

# KOÇ HOLDING A.Ş.

## INFORMATIVE DOCUMENT FOR THE 18 APRIL 2024 ORDINARY GENERAL ASSEMBLY TO REVIEW FINANCIAL YEAR 2023

### 1. INVITATION TO THE 18 APRIL 2024 ORDINARY GENERAL ASSEMBLY

Koç Holding A.Ş.'s Ordinary General Assembly Meeting shall convene on Thursday 18 April 2024 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 fiscal year 2023 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, 2023 Financial Statements, the Independent Auditor's Report prepared by our Independent Auditor, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., and the Board of Directors' Annual Report, including the dividend distribution proposal of the Board of Directors and the explanations on Corporate Governance and Sustainability, along with the following agenda and the Memorandum containing the information required by Capital Markets Board regulations shall be made available to the shareholders at the Company Headquarters, on the Company's corporate website at [www.koc.com.tr](http://www.koc.com.tr), on the Public Disclosure Platform, and on the Electronic General Assembly System of the Central Registry Agency 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 the ones 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-Istanbul), our Company, or from our corporate website at [www.koc.com.tr](http://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 Central Registry Agency, our Company's website at [www.koc.com.tr](http://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 by-laws for the Electronic Shareholders Meeting for Joint Stock Companies.

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.

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.

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](http://www.koc.com.tr).

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 HOLDING A.Ş.  
Board of Directors

Company Adress: Nakkaştepe Azizbey Sok. No:1 34674 Kuzguncuk-Üsküdar/İstanbul  
Trade Registry and Number: İstanbul/85714  
Mersis Number: 0570002057500012

## 2. ADDITIONAL EXPLANATIONS IN ACCORDANCE WITH CMB REGULATIONS

The additional explanations required pursuant to Capital Markets Board (CMB) 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:

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	472.895.145	18,65	47.289.514.515	14,71
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	674.552.359	26,59	67.455.235.860	20,99
<b>Total</b>		<b>2,535,898,050</b>	<b>100.00</b>	<b>321,467,147,230</b>	<b>100.00</b>

\* 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, deceased Suna Kıracı, M. Ömer Koç, Ali Y. Koç, İpek Kıracı, 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.

Besides, material event disclosures made by our Company in accordance with legal requirements are available at [www.kap.gov.tr](http://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 partnership, 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 the Koç Holding concerning the desire of shareholders to have an item added on the agenda.

### **3. ANNOUNCEMENTS PERTAINING TO THE AGENDA ITEMS OF THE ORDINARY GENERAL ASSEMBLY MEETING ON 18 APRIL 2024**

#### **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 for discussion and approval of the Annual Report of the Company prepared by the Board of Directors for the year 2023**

Within the framework of the TCC, the Regulation, the Capital Markets Law and related regulations, information shall be given on the 2023 Annual Report, which has been announced at the Headquarters of our Company, on the Electronic General Assembly portal of the Central Registry Agency (CRA) and on the corporate website of the Company at [www.koc.com.tr](http://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.

#### **3. Presentation of the summary of the Independent Auditor’s Report for the year 2023**

A summary of the Independent Auditor’s Report, which is prepared according to the TCC and CMB regulations and announced three weeks prior to the General Assembly meeting at the Company Headquarters, the Electronic General Assembly Portal of the CRA and [www.koc.com.tr](http://www.koc.com.tr), will be read aloud.

#### **4. Presentation, discussion and approval of the Financial Statements of the Company for the year 2023**

Information about our financial statements and legal statutory accounts, which, pursuant to the TCC, Bylaws and Capital Markets Law have been announced three weeks prior to the General Assembly meeting at our Company Headquarters, on the Electronic General Assembly Portal of the CRA and on [www.koc.com.tr](http://www.koc.com.tr) for review by 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 2023**

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 2023 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 2023 and the distribution date**

According to our financial statements prepared by our Company within the framework of the Turkish Commercial Code and Capital Markets Law and related regulations in compliance with Turkish Financial Reporting Standards and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. covering the accounting period between 01.01.2023 – 31.12.2023; consolidated profit attributable to equity holders of the parent in the amount of TL 72,230 million was made. 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. Determining the number of the members of the Board of Directors and their terms of office and 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 CMB regulations, the TCC and Bylaws and the principles governing the election of members of the Board of Directors in the Articles of Association, new members to replace Board members whose terms of office have expired 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, 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. Cem M. Kozlu, Mr. Peter Martyr, Mr. Michel Ray de Carvalho and Mr. Ömer Önhon as candidates for Independent Member of the Board of Directors and the candidates for whom CMB will not grant any negative opinion will be presented to the general assembly for approval.

All the four candidates meet all of 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 2**.

**8. Presentation to the shareholders and approval by the General Assembly 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 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 3** for this purpose. Information on the compensation of the members of the Board of Directors and the senior management is available in footnote No. 30 of our financial statements dated 31 December 2023.

**9. 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 2024 shall be determined by the shareholders as per our revised Remuneration Policy submitted for the approval of the shareholders as per item 8 of the agenda.

**10. 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 and the Capital Markets Board regulations**

In accordance with the Turkish Commercial Code and Capital Markets Board regulations, and taking into consideration the opinion of the Audit Committee, the Board of Directors resolved at their meeting on 16 May 2023 to nominate Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to audit the Company's financial reports for the year 2024 accounting period and to fulfil all other obligations required for the auditors by Turkish Commercial Code and Capital Markets Law and related regulations. This decision shall be submitted to the General Assembly for approval.

**11. Within the scope of the Company's Donation and Sponsorship Policy, informing the shareholders on the donations made by the Company in 2023 and determining an upper limit for donations for the year 2024,**

The Donations and Sponsorship Policy which was adopted by the Board of Directors and disclosed on 01.03.2021 was approved by the shareholders at the General Assembly on 09.04.2021 in accordance with the Corporate Governance Principle 1.3.10 "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 totalling to TL 192,138,147 were made to foundations and associations in 2023 (corresponding to TL 245,663,992 stated as according to purchasing power of Turkish Lira at 31 December 2023). Of this amount, TL 158,057,625 was donated to Vehbi Koç Foundation; TL 16,162,746 was donated to Koç University; TL 8,000,000 was donated to RMK Museology and Cultural Foundation; TL 4,970,444 was donated to Turkish Education Foundation; TL 2,097,820 was donated to İstanbul Foundation for Culture and Arts; and the remaining TL 2,849,512 was donated to various other entities each with an amount below TL 1,000,000 the amounts of which are not deemed to be material for investors. The upper limit of donations to be made in 2024 shall be resolved by the General Assembly.

**12. Presentation to the shareholders of the collaterals, pledges, mortgages and sureties granted in favor of third parties in the year 2023 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. This is indicated in footnote No. 33 of our financial statements dated 31 December 2023.

**13. 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 2023 pursuant to the Corporate Governance Communique 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 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 2023, there has not been any material transaction which requires notification in accordance with Corporate Governance Principle No. 1.3.6 of the Corporate Governance Communique.

**14. Information regarding Koç Holding's target and progress towards target on transition to a low-carbon economy**

In line with its 2050 carbon neutrality target, Koç Holding commits to reduce Scope 1 and Scope 2 greenhouse gas emissions by 27% in 2030 and by 49% in 2040 compared to the 2017 baseline. Information on studies and progress in 2023 towards the target will be shared at the General Assembly.

**15. Wishes and Observations.**

**APPENDICES:**

**APPENDIX 1** – 2023 Dividend Distribution Proposal

**APPENDIX 2** – CVs of Board of Directors Candidates and Independence Declarations of Independent Board Member Candidates

**APPENDIX 3** – Remuneration Policy for Board of Directors and Executive Management

## **APPENDIX 1**

### **2023 DIVIDEND DISTRIBUTION PROPOSAL**

The Board of Directors reviewed the consolidated financial statements for the accounting period of 1 January – 31 December 2023 prepared by Koç Holding A.Ş. management in compliance with Turkish Financial Reporting Standards (TFRS) under Capital Markets Board regulations and audited by PwC 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 72.230.346.000 TL whereas in the statutory records the current year profit (recorded under the Prior Years Profits/(Losses) account after application of inflation accounting) amounts to 20.411.523.035 TL.

- 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 after application of inflation accounting, the Prior Years Profits/(Losses) account, which includes 20.411.523.035 TL of Current Year Profit, has a total negative balance of 36.455.356.380 TL; yet there are enough Inflation Adjustment Reserves associated with equity accounts to offset losses of 56.866.879.415 TL. Accordingly, in the statutory financial statements, net distributable profit amounts to 20.411.523.035 TL.

On the other hand, the net profit attributable to equity holders of the parent achieved in the consolidated financial statements amounting to 72.230.346.000 TL is determined as the distributable dividend base and 72.476.009.992 TL is determined as first category dividend base after addition of donations made to foundations and associations amounting to 245.663.992 TL (stated as according to purchasing power of Turkish Lira at 31 December 2023) to distributable dividend base.

- ii. Considering the Capital Markets Board Regulations, the Company’s Articles of Association and the Dividend Policy, the profit distribution is determined as:

3.623.800.500 TL	as first category dividend to shareholders,
20.000.000 TL	to Koç Holding Pension Fund Foundation as per article 19/c of our Articles of Association
2.163.106.533 TL	to holders of usufruct certificates as per article 19/d of our Articles of Association,
16.663.383.900 TL	as second category dividend to shareholders,

- iii. The sum of first and second category dividend amounting to 20.287.184.400 TL is proposed to be paid in cash;
- iv. Dividend payments of 20.287.184.400 TL, payment of 2.163.106.533 TL allocated to usufruct shareholders and payment of 20.000.000 TL allocated to the Koç Holding Pension Fund Foundation, amounting to a total of 22.470.290.933 TL will be paid in cash and sourced from current year taxable earnings in TFRS financial statements.
- v. As per the statutory records, due to tax regulations no setoff shall be made amongst the equity account items related to the effects of inflation accounting and as such; with regards to the sources of total cash payments of 22.470.290.933 TL, 20.411.523.035 TL shall be sourced from current year taxable earnings; whereas the remaining 2.058.767.898 TL shall be sourced from extraordinary reserves.
- 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) 8,00 TL for shares with a nominal value of 1 TL (800%) and, to the rest of our shareholders as gross 8,00 TL (7,20 TL net) for shares with a nominal value of 1 TL (gross: 800%; net: 720%).
- vii. The remaining amount after all payments amounting to 49.760.055.067 TL in TFRS financial statements, shall be transferred to retained earnings.
- viii. The profit distribution date is determined as 24 April 2024.

Koç Holding A.Ş. Profit Distribution Proposal for 2023 (TL)					
1. Paid-in capital *			2.535.898.050		
2. General legal reserves (as per statutory records) **			515.256.674		
Information concerning preferred shares, if, as per the company Articles of Association, there are any privileges for preferred shares in distribution of dividend: No					
		<b>As per Capital Markets Board</b>	<b>As per Statutory Records</b>		
3. Profit for the period		152.695.000.000	21.636.616.536		
4. Taxes (-)		34.962.000.000	1.225.093.501		
5. <b>Net profit (=) ***</b>		<b>72.230.346.000</b>	<b>20.411.523.035</b>		
6. Prior years' losses (-)		0	0		
7. Legal reserve fund (-)		0	0		
8. <b>NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)</b>		<b>72.230.346.000</b>	<b>20.411.523.035</b>		
Dividend Advance Distributed (-)		0	0		
Dividend Advance Less Net Distributable Current Period Profit		72.230.346.000	20.411.523.035		
9. Grants made during the year (+)		245.663.992	0		
10. <b>Net distributable profit including grants</b>		<b>72.476.009.992</b>	<b>20.411.523.035</b>		
11. First category dividend to shareholders		0	0		
- Cash ****		3.623.800.500	126.794.903		
- Shares		0	0		
- Total		3.623.800.500	126.794.903		
12. Dividends distributed to preferred shareholders		0	0		
13. <b>Other dividends distributed</b>		<b>20.000.000</b>	<b>20.000.000</b>		
- Members of the Board of Directors		0	0		
- Employees (Koç Holding Pension and Assistance Foundation)		20.000.000	20.000.000		
- Non-shareholders		0	0		
14. <b>Dividends distributed to holders of usufruct right certificates</b>		<b>2.163.106.533</b>	<b>2.163.106.533</b>		
15. <b>Second category dividend to shareholders</b>		<b>16.663.383.900</b>	<b>18.101.621.599</b>		
16. Legal reserve fund		0	0		
17. Status reserves		0	0		
18. Special reserves		0	0		
19. <b>EXTRAORDINARY RESERVES</b>		<b>49.760.055.067</b>	<b>0</b>		
Other sources planned for distribution		0	2.058.767.898		
- Prior years' income		0	0		
- Extraordinary reserves		0	2.058.767.898		
- Other distributable reserves as per the legislation and Articles of Association		0	0		
<b>Koç Holding A.Ş. Information on Dividend per Share for 2023</b>					
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)	RATIO (%)	AMOUNT (TL)	SHARE (%)
A	5.430.187.378,39	0,00	7,52	8,0000	800,0000
B	13.742.163.087,35	0,00	19,03	7,2000	720,0000
<b>NET TOTAL</b>	<b>19.172.350.465,74</b>	<b>0,00</b>	<b>26,54</b>	<b>0,00</b>	
(**) 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 51.621.336.225 TL.					
** 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 9.637.076.122 TL.					
*** In the statutory financial statements, after application of inflation accounting, the Prior Years Profits/(Losses) account, which includes 20.411.523.035 TL of Current Year Profit, has a total negative balance of 36.455.356.380 TL; yet there are enough Inflation Adjustment Reserves associated with equity accounts to offset losses of 56.866.879.415 TL.					
**** The first dividend amount is calculated based on the nominal registered capital amount.					

**APPENDIX 2**  
**CVs OF BOARD OF DIRECTORS CANDIDATES AND INDEPENDENCE**  
**DECLARATIONS OF INDEPENDENT MEMBER CANDIDATES**

**Rahmi M. Koç**

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, Honorary Trustee
- 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 Kreuz”
- “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**

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**

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**

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**

Caroline Koç graduated from St. George's School, Switzerland and from Babson College, USA Department of Business Administration. 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. She founded and worked as the acting manager of "İlkadım Play and Education Center for Kids" between 1998 and 2003. She founded "Haremliques İstanbul" in 2008 and "Selamliques Turkish Coffee" in 2009 and is currently the Chair of the Board of Directors of both companies. In addition, she is Member of the Board of Directors of several Koç Group companies. She served as Chair of the Board of Directors of Turkish Family Health and Planning Foundation. She is a Member of the Board of Directors of Tohum Autism Foundation, a Founding Member of Tina Foundation as well as the Contemporary Education Foundation. She has been a Member of Koç Holding Board of Directors since 2016.

### **İpek Kırac**

İpek Kır ç graduated from Ko  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. Kır ç is a member of the Board of Directors of Vehbi Ko  Foundation, Temel Trade and Investment Inc., American Hospital (Moment Health Services Trade Inc.), Zer Central Services Inc., Ar elik Marketing Inc., Setur Service Touristic Inc., VetAmerikan Veterinary Services Inc. and Trustees of Educational Volunteers Foundation of Turkey (TEGV). In addition, Kır ç continues to work as the Chair of the Board of Directors of Ko  School and as a member of the Board of Trustees of Ko  University, Galatasaray Education Foundation and Trustees of Educational Volunteers Foundation of Turkey (TEGV). İpek Kır ç is also a Founding Member of the Board of Suna and İnan Kır ç Foundation. She launched Suna'nın Kızları (Suna's Daughters-named after her mother Suna Kır ç), 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 Ko  Holding Board of Directors since 2016.

### **Levent  akiro lu**

Levent  akiro lu 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.  akiro lu joined Ko  Group in 1998 as Ko  Holding Financial Group Coordinator. He was the General Manager of Ko taş between 2002 and 2007 and the CEO of Migros between 2007 and 2008. He was assigned as the CEO of Ar elik in 2008 and also became President of the Durable Goods Group of Ko  Holding in April 2010.  akiro lu has been appointed as the CEO of Ko  Holding in April 2015. He currently serves as the CEO and has also been a Member of the Board of Directors of Ko  Holding since April 2016. Levent  akiro lu is also the Chair of the Board of Directors of Ar elik- LG and T rkTrakt r, the Vice Chair of Yapı Kredi Bank and Member of the Board of Directors at various Ko  Group companies.

### **Jacques Albert Nasser**

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 Ko  Holding Board of Directors since 2015.

### **Dr. Cem M. Kozlu (Independent Board Member Candidate)**

Dr. Cem Kozlu received his bachelor's degree from Denison University, MBA from Stanford University and PhD from Bo azi i University. Dr. Kozlu held executive positions at NCR in the US, Procter&Gamble in Switzerland and was the General Manager in Komili for 12 years. He was appointed as the General Manager and the Chair of the Board of Directors of Turkish Airlines in 1988 and held these positions until 1991. He also served as 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 THY Board of Directors from 1997 to 2003. Dr. Kozlu has held different positions in The Coca Cola Company since 1996. Before retiring in 2006, he was the Group President responsible for 51 countries in the Vienna-based Central Europe, Eurasia and Middle East Group and served as a consultant in The Coca-Cola Company Eurasia & Africa Group between 2007 and 2015. Currently, Cem Kozlu serves as a member of the Board of Directors of Pegasus Airlines, and Vienna-based Do & Co AG. He is also member of the Board of Trustees of Muhtar-Defne Kent Foundation, Bo azi i University Foundation and İstanbul Modern Sanatlar Vakfı (İstanbul Modern Arts Foundation). Dr. Kozlu, who served as a lecturer at Bo azi i and Denison universities at different times, has published 11 books, numerous articles and produced a TV series on leadership. He has been a Member of Ko  Holding Board of Directors since 2019.

### **Peter Martyr (Independent Board Member Candidate)**

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 Board Member Candidate)**

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 Board Member Candidate)**

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.

## **DECLARATIONS OF INDEPENDENCE OF INDEPENDENT MEMBER CANDIDATES**

### **DECLARATION 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. 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.

*(originals signed)*

**Dr. Cem M. Kozlu**

## DECLARATION 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, 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.

*(originals signed)*

**Peter Martyr**

## **DECLARATION OF INDEPENDENCY**

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- 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.

*(originals signed)*

**Michel Ray de Carvalho**

## DECLARATION 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. 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.

*(originals signed)*

**Ömer Önhon**

**APPENDIX 3**  
**KOÇ HOLDİNG A.Ş. REMUNERATION POLICY**  
**FOR THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT**

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 strategical 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.