

Corporate Information

PRIVILEGED SHARES, VOTING RIGHTS

According to the Articles of Association of Teknosa, the Company does not have any privileged shares and has a single right to vote for each share. There is no company with which Teknosa engages in a cross-holding relation. The Articles of Association does not contain any provision that restricts the transfer of shares. Share transfers between the shareholders are performed as per the provisions of the Turkish Commercial Code and Capital Markets Law.

INFORMATION ON THE COMPANY'S ACQUISITION OF ITS OWN SHARES

Teknosa does not hold any acquired shares of its own.

CAPITAL EXPENDITURES

The Company has made capital expenditures of TL 582 million in its infrastructure and customer outreach channels, including online channels.

DONATIONS AND AIDS MADE BY THE COMPANY DURING THE YEAR

In 2023, Teknosa donated TL 3.8 million in total to charitable organizations.

INFORMATION ON THE REPORT EXPLAINING RELATIONS WITH CONTROLLING SHAREHOLDERS AND SUBSIDIARIES IN THE FRAMEWORK OF ARTICLE 199 OF THE TURKISH COMMERCIAL CODE

In the report, our Company evaluated the following transactions conducted with the controlling company and associated companies during the reporting year (January 1, 2023-December 31, 2023) in accordance with accountability principles and conditions known to us: All legal transactions as well as all legal transactions conducted under the direction of the controlling company, and all other measures taken, or refrained from being taken to the advantage of the controlling company, or one of its subsidiaries in 2023, under the circumstances and conditions known to the Board at the time.

In the report issued by the Board of Directors of Teknosa on March 20, 2024, it was concluded that, in all transactions performed by Teknosa with the controlling company and the associated companies of the controlling company in 2023, all necessary legal transactions were conducted, and all measures taken as described as per Article 199 of the Turkish Commercial Code No. 6102 and as required by the responsibilities assigned to the Board. The transactions follow the precedents, according to controlling company statements as per the relevant articles of the Turkish Commercial Code numbered 6102 and related legislation, and we declare that Teknosa did not incur any loss due to the fact that it operates under a Group of Companies.

Corporate Governance and Sustainability Principles Compliance Report

SECTION I - CORPORATE GOVERNANCE

1. Corporate Governance Approach

Teknosa commits to comply with the four key principles of Transparency, Fairness, Responsibility and Accountability of Corporate Governance and recognizes that good corporate governance practices are essential for sustainable growth in today's economies.

Traded on BIST Stars, Teknosa shapes its management approach based on these principles and takes best practices in the world as a reference while developing its corporate governance practices every year.

2. Corporate Governance Principles Compliance Status

Teknosa is in full compliance with all of the 24 mandatory principles for publicly traded companies as set out in the Corporate Governance Communiqué no. 17.1 ("Communiqué") by the Capital Markets Board, which is responsible for regulating and supervising the corporate governance practices in Türkiye. Teknosa has observed the interests of all the stakeholders, shareholders in particular, and continued its efforts to further its compliance with such mandatory principles in 2023.

Meanwhile, Teknosa has reached full compliance with 59 of 73 non-mandatory principles of the Communiqué, while it achieved partial compliance with 5 non-mandatory principles and no compliance with 4 non-mandatory principles. Transactions falling under the remaining 5 principles have not been performed in 2023, and therefore compliance has not been evaluated for these principles that have been determined to be nonapplicable.

2.1. Principles with which the Company has reached partial compliance are summarized below together with the reasons behind the lack of full compliance.

3.1.2. *An effective and prompt compensation policy is in place in cases where stakeholders' rights protected by laws and contracts are violated. The Company provides guidance and convenience to stakeholders on the applicable laws and mechanisms available to them such as compensation. In addition, it establishes a compensation policy for employees and discloses the policy via the corporate website.*

It is a priority for Teknosa to protect all stakeholders' rights at all times and embrace a business model based on creating value together. Currently, no written compensation policy is in place for employees; however, the

Company has faced no legal proceedings in this matter up to date.

3.2.1. Models to encourage employees' and stakeholders' participation in management shall be developed in a manner to not interfere with the Company's operations. Such models adopted by the Company shall be specified in the Company's internal regulations and Articles of Association.

Employees' participation in management is ensured by organizing regular company meetings (at least twice a year), as well as at the annual goal setting and performance evaluation meetings. Additionally, employees can provide their feedback to the management and to their colleagues through the 360-degree feedback mechanism. The results are reviewed at various management meetings, and action plans are devised to implement the necessary changes. However, the aforementioned matters are not governed by Teknosa's Articles of Association and/or internal regulations.

4.4.7. Members of the Board of Directors shall allocate sufficient time for the businesses of the Company. Where a board member holds an executive position, acts as a board member at another company, or provides consulting services for another company, it is essential for such board member to avoid any conflicts of interest and any interruption to his/her tasks at Teknosa. Within this scope, certain rules apply to or restrict the board member's assumption of roles and duties outside the company. Roles a board member assumes outside the company, the grounds for such role, and whether such role is assumed within or outside the group are presented to the information of the shareholders under the agenda item for elections during the general assembly meeting.

Utmost attention is paid to board members to dedicate sufficient time for the Company's works and avoid any transaction that may lead to a conflict of interest in their activities outside the Company. However, board members' roles outside Teknosa are not governed or restricted by a written instrument. Accordingly, resumes of board members are provided to shareholders in annual reports.

4.5.5. It is important for a board member not to take part in more than one committee.

Utmost attention is paid to the experience and expertise of independent members in the composition of committees. Due to the limited number of independent board members and obligations stipulated in the capital market regulations, however, members may be assigned to more than one committee.

4.6.5. Wages and other benefits granted to board members and executives with administrative responsibilities are disclosed to the public in the annual report. Disclosure on the basis of each such person is essential.

Wages for the board members are determined by the General Assembly and therefore disclosed on the basis of each board member. Wages paid to senior executives are disclosed collectively, in the footnotes of our financial statements. Performance criteria were taken into account in the remuneration for executives which complies with remuneration policies. Such information is not disclosed on the basis of persons as it is confidential information.

2.2. Principles which the Company has not complied with are summarized below with the grounds for such non-compliance.

1.3.11. General Assembly meetings may be held publicly, including stakeholders and the press with no right to ask for the floor, and a provision may be added to the Articles of Association on this matter.

As specified in the Articles of Association, General Assembly meetings were held openly to the stakeholders but close to the public including the press. Minutes of the Annual General Assembly Meetings are presented to the information of all stakeholders on the Public Disclosure Platform (PDP) and the Company's corporate website.

1.5.2. Minority rights may be granted to those who hold less than one-twentieth of the capital pursuant to the Articles of Association. The scope of minority rights may be expanded subject to the Articles of Association.

Minority rights are determined as per the provisions of the applicable legislation, and there is no specific provision on the expansion of minority rights in the Articles of Association.

2.1.3. Financial statements, excluding special events and footnotes, which are required to be disclosed to the public in accordance with the capital market legislation, are disclosed simultaneously in Turkish as well as in English on the Public Disclosure Platform (PDP). English disclosures are prepared in a summary format accurately, thoroughly, directly, legibly, sufficiently and consistently with the Turkish disclosure so as to assist the target group in their decisions.

The material event disclosures, earnings releases, investor presentations and end-of-year annual reports are also issued in English and made available on the website to inform

our existing/potential foreign investors on the financial position and performance of the Company.

4.3.9. The Company set a minimum target of 25% for the ratio of female members on the Board and established a policy to reach this target. The composition of the Board is reviewed annually, and the nomination process is run in accordance with this policy.

Although there is no target ratio in this matter, due care is taken to have female members on the Board.

2.3. The following principles are determined to be non-applicable as no transaction falling under such scope was performed in 2023:

1.3.7. Persons who have the right to access shareholding information with privilege shall inform the Board of Directors for the inclusion of the transactions they performed in their own name coinciding with the Company's operating area into the agenda of the General Assembly.

1.4.3. The Company has not exercised the voting rights at the General Assembly of a corporation with which it has a subsidiary relation that involves controlling rights.

4.4.3. Opinions of those board members who did not attend the meeting but conveyed their opinion to the Board in writing are presented to other board members.

4.5.7. Committees get the opinion of independent experts in matters they deem necessary with regard to their activities. The fees of the consulting services required by the Committees are covered by the Company. However, information on the persons/entities

providing such services and/or whether such persons/entities have a relation with the company is explained in the annual report.

4.6.4. The company is not entitled in any way to lend money, to extend any credits, to prolong the terms of existing loans and credits, to improve the conditions thereof, and to extend credit under the name of any personal credit means through a third person or to provide warranties to a member of the board or the executives with administrative responsibility. Only those institutions which offer personal credits to individuals may be entitled to offer loans or other services under the terms applied to every individual beneficiary.

Teknosa's compliance status with the Corporate Governance Principles in 2023 is summarized in the table below:

Status	Full Compliance	Partial Compliance	Non-Compliance	Irrelevant
Mandatory	24	-	-	-
Non-mandatory	59	5	4	5
Total	83	5	4	5

In 2023, full compliance has not been reached with such voluntary principles due to the difficulties in their implementation, ongoing discussions in Türkiye and on international platforms regarding their implementation, the contradiction between the Company's interests, and the implementation of such principles as per the practices of the Company and the market. Thanks to the value and importance Teknosa attributes to corporate governance, developments on this matter are monitored closely, and efforts towards full compliance with these principles are ongoing at full speed.

The 2023 Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF), prepared pursuant to the Capital Markets Board's Decision no. 2/49 and dated January 10, 2019 and approved by our Company's Board of Directors are publicly accessible at <https://www.kap.org.tr/en/Bildirim/1260807> and <https://www.kap.org.tr/en/Bildirim/1260808>.

3. Investor Relations Activities

In an attempt to assist investors and analysts in their decision-making processes as per applicable laws, Teknosa paid ultimate attention in 2023 to inform them as necessary, transparently, promptly, accurately, thoroughly, legibly, directly, sufficiently, regularly and concurrently with all market participants, on the developments that might affect their investment decisions.

For this purpose, both the Public Disclosure Platform (KAP) and the Investor Relations page on the official website www.teknosa.com have been regularly updated, providing continuous and ideal communication with investors and analysts. The Investor Relations page is prepared in both Turkish and English, and quarterly financial results are available on the website in both English and Turkish. The company presentations used in domestic and international informative meetings are also available on the website.

In 2023, The Company met with a total of 128 domestic and foreign institutional existing/potential investors and analysts regarding the company's operational results, performance, and other developments during the period. In addition, queries from individual and institutional investors are responded via e-mail or phone.

Furthermore, the company started holding earnings teleconferences for the first time in the second half of the year, following the release of quarterly financial results. In 2023, the company held two teleconferences with institutional investors and shared the meeting recording links on its website.

Teknosa participated in an investor conference held abroad to inform shareholders and potential investors, while also organizing an Analyst and Investor Day domestically.

4. Monitoring the Changes in Legislation and Legal Procedures

No amendment that could impact Teknosa's operations substantially was introduced to applicable laws in 2023. However, the potential effects of the 2023 amendments to the Capital Markets Law, Turkish Commercial Code and tax regulations on Teknosa as a whole were analyzed in detail.

Teknosa monitored legislative developments that pertained to it closely and took necessary action promptly in 2023, just as it did in previous years.

Finally, no lawsuit was filed against the Company that may impact the financial position or operations of Teknosa in 2023. In addition, no administrative or legal sanction on the grounds of practices contradictory with the provisions of applicable regulations was imposed against the legal entity of Teknosa, its Board Members and the Senior Management.

SECTION II - BOARD OF DIRECTORS

1. Structure and Composition of the Board of Directors

The procedures and principles concerning the company's Board of Directors' structure, duties, management rights and representation authorities, etc. are decided upon in accordance with the provisions stipulated in the company's Articles of Association.

Teknosa is governed and represented by a Board of Directors that consists of at least six members elected by the General Assembly within the framework of the provisions of the Turkish Commercial Code and the Capital Markets Legislation. There are six members in the Teknosa Board of Directors in conformity with Article No. 4.3.1 of the Communiqué, and two independent members in conformity with the exception stipulated in the first paragraph of the 6th Article of the Communiqué.

The minimum qualifications to be sought for the Members of the Board of Directors are not provided for in the Articles of Association. However, the required qualifications of the Members of the Company's Board of Directors are in line with the relevant articles of Corporate Governance Principles. Two members of the Board of Directors are independent members who are determined according to the Capital Markets Board's Corporate Governance Principles and regulations on Corporate Governance. Independent board members' independence statements have been received prior to the appointment and these statements remain in full force and effect. Within the related activity period, there are no issues that terminate the independence.

The Members of the Board of Directors may be elected for a maximum term of office of three years and re-election of the members whose term of office has expired is permissible. In the

event that a Board Member position becomes available, the Board elects a new member to fill the position and submits the elected member to the approval at the next General Meeting. The newly elected member completes the term of his/her predecessor.

On the basis of the General Meeting's resolution, Board members are authorized to perform transactions within the scope of Articles 395 and 396 of the Turkish Commercial Code.

2. Operating Principles of the Board of Directors

The Board of Directors convenes as frequently as required to efficiently fulfill its duties. The Board operates in a transparent, accountable, fair and responsible manner, and while doing so it always considers the company's long-term interests.

Every year, the members of the Board of Directors elect a chairman and a vice-chairman who will be the acting chairman in the absence of the chairman for presiding the meetings. The Chairman of the Board of Directors determines the agenda of the Board of Directors' meetings by getting the opinions of the other members and the general manager. The agenda items of the Board of Directors' meetings are discussed explicitly and in every aspect. The Chairman of the Board shows the best effort to ensure the effective participation of the non-executive Board members in the Board meetings.

Meeting dates and agenda are determined by the chairman or vice-chairman.

The Board of Directors must convene at least four (4) times a year.

Unless one of the members requests a meeting that will be held physically, the decisions of the Board of Directors can be taken by means of getting the written approvals of the other members for another member's proposal regarding a certain issue.

The Board of Directors of the Company held four meetings between January 1, 2023, and December 31, 2023.

At the Board meetings, each member has one vote, and unanimous consent is sought while resolving matters, and the Board always complies with Corporate Governance Principles.

Attendance in person of the members without an excuse at the meetings of the Board of Directors was ensured. At the meetings held in 2023, no different opinion against the resolutions taken was expressed by the Members of the Board of Directors, and no comments were written down in the minutes. Since Board Members did not have any questions and requested no additional information, these were not inserted in the minutes of the meeting.

The members of the Company's Board of Directors did not engage in transactions with the Company nor did they participate in ventures that would compete in the same business areas throughout the year 2023.

3. Number, Structure and Independence of the Committees Formed Under the Board

According to the Company's Articles of Association, the Board of Directors establishes a sufficient number of Committees ("Committee") to fulfill the required tasks and

responsibilities properly.

The responsibilities of the "Nomination Committee" and "Remuneration Committee" as per article 4.5.1 of the Communiqué have been assumed by the "Corporate Governance Committee." Although attention was paid to the recommendation on "not taking part in more than one committee for a board member" under Article 4.5.5 of the Communiqué, a Board Member may serve multiple committees as a member due to the expertise required for such committees.

Corporate Governance Committee

The Corporate Governance Committee aims to ensure the continuity of the management process that pursues transparency and accountability in its decisions, observes stakeholders' interests, and strives for sustainable achievements on the basis of the Company's ethical values, internal and external responsibilities and risk awareness.

The Committee makes proposals and recommendations for the Board of Directors in line with the CMB's Corporate Governance Principles and other internationally recognized corporate governance principles.

As per the Corporate Governance Principles, the Corporate Governance Committee consists of up to three members, including a Chairperson appointed by the Board, and two rapporteurs. The Chairperson is appointed from among the independent members of the Board of Directors.

Should the position of Chairperson of the Committee become vacant for any reason, the Chairman of the Board assigns one of the

Committee Members as a temporary Chair until the new Chair is appointed at the next Board meeting.

The Corporate Governance Committee ensures the implementation of the Corporate Governance Principles in the Company, and in the case of failure to implement such principles, it makes suggestions to the Board of Directors for the improvement thereof.

The Committee also oversees the activities of the Investor Relations Department. It evaluates the performance and principles of remuneration for Board Members and Senior Executives and examines and presents to the Board the nominations of independent members, including the nominees proposed by the management and shareholders, and their qualifications for independence. The Independent Board Member Candidate submits a written declaration to the Corporate Governance Committee at the time of nomination.

The Committee, which shall convene at least four times a year pursuant to the bylaws, convened four (4) times in 2023.

The members of the Corporate Governance Committee determined in accordance with the decision of the Board of Directors of the company are as follows:

Temel Cüneyt Evirgen

Committee Chair - Independent Board Member

Nevgül Bilsel Safkan

Committee Member - Independent Board Member

Selim Can*

Committee Member - Investor Relations Officer

Early Detection of Risk Committee

Early Detection of Risk Committee was established in accordance with Article 378 of the Turkish Commercial Code (Law no. 6102) and the provisions of the Capital Markets Board's Communiqué on the Corporate Governance Principles.

The Committee performs activities for the purposes of early detection of any risk such as strategic, operational, financial, compliance, etc. that may jeopardize the existence, development and continuity of the company, taking necessary measures, implementing solutions and managing the risk. Decisions taken in the Committee are reported to the Board of Directors in an advisory capacity.

The Committee members are elected by the Company's Board of Directors and are disclosed to the public. The Chair of the Committee is appointed from among the independent members by the Board of Directors. In addition to the Chairperson, there is a maximum of one Member elected by the Board in the Committee. The members of the Committee are preferably elected from among the non-executive Board Members.

Committee meetings are held at least six times a year, at a location deemed appropriate by the Chair. The annual meeting schedule is determined by the Chair of the Committee and communicated to all committee members at the beginning of each year.

The term of office of the Committee members is

in parallel to the term of office of the Members of the Company's Board of Directors. The Committee is re-established upon the election of the Members of the Board of Directors.

The Early Detection of Risk Committee convened six (6) times in 2023. During these meetings, topics such as identifying risks that could threaten the continuity of our company, developing detection and prevention models and management systems for these risks, have been discussed.

In this context, the Early Detection of Risk Committee strengthens our company's risk management strategy and systems, enabling proactive measures against potential risks, thereby contributing to our company's sustainable growth.

Temel Cüneyt Evrigen
Committee Chair - Independent Board Member
Nevgül Bilsel Safkan
Committee Member - Independent Board Member

Audit Committee

The duty of the Audit Committee is to oversee the Company's accounting system, financial reporting, disclosure of financial statements, and the functioning and effectiveness of the independent auditing and internal control system on behalf of the Company's Board of Directors. The Audit Committee reports its activities, evaluations and suggestions with respect to its duties and area of responsibility to the Board of Directors in writing.

The Chair and the Members of the Audit Committee are appointed by the Board of Directors from among the Independent Members.

The Audit Committee held four (4) meetings in 2023 and the main agenda items were the review of the independent audit report and examination of the presentations of the Internal Audit Department.

The members of the Audit Committee determined in accordance with the decision of the Board of Directors of the company are as follows:

Nevgül Bilsel Safkan
Committee Chair - Independent Board Member
Temel Cüneyt Evrigen
Committee Member - Independent Board Member

4. Risk Management and Internal Control Mechanism

Teknosa embraces the notion that each risk brings along an opportunity and recognizes that "sustainable growth" can be achieved by effectively identifying, measuring, and managing risks. The Company places great importance on risk management to "create value for its stakeholders," which is a crucial part of its mission.

At Teknosa, the risk is seen as a concept that incorporates opportunities as well as threats and corporate risk management is handled as a continuous and systematic process to manage these risks most efficiently. Efforts are undertaken towards the Company-wide promotion and adoption of the risk culture,

while it is ensured that the right activity is carried out taking the right amount of risk.

Teknosa's **Risk Management Policy** establishes the principles guiding risk management processes and approaches, expressing the company's commitment to effectively managing risks. The policy is fully supported by senior management and is shaped around six core principles: proactive approach, holistic management, value creation, continuous improvement, culture and awareness, and effective measurement and evaluation. Teknosa aims to address risks not only reactively but also proactively, by detecting potential threats in the early stages and responding to opportunities in a timely manner. Risk management is considered an integral part of the organization's overall strategy and business processes. Additionally, Teknosa adopts a dynamic and evolving structure in its risk management processes and policies, making continuous improvements based on measurement and evaluation results. Creating a corporate culture that promotes risk management awareness and positive behaviors is supported through open communication channels and training programs. These principles enable Teknosa to sustainably grow, innovate, and maintain strong relationships with stakeholders.

Teknosa's **Risk Management Procedure**, on the other hand, regulates the principles and procedures to be followed in the process of identifying, evaluating, prioritizing, monitoring, reporting, and implementing measures and strategies for risks encountered in the company's operations.

In 2023, Teknosa continued to create value for shareholders and delivered a sustainable

*At the Board of Directors meeting held on February 12, 2024, it was decided that Selim Can's duty in the Corporate Governance Committee has been terminated, and Sibel TURHAN, who currently serves as the Investor Relations Manager of the Company and complies with the criteria under the Corporate Governance Communiqué, has been elected to replace him effective from the decision date.

growth performance owing to the importance it attributes to risk management.

Risk management is carried out by the Risk, Compliance, and Business Continuity under the supervision of the Early Detection of Risk Committee on behalf of the Board of Directors. In line with the central importance given to risk management, the Risk, Compliance, and Business Continuity Management works directly under the CEO.

The risk exposure of the Company is tracked through the Key Risk Indicators (KRI) in place.

These indicators are used to detect early signals of risks and are regularly evaluated to ensure that the company remains within tolerance limits. Risk indicators are designed in accordance with sectoral and economic dynamics and their effectiveness is regularly assessed. Risk assessment is conducted through probability and impact analysis to determine the potential effects of risks on the company. This process is completed with the identification and implementation of risk mitigation strategies. Thus, various strategies such as elimination, reduction, or transfer of risks are employed to manage them effectively. Effective risk monitoring and reporting activities ensure that risks and measures are continuously reviewed. These dynamic processes enable Teknosa to continuously improve its risk management practices, identify areas for development, and quickly adapt to the dynamic business environment.

Risk Categories

Financial Risk: Teknosa comprehensively addresses currency, investment portfolio,

credit, interest rate, liquidity, and insurance risks. The company carefully monitors the impact of these risks on its financials and develops proactive strategies against potential risks stemming from macroeconomic variables. Profitability analyses, continuous monitoring of cash flow, managing expenses with a focus on efficiency, and implementing balanced financing strategies play a significant role in minimizing the adverse consequences of these risks for Teknosa. Additionally, the use of hedge instruments against fluctuations in exchange rates and interest rates strengthens the company's financial resilience and provides protection against volatile market conditions.

Operational Risk: Operational risks include supply, efficiency, capacity and utilization, pricing, sales, customer satisfaction, product/service development, human resources, information security and business continuity, employee health and safety, environmental health and safety, information technology, brand management, reputation, performance management, external reporting and compliance, internal reporting, monitoring and control, authorization, and limit risks. Interdepartmental information exchange, business process monitoring, training, and information security measures are taken to minimize operational risks.

Strategic Risk: Teknosa's strategic risk management comprehensively addresses internal and external risks to our strategic objectives, such as corporate and sectoral risks, economic fluctuations, regulatory changes, reputation, and sustainability risks. In this context, our company engages in three and five years planning on an annual basis to ensure that our strategies remain consistently aligned and

effective. Factors especially important, such as sustainability, are considered as a fundamental part of our strategic planning process.

Compliance Risk: Effective compliance management is critically important due to the significant impact legal regulations can have on our company's business areas, operating models, business portfolio, strategic objectives, and operational results. In this context, operating in compliance with all applicable laws, rules, and regulations, and adapting to current changes as quickly as possible, are among Teknosa's priorities. Compliance is not only essential for preventing potential damages but also a fundamental value for maintaining our company's sustainable growth and reputation in the industry.

Similarly, the Company has an Internal Control Mechanism in place. Upon the formation of the Audit Committee, this mechanism effectively carries out the duties assigned by the Board of Directors in compliance with the existing bylaws of the Audit Committee.

5. Company's Strategic Goals

Having determined the vision and the mission of the company, the Board of Directors incorporated them in writing in the Annual Report and announced to the public on the company's website, www.teknosa.com, and the Company's long-term strategies are built on these principles.

The Board of Directors, together with the CEO and Assistant General Managers, sets three-year strategic goals which are updated each year. Whether the targets are achieved or not are monitored by executive reports prepared at

the end of each month. Whether the Company achieved its targets or not constitutes the basis for performance evaluation at the end of the year.

6. Financial Rights

The terms and conditions of any right, fee and benefit granted to the company's Board Members are laid down in detail in the Articles of Association. The General Assembly determines the payments to be made to the Chairman and Members of the Board of Directors as well as the attendance fee. The payments made to the senior executives are disclosed to the public in the footnotes of our financial statements.

In 2023, the Company did not lend any money or extend any credit to the Board Members; did not extend the maturity or improve the terms and conditions of existing debts or credits; did not extend any individual loan through third persons, or did not offer guarantees.

SECTION III - SUSTAINABILITY

1. Sustainability Approach

Teknosa places the utmost importance on sustainability and assesses the potential impact of its operations on sustainability. It carries out several activities such as combating the climate crisis, enhancing employee development and performance, ensuring equality and diversity, increasing digitalization applications, and establishing powerful communication with stakeholders by focusing on sustainability at the core of its operations, and endeavors to create a positive impact for all stakeholders.

In 2023, Teknosa shared the survey of prioritized topics including environmental, social, governance and economic topics, and ensured the inclusion of key stakeholders in the process. It determined the priorities of topics in accordance with its stakeholders' opinions and created a prioritization matrix.

It prepared its sustainability strategy in parallel to these prioritized topics and with the participation of relevant departments, identified the contributions to Sustainable Development Goals and the value created as a result of activities, and built the Teknosa Value Creation Model.

In addition, being aware of the importance of effectively managing risks and opportunities, Teknosa handled the risks and opportunities it is exposed to under environmental, social, economic, political and legal, technological and operational categories, which it determined in workshops with interactive participation of relevant departments. Moreover, it declared its expectations for sector

position, trends and future, and put forward its responses to mega trends on the society, world, employees.

2. Compliance with Sustainability Principles

Teknosa aims at 100% compliance with the Sustainability Principles Compliance Framework. In parallel with this aim and protecting the benefit of all stakeholders -especially shareholders-, it continued works to improve its compliance status with these mandatory principles in 2023 and increased the number of fully complied articles. It will continue improvement works in 2024.

A world-class sustainability compliance standard has been adopted in Türkiye thanks to the Sustainability Principles Compliance Framework established by the Capital Markets Board.

The compliance status of Teknosa compliance standard in 2023 is summarized in the table below:

Type	Full Compliance	Partial Compliance	Non-compliance	Irrelevant
General	12	-	-	-
Environmental	21	2	-	3
Social	16	1	-	-
Governance	2	-	-	-
Total	51	3	-	3



The Sustainability Principles Compliance Report, which demonstrates the Company's compliance with the CMB's Sustainability Principles Compliance Framework, is available online at <https://yatirimci.teknosa.com/sustainability-compliance-reports>.

Dividend Distribution Table

TEKNOSA İÇ VE DIŞ TİCARET A.Ş. 2023 DIVIDEND DISTRIBUTION TABLE (TL)

1.	PAID-IN/ISSUED CAPITAL		201.000.000,00
2.	General Legal Reserves (As per Legal Records)		19.753.472,48
IF THERE IS ANY PRIVILEGE IN DIVIDEND DISTRIBUTION UNDER THE ARTICLES OF ASSOCIATION, INFORMATION ON SUCH PRIVILEGE			None
		According to CMB	According to Legal Records
3.	Profit for the Period	1.052.974.128,17	883.835.496,78
4.	Taxes (-)	305.472.387,90	219.561.912,18
5.	Net Profit For the Period (=)	747.501.740,27	664.273.584,60
6.	Previous Year Losses (-)	-163.754.441,69	0
7.	General Legal Reserve Fund (-)	20.446.527,52	20.446.527,52
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)	563.300.771,06	643.827.057,08
9.	Donations Granted During The Year (+)	3.773.491,74	3.773.491,74
10.	Net Distributable Profit for the Period Including Donations	567.074.262,80	
	First Category Dividends For Shareholders	0	
	- Cash	0	
11.	- Bonus Shares	0	
	- Total	0	
12.	Dividends Distributed to the Privileged Shareholders	0	
13.	Other Dividends Distributed	0	
	- Members of the Board of Directors	0	
	- Employees	0	
	- Non-Shareholders	0	
14.	Dividends Distributed to the Holders of Usufruct Right Certificates	0	
15.	Second Category Dividends For Shareholders	0	
16.	General Legal Reserve	0	
17.	Statutory Reserves	0	
18.	Special Reserves	0	
19.	EXTRAORDINARY RESERVES	563.300.771,06	643.827.057,08
	Other Resources Planned to be Distributed	0	0
	- Retained Earnings		
20.	- Extraordinary Reserves		
	- Other Distributable Reserves As Per The Legislation and the Articles Of Association		

DIVIDEND RATIOS TABLE

	TOTAL DIVIDENDS DISTRIBUTED		TOTAL DIVIDENDS DISTRIBUTED/NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDENDS PER SHARE WITH A NOMINAL VALUE OF TL 1	
	CASH (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
GROSS	0,00	-	0,00	0,00	0,00
NET	0,00	-	0,00	0,00	0,00