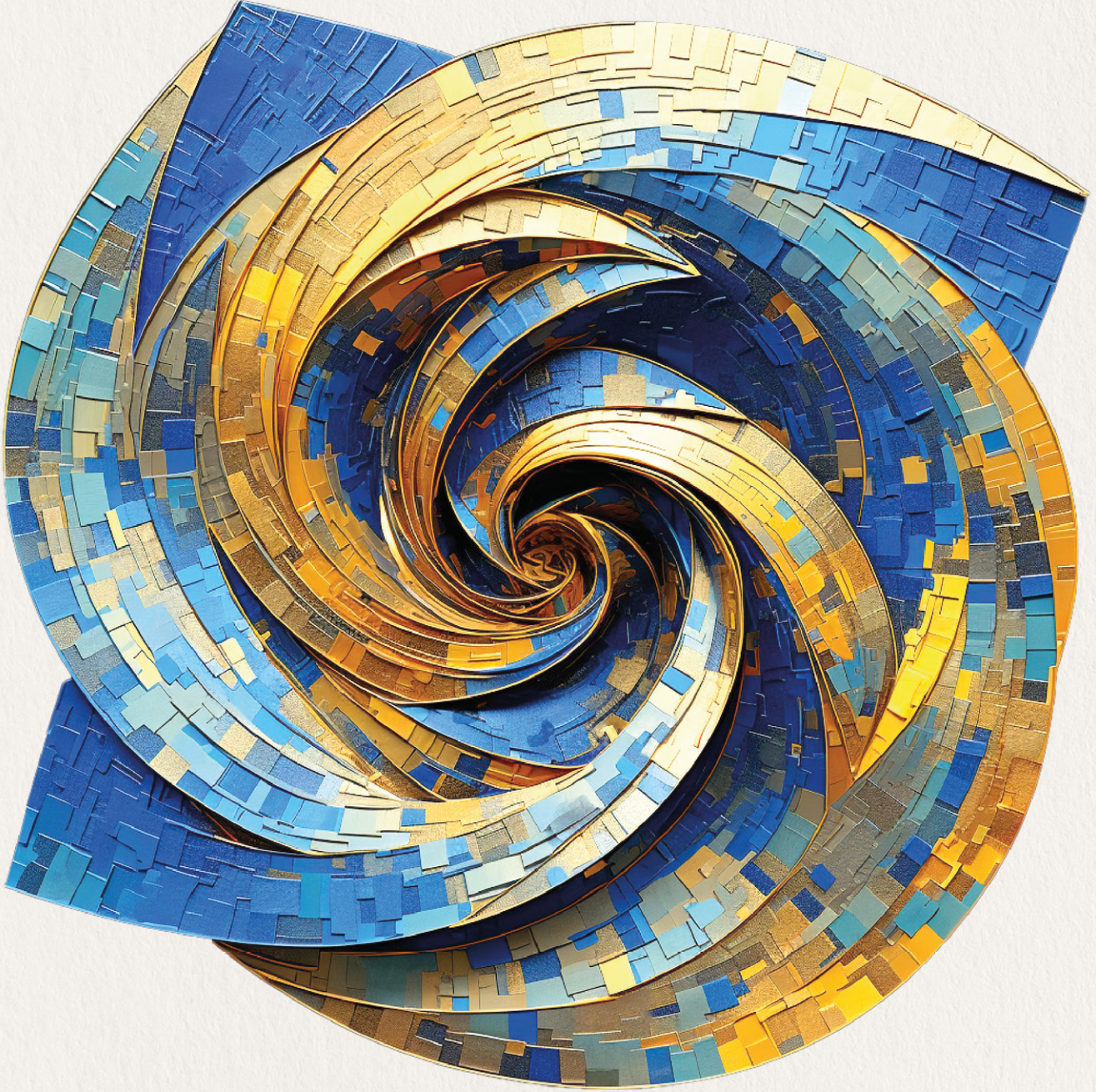
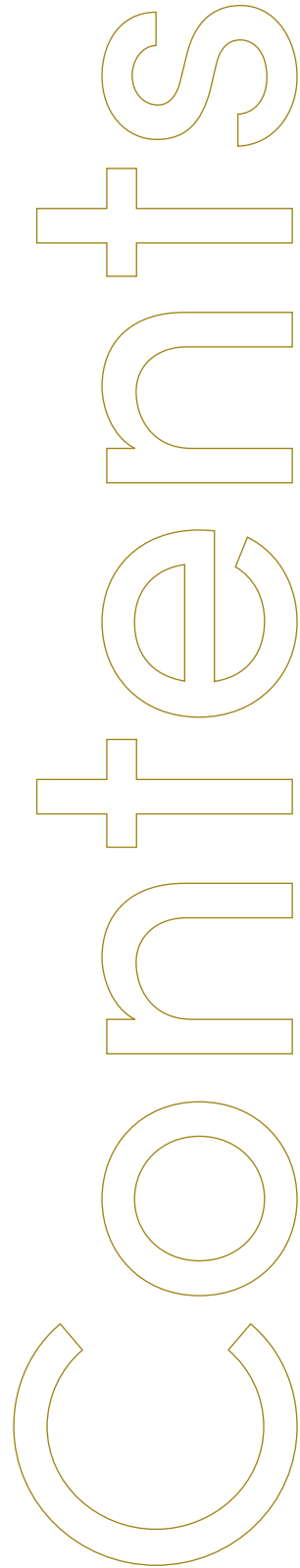




PRESIDENCY OF THE REPUBLIC OF TÜRKİYE
TÜRKİYE WEALTH FUND



2022 INTEGRATED ANNUAL REPORT



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Message from the President



With their vision of creating long-term value, the Türkiye Wealth Fund and its portfolio companies accomplish successful practices in finance, green, and digital transformation as well as strategic investments.



INTRODUCTION

Türkiye is assuming a strategic role that increases its influence within the world economy through its domestic projects in technology and science, industrial complex expansion, sustainability and digital transformation vision, sustainable development roadmap and regional&global scaled impact investments, alongside its geopolitical position.

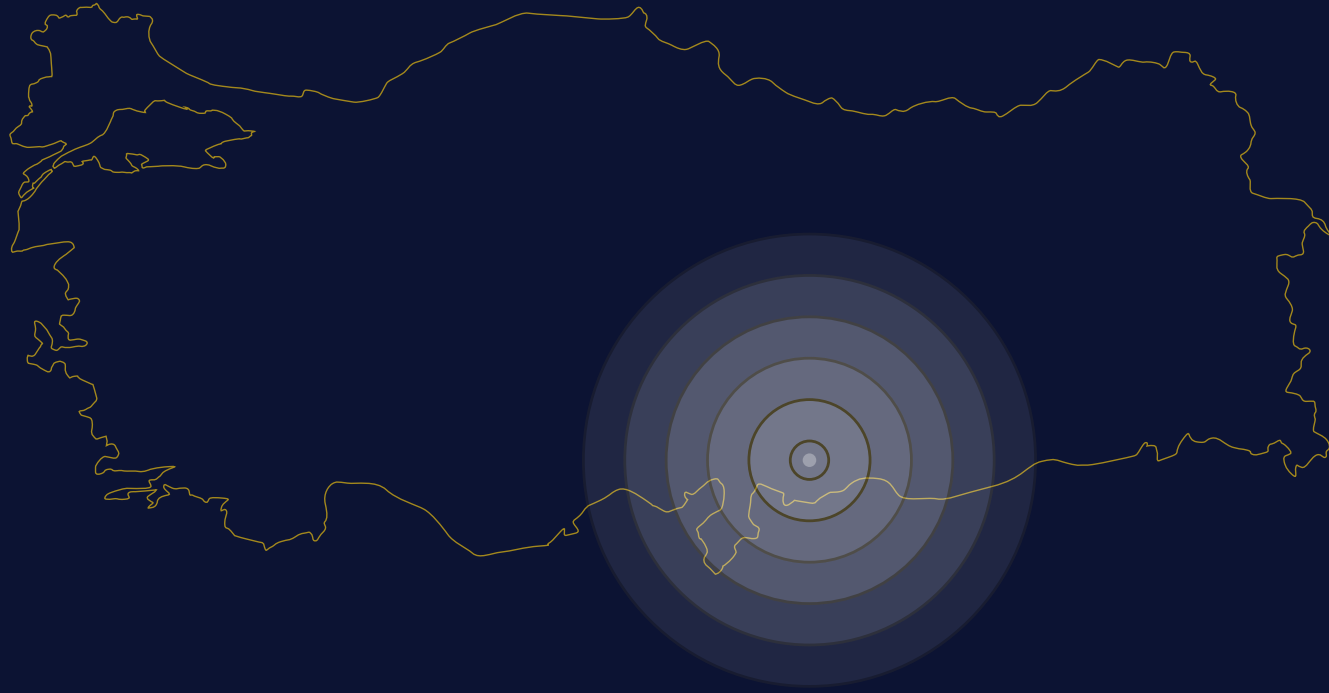
Despite the global economic recession that began with the COVID-19 pandemic and deepened with regional conflicts and energy-commodity crises, we are committed to our development journey as a country. We support quality growth with investments in various fields, in line with our roadmap for the Century of Türkiye. We are progressing towards our 2053 net-zero emission goal with our green development journey, underpinned by the main pillars of sustainability: environmental protection, economic development, and social transition through projects developed by our ministries.

Türkiye Wealth Fund, ranking among the world's most prominent national wealth funds, plays a vital role with its central position in sustainable development. With its vision of creating long-term value, the Türkiye Wealth Fund and its portfolio companies accomplish successful practices in finance, green, and digital transformation as well as strategic investments.

I believe that the Türkiye Wealth Fund will continue to reinforce Türkiye's development by supporting the Medium-Term Program 2024-2026 goals with its diversified investments in strategic sectors.

Recep Tayyip Erdoğan
President of the Republic of Türkiye

Message Regarding the Earthquake



- Adana • Adıyaman • Diyarbakır • Elazığ • Gaziantep • Hatay
- Kahramanmaraş • Kilis • Malatya • Osmaniye • Şanlıurfa

On February 6, 2023, Türkiye awoke to one of the most devastating natural disasters in recent history. We are deeply saddened by the earthquake calamities centered in Kahramanmaraş and affecting several provinces in its vicinity. These earthquakes led to widespread destruction and will be forever remembered as one of the greatest sorrows in our collective memory. As Türkiye Wealth Fund, we wish Allah's mercy on our citizens who lost their lives in the earthquake, condolences to their families, and heartfelt recovery to our nation.

We considered it our duty to offer financial and moral support to the cities affected by the earthquake in those days when our country needed unity and solidarity the most. As Türkiye Wealth Fund, we have contributed to the "Türkiye One Heart" (Türkiye Tek Yürek) aid campaign organized under the leadership of our President through our portfolio companies. We have supported the creation of long-term projects to heal our wounds and contribute to the development of the region.

We will continue our unwavering support for recovery and reconstruction of the area with the determination and diligence we have shown from the first moments of the earthquakes which led to devastation at the epicenter and in neighboring provinces. We sincerely believe that we will overcome these challenging days together with the spirit of collaboration and solidarity.



Board of Directors

Recep Tayyip Erdoğan

President of the Republic of Türkiye

Chairman of the Board of Türkiye Wealth Fund



Prof. Dr. Erişah Arıcan

Deputy Chair



Alpaslan Çakar

Board Member



Ahmet Burak Dağlıoğlu

Board Member



Fuat Tosyalı

Board Member



Mustafa Rifat Hisarcıklıoğlu

Board Member



Salim Arda Ermut

CEO and Board Member

Senior Management



Salim Arda Ermut
CEO and Board Member



Dr. Mahmut Kayacık
Executive Director /
Finance and Operations



Aziz Murat Uluğ
Executive Director /
Investments



Murat Akgüç
Executive Director /
Investments



Asiye Kübra Küçük
Executive Director /
Human Resources

Committees

Executive and Human Resources Committee

Prof. Dr. Erişah Arıcan
Chair of the Executive and
Human Resources Committee

Ahmet Burak Dağlıoğlu
Member of the Executive and
Human Resources Committee

Salim Arda Ermut
Member of the Executive and
Human Resources Committee

Audit Committee

Fuat Tosyalı
Chair of the Audit
Committee

Alpaslan Çakar
Member of the Audit
Committee

Early Detection of Risk Committee

Alpaslan Çakar
Chair of the Early Detection
of the Risk Committee

Fuat Tosyalı
Member of the Early Detection
of the Risk Committee

Corporate Governance Committee

Mustafa Rifat Hisarcıkloğlu
Chair of the Corporate
Governance Committee

Fuat Tosyalı
Member of the Corporate
Governance Committee

01

✦ Preface

✦ About the Report

Scope and Compliance of the Report

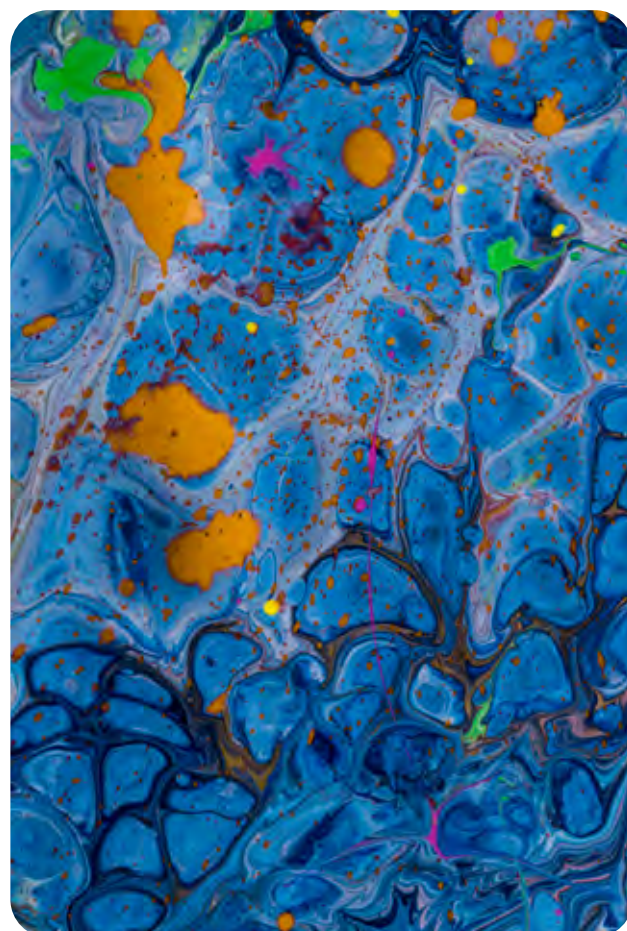
Companies within the Reporting Framework

Türkiye Wealth Fund continues its efforts to strengthen Türkiye's financial infrastructure with its broad portfolio and investments in strategic sectors and plays a significant role in Türkiye's sustainable development by supporting the country's goals through strategic investments.

Preface

Economic growth and sustainability are two important elements of a country's development and long-term prosperity. Türkiye Wealth Fund (TWF) continues its efforts to strengthen Türkiye's financial infrastructure with its broad portfolio and investments in key sectors. TWF plays an important role in Türkiye's sustainable development by supporting the country's goals with strategic investments.

TWF, Türkiye Wealth Fund Management Company (Management Company) and portfolio companies play an important role in achieving our country's 2053 net-zero emission targets and 2030 sustainable development goals through their activities within the scope of their sustainability strategies. TWF, the Management Company and portfolio companies manage their activities in line with the understanding that sustainable development should not only be an ideal but should be supported by policies and it should be incorporated into their business processes. TWF and portfolio companies manage their activities with the vision of transforming sustainable development from an ideal into practical actions and policies by integrating it into business processes through strategies, plans and activities in line with Türkiye's 2053 net-zero emission targets.



TWF actively contributes to a sustainable future together with all its stakeholders, particularly its portfolio companies, within the framework of planned strategic investments.

This report summarizes TWF's goals, plans and achievements in the areas of sustainability and economic growth.

About the Report

Scope and Compliance of the Report

TWF 2022 Integrated Annual Report covers the transactions and financial performance of TWF in 2022, as well as the Environmental, Social and Governance (ESG) impacts created by Management Company and portfolio companies.

Positioning a sustainable development approach at the core of its activities, TWF aims to transparently convey the management structure, performance, strategy and value created by the Management Company and portfolio companies's activities to its stakeholders through this report.

This report has been prepared in accordance with the 2021 GRI Universal Standards Content Index – Essentials Service. This report is based on the activities carried out by the Management Company on behalf of TWF and the activities of the portfolio companies between January 1, 2022 and December 31, 2022.

The financial data presented in this report is based on TWF's independently-audited consolidated financial statements.

In addition to the financial data, an **Independent Limited Assurance Opinion** has been obtained for the following environmental and social key performance indicators of the Management Company and portfolio companies for 2022.

- ✦ Electricity Consumption (GJ)
- ✦ Natural Gas Consumption (GJ)
- ✦ Diesel Fuel Consumption (GJ)
- ✦ Gasoline Consumption (GJ)
- ✦ Other Consumptions (GJ)
- ✦ Water Consumption (m³)
- ✦ Scope 1 Emissions (tCO₂e)
- ✦ Scope 2 Emissions – Location-based (tCO₂e)
- ✦ Scope 3 Emissions – Market-based (tCO₂e)
- ✦ Total Training Hours (Hour)
- ✦ Number of Employees Receiving Performance Evaluations (#)
- ✦ Number of Employees Receiving Career Development Assessments (#)

TWF conducted a materiality analysis in 2022 and disclosed the management of the material topics identified to all stakeholders.

Companies within the Reporting Framework

As of 2022, data on ESG matters analyzed in the Report were collected from the Management Company and the TWF portfolio companies listed below:

	TWF Portfolio Ownership Rate as of December 31, 2022	Stock Exchange and Stock Code on which the Companies are traded
T.C. Ziraat Bankası A.Ş. (Ziraat Bankası) *	100%	–
Türkiye Halk Bankası A.Ş. (Halkbank) *	87.70%	BIST (HALKB)
Türkiye Vakıflar Bankası T.A.O. (VakıfBank) *	64.84%	BIST (VAKBN)
Borsa İstanbul A.Ş. (BIST)	80.60%	–
Türkiye Sigorta A.Ş. (Türkiye Sigorta)	81.10%	BIST (TURSG)
Türkiye Hayat ve Emeklilik A.Ş. (Türkiye Hayat Emeklilik)	98.61%	–
TVF Finansal Yatırımlar A.Ş. (TVF Finansal Yatırımlar)	100%	–
Türkiye Petrolleri Anonim Ortaklığı (TPAO)	100%	–
TVF Enerji Sanayi ve Ticaret A.Ş. (TVF Enerji)	100%	–
TVF Rafineri ve Petrokimya Sanayi ve Ticaret A.Ş. (TVF Rafineri ve Petrokimya)	100%	–
TVF AEL Elektrik Üretim Sanayi ve Ticaret A.Ş. (TVF AEL)	100%	–
Türk Hava Yolları A.O. (THY)	49.12%	BIST (THYAO)
Posta ve Telgraf Teşkilatı A.Ş. (PTT)	100%	–
Eti Maden İşletmeleri Genel Müdürlüğü (Eti Maden)	100%	–
Türkiye Maden Sanayi ve Ticaret A.Ş. (Türkiye Maden)	100%	–
Kardemir Karabük Demir Çelik Sanayi ve Ticaret A.Ş. (Kardemir)	4.41%	BIST (KRDMD)
Turkcell İletişim Hizmetleri A.Ş. (Turkcell)	26.20%	BIST (TCELL) NYSE (TKC)
Türk Telekomünikasyon A.Ş. (Türk Telekom)	61.68%	BIST (TTKOM)
Türksat Uydu Haberleşme Kablo TV ve İşletme A.Ş. (TÜRKSAT)	100%	–
TVF Bilgi Teknolojileri İletişim Hizmetleri Yatırım Sanayi ve Ticaret A.Ş. (TVF BT)	100%	–
Çay İşletmeleri Genel Müdürlüğü (Çaykur)	100%	–
Türkiye Şeker Fabrikaları A.Ş. (Türk Şeker)	100%	–
Türk Tarım ve Gıda Sanayi Ticaret Anonim Şirketi (Türk Tarım)	49.00%	–
TVF İFM Gayrimenkul İnşaat ve Yönetim A.Ş. (TVF İFM)	100%	–

Since TVF AEL, TVF Enerji, TVF İFM, TVF Rafineri and Petrokimya ve Türkiye Maden had not started their operations in 2022, the ESG data of these companies are consolidated under TVF.

Companies not included in the report and excluded from the ESG data are listed below:

	TWF Portfolio Ownership Rate as of December 31, 2022	Stock Exchange and Stock Code on which the Companies are traded
Boru Hatları ile Petrol Taşıma A.Ş. (BOTAŞ)	100%	–
Türkiye Katılım Sigorta A.Ş. (Türkiye Katılım Sigorta)	100%	–
Türkiye Katılım Hayat A.Ş. (Türkiye Katılım Hayat)	100%	–
İzmir Alsancak Limanı	100%	–
Kayseri Şeker Fabrikası A.Ş. **	11.07%	BIST (KAYSE)

* In 2023, in line with its mission to support stability and depth in financial markets and to strengthen the capital structures of Ziraat Bankası, Halkbank and VakıfBank, TWF increased the core capital of Ziraat Bank by 49.7 billion TL, Halkbank by 30 billion TL and VakıfBank by 32 billion TL. TWF's shareholding in Halkbank has increased from 87.7% to 91.5% and in VakıfBank from 64.8% to 74.8%.

** As of May 18, 2023, 15.01% of Kayseri Şeker shares have been traded on Borsa İstanbul.

02

Overview of the TWF

About the TWF

TWF's Founding Vision

TWF's Sustainability Mission and Vision

Mandate of Türkiye Wealth Fund: 4 Fundamental Strategic Objectives, 4 Strategic Assets

About the TWF and Management Company

Capital and Shareholding Structure

Portfolio Companies

Activities

New Investment Projects

Memberships

TWF has become a very important financial institution in national and international markets by continuing its activities as Türkiye's strategic investment arm and standing out as one of the largest sovereign wealth funds in Eastern Europe, the Middle East, and Africa.

Overview of the TWF

TWF creates value in critical sectors such as finance, energy, transportation and logistics, mining, technology and telecom, agriculture, food, and real estate, creating a positive impact not only locally but also on a global scale. In 2022, the highlights of the consolidated performance of the Management Company and portfolio companies are as follows:

Financial

Active Size

- Compared to the previous year, an increase of **75%** with **5.6 trillion TL** and an increase of **22%** with **300 billion USD** in total assets

Equity

- Compared to the previous year, an increase of **131%** with **914 billion TL** and an increase of **60%** with **49 billion USD** in total equity

Sectoral Breakdown of Gross Profit

- Financial sector activities: gross profit of **150 billion TL** with a **fourfold** increase from the previous year.
- Non-financial sector activities: gross profit of **238 billion TL** with a **5.5-fold** increase from the previous year

Total Gross Profit

- All sectors: gross profit of **225 billion TL** with a **20-fold** increase and **14 billion USD** with an **11-fold** increase from the previous year

Training Expenditures

- **16** portfolio companies spent a total of **218 million TL** on employee training

Supporting Transformation Through R&D Investments

- **264** R&D projects implemented through **11** portfolio companies and **R&D expenditures** of over **1.6 billion TL**
- **355** patent applications by **6** different portfolio companies
- A total of **199** production facilities under **4** portfolio companies operating in the agriculture and food sector

2022			2021		
Total Asset	Equity	Net Profit	Total Asset	Equity	Net Profit
(million TL)	(million TL)	(million TL)	(million TL)	(million TL)	(million TL)
5,613,131	913,599	225,374	3,201,207	395,613	11,123
Total Asset	Equity	Net Profit	Total Asset	Equity	Net Profit
(million USD)	(million USD)	(million USD)	(million USD)	(million USD)	(million USD)
300,195	48,860	13,605	246,674	30,485	1,256

Governance

Transparent Reporting

- The sustainability reports of **9** out of **12** portfolio companies comply with **GRI (Global Reporting Initiative) Standards**
- **5** out of **7** publicly traded portfolio companies are listed on the BIST Sustainability Index.

Sustainable Management Systems

- 15 portfolio companies: ISO 9001 Quality Management System Certification
- 11 portfolio companies: ISO 14001 Environmental Management System Certification
- 14 portfolio companies: ISO 27001 Information Security Management System Certification
- 7 portfolio companies: ISO 50001 Energy Efficiency Management System Certification
- 11 portfolio companies: ISO 45001 Occupational Health and Safety Management System Certification
- Within the scope of the Management Company: ISO 27001 Information Security certificate and development of ISO 9001 Quality, ISO 14001 Environment, ISO 14064-1 Greenhouse Gas Calculation and Reporting and Zero Waste Management Systems*
- 11 portfolio companies that have Sustainability Committees
- 10 portfolio companies that set targets in line with the United Nations Sustainable Development Goals
- 6 portfolio companies that have signed the United Nations Global Compact

Environmental

Sustainable Operations

- **4** portfolio companies operating in **LEED-certified buildings** that adopt sustainable construction practices
- TWF is the main investor of the Istanbul Financial Center, **consisting entirely of LEED-certified buildings**

Long-term Climate Strategy Approach

- 7 portfolio companies **committing to reducing their carbon footprint**
- 6 portfolio companies reporting to CDP
- 4 portfolio companies adopting the Science Based Target initiative (SBTi)

Energy Savings and Clean Energy

- **1.07 billion kWh** of energy savings through energy efficiency projects of **7** portfolio companies that received ISO 50001 Certification
- **1.3 billion kWh** of renewable energy utilization by **8** portfolio companies

Social

Training

- Total of **766,742** hours of Occupational Health and Safety (OHS) training

Employment Created

- Total of **172,351** people employed within the Management Company and TWF portfolio companies

About the TWF

TWF's Founding Vision



Founded in 2016, TWF continues to operate as Türkiye's strategic investment arm and stands out as one of the largest sovereign wealth funds in Eastern Europe, the Middle East and Africa. By the end of 2022, TWF's consolidated balance sheet size increased by 75% year-on-year to 5.6 trillion TL, cementing its position as an important financial institution in national and international markets.

The main objective of sovereign wealth funds is to contribute to the country by transforming national resources and/or assets into strategic investments to achieve economic and sustainable development. Although the term "sovereign wealth fund" originates from the Texas Permanent School Fund, which was established in Texas in 1854 to finance public education, the first institution that can be considered a sovereign wealth fund in its contemporary sense started its operations in 1953 with the Kuwait Investment Authority. Since then, the approach has gained popularity, especially in Asia, and spread to wider geographies in line with the need for governments to play a more active role in the markets following the 2008 global financial crisis. By the end of 2022, the asset size of sovereign wealth funds worldwide exceeded 10 trillion USD, demonstrating the influence of sovereign wealth funds in the financial world.

Sovereign wealth funds are briefly divided into five categories according to their objectives. The first is stabilization funds, which aim to protect the economy from rising commodity prices, while the second is savings funds, which mostly accumulate revenue from natural resources. Some countries have reserve investment funds that utilize excess reserves such as foreign exchange or pension funds that provide financial support against pension obligations. The fifth category is strategic development funds, which are focused on contributing to the infrastructure and economic development of countries. TWF is a strategic development fund that aims to utilize Türkiye's value and assets for the sustainable development of the country.

TWF's Sustainability Mission and Vision

Mission

TWF's sustainability mission is to improve the sustainability performance of its portfolio companies to contribute to Türkiye's long-term green and digital transformation and sustainable economic development.

Vision

TWF's sustainability vision is to be one of the world's leading sovereign wealth funds and set an example by continuously improving its Environmental-Social-Governance performance in compliance with national and international standards.

At the core of TWF's sustainability strategy is the mission to make a difference in sustainable development, which is one of the main objectives of sovereign wealth funds.

TWF continues to strive relentlessly to improve its sustainable fund management compliance rating. With this perspective, TWF voluntarily strives to comply with the Santiago Principles, the principles that set the standards for wealth funds to develop a transparent, accountable, and sustainable fund management model.

Placing the vision of sustainable economic development at the center of its responsible investment strategy, TWF contributes directly to the twin transformations through the green and sustainable finance products injected into the economy by the state-owned banks in its portfolio. Furthermore, TWF advances Türkiye's green transformation strategy through the regional and international impact-oriented investments and carbon emission reduction targets of its portfolio companies.

TWF continues its efforts to incorporate sustainability and ESG elements into its business processes and investment decisions. Through this approach, TWF aims to create a holistic perspective that stakeholders, especially portfolio companies, can use to build a sustainable future in Türkiye and the world.

Mandate of Türkiye Wealth Fund: 4 Fundamental Strategic Objectives, 4 Strategic Assets

Established to support Türkiye's economic development goals, TWF's Mandate is based on the following **four strategic objectives** and **four strategic assets**.

Strategic Objectives

1

Enhance the value of assets within the Fund: TWF aims to enhance the value of its assets through monitoring and evaluating financial performance indicators, and value creation programs.

2

Provide equity to strategic investments in Türkiye: TWF invests in visionary projects, high value-added and high technology industries that will reduce current account deficit and increase the savings base of the country.

3

Make equity investments to support Türkiye's international economic objectives: TWF is the primary point of contact for large-scale foreign direct investors and their investments in Türkiye. The Fund aims to make investments in the priority regions that are aligned with Türkiye international economic strategy and investments that will transform Turkish companies into regional and global champions.

4

Support the improvement and deepening of financial markets: TWF takes equity-based actions to expand the depth and diversity of financial markets in the country.

Strategic Assets



Financing: TWF makes use of debt and equity financing to fund the investment activities.



Corporate governance: TWF operates in full compliance with globally accepted corporate governance standards and best practices.



Principles and values:

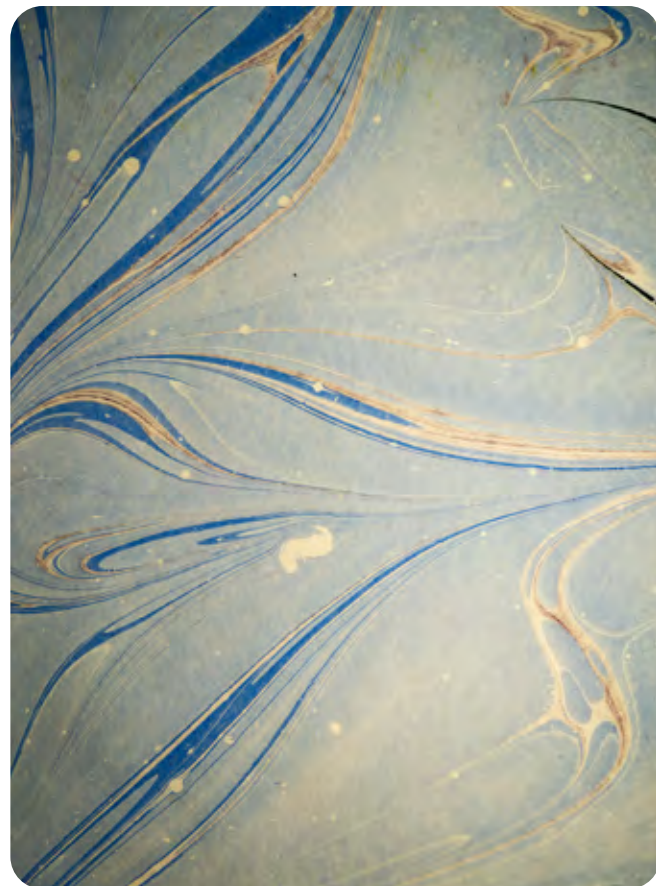
- ✦ Serving the nation and value creation,
 - ✦ Accountability and transparency,
 - ✦ Discipline, professionalism and teamwork,
 - ✦ Delivery of results
- are the core values of the organization.



Human resources: TWF aims to become Türkiye's talent pool for its own operations and new investments.

About the TWF and Management Company

Legal Basis



Türkiye Wealth Fund Management Co. (referred to as the Management Company in the Report) was established in accordance with the Law No. 6741 on the Establishment of Türkiye Wealth Fund Company and Amendments to Certain Laws (Establishment Law) published in the Official Gazette dated August 26, 2016 and numbered 29813.

The purpose of the establishment of the Management Company is stated in the provisions of the Establishment Law as **"the establishment and management of the Türkiye Wealth Fund and its sub-funds in order to contribute to the diversity and depth of instruments in capital markets, to bring publicly-owned assets into the economy, to obtain external assets, and to participate in strategic, large-scale investments."** The articles of association of the Management Company were registered with the trade registry on December 22, 2016.

The Management Company is subject to the provisions of private law pursuant to the Establishment Law and is responsible for the management of the assets in the TWF portfolio. According to Article 5 of the Establishment Law, "Assets and rights transferred to Türkiye Wealth Fund and any other asset that may be subject to registration obtained as a result of the activities carried out by the Company shall be registered in the name of Türkiye Wealth Fund in the relevant registry or registries. Türkiye Wealth Fund shall be deemed to have legal capacity limited to the registration procedures under this article."

Again, as regulated in the first sentence of Article 7 of the Establishment Law, "The assets of the Türkiye Wealth Fund and asset rights transferred to be managed by the Company are to be separated from the assets of the Company." Pursuant to Article 1 of the Establishment Law and within the framework of the operating principles set out in Article 4 of the Decree on the Procedures and Principles Regarding the Structure and Operation of Türkiye Wealth Fund Management Company (Decree of the Council of Ministers) dated October 17, 2016 and numbered 2016/9429, the following sub-funds are affiliated with TWF, and the establishment, structure, operation, management, and transactions of these funds are determined within the provisions of the TWF bylaws and the articles of association of the Management Company.

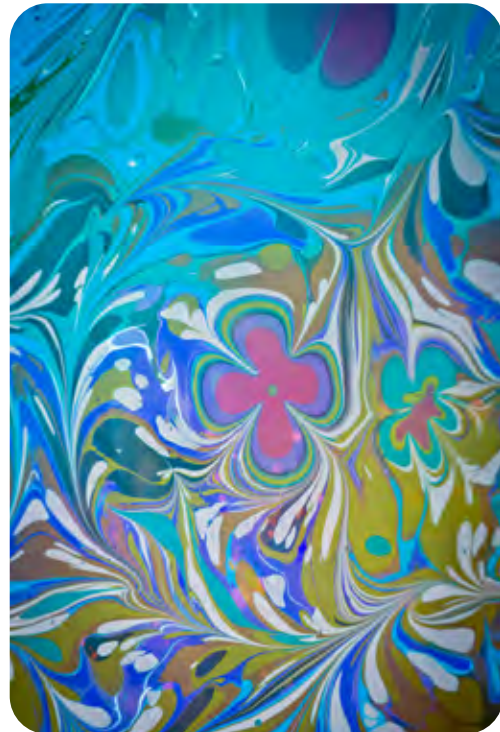
- ✦ TWF Market Stability and Equilibrium Sub-Fund
- ✦ TWF Istanbul Financial Center and Real Estate Investment Fund
- ✦ TWF License and Concession Sub-Fund
- ✦ TWF Mining Sub-Fund
- ✦ TWF Management Co. BIST Venture Capital Investment Fund

• • •

Pursuant to Article 37 of the Presidential Decree No. 1 published in the Official Gazette dated July 10, 2018 and numbered 30474, TWF is one of the institutions affiliated with the Presidency.

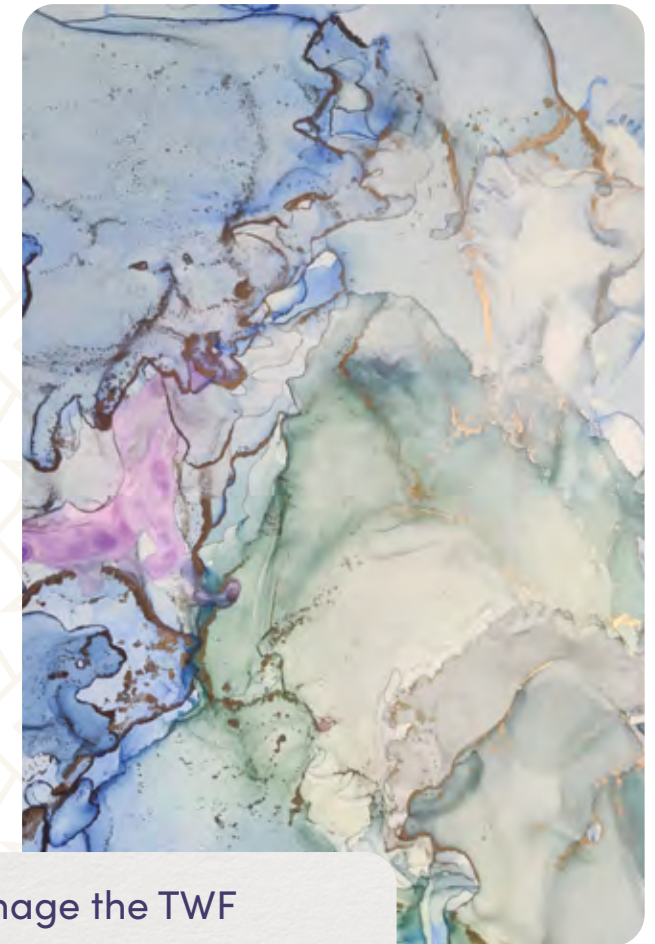
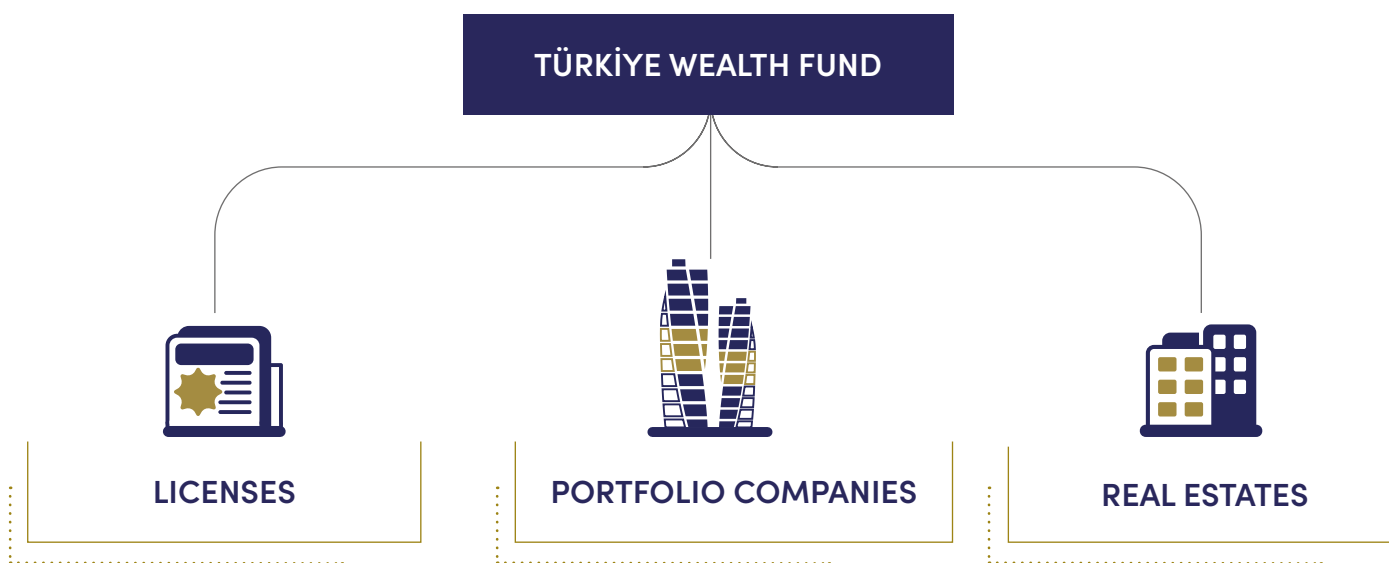
Accordingly, with the Presidential Decree No. 2018/162 dated September 11, 2018, the second paragraph of Article 13 of the Council of Ministers Decree was amended as follows: "The Chairperson of the Board of Directors of the Company is the President of the Republic of Türkiye. Any member of the Board of Directors may be appointed as the Deputy Chairperson by the President of the Republic of Türkiye. The Board Members and the CEO shall be required to meet the qualifications stated in the Presidential Decree." The CEO and Members of the Board of Directors of the Management Company are appointed by the President in accordance with Presidential Decree No. 3.

Capital and Shareholding Structure



The capital of Management Company is 50 million Turkish Lira and has been fully paid. All the shares belong to the Privatization Administration under the Ministry of Treasury and Finance of the Republic of Türkiye.

During the accounting period, there has been no change in the capital structure, and Management Company does not have any privileged shares or has not acquired its own shares.



Established to set up and manage the TWF and its sub-funds in order to contribute to the diversity and depth of instruments in the capital markets, to bring publicly-owned assets into the economy, to obtain external resources, and to participate in strategic, large-scale investments, the Management Company carries out its activities by placing sustainable economic development at the center of its activities.

Portfolio Companies

Financial Services

*The information presented in this section reflects data as of 31 December 2022. Fund ownership ratios are current as of the report publication date.

Ziraat Bankası



Number of Employees: 24,484



Within the scope of Accessible Banking:
270 ATMs suited to orthopedically impaired customers,

5,352 ATMs suited to visually impaired customers

Sustainable Products

- ↓ Energy Efficiency Investment / Operation Loan
- ↓ Renewable Energy Investment / Working Capital Loan
- ↓ Wastewater Treatment Recycling Operation / Investment Loan
- ↓ SPP-Rooftop Solar-Licensed SPP Investment / Operation Loan
- ↓ Solar Irrigation Loan
- ↓ Modern Compressive Irritation Loan
- ↓ Agricultural Mechanization Loan (compatible with Best Agricultural Practices)
- ↓ Green Transformation and Energy Efficiency Support Package
- ↓ Digital Transformation Support Package
- ↓ Energy Efficiency Management Loan
- ↓ Individual Energy Efficiency Credit
- ↓ Green Mortgage
- ↓ Green Vehicle Loan
- ↓ Woman Farmer Loan and Young Farmer Loan

Fund Ownership Rate **100%**

Halkbank



Number of Employees: 20,781



Funds provided for total renewable energy financing: 2.6 billion TL



Funds provided to women entrepreneurs: 22.6 billion TL



First Women Entrepreneurs Department directorate in the Turkish banking industry



Participation in the Science Based Targets initiative (SBTi) and Net-Zero Banking Alliance (NZBA)



The first Turkish bank to commit to net-zero with the Science Based Targets initiative both for its direct operations and portfolio-related emissions

Sustainable Products

- ↓ Renewable Energy Investment Loans
- ↓ Energy Efficiency Loans
- ↓ Green Workplace Investment Loans
- ↓ Thermal Insulation in Residential Buildings Loans
- ↓ Electric Vehicle Transformation and Charging Station Loans
- ↓ Tradesmen Support Loans
- ↓ Women Entrepreneur Loans
- ↓ Young Entrepreneur Loans
- ↓ Tech Entrepreneur Loans

Fund Ownership Rate **91.5%**

VakıfBank



Number of Employees: 16,961



Total renewable energy financing: 3.6 billion TL



Percent of Women Employees: 51%



Accessible Life ATMs: 4,124



CDP water report score: B-



Sustainalytics ESG risk rating: 19,1 low risk



CDP climate change score: B



The industry's first SBTi-approved company with an emission reduction target compliant with 1.5 degrees* *

Sustainable Products

- ↓ Green Mortgage
- ↓ Eco-Friendly Vehicle Loan
- ↓ Thermal Insulation Loan
- ↓ Renewable Energy Financing (Hydroelectric, Solar, Wind, Geothermal, Biomass Energy Plants)

Data indicated with (*) refer to 2023.

Fund Ownership Rate **74.8%**

Borsa İstanbul



1,855 private sector debt instruments with a total issue size of 361.6 billion TL



Number of companies in the BIST sustainability index: 63



Board Member of the World Federation of Exchanges (WFE),

founding member of the United Nations Sustainable Stock Exchanges Initiative (SSE),

founding member of SSE Derivatives Exchange Network



Total equity market trading volume: 17.7 trillion TL



Debt Securities Market total trading volume: 14.4 trillion TL



Futures and options market total trading volume: 7.9 trillion TL



Total market capitalization of publicly traded companies: 6.2 trillion TL



Precious metals and precious stones market total trading volume: 531.8 billion TL

Fund Ownership Rate **80.6%**

TVF FINANSAL YATIRIMLAR FINANCIAL INVESTMENTS

Fund Ownership Rate **100%**

TVF Finansal Yatırımlar is a special-purpose vehicle with 100% TWF ownership established for the acquisition of "Türkiye Sigorta" and "Türkiye Hayat Emeklilik."

TURKIYE SİGORTA



- Number of customers: 6.4 million
- Number of employees: 1,582
- Expenditures on donations etc.: 10.6 million TL
- Sustainability-linked investments: 179 million TL
- *Corporate governance rating: 9.57
- "Great Place To Work" certification

Sustainable Products

- Insurance Products for Renewable Energy Projects
- Special Risk Health Insurance for Women Entrepreneurs
- Critical Illness Treatment and Support Health Insurance
- Diabetes Support Health Insurance
- Financial Cyber Protection Insurance
- My Cyber Risks are Safe Insurance
- Sempati Pet Insurance

Fund Ownership Rate **81.10%**

Data indicated with (*) refer to 2023.

TURKIYE HAYAT EMEKLİLİK



- Number of customers: 10.6 million
- Number of employees: 1,218
- Expenditures on donations etc.: 2.5 million TL
- *Corporate governance rating: 9.44
- "Great Place To Work" certification

Sustainable Products

- Sustainability Private Pension Fund
- Women Entrepreneurs Private Pension Plan
- Plus Life Insurance

Fund Ownership Rate **98.61%**

Data indicated with (*) refer to 2023.



Energy



Total number of residential areas supplied with natural gas by the end of 2022: 746



19,273 kilometers of natural gas pipeline; 3,382 kilometers of crude oil pipeline



2022 crude oil transportation volume: 456,261 million barrels



As of 2018, natural gas supply was provided to all 81 provinces in Türkiye



2022 customer satisfaction rate: 95.3%



52.3 billion sm³ natural gas sales



2022 number of subscribers: 19,708,895



The Green Organization-Green Apple Award (2 gold awards)

British Safety Council-International Safety Award

Fund Ownership Rate **100%**



TÜRKİYE PETROLLERİ



Number of wells drilled: 160



Natural gas sales: 282 million m³



Crude oil sales: 2.9 million tons



Number of vessels: 4



Total domestic and international production: 156,610 boe/day



Foreign countries of operation: Azerbaijan, Iraq, Afghanistan, Russia



2022 year-end domestic investment: 52.4 billion TL



2022 year-end foreign investment: 15 billion TL



Contribution from TPAO to the national economy legal liabilities paid in 2022: 12.2 billion TL

Fund Ownership Rate **100%**

Mining and Iron- Steel



Total number of facilities: 33



Facility types and names: Boron Production Facility (Penta, Boric Acid, Powdered, etc.), NTO Pilot Plant, Lithium Carbonate Pilot Plant



Product types and names: Etibor-48, Boric Acid, Borax Decahydrate, Etibor-68, Etidot-67, ETİ-Kbor, Eti-KDot, Etifert-B11, Etifert-B15, Etifert-B17, Etifert-B20, Eti-KFertB15, Amorphous Boron Oxide, Glassy Boron Oxide, Zinc Borate, Abcol3367, Boron (laundry detergent), Aqua Bor, Borel, Boron (dishwashing detergent), Bortam, Powdered Colemanite, Powdered Ulexide, Eticol-43, Eticol Ceramic, Concentrated Colemanite, Concentrated Ulexite



Continents: Asia, Europe, South America, North America, Africa, and Australia



Countries: Sales to more than 100 countries through foreign subsidiaries and sales agencies



Total ownership of boron reserves in the world: 73%



Ranking first in the world in terms of reserves, production and sales amounts

Fund Ownership Rate **100%**



Net sales revenue: 27.4 billion TL



Number of registered patents: 4



Investment expenditures: 1 billion TL



Total energy savings: 925.7 TJ



Total production quantity: 2 million tons



Expenditures on donations etc.: 69.8 million TL

Fund Ownership Rate **4.41%**

Transportation and Logistics



With 342 destinations in 129 countries, the airline that flies to the most countries in the world



394 passenger and cargo aircraft



Young fleet with an average age of 8.7 years



1.7 million tons of cargo and mail transported



71.8 million passengers carried



18.4 billion dollars net revenue



8,611,503 USD R&D investment



83% customer satisfaction rate



57,581 tons of fuel savings



181,379 tons of CO₂ emissions avoided



2.1 million tons of CO₂ avoided since 2008 through more than 100 operational optimization projects



Approximately 65,000 people employed together with its affiliated companies



Signatory to the IATA 25by2025 initiative - women employee ratio-women pilot ratio above the world average: 47%



UN Global Compact participant



Signatory to the Global Sustainable Aviation Fuel (SAF) Declaration



Türkiye Sustainable Aviation Platform established in collaboration with Turkish Airlines, Boeing and Istanbul Technical University*



Silver medal in EcoVadis sustainability performance assessment in 2022*



The first airline to directly qualify for the IEnvA (IATA Environmental Assessment) Program Stage 2 Certificate



Commitment to become a 2050 Carbon Neutral Airline*



With 14 LEED-certified buildings and a Flight Crew Terminal with a Platinum operating certificate, Turkish Airlines is the 3rd in the world and 1st in Europe



CDP climate change score: B



Sustainalytics Risk Rating Score: Industry achievement of 1% in the lowest risk segment



Refinitiv 2022 year in review: 1st of 47 airline companies



Listed among the TCFD supporters*



Voluntary carbon offset platform: CO2mission

Data indicated with (*) refer to 2023.

Fund Ownership Rate **49.12%**



Local supplier rate: 100%



Vehicles with EU 5 engines: 2,932



Vehicles with EU 6 engines: 8,061



Number of electric vehicles in the fleet: 711



Number of vehicles in the fleet: 11,801

Fund Ownership Rate **100%**

İZMİR ALSANCAK LİMANI



Total dock length: 3,650 m



Port area: 635,000 m²



Container handling capacity: 1,164,917 TEU/year



Container storage capacity: 1,230,807 TEU/year



General Cargo/Bulk Storage: 3.8 million tons/year (open), 0.4 million tons/year (closed)



RoRo dock capacity: 372,000 trucks/104,000 vehicles



Cruise passenger capacity: 500,000/year

Fund Ownership Rate **100%**

Technology and Telecommunication

TVF BT VE İLETİŞİM IT AND COMMUNICATIONS

Fund Ownership Rate **100%**

TVF BT is a special-purpose vehicle with 100% TWF ownership established for the acquisition of Turkcell.

TURKCELL



46.5% growth in EBITDA with 22 billion TL

11.1 billion TL net profit

2.3 million TL total net added subscribers

BIST Sustainability 25 Index

Renewable energy production by 2022: 74,000 MWh

227,592 GJ energy savings

414,911 tons of CO₂ emission reduction

96% return-to-work rate for women employees on maternity leave

24.9% women managers

34.6% women employees

325 national patent applications and 966 registered patents by 2022

CDP Climate Change Score: A- / Türkiye sector leader

*The industry's first SBTi-approved company with an appropriate emission reduction target of 1.5 degrees

Fund Ownership Rate **26.20%**

Data indicated with (*) refer to 2023.

Türk Telekom



1 million net added subscribers

52.8 million subscribers

403 thousand kilometers of fiber infrastructure in 81 provinces

4.1 billion TL net profit

48 billion TL sales revenue

*19.5 billion dollar digital transformation investment

81 million kWh energy savings

BIST Sustainability Index since 2014

(*) Amount invested between 2005-2022

Fund Ownership Rate **61.68%**

TURKSAT



Operating profit: 2 billion TL

EBITDA 2.7 billion TL

1.4 million subscribers

With nearly 62 million active users, the e-government gateway

Awards

- ↳ Türksat was awarded for having the best customer experience in the "Digital Platform" sector at the A.C.E Awards (Achievement in Customer Excellence)
- ↳ Türksat KabloNet received the award for the brand with the best customer experience in the Internet Service Providers sectors at the A.C.E Awards (Achievement in Customer Excellence)
- ↳ The company with the second-highest number of service exports in Türkiye (Service Exporters' Association)
- ↳ 13th in the Top 500 ICT Companies in Türkiye 2022 Survey
- ↳ 193rd in Fortune500 based on sales revenues for 2021
- ↳ Winner of the "Innovation Award" in the "Information and Communication Sector" category of the "Platinum Global 100 Index"

Fund Ownership Rate **100%**

Agriculture and Food



Number of power plants: 47



Type and quantity of raw materials processed: 582,497 tons



Total sales amount: 162,949 tons of dry tea /100,986 million liters of iced tea sales



Total export amount: 3,085 tons of dry tea / 2,603 million liters of iced tea sales



Number of countries exported: 54



Women employee rate: 36%



Local supplier rate: 100%



Local and seasonal food support: 45.5 million TL



Total production amount: 114,721 tons

Fund Ownership Rate **100%**



Throughout the country, contribution to the real sector with 15 sugar factories, 2 machinery factories, 1 electromechanical devices factory, 2 alcohol factories, and 1 seed processing factory



R&D service with 1 research institute



Total production amount: 827,920 tons of crystal sugar



Type and quantity of raw material processed: 582,497 tons

Fund Ownership Rate **100%**



Total production facilities: 52



Amount of raw materials processed, manufactured, and sold: 654 thousand tons



Total export amount: 1,470 tons



Number of Countries Exported to: 3



Women employee rate: 29.40%



Local supplier rate: 100%

Fund Ownership Rate **49.00%**

**Türk Tarım underwent a title change in in 2023.*



Number of production facilities: 3



Amount and type of raw materials processed: 2.9 million tons total of sugar beet



Total production amount: 430,744 tons of crystal sugar, 763 tons of sugar cubes, total 431,507 tons of sugar, 99,142 tons of molasses, 757,182.9 tons of beet pulp



Total sales amount, tons: (as of 30.04.23) 271,528 tons of sugar, 115,002 tons of molasses, 210,122 tons of beet pulp



Total amount of export, direct and indirect: 575 tons and 523,000 TL

Fund Ownership Rate **11.07%**

TWF Companies: Energy, Mining, Refinery and Petrochemical

TWF ENERJİ ENERGY



It is planned to utilize national resources for energy investments within the framework of sustainability principles



Afşin New Electricity Generation Plant:

within the framework of the Group IV Mining License numbered IR:87520:

- Planned to provide electricity energy needs of 3 million citizens by generating 10 TWh of energy
- Make irrigated agriculture possible on 130 thousand acres of land with the Karakuz Dam project
- Create around 5,000 jobs during construction and around 2,000 employment during operation
- Reduce natural gas imports and current account deficit by approximately 20 billion TL annually

Fund Ownership Rate **100%**

TWF RAFINERİ VE PETROKİMYA REFINERY AND PETROCHEMICAL



Feed stock to be used: 4.0 million metric tons of naphtha, 1.3 million metric tons of LPG



Petrochemical products to be produced: Polypropylene, high density polyethylene, linear low-density polyethylene, monoethylene glycol, styrene monomer, paraxylene, butadiene, benzene



Location: Bay of İskenderun



Total Production Capacity: 4.1 million metric tons of saleable petrochemical products



Capacity Scale: Global scale capacities



Import reduction target: 58% reduction in imports of products produced in the complex



Employment: 10,000 people during the construction period (maximum 15,000), 2,000 people directly and 14,000 indirectly during the operation period



Construction Duration: 78 months, including preliminary engineering FEED



Operation Period: 49 years

Fund Ownership Rate **100%**

TWF AEL ELEKTRİK AEL ELECTRICITY



Within the framework of the Group IV Mining License numbered IR:87520 owned by TWF Energy, TVF AEL Elektrik will:

- Operate the Afşin-C New Electricity Generation Facility and electricity trade
- Be assigned by MENR under Law No. 3096
- Be party to the Assignment Agreement, ESA and Power Plant EPC&OM contracts

Fund Ownership Rate **100%**

TÜRKİYE MADEN



Total number of group IV mining licenses: 24

Prioritized Projects

- the Balıkesir İvrindi Güneş Gold Mine project
- Kastamonu Taşköprü Copper mine project
- Sivas Divriği Iron Nickel and Cobalt mine project
- Manisa Çatalçam Gold Lead and Zinc mine project

Fund Ownership Rate **100%**

Real Estate



Economic size to be created by 2038:
491 billion USD



Contribution to the Turkish economy in
the next 15 years: 130 billion USD



Additional jobs in the workforce by
2038: 102,000 jobs (27,000 direct)



Contribution to sustainable economic
growth and deepening of financial markets



Increasing and developing qualified human
resources of our country through incentives

Within the scope of the project;

- ↓ 1.3 million square meters of office space
- ↓ 100,000 square meter shopping center
- ↓ 2,000-seat conference center
- ↓ 5-star hotel

Fund Ownership Rate **100%**

Real Estate



TWF has 46 real estate properties in its portfolio across Türkiye. The list of real estate properties can be found under the "Real Estate List" in the "Appendices" section.

Licenses

License to Organize Horse Racing and Wagering



The license for games played for cash like Lottery, Hemen-Kazan, Sayısal Lotto, Şans Topu, On Numara and Super Lotto, and similar games of chance that may be permitted within the framework of the relevant legislation was transferred to TWF for 49 years starting from January 1, 2018 with the Decree Law No. 680 dated January 6, 2017.

License to Organize Horse Racing and Accept Bets



The licenses regarding the rights and authorizations to organize horse races in Türkiye and to accept bets on horse races organized in Türkiye and abroad were transferred to TWF for 49 years starting from 1 January 2018 with the Decree Law No. 680 dated 6 January 2017.

When determining its investment strategies, TWF takes into account the needs and expectations of its main stakeholders, economic stability, globalization dynamics, sectoral and technological developments, and socio-economic factors.

By integrating these factors into its business model and strategies, TWF aims to contribute to Türkiye's long-term economic and sustainable development goals.

Activities

İstanbul Financial Center Project

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In line with TWF's strategy of contributing to the development and deepening of Türkiye's financial markets, the Istanbul Financial Center (iFC) Project, in which TWF is the main investor, aims to create a multidimensional financial services ecosystem by bringing together the world's leading financial institutions and companies and to make Istanbul one of the leading centers of global finance.

In 2019, TWF established TVF İFM to ensure that the iFC is managed and operated in cohesion with all its components. During this preparation process, which TVF İFM manages in coordination with the relevant stakeholders, work on the iFC Project continues on the basis of construction, legislation and the financial center ecosystem.

With the Istanbul Finance Center Law No. 7412, which was published in the Official Gazette and entered into force on June 28, 2022, and the Istanbul Financial Center Regulation published on July 7, 2023, the legislative framework of the iFC has been largely completed. This legislation was prepared with the aim of increasing the competitiveness of the Republic of Türkiye in the international arena, contributing to the deepening of financial markets and the development of financial products and services, strengthening integration into international financial

markets, and thus making the iFC one of the leading global financial centers, within the legislative framework, financial companies that obtain a participant certificate in the iFC were granted certain tax exemptions, incentives to attract qualified human resources, and the freedom to keep foreign currency books and to issue documents in foreign languages for the activities carried out among iFC participants.

On April 17, 2023, the IFM became operational with a partial opening. The ongoing construction works are expected to be completed in a short period of time and the results of the leasing and promotion activities, which accelerated after the legislative preparations, will start to be obtained. iFC is planned to be fully operational in 2024.

The iFC is designed to meet all the needs of its participants with 1.3 million m² of office space, a 100,000 m² shopping center, a 2,000-seat conference and performance center, a 5-star hotel, a parking lot and other social facilities, while respecting the impact on the environment and social area. The progress rate of the project's construction activities, which started in 2014, reached 88% by the end of 2022 and 93% by June 2023. The amount of investment realized by TWF alone under the project reached TL 9.4 billion by the end of 2022.

Work continues intensively at the iFC, where our President Recep Tayyip Erdoğan opened the Banks Phase on April 17, 2023.

With the relocation of the head offices of the state-owned banks Ziraat Bankası, VakıfBank and HalkBank to the center, the iFC currently hosts a population of approximately 10 thousand people.

In line with the project's completion and relocation timetable, the iFC's working population is expected to reach around 20,000 in 2024, with the remaining stakeholders moving to the iFC and the remaining leasing transactions being carried out by TVF İFM. In addition to offices relocating to the iFC, efforts are also underway to support social life.

Accordingly, the shopping center is expected to meet its customers by the end of 2024, fulfilling the needs of office workers, hosting various social activities, and reflecting the essence of the project.



Technology Investments



As part of its vision for the Century of Türkiye, TWF aims to support strategic sectors that contribute to our economic development by investing in Türkiye's technology and startup ecosystem.

Türkiye Technology Fund (TTF), established as a fund of funds and 100% owned by TWF, intends to support Türkiye-based venture capital funds, thereby growing and strengthening the startup ecosystem.

TWF has prioritized investments in technology startups to strengthen Türkiye's technology ecosystem in line with its objectives of participating in strategic investments and supporting the emergence of regional and global leaders from Turkish companies.

In addition to the fund of funds program, a preliminary protocol was signed on February 23, 2022 between TWF and Abu Dhabi Development Holding (ADQ) to establish a 300 million USD fund to evaluate investment opportunities and invest directly in the Turkish technology ecosystem. Work on the establishment of TTF Direkt is ongoing.

TTF Direkt aims to be a reference investment fund in this field by supporting Turkish entrepreneurs and technology startups around the world and raising pioneering companies that support Türkiye's strategic and technological autonomy.

Acquisition of Türk Telekom Shares

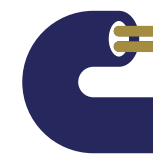


In line with its investment plan in strategic sectors in Türkiye, TWF signed a Share Acquisition Agreement with LYY Telekomünikasyon A.Ş. on March 10, 2022 to acquire a 55% stake in Türk Telekom.

Following the completion of the relevant permissions and approval processes, the share transfer was realized on March 31, 2022. Following the transaction, TWF became the largest shareholder of Türk Telekom, reaching a total shareholding of 61.7% together with its existing shares in the company.

In addition to its strategic importance as the infrastructure provider of Türkiye's technology transformation and development, the telecom sector has significant potential for growth and development due to the country's highly adaptable population with high technology consumption habits, increasing data usage, and the still relatively low penetration level compared to developed countries.

Following appraisal processes conducted by TWF and its advisors using internationally-recognized appraisal methods and negotiations with LYY management, the acquisition price for the shares subject to the transaction was determined as 1.65 billion USD.



403 thousand
kilometers
 of fiber infrastructure in
81 provinces



52.8 million
subscribers

Public Banks Core Capital Increase and Capital Support

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On March 9, 2022, TWF provided core capital to Ziraat Bankası, VakıfBank and Halkbank and subordinated loan support to Türkiye Kalkınma ve Yatırım Bankası A.Ş., Ziraat Katılım Bankası A.Ş. and Türkiye Emlak Katılım Bankası A.Ş. in order to support financial markets and strengthen the capital of public banks.

With this 51.5 billion TL capital support, TWF strengthened the financial structures of state-owned banks and ensured their access to new resources to support investments.

As a result of the transactions in 2022, the amounts of capital and subordinated loans provided by TWF and TWF Market Stability and Equilibrium Sub-Fund to public banks are summarized below:

- ✦ 21.8 billion TL to Ziraat Bankası,
- ✦ 13.4 billion TL to HalkBank,
- ✦ 13.4 billion TL to VakıfBank,
- ✦ 1.5 billion TL to Türkiye Kalkınma ve Yatırım Bankası A.Ş.,
- ✦ 0.9 billion TL to Ziraat Katılım Bankası A.Ş. (equivalent to 57 million euro),
- ✦ 0.5 billion TL to Türkiye Emlak Katılım Bankası A.Ş. (equivalent to 31.7 million euro)

Following the transaction, TWF's shareholding in HalkBank increased from 75.3% to 87.7% and in VakıfBank from 35.9% to 64.8%. These transactions were financed by the cash to be generated from the sale of government domestic debt securities issued to the banks by the Republic of Türkiye Ministry of Treasury and Finance.

Türkiye Katılım Sigorta and Türkiye Katılım Hayat

With its unique principles and operational structure, Participation Finance is a system that aims to establish a human-centered economic structure, addresses the material and spiritual dimensions of human beings as a whole, regulates economic relations between individuals of the society based on **risk sharing and stands out in terms of establishing a close link between the real sector and the financial sector and reducing systemic risks.**

As an innovative, inclusive, and sustainable model, the Participation Finance system is rapidly gaining importance all over the world. Taking the values of our nation as a reference, the system prioritizes social justice, supports value generation, and creates a positive social impact.

Participating insurance is based on the principle of risk sharing within the principles of cooperation and solidarity and the principle of sharing the funds with all stakeholders as a result of the management of the premium pools created with the contribution premiums received from the participants in accordance with the principles of Participation Finance. Thus, it constitutes an understanding of insurance that feeds a system of participation and contributes to the strengthening of national capital.

The recent holistic transformation efforts in the business of Participation Finance which have been carried out in our country are also closely followed by TWF. Within this framework, Türkiye Katılım Sigorta and Türkiye Katılım Hayat, in which TWF is a 100% shareholder, started their production activities in early 2023 in accordance with the principles of participating insurance.

Through Türkiye Katılım Sigorta and Türkiye Katılım Hayat;

TWF aims to:

- ✦ Present different products and alternatives to society to contribute to the growth of our country's savings base,
- ✦ Support the growth of the participating insurance sector, which has a relatively low share in Türkiye,
- ✦ Increase the relatively low level of insurance penetration in Türkiye,
- ✦ Capitalize on the growth potential in this area, accounting for countries with a similar socio-cultural identity to Türkiye,
- ✦ Increase the awareness of participating insurance in Türkiye,
- ✦ Contribute to the expansion of employment in participating finance and participating insurance in Türkiye,
- ✦ Bring dynamism to the participating insurance sector.

Acquisition of Kardemir Shares

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The iron and steel industry is a strategic sector, and Türkiye ranks 8th in the world in crude steel production. TWF continues its strategic investments in the energy and mining verticals to produce high value-added end products.

With the addition of Kardemir, which operates in the iron and steel sector, TWF aims to ensure vertical integration and to create synergies among the other companies in the portfolio.

Within the framework of TWF's mission to provide capital for strategic investments within Türkiye and to support Türkiye's competitive companies, 20% of Kardemir's Group A shares were acquired in 2022. This corresponds to 4.4% of all Kardemir shares.

An important actor in its sector, Kardemir was established in 1937 and stands out as the first integrated iron and steel plant in Türkiye. Furthermore, according to ICI 500 data, Kardemir is Türkiye's 28th largest industrial organization.

The Covid-19 pandemic and the war in the nearby geography has had a negative impact on the iron and steel industry, especially in terms of demand conditions, supply chain security, and energy costs. Against this backdrop, TWF realized the acquisition of these shares with the aim of increasing Kardemir's financial soundness and at the same time continuing its operations with a stronger shareholding structure.



According to ICI 500 data, Kardemir is Türkiye's **28th largest** industrial organization.



One of TWF's main objectives is to support Turkish companies in becoming regional and global leaders through strategic investments. Through its contribution to financial markets, it also aims to ensure the development and deepening of the markets and to leave an economically strong Türkiye for future generations.

New Investment Projects

Türkiye Maden

The company was established in 2020 under the name TVF Maden Sanayi ve Ticaret A.Ş. and, following a title change in April 2022, now operates under the name Türkiye Maden Sanayi ve Ticaret Anonim Şirketi (Türkiye Maden); it was founded to explore, develop mining projects, and operate the mineral assets in Türkiye according to international standards.



The primary goals of Türkiye Maden are to reduce dependence on imported minerals, especially gold, copper, lead, zinc, iron and critical minerals (nickel, cobalt, graphite, etc.), to increase employment throughout the country, to focus on investments aimed at obtaining high value-added final products, and to contribute to the sustainable development goals of our country with these investments.

As of the end of 2022, Türkiye Maden holds a total of 24 Group IV⁵ mining exploration licenses. A total of 125 thousand meters of exploration drilling and related logging, geochemical analyses, etc. have been completed in four project sites prioritized within the framework of the studies and evaluations. Currently, project development activities are continuing at these four sites as well as in the other licenses held. In addition, all activities carried out at the sites are managed in real-time by ensuring data security through the established integrated data system.

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In 2022, a resource estimation study in accordance with international standards (NI 43-101 and UMREK) was completed at the Balıkesir İvrindi Güneş Gold Mine, where exploration activities were initiated in 2020. According to the resource estimation report, a significant amount of gold resources have been discovered in the Balıkesir İvrindi Güneş Gold Mine Project.

The necessary geotechnical & hydrogeological surveys, metallurgical tests, mine planning, facility and infrastructure designs and feasibility studies have been initiated to contribute this discovery into the economy as soon as possible. In addition, Environmental and Social Impact Assessment (ESIA) studies conducted within the framework of Equator Principles are ongoing.

Furthermore, within the framework of the 2050 net-zero carbon emission target and the related sustainability and green energy transformation, Türkiye Maden is conducting exploration activities for minerals such as copper, nickel, cobalt, etc. in the licenses it owns. This is done with the goal of determining a strategy for the critical raw material of our country and to ensure the security of our supply, as well as focusing on the necessary business development activities regarding the critical raw material potential and end-product production methods throughout the country.

⁵ Group IV minerals;

a) Industrial Raw Materials (Lithium, Graphite, Magnesite, Barite, Kaolin, Bentonite, Feldspar, Quartz etc.)

b) Coal (Lignite, Hard Coal etc.)

c) Metallic minerals (Gold, Silver, Copper, Lead, Zinc, Iron, Manganese, Chromium, Nickel, Cobalt, Aluminum, Rare earth elements, Tin, Titan etc.)

d) Radioactive minerals (Uranium, Thorium etc.)

TVF Rafineri ve Petrokimya

*More than 95% of all manufactured goods rely on some form of industrial chemical process. Most industrial sectors make use of chemical products from energy generation and transportation to defense industry, agriculture, electronics, communication technologies and construction.

Türkiye is the world's second largest importer of certain items in the sector after China and is among the fastest growing petrochemical markets. Türkiye’s organic and plastics imports have averaged 22 billion USD over the last five years. Approximately 10% of Türkiye’s demand for petrochemical products is currently met by domestic production.

In addition, the demand for petrochemical products in Türkiye will increase faster than that of the developed countries and world average level due to rapid population growth, a high level of industrialization and a growing chemicals sector, which will further increase the rate at which demand is met from imports. In this respect, Türkiye is one of the countries with the highest dependency on foreign petrochemical products in the world.

Therefore, TVF Rafineri ve Petrokimya’s petrochemical project is of strategic importance for the economic development, supply security and reduction of the foreign trade deficit of our country.

In addition, the petrochemical plant will promote other private sector investments in the value chain by providing raw materials, allowing industrial clustering to take place in the region and increasing the competitiveness of the sector.

The facility will use 4 million tons of naphtha and 1.3 million tons of LPG to produce 4.1 million tons of saleable petrochemical products, including polypropylene, high density polyethylene, linear low-density polyethylene, monoethylene glycol, styrene monomer, paraxylene, butadiene and benzene.

All unit capacities will be world-scale and are expected to decrease imports of the above mentioned petrochemical products by approximately 58% once the plant is in operation.

In line with the configurations and technologies determined by studies conducted in the previous period, bids were received from licensor companies for all units. As a result of the interviews and studies, licensor evaluations were completed in terms of technical, economic, and commercial aspects, including efficiency, sustainability, and environmental impacts. Alternative strategies were identified and evaluated with respect to the execution of the project. Design and planning studies were initiated for auxiliary units other than the main units of the plant. In addition, a pre-feasibility report including raw material analysis, market research, licensor evaluations, field studies, project management strategies and economic analysis was completed.

All analyses related to Environmental Impact Assessment (EIA) were completed, and institutions, NGOs and the public in the project area were interviewed and informed about the project. The EIA Application File was prepared and submitted to the Ministry of Environment, Urbanization and Climate Change, and the EIA positive decision was received on 29.03.2023.

The Project is expected to employ approximately 10,000 people during the land preparation and construction period (maximum 15,000 people during the peak construction period), and 2,000 people directly and 14,000 people indirectly during the operation period. The construction period of the planned project is anticipated to be 78 months, including FEED, and the operation period is anticipated to be 49 years.


Feedstocks to be used:
 4.0 million metric tons of naphtha, 1.3 million metric tons of LPG


Expected total production capacity:
 4.1 million metric tons of saleable petrochemical products


Import Reduction Rate:
 58% reduction in imports of products produced in the complex


Employment: 10,000 people during the construction period (maximum 15,000), 2,000 people directly and 14,000 indirectly during the operation period

*Source: International Council of Chemical Associations (ICCA), The Global Chemical Industry: Catalyzing Growth and Addressing Our World’s Sustainability Challenges Report

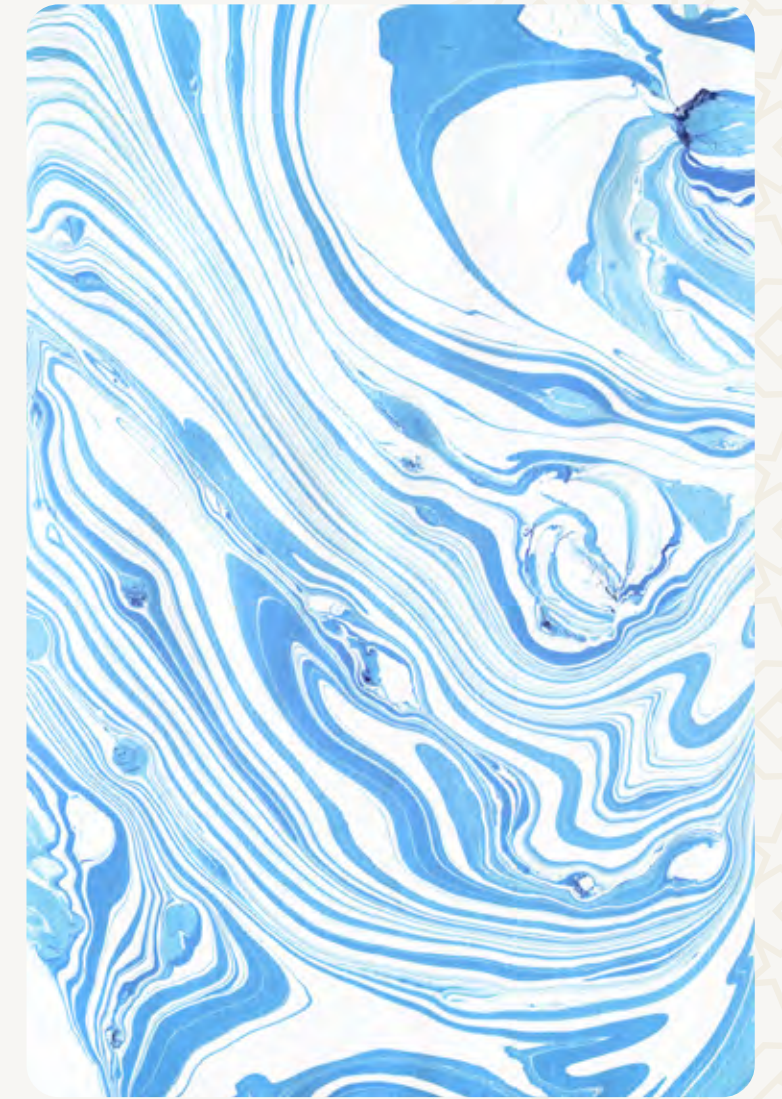
TVF Enerji

Electricity generation projects from domestic resources have been prioritized within the framework of TWF providing capital to strategic investments with the aim of utilizing national resources with the principles of sustainability and responsible investment. Accordingly, to utilize the lignite reserves in the Afşin-Elbistan basin, the license of the Afşin C field was transferred from Elektrik Üretim A.Ş. to TVF Enerji together with its vested rights, and project studies consisting of power plant and mine investment and operation were initiated.

The Afşin New Electricity Generation Facility is expected to have an installed capacity of approximately 1,600 MW. It will be operated as a base load power plant for 30 years and will make a significant contribution to maintaining energy supply security.

The energy expected to be generated by the project is anticipated to meet the electricity needs of approximately 3 million citizens, create an annual positive impact of approximately 20 billion TL on natural gas imports and foreign trade balance, and create approximately 5,000 jobs during construction and approximately 2,000 jobs during operation. By prioritizing regional development, the Karakuz Dam, which will be constructed to provide cooling water for the power plant, is intended to bring 130,000 acres of land into irrigated agriculture.

The feasibility reports and technical specifications for the construction and operation of power plants and mines led by competent engineering firms have been compiled into a specification package. Mapping, zoning, expropriation, and environmental processes were continued on the basis of the ground survey studies conducted for the preliminary investigation of the project site.



Memberships



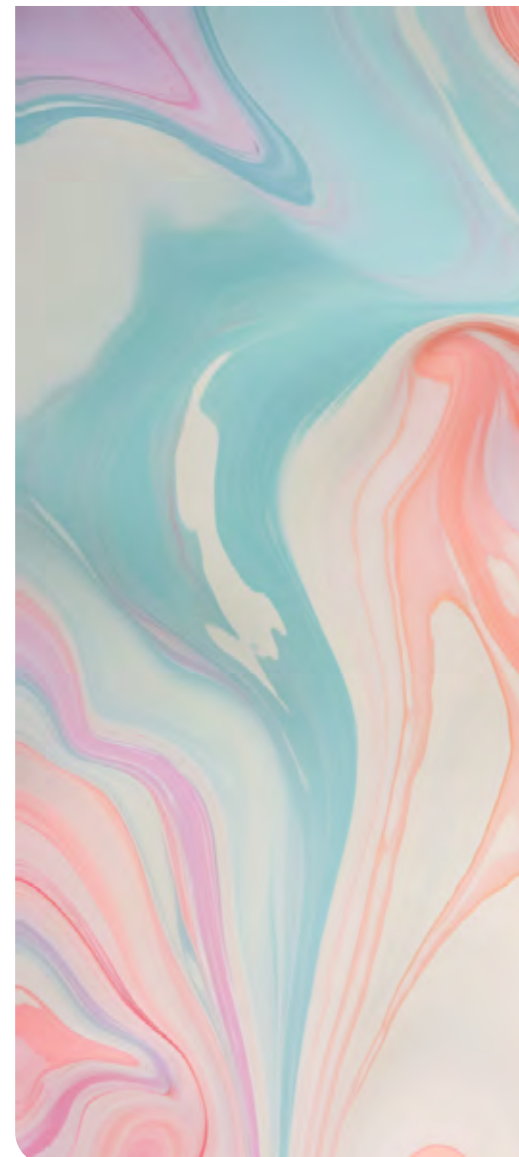
International Forum of Sovereign Wealth Funds (IFSWF) Membership

- ✦ **Year of establishment:** 2009
- ✦ **Objective:** To enable sovereign wealth funds to collaborate and communicate effectively around the world.
- ✦ **Key Principles:** Santiago Principles, self-regulation, accountability and transparency of investment policies.
- ✦ **Partnership:** Aligned with sovereign wealth funds operating in many of the world's leading countries.



International Corporate Governance Network (ICGN) Membership

- ✦ **Year of establishment:** 1995
- ✦ **Objective:** To promote standards of corporate governance and investor stewardship to support efficient markets and sustainable economies worldwide.
- ✦ **Key Principles:** Accountability, superior corporate governance standards.



World Economic Forum (WEF) Membership

- ✦ **Year of establishment:** 1971
- ✦ **Objective:** Bringing together public and private sector leaders to shape global, regional and industrial agendas.
- ✦ **Key Principles:** Multi-stakeholderism, sustainable development, ethical business practices.



International Institute of Finance (IIF) Membership

- ✦ **Year of establishment:** 1983
- ✦ **Objective:** Ensuring a more stable and sustainable financial sector globally.
- ✦ **Key Principles:** Financial transparency, risk management, corporate governance.

03

✦ Sustainability Governance

Our Sustainability Journey

Our Sustainability Policy

Our ESG Management

✦ Our Value Creation Model

Financial Capital

Manufactured Capital

Intellectual Capital

Human Capital

Social and Relational Capital

Natural Capital

✦ Materiality Analysis

✦ Risks and Opportunities

✦ Stakeholder Engagement

In line with its sustainability mission, TWF continues its efforts to encourage portfolio companies to improve their sustainability performance, to support their transition strategies for the management of climate-related risks and opportunities, and to contribute to a socially and environmentally sensitive economy in Türkiye.

Sustainability Governance

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TWF is committed to developing and effectively implementing ESG governance in line with global demands for sustainable business practices.

TWF is taking important steps to create its own sustainability strategy and identify its environmental, social and governance priorities in line with Türkiye’s sustainable development goals. To this end, TWF has conducted a study that includes a detailed analysis of sustainability-related risks and opportunities and forms the basis for determining short, medium and long-term goals.

This sustainability strategy was compiled into a report and presented to the senior management and employees. TWF’s Sustainability Policy, an important component of this strategy, was approved by the Board of Directors, entered into force and published on TWF’s website in 2022. Within the framework of this policy, a Sustainability Committee has been authorized.

This sustainability framework was established to organize and ensure good governance of TWF’s ESG approach and serves as a guide for incorporating ESG considerations into investment decisions, conditions, and business operations.

The framework is designed to help TWF comply with its sustainability commitments while supporting economic, environmental, and social responsibility to meet the needs of

future generations. This structure reinforces the company’s responsible investment approach, environmental and social impact management, and ethical business practices in line with TWF’s mission to create a sustainable future. This holistic approach helps ensure that TWF’s strategy is aligned with sustainability practices.

By 2022,

- 12 portfolio companies have published sustainability reports.
- 9 portfolio companies have harmonize their sustainability reporting with GRI Standards.
- 6 portfolio companies have signed the United Nations Global Compact.
- 11 portfolio companies have a sustainability committee.
- 6 portfolio companies are listed on the Borsa Istanbul Sustainability Index.
- 10 portfolio companies have set targets integrated with the United Nations Sustainable Development Goals.

Our Sustainability Journey

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While continuing its activities within the scope of its mandate, TWF has also furthered its sustainability efforts in 2022 in line with our country’s goals and has taken the necessary steps to implement sustainability practices with a holistic approach.

TWF’s Sustainability Policy was created to make responsible financing and sustainable development a part of our corporate culture and ensure its integration into all business processes. It was approved by the Board of Directors and published on the website for the information of all stakeholders. In addition, a Sustainability Strategy was formulated, and Sustainability Targets were set to improve TWF’s sustainability activities. The first TWF Integrated Annual Report was published in 2022, disclosing the ESG and financial performances of TWF of 2021, its portfolio companies and the Management Company.

TWF has clearly demonstrated its decisive steps towards sustainability with its success in Global SWF’s 2023 Governance, Sustainability, Resilience (GSR) Scoreboard.

TWF climbed to 27th place in 2023, from 56th in 2022, thanks to its sustainability activities. This significant rise is a concrete indicator of how committed TWF is to the sustainability journey it started in 2022.

Our Sustainability Policy

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The cornerstone of TWF’s sustainability vision is to be one of the leading national wealth funds in ESG performance, first in our region and then on a global scale. As a responsible investor, another important component of our vision is establishing partnerships with institutions that comply with ESG principles.

Stable, well-functioning, and well-managed social, environmental, and economic systems are of utmost importance for sustainable life and prosperity. In parallel, TWF acts responsibly with the awareness that the decisions taken today will affect future generations in the long term.

TWF recognizes that companies play an important role in the welfare of society and should act in harmony with countries and citizens for the common good of all. To this end, TWF aims to integrate ESG matters into its investment decision-making and management.

TWF expects the companies in its portfolio to continuously improve their practices, adopt industry best practices in the management of ESG factors, and develop solutions when controversial issues or risks arise. TWF’s goal is to demonstrate a strong sustainability approach at all levels of its organization.

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TWF’s sustainability mission is to guide portfolio companies to improve their sustainability performance, support transition strategies to manage climate-related risks and opportunities, and contribute to a socially and environmentally sensitive economy in Türkiye.

TWF’s integration of ESG principles into its investment processes is critical to ensuring the sustainable performance of its investment portfolio and, in turn, to create long-term value for various asset classes, sectors and regions.

Accordingly, TWF refrains from investing in activities and sectors that are described in detail in its Sustainability Policy. This approach shapes both the existing and new investments of TWF.

TWF’s Sustainability Policy is reviewed and updated annually in line with national and global developments, legal regulations and best practice approaches. The Sustainability Strategy and ESG performance indicators are also periodically evaluated in accordance with these ESG principles and criteria.

Our ESG Management

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Considered as a material topic by TWF's senior management, sustainability has been integrated into all business processes and has become a part of the corporate culture.

Recognizing that an effective governance model is critical to achieving the goals under the Sustainability Policy, TWF aims to effectively oversee the organization's sustainability approach and ESG activities through the Board of Directors, the Corporate Governance Committee and the Sustainability Committee.

The Sustainability Committee, together with the managers of the relevant business units, will be responsible for continuously monitoring ESG risks and opportunities and taking necessary action to ensure that operational processes are carried out in line with the sustainability framework. The Committee will also regularly report to the committees of the Board of Directors, particularly the Corporate Governance Committee, on general trends, emerging issues, and potential investment opportunities that may affect the portfolio.

TWF continues its efforts to promote a responsible investment approach within the organization by including ESG and analysis of climate risks and opportunities in the evaluation processes of investment teams.

In the area of ESG management, TWF aims to ensure the effectiveness of the sustainability framework by including issues of ESG management in the existing business processes and job descriptions of all relevant departments. Accordingly, relevant department managers will be responsible for overseeing the implementation of ESG management, measurements, and targets during operations. All departments of TWF, in an integrated manner, will review their own regulations and procedures annually in line with the established sustainability principles and targets, and these principles and targets will be updated as necessary.



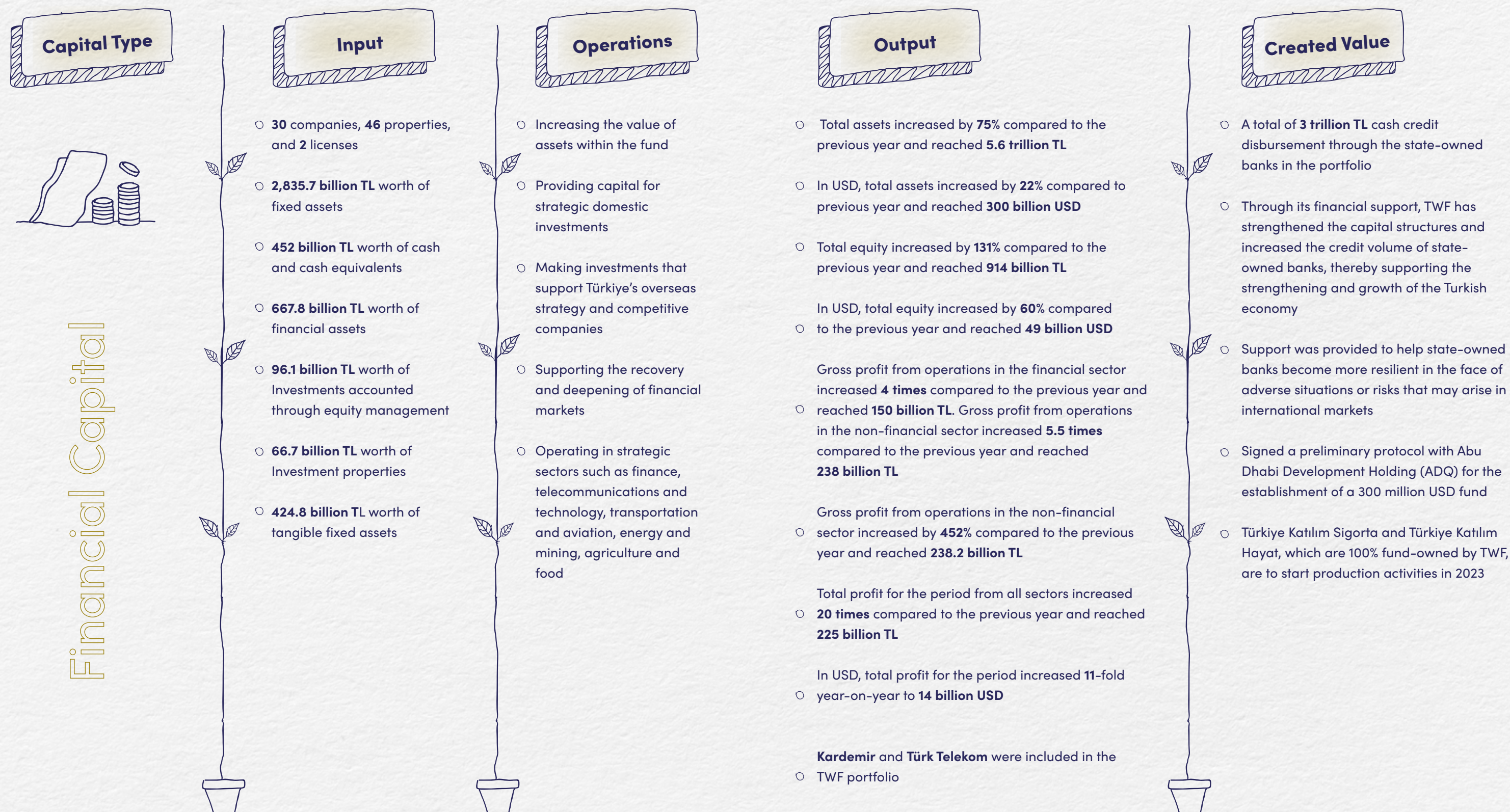
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TWF's sustainability approach is supported by a robust governance model. The Board of Directors, Corporate Governance Committee and Sustainability Committee continuously oversee investments, risks, and opportunities in this area, which is also a priority for the senior management.

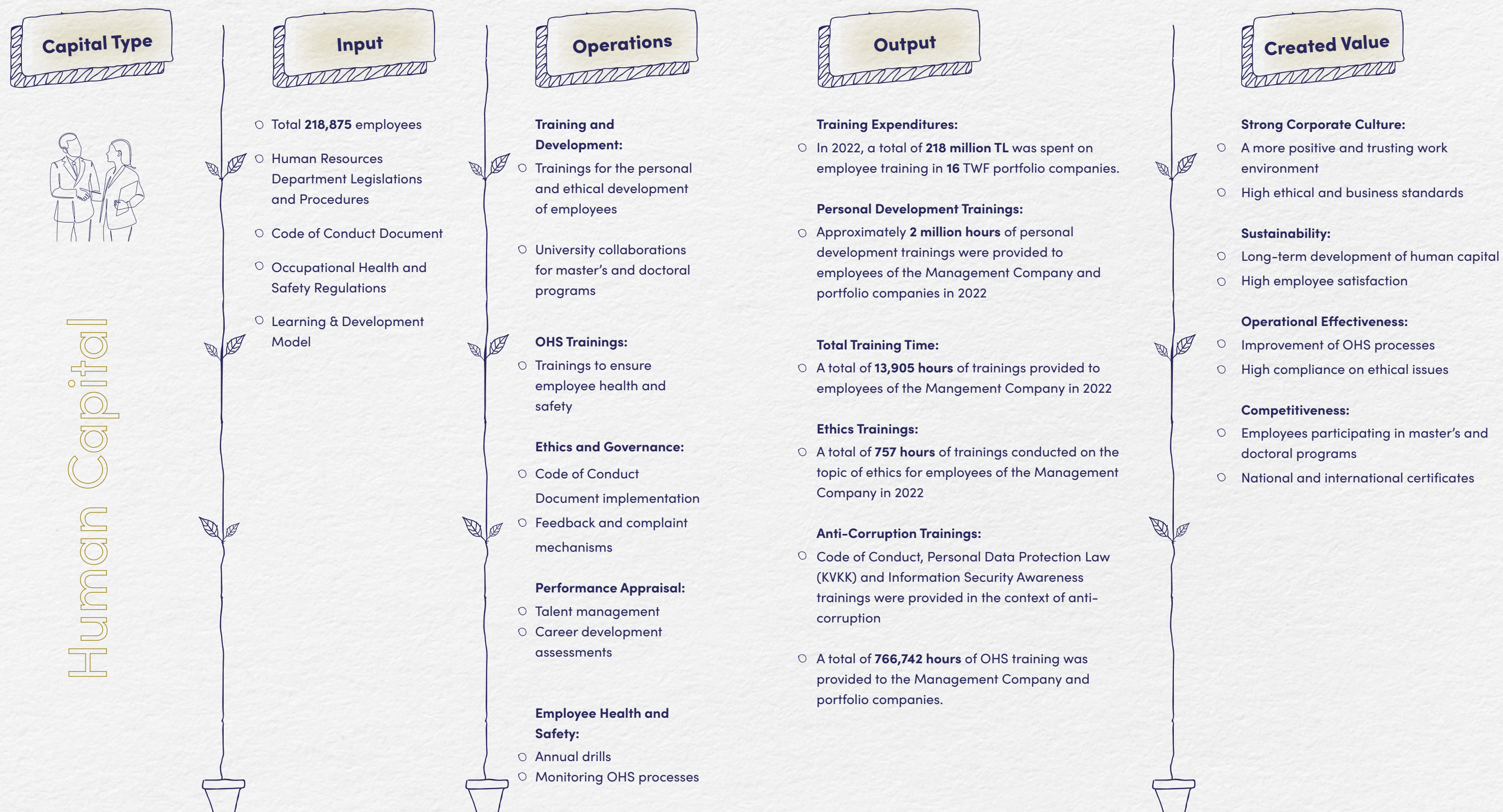
The Sustainability Committee is composed of the department managers of the relevant business units and is tasked with assessing sustainability risks and opportunities, reporting to the Corporate Governance Committee and the Board of Directors, and taking action on them.

Reporting and oversight are an integral part of TWF's sustainability approach. The yearly Integrated Annual Report contains detailed information on financial and non-financial performance (KPI) status, ESG activities and developments.

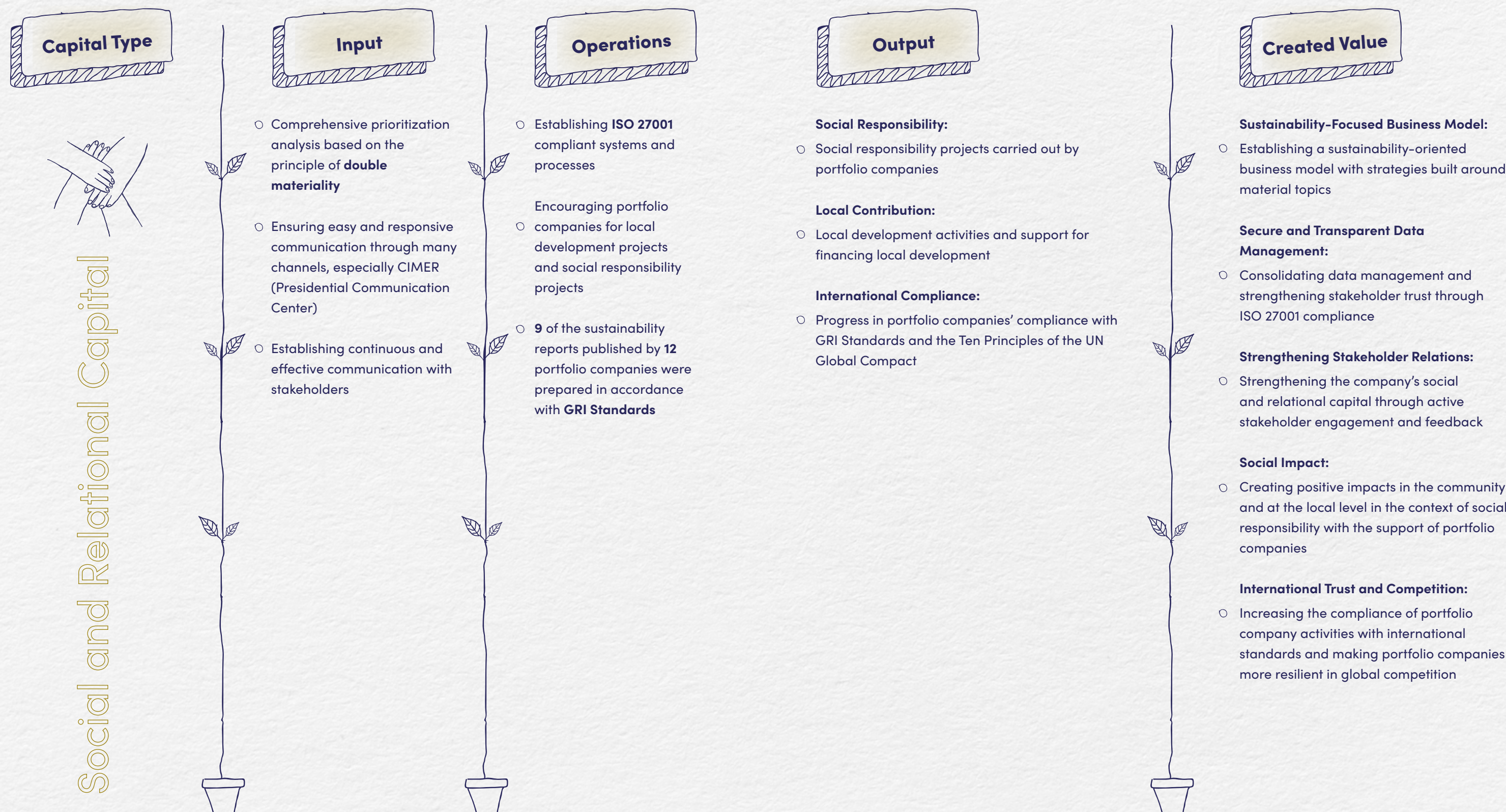
Our Value Creation Model



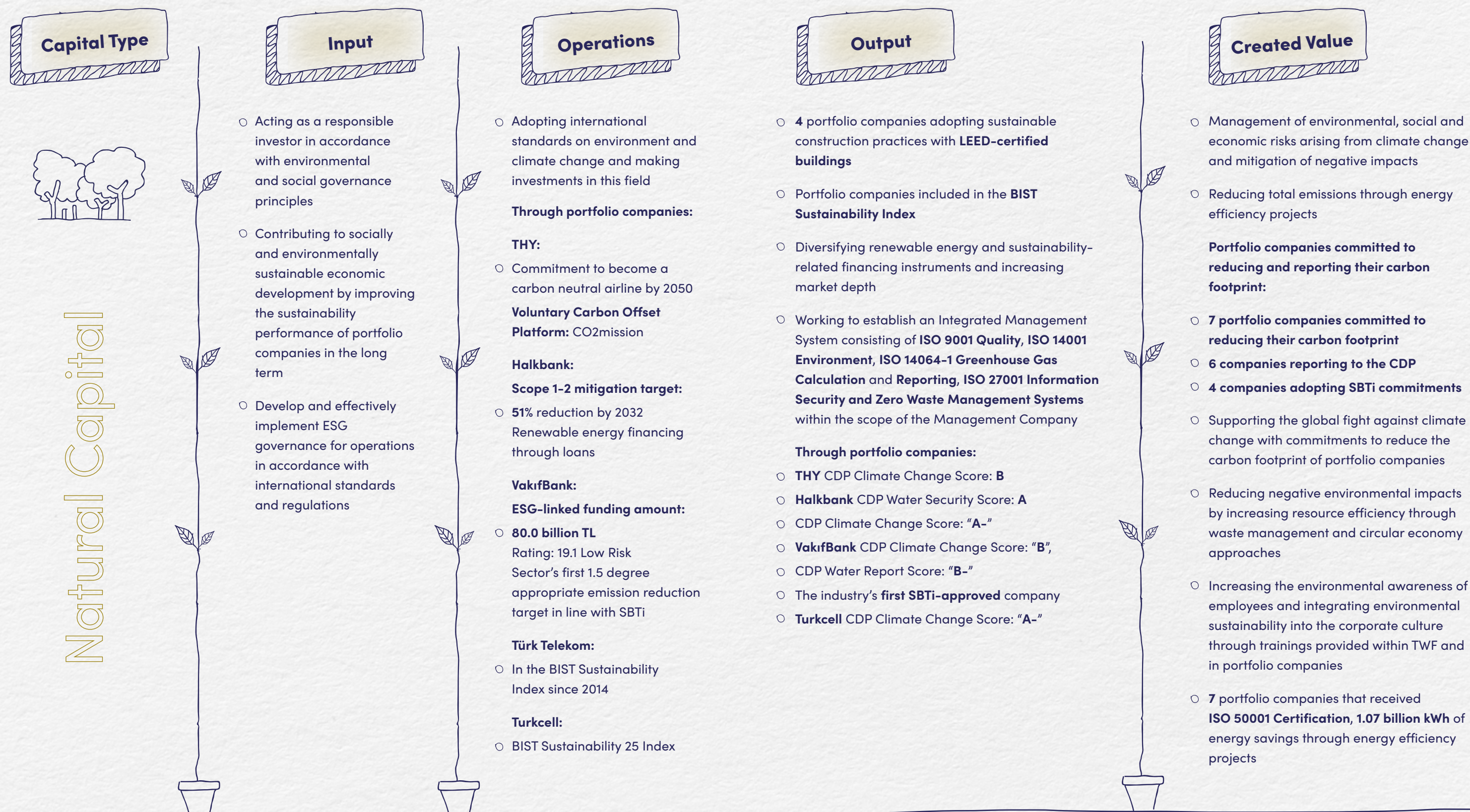
Our Value Creation Model



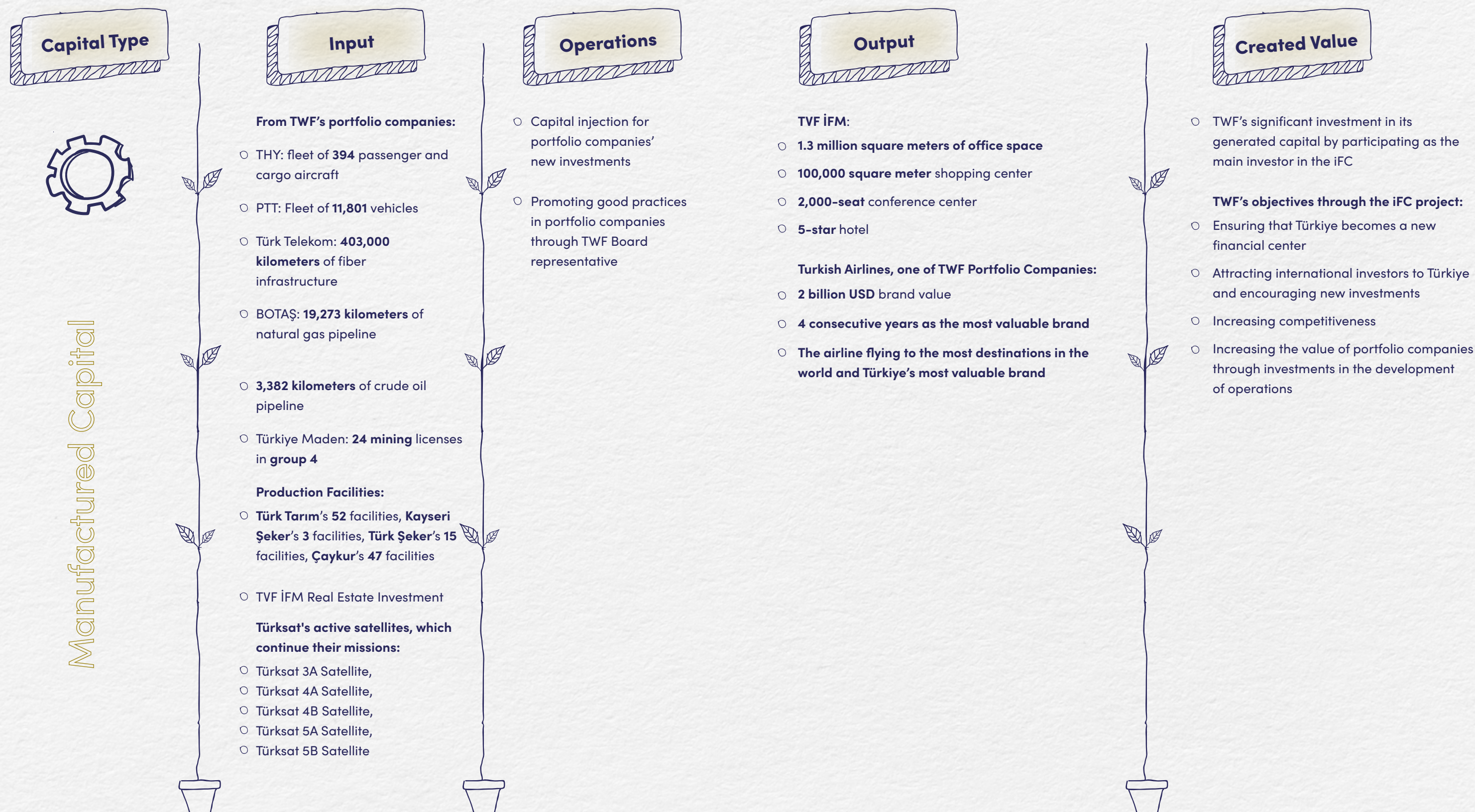
Our Value Creation Model



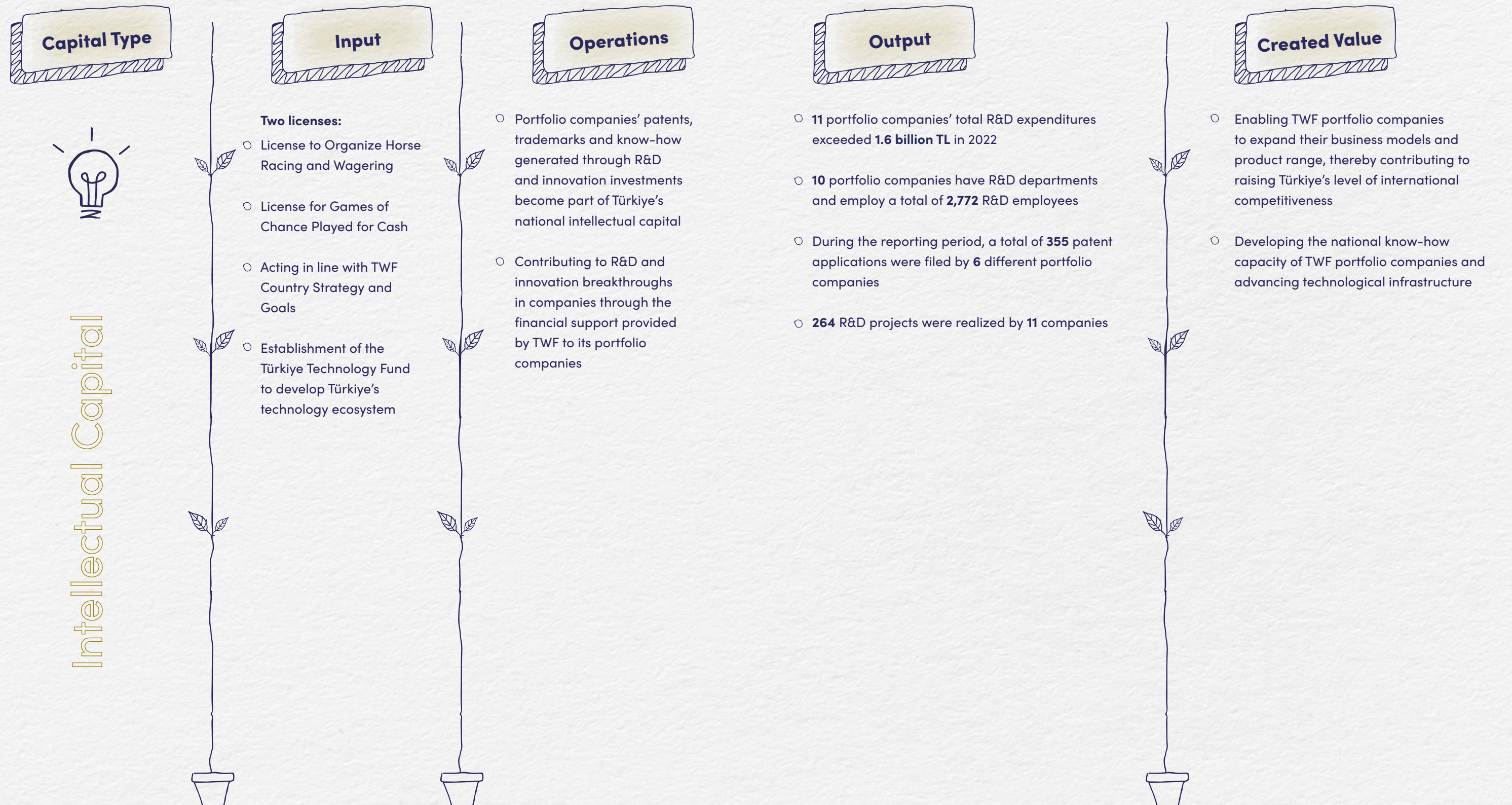
Our Value Creation Model



Our Value Creation Model



Our Value Creation Model



Financial Capital

Material Topics

“Contribution to Society and Economic Development”



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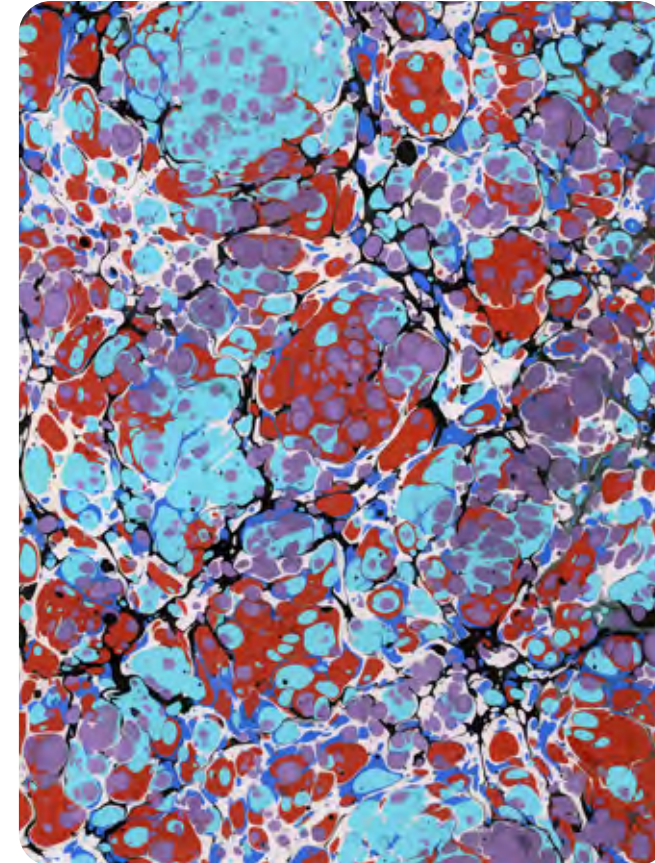
72% of TWF's total assets consist of financial services.

TWF is committed to contributing to Türkiye's financial and economic stability. TWF aims to maximize the value of national assets, provide capital for strategic investments, transform Türkiye-based companies into regional and global leaders, and contribute to the improvement of Türkiye's financial markets.

In line with its strategy to support stability and depth in financial markets, TWF provided core capital support to Ziraat Bankası, VakıfBank and Halkbank in 2022. It also provided subordinated loan facilities to the Development and Investment Bank of Türkiye, Ziraat Katılım Bankası and Türkiye Emlak Katılım Bankası. As a result of these activities, a total capital injection of 51.5 billion TL was realized. With this transaction, TWF's shareholding in Halkbank increased from 75.3% to 87.7% and in VakıfBank from 35.9% to 64.8% as of end-2022. This is one of the steps taken by TWF as part of its strategy to support public and participation banks.

At this stage, in line with its mission to support stability and depth in financial markets in 2023, TWF realized a total core capital increase of 111.7 billion TL to strengthen the capital structures of Ziraat Bankası, Halkbank and VakıfBank.

Accordingly, Ziraat Bank, Halkbank and VakıfBank received core capital increases of 49.7 billion TL, 30 billion TL and 32 billion TL, respectively, while TWF's 2023 shareholding in Halkbank increased from 87.7% to 91.5% and in VakıfBank from 64.8% to 74.8%.



TWF has a stake in financing the green transformation of our country, through the Renewable Energy Loans amounting to 7 billion TL transferred to the market in 2022 by the 3 major public banks in its portfolio.

As well as improving the capital adequacy ratios of state-owned banks with the strong capital increase, TWF aimed to contribute to the growth strategies of banks by increasing their financial strength against possible fluctuations in global markets. In addition, this increase was intended to support the real sector and to meet the financing needs of our citizens affected by the earthquake disaster in our country.

Through its financial support, TWF strengthened the capital structures and increased the credit volume of state-owned banks, thus contributing to the strengthening and growth of the Turkish economy. In this way, state-owned banks have become more resilient in the face of adverse situations or risks that may arise in international markets.

TWF's portfolio consists of 30 companies, 46 real estate properties and 2 licenses as of 2022. These companies operate in strategic sectors such as finance, telecommunications and technology, transportation and aviation, energy and mining, agriculture, and food.

TWF's portfolio as of 2022



TWF's portfolio as of 2022:

- ✦ Total assets increased by **75%** compared to the previous year and reached **5.6 trillion TL**.
- ✦ In USD, total assets increased by **22%** compared to previous year and reached **300 billion USD**.
- ✦ Total equity increased by **131%** compared to the previous year and reached **914 billion TL**.
- ✦ In USD, total equity increased by **60%** compared to the previous year and reached **49 billion USD**.
- ✦ Gross profit from financial sector operations increased **4 times** compared to the previous year and reached **150 billion TL**. Gross profit from non-financial sector operations increased **5.5 times** compared to the previous year and reached **238 billion TL**.
- ✦ Total profit for the period from all sectors reached **225 billion TL**, increasing **20 times** compared to the previous year.
- ✦ In USD, total profit for the period reached **14 billion USD**, increasing **11 times** compared to the previous year.

Risk Management

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All issues related to the risks arising from the activities of the TWF, which holds Türkiye's leading assets in its portfolio, are managed in accordance with the risk documents published within the Management Company.

TWF has established the necessary risk policies, regulations, and procedures to identify, assess, and manage the risks within the scope of its activities. The policies, regulations, methods, and limits required for measuring, analyzing, reporting, and controlling the identified risks are determined by the Board of Directors. The risk exposure is managed by the risk department, which provides a detailed and independent opinion to the Board of Directors through the Early Detection of Risk Committee.

Moreover, especially in 2022, with the increasing importance of sustainable financial strategies, TWF has established ESG strategies with a responsible investment approach and aims to integrate these strategies into its operations. The framework of the Paris Agreement and the European Union's green financing initiatives support this strategic orientation and make it even more important.

The ESG strategies established by TWF aim to help TWF and its portfolio companies better manage financial risks. For example, focusing on sustainable investment areas, such as energy efficiency, has a high impact on both maximizing positive environmental impacts and minimizing financial risks.

In terms of financial risk management, this strategy allows for more effective monitoring of factors such as carbon footprint and energy costs.

Climate Change and Carbon Emissions

The Management Company has started working on the establishment of an Integrated Management System consisting of ISO 9001 Quality, The Management Company has obtained the ISO 27001 Information Security certificate as of November 2023. In the near future, it intends to complete the auditing process of other management systems by an accredited organization in order to obtain the Integrated Management System certificate. In addition, 11 portfolio companies of TWF hold ISO 14001 certificates, and 7 portfolio companies hold ISO 50001 certificates. Furthermore, 4 portfolio companies operate in LEED (Leadership in Energy and Environmental Design)-certified buildings.

While our country supports industry's green transformation with the latest Economic Reform Package, TWF acts with a sense of responsibility to take steps integrated with our country's goals. TWF and its portfolio companies adopt international standards on environmental and climate change issues and aim to make investment decisions within the framework of these standards.

TWF considers the risks posed by climate change on the global economy and living beings among its main ESG priorities both in its own operations and those of its portfolio companies. In line with the 2022-2024 Medium-Term Program published by the Strategy and Budget Directorate of the Presidency of the Republic of Türkiye and the Paris Climate Agreement approved by the Turkish Grand National Assembly in October 2021, TWF carefully monitors the climate change risks of its portfolio companies. With this in mind, TWF is sensitive to supporting the transition to a low-carbon economy and green financing.

TWF adopts a holistic approach to comprehensively assess the sustainability data of the companies in its portfolio. Many factors, such as the sectors in which portfolio companies operate and the locations of their activities and operations, are considered in the sustainability due diligence process.

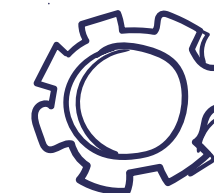
TWF's efforts to consolidate its financial capital and support sustainable development are based on understanding the risks associated with climate change and carbon emissions and developing effective plans to manage these risks.

It offers financial products and services that support sustainable development with the goal to be a pioneer in green finance, especially at the iFC, where TWF is the main investor.

Manufactured Capital

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Manufactured capital refers to the physical assets of an organization. These assets range from buildings and machinery to facilities and infrastructure. Manufactured capital is crucial for an organization to maintain its operational efficiency, market access, and competitive advantage.



TWF's participation as the main investor in the iFC is one of its significant investments in its manufactured capital. With the iFC, TWF aims to contribute to Türkiye's global competitiveness and develop the financial ecosystem by gathering Türkiye's strong financial institutions in one center.

The iFC was inaugurated in 2023, with public banks and some institutions starting their operations, and the project is targeted for completion by the first quarter of 2024. This important and strategic investment demonstrates that TWF effectively utilizes its manufactured capital and will continue to create value in the future.

Intellectual Capital

Material Topics

“Information Security and Digitalization”



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The results obtained with portfolio companies are concrete indicators of the value added to the country’s goals and intellectual capital. 11 portfolio companies’ total R&D expenditures exceeded 1.6 billion TL in 2022. Additionally, 10 portfolio companies have R&D departments and employ a total of 2,772 R&D employees. Moreover, during the reporting period, a total of 355 patent applications were filed by 6 different portfolio companies, and 264 R&D projects were realized by 11 companies.

Intellectual capital represents the innovation capacity of an organization, including intellectual property rights (patents, copyrights, trademarks, etc.), business processes, corporate culture, and other intellectual assets. Intellectual capital is a very important factor for organizations to create a competitive advantage, produce innovative solutions, and achieve sustainable success.

Through the support it provides to its portfolio companies, TWF contributes to the valuable breakthroughs made by companies in the fields of R&D and innovation. TWF also contributes to raising Türkiye’s international competitiveness by expanding the business models and product range of its portfolio companies.

Investing in intellectual capital is not limited to innovative projects and R&D; the security of these assets must also be a top priority. 14 portfolio companies possess ISO 27001: Information Security Management System Certification to protect intellectual property rights and ensure information security. This indicates that TWF portfolio companies have a secure and standardized management system in place to safeguard their intellectual property, trade secrets, and other sensitive data.

Human Capital

Material Topics

“Employee Training,” “Equality and Non-Discrimination in Employment,” “Fair Working Conditions,” and “Employee Health and Safety.”



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Human capital indicates the value the organization places on its people, culture, work ethics and leadership; furthermore, it refers to how these issues contribute to the organization’s long-term sustainability strategy by prioritizing employees and their expectations within the framework of the strategic goals of the organization.

Code of Conduct Document and Feedback Process

The Code of Conduct published by the Management Company in 2021 and approved by the Board of Directors, identifies the most up-to-date professional and ethical norms. The Code of Conduct serves to prevent employees from using privileged information for their personal benefit. In this way, business ethics standards are raised. With the Code of Conduct, employees adopt honest and professional behavior, resulting in a more positive, trusting working environment, a unified, strong organization, and a corporate culture that offers opportunities to achieve greater success.

TWF employees can communicate their advice, concerns or requests to the Human Resources Department and Managers in accordance with the Code of Conduct document. In this system, which is also communicated to internal stakeholders through the Code of Conduct, whistleblower requests are carried out with the highest level of confidentiality.

Occupational Health and Safety

During the onboarding process, each new employee of Management Company is provided Occupational Health and Safety (OHS) training through digital content created within the scope of legal obligations and our corporate priorities; refresher trainings are assigned within the periods specified in the legal scope. In addition to basic information, Management Company employees are informed in detail about emergency protocols through classroom trainings and e-trainings. In 2022, 1,600 hours of OHS training was provided to the Management Company employees, and 766,742 hours of OHS training was provided to the Management Company and TWF portfolio companies.

In accordance with legal processes, all OHS processes are monitored by an OHS specialist throughout the year, so potential deficiencies are identified and quickly remedied. Annual drills are organized to raise employees’ awareness of emergencies and possible risk scenarios and ensure that they are prepared. In addition, responsible employees are identified in accordance with the Regulation on Emergency Situations and TWF’s other legal obligations, and these employees complete the necessary trainings.

Employee Profile of the Management Company

Total 200 employees

Men: 144, Women: 56

Full-time: 199, Part-time: 1

Elementary: 9, High School: 24, Graduate and Postgraduate: 167

18–30 years: 34, 30–45 years: 129, >45 years: 37

8 employees in senior management

Men: 7, Women: 1

18–30 years: 0, 30–45 years: 4, >45 years: 4

1,600 hours



OHS training was provided to the Management Company employees

766,742 hours



OHS training was provided to the Management Company and TWF portfolio companies

Talent Management and Employee Development

TWF’s sustainability approach also includes talent management and employee development. In this context, the Learning & Development Model launched by the Human Resources Department of the Management Company in 2023 stands out. The Training and Development Model was influenced by the analysis of the trainings conducted in 2022 and global training approaches. Adaptation to the corporate culture, inclusiveness, equal opportunity, performance orientation and continuity are the cornerstones of this new model. Among the goals of the Training and Development Model set for 2023 are equal opportunity and consideration of company interests.

According to the results of the “Great Place to Work Employee Engagement Survey,” the Management Company has an employee satisfaction rate above the average of the best employers.

Evaluating the performance and career development of employees helps employees shape their career paths. Accordingly, 189 employees at the Management Company received performance and career development evaluations, while the total number of employees at the 12 portfolio companies other than the Management Company, which conducted the same evaluations, reached 90,548.

The Human Resources Department of the Management Company partners with universities to support the academic development of employees. All employees can benefit from the master’s and doctorate discounts agreement, and additional financial support is offered by the Management Company to employees who wish to enroll in a master’s or doctoral program.

In addition to national and international certification support, employees are also encouraged to participate in international training programs to increase their competencies specific to their professional areas and to increase the Management Company’s competitiveness in the international arena.

In 2022,

A total of **218 million TL** was spent on employee training in **16** TWF portfolio companies

Approximately **2 million hours of personal development training** were provided to employees of TWF and TWF’s portfolio companies

A total of 13,905 hours of training were provided in 2022 within the framework of the Management Company’s training and development approach. Of these trainings, 9,983 hours were dedicated to the personal development of employees and 757 hours to ethical issues. The Code of Conduct, Personal Data Protection Law (KVKK) and Information Security Awareness trainings, which are provided especially in the context of anti-corruption, are offered to all Management Company employees and new employees as a digital training package and employees are expected to complete the relevant trainings within the scope of the obligation. The trainings have been completed by 100% of the current managers and employees.

2022 Training on Combating Unethical Financial Behavior Data

Number of Managers Receiving Training on Combating Unethical Financial Behavior	Code of Conduct Training	7
	KVKK Training	7
	Information Security Awareness Training	7
Total Number of Anti-Corruption Trainings Received by Managers		21
Number of Employees Receiving Training on Combating Unethical Financial Behavior	Code of Conduct Training	45
	KVKK Training	45
	Information Security Awareness Training	54
Total Number of Training on Combating Unethical Financial Behavior Received by Employees		144

Social and Relational Capital

Material Topics

“Contribution to Society and Economic Development,” “Transparency and Accountability”, and “Corporate Governance”



Objectives

*Establishment of ISO 27001 Information Security Management System in 2023



Social and relational capital are closely tied to TWF’s material topics of ‘Contribution to Society and Economic Development,’ ‘Transparency and Accountability,’ and ‘Corporate Governance.’

While social capital refers to the trust, collaboration, and shared values created between communities, groups and individuals, relational capital represents the quality, sustainable relationships that an organization builds with its stakeholders.

TWF aims to create value in line with its corporate goals and sustainability strategies through its activities within the scope of social and relational capital.

Continuous and effective communication with stakeholders is one of the issues that underpins TWF’s sustainability strategy. Therefore, a comprehensive materiality analysis was conducted in 2022 based on the principle of “double materiality.” Stakeholders’ views were actively incorporated in this process, in line with the objectives of building social capital and increasing transparency. Stakeholder engagement strengthens TWF’s social and relational capital and contributes to the development of sustainability activities.

* Among the 2023 targets

Social Benefit and Local Development

TWF follows a decision-making process that considers the needs and expectations of all its stakeholders, particularly its portfolio companies, and takes their views into account. It ensures that all portfolio companies are sensitive to topics such as corporate social responsibility projects and assistance in times of disasters, especially in terms of social benefit and local development.

Although TWF does not yet have any active investments in local development and community engagement, it intends to support community engagement and local development through its planned petrochemical investment. In addition, TWF indirectly funds investments in and outside Türkiye by providing capital support to public banks and contributes to financing local development. In addition, manufacturing companies operating in the agricultural sector support the local community and local development by sourcing their raw materials from the agricultural producers in the region.

Portfolio Companies' Compliance with International Sustainability Standards

Most TWF portfolio companies report their sustainability performance on an annual basis. 12 portfolio companies have published sustainability reports, and 9 of them have prepared their reports in accordance with the GRI Standards. This positive statistic shows that portfolio companies are making their sustainability performance traceable and comparable, while at the same time ensuring that stakeholders are informed about the companies.

By the end of 2022, 6 of TWF's portfolio companies were positioned as signatories of the United Nations Global Compact, a tangible indicator of their commitment to ethical and sustainable business practices. In addition, 11 of the portfolio companies have set targets integrated with the United Nations Sustainable Development Goals, ensuring compliance and contribution to global sustainability principles.

The 11 portfolio companies with sustainability committees contribute to TWF's goals by proactively implementing sustainability strategies. The 6 portfolio companies listed on the Borsa Istanbul Sustainability Index demonstrate that these strategies do not only remain on paper but are also successful in practice. The companies that are listed on the Sustainability Index allow their sustainability performance to be monitored and evaluated by investors and other stakeholders.

Natural Capital

Material Topics

"Contribution to Society and Economic Development" and "Climate Change and Carbon Emissions"

Objectives

Establishment of ISO 14001 Environmental Management System and Zero Waste Management System in 2023



Within the framework of integrated reporting, natural capital includes natural resources such as water, air, soil, and ecosystems. Natural resources are the basis not only for maintaining ecological balance but also for economic activities.

In 2022, TWF took important steps by focusing on the sustainability of natural capital. Aiming to create value in natural capital through its activities and the companies in its portfolio, TWF focuses not only on economic returns but also on the positive impact on ecosystem sustainability and social development within this process of value creation.

TWF's 2022 material topics, "Contribution to Society and Economic Development" and "Climate Change and Carbon Emissions," are important issues that are directly and indirectly related to natural capital. Within the framework of environmental impacts, these two material topics are taken into consideration both in TWF's own operations and in the activities of the companies included in its portfolio. TWF aims to make broad, sustainable contributions to society and the economy through the adoption of sustainable business models and environmentally-friendly technologies in various sectors.

Environmental Management and Training

Environmental management is of critical importance to ensure the compliance of the Management Company and TWF portfolio companies with local and international legislation and international best practices. In 2023, the Management Company started preliminary work to establish an environmental management system in its management structure in accordance with international standards and integrate it into its operations.

In addition, 11 portfolio companies within TWF continuously measure and improve their environmental impact with ISO 14001 certification.



To reinforce their environmental management and support sustainable procurement approaches, TWF portfolio companies include environmental factors in their supplier evaluation processes. **In 2022, 4 portfolio companies evaluated their suppliers from an environmental perspective and conducted studies in this area.**

In 2022, **196 employees** of the Management Company participated in environmental management trainings and received **1,565 hours** of training to increase their awareness and knowledge on environmental issues.

Fighting Climate Change

With the contributions of portfolio companies that commit to report and reduce their carbon footprint, TWF supports the construction of a sustainable future and joins the global fight against climate change. **To this end, as of the end of 2022, 7 portfolio companies have committed to reducing their carbon footprint.**

In addition, demonstrating that they have established a long-term climate strategy, 6 companies have reported with the CDP and 4 companies have adopted the SBTi commitments.

Energy Efficiency

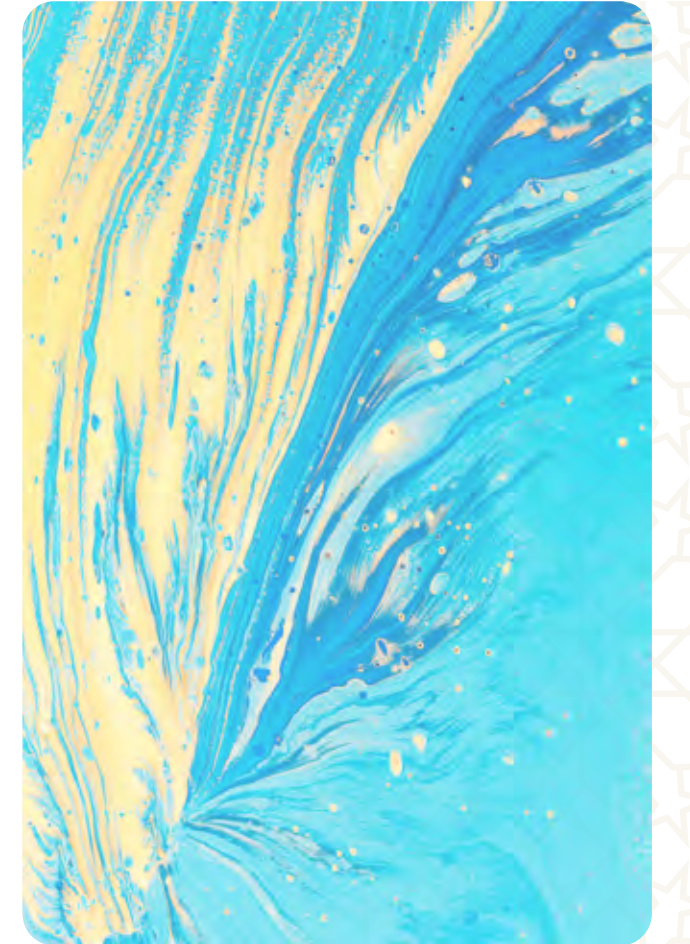
TWF portfolio companies have achieved significant gains in energy management and efficiency through ISO 50001 energy management system certification and energy efficiency projects. **The 7 portfolio companies that received an ISO 50001 certification saved 1.07 billion kWh of energy through energy efficiency projects.**

Green Buildings

Green buildings stand out with their positive impact on the environment and the potential for savings in operating costs. 4 portfolio companies have adopted sustainable construction practices with LEED-certified buildings.

Waste Management and Circular Economy

Waste management and the transition to a circular economy play an important role in combating climate change by increasing resource efficiency in production and operation processes and reducing negative environmental impacts. To this end, 5 portfolio companies have allocated a budget of nearly 90 million TL to waste management in the reporting period, while 2 companies have monitored the ratio of green products in their product range.



Materiality Analysis

Through its investments in ESG matters, TWF aims to build a sustainable future and make permanent contributions to our country, in addition to securing financial profitability. To this end, TWF has conducted a comprehensive materiality analysis to measure and manage its environmental, social and governance impacts. This analysis plays an important role in determining TWF’s responsible investment strategies and increasing its positive influence by managing its social and environmental impacts. Through this analysis, TWF has assessed the ESG performance of the projects and companies in which it invests or plans to invest and analyzes risks and opportunities. The results of this materiality analysis are also reflected in the integrated annual report, so that stakeholders and investors have access to detailed information about TWF’s sustainability performance. In addition, in line with the findings of the analysis, TWF has adopted various ESG initiatives and policies and moreover aims to set an example for its portfolio companies and other investors and companies by taking the lead in these matters.

TWF adopted the double materiality approach in this process. Double materiality aims to measure not only the financial impact of an organization but also its positive or negative impact on society and the environment. For this strategic analysis, TWF surveyed a total of 132 internal and external stakeholders. TWF attaches great value to its stakeholders, and through this analysis process, TWF’s aim was to reveal in detail the expectations and priorities of its stakeholders regarding ESG matters. These stakeholders included senior management and employees of the Management Company, portfolio companies, public institutions and organizations, national and international non-governmental organizations and associations, consulting firms, and national and international financial institutions.

TWF’s analysis process was based on international frameworks and standards. Within the scope of the materiality analysis, the risk and material topics of important international organizations such as the WEF, MSCI (Morgan Stanley Capital International) and the SASB (Sustainability Accounting Standards Board) were taken into consideration.

Thanks to this prioritization, TWF’s sustainability activities and investments are determined in line with the United Nations Sustainable Development Goals. In line with the Sustainable Development Goals compliance targets approved by Türkiye, this is one of the principles considered in TWF’s investment and operations decisions. TWF’s sustainability approach, together with its material topics, provides an appropriate basis for the general strategies aiming to accelerate the sustainable development of our country.

TWF 2022 Material Topics

Topics	Priority Status
Corporate Governance	High Priority
Business Ethics	High Priority
Climate Change and Carbon Emissions	High Priority
Information Security and Digitalization	High Priority
Employment Equality and Non-Discrimination	Medium Priority
Risk Management	Medium Priority
Contribution to Social and Economic Development	Medium Priority
Employee Health and Safety	Medium Priority
Transparency and Accountability	Medium Priority
Fair Working Conditions	Low Priority
Employee Training	Low Priority

TWF Materiality Analysis



Risks & Opportunities

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Sustainability is strategically important for TWF. The transformation in global markets and the increasing importance of sustainable financial strategies in Türkiye and around the world have paved the way for TWF to formulate important ESG strategies and aim to fully integrate these strategies into its operations in 2022.

Paris Agreement, the European Union Green Deal, the European Union’s green financing initiatives, and Türkiye’s plans to develop sustainable finance markets are the main driving forces behind this strategic orientation.

In 2022, TWF, the Management Company and portfolio companies have shaped their strategies around four main high-priority material topics.

Topics

- Corporate Governance
- Business Ethics
- Climate Change and Carbon Emissions
- Information Security and Digitalization

TWF’s approach enables TWF, the Management Company, and portfolio companies to effectively manage financial risks and opportunities as well as ESG and climate-related risks. Sustainability requires not only investment, but also commitment and action.

TWF supports portfolio companies in their efforts to mitigate climate change-related risks. In this context, by placing sustainability at the center of its business model, the Fund aims to create a positive impact in Türkiye and around the world.

The Risks & Opportunities Table side page is a strategic planning tool to help TWF systematically identify and assess the sustainability risks and opportunities it may face. This is a critical tool for performance measurement and stakeholder communication. The table includes TWF’s identified high-priority material topics, the strategic priorities associated with these issues, the risks and opportunities these issues pose, and the KPIs selected in line with the strategic priorities.

The selected KPIs are critical for measuring the performance of TWF, the Management Company, and portfolio companies and are used as concrete indicators for the realization of sustainability goals. In addition, the relevant KPIs and strategic targets constitute an effective tool for monitoring and measuring sustainability goals.

Material Topic	Objectives	Strategic Priorities	Risks	Opportunities	TWF KPIs	Portfolio Company KPIs
Corporate Governance	Continuously improving the corporate governance system, Ensuring transparency in processes Integrating and developing ESG policy into corporate activities	Continuous Improvement Transparency ESG policies	Lack of transparency in processes, Noncompliance with national and international legal regulations	Investor and stakeholder confidence, Effective decision making mechanism Increased efficiency due to improvement	Board and committee meetings, Reporting ESG	Annual ESG reporting Inclusion of ESG in board agenda Investment in ESG compliance
Business Ethics	Ethics training of employees, Monitoring and reporting of ethical practices	Continuous training and awareness, Transparent monitoring	Unethical practices, Non-compliance with legal regulations	Recognition as an ethical company, Stakeholder and satisfaction	Training hours, Number of ethical violation notifications	Internal audits, Reported rate of ethical violations, Investment in ethical compliance
Climate Change and Carbon Emissions	Assessing the impact of the organization, asset, and project on the natural environment, Measuring the negative impact of climate change and managing it by establishing mitigation targets, Measuring, eliminating and managing biodiversity impacts, Incorporating climate-friendly solutions into business processes, Encouraging the transformation of portfolio companies due to climate risks	Impact on the natural environment, Climate change measurement, Biodiversity	Compliance with national and international regulations on climate change, Carbon trading system and taxes	Green financing Renewable energy projects	High-risk projects invested in, Total GHG emissions, Climate change initiatives across the portfolio	Environmental and social impact analysis for high-risk sectors, Scope 1, 2, and 3 greenhouse gas emissions measurement and reporting, Green investment/product rate
Information Security and Digitalization	Establishing and implementing cyber security and data management strategies	Cyber security Investments, Data management	Cyber attacks, Prolonged digitalization process	Operational efficiency through digitalization, New digital products	Annual cyber security audits, Number of data breaches	Annual number of cyber security trainings, Investment in digitalization

Stakeholder Engagement

Stakeholder Group	Communication Method	Frequency
Management Co. Senior Management	Meetings and Interviews	Ad Hoc
	Integrated Annual Report	Annual
	Company Policies and Internal Regulatory Documents	Continuous
	Code of Conduct	Continuous
Management Company Employees	Integrated Annual Report	Annual
	Meetings and Interviews	Ad Hoc
	Company Policies and Internal Regulatory Documents	Continuous
	Code of Ethical Conduct	Continuous
	Training Activities	Ad Hoc
	Internal Announcements	Ad Hoc
TWF Portfolio Companies	Official Correspondence	Ad Hoc
	Integrated Annual Report	Annual
	Meetings and Interviews	Periodic
	Company Policies	Continuous
Public Institutions and Organizations	Official Correspondence	Ad Hoc
	Integrated Annual Report	Annual
	Meetings and Interviews	Periodic
	Audit Activities	Periodic
Non-Governmental Organizations and Unions	Integrated Annual Report	Annual
	Meetings and Interviews	Ad Hoc
Consulting Companies	Integrated Annual Report	Annual
	Meetings and Interviews	Ad Hoc
	Contracts and Reports	Ad Hoc
Financial Institutions	Integrated Annual Report	Annual
	Meetings and Interviews	Ad Hoc
	Loan and Financing Agreements	Ad Hoc
	Rating Reports	Annual
	Presentations and Reports	Ad Hoc

Within the framework of internationally-recognized corporate governance principles of transparency and accountability, TWF aims to develop a constructive dialogue and establish partnerships with all its stakeholders and carries out communication activities through channels appropriate to its communication needs. TWF shapes its corporate strategies, policies, and material topics in line with the expectations and requests of its stakeholders, while encouraging its portfolio companies to adopt best practices on ESG matters.

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 This ethical approach encourages collaboration not only with local stakeholders but also with international organizations that share similar goals and principles. Accordingly, TWF is a member of reputable international organizations such as the WEF, IFSWF, ICGN and IIF.

TWF attaches great importance to stakeholder opinions, complaints, and suggestions for its corporate development. In this regard, stakeholders can submit their tip-offs, expectations, complaints, and requests through different communication channels such as CIMER, mail, e-mail, and telephone. The Corporate Communications Directorate is responsible for responding to requests and complaints in an orderly manner within the legal deadlines. The submission process is continuously improved by being in constant communication with the Presidential Communications Directorate, which is the executor of the CIMER Portal; the return rates are constantly monitored through follow-ups via CIMER. Applicants who contact TWF via e-mail, letter or telephone and do not prefer to give their names are directed to CIMER to protect their legal rights. Requests that involve demands, debts, and obligations within the scope of civil law transactions between the applicant and third parties or public institutions and organizations are not evaluated within the scope of the CIMER Regulation, while other requests are directed to portfolio companies, thus ensuring an effective resolution process.

Tip-offs and complaints received by the portfolio companies are carefully evaluated and resolved together with the senior management of the Management Company.

04

Corporate Governance

- Structure and Working Principles of the Board of Directors
- Committees
- Portfolio Companies' Participation in the Meetings of the General Assembly and Board of Directors
- Audit and Internal Control
- Risk Management
- Rating
- Business Ethics
- Principles and Values
- Responsibility and Communication

The Managing Company is responsible for utilizing public assets in the most efficient manner. Accordingly, it establishes a corporate governance approach with the principles of transparency and accountability.

Corporate Governance

Structure and Working Principles of the Board of Directors

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The committees reporting to the Board of Directors are the Executive and Human Resources Committee, the Audit Committee, the Early Detection of Risk Committee, and the Corporate Governance Committee. The election and function of the committee members are determined by the Board of Directors. Article 16 of the Articles of Association stipulates that the Company's General Manager cannot be a member of the Audit Committee, the Early Detection of Risk Committee, and the Corporate Governance Committee.

The Board of Directors of the Management Company is authorized to represent and bind Management Company in accordance with the Turkish Commercial Code and the Company's Articles of Association. Pursuant to Articles 14 and 15 of the Articles of Association, the Board of Directors meets regularly as the body responsible for the general management of the Management Company. The Management Company operates to utilize public assets in the most efficient manner and accordingly establishes a corporate governance approach within the framework of transparency and accountability principles. The objectives and policies of the Management Company are determined by the Board of Directors, and the Senior Management is responsible for the implementation of these policies and objectives. The policies in effect within the Management Company are shared with the employees through internal communication.

The senior management of the Management Company reports the developments regarding their activities to the Board of Directors on a monthly basis. The members of the Board of Directors have waived their right to receive attendance fees for their duties. The General Manager and members of the Board of Directors of the Management Company are appointed by the President of the Republic in accordance with Presidential Decree No. 3. The Board of Directors consists of experienced businesspeople from different sectors, public officials, and academicians. The Board of Directors, consisting of seven members in total, convenes at least six times a year under the chairmanship of the President of the Republic of Türkiye.

Committees

Committees	Membership	Title
Executive and Human Resources Committee	Prof. Dr. Erişah Arıcan	Chair of the Executive and Human Resources Committee
	Ahmet Burak Dağlıoğlu	Member of the Executive and Human Resources Committee
	Salim Arda Ermut	Member of the Executive and Human Resources Committee
Audit Committee	Fuat Tosyalı	Chair of the Audit Committee
	Alpaslan Çakar	Member of the Audit Committee
Early Detection of Risk Committee	Alpaslan Çakar	Chair of the Early Detection of the Risk Committee
	Fuat Tosyalı	Member of the Early Detection of the Risk Committee
Corporate Governance Committee	Mustafa Rifat Hisarcıkıoğlu	Chair of the Corporate Governance Committee
	Fuat Tosyalı	Member of the Corporate Governance Committee

Portfolio Companies's Participation in the Meetings of the General Assembly and Board of Directors

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TWF acts within the framework of its strategic objective to increase the value of the assets in its portfolio and exercises its rights arising from share ownership in accordance with legal regulations. Accordingly, TWF's representatives attend the general assembly meetings of companies, which they are required to attend in accordance with the relevant legislation, and express their views and opinions on behalf of TWF at these meetings. In companies where the Fund has the right to elect board members due to its shareholder status, board members who are elected by the vote of the TWF in the general assembly attend the board meetings of the relevant portfolio companies.



Audit and Internal Control

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Pursuant to Article 6 of the Establishment Law No.6741, TWF is subject to a three-stage audit mechanism. These are the independent external audit, the audit of the independently audited annual financial statements and activities by the State Supervisory Council, and finally, the audit by the Plan and Budget Committee of the Grand National Assembly Of Türkiye.

TWF conducts its own internal audit in addition to the three stage audit structure. These internal audit activities are carried out on the basis of generally accepted international internal audit standards and domestic legislation and take into account the requirements of TWF and the Management Company. Audit activities are carried out in line with the audit plan created with a risk-based approach.

Within the scope of the audit activities described above, efforts are being made to improve the internal control systems by taking into account the recommendations of both "the State Supervisory Council" and internal auditors. The basic regulations and procedures prepared for this purpose have been approved by the Board of Directors. In addition, efforts to incorporate internationally recognized corporate governance principles into the Company's internal procedures are ongoing, and developments in the corporate governance system, which has been identified as an area of continuous improvement, are monitored.

In 2023, within the scope of the activities of the Management Company, efforts to improve the Internal Control System are being advanced, and activities to create an Integrated Management System, which includes the integration of ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 27001 Information Security Management System, have been initiated.

Risk Management

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The processes for the effective execution of risk management and the establishment of a risk culture within TWF are managed by the Board of Directors through the Early Detection of Risk Committee.

TWF has established risk policies to identify, assess and manage risks. These policies include determining risk appetite, communicating it from top to bottom and monitoring it. The level of risk that TWF can accept for each significant risk is determined by the risk capacity it considers acceptable to achieve its objectives and strategies.

Risk management activities aim to optimize the risk/return level of TWF activities. Necessary measures are taken to avoid exposure to unacceptable risks and risk levels. To ensure the effective execution of risk management and the participation of all employees in these processes, TWF continues to work within the framework of a multifaceted and dynamic structure that addresses the relevant legislation and international regulations and standards.

Rating

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As of 2022, the international credit rating agency Fitch Ratings assessed TWF's credit rating as 'B' with a negative outlook.

Currently, in 2023, Fitch Ratings has assessed TWF's credit rating as 'B' and outlook as stable due to the credit rating study conducted by Fitch Ratings on 2022 financial data. These ratings are the same as Türkiye's current sovereign credit rating.



Business Ethics

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The Management Company's understanding of business ethics encompasses not only compliance with legal regulations but also the integration of ethical values into business processes and decision-making mechanisms.

The Management Company published the updated Code of Conduct Document on 9 April 2021, taking into account the sustainability and corporate governance principles of the Company. The document prohibits employees from using privileged information for personal purposes or engaging in activities that may create conflicts of interest related to portfolio company activities and encourages strict adherence to ethical values. This procedure, approved by the Board of Directors, emphasizes honesty and reliability in relations within the company and with other institutions and aims to prevent unethical financial practices and conflicts of interest. The relevant document is regularly communicated to all employees and archived on a portal that is easily accessible internally.

TWF also strives to comply with the Santiago Principles, the foundational roadmap for sovereign wealth funds (SWFs), as it seeks to conduct its investment and management processes in an ethical, transparent, and accountable manner. The Santiago Principles are a set of 24 generally accepted principles that members of the IFSWF commit to abide by and include a set of best practices for SWFs. These principles are based on good governance principles, transparency norms and accountability mechanisms to ensure financial stability and sustainability.

The Management Company has also put into effect the Human Resources Working Regulation approved by the Board of Directors based on the Labor Law No. 4857, Social Security and General Health Insurance Law No. 5510 and Personal Data Protection Law No. 6698. This regulation establishes an ethical structure in parallel with the Code of Conduct Document.

As of 2022, within TWF, there are

- ✦ 14 portfolio companies with ISO 27001: Information security management system certification.
- ✦ 15 portfolio companies with ISO 9001: quality management system certification.

The Management Company aims to continuously improve and develop in the areas of business ethics and sustainability; as such, it follows global best practices through active membership in platforms such as ICGN. This helps the Management Company adopt internationally recognized rules of business ethics and ethical behavior in all its actions and decisions.

In 2022 at the Management Company,

- ✦ A total of **757 hours** of business ethics and compliance training was organized.
- ✦ **21 managers** received **training on combating unethical financial behavior** to contribute to the establishment of ethical standards in leadership.
- ✦ A total of **144 TWF employees** received **training on combating unethical financial behavior** in 2022 to contribute to the establishment of ethical standards in the company culture.
- ✦ **45 employees** received **Code of Conduct Training**.
- ✦ **45 employees** received **Personal Data Protection Law Training**.
- ✦ **54 employees** received **Information Security Awareness Training**.

Principles and Values

TWF places the creation of social and economic value at the center of its vision. With this perspective, TWF goes beyond being just a financial institution and prioritizes projects and initiatives that will contribute to Türkiye's sustainable development.

TWF acts in line with 4 fundamental principles and values:

1

Serving the Nation and Creating Value: TWF was founded for the future of Türkiye. In all of its operations and activities, the Fund pursues public service and adds value. TWF does not participate in any activity or operations that do not embrace these values.

2

Accountability and Transparency: TWF aims to be accountable and transparent in all its actions and operations. The Fund pursues these principles and international corporate governance standards throughout operational and decisionmaking processes.

3

Discipline, Professionalism and Teamwork: Both individually and in teamwork, TWF employees act with a course of action and discipline in line with the Fund's principles. All employees adhere to a high level of professionalism and discipline. The institution and its personnel support and respect each other.

4

Results-Oriented: TWF is success and result-oriented in all endeavors it undertakes to serve the nation and create value.

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In light of these four values, TWF contributes to the mission to create value for our country in a principled and determined manner, not only in the business world but also in terms of sustainability and social impact.

Responsibility and Communication

All of the information and opinions contained in this report have been provided by TWF, the Management Company, and the TWF portfolio companies included in this report and are for informational purposes only and do not constitute binding information on any subject matter. Except for independently-audited financial data and social and environmental key performance indicators for which independent limited assurance has been provided, other data shared on social and environmental issues have not been independently verified for the purposes of this report.

TWF, the Management Company, and TWF portfolio companies do not make any declarations, guarantees, or commitments to third parties regarding the accuracy, completeness, authenticity, precision and/or timeliness of the information contained in this report. Accordingly, TWF, the Management Company, TWF portfolio companies, and their board members, managers, employees and/or consultants are not directly and/or indirectly liable for any loss or damage that any third party may suffer as a result of any information shared within the scope of this report and/or as a result of reliance on the information contained in this report.

The information presented in this report regarding portfolio companies should not be considered as a basis for investment decisions or financial assessments. The information provided and ESG activities may not provide a complete view of the overall performance, strategy, or sustainability commitments of TWF or its portfolio companies. TWF and the relevant portfolio companies cannot be held liable for any losses or damages that may arise from the use of the information contained in this section.

Any information contained in the report, including but not limited to the share acquisition and sale processes of publicly traded companies in the TWF portfolio, does not constitute a basis for investment decisions under any name whatsoever.

Readers who have any questions, suggestions, or feedback about the report, or who would like to receive detailed information about the report and its contents, may contact sustainability@tvf.com.tr via e-mail. Comments and contributions will make a significant contribution to the efforts for continuous improvement and increased transparency.

05

Appendices

- ✦ TWF Performance Indicators
- ✦ Statement of Limited Assurance
- ✦ 2022 Integrated Annual Report – Reporting Principles
- ✦ Financial Statements
- ✦ Real Estate List
- ✦ Compliance with the Santiago Principles
- ✦ Sustainable Development Goals Index
- ✦ GRI Content Index



TWF Performance Indicators

The data below is based on the audited and consolidated financial statements and footnotes of Türkiye Wealth Fund as of December 31, 2022. The consolidated financial statements include Ziraat Bank, Halkbank, Botaş, TPAO, PTT, Eti Maden, Çaykur, TÜRKSAT, THY, BIST, Turkcell, Türk Şeker, Türk Tarım, Türk Telekom, Türkiye Sigorta and Türkiye Hayat and their subsidiaries, TWF and companies and funds established by TWF (TWF Market Stability and Equilibrium Sub-Fund, Türkiye Maden, TVF AEL, TVF BT, TVF Enerji, TVF Finansal Yatırımlar, TVF İFM, TVF Refinery and Petrochemicals). Kayseri Şeker is recognized as financial investments in the consolidated financial statements. Vakıfbank and Kardemir are included in the financial statements using the equity method.

Consolidated Economic Performance Data

Economic Performance		2020	2021	2022
Direct Economic Value Created	Total	✓ 309,911.00	✓ 546,739.00	✓ 1,620,411.00
Direct Economic Value Distributed	Operating Costs	✓ 149,441.00	✓ 353,108.00	✓ 969,680.00
	Employee Salaries and Fringe Benefits	✓ 24,675.00	✓ 35,851.00	✓ 86,104.00
	Dividends Paid*	✓ 3,181.00	✓ 6,433.00	✓ 7,400.00
	Taxes and Similar Payments to the Government	✓ 8,416.00	✓ 8,013.00	✓ 45,024.00
	Total	✓ 185,713.00	✓ 403,405.00	✓ 1,108,208.00
Taxes Paid	Türkiye	✓ 8,416.00	✓ 8,013.00	✓ 45,024.00
Net Revenue	Total	✓ 309,911.00	✓ 546,739.00	✓ 1,620,411.00
Total Investments	Total	✓ 53,690.00	✓ 123,313.00	✓ 348,932.00
Total Assets	Total	✓ 2,169,306.00	✓ 3,201,207.00	✓ 5,613,131.00
Net Liabilities	Total	✓ 1,562,860.00	✓ 2,244,263.00	✓ 3,534,585.00
Operating Profit	Total	✓ 21,532.00	✓ 52,226.00	✓ 293,642.00
Protected Economic Value	Total	✓ 124,198.00	✓ 143,334.00	✓ 512,203.00

(✓) indicates data that are independently audited as of December 1, 2022 and are taken from TWF consolidated financial statements.

Dividends paid*: The data presented under the heading "Dividends paid" are not consolidated and internal transactions between group companies have not been excluded. This means that the figures presented include intra-group payments and transfers.

*Amounts expressed in millions of Turkish Lira ("TL") unless otherwise indicated.

Consolidated Environmental Performance Data

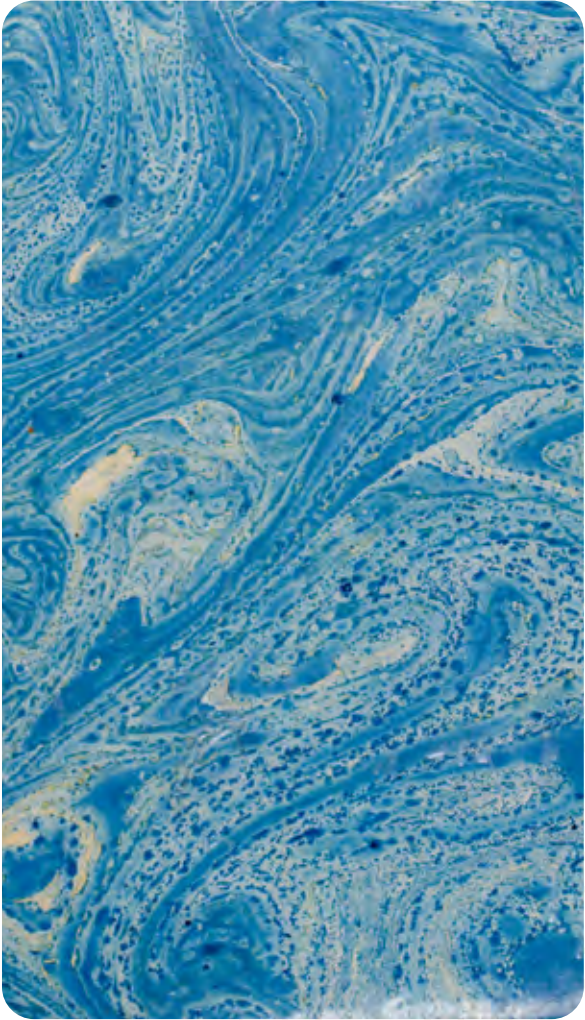
Environmental Performance		Unit	2020	2021	2022
Total number of employees participating in environmental management training	person		36,087	56,338	105,473
Total environmental management training hours	hour		29,235	37,127	119,85
Total amount of waste	metric tons		11,513	14,817	155,716
Water consumption	✓ m³		29,366.165	23,326.696	✓ 30,420.472
Amount of non-renewable energy consumption	GJ		209,170.310	272,609.554	333,094.176
Renewable energy consumption	GJ		222,379	3,901.283	4,658.098
Total energy consumption	GJ		206,953.335	273,674.060	335,669.789
Total CO ₂ Equivalent Emissions	tCO ₂ e		17,499.458	35,761.952	34,886.672
Direct CO ₂ Equivalent Emissions, Scope 1	✓ tCO ₂ e		15,907.304	22,311.252	✓ 26,757.468
Indirect CO ₂ Equivalent Emissions, Scope 2	tCO ₂ e		1,493.679	1,180.678	1,062.679
Scope 2 Emissions (Market-based)	✓ tCO ₂ e				✓ 1,016.301
Scope 2 Emissions (Location-based)	✓ tCO ₂ e				✓ 1,218.082
Indirect CO ₂ Equivalent Emissions, Scope 3	tCO ₂ e		98,475	12,270.022	6,828.366
Electricity Consumption	✓ GJ				✓ 13,367.214
Natural Gas Consumption	✓ GJ				✓ 13,879.687
Diesel Fuel Consumption	✓ GJ				✓ 1,929.370
Gasoline Consumption	✓ GJ				✓ 189,002
Other Consumptions	✓ GJ				✓ 45,189.830

(✓) indicates performance indicators for which an Independent Limited Assurance Opinion has been obtained.

Consolidated Social Performance Data

Social Performance		Unit	2020	2021	2022
Total Training Hours Provided in the Reporting Period	Number of Women Employees Trained	Person	36,472	1,123.201	962,973
	Total Hours of Training Provided to Women Employees	Hour	1,254.142	2,610.413	1,327.599
	Number of Men Employees Trained	Person	135,169	894,010	774,125
	Total Hours of Training Provided to Men Employees	Hour	2,159.266	4,034.715	2,502.965
	White Collar	Person	3,482.248	6,072.706	3,716.832
	Blue Collar	Person	405,347	719,867	558,334
Total training cost	Total Training Cost	Million TL	74	99	217
Hours of Training Provided for Personal Development of Employees	Total Training Hours	Hour	1,584.971	2,219.139	5,87.576
Number of newly recruited employees	Women	Person	2,875	8,547	5,118
	Men	Person	8,730	21,561	8,051
	<30	Person	6,062	8,288	5,640
	31-50	Person	5,231	21,035	6,169
	>50	Person	268	798	166
Number of Employees Who Quit During the Reporting Period	Women	Person	2,389	2,758	3,460
	Men	Person	8,139	10,155	13,170
	<30	Person	1,339	2,126	3,211
	31-50	Person	4,255	6,315	8,684
	>50	Person	4,701	4,471	4,723
Structure of Senior Management	Number of Women	Person	151	154	167
	Number of Men	Person	1,145	1,141	1,117
	<30	Person	14	4	2
	31-50	Person	1,035	1,023	1,001
	> 50	Person	247	267	281
Total Workforce	Total Number of In-House Workforce (White + Blue Collar)	Person	166,519	164,438	171,697
	Subcontractor Employee	Person	44,655	47,759	49,484
	Total	Person	211,174	212,197	221,181
Total Number of Employees According to Education Level	Primary School	Person	10,156	8,350	8,529
	High School	Person	37,665	36,404	36,792
	Undergraduate and Post-Graduate	Person	131,959	133,579	140,388
OHS Trainings Provided (Person*Hour)	Total (For All Employees) (Company OHS)	Hour	359,000	523,578	688,123
Total Time Allocated for Ethics Training		Hour			59,399
Number of Employees Receiving Performance Evaluation		Person			96,370
Number of Employees Receiving Career Development Assessment		Person			58,442
Total Time Allocated for Human Rights Education		Hour			67,818

An Independent Limited Assurance Opinion has been obtained for the performance indicators marked with (✓).



Consolidated Environmental Performance Indicators Notes

- Total number of employees participating in environmental management training: Consolidation of this performance indicator excludes Ziraat Bank, BOTAŞ, Turkcell, Management Company (2020), and Türk Telekom (2020).
- Total environmental management training hours: Consolidation of this performance indicator excludes BOTAŞ, Turkcell, Management Company (2020), Türk Telekom (2020) and Ziraat Bank.
- Total amount of waste: Consolidation of this performance indicator excludes BOTAŞ, TPAO (2020, 2021), Turkcell (2020, 2021) and Management Company.
- Amount of water consumption: Consolidation of this performance indicator excludes BOTAŞ, TPAO (2020), Management Company (2020, 2021) and Ziraat Bank (2020, 2021).
- Amount of non-renewable energy consumption: Consolidation of this performance indicator excludes BOTAŞ, Management Company (2020, 2021) and Ziraat Bank.
- Amount of renewable energy consumption: Consolidation of this performance indicator excludes BOTAŞ, THY (2020, 2021), TürkŞeker, Management Company and Ziraat Bank (2020, 2021).
- Total energy consumption: Consolidation of this performance indicator excludes BOTAŞ, Management Company and Ziraat Bank.
- Direct CO₂ equivalent emissions, scope 1: Consolidation of this performance indicator excludes BOTAŞ, Çaykur, Eti Maden, TPAO (2020), Türksat (2020, 2021) and Management Company.
- Indirect CO₂ equivalent emissions, scope 2: Consolidation of this performance indicator excludes BOTAŞ, Çaykur, Eti Maden, TPAO (2020), Türksat (2020, 2021) and Management Company.
- Indirect CO₂ equivalent emissions, scope 3: Consolidation of this performance indicator excludes Kardemir, BOTAŞ, Çaykur, Eti Maden, THY (2020), TPAO (2020, 2022), Türksat (2020, 2021), Management Company and Ziraat Bank (2020, 2021).
- Electricity Consumption: Consolidation of this performance indicator excludes BOTAŞ and TürkŞeker.
- Natural Gas Consumption: Consolidation of this performance indicator excludes BOTAŞ and TürkŞeker.
- Diesel Consumption: BOTAŞ and TürkŞeker are not included in the consolidation of this performance indicator.
- Gasoline Consumption: BOTAŞ and TürkŞeker are not included in the consolidation of this performance indicator.
- Other Consumption: BOTAŞ and TürkŞeker are not included in the consolidation of this performance indicator.

Consolidated Social Performance Indicators Notes

- Total hours of training provided in the reporting period-Number of women employees trained: BOTAŞ, Çaykur (2021), THY (2020, 2021), Turkcell (2020), Türkiye Sigorta (2020), Türkiye Hayat (2020), Vakıfbank are not included in the consolidation of this performance indicator.
- Total hours of training provided in the reporting period-Total hours of training provided to women employees: Consolidation of this performance indicator excludes BOTAŞ, Çaykur (2021), THY (2020, 2021), Turkcell, Türkiye Sigorta (2020), Türkiye Hayat (2020), Vakıfbank.
- Total training hours provided in the reporting period-Number of men employees trained: Consolidation of this performance indicator excludes BOTAŞ, Çaykur (2021), THY (2020,2021), Turkcell (2020), Türkiye Sigorta (2020), Türkiye Hayat (2020), Vakıfbank
- Total hours of training provided in the reporting period-Total hours of training provided to men employees: Consolidation of this performance indicator excludes BOTAŞ, Çaykur (2021), THY (2020, 2021), Turkcell, Türkiye Sigorta (2020), Türkiye Hayat (2020), Vakıfbank.
- Total training hours provided in the reporting period-White collar: Consolidation of this performance indicator excludes BOTAŞ, Çaykur (2021), THY (2020, 2021), Turkcell, Turkish Insurance (2020), Turkish Life (2020).
- Total training hours provided in the reporting period-Blue collar: Consolidation of this performance indicator excludes BOTAŞ, Çaykur (2021), THY, Turkcell, Türkiye Sigorta (2020), Türkiye Hayat (2020), Türksat, TVF, Vakıfbank, Ziraat Bank.

- Total training cost-Total training cost USD/TL: BOTAŞ, Çaykur (2021), TWF are not included in the consolidation of this performance indicator.
- Number of new hires-Women: Consolidation of this performance indicator excludes BOTAŞ, Turkcell and Türkiye Hayat (2020).
- Number of newly hired employees-Men: BOTAŞ, Turkcell and Türkiye Hayat (2020) are not included in the consolidation of this performance indicator.
- Number of new hires-<30: The consolidation of this performance indicator excludes BOTAŞ, Turkcell (2020, 2021), Türkiye Sigorta (2020) and Türkiye Hayat (2020).
- Number of new hires-31-50: The consolidation of this performance indicator excludes BOTAŞ, Turkcell (2020, 2021), Türkiye Sigorta (2020) and Türkiye Hayat (2020).
- Number of new hires->50: The consolidation of this performance indicator excludes BOTAŞ, Turkcell (2020, 2021), Türkiye Şeker, Türkiye Sigorta (2020), Türkiye Hayat (2020) and Türksat (2020).
- Senior management structure-<30: The consolidation of this performance indicator excludes BOTAŞ, Halkbank, Turkcell (2020, 2021), Ziraat Bank.
- Senior management structure-31-50: Consolidation of this performance indicator excludes BOTAŞ, Turkcell (2020, 2021).
- Senior management structure->50: The consolidation of this performance indicator excludes BOTAŞ, Turkcell (2020, 2021).
- Total number of workforce-Total number of internal workforce (White + Blue Collar): Consolidation of this performance indicator excludes BOTAŞ, Turkcell (2020, 2021).
- Total number of workforce-Subcontractor Employees: Consolidation of this performance indicator excludes Kardemir, BIST, BOTAŞ, Çaykur (2020), Eti Maden, TPAO, Turkcell, TürkŞeker, Türkiye Sigorta, Türkiye Hayat, Türksat, Management Company, Ziraat Bank.
- Total number of employees by education level-Primary Education: BOTAŞ, Turkcell (2020, 2021) are not included in the consolidation of this performance indicator.
- Total number of employees by education level-High School: BOTAŞ, Turkcell (2020, 2021) are not included in the consolidation of this performance indicator.
- Total number of employees by education level-University and Above: BOTAŞ, Turkcell (2020, 2021) are not included in the consolidation of this performance indicator.
- OHS training provided (Person*Hour)-Total (For All Employees) (Company OHS): Consolidation of this performance indicator excludes BOTAŞ, Türkiye Şeker, THY (2020,2021), Türkiye Sigorta (2020, 2021), Türkiye Hayat (2020, 2021), and Türkiye Şeker.
- Total training hours allocated for ethics training: Consolidation of this performance indicator does not include BOTAŞ, TürkŞeker
- Training hours: The consolidation of this performance indicator does not include BOTAŞ, TürkŞeker.
- Number of employees receiving performance evaluations: BOTAŞ, TürkŞeker are not included in the consolidation of this performance indicator.
- Number of employees receiving career development evaluations: BOTAŞ, TürkŞeker are not included in the consolidation of this performance indicator.
- Total training hours allocated for human rights training: BOTAŞ, TürkŞeker are not included in the consolidation of this performance indicator.

Statement of Limited Assurance



Limited Assurance Report to the Board of Directors of Türkiye Varlık Fonu

We have been engaged by the Board of Directors of Türkiye Varlık Fonu, Türkiye Varlık Fonu Yönetimi A.Ş. and group companies (the “Companies” or “Group”) to perform a limited assurance engagement in respect of the Selected Sustainability Information (the “Selected Information”) stated in the Türkiye Wealth Fund 2022 Integrated Annual Report (“2022 Integrated Annual Report”) for the year ended 31 December 2022 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2022, which is subject to our limited assurance work, set out in the pages 119, 120 and 121 of the 2022 Integrated Annual Report with the sign “ ✓ ” is summarized below:

Environmental Indicators

- Electricity Consumption (GJ)
- Natural Gas Consumption (GJ)
- Diesel Fuel Consumption (GJ)
- Gasoline Consumption (GJ)
- Other Consumptions (GJ)
- Water Consumption (m3)
- Scope 1 Emission (tCO2e)
- Scope 2 Emission (Location-based) (tCO2e)
- Scope 2 Emission (Market-based) (tCO2e)

Social Indicators

- Total Training Hours (hours)
- Number of Employees Receiving Performance Evaluations (#)
- Number of Employees Receiving Career Development Assessment (#)



Our assurance was with respect to the Selected Information marked with “ ✓ ” in the in the 2022 Integrated Annual Report, and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with “ ✓ ” in the 2022 Integrated Annual Report and, any other elements included in the 2022 Integrated Annual Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Group to prepare the Selected Information is set out in section Türkiye Wealth Fund 2022 Integrated Annual Report – Reporting Principles (the “Reporting Principles”) on pages 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146 and 147 of the 2022 Integrated Annual Report.

The Group’s Responsibility

The Group is responsible for the content of the 2022 Integrated Annual Report and the preparation of the Selected Information in accordance with the Reporting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles.

In particular, the conversion of different energy measures to megawatt-hour (MWh) and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles. Our assurance work did not include examination of the derivation of those factors and other third-party information.



Our Independence and Quality Management

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

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

Our Responsibility

Our responsibility is to form a limited assurance, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Principles. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.



Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Group and
- undertook analytical procedures over the reported data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Group's Selected Information for the year ended 31 December 2022, is not properly prepared, in all material respects, in accordance with the Reporting Principles.

Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Group as a body, to assist the Board of Directors in reporting Group's performance and activities related to the Selected Information. We permit the disclosure of this report within the 2022 Integrated Annual Report for the year ended 31 December 2022, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Türkiye Varlık Fonu as a body and Türkiye Varlık Fonu for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Aysun Gul Kılıç, SMMM
Partner

Istanbul, 16 January 2024

2022 Integrated Annual Report – Reporting Principles

General Reporting Principles

This reporting principles (“The Principles”) provides information on the data preparation and reporting methodologies of indicators within the scope of the limited assurance in the 2022 Integrated Annual Report of TWF, Managing Company and Portfolio Companies (“The Companies”).

The indicators include social indicators and environmental indicators. It is the responsibility of the Companies’ management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with the principles in all material respects.

The information contained in this guide covers the FY 22 fiscal year ending December 31, 2022 (January 1 – December 31) and only covers the operations that are under the responsibility of TWF and the companies as they are listed below.

Çaykur and Türk Tarım are excluded from Scope 1 emissions under the environmental indicators. Additionally, Çaykur, Türk Tarım and Eti Maden are also excluded from Scope 2 emissions under the environmental indicators.

For the performance evaluation indicators covered under the social indicators headline in this guide, Eti Maden is excluded due to the lack of activity related to the indicator. Furthermore, for the number of employees who received career evaluations HalkBank, Borsa İstanbul, Turkcell, Türksat, Türk Tarım, Eti Maden and the Managing Company are also excluded due to the lack of activity related to the indicator.

- Managing Company - Ziraat Bankası - VakıfBank - Halkbank - Türkiye Sigorta - Türkiye Hayat ve Emeklilik - BİST - PTT - TPAO - Turkcell	- TÜRKSAT - Türk Telekom - THY - Çaykur - Türk Tarım - Kardemir - Etimaden - The ESG datas of TVF AEL, TVF BT, TVF Enerji, TVF Finansal Yatırımlar, TVF İFM, TVF Rafineri ve Petrokimya and Türkiye Maden are consolidated under the Managing Company.
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In preparing this document, consideration has been given to following principles:

- Information Preparation – to highlight the primary principles of relevance and reliability of the information for the users of the information to users of the information
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including the prior year and understandability / transparency providing clarity to users

Key Definitions and Scope of Reporting

Type	Indicator	Scope
Environmental Indicators	Electricity Consumption (GJ)	This indicator refers to the total amount of electricity purchased during the reporting period (12 months) which is tracked using invoices received by the Companies from the service providers. Consumption for both industrial and domestic purposes are included.
	Natural Gas Consumption (GJ)	This indicator refers to the total amount of natural gas consumed during the reporting period which is tracked by using the invoices received from the service providers of the Companies and can be mapped with financial reporting systems. Consumptions for both industrial and domestic purposes are is included.
	Diesel Fuel Consumption (GJ)	In the reporting period, this indicator refers to the amount of diesel used for generators, factory vehicles (off-road) and company vehicles (on-road), which is tracked using the invoices received from the service providers of the Companies and can be mapped with financial reporting systems. Only consumption for industrial purposes is included.
	Gasoline Consumption (GJ)	In the reporting period, this indicator refers to the amount of diesel used for company vehicles (on-road), which is tracked by using the invoices received from the service providers of the Companies and can be mapped with financial reporting systems. Only consumption for industrial purposes is included.
	Other Consumptions (GJ)	In the reporting period, this indicator refers to the total coal, LNG, CNG, Fuel-oil, and LPG consumptions tracked by the entities within the scope of the Companies with using meters and invoices received from the third-party service providers. Only consumption for industrial purposes is included.

Key Definitions and Scope of Reporting

Type	Indicator	Scope
Environmental Indicators	Water Consumption (m³)	In the reporting period, this indicator refers to the sum of the total municipal water tracked using the invoices given by third-party service providers, in addition to the facilities’ consumption of, river water and rainwater stored in collection tanks, which are tracked with meters.
	Scope 1 Emissions (tCO ₂ e)	In the reporting period, this indicator refers to the total amount of greenhouse gas emissions caused by the Companies’ consumption of stationary and mobile combustion fuels, refrigerant gases and fire extinguishers. The Companies calculate the greenhouse gas emissions according to the standard of “TS EN ISO 14064-1:2018 Greenhouse gases-Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.
	Scope 2 Emissions (Location-based) (tCO ₂ e)	In the reporting period, this indicator refers to the total amount of indirect greenhouse gas emissions caused by the electricity consumption of the Companies. The Companies calculate the greenhouse gas emissions according to the standard of “TS EN ISO 14064-1:2018 Greenhouse gases-Part 1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.
	Scope 2 Emissions (Market-based) (tCO ₂ e)	In the reporting period, this indicator refers to the amount of indirect greenhouse gas emissions caused by the elec-tricity consumption of the Companies, excluding the re-newable energy consumption (I-REC, YEK-G). The Companies calculate the greenhouse gas emissions according to the standard of “TS EN ISO 14064-1:2018 Greenhouse gases-Part 1: Specification with Guidance at the Organi-zation Level for Quantification and Reporting of Green-house Gas Emissions and Removals.”
Social Indicators	Total Training Hours (hours)	In the reporting period, this indicator refers to sum of the total hours of online and in-class trainings attended by the Companies’ employees, which are tracked through the Companies’ human resources training tracking platform.
	Number of Employees Receiving Performance Evaluations (#)	In the reporting period, this indicator refers to the total numbers of men and women employees evaluated during the year-end performance evaluation periods and monitored through the human resources database, and includes a separate evaluation form for each employee.
	Number of Employees Receiving Career Development Assessments (#)	In the reporting period, this indicator refers to the total numbers of men and women employees evaluated, which is carried out during the year-end career development assessment period and monitored through the human rresources database, and includes a separate evaluation form for each employee.

Data Preparation

1. Environmental Indicators

1.1 Non-Renewable Direct Energy (GJ)

Total Energy Consumption

Within the direct energy scope of the Companies, primary fuels consisting of gasoline, diesel, natural gas, LPG, LNG, CNG, imported coal, domestic coal and fuel oil consumption are reported. LPG, LNG, CNG, Fuel-Oil, imported coal and domestic coal consumptions are reported in GJ as “other energy consumptions.”

Conversions to GJ from liters for gasoline, diesel and LPG data, from cubic meters for are from liters, natural gas, from KWh for LNG and CNG data, and from kg for imported and domestic coal have been calculated according to the IPCC (International Panel on Climate Change) 2006 National Greenhouse Gas Inventory.

Energy Source	Conversion Coefficient (GJ)
Gasoline (Lt)	0.032
Diesel (Lt)	0.035
Natural Gas (m³)	0.0345
LPG (Lt)	0.0243
LNG (kWh)	0.0036
CNG (kWh)	0.0036
Fuel-oil (Lt)	0.0401
Imported Coal and Domestic Coal (Kg)	0.0254

1. Environmental Indicators

1.2 Non-Renewable Indirect Energy (GJ)

Within the scope of the indirect energy consumption of the Companies, primary fuels consisting of electricity consumption are reported.

The conversion of electricity datas are from KWh, to GJ has been calculated according to the IPCC (International Panel on Climate Change) 2006 National Greenhouse Gas Inventory.

Electricity (GJ)
1kWh = 0.0036 GJ

1.3 Water Consumption

The Companies’ total water consumption is tracked monthly with meters and using invoices given by the service providers.

Volume of Withdrawn Water (m³) = Municipal Water Consumption (m³) + Rainwater (m³) + Groundwater (m²)

1.4 Scope 1 Emissions and Scope 2 Emissions – Location-Based (tCO₂e)

Scope 1 and Scope 2 emissions have been calculated in accordance with ISO 14064-1, with the operational control principle within the framework of “Greenhouse Gas Protocol: Corporate Calculation and Reporting Standard”.

In the calculations, carbon dioxide (CO₂) equivalent factors have been used which consist of carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) emission factors. All emission factors used have been detailed by the company in below. GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th and 6th Assessment Report* and the “DEFRA (Department for Environment, Food & Rural Affairs) 2022 Emission Factors” study published by the UK government. The ton CO₂ equivalents are calculated with usage of the related factors.

The Scope 2 – market-based emissions have been calculated with the usage of grid emission factors published by TEİAŞ** (Turkish Electricity Transmission Corporation). In the emission factor details of portfolio companies, the emission factor of 0.44 has been taken as basis unless otherwise stated.

*Emission Amount = Activity Value*Emission Factor*

*<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022>
**Source: Türkiye Electricity Generation and Electricity Consumption Point Emission Factors Information Form, 9 August 2022

Türk Telekom:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and the “DEFRA 2022 Emission Factors” studies published by the UK government and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

*Emission amount = Activity Value*Emission Factor*

Emission Source – Scope 1	Emission Factor (kg CO ₂ -e/KWh)
Diesel – company vehicles (l)	2.68541
Gasoline – company vehicles (l)	2.31413
Natural gas (sm³)	2.15633
Fuel-oil (l)	3.17523
Diesel – stationary combustion (l)	2.65330
Refrigerant gases – R22 (kg)	1,760.00
Refrigerant gases – R407C (kg)	1,624.21
Refrigerant gases – R410A (kg)	1,923.50
Fire extinguishers – CO ₂ (kg)	1.00

Emission Source – Scope 2	Emission Factor (kg CO ₂ -e/KWh)
Electricity in Türkiye (Municipal)*	0.484

Halkbank:

GWP (Global Warming Potential) coefficients have been taken from the “DEFRA 2022 Emission Factors” study published by the UK Government and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Activity Value*Emission Factor

Emission Source Scope 1	Emission Factor (kg CO ₂ e)	Emission Factor Unit
Diesel – Company vehicles (lt)	2.7	KgCO ₂ -e / l
Gasoline – Company vehicles (lt)	2.34	KgCO ₂ -e / l
Natural gas (sm ³)	2.02	KgCO ₂ -e / sm3
Fuel-oil (l)	3.18	KgCO ₂ -e / l
Diesel – stationary combustion (l)	2.7	KgCO ₂ -e / l
Coal (ton)	2883.26	KgCO ₂ -e / ton
Refrigerant gases – R22	1,810	KgCO ₂ -e / kg
Refrigerant gases – R600A	3	KgCO ₂ -e / kg
Refrigerant gases – R410A	2,088	KgCO ₂ -e / kg
Fire extinguishers – HFC-227 EA	3220	KgCO ₂ -e / kg
NOVEC (Pentanone)	1	KgCO ₂ -e / kg

VakıfBank:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Activity Value*Emission Factor

Emission Source Scope 1 (kg/Tj)	CO ₂ (kgCO ₂ /Tj)	CH ₄ (kgCO ₂ /Tj)	N ₂ O (kgCO ₂ /Tj)	Emission Factor (kg CO ₂ -e)
Diesel (stationary combustion)	74,100	3	0.6	74,343
Diesel (mobile combustion)	74,100	3.9	3.9	75,243
Gasoline (stationary combustion)	69,300	3	0.6	69,543
Gasoline (mobile combustion)	69,300	3.8	5.7	70,917
Natural gas	56,100	1	0.1	56,155
Heating oil (fuel oil)	77,400	3	0.6	77,643
Lignite	101,000	1	1.5	101,426
Refrigerant gases – R22	1,760	-	-	1,760
Refrigerant gases – R32	677	-	-	677
Refrigerant gases – R134A	1,300	-	-	1,300
Refrigerant gases – R407A	2,107	-	-	2,107
Refrigerant gases – R407C	1,774	-	-	1,774
Refrigerant gases – R410A	2,088	-	-	2,088

Emission Source – Scope 2 (kg/kWh)	Emission Factor (kg CO ₂ -e/kWh)
Electricity in Türkiye (Municipal) *	0.4661

Kaynak: Türkiye Elektrik Üretimi Ve Elektrik Tüketim Noktası Emisyon Faktörleri Bilgi Formu, 09.08.2022

Ziraat Bankası:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and the “DEFRA 2021 Emission Factors” studyies published by the UK government and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalentants.

Emission Amount = Activity Value*Emission Factor

Emission Source Scope 1 (kg/Tj)	Emission Factor	Emission Factor Unit	References
Stationary combustion – Natural gas	0.8	kg/m3	IPCC 2006, Volume2, Chapter 2, Table 2.3
Mobile combustion – Diesel (on-road)	43	TJ/Gg	IPCC 2006, Volume2, Chapter 3, Table 3.2.1
Mobile combustion – Gasoline (on-road)	44.3	TJ/Gg	IPCC 2006, Volume2, Chapter 3, Table 3.2.1
Stationary combustion – LPG	47.3	TJ/Gg	IPCC 2006, Volume2, Chapter 2, Table 2.3
Stationary combustion – Coal	0.0119	TJ/Gg	IPCC 2006, Volume2, Chapter 2, Table TABLE 2.2–Lignite
Stationary combustion – Biomass	0.0116	TJ/Gg	IPCC 2006, Volume2, Chapter 2, Table TABLE 2.4–Other Primary Solid Biomass
Stationary combustion – Diesel (Heating)	0.62874	kg CO ₂ e/L	Defra, 2021
Stationary combustion – Diesel (Generators)	0.62874	kg CO ₂ e/L	Defra, 2021
Stationary combustion – Gasoline (Generators)	0.60283	kg CO ₂ e/L	Defra, 2021
Stationary combustion – Fuel oil	0.69723	kg CO ₂ e/L	Defra, 2021
Leakage Emissions – Refrigerant gas leakage, refrigerators, water dispenser, air conditioning	3 1,300 1,924	CO ₂ Eq	Defra, 2021, Refrigerant & other IPCC 5 th AR IPCC 5 th AR
Leakage Emissions – YSC	1	kg CO ₂ eq/ kg	IPCC 5 th AR

THY:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and the “DEFRA 2019 Emission Factors” study published by the UK government and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalentants.

Emission Amount = Consumption Amount*Calorific Value*Unit Conversion Coefficients*Emission Factor

Emission Source Scope 1 (kg/Tj)	CO ₂ (kgCO ₂ /Tj)	CH ₄ (kgCO ₂ /Tj)	N ₂ O (kgCO ₂ /Tj)	Emission Factor (kg CO ₂ -e)
Diesel (generator)	74,100	10	0.6	74,496
Diesel (mobile)	74,100	3.9	3.9	75,391
Gasoline (mobile)	69,300	25	8	72,305
Natural gas	56,100	5	0.1	56,236
Aviation fuel	71,400	0.5	2	72,031
Refrigerant gases – R12	-	-	-	12,500
Refrigerant gases – R22	-	-	-	1,960
Refrigerant gases – R32	-	-	-	771
Refrigerant gases – R404A	-	-	-	4,728
Refrigerant gases – R407C	-	-	-	1,908
Refrigerant gases – R410A	-	-	-	2,256
Refrigerant gases – R417A	-	-	-	2,508
Refrigerant gases – R600A	-	-	-	0.006
Refrigerant gases – R123	-	-	-	90.4
Refrigerant gases – R134A	-	-	-	1,530
SF6	-	-	-	24,300
FM200	-	-	-	3,600
HALON	-	-	-	7,200
IG541	-	-	-	0.08
NOVEC	-	-	-	0.56

Emission Source–Scope 2	Emission Factor (kg CO ₂ e)
Electricity in Türkiye (Municipal, Heating & Cooling) (KWh)	0.44
Natural gas (heating) (m³)	56,266
GPU – Long Haul Plane*	38.2
GPU – Short Haul Plane*	19.1
400HZ – Long Haul Plane**	1.2
400HZ – Short Haul Plane**	0.7

*Emission (GPU) = Number of Landings*GPU(min constant/45–75 min))*GPU emission factor(kgCo2/sa–19,1 and 38,2)* (1/60)*(1/1000)
**Emission(400Hz) = Number of Landings*400Hz(average min per landing)*400Hz EF(kgCo2/sa–0,7 ve 1,2)* (1/60)*(1/1000)

PTT:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Activity Value*Emission Factor

Emission Source Scope 1 (kg/Tj)	CO ₂ (kgCO ₂ /Tj)	CH ₄ (kgCO ₂ /Tj)	N ₂ O (kgCO ₂ /Tj)	Emission Factor (kg CO ₂ -e/Tj)
Natural gas	56,100	5	0.1	56,236
Diesel	74,100	10	0.6	74,496
Gasoline	69,300	10	0.6	69,696
Fuel-oil	77,400	10	0.6	77,796
Coal	101,000	10	1.5	101,675
LPG	69,300	130	0.4	72,154

TPAO:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Consumption*Conversion Coefficient*Emission Factor

Emission Source Scope 1 (kg/Tj)	CO ₂ (kgCO ₂ /Tj)	CH ₄ (kgCO ₂ /Tj)	N ₂ O (kgCO ₂ /Tj)	Emission Factor (kg CO ₂ -e/Tj)
Stationary Combustion – Natural gas	56,100	5	0.1	56,236
Stationary Combustion – Petrol	73,300	3	0.6	73,549
Stationary Combustion – Diesel	74,100	0.3	0.6	74,292
Stationary Combustion – Gasoline	69,300	10	0.6	69,696
Stationary Combustion – LPG	63,100	5	0.1	63,236
Stationary Combustion – Propane	64,514	50	38.9	64,603
Stationary Combustion – Acetylene	-	-	-	70,400
Mobile Combustion – Diesel (on-road)	74,100	3.9	3.9	75,391
Mobile Combustion – Gasoline (on-road)	69,300	250	8	77,030
Mobile Combustion – Diesel (off-road)	74,100	4.2	28.6	83,054.2
Mobile Combustion – Gasoline (off-road)	69,300	130	0.4	72,154

Managing Company

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Fuel Consumption x Net Calorific Value x Emission Factor

Emission Source Scope 1 (kg/Tj)	CO ₂ (kgCO ₂ /Tj)	CH ₄ (kgCO ₂ /Tj)	N ₂ O (kgCO ₂ /Tj)	Emission Factor (kg CO ₂ -e/Tj)
Stationary combustion - Natural gas	56,100	5	0.1	56,236
Mobile Combustion - Diesel (on-road)	74,100	3	3.9	75,391
Mobile Combustion - Gasoline (on-road)	69,300	250	8.0	77,030
Refrigerant gases – R410A	-	-	-	10
HFC-227ea	-	-	-	20
R600A	-	-	-	1
Fire extinguisher	-	-	-	40

Turkcell:

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents. In addition, the energy conversion coefficients have been taken from Annex-2: Lower Calorific Values of Energy Resources and Conversion Coefficients to Petroleum Equivalents in the Regulation on Increasing Efficiency in the Use of Energy Resources and Energy.

Emission Amount = Fuel Consumption x Net Calorific Value x Conversion Coefficient x Density x Emission Factor

Turkcell	Emission Factor	Unit	Net Calorific Value	Unit	Conversion Coefficient	Unit	Density	Unit
Natural gas	56100.00	kgCO ₂ /Tj	8250	kCal/m ³	4.186 x 10 ⁻⁹	Tj/kCal	NA*	NA
	5.00	kgCH ₄ /Tj						
	0.10	kgN ₂ O/Tj						
Diesel (Mobile combustion)	74100.00	kgCO ₂ /Tj	10200	kCal/kg	4.186 x 10 ⁻⁹	Tj/kCal	0.83	kg/lt
	3.90	kgCH ₄ /Tj						
	3.90	kgN ₂ O/Tj						
Diesel (Stationary Combustion)	74100.00	kgCO ₂ /Tj	10200	kCal/kg	4.186 x 10 ⁻⁹	Tj/kCal	0.83	kg/lt
	10.00	kgCH ₄ /Tj						
	0.60	kgN ₂ O/Tj						
Gasoline (Mobile Combustion)	69300.00	kgCO ₂ /Tj	10400	kCal/kg	4.186 x 10 ⁻⁹	Tj/kCal	0.735	kg/lt
	25.00	kgCH ₄ /Tj						
	8.00	kgN ₂ O/Tj						

Turkcell	Global Warming Potential	Unit
R407C	1,774	kgCO ₂ e/kg
R410A	2,088	kgCO ₂ e/kg
R22	1,810	kgCO ₂ e/kg
CO ₂	1	kgCO ₂ e/kg

Emission Amount = Refrigerant Gas Consumption x Global Warming Potential (GWP)

Turkcell	Emission Factor	Unit
Electricity	0.484**	tonCO ₂ e/MWh

*The density factor was not used in calculation of natural gas consumption emission.
**Source: Türkiye Electricity Generation and Electricity Consumption Point Emission Factors Information Form, 9 August 2022

Türkiye Hayat Emeklilik

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents. .

$$\text{Emission Amount} = \text{Consumption} * \text{Conversion Coefficient} * \text{Emission Factor}$$

Türkiye Hayat ve Emeklilik	Emission Factor	Unit		Unit
Natural gas	56.1	ton/TJ	0.00003455153	CO ₂ -e/TJ
Diesel	74.1	ton/TJ	0.000032822	CO ₂ -e/TJ
Gasoline	69.3	ton/TJ	0.0000385758	CO ₂ -e/TJ

Türkiye Sigorta

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

$$\text{Emission Amount} = \text{Consumption} * \text{Conversion Coefficient} * \text{Emission Factor}$$

Türkiye Sigorta	Emission Factor	Unit	Conversion Coefficient	Unit
Natural gas	56.1	ton CO ₂ /TJ	0.00003455153	CO ₂ -e/TJ
Diesel	74.1	ton/TJ	0.000032822	CO ₂ -e/TJ
Gasoline	69.3	ton/TJ	0.0000385758	CO ₂ -e/TJ

BIST

GWP (Global Warming Potential) coefficients have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

$$\text{Emission Amount} = \text{Consumption} * \text{Conversion Coefficient} * \text{Emission Factor}$$

BIST	Emission Factor	Unit	Conversion Coefficient	Unit
Natural gas	55.8	ton CO ₂ e./TJ	0.0000345	CO ₂ -e/TJ
Diesel	73.6	tonCO ₂ e./TJ	0.0000358	CO ₂ -e/TJ
Gasoline	69.3	tonCO ₂ e./TJ	0.0000385	CO ₂ -e/TJ

Kardemir

GWP (Global Warming Potential) coefficients have been taken from the National Greenhouse Gas Inventory Report for Submission Under the United Nations Framework Convention on Climate Change 1990-2018 and the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

$$\text{Emission Amount} = \text{Consumption} * \text{Emission Factor} * \text{Net Calorific Value}$$

Emission Source Scope 1	Emission Factor	Unit	Net Calorific Value	Unit
Natural gas	55.4700	†CO ₂ /TJ	48.98	GJ/1000Nm ³
Diesel	72.2800	†CO ₂ /TJ	43.15	TJ/Gg
LPG	63.0700	†CO ₂ /TJ	47.31	-

Emission Source Scope 1	Emission Factor	Unit	Net Calorific Value	Unit
Coking Coal	0.8056	tCO ₂ /TJ	-	-
Purchased Coke Dust	0.7971	tCO ₂ /TJ	-	-
Purchased Scale	0.0012	tCO ₂ /TJ	-	-
Iron Ore	0.0199	tCO ₂ /TJ	-	-
Limestone	0.1180	tCO ₂ /TJ	-	-
Anthracite	0.8249	tCO ₂ /TJ	-	-
Purchased Metallurgical Coke Coal	0.8059	tCO ₂ /TJ	-	-
Pellet	0.0032	tCO ₂ /TJ	-	-
PCI Coal	0.8016	tCO ₂ /TJ	-	-
Purchased Scrap	0.0109	tCO ₂ /TJ	-	-
Dolomite	0.1222	tCO ₂ /TJ	-	-
Ferro Alloy	0.0140	tCO ₂ /TJ	-	-
Electrode	0.9900	tCO ₂ /TJ	-	-
Calcium Carbide	0.3750	tCO ₂ /TJ	-	-
Lime Baking Stone	0.1198	tCO ₂ /TJ	-	-
Tundish Cover Powder	0.0500	tCO ₂ /TJ	-	-
Plant Coal	2.7532	tCO ₂ /TJ	-	-
Sodium Bicarbonate	0.5240	tCO ₂ /TJ	-	-

Eti Maden

GWP (Global Warming Potential) coefficients have been taken from the National Greenhouse Gas Inventory Report for Submission Under the United Nations Framework Convention on Climate Change 1990–2018 and the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Consumption*Emission Factor*Net Calorific Value

Emet Bor	Emission Factor	Unit	Net Calorific Value	Unit
Natural gas	55.15	tCO ₂ /TJ	49.33	GJ/t
Diesel	72.28	tCO ₂ /TJ	43.33	GJ/t
Acetylene	67.71	tCO ₂ /TJ	49.98	GJ/t
LPG	63.07	tCO ₂ /TJ	47.31	GJ/t

Bandırma	Emission Factor	Unit	Net Calorific Value	Unit
Coal	99.22	tCO ₂ /TJ	21.71	GJ/t
Natural gas	55.68	tCO ₂ /TJ	49.22	GJ/t
Limestone	0.44	tCO ₂ /TJ	-	-
Diesel	72.30	tCO ₂ /TJ	43.33	GJ/t
LPG	63.07		47.31	GJ/t
Acetylene	63.07		47.31	GJ/t

Kırka	Emission Factor	Unit	Net Calorific Value	Unit
Coal	93.92	tCO ₂ /TJ	15.82	GJ/t
Natural gas	55.81	tCO ₂ /TJ	48.63	GJ/t
Diesel	72.28	tCO ₂ /TJ	43.33	GJ/t
Fuel Oil	76.97	tCO ₂ /TJ	39.39	GJ/t
Limestone	0.44	tCO ₂ /TJ	-	-
LPG	63.07	tCO ₂ /TJ	47.31	GJ/t

TÜRKSAT

GWP (Global Warming Potential) coefficients (natural gas excluded) have been taken from the IPCC 5th Assessment Report and were calculated by multiplying the individual emissions with the appropriate coefficients to find CO₂ equivalents.

Emission Amount = Consumption*Emission Factor*Net Calorific Value

TÜRKSAT	Emission Factor	Unit
Natural Gas *	0.202	kgCO ₂ e/kwh
Diesel	74.10	ton/TJ
Gasoline	69.3	ton/TJ

*Energy Consumption (KWh) = Fuel Consumption (m³) × Net Calorific Value (9.59 KWh/m³)

1.5 Scope 2 Emissions - Market-Based (tCO₂e)

Scope 2 Emissions – Market-Based (tCO₂e) = (Activity Value- Purchased Renewable Energy Amount (I-REC, YEK-G) x Emission Factor

2. Social Indicators

2.1 Training Hours (hours)

Formula

Hours of in-class trainings given to the employees in the reporting period + hours of online trainings given to the employees in the reporting period.

2.2 Number of Employees Who Received Performance Evaluations (#)

Formula

Number of women employees who received a performance evaluation in the reporting year + number of men employees who received a performance evaluation in the reporting year.

2.3 Number of Employees Who Received Career Development Evaluations (#)

Formula

Number of women employees who received a career development evaluation in the reporting period + Number of men employees who received a career development evaluation in the reporting period.

Restatements

Measuring and reporting verified data inevitably involves a degree of estimation. Restatements are considered when there is a change in the data of greater than 5 percent at the Company level.

*Source: <http://acikerisim.ktu.edu.tr/jspui/bitstream/123456789/4303/1/716592.pdf>

Financial Statements

Türkiye Wealth Fund and Its Subsidiaries

Consolidated Statement of Financial Position at 31 December 2022

(All figures are expressed in millions of Turkish Lira ("TL") unless otherwise specified. Currencies other than Turkish Lira are expressed in millions unless otherwise specified.)

	Audited 31 December 2022	Audited 31 December 2021
Assets		
Current Assets	2,777,510	1,413,896
Cash and Cash Equivalents	451,946	219,492
Reserve Balances at Central Bank of the Republic of Türkiye	287,424	194,389
Financial Assets	394,228	149,979
Trade Receivables	145,995	63,036
- Due from Related Parties	662	672
- Due from Third Parties	145,333	62,364
Receivables from Financial Sector Operations	1,130,443	653,783
Other Receivables	150,662	34,797
- Due from Related Parties	118,824	12,278
- Due from Third Parties	31,838	22,519
Derivative Financial Instruments	18,374	22,196
Inventories	92,130	19,224
Prepaid Expenses	51,033	20,713
Current Tax Assets	1,785	1,261
Other Current Assets	42,473	25,024
Non-current Assets Held for Sale	11,017	10,002
Fixed Assets	2,835,621	1,787,311
Financial Assets	667,739	467,134
Trade Receivables	8,657	5,428
-Due from Related Parties	-	6
- Due from Third Parties	8,657	5,422
Receivables from Financial Sector Operations	1,012,762	687,917
Other Receivables	25,487	21,894
- Due from Related Parties	1,538	5,324
- Due from Third Parties	23,949	16,570
Derivative Financial Instruments	783	1,430
Equity Accounted Investments	96,083	32,704
Investment Properties	66,618	31,600
Property, Plant and Equipment	424,721	246,009
Right-of-Use Assets	322,897	209,684
Intangible Assets	92,888	48,536
-Goodwill	1,992	1,658
-Other Intangible Assets	90,896	46,878
Prepaid Expenses	36,566	14,591
Deferred Tax Assets	63,726	10,726
Other Non-current Assets	16,694	9,658
Total Assets	5,613,131	3,201,207

Türkiye Wealth Fund and Its Subsidiaries

Consolidated Statement of Financial Position at 31 December 2022

(All figures are expressed in millions of Turkish Lira ("TL") unless otherwise specified. Currencies other than Turkish Lira are expressed in millions unless otherwise specified.)

	Audited 31 December 2022	Audited 31 December 2021
Liabilities		
Current Liabilities	3,875,042	2,302,403
Short-Term Borrowings	67,606	24,036
Short-Term Portion of Long-Term Borrowings	76,645	26,349
Lease Liabilities	31,931	23,532
Trade Payables	198,410	80,735
-Due to Related Parties	5,829	2,718
-Due to Third Parties	192,581	78,017
Payables from Financial Sector Operations	3,126,232	1,955,950
Payables Related to Employee Benefits	5,100	1,889
Other Payables	76,844	44,320
-Due to Related Parties	1,873	1,042
-Due to Third Parties	74,971	43,278
Derivative Financial Instruments	8,002	6,404
Deferred Income	49,937	19,745
Current Tax Liabilities	20,875	3,813
Current Provisions	55,412	24,029
-Current Provisions for Employee Benefits	6,397	2,284
-Other Current Provisions	49,015	21,745
Other Current Liabilities	158,048	91,601
Other Fixed Current Liabilities	824,490	503,191
Borrowings	390,558	232,711
Lease Liabilities	181,959	121,384
Trade Payables	416	112
-Due to Third Parties	416	112
Payables from Financial Sector Operations	111,600	79,793
Other Payables	585	815
-Due to Related Parties	2	2
-Due to Third Parties	583	813
Deferred Revenue	11,058	6,113
Provisions	52,591	23,116
-Provisions for Employee Benefits	32,992	9,031
-Other Non-current Provisions	19,599	14,085
Deferred Tax Liabilities	60,362	33,874
Other Non-current Liabilities	15,361	5,273

Türkiye Wealth Fund and Its Subsidiaries

Consolidated Statement of Financial Position at 31 December 2022

(All figures are expressed in millions of Turkish Lira ("TL") unless otherwise specified. Currencies other than Turkish Lira are expressed in millions unless otherwise specified.)

	Audited 31 December 2022	Audited 31 December 2021
Equity	913,599	395,613
Total Equity Attributable to Equity Holders of the Parent	763,389	310,456
Government Contribution	311,274	151,138
Treasury Stock	4	(6)
Common Control Transactions	(1,229)	(415)
Other Reserves	623	612
Other Comprehensive Income or Loss That Will Not Be Reclassified to Profit or Loss	(12,617)	(1,687)
-Gain/(Losses) on Equity Instruments at Fair Value	833	(1,028)
-Remeasurements of Employee Termination Benefit	(13,815)	(999)
-Share of Other Comprehensive Income From Equity Accounted Investees	365	340
Other Comprehensive Income or Loss That Will Be Reclassified to Profit or Loss	221,001	112,905
-Currency Translation Reserve	177,262	112,130
-Cash Flow Hedge Reserve	5,228	1,233
-Gain/(Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	30,623	(2,509)
-Net Investment Hedge Reserve	2,990	1,876
-Cost of Hedging Reserve	293	(194)
-Share of Other Comprehensive Income From Equity Accounted Investees	4,605	369
Retained Earnings	53,280	45,067
Profit for the Year	191,053	2,842
Non-Controlling Interests	150,210	85,157
Total Liabilities	5,613,131	3,201,207

Türkiye Wealth Fund and Its Subsidiaries

Consolidated Statement of profit and loss for the year ended 31 December 2022

(All figures are expressed in millions of Turkish Lira ("TL") unless otherwise specified. Currencies other than Turkish Lira are expressed in millions unless otherwise specified.)

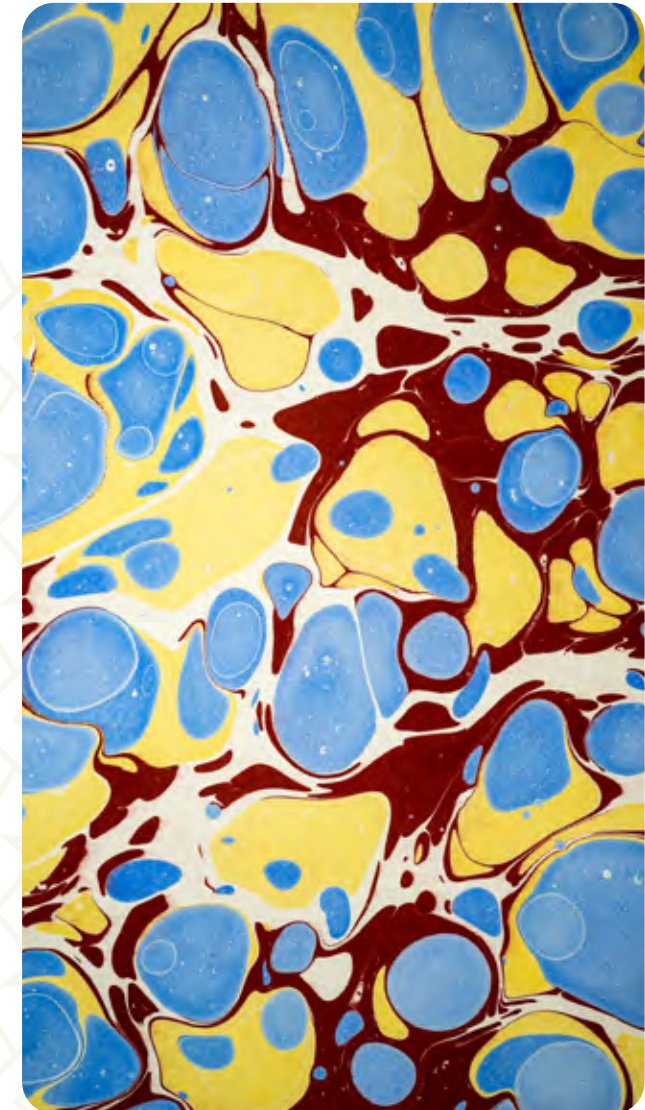
	Audited 1 January - 31 December 2022	Audited 1 January - 31 December 2021
Continuing Operations		
Revenue (Net)	1,166,844	328,277
Cost of Sales (-)	(928,700)	(285,172)
Gross Profit from Non-Financial Operations	238,144	43,105
Interest, Premium, Commission and Other Income	441,453	216.826
Interest, Premium, Commission and Other Expense (-)	(291,210)	(180,920)
Gross Profit from Financial Operations	150,243	35,906
Gross Profit	388,387	79,011
General and Administrative Expenses (-)	(61,443)	(28,173)
Sales, Marketing and Distribution Expenses (-)	(47,589)	(17,648)
Other Income from Operating Activities	34,693	31,183
Other Expense from Operating Activities (-)	(57,966)	(18,052)
Share of Profit of Equity Accounted Investees	37,560	5,905
Operating Profit	293,642	52,226
Income from Investment Activities	65,296	18,837
Expense from Investment Activities (-)	(665)	(95)
Profit Before Income to Revenue	358,273	70,968
Financial Income	21,883	19,019
Financial Expenses (-)	(151,425)	(72,039)
Profit Before Tax From Continuing Operations	228,731	17,948
Tax Expense	(3,357)	(6,825)
Current Tax Expense (-)	(61,562)	(8,943)
Deferred Tax Income/(Expense)	58,205	2,118
Profit for the Year From Continuing Operations	225,374	11,123
Profit for the Year From Discontinuing Operations		
Profit for the year from discontinuing operations	-	-
Profit for the Year	225,374	11,123
Attributable to		
-Non-controlling Interests	34,321	8,281
-Equity Holders of the Parent	191,053	2,842

Türkiye Wealth Fund and Its Subsidiaries

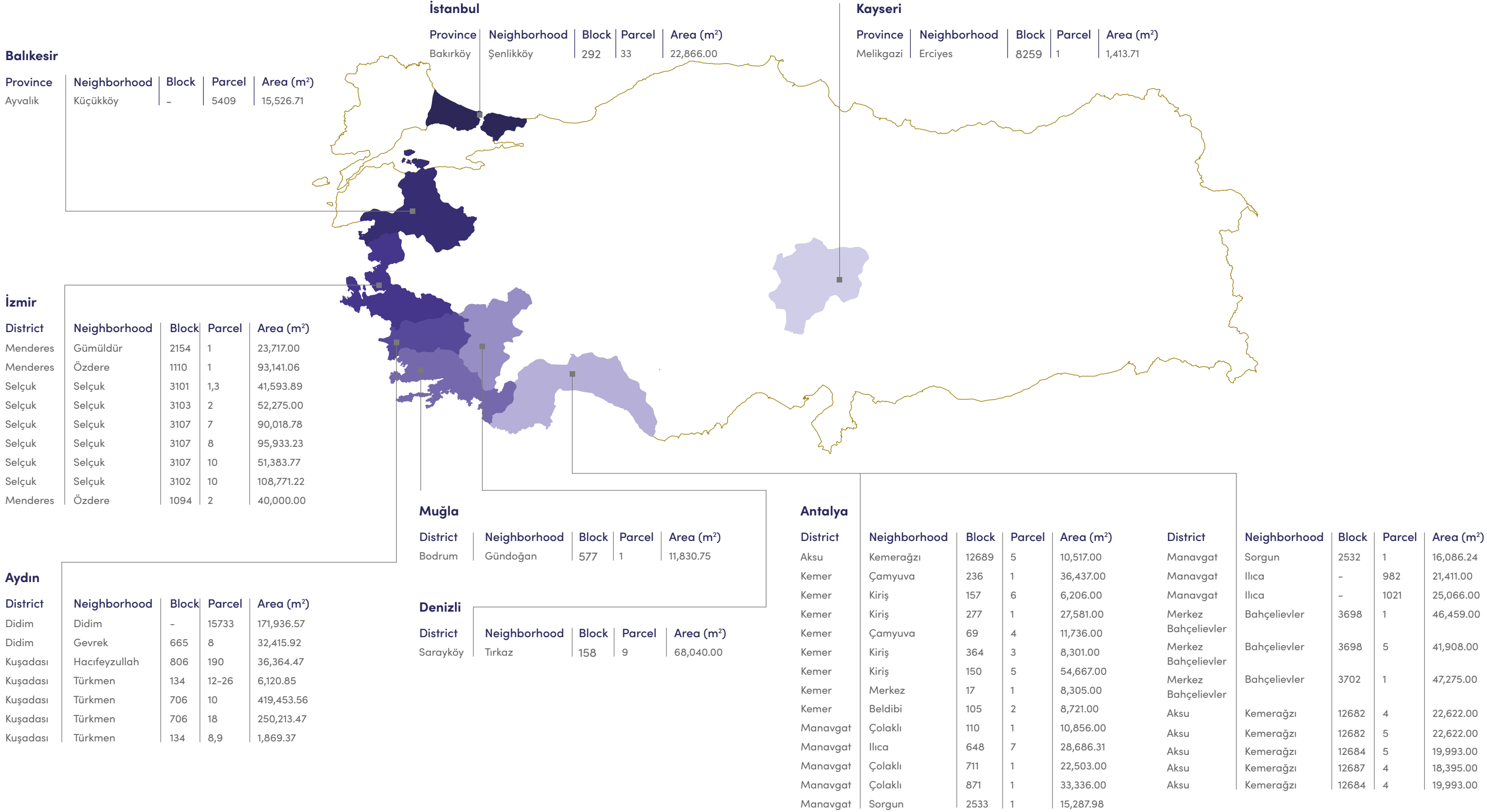
Consolidated Statement of Other Comprehensive Income for the Year Ended 31 December 2022

(All figures are expressed in millions of Turkish Lira ("TL") unless otherwise specified. Currencies other than Turkish Lira are expressed in millions unless otherwise specified.)

	Audited 1 January - 31 December 2022	Audited 1 January - 31 December 2021
Profit for the Year	225,374	11,123
Other Comprehensive Income or Loss Items That Will Not Be Reclassified to Profit or Loss	(13,723)	(949)
Remeasurements of Employee Termination Benefit	(19,204)	(1,493)
Gain/(Losses) on Equity Instruments at Fair Value	1,713	150
Shares of Other Comprehensive Income from Equity Accounted Investees	21	232
Taxes Related to Other Comprehensive Income not to be Reclassified to Profit/(Loss)	3,747	162
Remeasurements of Employee Termination Benefit, Tax Effect	3,617	184
Gain/(Losses) on Equity Instruments at fair Value, Tax Effect	130	(22)
Items That Will Be Reclassified to Profit or Loss	134,630	87,372
Currency Translation Reserve	85,755	90,670
Gain/(Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	47,394	(9,594)
Cash Flow Hedge Reserve	10,318	6,736
Shares of Other Comprehensive Income from Equity Accounted Investees	4,160	424
Net Investment Hedge Reserve	(150)	(8)
Cost of Hedging Reserve	1,176	(1,185)
Taxes Related to Other Comprehensive Income to be Reclassified to (Profit/Loss)	(14,023)	329
Currency Translation Reserve, Tax Effect	(737)	(861)
Gain/(Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income, Tax Effect	(11,340)	2,028
Cash Flow Hedge Reserve, Tax Effect	(2,074)	(1,364)
Shares of Other Comprehensive Income from Equity Accounted Investees, Tax Effect	14	(23)
Net Investment Hedge Reserve, Tax Effect	349	312
Cost of Hedging Reserve, Tax Effect	(235)	237
Other Comprehensive Income (Net of Tax)	120,907	86,423
Total Comprehensive Income	346,281	97,546
Allocation of Total Comprehensive Income	346,281	97,546
-Non-controlling Interests	56,297	29,128
-Total Equity Attributable to Equity Holders of the Parent	289,984	68,418



Real Estate List



Compliance with the Santiago Principles

Established in 2008 by the International Working Group of Sovereign Wealth Funds (IWG), the Santiago Principles consist of 24 Generally Accepted Principles and Practices (GAPP) that set out good governance standards for the management and supervision of asset funds. The Santiago Principles include appropriate regulations for good governance, transparency, and accountability. Procedures for healthy long-term investments are also described in this document.

The Santiago Principles consist of three main areas: legal framework, objectives, and coordination with macroeconomic policies (GAPP 1-5), institutional framework and management structure (GAPP 6-17) and investment and risk management framework (GAPP 18-24). The TWF strives to maximize compliance with the Santiago Principles, which form the basic road map for international wealth funds. The TWF's current approach toward the Self-Assessment Survey as part of work to ensure compliance with these principles is outlined as follows:

Principle 1

The legal framework for the sovereign wealth fund (SWF) should be sound and support its effective operation and the achievement of its stated objective(s).

The Management Company was established by Law No. 6741 dated 19 August 2016 with the status of joint stock company. This company is the TWF's exclusive fund manager. The Council of Ministers decree dated 17 October 2016 contains principles relating to the structure and activities of the Management Company. These stipulations were published in the Official Gazette dated 9 November 2016.

Principle 2

The policy purpose of the SWF should be clearly defined and publicly disclosed.

Article 1 of Law No. 6741 clearly defines the purpose and scope of the TWF's activities. In addition, the strategic objectives of the TWF in the TWF Road Map as approved by the Management Company Board of Directors on 24 October 2018 are listed as follows:

1. Enhance the value of assets within the Fund,
2. Provide equity to strategic investments in Türkiye,
3. Make equity investments to support Türkiye's international economic objectives,
4. Reinforce the improvement and expansion of financial markets

Principle 3

Where the SWFs activities have significant direct domestic macroeconomic implications, those activities should be closely coordinated with the domestic fiscal and monetary authorities, so as to ensure consistency with the overall macroeconomic policies.

As per Presidential Decree dated 12 September 2018, the Board seats H.E. President as the Chairman, ensuring TWF remains consistent with national economic policies while executing its road map and strategic plan.

Principle 4

There should be clear and publicly disclosed policies, rules, procedures, or arrangements in relation to the SWF's general approach to funding, withdrawal, and spending operations.

All sources of financing, including TWF's scope of activity and founding capital, are clearly defined in Articles 2 and 4 of Law No. 6741. TWF makes use of debt and equity financing to fund its investment activities. All financing and investment-related decisions are subject to final approval by the Board.

Principle 5

The relevant statistical data pertaining to the SWF should be reported on a timely basis to the owner, or as otherwise required, for inclusion where appropriate in macroeconomic data sets.

The Management Company undertakes to publish its annual activity reports on its website per Article 18 of the Council of Ministers Decree. The Management Company also shares information with the relevant state authorities when necessary. As per Article 6 of the Law No. 6741, TWF has three stage audit mechanism; independent external audit, Presidential audit, and Parliamentary audit. TWF's Audit Committee also conducts its own internal audit.

Principle 6

The governance framework for the SWF should be sound and establish a clear and effective division of roles and responsibilities in order to facilitate accountability and operational independence in the management of the SWF to pursue its objectives.

Article 6 of the Council of Ministers Decree clearly states the organizational structure and job descriptions, and Article 19 regulates the establishment of the Executive and Human Resources, Corporate Governance, Early Detection of Risk and Audit Committees. These committees operate under the Board of Directors in accordance with corporate governance regulations legislated by Turkish Capital Market Law No. 6362.

Principle 7

The owner should set the objectives of the SWF, appoint the members of its governing bodies in accordance with clearly defined procedures, and exercise oversight over the SWF's operations.

The Board of Directors, which consists of representatives with experience in the public and private sectors, manages TWF's strategic objectives and activities. TWF's objectives are defined under Law No. 6741 and are also described in the Board-approved Road Map and Strategic Plan.

Principle 8

The governing bodies should act in the best interests of the SWF, and have a clear mandate and adequate authority and competency to carry out its functions.

The structure of the Board of Directors is defined in Articles 12, 13, and 14 of the Articles of Association. The Board of Directors follows Article 14.5 of the Articles of Association and the decision-making provisions of the Turkish Commercial Code.

Principle 9

The operational management of the SWF should implement the SWF's strategies in an independent manner and in accordance with clearly defined responsibilities.

The Board of Directors meets regularly to fulfill its duty for the overall management of TWF as per Article 15 of the Articles of Association. The senior management of the Management Company recommends investment and financing projects to the Board of Directors through the committees via the Board of Directors. The company's senior management is responsible for the execution of daily operations in line with the Board's decisions.

Principle 10

The accountability framework for the SWF's operations should be clearly defined in the relevant legislation, charter, other constitutive documents, or management agreement.

Law No. 6741 and the Decree of the Council of Ministers define the framework including executive-level committees, audit mechanism and corporate governance standards in accordance with the Capital Markets Law.

Principle 11

An annual report and accompanying financial statements on the SWF's operations and performance should be prepared in a timely fashion and in accordance with recognized international or national accounting standards in a consistent manner.

TWF undertakes to publish annual activity reports regularly on its website per Article 18 of the Council of Ministers Decree.

Principle 12

The SWF's operations and financial statements should be audited annually in accordance with recognized international or national auditing standards in a consistent manner.

As per Article 6 of Law No. 6741, TWF has a three stage audit mechanism: Independent external audit, Presidential audit, and Parliamentary audit. TWF's Audit Committee also conducts its own internal audit.

Principle 13

Professional and ethical standards should be clearly defined and made known to the members of the SWF's governing body(ies), management, and staff

Articles 9 and 14 of the Council of Ministers Decree determine these standards. Furthermore, a Code of Conduct defining the professional and ethical rules of the Management Company has been set out.

Principle 14

Dealing with third parties for the purpose of the SWF's operational management should be based on economic and financial grounds, and follow clear rules and procedures.

All dealings and transactions with third parties are based on economic and financial foundations. The Management Company conducts the bidding process before third party appointments and relations are governed by contract.

Principle 15

SWF operations and activities in host countries should be conducted in compliance with all applicable regulatory and disclosure requirements of the countries in which they operate.

TWF had no overseas investments as of 2023, but the Fund undertakes to comply with all applicable laws and regulations if it makes such investments in future.

Principle 16

The governance framework and objectives, as well as the manner in which the SWF's management is operationally independent from the owner, should be publicly disclosed.

The Management Company is the exclusive fund manager for TWF. The Board of Directors of the Management Company consists of government, public sector, and private sector representatives. The board's structure allows the Management Company to work independently as a joint stock company and also to act in line with national economic objectives.

Principle 17

Relevant financial information regarding the SWF should be publicly disclosed to demonstrate its economic and financial orientation, so as to contribute to stability in international financial markets and enhance trust in recipient countries.

TWF undertakes to publish annual activity reports regularly on its website per Article 18 of the Council of Ministers Decree.

Principle 18

The SWF's investment policy should be clear and be based on sound portfolio management principles. It should be consistent with its defined objectives, risk tolerance, and investment strategy, as set by the owner or the governing body(ies). It should be based on sound portfolio management principles.

TWF conducts all its activities within the framework of the Road Map and Strategic Investment Plan approved by the Board of Directors. All investment decisions are subject to the final approval of the Board of Directors, and TWF will continue to publish annual activity reports on its website as stipulated by Article 18 of the Council of Ministers Decree.

Principle 19

The SWF's investment decisions should aim to maximize risk-adjusted financial returns in a manner consistent with its investment policy, and based on economic and financial grounds.

TWF strives to maximize the worth of its portfolio assets and the return on its investments in line with the Road Map. All investment decisions are subject to final approval by the Board of Directors. TWF ensures that its assets are managed in a manner consistent with generally accepted principles.

Principle 20

The SWF should not seek or take advantage of privileged information or inappropriate influence by the broader government in competing with private entities.

TWF undertakes to comply with this principle.

Principle 21

SWFs view shareholder ownership rights as a fundamental element of their equity investments' value. If an SWF chooses to exercise its ownership rights, it should do so in a manner that is consistent with its investment policy and protects the financial value of its investments. The SWF should publicly disclose its general approach to voting securities of listed entities, including the key factors guiding its exercise of ownership rights.

TWF will be represented on the boards of portfolio companies to monitor and evaluate financial performance indicators. TWF may exercise its proprietary rights to protect its interest appropriately as and when required. TWF complies with applicable laws and regulations concerning its portfolio enterprises.

Principle 22

The SWF should have a framework that identifies, assesses, and manages the risks of its operations.

The Board of Directors manages all aspects of risk through the Early Risk Detection Committee. To identify, assess and manage the risks, TWF has established the necessary risk policie. TWF has established the necessary risk policies and procedures to determine, assess and manage the risks derived from its activities.

Principle 23

The assets and investment performance (absolute and relative to benchmarks, if any) of the SWF should be measured and reported to the owner according to clearly defined principles or standards.

TWF undertakes to publish its annual activity reports regularly on its website as per Article 18 of the Council of Ministers Decree.

Principle 24

A process of regular review of the implementation of the Generally Accepted Principles and Practices should be engaged in by or on behalf of the SWF.

TWF annually reviews the Generally Accepted Principles and Practices.

Sustainable Development Goals Index

SDG's	Topic Title	Page Number
1 NO POVERTY 	No Poverty	TWF's Founding Vision
2 ZERO HUNGER 	Zero Hunger	Overview of the TWF
3 GOOD HEALTH AND WELL-BEING 	Good Health and Well-being	Our Value Creation Model, Business Ethics
4 QUALITY EDUCATION 	Quality Education	Our Value Creation Model
6 CLEAN WATER AND SANITATION 	Clean Water and Sanitation	Our Value Creation Model
7 AFFORDABLE AND CLEAN ENERGY 	Affordable and Clean Energy	Our Value Creation Model, Energy Efficiency
8 DECENT WORK AND ECONOMIC GROWTH 	Decent Work and Economic Growth	Activities, New Investment Projects
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Industry, Innovation and Infrastructure	Activities, New Investment Projects, Technology Investments
10 REDUCED INEQUALITIES 	Reduced Inequalities	Talent Management and Employee Development, Social and Relational Capital
11 SUSTAINABLE CITIES AND COMMUNITIES 	Sustainable Cities and Communities	Activities, Our Value Creation Model, Natural Capital
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Responsible Consumption and Production	Financial Capital
13 CLIMATE ACTION 	Climate Action	Sustainability Governance, Our Value Creation Model, Natural Capital, Environmental Management and Training, Combating Climate Change
14 LIFE BELOW WATER 	Life Below Water	Climate Change and Carbon Emissions, Risks and Opportunities
15 LIFE ON LAND 	Life on Land	Climate Change and Carbon Emissions, Risks and Opportunities
16 PEACE AND JUSTICE, STRONG INSTITUTIONS 	Peace, Justice and Strong Institutions	Principles and Values, Santiago Principles Compliance Table
17 PARTNERSHIPS FOR THE GOALS 	Partnerships for the Goals	Our Memberships, Business Ethics, Santiago Principles Compliance Table



GRI Content Index

Statement of Use
 For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. Türkiye Varlık Fonu Anonim Şirketi reported in accordance with GRI Standards for the period January 1, 2022 – December 31, 2022. The service was performed on the Turkish version of the report.



GRI 1 Used
 GRI 1: Foundation 2021

GRI Standard	Disclosure		Subject Heading	Page Number, Source and/ or Direct Answers	Additional Information/ Reasons of Omission
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details		About the Report, Company Contact Details	15-17, 178	
	2-2 Entities included in the organization’s sustainability reporting		About the Report	15-17	
	2-3 Reporting period, frequency and contact point		Scope and Relevance of the Report, Our ESG Management, Company Contact Information	15, 68-69, 178	
	2-4 Restatements of information		Company Contact Details	178	
	2-5 External assurance		Scope and Relevance of the Report	15	
	2-6 Activities, value chain and other business relationships		Companies within the Reporting Framework, Overview of the TWF, About the TWF, Capital and Shareholding Structure	16-17, 20-21, 22-23, 28-29	
	2-7 Employees		Our Value Creation Model, Human Capital, Social Performance Indicators	72-73, 90, 120-121	
	2-8 Workers who are not employees		Our Value Creation Model, Human Capital, Social Performance Indicators	72-73, 90, 120-121	
	2-9 Governance structure and composition		Board of Directors, Senior Management	8-9, 10-11	
	2-10 Nomination and selection of the highest governance body		About TWF and the and Management Company	26-27	
	2-11 Chair of the highest governance body		Board of Directors	8	
	2-12 Role of the highest governance body in overseeing the management of impacts		Risks and Opportunities, Structure and Working Principles of the Board of Directors	100-101, 106	
	2-13 Delegation of responsibility for managing impacts		Stakeholder Engagement	102-103	
	2-14 Role of the highest governance body in sustainability reporting		Our Sustainability Governance	64	
	2-15 Conflicts of interest		Business Ethics	112-113	

GRI Content Index

GRI Standard	Disclosure	Subject Heading	Page Number, Source and/or Direct Answers	Additional Information/ Reasons of Omission
General Disclosures				
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Materiality Analysis, Risks and Opportunities	98-99, 100-101	
	2-17 Collective knowledge of the highest governance body	Structure and Working Principles of the Board of Directors	106	
	2-18 Evaluation of the performance of the highest governance body	Structure and Working Principles of the Board of Directors	106	
	2-19 Remuneration policies			Not disclosed due to confidentiality.
	2-20 Process to determine remuneration			Not disclosed due to confidentiality.
	2-21 Annual total compensation ratio			Not disclosed due to confidentiality.
	2-22 Statement on sustainable development strategy	TWF's Sustainability Mission and Vision, Sustainability Governance, Our Sustainability Policy	23, 64, 66-67	
	2-23 Policy commitments	Our Sustainability Policy, Our ESG Management	66-67, 68-69	
	2-24 Embedding policy commitments	Our Sustainability Policy, Our ESG Management	66-67, 68-69	
	2-25 Processes to remediate negative impacts	Risk Management, Stakeholder Engagement	110, 102-103	
	2-26 Mechanisms for seeking advice and raising concerns	Our Value Creation Model, Human Capital, Stakeholder Engagement	72, 89, 102-103	
	2-27 Compliance with laws and regulations	About TWF and the Management Company	26-27	
	2-28 Membership associations	Our Memberships	60-61	
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	102-103	
	2-30 Collective bargaining agreements	Talent Management and Employee Development	TWF Management Co. does not employ any workers with collective labor agreements.	

GRI Content Index

GRI Standard	Disclosure		Subject Heading	Page Number, Source and/ or Direct Answers	Additional Information/ Reasons of Omission
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics		Materiality Analysis	98	
	3-2 List of material topics		Materiality Analysis	99	
Economic Performance [Corporate Governance, Contribution to Society and Economic Development]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Corporate Governance, Financial Capital	106-107, 82-84	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed		Financial Statements	148-152	
	201-2 Financial implications and other risks and opportunities due to climate change		Our Sustainability Policy, Risks and Opportunities	66-67, 100-101	
Indirect Economic Impacts [Contribution to Society and Economic Development, Risk Management]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Social and Relational Capital, Financial Capital, Risk Management	93-94, 82-85, 110	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported		Value Creation Model, Manufactured Capital, Risk Management	78-79, 87, 110	
Procurement Practices [Contribution to Society and Economic Development]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Natural Capital, Our Value Creation Model	95-96, 76-77	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers		Portfolio Companies	37	
Anti-Corruption [Business Ethics, Transparency and Accountability]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Business Ethics, Stakeholder Engagement,	112-113, 102-103	
GRI 205: Training on Combating Unethical Financial Behavior 2016	205-2 Communication and training about Training on Combating Unethical Financial Behavior policies and procedures		Talent Management and Employee Development	91-92	

GRI Content Index

GRI Standard	Disclosure		Subject Heading	Page Number, Source and/ or Direct Answers	Additional Information/ Reasons of Omission
Material Topics					
GRI 205: Training on Combating Unethical Financial Behavior 2016	205-3 Confirmed incidents of corruption and actions taken			There were no cases of corruption during the reporting period.	
Energy [Climate Change and Carbon Emissions]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Natural Capital, Our Value Creation Model	95-97, 76-77	
GRI 302: Energy 2016	302-1 Energy consumption within the organization		Energy Efficiency, Environmental Performance Indicators	97, 119	
	302-2 Energy consumption outside of the organization		Energy Efficiency, Environmental Performance Indicators	97, 119	
Water and Effluents [Climate Change and Carbon Emissions]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Natural Capital, Our Value Creation Model	95-97, 76-77	
GRI 303: Water and Effluents 2018	303-5 Water consumption		Environmental Performance Indicators	119	
Emissions [Climate Change and Carbon Emissions]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Natural Capital, Our Value Creation Model	95-97, 76-77	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		Environmental Performance Indicators	119	
	305-2 Energy indirect (Scope 2) GHG emissions		Environmental Performance Indicators	119	
	305-3 Other indirect (Scope 3) GHG emissions		Environmental Performance Indicators	119	

GRI Content Index

GRI Standard	Disclosure		Subject Heading	Page Number, Source and/ or Direct Answers	Additional Information/ Reasons of Omission
Material Topics					
Waste [Climate Change and Carbon Emissions]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Natural Capital, Our Value Creation Model	95-97, 76-77	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		Natural Capital, Our Value Creation Model	95-97, 76-77	
	306-2 Management of significant waste-related impacts		Natural Capital, Our Value Creation Model	95-97, 76-77	
Employment [Equality and Non-Discrimination in Employment]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Human Capital, Our Value Creation Model	89-92, 72-73	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		Social Performance Indicators	120-121	
Occupational Health and Safety [Employee Health and Safety]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Human Capital, Our Value Creation Model	89-92, 72-73	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		Human Capital, Our Value Creation Model	89-92, 72-73	
	403-3 Occupational health services		Human Capital, Our Value Creation Model	89-92, 72-73	
	403-5 Worker training on occupational health and safety		Human Capital, Our Value Creation Model, Social Performance Indicators	89-92, 72-73, 120-121	
Training and Education [Employee Trainings]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Human Capital, Our Value Creation Model	89-92, 72-73	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		Overview of the TWF, Human Capital, Our Value Creation Model, Business Ethics, Social Performance Indicators	20-21, 91-92, 72-73 113, 120-121	

GRI Content Index

GRI Standard	Disclosure		Subject Heading	Page Number, Source and/or Direct Answers	Additional Information/ Reasons of Omission
Material Topics					
Training and Education [Employee Trainings]					
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs		Overview of the TWF, Human Capital, Value Creation Model	20-21, 91-92, 72-73	
	404-3 Percentage of employees receiving regular performance and career development reviews		Human Capital, Our Value Creation Model, Social Performance Indicators	91-92, 72-73, 120-121	
Diversity and Equal Opportunity [Equality and Non-Discrimination in Employment]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Human Capital	89-92	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		Our Value Creation Model, Human Capital, Social Performance Indicators	72-73, 89-92, 120-121	
Local Communities [Contribution to Community and Economic Development]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Social and Relational Capital, Financial Capital	93-94, 82-86	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		Social and Relational Capital, Our Value Creation Model	93-94, 74-75	
Supplier Social Assessment [Climate Change and Carbon Emissions]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Natural Capital, Our Value Creation Model	95-97, 76-77	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria		Natural Capital	95-97	
	414-2 Negative social impacts in the supply chain and actions taken		Natural Capital	95-97	
Customer Privacy [Information Security and Digitalisation]					
GRI 3: Material Topics 2021	3-3 Management of material topics		Intellectual Capital, Our Value Creation Model, Overview of the TWF	88, 80-81, 20-21	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data				During the reporting period, no complaints were received regarding customer confidentiality.

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