairment on trade receivables	596	510
Provisions for impairment on inventories	(22)	(410)
	47.687	42.452
Net changes in the operating assets and liabilities:		
Finance:		
Receivables from finance sector operations	35.666	117.266
Balances with Central Bank of the Republic of Turkey - required reserves	(37.151)	19.833
Payables of finance sector operations	(98.673)	(54.603)
Other assets and liabilities, net	31.215	(53.800)
	(68.943)	28.696
Non-Finance:		
Inventories	25.983	32.261
Trade receivables	51.446	(28.775)
Trade payables	(75.960)	23.853
Other receivables and payables, net	20.836	20.928
Other assets and liabilities, net	(8.268)	(22.748)
	14.037	25.519
Currency translation differences	(20.034)	(7.070)
	(74.940)	47.145
Cash and cash equivalents:		
Cash and cash equivalents (Note 5)	307.172	417.840
Add: Balances with		
Central Bank of the Republic of Turkey - free deposits (Note 6)	209.881	227.919
Less: Blocked deposits (Note 5)	(13.194)	(14.070)
	503.859	631.689

KOÇ HOLDİNG A.Ş. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts on tables expressed in million of Turkish Lira ("TL") in terms of purchasing power of the TL on 31 December 2024 unless otherwise indicated.)
Convenience translation into English of the consolidated financial Statements originally issued in Turkish (note 2.6)

NOTE 38 - EVENTS AFTER THE BALANCE SHEET DATE

Tek-Art Kalamış ve Fenerbahçe Marmara Turizm Tesisleri A.Ş. ("Tek-Art"), a Subsidiary of the Group, was invited to sign the contract as the second highest bidder with USD504 million in the tender announced by the Republic of Turkey Ministry of Treasury and Finance Privatisation Administration ("Privatisation Administration") for the privatisation of Fenerbahçe-Kalamış Marina for 40 years with the "grant of operating rights" method and the related contract was signed on 5 February 2025.

As a result of the evaluations, the contract for the grant of the operating rights of Fenerbahçe-Kalamış Marina for 40 years has been signed by Tek-Art's wholly owned subsidiary Kalamış ve Fenerbahçe Marina İşletmeciliği A.Ş. ("Kalamış A.Ş.") in accordance with the tender specifications and USD176,4 million, corresponding to 35% of the total contract price of USD504 million, has been paid on the contract signature date. The remaining amount will be paid in 5 equal installments over 60 months with interest to be calculated by adding SOFR rate +3% by providing a letter of guarantee for the remaining balance.

In this context, at the extraordinary general assembly meeting of Tek-Art, in which Koç Holding holds 33,8% of the share capital, it was decided to increase Tek-Art's capital from TL134.687.160 to TL361.472.874 with an increase of TL226.785.714 and to exercise pre-emptive rights in the capital increase at a price of TL0,28 for a share with a nominal value of TL0,01, taking into account the value of the company assessed by KPMG Yönetim Danışmanlığı A.Ş. Koç Holding has decided to participate in the capital increase amounting to TL6.349.999.992 in total by exercising the pre-emptive rights corresponding to the shares held in Tek-Art capital as well as all of the pre-emptive rights not exercised by other shareholders and the related amount was paid in cash on 24 January 2025. As a result of the capital increase, Koç Holding's share in Tek-Art capital reached to 75,3%.

In accordance with the tender specifications, Kalamış A.Ş. is also required to complete the infrastructure and superstructure constructions of Fenerbahçe-Kalamış Marina in accordance with the criteria specified in the relevant legislation within 10 years from the date of signature of the contract and turn it into a minimum 4 anchor marina, and in this context, under the current assumptions, a total investment of USD150 million is foreseen in the relevant period. There is no decision taken at this stage regarding the financing method of the payments to be made in the following years, and the issue will be evaluated according to the market conditions in the relevant period.

Koç Holding A.Ş. Balance Sheet and Income Statement Issued
According to the Statutory Records

Koç Holding A.Ş. Balance Sheet 31 December 2024 and 2023, Issued According to the Statutory Records (TL)

ASSETS ¹		31.12.2024	31.12.2023
CURRENT ASSETS		62,723,493,113.17	48,542,865,503.41
Cash And Cash Equivalents	48,213,093,078.69		31,805,073,583.32
Cash	0.00	1,000.00	
Banks	48,213,093,078.69	31,805,072,583.32	
Securities	10,438,122,651.02		13,696,616,601.60
Debt Securities	9,672,318,180.00	13,235,414,720.00	
Other Securities	765,804,471.02	461,201,881.60	
Short Term Trade Receivables	2,502,004,276.15		2,132,220,402.67
Customers	2,501,876,926.10	2,132,073,656.85	
Doubtful Receivables	1,822,174.35	1,264,125.21	
Provision for Doubtful Receivables	-1,694,824.30	-1,117,379.39	
Expenses and Income Accruals for Future Months	1,258,602,881.93		900,933,744.62
Expenses for Future Months	106,135,104.16	68,051,443.04	
Income Accruals	1,152,467,777.77	832,882,301.58	
Other Current Assets	311,670,225.38		8,021,171.20
Other Miscellaneous Current Assets	311,670,225.38	8,021,171.20	
NON-CURRENT ASSETS		168,522,231,379.16	125,025,567,928.66
Long Term Trade Receivables	3,202,453.90		2,712,390.50
Deposits and Guarantees Given	3,202,453.90	2,712,390.50	
Financial Non-Current Assets	155,073,650,488.49		114,664,922,773.88
Subsidiaries	75,636,417,297.29	61,712,067,766.29	
Affiliate Company	79,437,233,191.20	52,952,855,007.59	
Property, Plant and Equipment	13,228,416,883.23		10,190,560,231.55
Lands	1,065,978,090.04	829,397,769.34	
Land Improvements	259,942,351.31	202,251,442.48	
Buildings	9,853,336,507.72	7,589,740,764.66	
Motor Vehicles Equipment	7,162,524,455.13	4,799,317,315.33	
Furniture and Fixtures	698,462,063.97	526,608,401.05	
Accumulated Depreciation	-5,869,795,984.94	-4,377,216,325.81	
Advances Given	57,969,400.00	620,460,864.50	
Intangible Assets	216,961,553.54		167,372,532.73
Research and Developments Expenses	181,295,179.54	141,059,013.22	
Establishment and Formation Expenses	22,403,652.71	17,431,446.07	
Rights	215,993,399.64	157,961,184.25	
Leasehold Improvements	164,930,755.69	128,326,465.75	
Accumulated Depreciation	-367,661,434.04	-277,405,576.56	
TOTAL ASSETS		231,245,724,492.33	173,568,433,432.07

(1) The Balance Sheet items have been prepared taking into account provisions regarding inflation adjustment.

LIABILITIES		31.12.2024	31.12.2023
CURRENT LIABILITIES		39,848,297,072.83	7,540,011,669.35
Financial Liabilities	26,417,475,000.00	0.00	0.00
Bonds Issued	26,417,475,000.00	0.00	
Trade Payables	290,295,658.99	100,730,638.67	
Suppliers	285,759,999.62	97,679,312.29	
Deposits and Guarantees Received	4,535,659.37	3,051,326.38	
Other Current Liabilities	12,173,370,036.28	6,757,499,559.25	
Liabilities to Associates	1,665,920,548.29	1,461,147,785.50	
Social Security Premiums Payable	25,640,122.74	25,167,204.74	
Other Debts	10,481,809,365.25	5,271,184,569.01	
Provision for Debts and Expenses	967,156,377.56	681,781,471.43	
Provision for Profit of Period Taxes and Other	1,427,441,872.03	1,222,781,524.58	
Prepaid Tax and Other Liabilities of Period Profit	-986,343,937.46	-988,185,136.50	
Other Provision for Debts and Expenses	526,058,442.99	447,185,083.35	
NON-CURRENT LIABILITIES		84,165,706.98	22,122,173,370.56
Financial Liabilities	0.00	22,078,650,000.00	
Bonds Issued	0.00	22,078,650,000.00	
Provision for Debts and Expenses	84,165,706.98	43,523,370.56	
Provision for Employment Termination Benefits	84,165,706.98	43,523,370.56	
EQUITY		191,313,261,712.52	143,906,248,392.16
Total Share Capital	69,605,233,204.34	54,157,234,275.06	
Paid in Share Capital	2,535,898,050.00	2,535,898,050.00	
Adjustment to Share Capital Positive	67,131,892,481.75	51,683,893,552.47	
Adjustment to Share Capital Negative	-62,557,327.41	-62,557,327.41	
Issue Premium	264,583,666.22	205,862,676.37	
Issue Premium	264,583,666.22	205,862,676.37	
Reserves	153,669,814,172.91	121,596,623,633.34	
Legal Reserves	12,783,636,045.75	9,946,470,119.34	
Extraordinary Reserves	82,842,650,892.22	66,515,542,852.93	
Special Funds	58,043,527,234.94	45,134,610,661.07	
Prior Years Profit Inflation Adjustment	5,654,521,577.31	4,399,572,211.43	
Prior Years Profit Inflation Adjustment - 2004	5,654,521,577.31	4,399,572,211.43	
Prior Years Losses	-73,075,947,369.14	-56,866,879,415.20	
Prior Years Losses Inflation Adjustment	-73,040,180,169.86	-56,821,900,239.67	
Prior Years Losses	-35,767,199.28	-44,979,175.53	
Profit for the Period	35,195,056,460.88	20,413,835,011.16	
TOTAL LIABILITIES AND EQUITY		231,245,724,492.33	173,568,433,432.07

Koç Holding Income Statement for the Period of 01 January-31 December 2024 And 2023 Issued According to the Statutory Records (TL)

		2024	2023
GROSS REVENUES		3,558,106,356.20	2,852,047,289.63
Domestic Revenues	3,558,106,356.20		2,852,047,289.63
OPERATING EXPENSES		-5,933,598,718.88	-5,023,149,335.30
General Administrative Expenses	-5,933,598,718.88		-5,023,149,335.30
ORDINARY INCOME AND PROFIT FROM OTHER OPERATIONS		48,717,507,020.37	32,597,788,797.59
Dividend Income from Associates	21,090,871,158.54		12,874,808,867.80
Dividend Income from Subsidiaries	12,237,562,253.77		3,480,163,944.29
Interest Income	5,737,298,622.84		2,610,088,484.80
Provisions No Longer Required	83,538.88		14,244,458.42
F/X Income	9,225,015,451.13		13,339,809,111.61
Other Ordinary Income and Profit	426,675,995.21		278,673,930.67
ORDINARY EXPENSES AND LOSSES FROM OTHER OPERATIONS		-808,658,249.36	-536,929,815.85
Provision Expenses	-41,303,320.21		-19,562,129.48
F/X Losses	-752,988,289.94		-517,367,686.37
Inflation Adjustment Losses	-14,366,639.21		
FINANCIAL EXPENSES		-6,082,779,542.52	-9,715,063,317.38
Short Term Borrowing Expenses	-51,100,196.44		-39,244,527.53
Long Term Borrowing Expenses	-6,031,679,346.08		-9,675,818,789.85
EXTRAORDINARY INCOME AND PROFIT		18,724,721.96	1,461,922,917.05
Other Extraordinary Income and Profit	18,724,721.96		1,461,922,917.05
EXTRAORDINARY EXPENSE AND LOSSES		-2,846,803,254.86	0.00
Other Extraordinary Expense and Losses	-2,846,803,254.86		
PROFIT FOR THE PERIOD		36,622,498,332.91	21,636,616,535.74
TAXES PAYABLES AND OTHER LEGAL LIABILITIES		-1,427,441,872.03	-1,222,781,524.58
NET PROFIT FOR THE PERIOD		35,195,056,460.88	20,413,835,011.16

OTHER INFORMATION RELATED TO CORPORATE GOVERNANCE

- Informative Document for the 3 April 2025 Ordinary General Assembly to Review Financial Year 2024
- Statements of Independence
- Corporate Governance Compliance Report and Information Form
- CMB Sustainability Principles Compliance Report

Informative Document for the 3 April 2025 Ordinary General Assembly to Review Financial Year 2024

1. INVITATION TO THE 3 APRIL 2025 ORDINARY GENERAL ASSEMBLY

Koç Holding A.Ş.'s Ordinary General Assembly Meeting shall convene on Thursday 3 April 2025 at 16:00 (2pm GMT) at the address of Kuzguncuk Mahallesi Azizbey Sok. No:1 34674 Üsküdar/İstanbul (Tel: 0216 531 00 00, Fax: 0216 531 00 99). The activities of the Company for the financial year 2024 will be reviewed at the meeting, the following agenda will be discussed and a resolution regarding the agenda will be voted.

In accordance with the legal requirements, 2024 financial statements, the independent auditor's report prepared by our independent auditor, Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., the articles of association amendment proposal, and the board of directors' annual report including the dividend distribution proposal of the board of directors and the explanations regarding compliance with Corporate Governance Principles and Sustainability Principles, along with the following agenda and the informative document containing the information required by the Capital Markets Board ("CMB") regulations shall be made available to the shareholders at the company headquarters, on the Company's corporate website at www.koc.com.tr, on the Public Disclosure Platform, and on the Electronic General Assembly System of the Central Securities Depository ("CSD") at least three weeks prior to the meeting, excluding the invitation and the meeting dates.

Shareholders that are unable to attend the meeting in person, save for the rights and obligations of those participating electronically via the Electronic General Assembly System, shall prepare their proxy documents in accordance with the legal requirements, or shall obtain a proxy sample form from Yapı Kredi Yatırım Menkul Değerler A.Ş. (Yapı Kredi Plaza / Levent-İstanbul), our Company, or from our corporate website at www.koc.com.tr and shall submit to the Company the proxy documents issued in accordance with the requirements of the Communiqué No. II-30.1, Use of Proxy Vote and Proxy Collection through Invitation, enacted on 24 December 2013 and published in Official Gazette No. 28861. A proxy document is not required from a proxy appointed electronically through the Electronic General Assembly System. Due to our legal liability, proxy documents which do not comply with the requirements of the aforementioned Communiqué shall not be accepted.

Shareholders intending to vote via the Electronic General Assembly System are requested to obtain information from the CSD, our Company's website at www.koc.com.tr or from the Company headquarters (Tel: +90 216 531 00 00) to ensure that they comply with the provisions of the relevant regulations.

Pursuant to paragraph 4 of article 415 of the Turkish Commercial Code No. 6102 and paragraph 1 of Article 30 of the Capital Markets Law, the right to attend the General Assembly and voting rights shall not be conditional on depositing the share certificates. Accordingly, shareholders participating in the General Assembly do not need to block their shares.

Detailed information on processing shareholders' personal data within the framework of the Law on the Protection of Personal Data (No. 6698) is available at "Koç Holding Personal Data Protection and Processing Policy" disclosed on www.koc.com.tr.

At the Ordinary General Assembly Meeting, the voters shall use the open voting system by raising hands, without prejudice to the provisions of electronic voting regarding the voting of each item on the agenda.

All right holders and stakeholders as well as the press are invited to the General Assembly Meeting.

Pursuant to the Capital Markets Law, shareholders holding registered shares that are traded on the stock exchange will not receive a separate registered invitation letter for the meeting.

Respectfully,

KOÇ HOLDİNG A.Ş.
Board of Directors

Company Address: Nakkaştepe Azizbey Sok. No: 1 34674 Üsküdar/İstanbul
Trade Registry and Number: İstanbul/85714
Mersis Number: 0570002057500012

2. ADDITIONAL EXPLANATIONS IN ACCORDANCE WITH THE CMB REGULATIONS

The additional explanations required pursuant to the CMB's Corporate Governance Communiqué No. II-17.1 are made in the related articles of the agenda below. Other mandatory general explanations are provided in this section.

2.1. Capital Structure and Voting Rights

As of the date of the publication of this Information Document, information concerning the total number of shares and voting rights, the number of shares and voting rights representing each privileged share and the type of privilege is provided below:

The Company shares are divided into two groups, Group A and Group B. Each Group A share has two votes at the General Assembly.

The voting rights of our shareholders, taking into consideration privileged shares, are provided in the following table:

Shareholder	Group	Share Amount (TRY)	Equity Ratio (%)	Voting Right	Voting Right Stake (%)
Family Danışmanlık Gayrimenkul ve Ticaret A.Ş.*	A	678,773,422	26.77	135,754,684,460	42.23
Family Danışmanlık Gayrimenkul ve Ticaret A.Ş.*	B	430,566,455	16.98	43,056,645,478	13.39
Koç Family **	B	464,947,514	18.33	46,494,751,430	14.46
Vehbi Koç Foundation	B	184,171,754	7.26	18,417,175,384	5.73
Koç Holding Pension and Assistance Foundation	B	59,553,491	2.35	5,955,349,123	1.85
Rahmi M. Koç ve Mahdumları Maden İnşaat Turizm Ulaştırma Yatırım ve Ticaret A.Ş.	B	35,385,424	1.40	3,538,542,410	1.10
Free Float**	B	682,499,989	26.91	68,249,998,945	21.23
Total		2,535,898,050	100.00	321,467,147,230	100.00

* Family Danışmanlık Gayrimenkul ve Ticaret A.Ş. is a wholly-owned subsidiary of Temel Ticaret A.Ş. Majority of Temel Ticaret ve Yatırım A.Ş. shares belong to Koç Family members.

** Koç Family Members: Rahmi M. Koç, Semahat S. Arsel, M. Ömer Koç, Ali Y. Koç, İpek Kırar, Caroline N. Koç, Esra Çiğdem Koç and Aylin Elif Koç

** Includes shares bought back by Koç Holding with a nominal value of 890,475 TL amounting to 0.04% of share capital.

2.2. Managerial and Operational Changes in Our Company or our Subsidiaries which may Significantly Affect the Activities of our Company

There are no managerial or operational changes that have substantially affected or that will substantially affect the Company's activities in the previous accounting period or planned for the upcoming accounting periods. Material event disclosures made by our Company in accordance with legal requirements are available at www.kap.gov.tr

2.3. Information Regarding Requests of Shareholders for Adding An Item On The Agenda

Information on the requests of the shareholders of the Company, submitted in writing to the Investor Relations Department regarding the inclusion of an item on the agenda, the requests that were not accepted in cases where the board of directors did not accept the requests of the shareholders, and the reasons for rejection are presented below:

No request has been submitted in writing to Koç Holding concerning the requests of shareholders to have an item added on the agenda.

3. ANNOUNCEMENTS PERTAINING TO THE AGENDA ITEMS OF THE ORDINARY GENERAL ASSEMBLY MEETING ON 3 APRIL 2025

1. Opening and election of the Chairman of the Meeting

Within the framework of the provisions of "the Turkish Commercial Code ("TCC") no. 6102" and "the Regulation of the Ministry of Customs and Commerce regarding Principles and Procedures of General Assembly Meetings of Joint Stock Companies and Representatives of the Ministry of Customs and Commerce to be Present in these Meetings" ("Regulation" or "General Assembly Regulation"), and General Assembly Principles Article 7, a Chairman shall be elected to chair the General Assembly meeting. Within the framework of the General Assembly Principles, at least one person will be appointed as Secretary by the Chairman. The Chairman may also appoint adequate number of vote-collectors.

2. Presentation, discussion and approval of the Annual Report of the Company prepared by the Board of Directors for the year 2024

Within the framework of the TCC, the Regulation, the Capital Markets Law and related regulations, information shall be given on the 2024 Annual Report, which has been announced at the headquarters of our Company, on the Electronic General Assembly System of the CSD and on the corporate website of the Company at www.koc.com.tr for review of our shareholders three weeks before the General Assembly meeting and the Annual Report shall be presented for discussion and approval of our shareholders.

Informative Document for the 3 April 2025 Ordinary General Assembly to Review Financial Year 2024

3. Presentation of the summary of the Independent Audit Report for the year 2024

A summary of the Independent Auditor's Report, which is prepared according to the TCC and the CMB regulations and announced three weeks prior to the General Assembly meeting at the Company headquarters, the Electronic General Assembly System of the CSD and www.koc.com.tr will be read aloud.

4. Presentation, discussion and approval of the Financial Statements of the Company for the year 2024

Information about our financial statements and legal statutory accounts, which, pursuant to the TCC, bylaws and the Capital Markets Law have been announced three weeks prior to the General Assembly meeting at our Company headquarters, on the Electronic General Assembly System of the CSD and on www.koc.com.tr for review of our shareholders, shall be presented to our shareholders for their evaluation and approval.

5. Release of each member of the Board of Directors from liability for the Company's activities for the year 2024

Pursuant to the TCC and bylaws, the release of the members of our Board of Directors for the activities, transactions and accounts for the year 2024 shall be submitted to the General Assembly for its approval.

6. Approval, approval with amendment, or rejection of the Board of Directors' proposal on the distribution of profits for the year 2024 and the distribution date

According to our financial statements prepared by our Company within the framework of the Turkish Commercial Code and the Capital Markets Law and related regulations in compliance with Turkish Financial Reporting Standards and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. covering the accounting period between 01.01.2024 – 31.12.2024; the consolidated profit attributable to equity holders of the parent was TL 1,306,263,000. The dividend payment proposal, drawn up in accordance with the dividend distribution table format provided in the Dividend Communiqué numbered II-19.1 and the Dividend Manual announced in accordance with the said Communiqué, and taking into account the Company's Dividend Distribution Policy, long-term strategy, investment and financing policies, profitability and liquidity, is provided in **Appendix 1**.

7. Approval, approval with amendment, or rejection of the Board of Directors' proposal on the amendment of Article 6 of the Articles of Association of the Company "Capital" to increase the registered capital and to prolongate its period of validity

The articles of association amendment proposal provided in **Appendix 2** and the related board of directors resolution will be submitted to the approval of the General Assembly for the increase of the upper limit of the Company's authorized capital to TRY 10,000,000,000 and the extension of its validity period for the years 2025-2029, in line with our Company's board of directors' resolution dated 16 January 2025 and numbered 2025/01. Necessary approvals for the proposed amendments have been received from the CMB and the Ministry of Trade on 24 January 2025 and 4 February 2025 respectively.

8. Determining the number of the members of the Board of Directors and their terms of office, election of the members of the Board of Directors in accordance with the newly resolved number, and election of the Independent Board Members

In accordance with the CMB regulations, the TCC, bylaws and the principles governing the election of members of the Board of Directors in the Articles of Association, new members shall accordingly be elected. In addition to that, Independent Members of the Board of Directors shall be elected in compliance with the CMB's Corporate Governance Communiqué No. II-17.1.

According to Article 11 of the Articles of Association, the Company's business and management are conducted by a Board of Directors consisting of at least 9 and at most 18 members elected in line with the TCC and CMB regulations. The General Assembly may decide on the renewal of the Board of Directors even if their terms of office have not expired.

One third of the elected Board of Director members shall meet the independence criteria as defined in the CMB's mandatory Corporate Governance Principles.

The Board of Directors, upon the proposal of the Nomination and Remuneration Committee, has designated Mr. Peter Martyr, Mr. Michel Ray de Carvalho, Mr. Ömer Önhon and Mr. Ahmet Kirman as Independent Board Member candidates, and the candidates for whom the CMB has not granted any negative opinion will be presented to the general assembly for approval.

All the four candidates meet all the independence criteria defined in the CMB's Communiqué, except for the criteria of "qualifying as a Turkish resident under the Income Tax Law" for Mr. Peter Martyr and Mr. Michel Ray de Carvalho.

The CVs of the candidates to the Board of Directors and the Declarations of Independence for the independent member candidates who will be presented to the General assembly are provided in **Appendix 3**.

9. Presentation to the shareholders and approval of the "Remuneration Policy" for the members of the Board of Directors and the Senior Executives and the payments made on that basis in accordance with the Corporate Governance Principles

According to the CMB's mandatory Corporate Governance Principle No. 4.6.2, the principles for the remuneration of Board of Directors' members and senior management shall be made available in writing and included as a separate item on the General Assembly agenda to enable the shareholders to share their opinions on the same. The Remuneration Policy prepared in this respect is attached hereto as **Appendix 4** for this purpose. Information on the compensation of the members of the Board of Directors and the senior management is available in footnote No. 29 of our financial statements dated 31 December 2024.

10. Determining the annual gross salaries to be paid to the members of the Board of Directors

The annual gross remuneration to be paid to the members of the Board of Directors in 2025 shall be determined by the shareholders as per our revised Remuneration Policy submitted for the approval of the shareholders as per item 9 of the agenda.

11. Approval of the appointment of the Independent Audit Firm as selected by the Board of Directors in accordance with the provisions of the Turkish Commercial Code, the Capital Markets Board and the Public Oversight, Accounting and Auditing Standards Authority's regulations

In accordance with the TCC, the Capital Markets Board and the Turkish Public Oversight, Accounting and Auditing Standards Authority ("KGK") regulations, and taking into consideration the opinion of the Audit Committee, the Board of Directors resolved at their meeting on 18 February 2025 to nominate Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to audit the Company's financial reports for the year 2025 accounting period and to fulfil all other obligations required for the auditors by the Turkish Commercial Code, the Capital Markets Law and related regulations, including but not limited to, subject to them being authorized to carry out independent sustainability audit services by the KGK, the mandatory assurance audits of reports to be prepared in accordance with the Turkish Sustainability Reporting Standards as published by the KGK. This decision shall be submitted to the General Assembly for approval.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. has been authorized to carry out independent sustainability audit services through the KGK decision dated 18 February 2025.

12. Within the scope of the Company's Donation and Sponsorship Policy, informing the shareholders on the donations made by the Company in 2024 and determining an upper limit for donations for the year 2025

The Donations and Sponsorship Policy which was adopted by the Board of Directors and disclosed on 1 March 2021 was approved by the shareholders at the General Assembly on 9 April 2021 in accordance with the Corporate Governance Principle 1.3.10, which stipulates that "A policy regarding donations and contributions shall be prepared and submitted to the approval of the general assembly".

Pursuant to article 6 of the CMB's Communiqué on Dividends No. II-19.1, the limit of donations to be made must be determined by the General Assembly, in cases not specified in the Articles of Association, and information concerning the donations and payments made must be provided to shareholders at the General Assembly. Therefore, in accordance with the Donation and Sponsorship Policy, donations totaling to TL 80,467,461.52 were made to foundations and associations in 2024 (corresponding to TL 80,648,547.80 according to purchasing power of Turkish Lira at 31 December 2024). Of this amount, TL 75,000,000 was donated to Vehbi Koç Foundation; TL 2,100,000 was donated to Koç University; and the remaining TL 3,367,161.52 was donated to various other entities each with an amount below TL 1,500,000, the amounts of which are not deemed to be material for investors. The upper limit of donations to be made in 2025 shall be resolved by the General Assembly.

13. Presentation to the shareholders of the collaterals, pledges, mortgages and sureties granted in favor of third parties in the year 2024 and of any benefits or income thereof in accordance with the Capital Markets Board regulations

Pursuant to article 12 of the Capital Markets Board Corporate Governance Communiqué No. II-17.1, income or benefits derived by our Company and/or its subsidiaries from collaterals, pledges, mortgages and sureties against third parties must be stipulated in a separate article of the agenda of the General Assembly. Relevant information is available in footnote no. 32 of our financial statements dated 31 December 2024.

Informative Document for the 3 April 2025 Ordinary General Assembly to Review Financial Year 2024

14. Authorization of the shareholders that have management control, the members of the Board of Directors, the senior executives and their spouses and relatives related by blood or affinity up to the second degree as per the provisions of articles 395 and 396 of the Turkish Commercial Code and presentation to the shareholders of the transactions carried out thereof in the year 2024 pursuant to the Corporate Governance Communiqué of the Capital Markets Board

The members of the Board of Directors can do business as stipulated in the first subsection of Articles 395 and 396 of the TCC entitled Competition Ban and Ban on Doing Business with the Company and Borrowing from the Company only with the approval of the General Assembly.

Pursuant to the Capital Markets Board's mandatory Corporate Governance Principle no. 1.3.6, the General Assembly shall be informed in the event that shareholders having managerial control, board members, senior management and their relatives up to the second degree of blood or affinity engaged in a significant business transaction creating a conflict of interest with the Company or its subsidiaries, competed with the company in the same line of business on their own behalf or on the behalf of others, or was involved in the same business as that of the Company as unlimited partner in another company. Information about said transactions must be included as a separate item on the agenda and recorded into the minutes of the General Assembly.

To fulfil the requirements of these regulations, permission shall be sought from the shareholders at the General Assembly. Some of the shareholders having managerial control, board members, senior management and relatives up to the second degree of blood or affinity are also board members at several Koç Group companies including those with similar operations to our Company. In 2024, there has not been any material transaction which requires notification in accordance with Corporate Governance Principle no. 1.3.6 of the Corporate Governance Communiqué.

15. Presentation of information to the shareholders regarding Koç Holding's target and progress towards target on transition to a low-carbon economy

Koç Holding aims to become carbon neutral by 2050 as part of its Carbon Transformation Program announced in 2021, and information on activities undertaken in 2024 in this regard shall be provided to the General Assembly.

16. Wishes and observations

APPENDICES:

APPENDIX 1 - 2024 Dividend Distribution Proposal (see pages 22-23)

APPENDIX 2 - Articles of Association Amendment Proposal

APPENDIX 3 - CVs of Board of Directors Candidates and Independence Declarations of Independent Board Member Candidates

APPENDIX 4 - Remuneration Policy for Board of Directors and Executive Management (see page 25)

APPENDIX 2

ARTICLES OF ASSOCIATION AMENDMENT PROPOSAL

Our Board of Directors resolved to amend the article 6 of the Company's Articles of Association titled "Capital" in order to extend the validity period of the Company's authorized capital from 2025 to the end of 2029, and to increase its upper limit to TRY 10,000,000,000 considering the impact of inflation on the current upper limit set in 2013 and the increase in funds that may be added to the capital, and to submit the foregoing amendment to the approval of the first upcoming general assembly once the approvals of Capital Markets Board and the Ministry of Trade are obtained.

The amendment proposal which has been approved by the CMB on 24 January 2025 and the Ministry of Trade on 4 February 2025 and which shall be submitted to the approval of our shareholders through item 7 of the general assembly agenda is provided below.

CURRENT TEXT**Article 6 – Capital**

The Company has accepted the authorized capital system according to the provisions of the annulled Law no. 2499, and has shifted to authorized capital system with the authorization no. 219, dated 13.7.1984, of the Capital Markets Board.

The authorized capital limit of the Company is TL **5,000,000,000 (five billion Turkish Lira)**, divided into **500,000,000,000 (five hundred billion)** registered shares each with a nominal value of 1 (One) Kuruş.

The authorized capital limit granted by the Capital Markets Board is valid for five years between **2021 and 2025**. Even if the authorized capital limit permitted as above has not been reached as of the end of **2025**, the Board of Directors must, to be able to take a capital increase decision after **2025**, obtain the authorization of the General Assembly of Shareholders for a new term of up to 5 years, with a prior authorization of the Capital Markets Board for the previous upper limit or for a new upper limit amount. In the absence of such authorization the Company will not be able to make a capital increase by a Board resolution.

The issued capital of the Company is TL 2,535,898,050 (two billion five hundred and thirty-five million eight hundred and ninety-eight thousand and fifty Turkish Lira), divided into 67,877,342,230 Group “A” and 185,712,462,770 Group “B” registered shares each with a nominal value of 1 (One) Kuruş.

The issued capital of the Company of TL 2,535,898,050 (two billion five hundred and thirty-five million eight hundred and ninety-eight thousand and fifty Turkish Lira) has been fully paid free of any collusion.

All of Group “A” and Group “B” shares of the Company are registered shares. The shares representing the share capital of the Company are dematerialized in accordance with the dematerialization principles.

The capital of the Company may be reduced or increased if and when required, within the frame of provisions of the Turkish Commercial Code and Capital Markets laws and regulations.

The Board of Directors is authorized to decide to increase the issued capital by issuing new shares up to the upper limit of the authorized capital if and when deemed necessary in accordance with the applicable provisions of the Capital Markets Law, to restrict the rights of the holders of preferential shares, to limit the rights of option of shareholders on newly issued shares, and to issue shares above (with premium) or below the nominal value per share. The power to restrict the preemptive rights on newly issued shares cannot be used in a manner that would cause inequality between shareholders. The pre-emptive rights of shareholders on newly issued shares may be restricted in one or several capital increases; provided, however that, the total sum of capital increases restricting the pre-emptive rights on newly issued shares within the authorization period of 5 (five) years cannot exceed 10% of the issued capital

In any case, the Board of Directors will issue new Group “A” and Group “B” shares pro rata to the existing shares held by the Group A and Group B shareholders respectively as of the time of capital increase. Shareholders participate in capital increases by subscribing for the shares to be issued in the same group as their existing shares, along with the privileges attached to the related group. Provided, however, the pre-emptive rights not used in Group B will pass to Group A shareholders. Group A Shareholders may use such pre-emptive rights in accordance with the regulations of the Capital Markets Board. Those who subscribe for shares to be issued with a premium in the related capital increase shall be obliged to separately pay to the Company, pursuant to article 519 of the Turkish Commercial Code, the premiums to be determined in addition to the nominal value of shares as of the date of issue.

NEW TEXT**Article 6- Capital**

The Company has accepted the authorized capital system according to the provisions of the annulled Law no. 2499, and has shifted to authorized capital system with the authorization no. 219, dated 13.7.1984, of the Capital Markets Board.

The authorized capital limit of the Company is TL **10,000,000,000 (ten billion Turkish Lira)**, divided into **1,000,000,000,000 (one trillion)** registered shares each with a nominal value of 1 (One) Kuruş.

The authorized capital limit granted by the Capital Markets Board is valid for five years between **2025 and 2029**. Even if the authorized capital limit permitted as above has not been reached as of the end of **2029**, the Board of Directors must, to be able to take a capital increase decision after **2029**, obtain the authorization of the General Assembly of Shareholders for a new term of up to 5 years, with a prior authorization of the Capital Markets Board for the previous upper limit or for a new upper limit amount. In the absence of such authorization the Company will not be able to make a capital increase by a Board resolution.

The issued capital of the Company is TL 2,535,898,050 (two billion five hundred and thirty-five million eight hundred and ninety-eight thousand and fifty Turkish Lira), divided into 67,877,342,230 Group “A” and 185,712,462,770 Group “B” registered shares each with a nominal value of 1 (One) Kuruş.

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The capital of the Company may be reduced or increased, if and when required, within the frame of provisions of the Turkish Commercial Code and Capital Markets laws and regulations.

The Board of Directors is authorized to decide to increase the issued capital by issuing new shares up to the upper limit of the authorized capital if and when deemed necessary in accordance with the applicable provisions of the Capital Markets Law, to restrict the rights of the holders of preferential shares, to limit the rights of option of shareholders on newly issued shares, and to issue shares above (with premium) or below the nominal value per share. The power to restrict the preemptive rights on newly issued shares cannot be used in a manner that would cause inequality between shareholders. The pre-emptive rights of shareholders on newly issued shares may be restricted in one or several capital increases; provided, however that, the total sum of capital increases restricting the pre-emptive rights on newly issued shares within the authorization period of 5 (five) years cannot exceed 10% of the issued capital.

In any case, the Board of Directors will issue new Group “A” and Group “B” shares pro rata to the existing shares held by the Group A and Group B shareholders respectively as of the time of capital increase. Shareholders participate in capital increases by subscribing for the shares to be issued in the same group as their existing shares, along with the privileges attached to the related group. Provided, however, the preemptive rights not used in Group B will pass to Group A shareholders. Group A Shareholders may use such pre-emptive rights in accordance with the regulations of the Capital Markets Board. Those who subscribe for shares to be issued with a premium in the related capital increase shall be obliged to separately pay to the Company, pursuant to article 519 of the Turkish Commercial Code, the premiums to be determined in addition to the nominal value of shares as of the date of issue.

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APPENDIX 3 CVs OF BOARD OF DIRECTORS CANDIDATES AND INDEPENDENCE DECLARATIONS OF INDEPENDENT MEMBER CANDIDATES

Ahmet Kirman (Independent Board Member Candidate)

Prof. Ahmet Kirman graduated from Ankara University, Faculty of Law. He earned his master's degree in EU Competition Law and his Ph.D. in Commercial Law. He served as an Associate Professor and later as a Professor of Financial Law at Ankara University. Additionally, he held various positions, including Faculty Member, Division Head, Head of the Finance Department, and Institute Director at the Faculty of Political Science, Ankara University. Prof. Kirman also contributed as a Faculty Member at the Faculty of Law, Galatasaray University. Currently, he continues to deliver lectures to postgraduate students at Galatasaray University and serves as a member of the Advisory Board at Galatasaray Law Faculty. Moreover, he is an esteemed member of the Board of Trustees at Koç University.

Prof. Kirman also holds a lawyer and certified public accountant license. He practiced law in tax law and capital markets/insurance and similar financial fields.

Prof. Kirman embarked on his professional journey in 1981 as a judge for the Council of State. Following this, he joined Türkiye İş Bankası A.Ş., where he held diverse roles in banking and insurance. He served as the Chairman of Türkiye İş Bankası A.Ş., Millî Reasürans T.A.Ş., Destek Reasürans A.Ş., and Petrol Ofisi A.Ş., and was a Board Member at several other prominent companies. While chairing the Board of Directors at Türkiye İş Bankası A.Ş., he concurrently held the positions of Chairman of the Audit Committee and member of the Inspection Board.

During his tenure at Şişecam, Prof. Kirman assumed various leadership roles, including Chairman and fully authorized Executive Member from 2006 to 2011, Vice Chairman and CEO from 2011 to 2021, Chairman and CEO from 30 March 2021, to 1 July 2021, and Chairman since July 1, 2021. As of 28 March 2022, he serves as the Chairman and Executive Member of the Board. Additionally, Prof. Kirman served as Chairman in several Şişecam companies based in Russia, Netherlands, Bulgaria, Hungary, UK and USA.

Recognizing his significant lifetime contributions to glass science and technology, knowledge exchange, and the glass community, Prof. Kirman received the "President's Award" from the International Commission on Glass (ICG). He was honored with the title of "Cavaliere" of "the Order of the Star of Italy," nominated by the Minister of Foreign Affairs and bestowed by the President of the Italian Republic, for fostering economic bilateral relations and mutual investments between Italy and Türkiye.

Prof. Kirman also received the “Medal of Valorous Labor” from the President of Tatarstan in appreciation of his contributions to development and economic cooperation with Tatarstan. Furthermore, he was honored with the “Medal of Appreciation” for his contributions to the economic development of Targovishte, Bulgaria. Notably, he was awarded “Chairman of the Year” at the Le Fonti Awards, Italy’s leading economics media platform, and was named “Glass Person of the Year 2023” for his enduring, significant, and valuable contributions to the glass industry.

In his extensive involvement in various organizations, Prof. Kirman served as the Chairman and Member of the Board of Directors at ICC and was also a Member of TEPAV’s Board of Trustees and Board of Directors, along with BTHE and IAV’s Board of Directors. He worked as a financial law consultant at the Central Bank of the Republic of Turkey between 1988 and 1993.

Prof. Kirman has been the financial law consultant of the Banks Association of Turkey since 1986. In this context, he also served as a member of the Tax Council of the Ministry of Finance of the Republic of Turkey.

He contributed as a Member of the Board of Directors and Committee of Legal Affairs at the Turkish Shooting and Hunting Federation. Furthermore, he participated in numerous specialized training programs, including Banking & Financials, The Fundamentals of International Finance & Advanced Aspects of International Finance in 1997 at Queen Mary and Westfield College of London, and Finance for Lawyers, International Taxation & Offshore Financial Planning.

Authoring 12 books and various scholarly articles, Prof. Kirman has been invited as a keynote speaker at numerous scientific and business events. Beyond his professional endeavors, he excelled in parachuting and shooting sports, winning the gold medal in shooting at the 1978 Balkan Championship. He also established an aviation history section for the Rahmi M. Koç Museum in Istanbul as part of his scaled model hobby, with his models on display following the living museum approach.

Note: For the CVs of other BoD candidates, see pages 182-185

Declarations of Independency

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Koç Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communique on Corporate Governance, except for the criteria of "qualifying as a Turkish resident under the Income Tax Law". In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- e) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- h) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- i) I am not registered in the name of any legal entity elected as a board member.



Peter Martyr

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Koç Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communique on Corporate Governance, except for the criteria of "qualifying as a Turkish resident under the Income Tax Law". In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- e) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- h) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- i) I am not registered in the name of any legal entity elected as a board member.



Michel Ray de Carvalho

Declarations of Independency

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Koç Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communiqué on Corporate Governance. In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960
- e) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- f) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- g) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- h) I have not been on the board of the Company for more than six years within last ten years,
- i) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- j) I am not registered in the name of any legal entity elected as a board member.



Ömer Önhon

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Koç Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communique on Corporate Governance. In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960
- e) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- f) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- g) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- h) I have not been on the board of the Company for more than six years within last ten years,
- i) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- j) I am not registered in the name of any legal entity elected as a board member.,



Ahmet Kirman

Corporate Governance Compliance Report and Information Form

I. CORPORATE GOVERNANCE COMPLIANCE REPORT

	Compliance Status					
	Yes	Partial	No	Exempted	NA	Explanation
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	There was not any notification made regarding such a transaction.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				The agenda of the General Shareholders' Meeting included a separate item for the total amount of the donations and contributions made and major donations were explained in the general assembly information document. The remaining amount for which the details were not provided consists of donations to various parties each below 1,000,000 TL, which were not deemed as material information to our shareholders. As the donations below this threshold are not interrogated by our investors, we foresee to continue with the current practice of disclosing only the material amounts.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					

	Compliance Status					Explanation
	Yes	Partial	No	Exempted	NA	
1.4.2 - The company does not have shares that carry privileged voting rights.			X			Koç Holding shares have been divided into two groups as Group A and B. Each registered Group A share is entitled to 2 voting rights at the General Assembly Meeting. However, for decisions concerning the amendment to the Articles of Association, acquittance or filing a lawsuit of responsibility, all shares have 1 (one) right to vote. As stated in company's Articles of Association, Group A shareholders do not have the privilege to nominate candidates to the BoD. Besides, total number of Group A voting rights make up for less than half of the total voting rights. As these rights have been present since the establishment and accordingly the initial public offering of our shares and taking into account that it is not possible to make a decision by the affirmative votes of privileged shares only and also given that these rights do not prevent the holders of publicly traded shares from being represented at company board, any change to the current structure is not foreseen.
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such crossownership provides management control.					X	Within Koç Holding, no cross ownerships exist that are associated with a controlling relationship.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			Minority rights are not vested by the Articles of Association in shareholders holding less than one twentieth of the capital and rights are vested within the general framework of the regulations. Furthermore, there was no demand from the investors regarding this issue and any change to the current structure is not foreseen.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Dividend was distributed.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.		X				Article 9 of our company's Articles of Association sets out the principles regarding transfer of shares and there are no provisions in the Articles of Association that complicate or restrict the transfer of Group B shares, which are traded on the stock exchange. As the existing restrictions relate only to non-listed group of shares, any change to the current structure is not foreseen.

Corporate Governance Compliance Report and Information Form

	Compliance Status					
	Yes	Partial	No	Exempted	NA	Explanation
2.1. CORPORATE WEBSITE						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing program is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	X					
3.3.4 - Meetings have been organized to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					

	Compliance Status					Explanation
	Yes	Partial	No	Exempted	NA	
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction, and operated to ensure full customer satisfaction.					X	Koç Holding operates as a holding entity.
3.4.2 - Customers are notified of any delays in handling their requests.					X	Koç Holding operates as a holding entity.
3.4.3 - The company complied with the quality standards with respect to its products and services.					X	Koç Holding operates as a holding entity.
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.					X	Koç Holding operates as a holding entity.
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chair and Chief Executive Officer are separated and defined.	X					
4.2.7 - The board of directors ensures that the Investor Relations Department and the Corporate Governance Committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					

Corporate Governance Compliance Report and Information Form

	Compliance Status					Explanation
	Yes	Partial	No	Exempted	NA	
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1 - Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members					X	Although there is the possibility to present an opinion in such a case, there has not been any notification made by the BoD members who could not attend the meetings.
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				There are no restrictions for BoD Members on assuming other positions or duties outside the Company. Such a restriction is not deemed necessary as the business and sectoral experience of BoD Members makes a vital contribution to the BoD. CVs of the BoD Members are provided in the annual report. Given the performance and the efficiency of the BoD and taking into account the fact that the current structure does not impose any challenges in terms of corporate governance, any changes to the current structure is not foreseen in the short term.

	Compliance Status					Explanation
	Yes	Partial	No	Exempted	NA	
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			Members who serve on more than one committee facilitate communication and increase the opportunities for cooperation between committees handling related subjects. Given the performance and the efficiency of the committees and the valuable contributions of Board members, any change to the current structure is not deemed necessary.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	There have not been any external consultancy services used.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			Similar to the general practices, the remuneration of the members of the Board and Executive Management is disclosed in total in the annual report and at the General Assembly meetings. We are monitoring the general market practices in this subject which we deem to be material in terms of the protection of personal information, and intend to follow such prevalent practice.

Corporate Governance Compliance Report and Information Form

II. CORPORATE GOVERNANCE INFORMATION FORM

SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	Attended 17 roadshow and conferences, met with more than 600 investors
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	-
The number of special audit requests that were accepted at the General Shareholders' Meeting	-
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1260682
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Provided
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no such transaction.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	There is no such transaction.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	There is no such transaction.
The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.koc.com.tr/investor-relations/corporate-overview-and-governance
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/926383
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 15-a
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Our General Assembly Meetings are open to the public. Stakeholders and the media can follow the meetings.
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Yes
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	Koç Holding shares have been divided into two groups as Group A and B. Each registered Group A share is entitled to 2 voting rights at the General Assembly Meeting. However, for decisions concerning the amendment to the Articles of Association or filing a lawsuit of acquaintance and responsibility, all shares have 1 (one) right to vote. Family Danışmanlık Gayrimenkul ve Ticaret A.Ş. owns all of Group A shares which correspond to 42.23% of the total voting rights. Current shareholder structure is available in the annual report.
The percentage of ownership of the largest shareholder	43.75%

1.5. Minority Rights

Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
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If yes, specify the relevant provision of the articles of association.	-
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1.6. Dividend Right

The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations - Corporate Governance - Policies
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Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Dividend was distributed.
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PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-
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General Assembly Meetings

General Meeting Date	18.04.2024
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The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	-
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Shareholder participation rate to the General Shareholders' Meeting	88%
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Percentage of shares directly present at the GSM	10%
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Percentage of shares represented by proxy	78%
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Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Investor Relations - Corporate Governance - General Assembly Meetings
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Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	Investor Relations - Corporate Governance - General Assembly Meetings
---	---

The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	-
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The number of declarations by insiders received by the board of directors	0
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The link to the related PDP general shareholder meeting notification	
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2. DISCLOSURE AND TRANSPARENCY**2.1. Corporate Website**

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Relations
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If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Investor Relations - About Koç Holding - Shareholder Structure
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List of languages for which the website is available	Turkish and English
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Corporate Governance Compliance Report and Information Form

2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.

a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance and Other Information
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b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance
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c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance
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ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Legal Disclosures
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d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Legal Disclosures
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e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Legal Disclosures
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f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	Legal Disclosures
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g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Sustainability and Human Resources
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3. STAKEHOLDERS

3.1. Corporation's Policy on Stakeholders

The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Albeit a policy devoted specifically to this subject, all rights of the stakeholders of Koç Holding and Koç Group companies are managed in accordance with national and international legal norms.
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The number of definitive convictions the company was subject to in relation to breach of employee rights	None
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The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	According to the Koç Group Whistleblowing Policy available on Koç Holding website, unfair practices against employees and the company and violations of business partners shall be investigated by the Koç Holding Internal Audit Department. Koç Holding Legal and Compliance Department is mainly responsible to perform the investigations related to the private law violations. Koç Holding Internal Audit Department and Koç Holding Legal and Compliance Department act as the consultancy function in order to monitor the effectiveness of the Investigations conducted within Koç Group in general, and to increase the quality of the outputs.
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The contact detail of the company alert mechanism	The Ethics Hotline accessible via Koç Holding website provides the options to raise a concern online or by phone. https://secure.ethicspoint.eu/domain/media/en/gui/108227/index.html
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3.2. Supporting the Participation of the Stakeholders in the Corporation's Management

Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Internal regulations are not publicly available or accessible.
Corporate bodies where employees are actually represented	Our coworkers both in our unionized and non-unionized companies participate in management and share their opinions through various methods. The annual Employee Loyalty Surveys that are conducted at all our companies collect the opinions of all our coworkers anonymously in open-ended questionnaire format. Through various communication meetings held at our companies, company-related information is shared with the employees, dealers and other stakeholders, and their questions and comments are obtained.

3.3. Human Resources Policy

The role of the board on developing and ensuring that the company has a succession plan for the key management positions	A succession plan is developed for all key managerial positions. Upon CEO approval, these succession plans are finalized with the approval of the Chairman of the Board.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Koç Holding signed United Nations Global Compact in 2006 and is part of United Nations HeForShe IMPACT since 2015. The Personnel Code which defines the criteria for recruitment is accessible by all employees; job announcements include the required competencies. Koç Group Code of Ethics and Human Rights Policy cover and emphasize creating equal opportunities. https://www.koc.com.tr/about-us/code-of-ethics-and-compliance-policies Koç Group values its employees and respects their rights. The policy of "Our Most Important Asset is our People," best summarizes the basic approach of the Koç Group to human resources.
Whether the company provides an employee stock ownership program	There isn't an employee stock ownership programme.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Life in Koç - Koç Culture and Our Priorities & Being a Part of Koç
The number of definitive convictions the company is subject to in relation to health and safety measures	None

3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	About - Code of Ethics and Compliance Policies
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Sustainability
Any measures combating any kind of corruption including embezzlement and bribery	Principles on these topics are covered in Code of Ethics as well as under the Anti-Bribery and Corruption Policy.

Corporate Governance Compliance Report and Information Form

4. BOARD OF DIRECTORS-I

4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	30.12.2024
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No delegation was made among the board members.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	Internal audit unit provides combined information to the audit committee each year regarding the operations within the year.
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Internal Control Systems and Audit
Name of the Chair	Ömer M. Koç
Name of the CEO	Levent Çakıroğlu
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Investor Relations - Corporate Governance
The number and ratio of female directors within the Board of Directors	3 (25%)

Name-Surname	Whether Executive Director Or Not	Whether Independent Board Member or not	The First Election Date to Board	Link to PDP Notification That Includes the Independency Declaration	Whether the Independent Director Considered by the Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy the Independence	Whether the Director Has at Least 5 Years' Experience on Audit, Accounting and/or Finance or not
Rahmi M. Koç	Non-Executive	Not	01.01.1963				
Ömer M. Koç	Non-Executive	Not	01.04.2004				
Ali Y. Koç	Non-Executive	Not	01.01.2008				
Semahat S. Arsel	Non-Executive	Not	01.01.1972				
Caroline N. Koç	Non-Executive	Not	05.04.2016				
İpek Kırar	Non-Executive	Not	05.04.2016				
Levent Çakıroğlu	Executive	Not	05.04.2016				
Jacques A. Nasser	Non-Executive	Not	31.03.2015				
Cem M. Kozlu	Non-Executive	Independent	13.11.2019	https://www.kap.org.tr/en/Bildirim/1260682	Considered	No	Yes
Peter Martyr	Non-Executive	Independent	09.04.2021	https://www.kap.org.tr/en/Bildirim/1260682	Considered	No	
Michel Ray de Carvalho	Non-Executive	Independent	01.04.2022	https://www.kap.org.tr/en/Bildirim/1260682	Considered	No	Yes
Ömer Önhon	Non-Executive	Independent	18.04.2024	https://www.kap.org.tr/en/Bildirim/1260682	Considered	No	

4. BOARD OF DIRECTORS - II

4.4. Meeting Procedures of the Board of Directors

Number of physical or electronic board meetings in the reporting period	7
Director average attendance rate at board meetings	94%
Whether the board uses an electronic portal to support its work or not	None
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	1 week in advance for strategic meetings, at least 1 business day in advance for all other meetings
The name of the section on the corporate website that demonstrates information about the board charter	Koç Holding Board Working Principles is not a publicly available document.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no such policy.

4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented	Explanations Regarding Corporate Governance
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/tr/Bildirim/926981

Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or not	Whether Board Member or not
Audit Committee	-	Cem M. Kozlu Ömer Önhon	Chair Member	Board Member Board Member
Corporate Governance Committee	-	Cem M. Kozlu İpek Kırac Polat Şen	Chair Member Member	Board Member Board Member Not Board Member
Risk Management Committee	-	Peter Martyr Caroline N. Koç	Chair Member	Board Member Board Member
Other	Nomination and Remuneration Committee	Ömer Önhon Ali Y. Koç	Chair Member	Board Member Board Member
Other	Executive Committee	Semahat S. Arsel Rahmi M. Koç Ömer M. Koç Ali Y. Koç İpek Kırac	Member Member Chair Member Member	Board Member Board Member Board Member Board Member Board Member

Corporate Governance Compliance Report and Information Form

4. BOARD OF DIRECTORS - III

4.5. Board Committees-II

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Explanations Regarding Corporate Governance
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Explanations Regarding Corporate Governance
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Explanations Regarding Corporate Governance
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Explanations Regarding Corporate Governance
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Explanations Regarding Corporate Governance
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Board of Directors Report
Specify the section of website where remuneration policy for executive and non-executive directors is presented.	Investor Relations - Corporate Governance
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	Remuneration Policy

Names of the Board Committees	Name of committees defined as "Other" in the first column	The Percentage of Non-executive Directors	The Percentage of Independent Directors in the Committee	The Number of Meetings Held in Person	The Number of Reports on its Activities Submitted to the Board
Audit Committee	-	100%	100%	4	8
Corporate Governance Committee	-	67%	33%	1	1
Risk Management Committee	-	100%	50%	6	6
Other	Nomination and Remuneration Committee	100%	50%	2	2

Sustainability Principles Compliance Report

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
A. General Principles							
A1. Strategy, Policy and Targets							
A1.1	The Board of Directors determines material environmental, social and governance (ESG) issues, risks and opportunities.	X				Koç Holding A.Ş. handles its sustainability-related activities within the frame of the company strategy “Lead. Together” which has been approved by Koç Holding Board of Directors and publicly disclosed.	https://www.koc.com.tr/surdurulebilirlik/surdurulebilirlik-raporlari-ve-politikalar Koç Holding Annual Report, Sustainability
	The Board of Directors establishes relevant ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) and they are publicly disclosed.	X				Sustainability-related policies Koç Holding A.Ş. put into implementation within the scope of the company strategy “Lead. Together” can be found on the company website.	https://www.koc.com.tr/surdurulebilirlik/surdurulebilirlik-raporlari-ve-politikalar Declaration of Compliance with Sustainability Principles
A1.2	Publicly discloses short- and long- term goals set according to ESG policies	X				Koç Holding targets to reduce its Scope 1 and Scope 2 GHG emissions by 27% by 2030 and by 49% by 2040 as compared to 2017 baseline year in accordance with its carbon neutral by 2050 target. Pursuant to the Board Diversity Policy ratified in March 2021, Koç Holding targets to maintain the percentage of women members on Board of Directors seats at 30% minimum at all times	Koç Holding Annual Report, Sustainability https://www.kap.org.tr/en/Bildirim/1009191 https://www.kap.org.tr/en/Bildirim/914140
A2. Implementation / Monitoring							
A2.1	Determines and discloses the committees/units responsible for the execution of ESG policies, and the highest level positions in charge of ESG issues at the Company and their duties.	X				Focused on managing its sustainability efforts at the highest level, Koç Holding reports the progress in relation to its strategy “Lead. Together” and material topics to the Board of Directors via the Corporate Governance Committee within the scope of “CMB Sustainability Principles Compliance” reporting. Climate risks and opportunities are followed up and managed under the Carbon Transition Program; the Risk Committee under the Board of Directors is kept regularly informed of climate risks and opportunities. The Sustainability Unit under the Corporate Communication and Relations Directorate that reports to Koç Holding CEO executes the strategy and provides coordination with the various units within the company	Koç Holding Annual Report, Sustainability
	The responsible committee and/or unit reports the activities carried out as per the policies during the year at least once a year to the Board of Directors.	X				The Board of Directors is kept informed about Sustainability Principles Compliance efforts by the Corporate Governance Committee and Risk Committee set up thereunder.	Koç Holding Annual Report, Sustainability
A2.2	Creates and discloses implementation and action plans aligned with ESG targets	X				Koç Holding has set its target to become carbon neutral by 2050 in response to the increasing importance attached by stakeholders to the combat against climate crisis and the European Green Deal. To create the low-carbon transition pathway and action plans necessary to achieve this target, the Group-wide Carbon Transition Program has been launched	Koç Holding Annual Report, Sustainability

Sustainability Principles Compliance Report

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
A2.3	Discloses ESG Key Performance Indicators (KPI) and the degree of their achievement by years.	X				Koç Holding has been monitoring ESG key performance indicators for more than 10 years; the Company studies domestic and international best practices, and reviews its set of indicators within the frame of common trends. The publicly disclosed indicators from out of the data set followed up at the Group level cover the change over the course of the last three years.	Koç Holding Annual Report, Sustainability
A2.4	Discloses efforts for improving sustainability performance with respect to work processes or products and services	X					Koç Holding Annual Report, Sustainability Koç Holding Annual Report, R&D
A3. Reporting							
A3.1	Discloses sustainability performance, targets and actions in an intelligible, accurate and adequate manner in annual reports.	X					Koç Holding Annual Report, Sustainability
A3.2	Provides information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities relate to.	X					Koç Holding Annual Report, Sustainability
A3.3	Makes disclosures regarding the lawsuits filed and/ or concluded against the company on account of ESG issues, which are material with respect to ESG policies and/ or have material impact on operations.	X					Koç Holding Annual Report, Legal Disclosures Koç Holding Annual Report, Sustainability
A4. Verification							
A4.1	ESG Key Performance measurements are verified by an independent third party and publicly disclosed.	X				Koç Holding consolidated Scope for the year 2023 Scope 1, 2. The verification process of greenhouse gas emissions, waste and water data has been verified in accordance with AA1000AS and the data have been disclosed in the 2023 Sustainability Report published in the year 2024. Scope 3 Greenhouse gas emissions for 2023 have been verified in accordance with AA1000AS in 2024. The verification process of the Holding's consolidated Scope 1, 2 and 3 greenhouse gas emission, waste, water and social indicators for the year 2024 will be verified in accordance with GDS3000 and GDS3410, and the data will be announced in the 2024 Sustainability Report to be published in 2025. In the coming years, it is planned to develop strategies for monitoring and mitigation at the Community level on a consolidated basis. In parallel, science-based target setting studies are also carried out at the level of the relevant Koç Group companies	Koç Holding Annual Report, Declaration of Compliance with Sustainability Principles Koç Holding Annual Report, Sustainability
B. Environmental Principles							

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
B1	Publicly discloses its environmental management policy and practices, action plans, environmental management systems (known by ISO 14001 standard) and programs	X					Koç Holding Annual Report, Sustainability
B2	Publicly discloses the limitations over the reporting scope, reporting period, reporting date, reporting conditions of the environmental reports to be prepared for providing environmental management information.	X					Koç Holding Annual Report, Sustainability
B4	Discloses the environmental targets included in rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (board members, executives, employees and so on).	X				Koç Diyalog, i.e. the performance management system of Koç Holding, uses the OKR (Objectives and Key Results) method whereby employees set objectives and key results aligned with the Company targets and strategies and objectives are dynamically revised according to priorities that change during the year. Climate related targets are included in the OKRs of Koç Holding CEO, CFO, Sustainability Managers and employees.	Koç Holding Annual Report, Sustainability
B5	Explains how environmental issues identified to be material are integrated into business goals and strategies.	X					Koç Holding Annual Report, Sustainability
B7	Explains how it manages environmental issues throughout the Company's value chain including suppliers and customers so as to cover the operation process as well and how they are integrated into its business goals and strategies.	X					Koç Holding Annual Report, Sustainability
B8	Discloses whether it is involved in policy-making processes on environmental issues of relevant institutions and non-governmental organizations and its collaborations with these institutions and organizations, if any.	X					Koç Holding Annual Report, Sustainability

Presentation

General Assembly

Koç Group

Sectors and Companies

Social Investments

Corporate Governance

Financial Statements

Other Information

Sustainability Principles Compliance Report

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
B9	Periodically reports information about its environmental impacts comparatively in the light of environmental indicators; GHG emissions Scope-1 (Direct), Scope-2 (Indirect from purchased energy), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity implications).	X				Koç Holding consolidated Scope for the year 2023 Scope 1, 2. The verification process of greenhouse gas emissions, waste and water data has been verified in accordance with AA1000AS and the data have been disclosed in the 2023 Sustainability Report published in the year 2024. Scope 3 Greenhouse gas emissions for 2023 have been verified in accordance with AA1000AS in 2024. The verification process of the Holding's consolidated Scope 1, 2 and 3 greenhouse gas emission, waste, water and social indicators for the year 2024 will be verified in accordance with GDS3000 and GDS3410, and the data will be announced in the 2024 Sustainability Report to be published in 2025. In the coming years, it is planned to develop strategies for monitoring and mitigation at the Community level on a consolidated basis. In parallel, science-based target setting studies are also carried out at the level of the relevant Koç Group companies	Koç Holding Annual Report, Declaration of Compliance with Sustainability Principles
B10	Discloses the standard, protocol, methodology and baseline year details used to collect and calculate its data	X					Koç Holding Annual Report, Sustainability
B11	Publicly discloses the status of environmental indicators for the reporting year (increase or decrease) in comparison with previous years	X					Koç Holding Annual Report, Sustainability
B12	Sets short and long-term goals to reduce its environmental impact and discloses these goals and the progress, if any, as compared to the targets set in previous years.	X					Koç Holding Annual Report, Sustainability
B13	Discloses its strategy and actions to combat the climate crisis.	X					Koç Holding Annual Report, Sustainability
B14	Explains its programs or procedures to prevent or minimize the potential negative impacts of the products and/or services it offers.				X	Koç Holding A.Ş. undertakes investment activities at holding level and information about the products and/or services of companies invested in can be found in the relevant sections of Koç Holding Annual Report and the sustainability reports of relevant companies.	
	Takes and explains its actions for driving reduction of GHG emission quantities of third parties (e.g. suppliers, sub-contractors, dealers, etc.).				X	Koç Holding A.Ş. undertakes investment activities at holding level and information about the products and/or services of companies invested in can be found in the relevant sections of Koç Holding Annual Report and the sustainability reports of relevant companies.	

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
B15	Discloses the total number of actions taken, projects carried out and initiatives undertaken to mitigate its environmental impacts, along with the benefits/revenues and cost savings they provide.	X					Koç Holding Annual Report, Sustainability
B16	Reports energy consumption data (gas, diesel oil, fuel oil, LPG, coal, electricity, heating, cooling, etc.) and discloses its energy consumption as Scope-1 and Scope-2.	X				Scope 1 and Scope 2 GHG emissions are regularly calculated within the scope of sustainability efforts. Similarly, energy consumption data are also reported broken down into "renewables/ non-renewables" to correspond to the expectations of international sustainability indices.	Koç Holding Annual Report, Sustainability
B17	Discloses information about the electricity, heat, steam and cooling generated during the reporting year.	X					Koç Holding Annual Report, Sustainability
B18	Conducts and discloses studies on increasing the use of renewable energy, transition to zero or low carbon electricity.	X					Koç Holding Annual Report, Sustainability
B19	Discloses data on its renewable energy generation and consumption.	X					Koç Holding Annual Report, Sustainability
B20	Develops energy efficiency projects and discloses the quantity reduced in energy consumption and emission enabled by these efforts.	X					Koç Holding Annual Report, Sustainability
B21	Reports the amount of underground or overground water withdrawn, recycled and discharged, the resources and procedures.	X					Koç Holding Annual Report, Sustainability
B22	Discloses whether its operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).				X	Since regulatory framework governing carbon pricing system has yet to be finalized in our country, the Company is not included in any carbon pricing system. Different tools are considered for deployment across the Koç Group for low-carbon transition and those deemed necessary will be put into implementation within the scope of the strategy developed.	Koç Holding Annual Report, Declaration of Compliance with Sustainability Principles
B23	Discloses the carbon credits saved or purchased during the reporting period.				X	No carbon credits were saved or purchased during the reporting period across the Koç Group	Koç Holding Annual Report, Declaration of Compliance with Sustainability Principles
B24	Discloses the details if carbon pricing is applied within the Company			X		Since regulatory framework governing carbon pricing system has yet to be finalized in our country, the Company is not included in any carbon pricing system. Notwithstanding, internal carbon pricing efforts are carried out at some Koç Group companies, but they are not rolled out across the Koç Group. Different tools are considered for deployment across the Koç Group for low-carbon transition and those deemed appropriate will be put into implementation within the scope of the strategy developed.	Koç Holding Annual Report, Sustainability
B25	Discloses the platforms that it reports its environmental information to.	X					Koç Holding Annual Report, Sustainability

Sustainability Principles Compliance Report

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
C. Social Principles							
C1. Human Rights and Employee Rights							
C1.1	Develops a Company Human Rights and Employee Rights Policy, which pledges full compliance with the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other applicable legislation. Discloses the policy and the roles and responsibilities associated for its implementation.	X				Koç Group Human Rights Policy https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/3-human-rights-policy_eng_040324.pdf Koç Holding Annual Report, Sustainability	
C1.2	Incorporates equitable workforce, improvement of working standards, women's employment and inclusion (not discriminating on the basis of gender, race, religion, language, marital status, ethnicity, sexual orientation, gender identity, family responsibilities, union activities, political affiliation, disabilities, social and cultural differences, etc.) in its policy concerning employee rights, while looking out for the effects of supply and value chain.	X				Koç Group Human Rights Policy https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/3-human-rights-policy_eng_040324.pdf Koç Holding Annual Report, Sustainability	
C1.3	Discloses the measures taken throughout the value chain for protecting the rights of groups sensitive to certain economic, environmental, social factors (lowincome groups, women, etc.) or for securing minority rights/equal opportunity.	X				Koç Group Human Rights Policy https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/3-human-rights-policy_eng_040324.pdf Sustainability Report, "Diversity and Inclusion -Generation Equality Forum" Annual Report Page 49 "Empower People. Together – Equal Opportunity and Diversity"	

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
C1.4	Reports on progress in relation to actions for preventing and remedying discrimination, inequality, human rights violations, forced labor and child labor.	X					Koç Group Human Rights Policy Page 5-6 "Freedom of Association and Collective Bargaining"; "Working hours and Remuneration"; "Personal Development" https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/3-human-rights-policy_eng_040324.pdf Annual Report "Empower People. Together" - Koç Holding Annual Report, Sustainability
C1.5	Incorporates investments in employees (training, development policies), employee compensation, fringe benefits granted, the right to unionize, work/life balance solutions and talent management in its policies concerning employee rights.	X					Koç Group Human Rights Policy Page 5-6 Freedom of Association and Collective Bargaining"; "Working hours and Remuneration"; "Personal Development" https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/3-human-rights-policy_eng_040324.pdf
	Determines the mechanisms for resolution of employee complaints and labor disputes, and establishes conflict resolution processes.	X					Whistleblowing Policy https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/15koc-group-whistleblowing-policy_eng-040324.pdf
	Discloses the activities for ensuring employee satisfaction during the reporting period	X					2023 Sustainability Report "Empower People. Together"
C1.6	Establishes and discloses occupational health and safety policies.	X					Occupational Health and Safety Policy https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/koc-group-h-s-policy.pdf Koç Holding Annual Report, Sustainability
	Discloses the measures adopted for preventing workplace accidents and for protecting occupational health along with statistical data on accidents.	X					2023 Sustainability Report "Occupational Health and Safety" Koç Holding Annual Report, Sustainability
C1.7	Establishes and discloses personal data protection and data security policies.	X					Occupational Health and Safety Policy https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/koc-group-h-s-policy.pdf Koç Holding Annual Report, Sustainability
C1.8	Establishes and discloses a code of ethics.	X					Code of Ethics https://cdn.koc.com.tr/cmscontainer/kocholding/media/koc/01hakkinda/uyum/2024/01-koc_toplulugu_etik_ilkeleri_eng-040324.pdf

Sustainability Principles Compliance Report

		COMPLIANCE				EXPLANATION	RELATED REPORT / LINK
		YES	NO	PARTIAL	N/A		
C1.9	Discloses information on activities with regards to community investments, social responsibility, financial inclusion and access to finance.	X					
C1.10	Organizes information meetings and training programs on ESG policies and practices for employees.	X					Koç Holding Annual Report, Sustainability
C2. Stakeholders, International Standards and Initiatives							
C2.1	Establishes and discloses a customer satisfaction policy for handling and resolving customer complaints.				X	Koç Holding A.Ş. carries out investment activities at holding level; hence the question is deemed irrelevant.	
C2.2	Discloses information about the communication maintained with stakeholders (which stakeholders, topics and frequency).	X					Koç Holding Annual Report, Sustainability
C2.3	Discloses the international reporting standards embraced in its reporting.	X					Koç Holding Annual Report, Sustainability
C2.4	Discloses the principles embraced in relation to sustainability, international organizations, committees and principles that it is a signatory or member of.	X					Koç Holding Annual Report, Sustainability
C2.5	Makes improvements and concrete efforts to qualify for inclusion in sustainability indices of Borsa İstanbul and/or international index providers.	X				Koç Holding works to qualify for, and improve its performance on, internationally leading sustainability indices including Borsa İstanbul, and reports the indices that it is a constituent of.	Koç Holding Annual Report, Sustainability
D. Corporate Governance Principles							
D.1	Seeks stakeholders' opinions when determining the measures and strategies in relation to sustainability.	X				The company conducted a strategic materiality analysis in 2023 to identify risks and opportunities related to environmental, social, and corporate governance issues, aligning with changing stakeholder expectations and global trends, as well as the preceding years of 2015, 2017, and 2020. This analysis encompassed both internal stakeholders, comprising employees from all levels, and external stakeholders, such as academia, civil society, industry association members, suppliers, customers, and investors.	Koç Holding Annual Report, Sustainability
D.2	Works on raising awareness of sustainability and its importance through social responsibility projects, awareness activities and training programs.	X					Koç Holding Annual Report, Sustainability

Identity

Trade Name	Koç Holding A.Ş.
Address	Nakkaştepe Azizbey Sok. No. 1, 34674 Kuzguncuk-Üsküdar/İstanbul
Trade Registry and Number	İstanbul Trade Registry / 85714
Website Address	www.koc.com.tr
Registered Capital Ceiling	TL 5,000,000,000
Paid-in Capital	TL 2,535,898,050

Stock Information

BIST Code	KCHOL
Reuters Code	KCHOL.IS
Bloomberg Code	KCHOL.TI
ADR Level I Code (Unsponsored)	KHOLY
Date of Initial Public Offering	10.01.1986

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Disclaimer

The Board of Directors' Report, Auditors' Report, Consolidated Financial Statements and Independent Audit Report regarding the operations and financials of the year 2024, included in this Annual Report ("Report"), are prepared in accordance with the legal requirements for the Ordinary General Assembly, which will be held on Thursday, 3 April 2025 at 4.00 pm, at Koç Holding headquarters, Kuzguncuk Mahallesi Azizbey Sok. No: 1 34674 Üsküdar/İstanbul.

This Report is prepared only to provide information to the shareholders, and it is not intended to form the basis of any investment decision. The opinions and statements regarding estimated figures contained within this Report solely reflect the Company management's views with

respect to certain future events; thus, the actual results and developments may differ from these estimates depending on the variables and assumptions. Accordingly, neither the Koç Group nor its respective advisors, directors or employees shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in, or omission from, this Report, or on any other information or communications in connection with the Report.

All information contained in this Report was believed to be accurate at the time of publication. Koç Holding accepts no responsibility for any spelling or printing errors that may occur during the Report's preparation.

