

2022 Sustainability Report

Sustainable Transformation with Communication

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About the Report

As Türkiye's first integrated telecom operator, we continue to successfully push the telecom industry forward on a national and worldwide scale with our more than 180 years of history.

Following up on our first sustainability report by Türk Telekomünikasyon A.Ş., TTNET A.Ş. and TT Mobil Hizmetleri A.Ş. (TTG), we are now presenting our second report, which provides information on our environmental, social and governance (ESG) performance, to our stakeholders.

We have prepared our report in accordance with the Global Reporting Initiative (GRI) Standards based on the financial reporting period of 1 January – 31 December 2022. The report comprises our actions and sustainability data, as well as our progress under the United Nations Global Compact (UNGC), our contributions to the Sustainable Development Goals (SDGs) and our disclosures required by the sustainability indices. Our report, which includes our activities to promote sustainable development, is conveniently accessible via [Sustainability Reports | Türk Telekom Investor Relations](#).

In our materiality analysis and stakeholder engagement studies, we took GRI's principles of materiality, stakeholder engagement, sustainability scope, and integrity into account. The materiality analysis and report reflect the views of our internal and external stakeholders at national and international context.

Our senior executives are consistently involved in the decision-making process relating to our sustainability approach, focus areas, targets and efforts towards our sustainability performance.

Our report includes data from internal reporting systems (financial, legal, human resources, etc.), databases developed in the related departments (employees, customers and other stakeholders) and project-based outputs. We obtained all data through joint and/or one-on-one meetings with the departments that contributed to our report.

Some of the data in this report have not been subject to external audit.

► [United Nations Global Compact Progress Report](#) 🖱️

► [Carbon Disclosure Project – CDP Climate Change Report](#) 🖱️

You can share with us your opinions, suggestions and comments on Türk Telekom's sustainability journey through the Investor Relations and Sustainability Directorate communication channels or via e-mail.

✉️ Please contact us via e-mail address sustainability@turktelekom.com.tr



Chairman Message

Dr. Ömer Fatih Sayan Chairman of the Board of Directors

Dear Stakeholders,

As Türkiye's leading telecommunications operator, we are making great strides forward every day by accurately interpreting the evolving global environment, the rapidly developing technology and rising stakeholder expectations. With our business strategies and the goals we set, we adapt to the demands of eras and transform challenges into opportunities. With an understanding that puts our people at the centre, we work tirelessly to ensure that they take full advantage of the opportunities offered by technology.

“ We continue to lead Türkiye's technology transformation for a better future. ”

As the Türk Telekom family, we are committed to maintaining our position as a technology leader, fostering innovation and striving for a sustainable future. We will continue to add value to our society and stakeholders.

As Türk Telekom, we continued to make investments as the physical effects of Covid-19 subsided globally but its economic implications persisted. In the early months of 2022, 55% of our company's shares were transferred from LYY Telekomünikasyon A.Ş. to the Türkiye Wealth Fund (TWF), through an agreement between two valuable shareholders. Thus, TWF became Türk Telekom's majority shareholder with a 61.68% stake. This clarity in the shareholder structure not only contributed tremendous strength to Türk Telekom, but it also marked the beginning of a period of fresh prospects and accomplishments. With our new shareholder and Board of Directors, we are aligned around shared objectives and focus our efforts on extending the worldwide reach of the Türk Telekom brand.

We put the digital approach which we have effectively ingrained into our corporate culture at the heart of all our business processes, and are delighted to sustain leading Türkiye's digital transformation journey. We continued our fibre investments, which form the backbone of this transformation, without slowing down, in order to boost Türkiye's fixed internet speed. With more than 400 thousand kilometres of fibre network, we have increased Türkiye's fiberisation rate to higher levels.

We further strengthened our position as Türkiye's multi-play operator in the communications sector with our pioneering work on 5G and beyond technologies and a wide range of corporate services. In addition to the technologies developed by our in-house engineers, we have resolutely moved forward with the goal of expanding our ecosystem by supporting high value-added technology initiatives.

Today is the day to make
tomorrow better.

As the Türk Telekom family, we are committed to maintaining our position as a technology leader, fostering innovation and striving for a sustainable future.

We will continue to build strong foundations with these investments for Türkiye, both now and in the future, while adding value to our society and stakeholders. We recognise the importance of the steps that need to be taken for a sustainable future, believing that "today is the day to make tomorrow better". We should give as much emphasis on long-term sustainable achievements as we do on short-term profit-making results as part of our country's development vision.

Acting now will enable us to create new habits that are the cornerstone of sustainability and to pursue positive change. We continue to centre our goal on "creating value" for our world and our people, as we have done in the past. We aim to achieve a breakthrough not only for economic growth but also for a sustainable society by leveraging the potential of our domestic suppliers. In today's world, communication technologies have become one of the cornerstones of sustainable development.


We are on a journey
to become
a country that
shapes eras.

By investing in fibre infrastructure, which we hope will eventually reach every part of Türkiye, we intend to raise our country's global competitiveness and build an even stronger, environmentally friendly, and sustainable infrastructure for the future to serve a larger community. We support our stakeholders, including the entrepreneurship ecosystem, through partnerships with an emphasis on sustainability.

Our country is taking strong strides with the aim of leading eras in many fields. We have set the strategic objective of creating a sustainable domestic and national ecosystem in the area of information and communication technologies in line with the vision of "The Century of Türkiye." We implement innovative technologies through a combination of domestic and national manufacturing. In every step we take towards achieving sustainability goals, we move forward with the vision of building a stronger future as we produce solutions that adhere to international standards. As a result of our ongoing work on 5G technology, we now hold 62 patents that are recognised internationally. This value is a clear sign of the effective role of our country and our company in determining global 5G strategies. We use the technologies that we developed with shared knowledge and domestic resources together with our group companies Argela and Netsia, within our own organisation and offer them to the whole world through our global collaborations. This is crucial to our corporate structure and strategy as well as our technological leadership. Keeping this vision in mind, we are sticking to our plan to build strategic business alliances and invest with these alliances across a global network that goes from Silicon Valley to Europe and then to Asia.

We are not only concentrating on past achievements but also motivated to establish the foundations of sustainable success in the future. We continue to work towards strong, sustainable leadership in technological innovation with the support of our valuable stakeholders.

We have a mission that goes beyond producing technology.



We have a mission that goes beyond producing technology. Technology, in our opinion, is a transformative tool not only in energy and communication, but also in culture and art. This awareness has allowed us to bring our extensive technology expertise to the Atatürk Cultural Centre, of which we have been the main supporter since 2021 with great pride and enthusiasm. We equipped the entire venue with various technological solutions, to offer visitors a unique experience. We intend to carry on these partnerships and projects in the future because we believe in the convergence of art and technology.

As Türk Telekom, we believe that technology is a powerful tool that can be used to enhance the lives of our customers, meet their needs and have a positive impact on the environment.

We act with the ambition of providing a better future for the world using an innovative approach and with our principle of putting people first. Through our corporate responsibility initiatives and steps, we intend to make our business have a bigger positive effect on people and the environment.

While providing services to every corner of Türkiye, we strive to ensure that the underserved groups receive equitable access to communication opportunities. We believe that accessible communication is a social right, not a technological privilege.

Our key objectives include providing the sector with qualified human resources and contributing to the country's employment and economic sustainability through our collaboration with renowned universities and Türk Telekom Academy. Through our Development Base programmes, we train the next generation of cyber security specialists, IT specialists, and software developers while also imparting our industry knowledge to young people.

We take conscious and systematic actions to reduce our carbon footprint as an organisation that continues to fight against climate change at the highest level. While we work to implement concrete plans to reduce our emissions, we are relentlessly committed to expanding our solar energy capacity to increase the use of renewable energy sources.

We maintain environmental sensitivity as one of our top priorities and we continuously review all our business processes and policies taking into consideration our environmental impact. Acting with the awareness that resources are limited, we develop multifaceted solutions and projects to create an environmentally sensitive ecosystem.

The most valuable resources we have to accomplish our objectives are our clients' trust in us, our top-notch human resources, and our cutting-edge technology. We remain committed to contributing as effectively as possible to the transformation of Türkiye into a digital society. It is immensely valuable for us to continue our activities for a more liveable world by adhering to the United Nations Development Goals. We firmly believe that this approach also supports us in fulfilling our responsibility towards our stakeholders.

I am confident that these initiatives will continue to grow and have a profound impact on the world at large, allowing Türk Telekom to further solidify its position among the world's leading companies in the field of sustainability, and I would like to express my sincere gratitude to the Türk Telekom Family and all our stakeholders who support our sustainability initiatives.



CEO Message

Ümit Önal CEO – General Manager

The effects of the global economic recession, high inflation, climate change, and geopolitical risks on the social and economic order were top on the agenda in 2022. At Türk Telekom, we have focused on keeping up with the pace of change, strengthening our resilience, and writing a story of sustainable success in such a fragile environment. Owing to our technological competence, digitalisation initiatives and customer-oriented strategy, we remained committed to maintaining our industry leadership while retaining our growth-oriented investments.

“We mobilise our technological competence and digitalisation initiatives to ensure that everyone has access to information.”

We aim to strengthen the telecommunications ecosystem for the benefit of all, to build sustainability-based bridges with all our stakeholders, to be the digital partner of our customers and to move forward together on the journey to net zero emissions.

Despite the macroeconomic conditions, we once again delivered a balanced and strong financial performance through our proactive and adaptive measures. Our ability to precisely comprehend client expectations in a world that is rapidly going digital and to quickly meet these expectations was the driving force behind our success.

Total amount of investments that we have realised for the purpose of ensuring the digital transformation of our country, since the privatisation of our company in 2005, has reached 20 billion dollars. In preparation for Türkiye's new century, we are investing in domestic technologies and projects in many different areas, particularly in fibre infrastructure which assumes a key role in the development of our country and the industry. In this context, we extended the reach of our fibre network to 403 thousand kilometres by the end of 2022.

In this age where digital technologies are shaping practices of life, we continue to lead Türkiye with our know-how and experience in high technology. We consider any work to reduce dependence on external technologies as a national duty, thereby we do our best to create a local ecosystem and produce innovative technologies. We have secured our place on the world scene through our global collaborations to export the local and national technologies that we produce to other countries, instead of solely making them available in the local market. We started exporting 5G technologies to the world with our Group subsidiary Argela and Netsia in Silicon Valley.

As a supporter of the United Nations Sustainable Development Goals (SDGs) and a party to the United Nations Global Compact (UNGC), we consider the creation of value for stakeholders as one of the fundamentals of sustainability, alongside achieving a strong financial performance.

We have a commitment to transform our energy resources into sustainable ones.

Our home, the Earth, which has provided us with a habitat for billions of years, has recently been giving us crucial signals with effects such as climate change, population density, natural disasters and pandemics. All these developments, experienced on a global scale, show us how fragile and affected the ecosystem is. At this moment in time, we must reconsider our habits and prioritise sustainability at the heart of our way of doing business. We act by giving importance to the universal principles of sustainability in all our business processes, strategies and corporate decisions to produce technologies that improve the future.

We have made significant strides in meeting our energy efficiency goals and reducing carbon emissions in the fight against climate change. As Türk Telekom, we continue to aspire to be leaders

not just in business but also in environmental sustainability. With our sustainability performance that we continuously improve, we are ranked in both international and Türkiye's indices. This result is the most important indicator that we have successfully implemented our sustainability strategy and carried out our activities in compliance with international standards. We have integrated our sustainability approach into all of our corporate strategies as well as our daily operations. Accordingly, we were able to measure and see the value we created with greater accuracy. As per the Global e-Sustainability Initiative (GeSI) study, we are among the few global operators who have successfully reduced their electricity consumption.

Solar Power Plants (SPP) and Electric Vehicle Charging Network services are among our growing number of projects aimed at contributing to climate risk management. We provide significant savings in electricity and irrigation with our smart city solutions supported by 5G, artificial intelligence and IoT technologies. We actively play a role in reducing the time spent in traffic by approximately 35%, fuel consumption by 30%, and achieving 25% less carbon emissions. Thanks to all these projects, we are able to demonstrate the global impact of the smart solutions that we have developed in a very broad range, including electricity and energy efficiency, renewable energy sources, data centres, sustainability-oriented investments as well as our efforts in equality, inclusion, diversity, transparency and business ethics in various prestigious platforms such as CDP, Refinitiv, etc.

It is critical for companies to reduce their global carbon footprint. Accordingly, our main goal is to strengthen the telecommunication sector, to build sustainable bridges with all our stakeholders, to be the digital partner of our customers and to move forward together on our journey to achieve net zero emissions. We will continue to develop innovative products and share them with the rest of the world.

We work for
a better future.



The recruitment of digitally talented individuals is directly linked to a company's performance in achieving sustainability in the age of digitalisation. We recognise that investing in digital talent in a business environment with ever-changing expectations and needs is not only a technological requirement but also gives us a strategic advantage by improving our Company's innovative capacity. Therefore, we prioritise the recruitment of digital talent, and we know that moving our country forward in the technology race and contributing to national development is possible only by developing and disseminating the entrepreneurship culture. Owing to our corporate venture capital (CVC) company, Türk Telekom Ventures, which we have incorporated for this purpose, and Türkiye's first corporate venture acceleration programme, PILOT, we carefully embrace the entrepreneurship ecosystem and support local technology start-ups.

Our PILOT initiatives, which are the pride of our country, operate in many places from Asia to Europe and from America to Africa. As Türk Telekom, we are at the centre of efforts in establishing and developing the 'domestic 5G ecosystem'. 5G projects in industry, agriculture, gaming, health and education that we carry out in collaboration with local companies constitute a significant part of our vision to produce domestic technology. We have maintained our leadership in the industry by continuously working on 5G technology through local partnerships.

In terms of cyber security, we fulfil our responsibility to protect the nation's infrastructure and provide our customers the safest online experience possible. In line with technological transformation trends, we aim to reduce Türkiye's dependence on foreign technology by developing domestic solutions for various industries.

Aligned with our approach, defined as being inspired by technology to inspire the future, we say "Türkiye is Worth All Our Efforts" and we work for people, society and the environment at every point where our impact reaches. We focus on Türkiye's priority areas of need while determining our corporate social responsibility projects, accordingly, we implement projects particularly serving for quality education and reducing inequalities. Our goal is to provide equal opportunities to our stakeholders by developing projects that eliminate the disadvantages that prevent access to information by taking advantage of the opportunities of technology.

We consider the projects that we have already developed under the umbrella of "Türkiye is Worth All Our Efforts" motto as our investments with the highest return, thereby, with a sustainable approach we mobilise all the opportunities offered by technology for equal participation of every individual in society.

By integrating culture and art into our corporate social responsibilities, we have charted a new route where we will offer our high technology know-how to serve our national culture. We transferred our technology and digital transformation experience to Atatürk Cultural Centre, of which we are the main supporter. Atatürk Cultural Centre, with its structure embracing, integrating and unifying all segments of the society, reflects Türk Telekom's approach to accessible communication for everyone.

Every step we take
today is for the future
of the world.



Our sustainability efforts and the value we create with our stakeholders are extensively detailed in the Türk Telekom 2022 Sustainability Report. We are proud to share our goals, our strategic vision and the progress we have made so far in our report.

Thanks to our investments that create value in many aspects, as part of our "Century of Türkiye" vision in the 100th anniversary of our Republic, we will continue to make people "Feel Valuable" for a Türkiye that has completed its digital transformation, produces and exports its own technology in every arena such as defence, industry, agriculture and energy, and is prepared for 5G and the opportunities it will bring.

We would like to thank all our stakeholders and business partners who supported us for their contributions, in particular my colleagues who made these achievements possible by working with great enthusiasm for a greener future. We will make every effort to offer the value we create to the use of not only our country, but the whole world.

Türk Telekom at a Glance

Our widespread technology infrastructure, broad servicing network and ongoing investments that contribute significantly to growth of both our country and the industry define our leadership in the telecommunications sector. Türk Telekom's primary duty as a telecom operator pioneering the country's digital transformation is to carry Türkiye into the future. Our priority is to go beyond being a mere technology company and make everyone we touch "Feel Valuable" in every area we show presence.

We are Türkiye's first integrated telecommunications operator with a deep-rooted history. Operating with the experience and know-how of more than 180 years, our company provides both fixed and mobile services in 81 provinces of Türkiye.

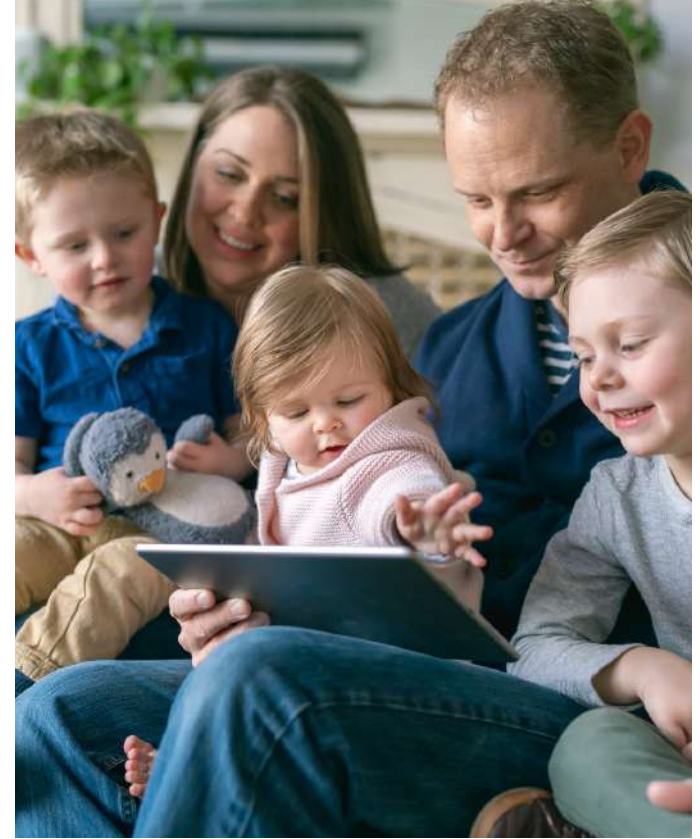
Thanks to the 403 thousand kilometres of fibre infrastructure reaching all over the country, we provide our customers with high-quality fixed voice and fixed broadband services, as well as satellite and IP TV services. We offer nationwide mobile voice and data services with more than 99% LTE population coverage ratio in mobile, our other primary business segment.

In addition to Türk Telekom's fixed and mobile core business lines, we add value to our individual consumers and business customers through our group companies that have significant positions in their respective industries and help us preserve our strong position in the telecommunications industry.

Our major group companies include convergence technologies company Argela, IT solution provider Innova, online education software company SEBIT, call centre company AssisTT, wholesale data and capacity service provider TT International, project development and corporate venture capital company TT Ventures, payment and electronic money services company TT Ödeme ve Elektronik Para Hizmetleri and financial technology company TTG Finansal Teknolojileri.

We are a significant resource not only for individuals and companies in Türkiye, but also for tourists visiting the country, thanks to the products and services we provide as Türk Telekom Group. Our company makes sizeable investments to ensure continuity and quality in the telecommunications sector by acting together with many local and foreign customers and suppliers.

Our priority is to go
beyond being a mere
technology company
and make everyone
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"Feel Valuable"
in every area
we show presence.



Shareholding and Management Structure

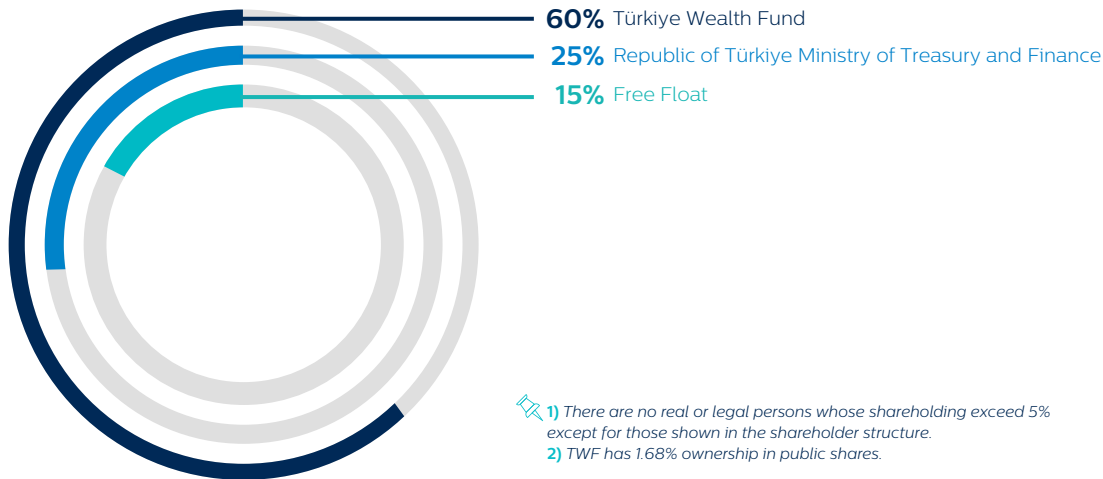
Strength Derived From Solid Shareholder Structure

We are one of the leading companies in Türkiye with our strong capital and shareholder structure.

The transfer process of LYY Telekomünikasyon A.Ş.'s (LYY) 55% stake in Türk Telekomünikasyon A.Ş. (Türk Telekom) to Türkiye Wealth Fund (TWF) was completed on 31 March 2022. Thus, TWF became the largest shareholder of Türk Telekom with 61.68% shareholding (1.68% of which is publicly traded). 25% ownership of the Ministry of Treasury and Finance and the 15% in free float remain unchanged.

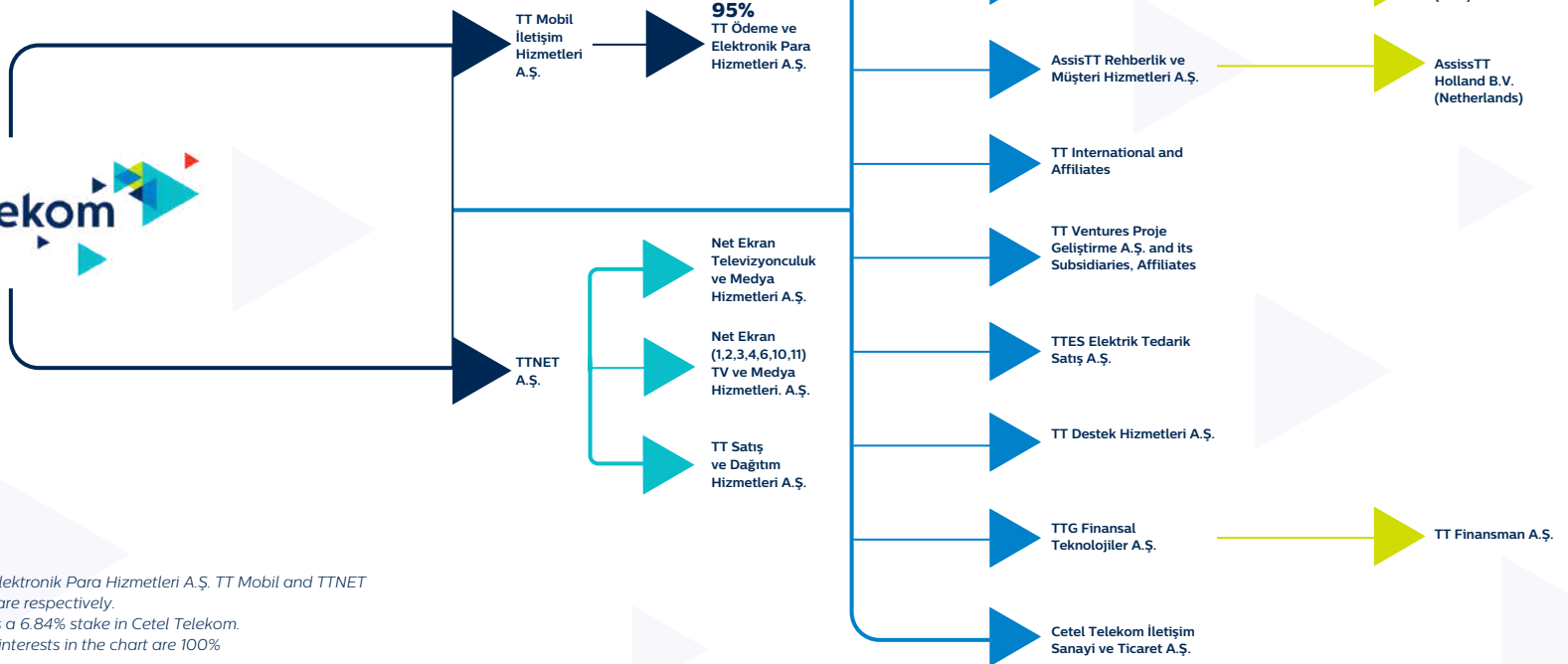
We are one of the leading companies in Türkiye with our strong capital and shareholder structure.

- TWF's (Group A) and (Group B) non-public share ownership is 55% and 5% respectively, in which (Group D) publicly trading shares ownership is 1.68%.
- The Ministry of Treasury and Finance's (Group B) non-public share ownership is 25%. In addition, the Turkish Treasury owns one (Group C) "Golden Share" with nominal price of TL 0.01.
- Public shares (Group D) constitute 15% of total capital.



► Subsidiaries, Affiliates and Financial Investments

Türk Telekom



1) In TT Ödeme ve Elektronik Para Hizmetleri A.Ş. TT Mobil and TTNET has 95% and 5% share respectively.

2) Türk Telekom has a 6.84% stake in Cetel Telekom.

3) Other ownership interests in the chart are 100%

Rising Synergy with Group Companies

Türk Telekom aims to achieve its sustainable growth target with the strength it drives from the group companies.



The 5G and Beyond Next Generation Telecommunication Technologies R&D Company and Solution Provider

- Netsia BB Suite: Next generation broadband access technology for fixed networks
- vRAN (RIC): SDN-Based Radio Access Network technology for LTE and 5G with numerous international patents
- NCA Suite: Network Performance Monitoring and Customer Experience Management (NPM/CEM) solutions used by telecom operators in Türkiye and in the world
- ULAK: Türkiye's first and only 4.5G (LTE-A) base station development project
- DEFINE: Türkiye's first domestic DPI device development project under the roof of OTAK Technology
- Productisation and Commercialisation in R&D activities
- Member of BBF, member of ONF and ONAP with its subsidiary Netsia
- Collaboration with global producers for R&D and solution provision



Türkiye's Leading Software Developer and System Integrator

- System Integration Solutions
- Fintech Products and Solutions
- IoT Platform and Solutions
- Artificial Intelligence and Big Data Solutions
- RPA (Robotic Process Automation) and RaaS (RPA as a Service)
- Network Management and Monitoring Solutions
- E-business Solutions
- Healthcare Solutions
- Smart City and Smart Store Solutions
- SAP, Business Intelligence, CRM, Project Management Services
- Managed Services and Consultancy Services



Customer Experience Company Offering End to End Multichannel Solutions

- With its competent human resources, 15 years of experience and strong infrastructure, end to end customer experience service 24/7 to customers in different sectors from telecommunications to media, from healthcare to finance, from logistics to e-commerce
- Communication centre solutions
- Digital services and technology solutions
- Customer experience and quality solutions
- Outsource management



International Arm of the Group That Opens Up to the World in Wholesale Data, Voice, SMS and Mobile Roaming Services

- 48 thousand kilometres fibre network covering Central and Eastern Europe, Türkiye and the Middle East
- More than 110 points of presence (PoP) in 25 countries
- Billions of minutes of transit voice traffic annually, more than 800 mobile roaming agreements and over 350 LTE mobile roaming agreements with more than 200 business partners
- Unique value-added solutions
- AMEERS and AMEER2: Routes connecting Western Europe to the Middle East
- SEA-ME-WE-5: Submarine cable system connecting Europe to Africa, the Middle East and Asia
- KAFOS: Submarine cable system extending from Black Sea to Europe
- MEDTÜRK: Submarine cable system connecting Middle East, Türkiye and Europe



Türkiye's Leading and Long-Established Education Technologies Provider

- E-education products for secondary and high school level
- Leading education products: Raunt, SEBIT VCloud and Vitamin Books
- Content and platform provider in e-education transformation projects in Türkiye and Northern Cyprus



The Corporate Venture Capital Company

- Focus on investments which contribute to the growth of early-stage start-ups and scalarget ventures in the areas of artificial intelligence, digital solutions, healthcare, and education
- Healthcare: Virasoft, DoctorTurkey and Kidolog
- Education: MentalUP
- Energy: Eltemtek
- Social Media: APPYAP
- Digital Marketing: Earnado
- Artificial Intelligence: Syntonym, B2Metric, Optiyol, QuantWiFi, MythAI, Arcanor, Cameralyze



Payment Services and Electronic Money Company

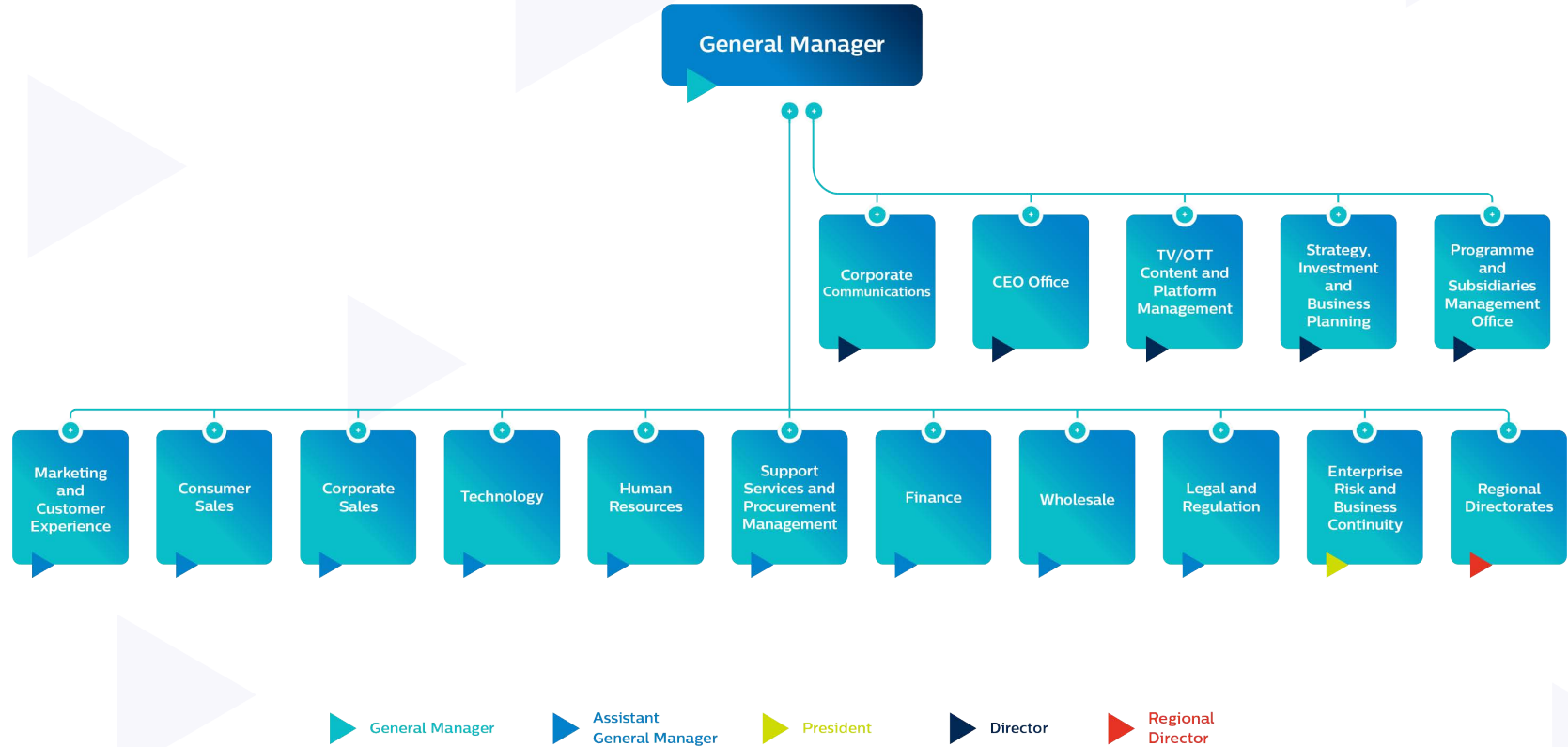
- Value-adding products and services for both customers and the industry with innovative and reliable payment solutions
- CBRT license for payment and electronic money services
- Strong position in mobile payments with its everexpanding network of merchant members
- Innovative fintech solutions with Pokus
- Growth in other payment services and products (Corporate Bill Payment, Bill Analytics, Virtual POS, Android POS etc.)



BRSA Licensed Financing Company

- Individual and commercial financing compatible with digitalisation-led changing purchasing and payment habits
- Reaching a broad customer base through Türk Telekom's extensive dealer channel, contributing to the growth of the financial sector and increasing access to financing
- Easy and fast fintech experience in addition to financing support for customers' technological needs
- Rapid growth differentiated with focus on customer experience and continuous improvement

► Organisational Structure



History

A deep-rooted Past of More Than 180 Years

1909

With the addition of telephone services, the institution was transformed into the PTT (Post, Telegraph, Telephone) Directorate.

1995

On April 24th, the telecommunications and postal services in the PTT were separated. All PTT staff, assets and liabilities related to the telecommunications services were transferred to Türk Telekom.

2005

Work on the privatisation of Türk Telekom was completed on November 14th, and 55% share of the company was transferred to Ojer Telekomünikasyon A.Ş.

2008

15% of the shares in Türk Telekom were offered to public on May 15th, and the shares started to trade in Borsa İstanbul. At the time, the transaction stood as the most successful initial public offering (IPO) to have taken place in Türkiye over the last 4 years.

2011

Türk Telekom became the first telecommunication company in Türkiye to report carbon emissions to the CDP (Carbon Disclosure Project).

2015

Türk Telekom got the full ownership of Avea İletişim Hizmetleri A.Ş.

Türk Telekom International became a full member of the SEA-ME-WE-5 submarine cable consortium, which would connect 17 countries.

Avea, participated in LTE Authorisation Tender. Expanding its capacity in different frequency bands, Avea became the mobile operator to have the widest frequency per subscriber.

2017

TT Ödeme Hizmetleri A.Ş. obtained a payment services authorisation from the BRSA.

A total of 6.68% of Türk Telekom shares held by Treasury were transferred to the TWF.

Türk Telekom rose to 2nd ranking in Pay TV market.

Türk Telekom became the first Turkish company to enter the management of the ONF platform which particularly designs 5G and beyond technologies of which global technology giants are members.

Netsia, successfully installed the test platform of "RAN Slicing" technology in Orange, Verizon and Telefonica.

2019

Türk Telekom successfully completed a 6-year USD 500 million bond issuance, which 264 investors from 39 countries demanded 5 times more.

Türk Telekom broke the world 5G speed record by reaching speeds of more than 2.9Gbps in the 5G speed test that it conducted with Huawei.

2021

Türk Telekom became the first operator in the world to experience open source SEBA technology with internet, IPTV and voice services on live site.

Türk Telekom paid TL 1.9 billion dividend to its shareholders in 2021.

1840

In order to meet postal needs, the Post Office was established, which started to provide telecommunication services in the following years.

1994

Türk Telekomünikasyon A.Ş. was established on June 30th, 1994.

2004

On February 19th, Türk Telekom's GSM Operator TT&TİM İletişim Hizmetleri A.Ş. was established. On October 15th, the trade-name of the company was changed to Avea İletişim Hizmetleri A.Ş. (Avea).

2006

On May 14th, TTNET, a subsidiary of Türk Telekom, was established and started its operations after being awarded an internet service provider license.

2010

Türk Telekom acquired and incorporated Invitel International (renamed as Türk Telekom International), the leading wholesale capacity provider in the Central and Eastern Europe region.

2014

Türk Telekom's bond issuance totalling USD 1 billion with maturities of 5 and 10 years got 8 times oversubscribed by international investors Transaction, which at that time was the largest corporate bond issuance ever made in Türkiye, was also the first to be issued with two different maturities simultaneously.

2016

Avea (TT Mobil), Türk Telekom and TTNET brands were all integrated under the single brand of "Türk Telekom".

Türk Telekom introduced its new youth brand, Selfy, to young people.



2018

Türkiye's largest Cyber Security Centre was opened at Türk Telekom's Ankara headquarter.

Türk Telekom established TT Ventures, the first corporate venture capital company in the Turkish telecommunications sector, with its focus on investing in early-stage and scalable companies.

55% shares of Türk Telekom were transferred from OTAS to LYY Telekomünikasyon A.Ş. (LYY)

2020

The number of subscribers served by the Group exceeded 50 million.

The first real time 5G live game broadcast of Türkiye was conducted by Türk Telekom.

Türk Telekom became participating member to United Nations Global Compact, the world's largest corporate sustainability initiative.

Licensing and cooperation agreement was signed with Juniper Networks, one of the leading network equipment manufacturers in the world, for Netsia's 5G patented RIC product.

2022

With the transfer of 55% of Türk Telekom shares from LYY to TWF, the ownership rate of TWF increased to 61.68%.

Türk Telekom paid TL 5 billion dividend to its shareholders.

TT Ventures Venture Capital Investment Fund was established. Consumer Finance company, TT Finansman A.Ş. was established.

TT Ventures Proje Geliştirme A.Ş. obtained Charging Network Operating license from EMRA.



Türk Telekom in Numbers

LEADING Operator in Türkiye Integrated Telecom Services

52.8
million

Subscribers

403
thousand
km

Fibre
Network in
81 Provinces

39,433

Employees

99%
LTE

Population
Coverage

31.4
million

Fibre
Homepass

4.1
billion TL

Net Income

48.0
billion TL

Revenue

2nd
Player

In Pay TV
Market

50%
Fibre
Connected

LTE Base
Stations

Vision and Values

Our priority is to make you Feel Valuable

Working for the future with the strength it derives from its deep-rooted history of more than 180 years, Türk Telekom's priority is to go beyond being a mere technology company and to make everyone it touches **"Feel Valuable"** in every area it has a presence in.

Türk Telekom is working for the future of our country with the strength it derives from its deep-rooted history of more than 180 years. As the telecom operator leading the country's digital transformation, it is Türk Telekom's primary task to carry Türkiye into the future. Its priority is to go beyond being a mere technology company and making everyone it touches "Feel Valuable" in every area it has a presence in. Türk Telekom aims to realise this vision with 17 values that it accepts as its compass.



Türk Telekom;

1. is human-oriented

With this understanding, it works day and night with the principle of providing the best service to all corners of the country

2. is brave

It knows no obstacles in running forward and adopts the principle of doing what would be considered impossible.

3. is honest

It stands behind every word, attitude, and behaviour of itself.

4. is sincere

It displays a loving and sincere approach in all of its relationships.

5. is lean

It adopts clarity in business and relationship processes.

6. is a leader

It proudly carries the pioneering qualities of being the driving force of its industry and acts accordingly.

7. is innovative

As a follower and practitioner of innovation brought about by technology, it works with the mission of carrying Türkiye into the future.

8. is agile

Its capability to be flexible and take quick action lies behind its success in all business processes.

9. is young-spirited

It keeps up with the times and today's conditions.

10. is excited

It is excited about the achievements and firsts that mark Türkiye's technology history.

11. works for social good in technology

It acts on the principle of "Accessible Communication for All".

12. understands social responsibility

It takes upon the problems of the country's people with its sensitivity to give back to the society what it takes from it.

13. is at peace with its past

It represents an institutional memory and spirituality that bear witness to Türkiye's history.

14. is domestic and national

In line with Türkiye's goals, it has the consciousness and sense for developing the most advanced technologies with domestic and national resources.

15. cares about its values

It always considers the priorities and sensitivities of the society in which it exists.

16. is productive

It makes a difference with what it produces by working and supporting.

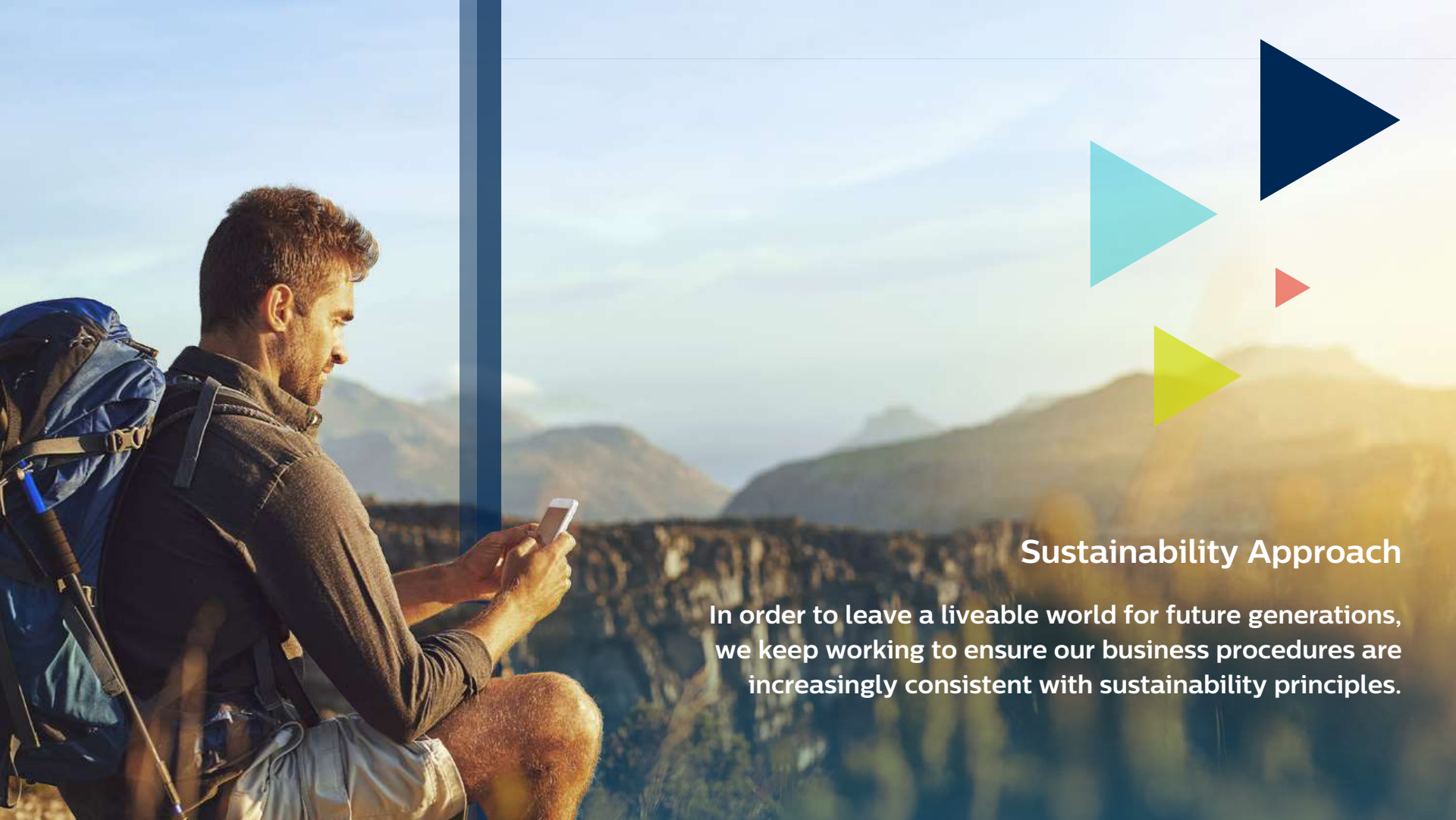
17. is sharing

It is willing to share the values it owns and creates with the whole society.

Türk Telekom adopts these values as its principles in every effort it sets out and every word it tells, both in its approach to handling the internal businesses and outside the organisation, and in communication and relationship management processes.

With the power it drives from all these 17 values:

"Türk Telekom Makes You Feel Valuable."



Sustainability Approach

In order to leave a liveable world for future generations, we keep working to ensure our business procedures are increasingly consistent with sustainability principles.

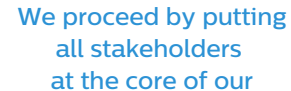
► Our Strategy

Boasting a nationwide network of communication infrastructure with 52.8 million subscribers, over 39 thousand employees and a sizable sales and dealer network, we as Türk Telekom, Türkiye's integrated operator, are aware of the magnitude of our impact on national development. We act responsibly and cognisantly of this magnitude when forming our strategy.

As an essential component of our sustainability strategy, we proceed by putting all employees, their families, suppliers, customers, and other stakeholders at the core of our transformation process. In order to leave a liveable world for future generations, we keep working to ensure our business procedures are increasingly consistent with sustainability principles.

First and foremost, we take important steps together with our stakeholders within the scope of environmental sustainability. We reduce our impact on energy resources through energy efficiency projects and turn to alternative energy sources. In the area of social sustainability, we aim to improve society's access to information through projects promoting digital equality, digital literacy and accessible connectivity for all. We focus on meeting customer expectations through digital transformation projects. We prioritise protecting the welfare of our employees and customers by taking health and safety measures. Additionally, within the framework of sustainability governance, we report in accordance with the principles of accountability and transparency. We collaborate with local suppliers and place large emphasis on job creation in order to support the local economy.

We value efficient use of energy resources in addition to investments and activities in waste management, energy efficiency and renewable energy in order to expand renewable energy resources and reduce the negative environmental effects.



We proceed by putting
all stakeholders
at the core of our
transformation process.

Envisaged by our sustainability approach, we offer products and services that support a low-carbon economy. We continue our efforts to reduce greenhouse gas emissions and support various sectors with our low carbon emission solutions and services.

As Türkiye's leading telecommunication company, we have set important sustainability targets. By 2023, we aim to reduce carbon emissions generated in 2020 by 35% (Scope 1-2) in line with our goal of systematically reducing our carbon footprint.

In order to enhance our environmentally friendly goals, we will soon set medium and long-term targets and will initiate efforts to align our targets with the Science Based Targets initiative (SBTi).

Our company is dedicated to fostering employee development by focusing on human value, providing equal access to information and communication technologies with an emphasis on contribution to society and encouraging the participation of women in working life.

We play an important role in strengthening Türkiye's digital infrastructure and contributing to a sustainable future. As Türk Telekom, we act with the mission of unlocking Türkiye's digital potential and contributing to the construction of a connected society through fiberisation. With this perspective, Türk Telekom has single-handedly completed a sizable portion of the distance that needs to be covered in fiberisation of Türkiye.

We support the creation of cities that are sustainable, efficient and have high quality of life by continuing to invest in smart city technologies. With solutions in line with the new generation urbanisation concept, we are leading Türkiye's largest smart city projects.

As we promote smart city technologies, our smart solutions contribute to the efficient use of national resources in municipalities by reducing electricity consumption, fuel consumption and irrigation.

We provide a wide range of individual and corporate products and services in the field of cyber security to protect customers from potential cyberattacks, unauthorised access to personal information and misuse of acquired data. Given the nature of the telecom industry

accommodating high number of customers and diverse data processing, we place the security of personal data at top priority in all internal and external business activities.

Beyond a telecommunications operator, as a key actor in transition to an information society, we account for the principles and requirements of quality, occupational health and safety, environment and customer satisfaction management systems in all our business processes.

We protect the rights of our stakeholders in our transactions and activities, which are governed by the relevant legislation and mutual agreements. In the event of an adverse situation, we make sure that these rights are protected in accordance with goodwill principles and Universal Human Rights.

We continue to be included in national and international indices so that all our stakeholders, especially shareholders and other investors, can monitor our performance in the field of sustainability.

► Our Governance

Within the framework of our sustainability governance, we aim to manage the opportunities and risks associated with economic, environmental, social and governance factors with the participation and ownership of senior management by taking these factors into account in company activities and decision-making mechanisms. We are making significant strides in sustainability governance and aim to manage ESG impacts in the best way possible by placing sustainability principles at the heart of our business strategies.

We have established the Sustainability Committee to carry out our sustainability related plans more effectively. Reporting to the Board of Directors, the Sustainability Committee is led by the CEO and consists of high rank management representatives. The Sustainability Committee plays an important role in defining the company's sustainability strategies, ensuring the integration of sustainability mindset into all business processes, implementing various initiatives to reach set goals, monitoring the progress towards targets and evaluating the sustainability performance.

**Sustainability
principles shape
our business strategies.**

We form sub-working groups to determine material issues and ensure compliance with the sustainability policy while carrying out operational activities effectively. The overall coordination and reporting of sustainability at our company is managed by the Investor Relations and Sustainability Directorate.

Our sustainability management prioritises the proper management of environmental impacts and energy efficiency in support of our strategic goals. We undertake many projects to reduce energy consumption and lower our carbon footprint. These include energy efficiency and diversification of energy sources, use of renewable energy sources, smart buildings and waste management.

As a company, we take social impacts into consideration and take pride in the multifaceted benefits we provide to all segments of society. Given our position in the industry and nationwide, we are aware that our social influence is widespread and significant. Our primary concerns include access for all and the equality of opportunity offered by the communication tools. We have been prioritising our investments with this view for many years because we are aware how crucial access is to the process of digitalisation in our country. We value the well-being and occupational health of our employees and adhere to the principles of diversity, equality and inclusion. We invest in the training and development of employees and continuously strive for improvements in occupational health and safety.



Being mindful of our corporate responsibilities, we relentlessly invest in and execute projects in a variety of fields to support our country's social well-being and contribute to the community.

We seek to contribute to the local economy and support sustainable economic growth while considering economic repercussions. We cooperate with local suppliers and encourage local employment. We also contribute to Türkiye's economic growth through digital transformation projects.

We take a comprehensive approach to our company's risk and opportunity analyses considering the development of the sector and Türkiye's progress and aim to boost the economic impact we make through a multiplier effect.

We value transparency and accountability in sustainability governance. We report our sustainability performance on a regular basis, engage with our stakeholders and consider their feedback. Furthermore, we aim to achieve better results by collaborating with stakeholders on sustainability issues.

► Our Focus Areas & Policy

Managing and other employees working at different levels support the success of our company's sustainability strategy under the leadership of the Sustainability Committee. Our executives lead the company's sustainability journey and play an important role in determining and implementing strategies. Senior or mid-level managers also take an active role in areas such as setting sustainability goals, encouraging their teams to achieve these goals, providing training to employees on sustainability issues and increasing the knowledge and awareness of employees.

We encourage our employees to share their ideas and suggestions on sustainability issues. Our employees take part in various projects to achieve the company's goals in areas such as energy efficiency, waste management and environmental protection. They also develop personally by taking part in training and informational programmes on sustainability-related topics and adapt to the sustainability strategy of the company.

Our company sets performance goals for employees in sustainability and assists them in meeting these goals. Additionally, the accomplishments of employees in sustainability-related matters are recognised and rewarded. As a result, we improve our employees' commitment to the sustainability strategy and aid the company in meeting its sustainability targets.

At Türk Telekom, we work with the principle of "Accessible communication for all". We pledge to uphold the 10 core universal principles of the United Nations Global Compact (UNGC) and to use the Sustainable Development Goals as a guide in how we do business.

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Our sustainability policy has been designed in accordance with our strategy after clearly defining our company's sustainability vision. We determine our focus areas for creating a sustainable future as follows:

**We pledge to uphold
the 10 core universal
principles of the
United Nations
Global Compact
(UNGC).**

**Focus on Trust –
Doing Business
Responsibly**

**Focus on
Value for Human**

**Focus on
Contribution
to Society**

**Focus on
Climate Change
and Environment**

**Focus on
Customers**





Focus on Trust – Doing Business Responsibly

Trust is a fundamental element of a digitalising world. Believing in the importance of winning the trust of all stakeholders, Türk Telekom commits conducting its activities in an honest, reliable, legal and ethical manner.

- ▶ Türk Telekom Group Companies comply with the legal regulations on bribery and corruption in all countries they operate and are represented at. They adopt a “zero tolerance” approach against bribery and corruption. They commit conducting activities in an honest, reliable, legal and ethical manner.
- ▶ Transparency, honesty and sincerity constitute the main values in procurement processes. Guides its suppliers to act in accordance with Türk Telekom’s Sustainability Policy.
- ▶ Participates in sustainability-focused initiatives and indices and undertakes sustainability reporting through a sustainability approach that is based on sharing its long-term targets with shareholders, customers, employees and other stakeholders.
- ▶ Implements the Corporate Governance Principles diligently and oversees the interests of all shareholders and stakeholders equally in a transparent and close relationship.

Focus on Climate Change and Environment

Türk Telekom is aware of the risks posed by the global climate crisis and works to mitigate these risks. It creates systems to ensure responsible use of natural resources and their continuity. It considers fulfilling its environmental responsibilities as duty.

Türk Telekom;

- ▶ Complies with all environment related national and international regulations and other obligations that it is subject to.
- ▶ Measures the significant environmental impacts arising from its activities and aims to continuously improve its environmental performance.
- ▶ Participates in the Zero Waste Project in order to prevent the rapid depletion of natural resources. It cooperates with competent and qualified companies in recycling the materials and resources that remain idle as a result of technological transformation.
- ▶ With high awareness around the impact of excessive energy consumption on society and the environment, focuses on investments and studies in energy efficiency and renewable energy.
- ▶ Monitors carbon emissions from its activities and participates in the Carbon Transparency Project (CDP). It offers products and services that support low carbon economy. It contributes to reduction of greenhouse gas emissions by supporting different sectors through these services and products.
- ▶ Conducts electromagnetic field measurements before and after the installation of mobile base stations and ensures that they work safely for people and the environment.
- ▶ Contributes to high efficiency in smart living in areas including transportation, security, energy, health, environment and life through its products and services it has developed for next generation cities.



Focus on Valuing People

Considering its employees as its primary asset, Türk Telekom aims to apply its people-centric principle "Makes You Feel Valuable" to all Human Resources policies, systems and processes. Türk Telekom;

- ▶ Respects the fundamental human rights in the United Nations Universal Declaration of Human Rights, the material and moral existence of human beings, and conducts all its activities accordingly.
- ▶ Prohibits all practices of forced labour, including drudgery, child labour, employing illegal immigrants and foreign personnel without a work permit, debt slavery and all forms of human trafficking.
- ▶ Values diversity, considers it an important asset, and commits to equal opportunities.
- ▶ Contributes to improving the knowledge and skills of its employees, their adaptation to recent technologies, their performance and competence through the training opportunities it offers.
- ▶ Is aware of the necessity of collaborating with its employees in order for its sustainability strategy to be successful. It cares for improving employee experience.
- ▶ Complies with all national and international regulations that it is subject to in occupational health and safety. With a proactive approach in creating a healthy and safe working environment, it conducts studies to identify risks, to prevent and reduce occupational accidents and occupational diseases that may occur due to existing risks.
- ▶ Supports its employees' legal rights to assemble, unionise and form associations.



Focus on Customers

Türk Telekom takes a customer-oriented approach in its operations and cares for enriching the customer experience. It aims to provide continuous and secure communication services through its resilient and robust infrastructure across Türkiye.

- ▶ It supports its customers in gaining an advantage in local and international competition, while improving the customer experience by increasing productivity through its innovative digital products and services. It establishes collaborations and business partnerships when necessary in this regard. Thus, it generates direct and indirect value for the country's economy.
- ▶ Carrying the responsibility of a telecommunication company that constructs and develops Türkiye's communication infrastructure, it aims to provide access services to all corners of the country as well as ensuring the resilience of its infrastructure and the continuity of communication.
- ▶ As Türkiye's cyber security operator, it works for national security by protecting the country's data. It follows legal requirements for the protection of employee, customer and other personal data sourced from its field of activity, and fulfils all its obligations in this regard.

Focus on Contributing to Society

Türk Telekom offers information technologies, a key enabler of sustainable economic growth and social development, for use in every corner of Türkiye.

- ▶ In addition to the products and services it develops, Türk Telekom considers making information available for all segments of the society that are unable to participate in social life equally due to economic, social or physical reasons amongst its corporate responsibilities and carries out its activities based on the principle of "Accessible communication for all". Moreover, Türk Telekom supports United Nations Sustainable Development Goals through its business conduct and corporate social responsibility projects. Aiming to eliminate the digital gaps in society, it contributes to the availability of information for all segments of the society.
- ▶ It sets an example by undertaking projects that provide solutions to the primary needs of the society, and aims to increase public awareness at this front.
- ▶ In its social responsibility activities, Türk Telekom implements an 'inclusive business model' that is indispensable for sustainable global development. It aims to improve the living conditions of disadvantaged groups while also including them in the economy. It also guides its ecosystem in this field.
- ▶ Türk Telekom plays a key role in availability of information for all segments of the society and extending education to every corner of the country, thanks to its current social responsibility activities in addition to its products and services. It provides equal opportunities in access to education and information for the disadvantaged segments of society in particular.



► Materiality Assessment

We carried out a comprehensive study of “Türk Telekom Sustainability Focus Areas” in attempts to recognise our material issues in sustainability. We conducted this study through surveys and one-on-one stakeholder meetings, covering Türk Telekom’s internal and external stakeholders (domestic and international).

We have received a total of 68 responses to the survey, 36 responses from internal stakeholders including employees, senior management and shareholders; and 32 responses from external stakeholders including investors, suppliers, customers, non-governmental organisations (NGOs), universities, and public institutions.

We have conducted one-on-one interviews with 24 internal and external stakeholders as part of the materiality assessment and collected their opinions on related issues.

We held
one-on-one interviews
with 24 internal and
external stakeholders and
collected their opinions
on material issues.

7 out of 38 topics evaluated were determined as highly material:

Human Rights,
Ethics & Integrity

Employee
Engagement,
Education, Talent &
Career Development

Digitalisation &
Innovation

Energy
Management

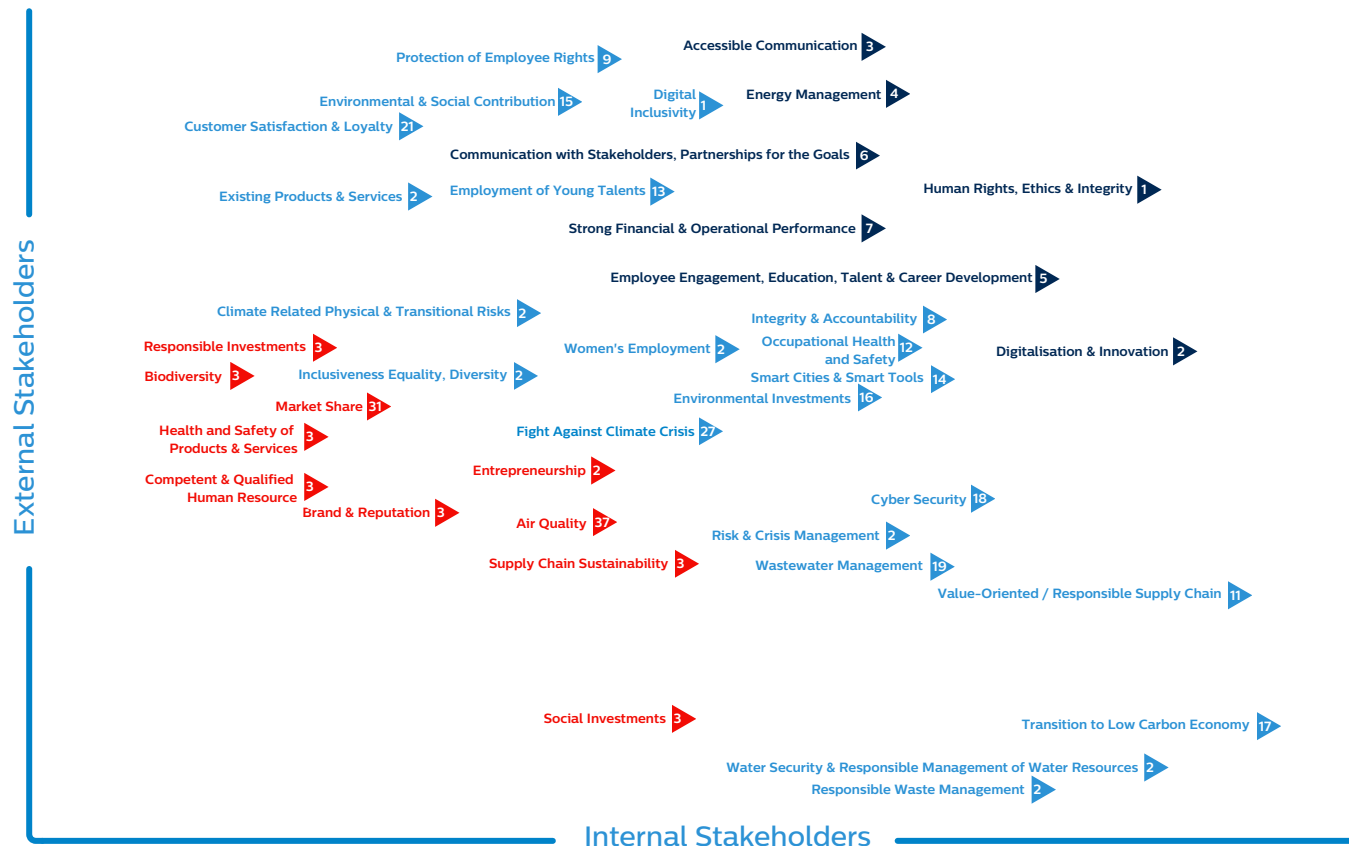
Strong Financial
& Operational
Performance

Accessible
Communication

Communication
with Stakeholders,
Partnership for the
Goals



Materiality Analysis Matrix



High Materiality Issues

1. Human Rights, Ethics & Integrity
2. Digitalisation & Innovation
3. Accessible Communication
4. Energy Management
5. Employee Engagement, Education, Talent & Career Development
6. Communication with Stakeholders, Partnerships for the Goals
7. Strong Financial & Operational Performance

Our Contribution to United Nations Sustainable Development Goals Over Material Issues

Materiality Topics	4 QUALITY EDUCATION	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	Sub-goals
Human Rights, Ethics & Integrity				✓		✓		✓		✓		8.5, 8.7, 8.8, 10.2, 10.3, 12.8, 16.3
Digitalisation & Innovation				✓	✓		✓					8.2, 8.3, 9.1, 9.5, 11.2
Accessible Communication					✓	✓	✓					9.C, 10.2, 11.2, 11.3
Energy Management			✓		✓			✓	✓			7.2, 7.3, 9.4, 12.2, 13.2
Employee Engagement, Education, Talent & Career Development	✓			✓								4.4, 8.5
Communication with Stakeholders, Partnerships for the Goals								✓		✓	✓	12.6, 16.6, 17.6, 17.17
Strong Financial & Operational Performance				✓								8.1, 8.2, 8.3
Integrity & Accountability										✓		16.5, 16.6
Protection of Employee Rights		✓		✓		✓						5.5, 8.5, 8.8, 10.1, 10.3, 10.4
Digital Inclusivity					✓	✓						9.2, 9.C, 10.3
Value-Oriented / Responsible Supply Chain				✓				✓			✓	8.7, 12.6, 17.14
Occupational Health and Safety				✓								8.8
Employment of Young Talents	✓			✓		✓						4.4, 8.5, 8.6, 10.2, 10.3
Smart Cities & Smart Tools			✓		✓		✓					7.3, 9.1, 11.1, 11.2, 11.3, 11.5, 11.6
Environmental & Social Contribution			✓	✓	✓				✓			7.1, 7.2, 8.6, 9.5, 13.1, 13.2, 13.3
Environmental Investments			✓					✓	✓		✓	7.1, 7.2, 12.4, 12.5, 13.2, 17.16
Transition to Low Carbon Economy			✓				✓	✓	✓		✓	7.1, 7.2, 11.6, 12.4, 12.5, 13.2, 17.16
Cyber Security					✓					✓	✓	9.1, 9.2, 9.3, 16.10, 17.6

Materiality Topics	4 QUALITY EDUCATION	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS	Sub-goals
Wastewater Management							✓	✓				11.5, 12.5
Risk & Crisis Management							✓		✓			11.5, 13.1, 13.2
Customer Satisfaction & Loyalty				✓								8.2
Water Security & Responsible Management of Water Resources								✓				12.2, 12.8
Existing Products & Services	✓				✓		✓					4.4, 9.1, 9.2, 9.3, 11.1
Climate Related Physical & Transitional Risks			✓	✓			✓	✓	✓			7.2, 8.4, 11.5, 12.2, 13.1, 13.2, 13.3
Responsible Waste Management							✓	✓				11.6, 12.4, 12.5, 12.6
Inclusiveness Equality, Diversity	✓	✓		✓		✓						4.4, 5.1, 5.5, 8.5, 8.6, 10.3, 10.4
Fight Against Climate Crisis			✓				✓	✓	✓			7.2, 11.6, 12.2, 12.4, 12.5, 13.1, 13.2, 13.3
Women's Employment		✓				✓						5.1, 10.3
Entrepreneurship		✓		✓							✓	5.5, 8.2, 8.3, 8.6, 17.9
Supply Chain Sustainability				✓	✓			✓	✓			8.4, 9.3, 12.6, 12.7, 13.3
Market Share				✓				✓			✓	8.2, 8.3, 12.6, 17.6
Responsible Investments		✓	✓						✓	✓		5.5, 7.2, 13.2, 16.6
Social Investments		✓		✓		✓						5.4, 8.3, 10.4
Brand & Reputation					✓			✓			✓	9.5, 12.6, 17.16
Health and Safety of Products & Services				✓				✓				8.8, 12.6
Competent & Qualified Human Resource	✓			✓								4.3, 4.4, 8.2, 8.5

► Creating Value in the Digital Age

For Türk Telekom, the digital age refers to a period in which technology develops rapidly and digitalisation spreads to all areas of life. Blending digital tools and conventional methods for the purpose of value creation is crucial in this transformation.

Creating value in the digital age is associated with using digital tools and technologies such as the internet, mobile devices, artificial intelligence (AI), big data analytics, optimising business processes, improving customer experience and creating new business models. As Türk Telekom, we encourage innovation while creating value. The use of new technologies and digital tools provides opportunities to offer new products and services. We comprehend customer behaviour and offer personalised experiences with technologies such as artificial intelligence and big data analytics.

As Türkiye's first integrated telecommunications operator dedicated to providing nationwide high-quality connectivity, we have nearly doubled fibre network in the past 7 years, reaching 403 thousand kilometres by the end of 2022. We are actively contributing to Türkiye's digital transformation and unwavering in our commitment to widespread deployment of the fibre network which will also serve as the fixed infrastructure for the 5G technology.

In addition to creating digital value, we ensure that digital talents are represented in the workforce through fostering initiatives, offering career opportunities and developing employment prospects in this field. Furthermore, we emphasise competencies such as innovation, creativity, flexibility and continuous development and we strengthen our ability to adapt to the rapidly evolving nature of digital age. In this way, we believe we can capitalise on the opportunities offered by the age and achieve sustainable success.

403
thousand km

Fibre network
almost doubled
over the last
7 years



► Our Interaction with Stakeholders

We consider stakeholder relations as one of the key elements of our sustainability strategy. As Türk Telekom, we value understanding our stakeholders' perspectives and expectations and aim to act accordance with them. In order to achieve this goal, we conducted a survey with 68 stakeholders and we held one-on-one meetings with 24 stakeholders in order to collate their opinions on material issues for sustainability. The insights collected from our stakeholders served as a guide in the construction of our sustainability strategy and the goal setting process.

We received a total of 68 responses to the survey, 36 of which were from internal stakeholders including employees, senior management and shareholders and the remaining 32 from external stakeholders including investors, suppliers, customers, non-governmental organisations, universities and public institutions.

We operate in accordance with our sustainability materialities which we have established by considering our stakeholders' opinions. We place the Human Rights approach at the heart of our sustainability strategy and management.

We communicate with all our stakeholders through different channels in varying frequency ranges. Our priority stakeholders determined by our Sustainability Committee include local communities and the public, customers, employees and their families, major shareholders and investors, suppliers, NGOs and professional organisations, financial institutions, group companies, public and local authorities, regulatory and supervisory bodies, the media, competitors and academic institutions. We evaluate all feedback from our stakeholders and incorporate their opinions into our decision-making processes.

**Human Rights
approach**

**The heart of our
sustainability
strategy**

Employees

Employees, their families, unions, former employees, potential employees (new graduates, young talents, top performers)

Customers

Individuals, corporates (SMEs, Large Companies & Corporations), public enterprises, other entities & organisations, business partners, social media companies

Public & Local Authorities, Regulatory & Supervisory Bodies

Governments and Ministries, local authorities and bodies, international initiatives, national and local institutes

Academic Institutions

Secondary and higher education institutions, other academic organisations

Shareholders

Türkiye Wealth Fund (TWF), The Republic of Türkiye Ministry of Treasury and Finance, public shareholders

Local Community

Communities that live in regional offices and headquarters, non-profit organisations, environmental organisations, cultural associations and organisations, active social media users

Media

Printed, audio, visual local and international media outlets, social media platforms, opinion leaders

Group Companies

TT Mobil İletişim, TTNET and all affiliated companies

Financial Institutions

Banks, equity & bond investors, analysts, credit rating institutions, insurance and leasing companies

NGOs & Professional Associations

NGOs, unions, foundations, associations, research organisations, professional associations, national and international organisations, think tanks

Suppliers

Sub-contractors, vendors, business partners, technology companies

Competitors

Local and foreign telecom & infrastructure companies

Stakeholder Main Category	Communication Method	Communication Subjects
<ul style="list-style-type: none"> Employees and Their Families Young Talents Potential Employees Former Employees 	<ul style="list-style-type: none"> Surveys Reporting and bulletins Feedback meetings One-on-one meetings Human resources interviews Workshops Projects 	<ul style="list-style-type: none"> Introduction of the company, employee engagement, employee satisfaction, wage level, basic rights, benefits, career opportunities, internship and training opportunities at home and abroad, talent-oriented development, employee health and safety, support for volunteering and entrepreneurship, performance evaluation, employee participation and feedback Fair set of benefits, equal opportunity, career plan, well-defined working conditions and comprehensive descriptions of roles and responsibilities Benefits and opportunities granted to relatives of employees Continuation of former employees' relationship with the company and of vested rights
<ul style="list-style-type: none"> Customers 	<ul style="list-style-type: none"> Surveys Feedback Customer meetings Events 	<ul style="list-style-type: none"> Individual Customers: Uninterrupted and high-quality communication, innovative products and services, wide coverage, reasonable pricing, campaigns, free applications, cyber security services, applications for vertical areas, customer support and problem solving, social media and other digital channels Corporate Customers: Infrastructure, continuous service, innovative products, dedicated call centre and specialists, services and products exclusive to corporate customers, transparency, collecting customer feedback and understanding the needs
<ul style="list-style-type: none"> Shareholders & Investors 	<ul style="list-style-type: none"> General Assembly meetings One-on-one meetings Public Disclosure Platform (KAP) Website 	<ul style="list-style-type: none"> Financial performance, investment and portfolio management, sustainability approach and progress on sustainability over the years, environmental performance, strategic plans, risks and opportunities, serving the public, corporate governance and transparency
<ul style="list-style-type: none"> Suppliers 	<ul style="list-style-type: none"> Surveys Supplier evaluation processes 	<ul style="list-style-type: none"> Inclusive contracts with clear terms, sustainability criteria, human rights, inventory and demand management, employee resources and budget allocated to technological developments, timing of payments, creating new business opportunities and/or providing reference for others
<ul style="list-style-type: none"> NGOs & Professional Associations 	<ul style="list-style-type: none"> One-on-one meetings Reporting and bulletins Workshops 	<ul style="list-style-type: none"> Collaborations, events, mentoring-entrepreneurship programmes, capacity building activities, advocacy activities, etc.
<ul style="list-style-type: none"> Financial Institutions 	<ul style="list-style-type: none"> Meetings with financial institutions Public Disclosure Platform (KAP) Website 	<ul style="list-style-type: none"> Financial and operational data, company strategies, loans, green loans, investment and portfolio management, risks and risk management, governance, climate-based measures, environmental consciousness, base stations, access to services, serving the public, transparency and fairness, progress on sustainability performance over the years, financial technologies (fintech)

Stakeholder Main Category	Communication Method	Communication Subjects
<ul style="list-style-type: none"> Public & Local Authorities Regulatory & Supervisory Bodies 	<ul style="list-style-type: none"> Auditing Reporting discussions 	<ul style="list-style-type: none"> Secure service, audit and compliance, data security and protection, service continuity, strong and broad infrastructure, legal compliance, transparency
<ul style="list-style-type: none"> Local Community 	<ul style="list-style-type: none"> Feedback Market research 	<ul style="list-style-type: none"> Comprehensive and inclusive services, high quality, fast and uninterrupted internet, strong and broad infrastructure, affordable prices, public opinion and feedback, environmental and social impacts, security and privacy, emergency services, technological developments, crisis communication
<ul style="list-style-type: none"> Group Companies 	<ul style="list-style-type: none"> Group projects Discussions and meetings 	<ul style="list-style-type: none"> Holistic approach, consistent and harmonised action, creating synergies through new products and services, infrastructure sharing, strategic targets and sustainability goals
<ul style="list-style-type: none"> Media 	<ul style="list-style-type: none"> Press meetings Social media channels 	<ul style="list-style-type: none"> Company activities, new projects, company's position in the sector, investments, collaborations based on contribution to society, marketing and advertising collaborations, social responsibility
<ul style="list-style-type: none"> Competitors 	<ul style="list-style-type: none"> Collaborations Shared events and targets 	<ul style="list-style-type: none"> Development of the sector, competitive analysis, technology and innovation trends, being domestic and national, cyber security, PDPL (Personal Data Protection Law), products and services in the vertical area, infrastructure sharing, crisis and emergencies
<ul style="list-style-type: none"> Academic Institutions 	<ul style="list-style-type: none"> R&D projects Research Career development centres 	<ul style="list-style-type: none"> Collaborations with educational institutions for developing products and services, R&D, technology transfer, internship and job opportunities, training and workshops, social responsibility projects, information sharing

► Our Sustainability Journey

We continue our years long sustainability journey with the strength we derive from our more than 180 years of experience, the know-how that comes from this proud past and our commitment to meeting the needs and expectations of the day. We design, develop and implement our strategies consistently for value generation for all of our stakeholders in accordance with our sustainability vision, which we have advanced in order to secure not just today but also tomorrow. As Türk Telekom, we frame the governance structure we have built over time with policies and we enhance the products and services we provide to our customers, our infrastructure investments and the numerous projects we carried out with social responsibility awareness with the goal of leaving a sustainable world for the future generations.

We have set out our Sustainability Policy and strengthened our governance structure by establishing the Sustainability Committee which reports to the Board of Directors.

We will set medium and long-term targets in alignment with the Science Based Targets initiative (SBTi).

We share many of the activities we have implemented with our stakeholders through the Annual Report on a yearly basis. We participate in various sustainability indices and platforms, striving to elevate our company's position in this field. We set our first goals in this area in 2020, with the publication of our first sustainability report. In subsequent periods, we have prepared our Sustainability Policy and formed the Sustainability Committee which reports to our Board of Directors, primarily in an effort to strengthen our governance structure. In the upcoming period, we will advance with setting our medium and long-term targets to pursue our strategy that is aligned with the Sustainable Development Goals. We will openly communicate with stakeholders our progress that demonstrates our commitment to set targets. We will continue our sustainability focus by placing ourselves among the leading and exemplary companies in this field, like we do in many other areas we operate in.

► Our Sustainability Goals

At Türk Telekom, we are aware of the critical importance of combating climate change and protecting the environment for the future of our planet. In this context, we shape our sustainability targets in accordance with the "Climate Change and Environment Focus" under our strategy and we concentrate on reducing our carbon footprint systematically.

Earlier on, we had set 2020 as our base year and 2023 as our target year for our climate goals. We aimed for a 35% reduction in scope 1 & 2 carbon emissions and a 60% increase in renewable energy generation from solar power by 2023 compared to the base year. We achieved our renewable energy production target from solar power in 2022. We are taking firm steps towards reducing our emissions and carrying out the works that will further advance us in this field in line with our priority plans.

Our strategic goals are compatible with United Nations Sustainable Development Goals. We strengthen the digital infrastructure through energy efficiency efforts, investments in renewable energy sources and environmental-friendly technological solutions. Thus, we lead the way in promoting sustainability in the telecommunications sector.

We actively contribute to our country's national goals in the fight against climate change, in addition to growing our positive impact on global scale with our targets. Furthermore, we will enhance our targets by adopting Science Based Targets initiative (SBTi) criteria and approaches that are consistent with the Paris Agreement's

principal goal of limiting global temperature rise to 1.5 °C compared to pre-industrial era. In keeping up with our commitment to our identity and sustainability, we aim to determine targets that are both realistic and reflective of our potential, as well as those that satisfy the expectations of our stakeholders. In this regard, we are assessing all our processes and business models. We will shortly set medium and long-term targets and initiate the required processes to align our targets with the Science Based Targets initiative (SBTi).

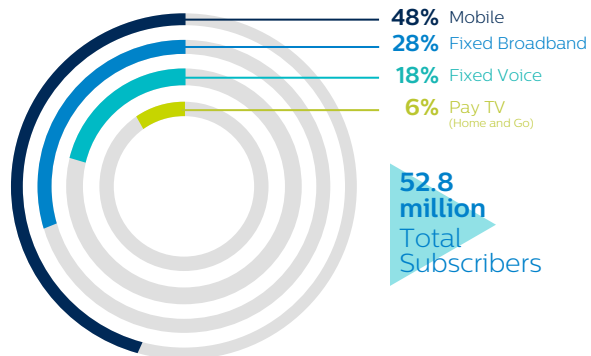
On the other side, focusing on the social impact we create, we offer fixed and mobile connectivity to individuals and organisations using the infrastructure we carry over the entire nation. We aim to continue enhancing our contribution to society in digitalisation and access to information.

By approaching all our stakeholders equally and using the Sustainable Development Goals as a principle, we strive to apply best practise examples using the solid governance structure we have developed. We seek to improve our standing in the indices we are featured in while advocating transparency and accountability at all times.

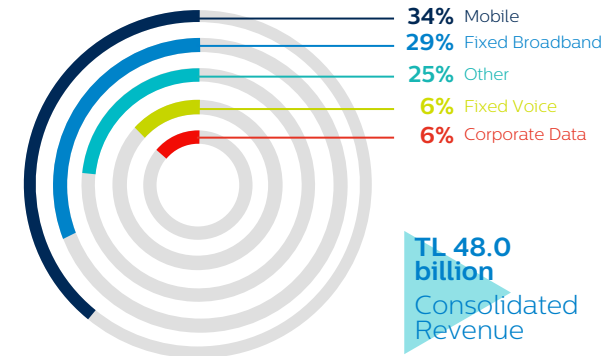
Our foremost priority is to strategically allocate all our investments which we undertake in various areas in order to achieve our targets by maximising the economic value that Türk Telekom generates. Simultaneously, we are dedicated to maintaining the highest level of financial and operational performance within our company.

Financial Performance

Strongest position in multiplay offers



Balanced revenue portfolio



Other TV, international sales, interconnection, IFRIC 12 standard, eliminations and other revenue

FOCUSING ON HIGH GROWTH

Fixed Broadband (TL Million)



Corporate Data (TL Million)



"Türkiye's Multi-Play Provider"

Türk Telekom provides services to 17.3 million fixed access lines, 14.8 million fixed broadband, 2.9 million TV and 25.5 million mobile subscribers as of 2022.

Mobile (TL Million)



Fixed Voice (TL Million)



As Türk Telekom Group, we completed 2022 with accelerating growth every quarter amid critical agendas such as geopolitical risks, high inflation, slowing global growth and climate change.

Consolidated revenues increased to TL 48.0 billion, up by 40.2% YoY. Excluding the IFRIC 12 accounting impact, revenue growth was 40.1%, ahead of the 2022 guidance of 37%.

Consolidated Revenue
of TL 48 billion

Consolidated
revenues increased
to TL 48 billion,
up 40.2% YoY.

Excluding IFRIC 12, operating revenue growth was 40.1% YoY with respective increases of 32.3% in fixed broadband, 42.8% in mobile, 59.0% in international sales, 25.3% in corporate data and 103.9% in other revenues.

Consolidated EBITDA increased by 16.6% YoY and reached TL 19.1 billion in 2022. High base, cost inflation and composition of revenue growth were the main reasons diluting EBITDA margin down to 39.9%. Operating profit grew by 8.2% YoY and reached TL 11.0 billion in 2022. Operating profit margin declined to 23.0% in 2022 from 29.8% in 2021.

2022 net income was TL 4.1 billion compared to TL 5.8 billion a year ago. A higher net financial loss YoY was partly offset by the tax income recorded throughout the year.

1.47x Net Debt/EBITDA ratio was well-contained despite the volatility in FX and interest rates within the year.

Net long FX position, which was USD 242 million at the end of 2021, rose to USD 375 million by the end of 2022. Excluding the ineffective portion of the hedge portfolio, namely the PCCS contracts, foreign currency exposure pointed to a USD 458 million short FX position.

Capex reached TL 13.9 billion in 2022, within the guidance of TL 14.0 billion, compared to TL 8.8 billion in 2021. Fixed and mobile investments made respective 55% and 20% of total expenditures.

We believe that a strong economic structure supports sustainable growth, competitiveness, employment and prosperity. Türk Telekom's solid and diversified business model allows maintaining a financial balance and rapid recovery in the face of economic crises, global volatility and other external factors. We put policy commitments into action, evaluate the risks and opportunities for our operations and formulate investment plans with a focus on sustainability in order to maintain and reinforce this structure.



► Sustainability Based Investments

We aim to create long-term value by taking ESG factors into account in our sustainability-oriented investments. We care to manage environmental impacts in the best way possible and utilise natural resources efficiently. Our sustainability-oriented investments focus on issues and principles such as renewable energy, energy efficiency solutions, waste management, protection of water resources, meeting the needs of the society, increasing social welfare, strengthening brand reputation and brand value, managing ethical values at the highest level and making purpose-oriented collaborations.

Sustainability-oriented investments also provide an important strategy for risk management, reputation management and competitive advantage. Such investments have the potential to provide financial returns while supporting the principles of environmental sustainability, social welfare and good governance. Therefore, they play an important role for our company as a strategy for the future.

With this approach, as Türkiye's fibre powerhouse, we have been transforming copper

infrastructure into fibre for years. We have been constantly improving our infrastructure quality and energy efficiency in our networks while fiberising all corners of Türkiye through critical greenfield projects. We prefer equipment and software with high energy efficiency in mobile base stations and cooling systems and we produce innovative solutions with our internal resources.

At the beginning of 2022, we began the transformation of SDH (Synchronous Digital Hierarchy) transmission systems, which have reached the end of their technological life cycle and were used extensively in rural networks, to next generation DWDM (Dense Wavelength Division Multiplexing) systems. Through this transformation, we aimed to address the increasing demand for capacity on the network in a modular way, at the same time we establish energy-saver systems that target lower carbon emission. In the following years, we plan to continue with the modernisation process which has been carried out in approximately 500 locations in 2022.

As part of 5G preparations, we increased the ratio of fibre connected LTE sites to 50% and converted 10 GE connections to 100 GE connections by the end of 2022. We have additionally completed the transformation work to support speeds of up to 11 Tbps from 2 Tbps in total capacities of the devices. As part of the targeted improvements, we established three new internet gateways to provide redundancy for 5G and LTE traffic in mobile network, reduce potential latency, optimise capacity management and improve customer experience.

In order to increase the proportion of domestic products used in the fibre network we offered a domestic modem produced through on-site production with Vestel. Again, in order to support domestic production of lithium battery, we reached an agreement with ASPILSAN Enerji for the development and commercial use of domestic lithium batteries. ASPILSAN Enerji with the support of Türk Telekom engineers, developed a lithium battery that was firstly tested on Türk Telekom's live network and the product has since been in use commercially. In 2022, we signed contracts with ASPILSAN Enerji and Orbit Enerji for the supply of 1,500 and 1,000 domestically produced lithium batteries, totalling to 2,500 batteries. In addition to supporting domestic production, we aim to extend the redundancy period in serviced areas, increase service quality and save on operating costs through the lithium battery conversion project.

Türk Telekom and Huawei collaborated in developing industrial 5G practices and improving the ecosystem, in addition to sharing a strategic vision for the development of 5G ready networks and quality network implementations.

To improve our processes, we implemented a new business model as part of Customer Service Convergence (CSC) that focuses on four basic axes: Digitalisation in Operations, Operational Analytics, WiFi Operations and Solutions in All Fields. We increased the rate of remote digital solution to 78% for broadband fault processes by utilising artificial intelligence based proactive and reactive solutions under our initiative of Digitalisation in Operations. Consequently, our

company offers not only significantly faster solution to its subscribers, but also ensures maximum service continuity.

We expanded our new products and services development and improvement efforts by entering into a five-year collaboration with Erzurum Atatürk University. Students participated in the programme, which started in the spring term of 2022, had the opportunity to work with Türk Telekom teams on innovative technology projects such as blockchain, NFT, artificial intelligence and IoT. In this way, invaluable contributions were made towards the development and excellence of our company's products and services.

We provide cyber security services to approximately 4 thousand enterprises through more than 30 products and services, the largest cyber security portfolio in Türkiye.

In the last year, we installed another 1.5 MW solar energy system, bringing the total installed capacity of renewable energy systems to 4 MW.

As Türk Telekom, we are working in cooperation with the Informatics Industry Association (TÜBISAD) for the recycling of electronic waste generated as a result of the services we provide.

We prefer energy-efficient equipment and software and produce innovative solutions with our internal resources.

► Our Contributions to National and International Reporting

As Türk Telekom, we published our first Sustainability Report in 2020. We clearly set out our company's sustainability approach, goals and sustainability vision in the report. In order to further solidify this vision, we established our Sustainability Policy. We also aligned our governance structure with our sustainability vision and established the Sustainability Committee in order to carry out our activities more effectively and transparently. We established the Investor Relations and Sustainability Directorate in order to effectively coordinate and monitor our sustainability activities and share them with all stakeholders in a timely and transparent manner. We monitor our activities, targets and investments in line with our sustainability roadmap through our Sustainability Committee and submit critical committee decisions to the Board of Directors for approval.

We plan to set our medium and long-term goals in the near future according to the criteria of the Science Based Targets initiative (SBTi). We will continue to take every step in our sustainability journey in a traceable and measurable manner by determining the performance indicators that will enable us to reach our targets.

In line with our strategy, we aim to add value to the environment, society and our stakeholders with our achievements in sustainability by acting in accordance with our policies and commitments. In order to measure, report and continuously improve our sustainability performance, we follow the expectations of globally recognised indices and guidelines of sustainability organisations and frameworks.

We put forward a serious effort to manage our business processes and activities in line with sustainability principles, reduce our environmental impact, contribute to social responsibility projects and meet the expectations of our stakeholders and we participate in important national and international indices.

We participate in
national and international
sustainability
organisations
and indices.

We are the only telecom company included in the BIST Corporate Governance Index since 2009. We have also been a part of the BIST Sustainability Index since its creation in 2014 and we continue our successful performance with our exemplary practices in the field of ESG.

In the assessment made by MSCI Sustainability Index, we managed to maintain our overall rating at A, thanks to the progress we have made in the areas of privacy and data security.

Within the scope of the corporate sustainability assessment conducted by S&P Global, we achieved a rating increase, particularly in the areas of network reliability and innovation.

We have been reporting annually to the Carbon Disclosure Project (CDP), an international initiative, since 2011. In accordance with the CDP Climate Change guidelines, we transparently report our efforts to systematically reduce carbon emissions in our sustainability journey.

We see UNGC reporting as an important tool to evaluate the sustainability performance of the business world and to communicate transparently with stakeholders. We carry out exemplary work for the sector within the framework of the UNGC initiative we joined in 2020 and share our progress reports annually.

We integrate the Sustainable Development Goals into our sustainability targets. Thus, we expand the impact area of our targets and improve our sustainability performance. We present our contribution to the Sustainable Development Goals through our report.



Sustainable Development Goals



Borsa İstanbul



FTSE4GOOD



Carbon Disclosure Project - CDP



MSCI



S&P Global



Sustainalytics



Vigeo Eiris

A woman wearing a dark blue baseball cap and a red and black plaid shirt is standing in a field of tall, golden-brown grass. She is holding a silver laptop and looking down at it with a slight smile. The background is a blurred landscape of rolling hills under a soft, warm light. On the left side of the image, there are four decorative triangles: a large dark blue one at the top, a medium yellow one below it, a medium teal one below that, and a small red one to the right of the teal one.

Focus on Climate Change and Environment

We play an important role in both mitigating the effects of the climate crisis and leading the sector in this field with the value we create.

Our Sustainability Performance

► Focus on Climate Change and Environment

Environmental Management Approach

At Türk Telekom, we not only aim to manage all our activities with an integrated sustainability perspective, but also to strengthen our corporate culture and raise awareness on environmental issues. In addition to preparing our Sustainability and Annual Reports, we strive to raise awareness among all our stakeholders and the society through our communication activities.

We continue with our efforts to reduce our greenhouse gas emissions in order to transition to a low-carbon economy. In this context, by offering environment-friendly, low carbon emission services and solutions, we contribute positively to many sectors in addition to telecommunications and to our country's 2053 Net Zero target.

We follow environment-oriented policies in the field of waste management and develop practices to reduce our waste. As Türk Telekom, we carry out waste management activities in line with our Sustainability Policy. The Climate Change and Environment Focus of our Sustainability Policy includes our environmental commitments such as efficient use of resources, prevention of waste generation, separation of waste at source and compliance with legal requirements in these matters.

We follow and fully comply with national and international requirements. In addition to following legal regulations, we act in full compliance (100%) with the ISO 14001 Environmental Management System standard at all our sites. We don't have any employees or work areas that are excluded from the scope of ISO 14001 standard. In addition, we do not have any environmental accidents reported or environmental fines accrued in 2022.

By providing
environment-friendly
services, we contribute
positively to many sectors
in addition to
telecommunications, and
to our country's
2053 Net Zero target.



Fight Against Climate Crisis

Today, the climate crisis poses a serious threat at the global level. This impact manifests itself not only on the environment, but also on sectors and financial indicators. Telecommunications is one of the sectors that both directly feels the effects of the climate crisis and has a high potential to produce solutions. Research and evaluations emphasise that the telecommunications sector can play a critical role in combating the climate crisis.

Reports published by the United Nations Framework Convention on Climate Change (UNFCCC) show that increasing greenhouse gas emissions are directly related to the climate crisis. The telecommunications sector consumes a significant amount of electricity and generates greenhouse gas emissions due to its energy and infrastructure requirements. Therefore, the steps taken and investments made by the sector in energy efficiency and the use of renewable energy sources are important in terms of operational sustainability in the long term, as well as contributing to the fight against the climate crisis.

The 2022 Global Sustainable Development Goals Report (SDG Report 2022) states that investments in digital transformation and environment-friendly technologies can have a positive impact against the climate crisis.

We mitigate the negative impact of the sector significantly through smart grids, remote management capabilities, energy consumption optimisation and the provision of low-carbon services.

However, increasing adverse weather conditions and extreme weather events can damage infrastructure and communication networks, resulting in service disruptions. For this reason, the sector needs to develop flexible infrastructures to adapt to the climate crisis and strengthen risk management strategies by collaborating with regulatory and authorised institutions as well as relevant stakeholders.

Aware of the importance of opportunities for digitalisation and innovative technologies in the transition to a low-carbon economy, we offer sustainable solutions to our customers.

As Türk Telekom, we play an important role in both mitigating the effects of the climate crisis and leading the sector in this field with the value we create. As such, we conduct analyses on climate risks and opportunities. As part of our sustainability approach, issues such as energy efficiency, investment in sustainable technologies and climate crisis adaptation take an important place in our company strategy. With this awareness, we manage our collaborations and undertake activities to raise the awareness of all our stakeholders.

Climate Risks & Opportunities

Climate change presents significant risks and opportunities for the business world. Climate risks and opportunities are at the centre of sustainability strategies of companies nowadays. Managing these risks and seizing opportunities are critical factors that shape the long-term success of companies. Detailed risk and opportunity assessments ensure sustainable performance by providing flexibility in the face of unexpected situations.

Our sustainability strategy, which encompasses the management of climate risks and opportunities, extends to all levels of the organisation, starting from the Board of Directors. We transparently share how we integrate climate risks and opportunities into our corporate strategy and our performance through our contributions to national and international indices and various reports. We present a reliable vision for the future by demonstrating our commitments not only to our sustainability targets but also to global climate action plans.

We shape our business strategies and operations around climate risks and opportunities by following TCFD (Task Force on Climate-related Financial Disclosures) guidelines. Risks stemming from the impacts of the climate crisis and extreme weather events can affect our operations and cause operational disruptions. We assess current and future legal requirements, as well as physical, technological, legal, reputational and market risks. These risks have potential impacts on our corporate sustainability structure and financial performance.

We carry out studies to be prepared for climate risks with our strong organisational structure. We integrate climate risks into our company risk management process and take strategic decisions by considering climate risks at every stage of our business processes. In addition, we also assess climate opportunities in detail and include them in company strategies and investment decisions. For example, our renewable energy investments are among our activities undertaken both to manage physical climate risks such as temperature and precipitation and the risks of transition to a low-carbon economy through current and future legal regulations and to create climate opportunities by increasing operational efficiency and reducing fossil fuel use and Scope 2 emissions through renewable energy sources.

In addition, opportunities for digitalisation and innovative technologies play an important role in the transition to a low-carbon economy. As Türk Telekom, in addition to increasing our operational efficiency by adopting these technologies, we offer more sustainable solutions to our customers and improve our services. We consider green financing opportunities and explore various sources for financing sustainable projects.

In 2023, we will set targets to reduce our greenhouse gas emissions based on scientific principles and align them with the 1.5°C target and net zero journey through the Science Based Targets initiative. In this context, we attribute high importance to a complete and detailed calculation of all Scope 3 emission categories and we aim to amplify our work in this regard. As we embark on our net zero journey, we invite all our stakeholders to support our efforts towards our targets.

Energy Management

The focus on energy efficiency is one of the key strategies to combat climate change. Energy efficient solutions will help us take a step towards a sustainable future, both environmentally and financially and mitigate the impacts of the climate crisis.

The Global Risk Report published by the World Economic Forum (WEF) strikingly states that climate change poses a series of risks and threats such as natural disasters, economic losses, food security and water scarcity. These risks show the complexity and far-reaching impacts of climate change.

We continue our fight against climate change at the highest level and we are working towards systematically reducing our carbon footprint. We implement energy efficiency projects to reduce our emissions and we aim to increase our solar energy utilisation capacity in line with our targets. We strengthen our stakeholder ecosystem in line with our targets and endeavour to comply with current and future requirements together with all relevant parties.

We continue our fight against climate change at the highest level and we are working to systematically reduce our carbon footprint.

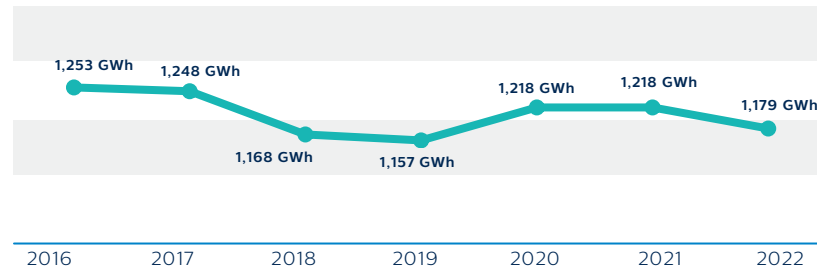
Electricity utilisation and management activities at Türk Telekom

Thanks to our long-standing efficiency-oriented investment and operation policy, we reduced our electricity consumption by 39.6 GWh or 3% in 2022 compared to a year ago. In the 2022 reporting period, our purchased electricity consumption was 1,179 GWh. In 2022, we implemented efficiency and optimisation projects which will save 81 GWh of energy annually. Through these projects, we managed to reduce energy consumption compared to the previous year despite the increase in number of customers, bandwidth and data centre investments.

81 GWh energy saving

Achieving 81 GWh of energy savings with the efficiency and optimisation projects implemented in 2022, Türk Telekom aims to prevent approximately 39 thousand tons of carbon emissions annually.

TTG Electricity Consumption (GWh/Year)

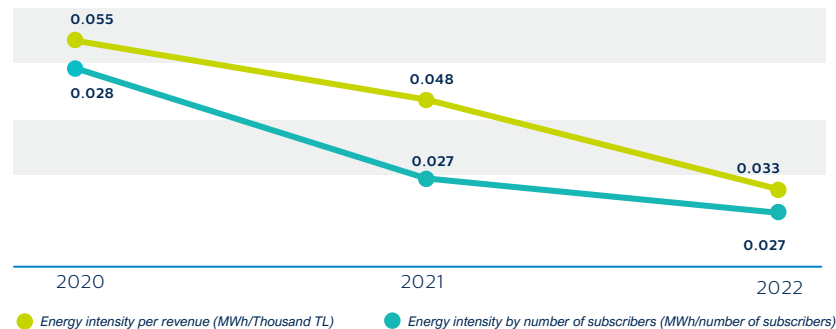


► Electricity consumption amount includes electricity consumption purchased by Türk Telekom, TT Mobil and TTNET.

Energy Intensity

As Türk Telekom, we monitor our performance indicators related to energy management with energy intensity values per annual revenue and per number of subscribers.

In 2022, energy intensity per subscriber decreased by 1.8% to 0.0269 MWh/subscriber compared to the previous year thanks to our energy efficiency projects and renewable energy certificates.



With the guidance of the Public Oversight Authority, the companies did not apply inflation accounting in 2022.

► Energy intensity value includes all fuel consumption and electricity consumption value.

Emission Management

As Türk Telekom, we are working to prevent greenhouse gas emissions, one of the main causes of climate change.

We have set important targets to ourselves which make an integral part of our sustainability agenda. In order to systematically reduce our carbon footprint, we aimed to achieve a 35% reduction in total amount of 2020's scope 1 and scope 2 carbon emissions by 2023 and to increase the capacity to generate energy from solar energy by 60%. In addition to the energy efficiency projects we implemented in line with our targets, we also obtained I-REC certificates and significantly reduced our emission amount.

In 2022, we prevented 30% of scope 2 emissions through our energy efficiency projects and the I-REC certificates we obtained.

As a result, in 2022, we reduced the total scope 1 and scope 2 carbon emissions by 22% compared to 2020, approaching our target of 35%.

In 2022, we prevented
30% of Scope 2
emissions through our
energy efficiency
projects and the I-REC
certificates we obtained.

In harmony with our sustainability approach, we offer products and services that support a low-carbon economy. In continuation of our efforts to reduce greenhouse gas emissions, we support our value chain with products and services that have low carbon emissions.

We comprehensively calculate our greenhouse gas emissions from our domestic operations annually by adopting an operational control approach as described in the [GHG Protocol](#) and 2006 IPCC Guidelines for [National Greenhouse Gas Inventories](#). The calculation of emissions we create as a result of our annual activities are verified by an authorised independent institution. [Independent Assurance Statement](#)

We emitted 584 thousand tonnes of CO₂ equivalent (CO₂e) greenhouse gas emissions during the reporting period of 2022. Out of the total amount of emissions, the direct emissions from fuel consumption and coolers account for 130 thousand tonnes of CO₂e, the indirect emissions from the use of electricity for 427 thousand tonnes of CO₂e, and the indirect emissions from the supply chain over which we have no operational control for 27 thousand tonnes of CO₂e.

In 2022, we maintained the downward trend in Scope 1 emissions, achieving 598 tonnes reduction in CO₂e compared to the previous year. We increased the amount of reduction to 1,712 tonnes CO₂e or 1.3% compared to 2020. Our success in steadily reducing carbon emissions has been reinforced by the implementation of our energy efficient projects.

We reduced our power consumption by 81 thousand MWh and our Scope 2 CO₂e emissions by 39 thousand tonnes in 2022 thanks to the energy efficiency projects we put in place in accordance with our goals.

I-REC certificates are certifications that demonstrate the environmental quality of electricity generated from each 1 MWh of renewable energy. Growing our renewable energy certification to five-folds compared to last year, we purchased 297 thousand MWh I-REC certificates in 2022, in order to increase our renewable energy usage and our support for renewable energy certificates. As a result, we offset 144 thousand tonnes of CO₂e of total Scope 2 emissions in the year through the purchase of I-REC renewable energy certificates.


144 thousand tonnes of
CO₂e emission reduction
with I-REC

Growing our renewable
energy certification to
five-folds compared to last
year, we purchased 297
thousand MWh I-REC
certificates in 2022.

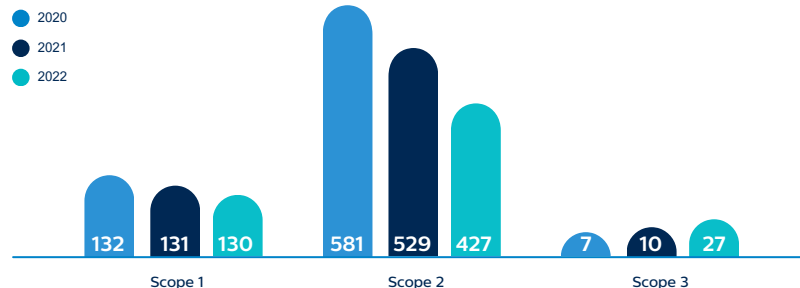
Consequently, in 2022 we managed to reduce Scope 2 emissions from electricity usage to 102 thousand tonnes CO₂e, a 19% decrease from the year before. We lowered Scope 2 emissions by 27% to 155 thousand tonnes of CO₂e compared to 2020. All these efforts have allowed us to reduce our Scope 1 and Scope 2 emissions by 22% as of 2022 compared to 2020, moving us closer to the reduction target we set of 35% by 2023.

We achieved category expansion to support our science-based target process that we aim to implement in Scope 3 emissions. We included emissions from purchased goods and services, emissions from activities based on the use of fuel and energy, and emissions from upstream transportation and distribution in Scope 3 calculations for the first time in the reporting period of 2022.

Greenhouse Gas Emissions (tonnes CO ₂ e)	2020	2021	2022
Total Greenhouse Gas Emission	719,815	670,045	583,470
Scope 1	131,691	130,576	129,979
Scope 2 (excluding I-REC)	581,414	556,699	570,539
Scope 2 (including I-REC)	581,414	529,284	426,875
Scope 3 *	6,710	10,184	26,615
Scope 1-2 Greenhouse Gas Intensity (tonnes CO ₂ e/thousand TL)	0.027	0.022	0.013
Scope 1-2 Greenhouse Gas Intensity (tonnes CO ₂ e/subscriber)	0.014	0.013	0.011
Annual increase/decrease rate of Scope 1+2 Emissions	1.0%	(7.5%)	(15.6%)
Decrease Rate of Scope 1+2 Emissions By 2020 Base Year	-	(7.5%)	(21.9%)

 Scope 3 calculation has been conducted on a limited basis. A broader, science based inventory study in this category will be undertaken in the upcoming period.

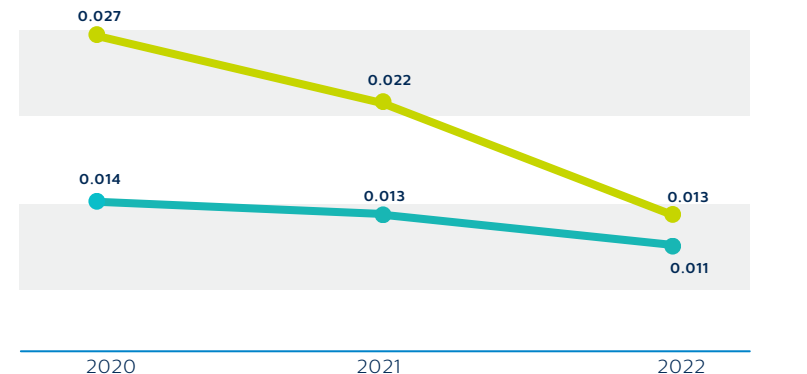
Greenhouse Gas Emissions (thousand tonnes CO₂e)




As Türk Telekom, we keep track of our emission management performance by also using indicators like emission intensity per annual net revenue and emission intensity per subscriber.

The emission intensity per annual net revenue was 0.013 tonnes CO₂e/thousand TL, and the emission intensity per subscriber was 0.011 tonnes CO₂e/subscriber. In the 2022 reporting period, emission intensity per annual net revenue dropped by 40.8% compared to the previous year and by 52.4% compared to 2020. The reduction was significantly facilitated by our energy efficiency projects and renewable energy certifications. We managed to reduce the emission intensity per subscriber by 17.2% compared to the previous year and by 25.5% compared to 2020.

Emission Intensity



 Emission intensity per net revenue (tonnes CO₂e/thousand TL)  Emission intensity per subscriber (tonnes CO₂e/subscriber)

 With the guidance of the Public Oversight Authority, the Companies did not apply inflation accounting in 2022.

Our 2022 CDP Report

The Carbon Disclosure Project (CDP) is an international voluntary initiative that provides a platform for companies, cities, states, regions and many other institutions and organisations to report their greenhouse gas emissions and environmental data. CDP encourages companies to share more information about their environmental impact and to be more transparent in this area, while promoting sustainable business practices.

Through CDP Climate Change reporting, we have been communicating our performance in relation to climate change as well as how we are handling the risks and opportunities caused by this phenomenon with our investors, suppliers, customers, and all other relevant stakeholders on a regular basis since 2011.

Emission Reduction and Energy Efficiency Projects

In 2022, we achieved energy savings amounting to an annual impact of 81 GWh.

In 2022, we achieved energy savings amounting to an annual impact of 81 GWh through the efficiency and optimisation projects we implemented. Looking forward, we aim to prevent approximately 39,2 tons of carbon emissions annually thanks to these projects.

As Türk Telekom, we continue our fight against climate change at the highest level. While systematically reducing our carbon footprint, we continue our investments and optimisation efforts in energy efficiency uninterruptedly.

In 2022 we implemented several energy efficiency and renewable energy projects.

We are aware of the social and environmental implications of high energy consumption. We value energy efficiency and renewable energy investments and activities aiming at efficient use of energy resources, expanding renewable energy resources and reducing negative environmental effects.

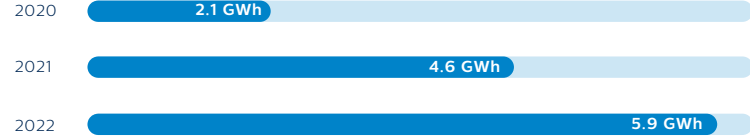
We increased the total capacity of environment-friendly green power plants by 60% to 4 MW.

We commissioned another 1.5 MW solar power plant within last year and increased our total installed power of renewable energy systems to 4 MW. We were able to meet our target of increasing the capacity to generate energy from solar power by 60% in 2022 rather than 2023 thanks to this investment, which will avert 3,533 tonnes of carbon emissions annually with a renewable energy generation capacity of 7.3 GWh. We generated a total of 5.9 GWh of energy from the installations we built during the year. With the renewable energy we generated, 2,871 tonnes of CO₂e greenhouse gas emissions were eliminated in 2022, corresponding to an increase of around 23% from the previous year.

Renewable energy

Türk Telekom commissioned another 1.5 MW solar power plant within last year, increasing its total installed power of renewable energy systems to 4 MW.

Electricity Production at SPPs owned by Türk Telekom (MWh)



In line with Türk Telekom Group's strategic investment plans and sustainability agenda, we plan to accelerate our SPP investments in the near future, in order to reduce our carbon footprint, contribute to climate risk management, and create financial value.

As part of this agenda, Turkish Electricity Transmission Corporation (TEİAŞ) has informed our Company in May 2023 that 405.8 MWe installation capacity allocated within the framework of the relevant Article 5/1h of the Regulation on Unlicensed Electricity Generation in the Electricity Market, an additional 88 MWe of installed capacity has been allocated. TEİAŞ will be providing its opinion about technical details in the next step of the process. With the additional capacity granted, the total installed capacity of

405.8 MWe corresponds to nearly 65% our current total electricity consumption.

As part of this agenda, Turkish Electricity Transmission Corporation (TEİAŞ) has informed our company of allocation of an installation capacity of 405.8 MWe within the framework of the relevant Article 5/1h of the Regulation on Unlicensed Electricity Generation in the Electricity Market. 405.8 MWe corresponds to nearly 65% our current total electricity consumption.

Investments in solar power plants are planned to be undertaken in Diyarbakır, Ağrı, and Sivas provinces, on lands to be leased for 29 years from the General Directorate of National Property of the Ministry of Environment, Urbanisation and Climate Change of the Republic of Türkiye.



Smart Energy Management Platform with Artificial Intelligence Support

In 2022, we implemented an artificial intelligence supported smart energy management platform that enables businesses to save energy and reduce their carbon emissions. Developed with the support of Türk Telekom engineers and in cooperation with the local technology company Netaş and the local software company Servisnet, we began commercial use of the platform on Türk Telekom network.

With the help of the Smart Energy Management Platform, we centrally consolidate the energy consumption of devices in our fixed and mobile networks, detect outages in these devices, compare energy use and energy costs, and automatically monitor SLAs (Service Level Agreements) with energy distribution companies in a much faster manner.

Smart Energy Management Platform

The user-friendly Smart Energy Management Platform, which allows for considerably faster access to energy equipment in both the fixed and mobile networks, has been activated.

We are able to monitor the outcomes of our efficiency and optimisation projects more rapidly thanks to the Smart Energy Management Platform. In the first phase of the platform, we aimed to save over 10 million kWh of energy and 100 thousand litres of generator fuel oil annually. Achieving our target will result in an annual CO₂e emission reduction of 5,158 tonnes.

Next Generation Cities

The number of cities covered by the project reached 14.

Türk Telekom's next-generation city projects continue apace

We provide efficiency through offering the best environmentally friendly solutions in many areas such as transportation, lifestyle, health, environment, energy, and security while contributing to the digitalisation processes of local governments with our smart products and services. To help build future cities that are sustainable, safe, and have a good quality of life, we have raised the number of smart solutions we have built through the Next Generation City Platform to 55, and the number of municipalities that use these solutions to 14.

Energy efficiency studies at Data Centres

As Türk Telekom, we serve data centre and cloud services to our corporate and public customers with a total of 12,700 m² of white space area in three different locations: İstanbul/Esenyurt, İstanbul/Gayrettepe and Ankara/Ümitköy. We are working to ensure the highest level of energy efficiency in terms of design and operational sustainability. Therefore, we replace energy and cooling equipment in data centres with next-generation systems. Furthermore, we procure 100% renewable energy for data centres from I-REC certified sources, implement management systems in compliance with ISO 50001 standards and aim to keep our carbon footprint at a minimum level.



With rainwater collection and lighting automation, we utilise both our energy and water resources as efficiently as possible.

We employ free cooling and IEC (Indirect Evaporative Cooling) technologies as cooling system solutions in our new data centres and we make investment plans to reduce our average PUE (Power Usage Effectiveness) value and greenhouse gas emissions.

Our average PUE design value, which is 1.65 in all data centres, is 1.2 in the new customer halls. Our average WUE (Water Usage Effectiveness) value for facilities is 0.5, lower than the industry average of 0.8.

In addition to new data centre investments, we are replacing the uninterruptible power supply in all our existing data centres with modular power supplies that operate at or above 96.5% efficiency. We decreased our energy costs in our data centres by 7% while reducing our environmental impact through energy efficiency in our renovated facility.

We use cooling solutions effectively in all our fixed and mobile sites

We have extended free energy-efficient cooling solutions to all fixed and mobile base stations, saving up to 80% of the electricity we need for cooling. In addition, we kept swapping out the outdated air conditioners utilised in the fixed and mobile network with modern, efficient models. With efficiency projects delivered in cooling in 2022, we aim to save 15.8 million kWh of energy annually while preventing 7,633 tonnes of carbon emissions.

We saved 39.2 million kWh of energy annually through optimisation efforts in communication devices

We were able to achieve cost savings as a result of technological advancements, the commissioning of next-generation systems, and the optimisation of communication devices. We aim to save 39.2 million kWh of energy annually and prevent 18,980 tons of carbon emissions thanks to our optimisation efforts we did in 2022.

Investments in carrier network for flexible and high-capacity service

At the beginning of 2022, we began the replacement of SDH (Synchronous Digital Hierarchy) transmission systems, which have reached the end of their technological life cycle and were used extensively in rural networks, with next-generation DWDM (Dense Wavelength Division Multiplexing) systems. Through this transformation, we can address the increasing demand for capacity on the network in a modular way, while establishing energy-saving systems compliant with our low-carbon emission target. In this regard, Türk Telekom modernised approximately 500 locations in 2022 and intends to continue the transformation in the upcoming years.



Next-generation WiFi technologies

We were the first operator to test Wi-Fi 6E technology in Türkiye. We also continue our laboratory trials on WiFi Sensing, which detects indoor motion to provide security and energy efficiency, and Open Roaming, which expands the WiFi experience.

Energy efficiency and other solutions conducted at base stations

We continue our efforts to provide more efficient service in mobile base stations with next-generation equipment, like we always intend to do across our entire infrastructure

► In order to save the energy consumed by base stations, we implemented new features of the software that enable power saving in all base stations during hours of low traffic density. Thanks to the optimisation works we carried out in 2022, we aim to save over 20.9 million kWh of energy annually and prevent 10,111 tonnes of carbon emissions.

► We continued to renew old-generation network equipment with next-generation equipment as part of the equipment modernisation project in base stations. In this way, we saved 4.1 million kWh of energy annually in 2022 and prevented 1,861 tonnes of carbon emissions.

► By installing 123 free cooling devices and 323 split air conditioners at base stations in 2022, we created an additional 266 thousand kWh saving per annum. The realised savings through these installations was 176 thousand kWh in 2022.


► We ensure safe operation of base stations for humans and the environment by conducting electromagnetic field measurements of base stations before and after installation.

► We take every required measure to minimise human and environmental interference in base stations during the phases of planning, design, installation and operation.

► With human health and environmental safety being our top priorities, we employ all necessary safety equipment and upgrades to ensure that base stations remain unaffected by natural catastrophes and that the environment and public health are protected. In 2022, we conducted detailed inspections on 500 base station towers.

► In order to ensure the highest level of operational competence, we monitor base stations around the clock and intervene swiftly in case of emergencies and natural disasters.

All our mobile devices communicate via base stations using electromagnetic frequencies. According to research undertaken by the World Health Organisation, no health issues caused by any device and/or base station within international borders have been reported. As Türk Telekom, we continue our activities within the limits set by the regulatory body ICTA¹.

 (1) The limit value of the electric field per device at the specified safety distance at base stations cannot exceed 10.26 V/m for 900 MHz and 15.1 for 1800 MHz, according to the Information and Communication Technologies Authority (ICTA) regulation. These values are significantly lower than the global standard of 41.2 V/m established by the ICNIRP (International Commission on Non-Ionising Radiation Protection) and used as a reference by all operators. As Türk Telekom, we continue our activities within the limits set by the regulator by staying below the predetermined values.

Circular Economy and Waste Management

In order to prevent the rapid depletion of natural resources and to ensure that recyclable wastes are reintroduced into the economy, we strive to separate all wastes at the point of generation. We carry out our waste management in compliance with the country's legislation and our Sustainability Policy.

Waste is generated when operational products and materials, such as fibre and copper cables, generator fuels, accumulators, batteries, and electronic materials used to provide services in our field activities, as well as paper, plastic, metal, glass, toner, and cartridges resulting from our office activities, reach the end of their useful lives and become idle. We manage all our waste by following national and international requirements. We record hazardous and non-hazardous wastes generated as a result of our fieldwork and office activities in the Integrated Environmental Information System of the Ministry of Environment, Urbanisation and Climate Change. We also create Mobile Hazardous Waste Transportation (MoTAT) records for the tracking and monitoring of hazardous waste by the Ministry.

We collect all wastes resulting from our field activities in the permitted temporary storage areas in compliance with legal obligations, and we ensure the recycling and disposal of wastes within this framework. All these efforts are in support of EU Green Deal activities.

As part of our Zero Waste project, which we have been carrying out in all our offices, we have been working since 2019 to make our employees' daily consumption habits environmentally friendly.

Zero Waste

In 2022, thanks to the waste management activities we carried out;

We saved 1,232 kWh of energy by recycling 29 tonnes of waste glass.

We rescued 3,529 trees by recycling 208 tonnes of waste paper.

With 3,880 tonnes of waste metal recycling, we were able to stop the release of 3.680,631 tonnes of greenhouse gases into the nature.

By recycling 1,811 tonnes of waste plastic, we conserved 29,513 barrels of oil.

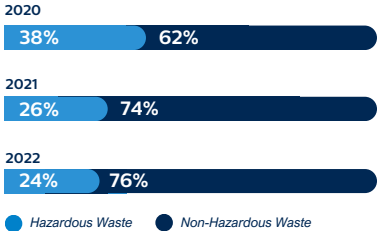
Furthermore, by recycling all our waste, we saved 16,368 cubic metres of storage space, 14 million kWh of energy, and avoided the emission of 4.800 tonnes of greenhouse gases into the environment.

In the reporting period of 2022, we managed to reduce the amount of hazardous waste generated by approximately 5% or around 390 tonnes compared to the previous year thanks to fieldwork and office activities.

Zero Waste

With the Zero Waste project conducted at all offices, we continue to make the daily consumption habits of our employees more environmentally friendly.

Waste By Type (Thousand Tonnes)



Recycling of electronic waste

We conduct activities in cooperation with the Turkish Informatics Industry Association (TUBISAD) for the recycling of electronic waste generated as a result of our services. In this context, more than 33 tonnes of domestic electronic waste were collected and recycled between 2017 and 2022. Additionally, during these years, we organised electronic waste collecting campaigns with our employees in order to contribute to environmental awareness. In this way, the revenue generated from the recycled waste was donated to educational institutions in order to support education.

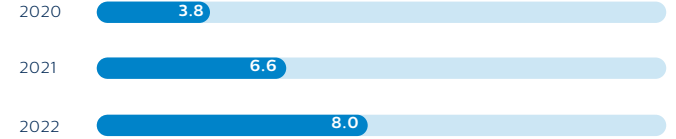
At Türk Telekom, we carry out all our environmental activities in line with national legislation and international standards. We also manage and certify all of our service areas in line with ISO 14001 Environmental Management System standards.

We understand that reintroducing waste into circular economy supports economic development and strengthens the financial performance of companies. We generated TL 125.4 million² in revenue in the reporting period of 2022 through the direct sale of 7,972 tonnes of electronic waste, based on the contracts we signed at the end of 2020 with this focus. The amount of electronic waste sold increased by approximately 21% compared to the previous year.

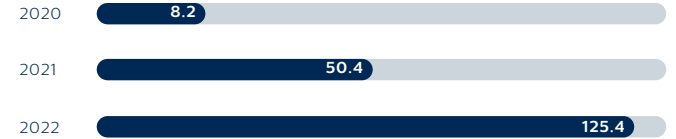
 (2) VAT not included.



Electronic Waste Sales Volume (Thousand Tonnes)



Revenue from Electronic Waste Sale (million TL)



We generated TL 17.9 million in revenue from the resale of electronic equipment, the vast majority of which was returned to the economy for reuse.

Water Management

We care for planned and controlled use of water, a source that is critical for the environment and the continuity of human life.

Water used by our personnel for daily needs in our facilities is purchased through the city's network rather than directly from the source, and we regularly report water use on an annual basis.

We adopt proactive approaches in water management in order to save on water consumption that is necessary for our services to continue without interruption and recycle waste water. In order to use water efficiently, we implement environmentally friendly practices such as smart irrigation systems, photocell batteries, grey water systems, rainwater collection units. We evaluate modern solutions proposed for global sustainability in new projects. In order to decrease water consumption, we plan to reduce the number of locations that use water through building centralisation projects.

The decrease in precipitation due to climate change makes it necessary to use water resources more efficiently. We shared several visual and written content in 2022 to raise the awareness of our employees about water consumption. After the pandemic in 2020, we moved to a hybrid working model, which greatly decreased the quantity of water we used in offices.

We have been reporting our water consumption since 2016. Our water consumption has reduced by more than 53% over years, from 940 thousand m³ per year in 2016 to 441 thousand m³ in 2022, indicating a declining trend.

Water use has
decreased by more
than 53% in the last
7 years

In 2020, Covid-19 pandemic caused a rapid decline in water use. Although there was no rapid increase with the transition to the hybrid working model in the following years, the amount of consumption increased slightly with the partial return to offices.

Since the nature of our water consumption is related to meeting the basic needs of our employees in our buildings, we monitor the water consumption value per employee. Following daily water use, we directly discharge our waste water into the sewer system³

In 2022, total water consumption⁴ was 441 thousand m³, while water consumption per employee was calculated as 24.9 m³. In 2016, this value was 44.1 m³. We aim to minimise our impact on water resources through proactive approaches to water management and by raising our employees' awareness on water usage.

⁽³⁾ Waste water quality is not measured in telecoms industry.

⁽⁴⁾ Water consumption data includes Türk Telekom, TT Mobile and TTNET.



Water stress is a growing global problem. With limited water resources, coupled with increasing population and industrialisation, effective management and sustainable use of water is becoming increasingly crucial. According to the **World Water Resources Institute (WRI)**, water demand is expected to increase by 30% by 2050 as a result of population growth, socioeconomic developments and changing consumption patterns. We monitor performance indicators related to water consumption and consider water stress as a critical risk for sustainability.

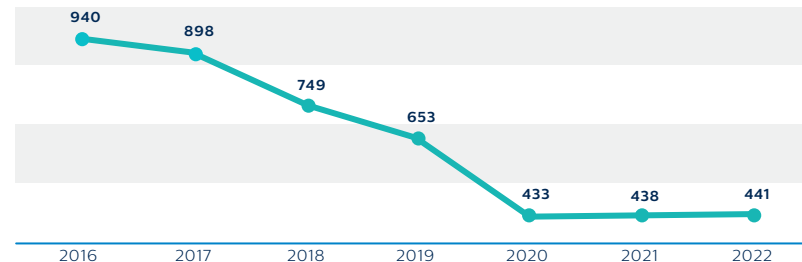
According to the **WRI Water Risk Atlas**, Türkiye is one of the countries that is experiencing and/or will experience significant water stress and drought risk. Based on this estimation, as an organisation that provides services to all 81 cities across Türkiye, we consider our regions under water stress.⁵ We apply this approach to water management along our entire value chain and encourage all our stakeholders to act in this perspective.

 (5) Storage is limited for daily outages and the amount of water stored cannot be measured.

As a company operating in the telecommunications sector, although our impact on water consumption is limited, we closely monitor water use as part of our environmental sustainability efforts. In order to minimise the impact of our operations on water resources, we adopt water-saving technologies, monitor our infrastructure in terms of water efficiency and strive to fulfil our responsibility to protect water resources.



Annual Water Consumption Amount in Türk Telekom (thousand m³)

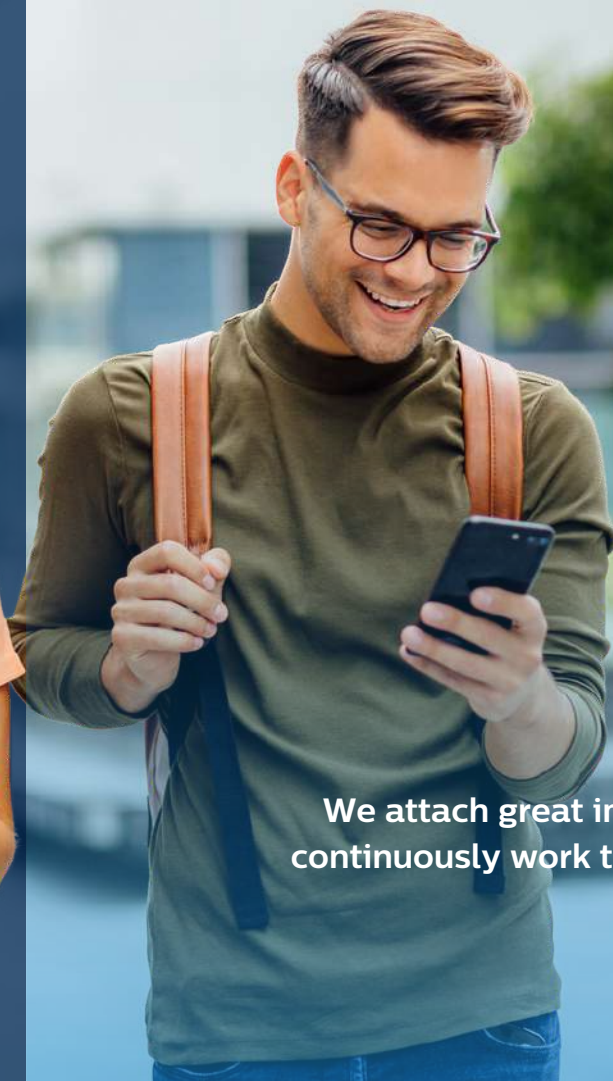


Our offices have the biggest impact on our water consumption. Here are some further initiatives taken to reduce water consumption in office buildings:

- ▶ We reduce the amount of building and office space used through our initiative to centralise and optimise space within buildings, which helps reduce water consumption.
- ▶ Photocell faucets are used in all new projects as well as major modifications in existing facilities.
- ▶ Using float adjustments, we keep toilet cisterns at the lowest possible level.
- ▶ We carry out garden irrigation processes in an efficient and controlled manner with automation systems.

▶ In the Ankara Head Office tower building, wastewater collected from kitchens and sinks is reused in toilet reservoirs after the necessary treatment processes.

Our work to quantify and report the savings generated by these initiatives more precisely continues.



Focus on Customers

We attach great importance to customer feedback and continuously work to improve the customers' experience with us in line with our targets.

► Focus on Customers

Customer Experience

In an environment where competition is rapidly increasing and consumers' options are increasingly diversifying, customer orientation plays an extremely critical role for businesses. Companies are now required to form and offer their products and services not only according to their own insights, but also in line with the changing needs and rising expectations of customers. We constantly monitor customer satisfaction across different segments, products and channels using the customer-oriented business approach we adopted to improve the customer experience while expanding our financial and competitive power. We attach great importance to customer feedback and continuously work to develop and improve the customers' experience with us in line with our targets.

The measurement periods vary depending on factors such as the importance of the study, intensity of competition and size of research budget. In this context, we perform measurements quarterly, twice a year or annually depending on the subject.

Customer satisfaction monitoring includes:

- **Fixed Broadband Failure, Connection and Transfer Process**
- **Individual Office, Individual Mobile, Fixed Broadband, Fixed Voice**
- **Mobile and Fixed Broadband OIM (Online Operations Centre) & MOIM (Mobile Online Operations Centre), and**
- **Tivibu and Corporate SME Fixed Broadband, Mobile and Fixed Voice**

Türk Telekom Call Centre received a total of 76.5 million calls in 2022.

Call Centre provides services for a full range of products including mobile, fixed internet, fixed voice and TV by its call centre employees consisting of 8,998 consumer and 910 corporate segment customer representatives in 26 provinces. As Türk Telekom, we improved our customer satisfaction score by 2% YoY in the 76.5 million calls we received in the mobile, fixed internet, fixed voice and TV product groups in 2022. At the same time, we upgraded customer experience with systemic and operational improvements, increasing our channel performance by 30% in fixed internet, 10% in mobile and 13% in TV. Customer response time accelerated by 70% YoY. In the outbound call sales channel, a total of 8.3 million transactions were made in 2022 for tariff, package change and contracting transactions for mobile, fixed internet, fixed voice and TV product groups.

While the share of digital channels in customer-specific mobile marketing activities increased in 2022, the highest shift to digital channels was realised in contract renewal activities with an increase of 39%.

With the in-house network feedback notification system designed for mobile coverage complaints and effective customer management, we aim to resolve complaints permanently in a much shorter time.

76.5 million calls

Türk Telekom improved its customer satisfaction score by 2% YoY in the 76.5 million calls it received in the mobile, fixed internet, fixed voice and TV product groups in 2022.

Improved customer recognition processes for customer security

Thanks to a new security process we introduced in 2022, fixed internet customers can perform their transactions via the voice response system without the need for a customer representative. In order to prevent malicious use of customer information, the system does not perform any operations until all security steps are completed successfully.

High focus on customer experience

We have improved our service segmentation in an attempt to provide better service to customers. For fixed internet customers, we calculate a risk score based on a post-call evaluation of customer representatives by tracking the customer's previous satisfaction survey results, number of contacts with the call centre and prior call logs. We aim to provide better service by assigning more competent customer representatives in resolving issues or meeting customer needs.

In addition, with a mood assessment model developed to understand the emotional state of the customer, we assign scores by analysing customer's previous experiences when they contact the call centre. We continue to work on our infrastructure for the integration of the system with the voice response system and call centre. This will enable us to appoint more competent representatives for customers who need to be more carefully attended as per their mood scoring.

With the QuantWiFi project, we develop permanent solutions to improve the WiFi performance by analysing customers' coverage maps when they have connection problems at home or their workplace and. We aim to optimise the resolution rate at the first contact.

One of the focus areas of Türk Telekom Call Centre in 2022 was proactively informing our new customers about our products. The subgroups, which were segmented in order to communicate with new customers in the most efficient way, formed the basis of the new tailored call centre and voice response system that we plan to implement in the upcoming period.

System development projects for sustainable and stable customer care

With the Omni Channel project, we have transferred several transactions of mobile postpaid customers including the activation process to a new structure of multiple and integrated channel management. We continue our work in order to transfer basic steps such as prepaid mobile transactions and device processes to this new structure.

We have implemented the first phase of our online charging system (OCS) for mobile prepaid customers. We moved the billing system to a single structure and enabled real-time customer charging. We put into use accurate and effective notifications to cover all channels. With this structure, we now offer our mobile customers more flexible designs in tariff and package transactions.

Omni Channel project

The Company has moved many transactions of mobile postpaid customers to Omni Channel, an integrated multi-channel management project.

In line with the Identity Verification Regulation issued in 2022, we started to expand the customer verification process with new identity cards in face-to-face channels and ensured our compatibility with digital subscriptions initiated through the mobile application. Within the scope of the amendments made in the Consumer Rights Regulation in 2022, we have designed new processes for subscription with wet-signatures, detection of authorised lines and notifications for paid calls excluded from package benefits. It has become possible to make cancellation requests through Call Centres in March 2022 according to the Consumer Rights Regulation. As a result, clients now receive a solution on the first contact and the call centres become a service channel where all end-to-end services are provided.

We also launched an R&D project to analyse access complaints received from our customers. The "Broadband Network Customer Complaints Analysis Project," a data analytics effort, seeks to analyse, resolve, and act on complaints regarding end-user access to broadband services. Developing a data analysis platform for fixed broadband access complaints that can be used by different departments is among our other targets within the scope of the project.

Other activities related to customer experience

Failure resolution rates in our "At Home Support Service" that we provide to fixed internet customers reached 70% in the last quarter of 2021 and 80% in 2022. Not only recurring failure rates decreased, but the highest satisfaction score has been achieved with the services we offer. The satisfaction of clients facing breakdowns or requesting transfer or new connection has reportedly hit the highest score in the last two years, according to research conducted by the independent research firm Ipsos.

With our ongoing and regular improvements, the failure rate decreased from 3.5% to 2.7% for FTTH customers and from 4.9% to 3.9% for DSL customers.

With our free "At Home Support Service", we contributed to the introduction of a new defective modem process. We boosted the success rate of modem failure solutions by giving replacement modems to our customers during the warranty period.

With Türk Telekom being the only contact in the solution process for uninterrupted connection in household internet, we are able to provide radical and fast solutions to more customers.

We introduced free trial period of high-speed packages for select customers who are eligible for an upgrade. At the end of the trial period, 39% of customers switched to higher speed packages.

We are able to assess the connection performance of each device separately thanks to the integration of QuantWiFi, which is used to remotely detect wireless network issues in order to enhance connectivity at home, with the call centre system.

All IPTV and GO fault processes were redesigned as part of the Tivibu Multiscreen Platform project with a focus on customer experience. According to the independent research firm Ipsos, Tivibu's performance has continuously increased since 2019, reaching the highest level of satisfaction with a 74.7 performance rating.

We saw considerable improvements in the failure rate per subscriber as well as the recurrent and early failure rates of both IPTV and Satellite customers.

We increased the first contact resolution rate from 89% to 92% by simplifying the control criteria in the process of answering our mobile customers' queries, particularly those related to billing and coverage. Additionally, we achieved a 40% reduction in coverage complaints.

We achieved a 10% reduction in incoming calls and an 8% reduction in repetitive calls through migration to digital channels and improving processes.

Digital Transformation

Today, digital transformation refers to a critical transformation process that affects the business world and all areas of society. As one of the leading actors in this evolution, the telecommunications sector plays an important role in strengthening Türkiye's digital infrastructure and contributing to a sustainable future. As Türk Telekom, we act with the mission of unlocking Türkiye's digital potential and contributing to the construction of a connected society through fiberisation. Below, we highlight some of the projects in which our company actively contributes to the fiberisation journey of individuals and Türkiye, with the goal of developing and integrating modern technologies into our daily lives. We aim to promote and further advance our country's technological development ambitions through these projects.

The fibre powerhouse of Türkiye

We know how important connectivity and fibre investments are in the digitalisation journey of our country, and we have been prioritising our investments with this perspective for many years.

We have single-handedly completed a sizable portion of the work that needs to be undertaken in fiberisation of Türkiye. We have developed 403 thousand kilometres of Türkiye's entire 517 thousand km of fibre network as of 2022. In the last seven years, we have extended our fibre network, which now reaches 81 provinces in Türkiye, by 91% and we intend to increase this ratio even further. The fibre network plays a critical role in unlocking the full potential of 5G for an uninterrupted and high-quality connection experience.

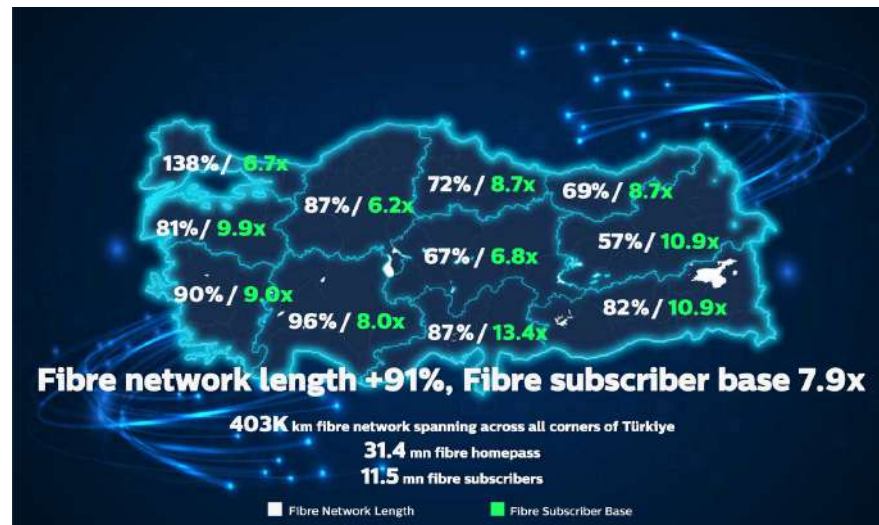
Having grown to 11.5 million, our fibre subscriber base has reached 7.9x its size compared to 7 years ago. FTTC subscriber base grew by 7.3 million to 8.0 million, while FTTH/B subscriber base increased by 2.7 million to 3.5 million. We increased the share of fibre subscribers in the fixed broadband base from 18.3% at the end of 2015 to 77.7% as of the end of 2022. Our fibre household coverage increased by 19.3 million in the last 7 years to 31.4 million as of the end of 2022. FTTC household coverage grew by 12.2 million to 21.0, while FTTH/B household coverage increased by 7.1 million to 10.4 million.

The average package speed of our subscriber base increased by 34% year-on-year, exceeding 32 Mbps as of 2022. The proportion of our total broadband subscriber base using packages of 24 Mbps and above speeds increased from 43% in the last year to 61% as of the end of 2022.

Committed to bringing high quality connectivity to everyone in every corner of Türkiye, Türk Telekom intends to keep growing its fibre network, which supports the country's digital transformation and forms the fixed infrastructure of 5G technology. The ongoing digitalisation trend in the world and the opportunities signalled by the internet penetration and usage rates in developed countries indicate that our fibre investments will continue unabated as a testament to our confidence in Türkiye's future. As the fibre powerhouse of Türkiye, we are proud to be the technology carrier of our country, where the fiberisation rate is increasing day by day with our high motivation to equip every part of the country with fibre.

Leadership in Türkiye's Fibre Network Investment

Change in Türk Telekom's Regional Fibre Network and Fibre Subscriber Base in the Last 7 Years



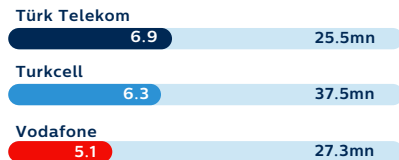
2.6x fibre homepass in 7 years

With a fibre household coverage of 31.4 million, our fibre subscriber base reached 11.5 million.

Stronger position in the mobile market

We continue to achieve great results through our strategy focusing on bigger value creation in our mobile business since 2020. We have made significant investments to increase our network quality and brand perception among subscribers, and we exerted critical effort to improving our processes. We boosted our capacity and achieved the maximum spectrum capacity per subscriber thanks to the new frequencies we obtained in the LTE spectrum tender. With our investments in mobile infrastructure over the subsequent years, we increased our LTE population coverage rate to more than 99% and our LTE base station ratio connected to fibre to 50%.

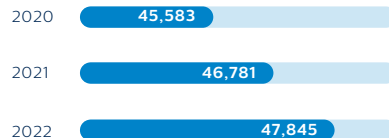
Highest Spectrum Capacity Per Subscriber (MHz/Subscriber)



Mobile subscriber numbers are from the Q4'22 ICTA report.

We have been making a significant contribution to the sector in putting a domestic ecosystem into effect that will carry Türkiye to the top in 5G. 5G preparations being in the first place, we continue to prioritise using domestic products in all technologies we deploy.

3G/LTE Base Station Number (thousand)



We already have 62 internationally valid patents in 5G alone as of 2022. We are at the forefront of determining global 5G strategies. We include not only Türk Telekom but also our group companies in these efforts. We use the technologies we developed with domestic resources together with our group companies Argela and Netsia, within our own network and offer them to the whole world through our global collaborations. With this approach, we will continue to grow through strategic business partnerships and investments in a wide network stretching from Silicon Valley to Europe and Asia.

Digitalisation of data centre maintenance process

The digitalisation project for the data centre maintenance process is a mobile/web-based application that aims to manage and monitor the installation, maintenance, support, management, and integration activities in Türk Telekom data centres in a fully digital process using a single application. The application is designed to allow more systematic and effective follow-up for both installation and maintenance teams and those in charge of data centre management.

UAV innovation project

Argela is collaborating with Cappadocia University on this project to conduct testing and research on UAV (Unmanned Aerial Vehicle) communication. Flight/telemetry information transmission tests were successfully carried out in the UAV flight corridor around the Mustafaapaşa Campus of the university in Nevşehir/Urgüp at various altitudes over the live 3G/4.5G network. The flight information, which can be received uninterruptedly over the mobile network, was customised to ensure drone control on drone flight routes optimised according to RF signal strength and quality.

Elipptic-5G project

The cloud-based artificial intelligence engine, which will be integrated with the Elipptic mobile app, is intended to perform site inspection on telecommunication towers using a fully automated UAV with 5G connectivity. Thanks to this project, Türk Telekom and 3Cell will be able to automatically and seamlessly create AI-supported mobile site inspection reports and site material inventory on cloud, based on 3D models created with high quality images collected from the field. By implementing the digital network concept, managing daily operations in a better way and enhancing the user experience of our subscribers will be possible. It will also play an important role in evaluating the return on mobile station investments, optimising the network coverage performance of future 5G infrastructures and making in-house field reporting error-free.

Artificial intelligence solutions for telecoms applications

With the project, we aim to develop AI based innovative solutions which can be used in telecommunications. We provide machine learning and artificial intelligence training to university students and then bring them together with our teams to create projects. The successful projects are then integrated into the company after conducting necessary studies.

Real-time charging, notification and quota management with the instant billing system

We launched Non-Exceeding Tariffs at the end of 2019 as part of the Turkuaz program, which aims to provide our mobile subscribers with real-time charging, real-time billing, quota monitoring and management experience. Postpaid subscribers were added to the system in 2021, while prepaid subscribers were added in 2022. Thus, we enabled all mobile subscribers to receive services through the instant charging system. We singularised the charging infrastructure while also switching to domestic products. Having the postpaid and prepaid subscribers on the same charging system, has allowed for the creation of offers that differentiate us in competition.

Cloud-based home WiFi management project

We plan to create a smart cloud-based software platform for the WiFi issues customers face. With the help of a software to be installed on customer HGW/modems, we aim to identify the problems and produce artificial intelligence-supported solutions by collecting WiFi performance data from customers' modem.

Metacampus project

Stepping into our metaverse journey, we have planned our own virtual reality (VR) platform to participate in meetings with VR glasses or web access, spend time in virtual spaces and raise awareness about 5G. This project, which aims to improve the VR experiences of our employees, is designed to be accessible via both VR headsets and the internet. Users will be able to attend meetings and conferences while experiencing new technologies.

Robotic process automation

Robotic Transformation of products and services is carried out with RPA at Türk Telekom. We increase productivity by completing the robotics transfer of time-consuming and repetitive manual tasks being handled in predefined guidelines, such as inventory management, configurative transactions performed by connecting to relevant platforms, raw data extraction and processing from the appropriate systems, report preparation and distribution, database updates and comparisons, cancellation of orders with a high fraud risk, handling of refunds and alignment between systems. Savings of 1,126 person/day and 4.3 FTE (Full Time Equivalent Labour) were achieved in 2022 with the implementation of 12 new RPA procedures. By doubling the savings achieved in 2022, we aim to reach savings of 2,252 person/day in 2023.

Robotic Process Automation

Türk Telekom saved
1,126 person/day on 12
RPA in 2022,
as part of its digital
transformation
initiatives.



Equal Opportunity and Accessibility through Communication

One of our focal points is equal opportunities and accessibility provided by the communication tools. Today's communication technologies profoundly impact how people access, share, and engage with information. We feel responsible for building and developing Türkiye's communication infrastructure. Acting in line with our principle of accessible communication for all, we aim to offer equal opportunities to nearly 53 million subscribers.

We have been prioritising our fibre investments with this view for many years because we are aware of how crucial access is to the process of digitalisation in our country. Nearly 80% of the fibre network that runs throughout our country has been built by Türk Telekom. With our extensive LTE infrastructure, which has an important place in our mobile business line, we provide high quality mobile communication services throughout the country with a population coverage rate exceeding 99% and LTE base stations with fibre connectivity at a rate of 50%.

**50% fibre connected
LTE base station**

**High quality mobile communication
service throughout the country with a
population coverage rate
exceeding 99%**

We act with the understanding that our investments benefit all parts of society by providing access to knowledge and new technologies.

One of the pillars of social development is the equal and fair use of communication tools by each individual. Being conscious of this, our organisation promotes equal opportunity in communication for underrepresented groups and creates initiatives with an inclusive mindset for all of our subscribers.

Medicine recognition project

The Medicine Recognition project was developed to help visually impaired individuals access healthcare services more equally and efficiently, utilise medications appropriately and adhere to prescribed regimens. Through the application, visually impaired users can quickly access information about their medications by scanning the barcodes on the medicine boxes.

Computer eye control project

Another project we have developed for disadvantaged people is based on computer control with eyes. We aim to build a smart eyewear system with the help of Türk Telekom's R&D capabilities that would allow patients who are paralysed from neck down and unable to talk, to transmit their wishes and needs through pupil movements. In this project, the current smart glasses system will be updated to meet modern needs, commercialised, and transformed into an affordable item. The ergonomically built device is designed to provide patients with a comfortable experience. The language used will be compatible with all operating systems and will be designed to allow for future developments. These smart glasses will enable patients to interact with their surroundings and clearly express their needs.

Equal Opportunity in Education

We also advocate equal opportunity in education. We have seen the importance of the internet and connectivity in education, especially during the pandemic period. Two of our group firms, Innova and SEBIT, conducted significant and ground-breaking research in this area as online platforms and components in education turned into a permanent need.

By partnering with Innova, we were able to develop a hyper-integrated infrastructure at the Ministry's Data Centre and Disaster Recovery Centre as well as integrate software components within the organisation and make these components useable by integrating them into the current structure. We seek to give better service to the approximately 1.2 million teachers and 15.9 million students who benefit from the services provided by the organisation, as well as other organisations with which information is shared. At the same time, we delivered infrastructure and WiFi-based uninterrupted internet broadcasting to 174 dormitories as part of the Credit and Dormitories Agency's WiFi Infrastructure project.

SEBIT continues to produce solutions that shape education

SEBIT develops national and international products and services by focusing on societal benefits and individual educational needs with the education approach of the 21st century while drawing strength from the synergy established with Türk Telekom. SEBIT is recognised by many international education authorities as one of the world's best education technology companies. Its initiatives include the Ministry of National Education's (MEB) Academic Support Programme, support for hybrid education across the country with EBA and creative educational approaches for various educational needs.

Multidimensional learning environments

**SEBIT provides multidimensional
learning environments that equip
students, teachers and administrators
with skills of the 21st century.**

SEBIT VCloud forms the academic backbone of schools

By integrating the concept of education based on collaboration and sharing online, SEBIT VCloud Platform, a first in Türkiye, ensures that students are no longer passive observers in the online education environment and involves them in the process with a personalised education approach. The platform makes it possible for teachers to manage the process by developing interactions with students that are focused on learning. The Platform has proven invaluable with its contribution to the transition in education to hybrid education and learning in the aftermath of the pandemic thanks to its virtual classroom module and interactive features. SEBIT VCloud Platform is used by approximately 105 thousand students, teachers, and administrators in about 750 private schools.

Education of people with autism

Selçuklu Foundation of Education of People with Autism (SOBE) is working on technology-based solutions together with SEBIT and Innova in order to support more families and children. The collaboration aims to create a method for the education of people with autism that will communicate with and guide them, give them feedback, and monitor their development. Pilot studies will be conducted in 2023 to assess the effectiveness and practicality of the solution as well as its widespread use in the national and international arena.

Innovative Solutions & Entrepreneurship

With the acceleration of technological transformation in today's world, the telecommunications sector constantly faces new challenges and opportunities. As such, we are taking major steps towards Entrepreneurship and Innovative Solutions with the goal of contributing to a sustainable future by making the most efficient use of developing technology.

We assist sustainable social development by pioneering the digital transformation of the public and private sectors via Innova, one of our group companies and Türkiye's leading IT solutions provider. We contribute to environmental sustainability by eliminating the usage of paper documents with Innova, which digitalises traditional business models, particularly the accounting processes in institutions.

By implementing e-Transformation solutions, particularly e-Waybill and e-Invoice, which we offer to the largest enterprises in the Turkish telecoms and retail sectors, we supported economic and environmental sustainability. We increased the effectiveness of security operations through the Gendarmerie Network Upgrade Project, strengthened digital equality by providing uninterrupted internet access to students as part of Credit and Dormitories Agency's (KYK) WiFi Infrastructure Project and, within the Infrastructure Energy Project of the Çanakkale Wars Gelibolu Historical Site Presidency, we made energy use in this special historical site more efficient.

We are taking major steps
towards Entrepreneurship
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use of developing
technology.

By establishing the Innova Robot Base and RaaS Operation Centre, we increased the efficiency of many institutions with robotic services offered over cloud and prevented unnecessary consumption by optimising energy and resource use. With SkywaveloT Smart Factory Solutions, we optimised production processes from end to end with minimum resource use and thus supported sustainable production. The Mobility as a Service (MaaS) Platform, developed by Innova for the transport system, which is the most important part of smart cities, integrates public transport, private transport, and other means of transport, reducing urban and intercity traffic density and thus reducing carbon emissions.

While designing products and services with Innova, we aim to minimise environmental impacts and use resources efficiently by combining innovative technologies with sustainability. We encourage innovation with a people-oriented management approach, develop solutions with domestic resources using the latest technologies, and strive for a more liveable and sustainable world by considering not only today but also tomorrow.

We expanded the R&D budget set for innovation projects and increased it by 60.2% compared to 2021, while increasing the number of innovation projects by 30% compared to the previous year. To this end, we have also increased the number of employees dedicated to innovation projects. As of the end of 2022, our total number of R&D employees was 442. R&D expenditures for the year totalled TL 541 million.

The work we carry out towards Entrepreneurship and Innovative Solutions is an important cornerstone that promotes sustainability in the telecommunications sector and supports our vision for the future. We continue to reinforce our leadership in the sector by supporting initiatives and closely following technological developments.

With the restructuring at the beginning of 2022, we gathered all investments, programmes and support related to entrepreneurship under TT Ventures. With this change, PILOT, Türk Telekom's corporate venture acceleration programme, is now continuing its journey under the umbrella of TT Ventures.

Since its establishment, TT Ventures has invested in 14 different initiatives with the goal of benefiting the national economy by assisting ventures with innovative products and creating synergy with Türk Telekom's existing core business lines and products. The Company focuses on areas that will create synergy with Türk Telekom, such as energy, health, education, artificial intelligence, digital solutions, financial technologies, blockchain, IoT and ICT, in order to create new unicorns through its investments in health, education, and artificial intelligence-based digital solutions.

Start-ups in which TT Ventures has invested:

MentalUP:

AI-powered education platform for children

Eltemtek:

System integrator for energy infrastructure projects

B2metric:

AI-powered analytics and automated machine learning product

Virasoft

AI-powered digital pathology and decision platform

Syntonym:

AI-powered synthetic visual data anonymisation product

MythAI:

Trend-based pattern creation technology product for the textile industry

Doctor Turkey:

Online consultation platform

Optiyol:

AI-powered route optimisation service

QuantWiFi:

AI-powered WiFi and network optimisation product for the telecoms industry

Cameralyze:

Code-free drag-and-drop computerised image processing product

Earnado:

Digital marketing decision support system service

Arcanor:

Data fusion analytics streaming product with GPU infrastructure

Appyap:

Local social media app

Kidolog:

Platform for parents to access online expert support for their kids

TT Ventures and İstanbul Portföy Yönetimi A.Ş. established "TT Ventures Venture Capital Investment Fund". TT Ventures now makes its venture investments under the umbrella of "TT Ventures Venture Capital Investment Fund". The fund, in which Türk Telekom Group is an investor, will invest in innovative technology ventures with global growth potential.

Türk Telekom PILOT

To date, 104 start-ups graduating from PILOT have received a total of approximately TL 30 million cash support, from Türk Telekom.



TT Ventures to make its investments via the Venture Capital Investment Fund with the support of Türk Telekom Group.

Türk Telekom's corporate venture acceleration programme PILOT continues to collaborate with start-ups that have innovative business ideas in the technology sector, under the umbrella of TT Ventures. In 2022, the 10th term of PILOT was completed and 13 start-ups successfully completed the programme and graduated. Teams had one-to-one meetings with 250 mentors and developed their products and services by participating in trainings given by expert trainers. The programme ended with a demo day event with the participation of distinguished investors, business people, entrepreneurs, distinguished speakers and panellists from Türkiye and abroad, during which the graduated start-ups introduced their products and services. Teams selected among the graduates became entitled to participate in the complementary programme in the US to be held at the end of the programme. To date, 104 start-ups have graduated from the PILOT programme, which has provided nearly TL 30 million in cash support to start-ups, 43 of which received investments from investors. TT Ventures also invested in 12 of them.

Next Generation Cities

We continue our Next Generation Cities projects, which bode well with our sustainability goals and contribute to the construction of sustainable and efficient cities with high quality of life. Our efforts to construct smart cities contribute greatly to the environmental, technological and social development of our country. With this vision, we are transforming every corner of Türkiye into smart cities equipped with modern technologies, while improving quality of life and supporting environmental and social sustainability. We believe that the project's prospective effects will not only enlighten individual lives, but also the sustainability journey of our country.

14 Next Generation Cities

We apply concepts that are tailored to the needs of cities, making city life easier, more comfortable, sustainable and safe.

With solutions in line with the next-generation urbanisation approach, we are leading Türkiye's largest smart city projects. The number of cities covered by the project reached 14 with the addition of Osmaniye, following Edirne, Aksaray, Mersin, Düzce, Karaman, Kars, Kocaeli, Elazığ, Antalya, Kütahya, Kırşehir, Denizli and Konya. Our goal is to build sustainable cities by introducing smart city technologies to all 81 provinces of Türkiye.

We apply concepts that are tailored to the needs of cities, making city life easier, more comfortable, sustainable and safe. A wide range of next-generation urbanism concepts, such as Smart Stop, Smart Car Parking, Smart Tracking, Smart Health, Smart Environment, Smart Lighting, and Smart Intersection are among the smart systems we have adapted to cities. By expanding these concepts, we included the concept of smart agriculture in the family of next-generation cities in 2022.

We have contributed to the effective use of national resources by achieving savings in electricity, fuel consumption and irrigation in municipalities with the smart solutions we have produced while popularising the concept of smart city technologies.

Our solutions in smart urbanisation played an active role in;

- ▶ reducing the time spent in traffic by approximately 35%,
- ▶ achieving 30% saving in fuel consumption,
- ▶ reducing carbon dioxide emissions by 25%.

With the Next Generation City Platform, we ensure that the solutions and applications we offer are monitored and managed from a single centre. The data collected by all solutions that can be instantly monitored is also examined, allowing for more efficient use of public resources. While the Next Generation City Platform provides real-time monitoring of city data, it also improves local government efficiency by allowing prospective decision-making by using the information collected.

As Türk Telekom, we completed our work on electronic supervision systems, one of the next-generation city transport components in Osmaniye Municipality in 2022, while project work is ongoing in Yahşihan, Yalova and Altınova Municipalities. The goal of these initiatives is to reduce traffic delays, accidents, and risks as well as to lessen the carbon impact by saving fuel. With Smart Urban Fittings, new-generation environmentally friendly and smart living spaces were created for the residents of Antalya and Ankara Metropolitan Municipalities and Koçarlı Municipality.

In 2022, we developed AI-powered smart agriculture software, a new member of the next-generation city family, with domestic solution partners and included it in the next-generation city ecosystem.

By improving production efficiency and digitalising agriculture, smart agriculture software helps reduce the risks, effects and agricultural dependence on foreign imports associated with climate change. In addition, smart agriculture software, which is a next-generation city component, provides solutions to increase efficiency and production in agriculture.

Production with Smart Agriculture contributes directly or indirectly to many goals, including "Zero Hunger", "Sustainable Cities & Communities" and "Climate Action" among the United Nations Sustainable Development Goals.



Electric Vehicle Charging Station

We are aware that reducing the worldwide consumption of fossil fuels by converting the fuels used by automobiles is crucial for environmental protection. With this perspective, we entered the electric vehicle charging market by obtaining the Charging Network Operator licence in partnership with TT Ventures, a member of the Türk Telekom Group of companies. We will begin to provide electric vehicle users with an e-charging service that is both safe and environmentally friendly with the steps we will take in this new business.

We will start providing electric vehicle users with an e-charging service that is safe and environmentally friendly.



Personal Data Protection Law

The protection of personal data stands out as one of the fundamental rights recognised by the constitution and legislation in this era of rapid technological progress. We place an emphasis on maintaining the confidentiality and security of our customers' personal information and behave in a way that satisfies our social responsibilities.

As of 2022, we successfully incorporated ISO 27701 Personal Data and Information Privacy Management System, ISO 27017 Information Security in Cloud Services, ISO 27018 Protection of Personal Data in Open Cloud Networks, and CSA STAR certificates into our management systems as a result of our ongoing management and certification activities since 2021.

Thanks to our management system, control mechanisms and procedures developed together with our certificates, we have not experienced any compliance breach within the scope of the Personal Data Protection Law.

The ISO 27001 Information Security Management System certificate was renewed through an external audit conducted by TSE. During the year, we managed to continuity with the PCI-DS certificate, which is the data security standard in the credit card industry. In the information security management system, employees are one of the most effective figures in ensuring the security of information assets. For this reason, we keep our employees' awareness around information security up to date by conducting related activities within the company. More than 90% of employees participated in assigned awareness training. We sent out monthly security awareness updates and warnings regarding phishing emails.

Due to the nature of the telecom industry and the volume and variety of personal data handled, we prioritise the security of personal data in all internal and external business activities. We are extremely sensitive to this issue and will continue to work diligently to maintain the confidentiality and security of our customer data. There are two projects implemented to protect personal data and ensure information security: the Blockchain Authentication Platform Project and the Security Incident Management Project.

We are extremely sensitive for the protection of personal data, and will continue to work diligently to maintain the confidentiality and security of customer data.

Blockchain technology, one of today's disruptive technologies, provides a new dimension to our technology with its distributed database structure and security, allowing for more secure and transparent data sharing. With blockchain, errors and limitations in automated systems can be dealt with and system upgrades can be run effectively. With the blockchain authentication platform that Türk Telekom is working to build, we will make it easier for our customers to access both our and third-party services, prevent security holes that may appear in identity sharing

and give users complete control over their own identities. Documents received from official institutions, such as identity cards, diplomas, certificates, student certificates and so on, will be stored in a blockchain-based infrastructure that protects them in an unchangeable manner. When the user requires a document, it will be possible to present documents or information to the requesting institution through our platform. We expect to implement the project, which we started working on in 2022, in the first quarter of 2024 by making the necessary improvements.

We recognise that responding quickly to data security breaches is crucial for maintaining customer trust and reputation, limiting data loss, and ensuring business continuity by minimising legal and financial ramifications. For this reason, we intend to create a system that automatically responds to security issues reported/detected within or outside of the company. Thanks to our Security Incident Management project, the information, documents and evidence required in security breaches will be automatically determined by software, thus reducing time and workload.





Focus on Value for Human

We continue to improve our products and services, invest in human resources, and connect talents to the future with digitalisation and agility.

► Focus on Value for Human

In today's rapidly changing business world, the telecommunications sector not only offers communication and technology solutions, but also stands out as a major source of employment.

We derive strength from our employees while continuing to lead the rapid transformation in information and communication technologies with our numerous projects. As Türkiye's first integrated leading communication and technology company, we are taking a pioneering role in the digital transformation of the country. Continuing our investments unabatedly, we adopt a human resources approach aiming for a robust connection to the future. We continue to improve our products and services, invest in human resources, and connect talents to the future with digitalisation and agility.

As Türkiye's first
integrated leading
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Human Resources Policy & Employment

Human resources management aiming for a robust connection to the future

We expanded our focus on digitalisation of human resources in 2022, improved the candidate experience in the interview and evaluation stages with the recruitment platform named Santral and continued our efforts to generate smart reports on recruitment processes.

In line with our strategy and goal of becoming the preferred workplace in the telecommunications sector, we aim to recruit a qualified workforce that will embrace our corporate culture and values. In addition to the advancements in technology, we are interested in retaining our employees for the long-term in order to provide fast, high-quality and sustainable services.

Providing services across 81 provinces

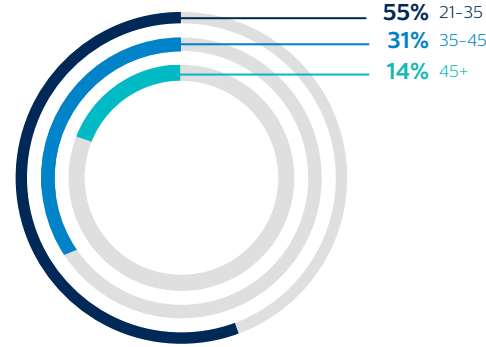
Türk Telekom Group provides services with 39,433 employees in 81 provinces with the vision of introducing new technologies to Türkiye and accelerating the transformation into an information society.

Contribution to employment with a human resource approach that make a difference

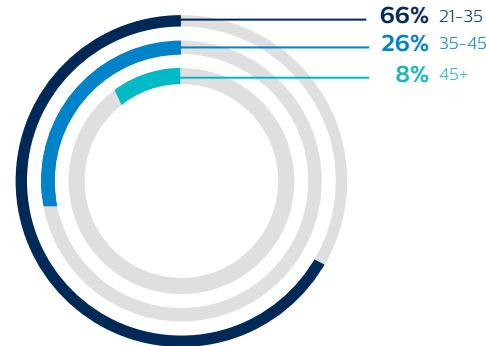
Putting employees at the heart of everything we do, we aim to attain a qualified workforce in line with our corporate culture and values and become the most preferred employer in the telecommunication sector with our innovative human resources strategies.

Türk Telekom Group continues to serve as a big family of 39,433 people in total, with 17,799 employees under Türk Telekom and 21,634 under its subsidiaries operating across Türkiye.

► Breakdown of Türk Telekom Employees by Age Group



► Breakdown of Türk Telekom Subsidiary Employees by Age Group



In terms of age groups, 31% of Türk Telekom employees are between the ages of 21-35, 55% are between the ages of 35-45 and 14% are 45 and over. In subsidiaries, the rate of employees between the ages of 21-35 is 66%, between the ages of 35-45 is 26% and aged 45 and over is 8%. The average age of employees at Türk Telekom is 37 while it is 39 in its subsidiaries.

We organise training and development activities that promote high performance and unlock potential by improving employees' knowledge, skills and corporate attitude through the investments we make with an integrated talent management perspective. Alongside our Human Resources Policy, we adhere to the principle of offering everyone equal chances of success under same circumstances in hiring and career planning. We develop our recruitment criteria based on unbiased principles and establish the integrity of our recruitment rules accordingly. We conduct strong relations with our employees through our Human Resources Business Partners.

19% of our employees are women and 81% are men, while at Türk Telekom subsidiaries, 59% of the employees are women and 41% are men.

In 2022, 17,836 employees were working for our operations and external contractors.

In order to encourage women employment, we prioritise female candidates with comparable qualifications during the recruitment process. We give women candidates with equal qualifications the highest consideration during the hiring and promotion processes in order to increase both the ratio of women employees and the participation of women in senior management. In 2022, women made 38% of total hirings at the Head Office while 48% of employees hired in START, the Young Talent Programme, were women.

Blue-collar employees make a significant portion of our workforce as we provide fixed and mobile telecommunication infrastructure services throughout Türkiye.

The ratio of female employees at the Head Office was 37% as of 2022. While there is one female executive in the top senior management team, female executives account for 11% of employees at the managing director level.

25% of our personnel have master's and doctoral degrees, 68.2% have bachelor's degrees, and 4.7% have associate degrees.

Contribution to employment

We contributed to employment in our Headquarters and Regional Directorates throughout Türkiye in 2022.

Opportunity for young talents in employment

As Türk Telekom, we continued contributing to employment at the Head Office and Regional Directorates across Türkiye in 2022. With the START Young Talent Programme, 35 new talents took the opportunity to work at Türk Telekom thanks to START My New Job in 2022. With START My Internship, we provided a five-week internship opportunity to 32 young talents, while 22 interns were recruited to work part-time.

The Company contributed to the development of young talents in various events by supporting them in discovering their interests which can make a difference in their careers.

In accordance with their career goals, we provided employment opportunities to 11 young talents through Cyber Security Camp, 8 young talents through Cloud Computing Camp, and one young talent through Software Development Camp.

Human Rights Policy

Türk Telekom Human Rights Policy, which was drawn up with the purpose of setting forth the set of principles and rules that ensure that our relationships with our employees, customers, suppliers, business partners and all stakeholders are managed in a manner that respects human rights, was approved by the Board of Directors and disclosed to stakeholders and the public on the Investor Relations web page.

Our HR policy is designated in a structure that is compatible with ethical principles, diverse, respects differences and is in line with the principle of participation on the grounds of the United Nations Universal Declaration of Human Rights, the Constitution and legal legislation of the Republic of Türkiye, and the International Labour Organization (ILO) Conventions approved by the Republic of Türkiye.

Recruitment Process

We profess our purpose of being regarded the "Best Company to Work For" by trying to reflect the pride of "Being a Türk Telekom member" to young university students and professionals outside the Company. We set forth and follow written recruitment criteria. We provide candidates equal opportunities in recruitment and career planning.

We do workforce planning by considering our organisation's needs and the number of permanent employees.

The recruitment process begins with creating a nominee pool in order to determine suitable candidates based on impartial and objective criteria. This nominee pool is provided from various sources such as the Company's career page, leading employment platforms and local and international HR consultancy firms. We further make use of digital and social media tools when communicating with sources such as universities, trade associations and government institutions in order to reach potential nominees.

For the purpose of screening, we use various measurement and assessment methods to determine impartiality and competence. We provide feedback to all nominees about their results.

We ensure the employment of young talents through employer brand activities carried out to encourage different generations to participate and collaborate in our projects (Young Talent Programs, Development Base Camps and Contests).



AssisTT supports the economy with the employment it creates

Beyond being a customer experience (CX) centre, AssisTT is a technology centre that pioneers digital transformation and offers end-to-end services with more than 18 thousand employees in 23 provinces. With its 63% female employment rate, AssisTT has continued its contribution to the country's economy and development by offering job opportunities to thousands of young people in 2022. AssisTT, which has been ranked among the best employers in Türkiye and Europe in the innovation, human resources and customer experience categories and has been qualified for new awards every year in this regard, was ranked once again among the Best Employers of both Türkiye and Europe in the Great Place to Work list. AssisTT qualified for 3 golden awards for the EMEA (Europe, Middle East, and Africa) Region in the 2022 17th Annual Global Top-Ranking Performers Awards organised by Contact Centre World, one of the most prestigious awards in the call centre industry. It was further awarded 1 golden and 3 bronze medals in 4 different categories at Brandon Hall for its best practices in human resources.

AssisTT preserved last year's success in "Türkiye's Top 500 ICT Companies Survey" organised by BT Haber and once again ranked first in the category of "Outsourcing Service of the Year".

The New 100 of Software opens the gates of the software world

AssisTT launched the New 100 of Software project to both meet the human resources needs of the software world and to invest in the future of employees who wish to improve themselves and to support them in shaping their career steps with well-equipped and confident steps.

100 employees selected for the program are provided. Net and C# programming training for approximately five months in purpose of offering them competency with a skill of global value while supporting them in coding their own future. Employees who demonstrate high performance in the program, where they are required to prepare project presentations with the support of their technology coaches, will have the opportunity to work for AssisTT Information Technologies Department.

Without any discrimination, we decide on remuneration considering factors such as the needs of business units, strategic importance of the role and intensity of work required.

Remuneration

We aim to attract skilled labour, retain employees, keep employee motivation high and make our services sustainable through fair remuneration. We determine wages by evaluating the relevant legislation, job description, responsibilities, qualifications and market averages. We have a Remuneration Committee established under the Board of Directors.

We adopt a competitive approach to remuneration. Without any discrimination we base our remuneration decisions on the needs of business units, strategic importance of the role and intensity of work required. International standards, budget and market conditions further shape our proceedings.

We do not allow employment at wages below legislative limits. Remuneration policies are determined by considering the role, experience and contribution of each employee. Employees' experience is affected by various factors such as knowledge, prior roles, performance, participation in projects, rewards or punishments received.

Türk Telekom has the necessary internal improvement and information tools to develop an appropriate remuneration system to attract and retain key executives. In order to improve the system on a regular basis, we have the opportunity to hire and evaluate consultants from independent organisations and experts in the field. We regularly receive reports from organisations conducting research in the field of Remuneration and Benefits, participate in surveys to understand the general market situation, and conduct benchmark analyses and evaluations with the data obtained in this way.

Executive positions are mapped by our human resources department based on the closest match to the benchmark positions in the survey data provided by salary research companies such as Korn Ferry, Mercer and Willis Towers Watson. Comparable market salary ranges for such executive positions are then determined by our human resources department in line with the data received from the remuneration consultancy firm.

Employee Benefits

We offer various benefits to improve the life standards of our employees. We provide benefits such as free communication services, life and personal accident insurance, meal cards, shuttle services and company cars. We further offer a private pension plan with the purpose of securing the future of our employees.

We contribute to the living standards of our employees and their families through various funds, health, and social aid organisations. We offer a private pension plan to assure our employees for a more comfortable post-retirement period. We further provide our full-time employees with personal accident and life insurance plans, depending on their position. These benefits may vary according to various parameters such as employees' employment contracts, status, departments, titles, positions, and seniority levels.

All Türk Telekom employees can benefit from Private Health Insurance or Türk Telekom Health and Social Welfare Foundation, depending on their preferences.

Under current laws, an employee who deserves to receive an old-age pension can apply for retirement without using the notice period. Our Company has implemented various programs in the past years to encourage the retirement process.

In line with the Labour Law we aim to have a disabled employment rate of 3%.

Türk Telekom Çarşı
In July 2022, we launched Türk Telekom Çarşı as a flexible benefits scheme in which employees can make their own choices over a digital platform in line with their needs.

Female Employees and Maternity Leave

We aim to encourage women's participation in business life and to increase women's employment. In accordance with Article 74 of the Labour Law No. 4857, our female employees are entitled to a total of 16 weeks of paid maternity leave, before and after birth (eight weeks each). We provide them with a fully paid leave allowance throughout this period.

Female employees, if they wish, can further take an unpaid leave for up to six months after giving birth and then 1.5 hours of breastfeeding leave per day until their child reach 1 year old. Pregnant or breastfeeding employees are not allowed to work more than 7.5 hours a day.

Performance Management and Feedback

As a fundamental element of the corporate world, performance management is a comprehensive process that aims to effectively assess, manage and improve the performance of employees both individually and as a team. The process, which involves input from managers, leaders, and employees, aims to ensure employees set goals, meet performance standards and maximize their potential. Performance management process, on the one hand, ensures that the targets determined in line with the Company's vision and the strategic priorities for the relevant year are realised with the contributions of the employees, while on the other hand it aims to assess the participation of employees in achieving goals with an objective, systematic and measurable method, to create a motivating work environment and to ensure personal development.

For the purpose of the 2021 Year-End Performance Assessment and Feedback Period, which is an integral part of the 2021 Performance

Management Calendar, we completed the performance assessment of 7,324 employees. The average satisfaction of employees with their manager's feedback was reported as 4.54 out of 5, with an increase of 3% compared to the previous year.

We reviewed the Performance Management System in line with the vision of offering employees with a better experience. We adopted the next-generation business management model OKR (Objectives and Key Results) methodology as the basic approach and created process development plan and improvement actions with the FSI (Focus Areas and Success Indicators) approach in line with our company culture. Owing to the FSI system, which is based on the focus areas that serve the Company's strategic goals and the success indicators associated with them, we offer user-friendly screens, integrated form structures, effective target setting and feedback flows. 7,650 employees completed the goal setting process on the system.

At Türk Telekom, we conducted a Leadership Climate survey to help our leaders understand the working climate within their organisations. Thanks to the reports prepared in line with the results of the survey, which attained a participation rate of 81%, we ensured that our managers received detailed feedback.

We continued the employee assessment process with our integrated talent management system Orchestra. For the first time this year, we carried out the 360° Competency Assessment and the Potential Assessment simultaneously to strengthen our evaluation systems while offering easy-to-use screens at the same time. We completed the assessments for 6,704 employees in 2022.

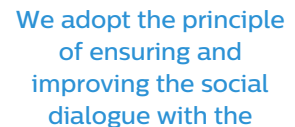


Social Dialogue and Labour Peace


Relations with the Trade Union and Labour Peace

We adopt the principle of ensuring and improving the social dialogue with the labour union and labour peace in the workplace by supporting the freedom of association of the employees and the right to Collective Bargaining Agreement. Based on related data, the rate of unionised employees in 2022 was recorded as 61%. In 2022, the Company complied with the provisions of the 14th Collective Bargaining Agreement concluded with the Turkish Haber-İş Union, which determined the wages, other social rights and working conditions of nearly 10 thousand union members across Türkiye, effective between 01 March 2021 and 28 February 2023. Moreover, in line with changing economic conditions the company updated the prevailing terms with two additional protocols signed during the year.

The rules are regularly notified and reminded to all Headquarter and Regional Business Units in accordance with local legislation regarding working hours, overtime, and collective bargaining. Regular audits of overtime are performed at Türk Telekom every month to evaluate the compliance with Türk Telekom Principles, collective bargaining agreements and relevant legislation. The minimum wage is determined by the collective bargaining agreement and above the legal subsistence limit.



We adopt the principle of ensuring and improving the social dialogue with the labour union and labour peace in the workplace by supporting the freedom of association of the employees and the right to Collective Bargaining Agreement.



Diversity and Inclusion

We encourage diversity and inclusion by adopting sustainable development as a business model and integrating it into decision-making mechanisms. By correctly analysing global risks, we aim to respond quickly and effectively to stakeholder expectations in compliance with the Sustainable Development Goals (SDGs). As such, we recognise the significance of ensuring a diverse and an inclusive culture. Accordingly, we adopted a strategy of mobilising in-house leadership and created opportunities for organisational and individual change. In order to sustain the broad participation of the workforce, the principle of inclusion is integrated into systems, processes, policies, and daily operations ensuring visible representations at all levels within the organisation.

We hold a pioneering position as a leading integrated technology services provider in accordance with our goals in line with the progress of our country. With our organisational structure consisting of Headquarters and Regional Directorates, we prioritise continuing our operations in every region of our country, creating a working environment that respects human rights and adopting human rights-compliant approaches in all internal company processes as our primary goals. We are well aware that creating diversity and equal opportunities plays a critical role in achieving corporate goals. Accordingly, we place utmost emphasis on the recruitment of candidates with diverse experiences with the aim of making operational results richer by integrating different perspectives into business processes.

In line with this approach, we offer employment opportunities to individuals from different segments of society and at various socioeconomic levels; we take care not to discriminate against any individual due to factors such as age, language, race, ethnicity, citizenship status, health, disabilities, gender, marital status, religion and sect, political opinion, philosophical view and belief. We recognise value differences as the richness of the corporate culture and focus on the development and long-term employment of our current employees. We attach great importance to maintaining ties with our alumni and establishing long-term, permanent relationships with them. We strive to ensure that each employee, whose career path intersects with Türk Telekom at a point, feels themselves a member of the company, beginning with the recruitment to the stage of leaving, and even afterwards.

We offer disabled-friendly physical conditions beyond the legal requirements, breastfeeding rooms suitable for female employees, areas that meet the need for prayer, nurseries and schools that offer an uninterrupted and comfortable working experience for parent employees across our offices.

Employee Experience

We are constantly working to ensure work efficiency, improve commitment and employee motivation, reduce turnover rates and strengthen our employer brand. We focus on designing an integrated and comprehensive employee experience that includes employees' perceptions of their entire interaction with the company.

In line with our approach to prioritise employee experience, we focus on designing an integrated and comprehensive experience.

Based on the principle "Great employee experience leads to strong customer experience", we included an Employee Experience Directorate within the Human Resources organisation in 2020. Accordingly, we accelerated the activities aiming to understand the needs and expectations of employees in order to improve the interaction between the employees and the company.

Employee experience involves the understanding of aligning employees' needs and expectations with organisational priorities, thereby emphasising "organisational empathy". We aim to understand the needs and expectations of the employees, to consequently increase work efficiency and motivation, to reduce the turnover rates, to strengthen the employer brand perception and to make it attractive and to create the equation of "happy employees and happy customers".

Employee Engagement

We perform periodic measurements to determine the significant stages in employees' career development. The measurement process begins with understanding and assessing current experiences. By analysing the data collected through in-depth interviews, workshops, focus groups, surveys and observation, we have the opportunity to design the ideal employee experience.

Considering the expectations and needs of our employees and reviewing local and global examples in this regard, we have implemented 'Türk Telekom Personalised Working Model' as of 2021. This model was developed to ensure the sustainability of the business and to be used as a management tool. For the purpose of this model, which was designated with a focus on efficiency and sustainability, benefiting from insights

gained from employees' experiences, employees carry on their activities in four different ways - mobile, at the office, hybrid and remote-depending on their roles and responsibilities.

In order to receive instant feedback from employees, provide insights, include employees in management processes and invest in psychological trust, Türk Telekom launched the DNA (What does your experience say?) Employee Experience Platform in 2022. This Platform serves to analyse the challenges, positive moments, requirements, and expectations of the employees' experiences. Based on this data, the Company aims to perform completely data-driven measurements and to take the necessary steps to improve the experience.

DNA Employee Experience Platform

DNA Employee Experience Platform was developed to receive instant feedback and insights from employees and to invest in psychological trust.



Talent Management

The telecommunication sector, which operates in an environment rapidly shaped by technology, displays how important talent management strategies are for ensuring sustainable success. These strategies are required to maximise the innovative potential of the industry, to constantly strengthen the skills of employees and to adapt to changing demands. Talent management, covering the attraction, development and retention of qualified personnel, plays a fundamental role in the future growth targets and sustainability of telecommunication companies.

In line with the insights derived from the employer brand perception research conducted throughout the year, the rate of talents who expressed their willingness to work within Türk Telekom was measured as 4.5 out of 5 whereas the rate of talents who stated that they found Türk Telekom Campus Events successful was measured as 4.3 out of 5.

Training and Development: TT Academy


Today's rapid change in social, economic and technological fields also affects business life. Adaptation to these changes is required for the institutions to compete and ensure sustainability. The most effective way to adapt to these rapid changes is through "training and development" activities. Qualified workforce, new competencies and employment of talented employees become more important every day with this change.

We determine and implement principles to ensure that our employees fulfil their obligations regarding the training required

by legislation, develop personal and professional competencies and that training and development activities aiming to support the proper development of current and potential leaders are carried out effectively and efficiently.

The realisation rate of these trainings, which can be monitored daily, weekly and monthly through the company's SAP system, is 72.1%. Furthermore, we prepared a Training and Development Activities Procedure to ensure the effective progress of the activities carried out in this field.

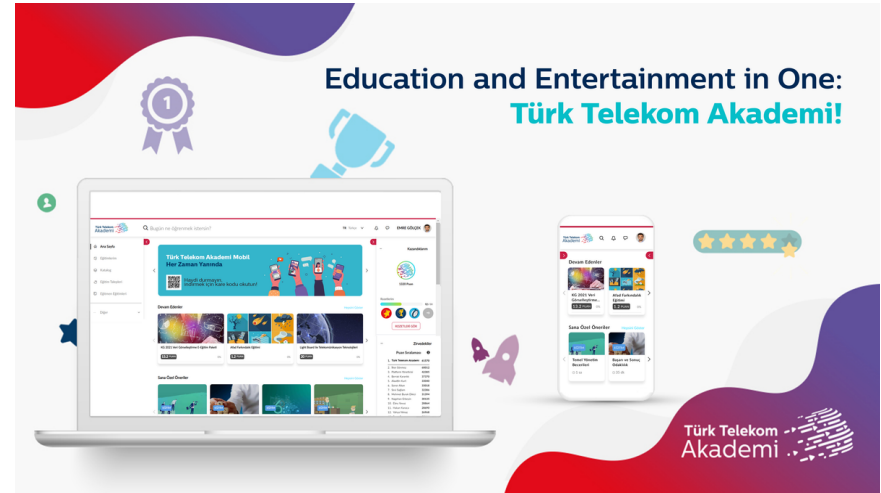
Türk Telekom Academy, which was established in order to provide training support to our employees based on the philosophy of "Human for Technology, Development for Human", operates under the Deputy General Manager of Human Resources. TT Academy training covers the training and development activities⁶ extended for all Türk Telekom employees.

 (6) Education and training activities do not cover TT Group company employees or outsourced employees.

Türk Telekom Academy supports the development of employees through training and education activities offered with the responsibility of providing development tools and creating assessment and monitoring systems.

Türk Telekom Academy, the leading corporate academy of the industry with a total of 255 training classroom and 381 active internal trainers across all 81 provinces of Türkiye, continued to provide training and development services in 2022 by using up-to-date training technologies. During the year, 853 in-class and 2061 virtual classroom trainings were conducted.

Our human resources
are developing with
Türk Telekom Academy.



The training prevalence rate was 72.9%, the average training hours per employee was 35.2, and the training satisfaction rate was 4.6 out of 5. Additionally, 526,520 thousand hours of remote education were delivered through virtual classroom and e-learning platforms.

In 2022, the average e-training time per employee was 12.1 hours, the average virtual classroom training time was 17.3 hours, and the average in-class training time was 5.8 hours. Türk Telekom Academy offers need-oriented, customised solutions in employee development.

Occupational Health and Safety

Occupational Health and Safety (OHS) management is a priority that aims to protect the health and safety of our employees, one of the company's most valuable stakeholders. We transparently present how OHS is intertwined with sustainability, along with the reporting metrics at both the national and global levels, including the role of the ISO 45001 Occupational Health and Safety Management System Standard.

We prioritise the health and safety of our employees, our most valuable asset, who work tirelessly day and night in every corner of the country in order to provide uninterrupted service in different geographies even at times of challenging climate or other physical conditions.

ISO 45001

In addition to following the legal legislation, Türk Telekom acts in accordance with the ISO 45001 Occupational Health and Safety Management System standard in all its operations.

We prioritise providing our employees and solution partners with a healthy and safe working environment in all fields of activity.

We adopt a proactive approach in order to ensure the safety of our employees, at the Head Office or in the field and to safeguard them from occupational accidents and diseases. We evaluate the instant notifications served by the employees, initiate actions before accidents occur, thereby ensure the elimination of dangerous situations and behaviours.

We aim to ensure full compliance by following national and international requirements. We already have procedures to define hazards, identify and evaluate risks. For the purpose of the risk assessment reports prepared specifically for each workplace, we evaluate routine and non-routine activities using the Fine-Kinney method and implement improvements within the scope of the risk control hierarchy.

We allow the employees to notify/report work-related hazardous situations/behaviours and near misses through an online system accessible to employees or, when there is no access to the portal, by filing a written near miss reporting form. Our employees are represented in OHS committees through employee representatives. All demands of employees are discussed in these committees. Thus, we actively manage the employee participation process.

We have a corrective action system in place and such corrective actions are communicated to the relevant units. Necessary actions are taken through the online system. We conduct research on accidents and at the end of a root cause analysis, we initiate actions regarding the situations that occur. We monitor the actions to ensure that they are undertaken within specified deadlines.

We fulfil all legal obligations towards protecting the occupational health of our employees in every workplace by our physicians. No occupational disease has been detected so far.

We append specifications with regard to OHS terms and conditions to the contracts concluded with subcontractors and suppliers and we check the specification requirements. We also run on the job inspections.

We raise awareness with events held during Occupational Health and Safety Week.

In addition to following the legal legislation, we act in compliance (100%) with the ISO 45001 Occupational Health and Safety Management System standard in all our fields. No employees or work areas have been excluded from the scope of the ISO 45001 standard.

We continuously improve our OHS performance with the ISO 45001 Occupational Health and Safety Management System implemented in the Headquarters and all Regional Directorates and Telekom Offices. One of the two fatal accidents reported in 2022 had occurred as a result of a heart attack, which was not caused by work, but had been reported as an occupational accident as it happened in the lodgement located within the borders of the workplace.

We organise various events each year in order to create a culture of occupational health and safety and to raise the awareness of our employees in this regard. During the Occupational Health and Safety Week on May 4-10th, we organised a photography competition among our employees with the motto "I'm Safe with Occupational Safety"; thereupon we selected the best occupational safety shoots and granted various awards to the top-ranked employees.

In line with the aim of raising awareness about Occupational Health and Safety, 1,141 employees received in-class and 19,094 employees received online basic OHS training in 2022.





Focus on Trust – Doing Business Responsibly

We do business responsibly by complying with ethical, legal and social responsibilities.

► Focus on Trust – Doing Business Responsibly

Doing business responsibly and focusing on trust stands out as the cornerstones of our sustainability approach. Therefore, creating value, based on doing business responsibly and focus on trust are placed at the heart of our sustainability strategy.

We focus on doing business responsibly by carrying out all our activities in compliance with ethical, legal and social responsibilities. We adopt strategic decisions by considering the needs of the employees, customers, suppliers and the society. We make investments aimed at reducing the environmental impact of the services offered. We adopt all national and international requirements on ethics and anti-corruption issues and aim to establish a transparent culture.

We do business responsibly by complying with ethical, legal and social responsibilities.



We pay strict attention to fulfilling our commitments and ensure high-quality standards in the services provided. As a trustworthy business partner, we protect our customers' data and privacy. We reinforce the trust of our stakeholders through transparent communication and open reporting.

With all these, we believe that doing business responsibly and focusing on trust are integrated with our sustainability goals. Based on these principles, we consider environmental, social and governance impacts in our corporate governance approach. Our sustainability strategy aims to create long-term value by considering the expectations and requirements of stakeholders.



Corporate Governance

Our Corporate Governance understanding is shaped within a framework based on the principles of respect for ethical values, transparency, accountability, and sustainability.

As Türk Telekom, we take utmost care to implement the principles included in the Corporate Governance Principles published by the Capital Markets Board (CMB). Annual reports and corporate website are updated and presented to stakeholders as part of this practice. Our stakeholders have the opportunity to access comprehensive information through the up-to-date Türk Telekom Investor Relations website and they can ask their questions about the company to the [Investor Relations and Sustainability Directorate](#).

We have adopted a corporate approach that places corporate governance principles at the core of our activities. In line with this approach, we aim to build a sustainability policy and focus areas on corporate governance principles. With this strong link between corporate governance and sustainability, our holistic approach supports both sustainability and long-term and goal-oriented growth.

Türk Telekom, which has adopted a strong corporate governance approach, shares its ESG approach and exemplary practices with its stakeholders in a transparent manner.

We have been the only telecommunications company listed on the BIST Corporate Governance Index since 2009. Being listed on the BIST Sustainability Index since it was inception in 2014, we maintain our successful performance with exemplary practices in the field of ESG.

We are listed in the
BIST Corporate
Governance Index.

We manage Focus on Trust and Doing Business Responsibly processes in accordance with company policies.

Sustainability Policies

- ▶ [Sustainability Policy](#)
- ▶ [Human Rights Policy](#)
- ▶ [Human Resources Policy](#)
- ▶ [Anti-Bribery and Anti-Corruption Policy](#)
- ▶ [Information Security Policy](#)
- ▶ [Procurement Policy](#)
- ▶ [Integrated Management System Policy](#)

Corporate Governance Policies

- ▶ [Disclosure Policy](#)
- ▶ [Dividend Policy](#)
- ▶ [Remuneration Policy](#)
- ▶ [Women Board Membership Policy](#)
- ▶ [Donation Policy](#)
- ▶ [Compensation Policy](#)
- ▶ [Internal Directive of the General Assembly](#)
- ▶ [Business Ethics Code](#)



Corporate Governance Performance

Our company's corporate governance rating assessment report was prepared on December 14, 2022 by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. (SAHA), which is authorised to perform ratings in compliance with the Capital Market Board (CBM)'s Corporate Governance Principles in Türkiye. We were rated with an overall score of 9.40/10 at the end of the rating process. Our company's rating was determined as a result of the assessment performed under four main headings (Shareholders, Public Disclosure and Transparency, Stakeholders, Board of Directors) weighted within the framework of CMB's policy decisions on the subject.

A rating score of 9.40 assigned by SAHA based on the Corporate Governance Principles indicates that our company significantly complies with the CMB Corporate Governance Principles and implements the necessary policies and measures.

Corporate Governance Rating Reports are available on our website.

The distribution of the corporate governance score by main headings is as follows:

Subcategories	Weight	Rating
Shareholders	25%	87.59
Public Disclosure and Transparency	25%	98.85
Stakeholders	15%	99.51
Board of Directors	35%	92.83
Total	100%	94.03

The biographies of the Board members, including their experience in corporate governance and sustainability can be accessed from the [Board of Directors](#) section of our website.

A Corporate Governance Rating score of 9.40 indicates that our company significantly complies with the CMB Corporate Governance Principles and implements the necessary policies and measures.

Board of Directors and Governance Structure

Board of Directors Nomination and Election Process

Our company's Board of Directors consists of both executive and non-executive members. A non-executive member of the Board of Directors is a person who does not have any administrative duties in the company other than Board membership and does not intervene in the daily workflow and operational activities of the company. The majority of the Board of Directors members are comprised of non-executive members. Furthermore, the Board of Directors Chairman does not hold any executive duty.

Accordingly, the Board of Directors of Türk Telekom consists of 9 members, all nominated by the shareholders as follows:

- (a) The Group A Shareholder is entitled to nominate five (5) persons for election as the members of the Board of Directors;
- (b) provided that the Treasury and Türkiye Wealth Fund, in its capacity as the Group B Shareholders shall hold;

► 30% or more of the shares, the Treasury shall be entitled to nominate three (3) persons for election as independent board members who carry the independence criteria as defined in the Capital Market legislation or

► 15% or more of the shares (but less than 30% of the shares), the Treasury shall be entitled to nominate two (2) persons for election as independent board members who carry the independence criteria as defined in the Capital Markets legislation:

► During the calculation of 15% and 30% of the shares mentioned in above paragraphs, the amount of Group B shares and Group D shares held by the Treasury and Turkish Wealth Fund shall be considered together.

(c) As long as the Treasury and Turkish Wealth Fund holds 15% or more of the Shares (but less than 30% of the Shares), the Group A shareholder shall be entitled to nominate one (1) person, who carry the independence criteria as defined in the Capital Markets legislation, for election as independent Board members and five (5) persons for election as Director.

(d) While the Treasury holds the Group C Privileged Share, the Treasury shall be entitled to nominate, a further one (1) person, for election as Director for the Group C Privileged Share.

(e) Each one of the Group A, B and C shareholders shall vote for the election of the directors nominated pursuant to this article. This article shall not restrict the voting rights of the shareholders that have acquired the Shares from stock exchange market.

The Chairman of the Board of Directors shall be nominated by the directors nominated by the Group A Shares from among the Directors and be elected and removed by the simple majority votes of those present at the meeting of the Board of Directors.

The Vice Chairman shall be nominated by the directors nominated by the Group B Shares from among the Directors and be elected and removed by the simple majority votes of those present at the meeting of the Board of Directors. The Chief Executive Officer and other executives shall be nominated by the holder of the Group A Shares

and elected and removed by a simple majority of those present at the meeting of the Board of Directors. The Shareholder who wishes to make a nomination shall take reasonable steps to ensure that its nominee is able to perform his or her duties competently.

Each nominating Shareholder shall determine and announce the name, qualifications and experience of its nominee and intended date of nomination in accordance with the CMB regulations.

The remuneration of the members of the Board of Directors shall be determined by the General Assembly. The regulations of the Capital Markets Board are complied with when determining the principles of remuneration of the members of the Board of Directors.

The Remuneration Policy has been approved by the Türk Telekom Board of Directors and the General Assembly. The Board of Directors Shareholders are enquired on "Remuneration Policy" determined for members and senior executives with a separate agenda item at the Ordinary General Assembly meeting held on a yearly basis.

Since there is no change in the remuneration policy, a voting process did not take place at the General Assembly. However, all shareholders are given the right to freely express their opinions on this issue at the General Assembly and the opinions given are publicly published in the General Assembly minutes and on the company's website on the same day.

Preventing Conflicts of Interest in the Board of Directors and Making Critical Decisions

We establish our policies and processes in accordance with the mandatory provisions of the Commercial Code No. 6102 and pay utmost

attention to the implementation of the principles set out in the Corporate Governance Principles published by the Capital Markets Board (CMB).

The composition of our Board of Directors is regulated in Article 8 of the Articles of Association in a manner that ensures conflicts of interest are avoided. This composition enables the representation of shareholders and our main stakeholders on the Board of Directors.

As of the end of 2022, the members of the Board of Directors who meet the qualifications and conditions specified in the Articles of Association were elected at the Ordinary General Assembly meeting dated 31.03.2022, and their term of office is 3 years. The Chairman of the Board of Directors and the CEO are not the same person.

During the Ordinary General Assembly Meeting dated 31 March 2022, the General Assembly permitted the members of the Board of Directors to perform the works set forth in Articles 395 and 396 of the Turkish Commercial Code. Pursuant to Corporate Governance Communiqué No: II.17.1, the General Assembly was informed of the transactions realised during the year by the controlling shareholders, members of the Board of Directors, the senior executives and their spouses and their relatives by blood and marriage up to the second degree; about conducting material transactions which may cause conflict of interest for the Company or the Company's subsidiaries, and/or about performing any commercial transaction falling into the scope of activity of the Company or its subsidiaries for themselves or on others' behalf, or about acquiring shares in another company engaged in the same type of commercial activities in the capacity of an unlimited partner. It was shared in the Ordinary General Assembly meeting dated 31.03.2022 that the members of the Board of Directors did not have any transactions within the specified scope for the year 2021.

Pursuant to the Turkish Commercial Code No. 6102, which entered into force on 01.07.2012, each Board Member may request the Chairman of the Board of Directors in writing to invite the Board of Directors to a meeting.

Except for important decisions to be taken by the Board of Directors, the decisions of the Board of Directors are taken by a majority of the votes of those present at the meeting compatible with Article 12 of the Articles of Association. Important decisions listed in Article 12 of the Articles of Association are taken with the affirmative vote of seven members, at least one of whom represents the Ministry of Treasury and Finance of the Republic of Türkiye, with a meeting quorum of at least seven members. Questions posed by the members of the Board of Directors in the meeting as well as questions asked for more than once about a specific issue and all expressed opinions are recorded in the minutes of the meeting.

Structure and Composition of the Board of Directors

The Board of Directors convenes as required by the company's activities, at least four times a year, as per the provisions set forth in the Articles of Association. General Secretariat of the Board of Directors carries out the operational work and tasks for the Board of Directors. The meeting date, the agenda and the documents related to the agenda are sent to the members of the Board of Directors for review 10 business days in advance. Members of the Board of Directors are invited to the meeting via e-mails. The agenda of the Board of Directors meetings, which is subject to the final approval of the Chairman, is determined over e-mails and is driven by the opinions and suggestions of the Board Members, CEO-General Manager, Assistant General Managers and department managers.

The Board of Directors held a total of 12 meetings in 2022. The Board evaluated strategic issues of the company in these meetings. The average attendance rate by the members of the Board of Directors at the meetings held was 96.2%. Pursuant to the Article 12 of the Articles of Association, decisions of the Board of Directors were taken by a majority of the votes of those present at the meeting, except for the critical decisions. The critical decisions listed in the Article 12 of the Articles of Association were taken with the affirmative votes of seven members, at least one of whom represents the Ministry of Treasury and Finance of the Republic of Türkiye. The meeting quorum consisted of at least seven members. The questions posed by the members of the Board of Directors at the meeting as well as the questions and views regarding issues on which opinions were expressed for more than once were all recorded in the minutes of the meetings. The rights of the members of the Board of Directors representing Group C privileged shares are explained in the section of this report titled Voting Rights and Minority Rights. There are no decisions that have not been approved. There are no significant transactions submitted for the approval of the independent members of the Board of Directors and all related party transactions were approved by the majority of the independent members of the Board of Directors. The damages that may be caused by the members of the Board of Directors due to their faults during the execution of their duties are insured. The total liability limit of the company's existing Insurance Policy Against Management policy has been set to exceed 25% of the company's capital.

Since Türk Telekom is subject to the share capital system, the Board of Directors is not authorised to issue shares. The General Assembly is authorised to issue new shares.

Türk Telekom Board of Directors and Türk Telekom Senior Management

Board of Directors

- ▶ Dr. Ömer Fatih SAYAN Chairman of the Board of Directors
- ▶ Mahmut GÜRCAN Vice Chairman of the Board of Directors
- ▶ Yiğit BULUT Independent Member of the Board of Directors
- ▶ Dr. Cengiz YAVILIOĞLU Member of the Board of Directors
- ▶ Selim DURSUN Independent Member of the Board of Directors
- ▶ Enver İSKURT Independent Member of the Board of Directors
- ▶ Ümit ÖNAL Member of the Board of Directors
- ▶ Salim Arda ERMUT Member of the Board of Directors
- ▶ Metin İLHAN Member of the Board of Directors

Senior Management

- ▶ Ümit ÖNAL CEO – General Manager
- ▶ Kaan AKTAN Finance Assistant General Manager
- ▶ Dr. Mehmet BEYTUR Support Services and Procurement Assistant General Manager
- ▶ İsmail BÜTÜN Consumer Sales Assistant General Manager
- ▶ Mustafa ESER Corporate Sales Assistant General Manager
- ▶ Ali GÜRSOY Head of Enterprise Risk and Business Continuity
- ▶ Tahsin KAPLAN Legal and Regulation Assistant General Manager
- ▶ Yusuf KIRAÇ Technology Assistant General Manager
- ▶ Zeynep ÖZDEN Marketing and Customer Experience Assistant General Manager
- ▶ Emre ŞEHİSUAROĞLU Head of Internal Audit
- ▶ Mehmet Emre VURAL Human Resources Assistant General Manager
- ▶ Yavuz YILDIRIM Wholesale Assistant General Manager



There are no members of the Board of Directors and senior executives from minority groups in our Company.

Diversity in Board of Directors and Senior Management

We strengthen our sustainability perspective by adopting a diversity approach in the Board of Directors. We focus on representing individuals with different gender, age, ethnicities, experiences and skills through which we aim to both increase employee diversity in the sector and support our sustainability goals.

Increased representation of women in management positions and decision-making processes directly contributes to our sustainability goals. The perspectives and experiences of women leaders shape the creation of inclusive and sustainable business strategies. In addition, empowering women, promoting gender equality and women's participation in professional life contribute to the sustainable growth of the sector.

We aim to comply with Article 4.3.9. of Capital Markets Board Corporate Governance Principles in order to support our sustainability vision. This article favours greater representation of women on company boards and a stronger position at the highest decision-making levels. Accordingly, we established the "Woman Membership in Board of Directors Policy" in 2019. We do support a more equitable and diverse structure in company management in line with our sustainability vision.

The Company's senior management includes one female senior executive in the position of Assistant General Manager and one female member of the Corporate Governance Committee, one of the committees under the Board of Directors. In addition, there are 7 female Managing Directors in our company, all reporting to Assistant General Managers.

Board of Directors Meetings

Board of Directors Meetings are important platforms where critical decisions that shape the future of our company are taken. The attendance by members to the Board of Directors Meetings was 96.2% in 2022. The attendance rates of the members of the Board of Directors to the meetings on individual basis as of the end of 2022 are as follows.

Members of the Board of Directors	Attendance Rate at the Board of Directors Meetings
Dr. Ömer Fatih Sayan	100%
Mahmut GürCAN	100%
Yiğit Bulut	100%
Selim Dursun	100%
Enver İskurt	92.8%
Dr. Cengiz Yavilioğlu	85.7%
Ümit Önal	100%
Salim Arda Ermut	100%
Metin İlhan	100%



Enver İskurt could not attend the meeting since he was on an overseas trip.



Dr. Cengiz Yavilioğlu could not attend the meeting due to his busy schedule.

Level of participation
to the Board of
Directors meetings in
2022 is 96.2%.



Committees under the Board of Directors

The Board of Directors establishes the committees stipulated in the Turkish Commercial Code and capital markets legislation in order to fulfil its duties and responsibilities in a healthy manner, maintain the company's existence and development and ensure that the committees operate in accordance with the provisions of the legislation.

While the Board of Directors fulfils its duties and responsibilities assigned to it by law and the Articles of Association, it may partially delegate them to the committees within the company and/or to the managers of the company by clearly determining their functions, without however, eliminating its own responsibility.

Audit Committee

The Audit Committee was established with the decision taken by the Board of Directors of our company on 16.06.2008.

With the decision taken by the Board of Directors of our company on 13.05.2022, Independent Member of the Board of Directors Yiğit Bulut was elected as the Chairman of the Audit Committee and Independent Member of the Board of Directors Selim Dursun was elected as the Audit Committee member.

The Audit Committee convened six times in 2022 to effectively monitor the accounting, finance and auditing processes of the Türk Telekom Group, ensure compliance with the laws and regulations and the code of conduct, and to review and monitor other issues that were assigned by the Board of Directors from time to time.

Corporate Governance Committee

Corporate Governance Committee was established with the decision taken by the Board of Directors of our company on 17.10.2012.

With the Board of Directors' 13.05.2022 dated decision, Independent Member of the Board, Enver Iskurt was elected as the Chairman of the Corporate Governance Committee. Independent Member of the Board Selim Dursun, Board Member Metin İlhan, Investor Relations and Sustainability Director Gülsen Ayaz were elected as Corporate Governance Committee members.

The Corporate Governance Committee ensures that Corporate Governance Principles are established, developed, adopted and implemented within the company. The Corporate Governance Committee convenes as often as deemed necessary for the effectiveness of its operations. The Corporate Governance Committee held two meetings in 2022 and fulfilled its duties effectively.

Nomination and Remuneration Committee

The "Nomination Committee" and "Remuneration Committee", which were established to operate under the Board of Directors pursuant to article 4.5.1. of Corporate Governance Principles of Capital Markets Board's Corporate Governance Communiqué, II-17.1., have been abolished. In order to carry out the current duties of the abolished committees, the "Nomination and Remuneration Committee" has been established, again to operate under the Board of Directors of our Company.

Independent Member of the Board Yiğit Bulut is the Chairman of the Nomination and Remuneration Committee. Chairman of the Board

Dr. Ömer Fatih Sayan and Member of the Board Salim Arda Ermut serve as Committee Members. The Committee held one meeting in 2022 and fulfilled its duties effectively.

Early Identification and Management of Risks Committee

Early Identification and Management of Risks Committee was established with the Board of Directors' 14.08.2013 dated decision.

Independent Member of the Board Yiğit Bulut serves as the Chairman of the Early Identification and Management of Risks Committee, and Chairman of the Board Dr. Ömer Fatih Sayan and Board Member Mahmut Gürçan serve as Committee Members as per the Board of Directors' 13.05.2022 dated decision.

The Early Identification and Management of Risks Committee convenes every two months and fulfils its duties effectively. The Committee held a total of four meetings in 2022. Purpose of establishment of the Early Identification and Management of Risks Committee are as follows:

- ▶ To identify any potential risks that may jeopardise the existence, development and continuity of Türk Telekom Group,
- ▶ To establish the Corporate Risk Management System in order to implement necessary measures and actions aiming to eliminate identified risks and to ensure the system's continuity and improve it where necessary,
- ▶ To conduct activities to manage and review risks by risk management tools under a risk management system,

- ▶ To ensure that the findings of the Corporate Risk Management System form an important component of the decision-making mechanism and to present reports to the Board of Directors on these issues.

Independent Member of the Board Yiğit Bulut serves as the Chairman of the Early Identification and Management of Risks Committee, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee. Also, Independent Member of the Board Selim Dursun serves as a member in multiple committees; namely the Corporate Governance Committee and Audit Committee.

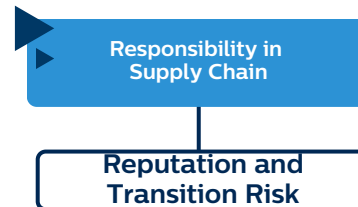
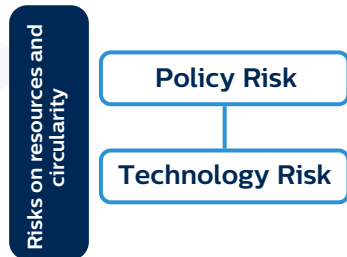
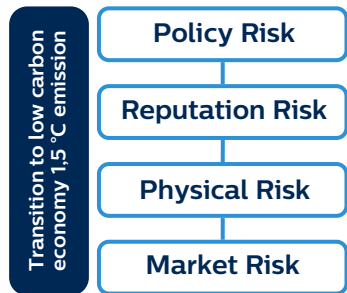
Corporate Risk Management and Business Continuity

Effective Risk Management

With the awareness of the added value created by risk management, we adopt international standards in Enterprise Risk Management and address risk management activities in line with best practices.

Risk and Opportunities Related to ESG

Risks Related to Climate



Sustainability Related Risks

Customer Related Risks

- ▶ Information Security and Cyber Risk
- ▶ Data Management Risk
- ▶ Digital Growth and Diversification Risk
- ▶ Innovation Risk
- ▶ Reputation Risk
- ▶ Network Transformation Risk – Transformation and Development of Infrastructure and Network Technologies
- ▶ Supply Chain Risk
- ▶ Organisational Agility Risk

Climate Change and Environment Related Risks

- ▶ Reputation Risk
- ▶ Sustainability Risk
- ▶ OHS Risk
- ▶ The Risk of Drought and Water Crisis
- ▶ Recycling
- ▶ Waste
- ▶ Energy Requirement/Density

Risks Related to Contribution to Society

- ▶ Innovation Risk
- ▶ Reputation Risk
- ▶ Inability to be Positioned as a Beneficial Company to Society Risk

Sustainability is considered as one of the main components of risk management at Türk Telekom.

Enterprise Risk Management is a systematic process applied throughout the company in devising strategies. It is created by the contribution of senior management and all other employees. It aims to identify potential events that may affect the company, manage risks in accordance with the corporate risk appetite and provide reasonable assurance that the company is capable of achieving its goals.

At Türk Telekom, we adopt international standards in Enterprise Risk Management with the awareness of risk management's value add and carry out the necessary work to improve our activities in line with the best practices. We apply the ISO 31000 standard in establishing the framework containing the principles of Enterprise Risk Management and the risk life cycle process.

In this context, Enterprise Risk Management Process includes;

- ▶ Establishing a framework,
- ▶ Identification of the risk,
- ▶ Risk analysis,
- ▶ Risk assessment,
- ▶ Risk mitigation,
- ▶ Communication and exchange of views,
- ▶ Monitoring, review and reporting.

We adopt international standards in Corporate Risk Management.



Strategic Objectives and Risk Management

The Board of Directors is authorised to evaluate and approve the strategic plans and annual budgets, which requires the evaluation of developments in the sector at both global and national levels as well as the interpretation of technological developments and strategic targets determined by customer preferences. Performance in achieving strategic targets is monitored monthly by the Board of Directors.

During the reporting period, the Early Identification and Management of Risks Committee analysed our company's activities, identified potential risks and developed strategies to address these risks. The studies carried out in this context support our goals of promoting sustainable growth and demonstrating the value created for our stakeholders.

Business Continuity

While providing nearly 53 million subscribers with integrated Information and Communication Technologies services, we create value for the society, public, economy and people with the uninterrupted continuity of these services. We carry out end-to-end business continuity management described via the roles and responsibilities assigned with the designated business continuity team embedded in our organisation.

We carry out our business continuity management activities by considering all threats and risks, including human-related natural disasters.

According to the risk appetite determined by the Board of Directors of our company, we ensure continuity of communication,

a vital service, in a holistic business continuity approach that we apply by using risk tolerance levels. In addition to all these activities, we are operating all management system processes for the ISO 22301 certificates obtained for Türk Telekomünikasyon A.Ş. and TT Mobil A.Ş.

Actions taken within the scope of the Business Continuity management:

- ▶ Business interruption risk analyses
- ▶ Scenario analyses and scenario-based action planning
- ▶ Business impact analyses
- ▶ Risk mitigation and control environment improvement
- ▶ Establishing business continuity policies, procedures and plans
- ▶ Testing and drilling
- ▶ Training and awareness
- ▶ Incident and crisis management
- ▶ Recovery planning

We have finalised the compliance and assessment project for the Resilient Enterprise Assessment Program (REAP) as of 2021. It was developed by the Disaster Recovery Institute International (DRII), the oldest and largest professional organisation in the world on business continuity management, based on good industry practices. DRII accredited Türk Telekom based on our current capacity and competencies and recognised us as a Resilient Enterprise. We managed to become the first and only telecommunications company in the world to be awarded with this accreditation.

Internal Control Environment

We have created the necessary internal control environment in our company in order to achieve strategic goals, to ensure the effectiveness and efficiency of the operations, to ensure the reliability and accuracy of financial information, to protect our customers' personal data and company assets and to ensure compliance with laws, regulations, policies and procedures.

Internal controls are actions that help achieve operational objectives by reducing the likelihood and/or impact of a risk occurring. We aim to embed the control activities into systems and processes while the relevant structure is still at the design stage.

In order to accurately determine the level of risk, the risk owner identifies the existing controls together with the stakeholders and self-evaluates the effectiveness of these controls together with the control owners.

Periodic controls performed by the Vice Presidency of the Internal Audit Department aim to provide reasonable assurance regarding the processes by testing the control points established on the processes.



Governance Structure

Türk Telekom Group Corporate Risk Governance Model



Risk Management and Internal Control emerge as the basic and regular elements of activities carried out by our employees. We aim to integrate the Enterprise Risk Management approach into activities and processes at all levels with the purpose of making it an integral part of decision-making mechanisms. Provided that the final authority and responsibility regarding the effectiveness of Enterprise Risk Management predominantly pertains to the Board of Directors, the Board carries out this oversight responsibility in collaboration with the Early Identification and Management of Risks Committee.

It examines and monitors the risks and opportunities that Türk Telekom Group is exposed to in accordance with the group strategies enabled by our governance structure. All organisational levels of the Group, particularly the senior management and risk holders, contribute to and support the Risk Management and Internal Control implementation processes. For the purpose of the Risk Management and Internal Control, we aim to internalise a risk and control culture throughout the group and we carry out all activities together with the contribution of all stakeholders with whom the risks are associated.

Early Identification and Management of Risks Committee was established on the grounds of the Board of Directors' resolution dated 14 August 2013 in accordance with Article 378 of the Turkish Commercial Code No. 6102 and the relevant regulations of the Capital Markets Board. Its organisation, duties and responsibilities were published in The Tasks and Working Principles of the Early Identification and Management of Risks Committee.

We have constituted an Internal Control Policy to define Türk Telekom Group's internal control objectives and policies in order to regulate the corporate internal control environment and to establish a basis for the corporate control culture. We developed Internal Control Standards with the purpose of defining the internal control implementation principles of Türk Telekom Group, determining the standards required to achieve the objectives set out in the Internal Control Policy and establishing a common internal control language and practice to support the communication between our employees.

While the Enterprise Risk and Business Continuity Department organisationally reports to our company's Chief Executive Officer, it functionally works affiliated to the Early Identification and Management of Risks Committee established under the Board of Directors.

The Enterprise Risk and Business Continuity Department is responsible for determining and improving the standards related to the Enterprise Risk Management System, coordinating the Corporate Risk Management processes carried out throughout the group, monitoring the status and improvement levels of identified risks and reporting them to the relevant management levels. The department also coordinates the business continuity management activities as the

bearer of the business interruption risk, which is one of the most important risks for the company.

Business units undertake the necessary measures by assuming responsibility of the risks. We position risk management as a natural element of the work undertaken by all our employees. All our employees are responsible for complying with the risk management policy, effectively managing risks related to their field of activity and taking the necessary measures to comply with the relevant legislation. We manage the risks of our group companies in line with the risk management standards developed for Türk Telekom.

Risk Management aims to support us in reaching our strategic goals with its structure that creates and protects value. It aims to manage all risks, ranging from the long-term strategic goals to daily operations, with a comprehensive and holistic approach at all levels. With the enterprise risk management integrated into all processes, decision makers will be able to act with risk awareness. We follow the primary risks that we are exposed to under 4 main headings as financial, strategic, operational and sustainability risks.

We aim to integrate the Enterprise Risk Management approach into activities and processes at all levels with the purpose of making it an integral part of decision-making mechanisms.



Financial Risks

As Türk Telekom, we may occasionally be exposed to financial risks such as liquidity risk, foreign currency risk, interest rate risk and counterparty risk.

For the purpose of our strategy to minimise the liquidity risk, we obtain long-term financial debt from different geographical regions (the USA, Canada, Europe, Japan, China, and Türkiye) and from a diversified pool of creditors (commercial banks, international financial institutions, official export credit agencies (ECAs) and bond markets). This strategy enables the group to have access to long-term financing on competitive terms, without being dependent on a limited group of funding sources.

Regarding the Eurobonds issued by Türk Telekom, we actively monitor the price and return dynamics of these bonds, which are tradeable instruments in the secondary markets, in order to ensure optimal cash management strategy on a total return on cost basis.

The need to partially procure supplies in relation to capital expenditures from foreign vendors and the need for financing through long-term and diversified funding sources cause Türk Telekom to bear liabilities in foreign currency.

We aim to keep the impact of foreign exchange rate risk on the financial statements at a minimum level through transactions aimed at managing foreign exchange (FX) risk. As detailed in the financial statement footnotes, our total hedging position, as of the end of 2022, is USD 2,307¹⁷ million. The total hedge position, including the cash in hard currency which provides a natural

hedge against FX exposure is equivalent to USD 2,455 million.

We carry an interest rate swap position equal to USD 300 million as of 2022 to hedge interest rate risk. We manage our exposure to interest rate risk through mentioned swap positions and fixed-interest rate transactions such as eurobonds.

We aim to minimise counterparty risk in accordance with the established counterparty limits and diversification policy. We carry out hedge transactions to manage financial risks within the guidelines and authorisation set by the Board of Directors.

Strategic Risks

We operate in a sector that is heavily influenced by technological innovation, competition and regulatory developments. Thanks to our awareness of the industry, we meticulously analyse not only our competitors' positions and the technological developments in the market, but also changing customer preferences.

Taking all these factors into consideration, we undertake proactive risk management activities in line with our strategic priorities that will contribute to revenue growth and meet customer expectations.

In line with our strategic goals, we develop solutions that will facilitate the lives of individuals and the public sector by using information and communication technologies. For the purpose of preparing our company for the future, we turn our competitive advantage in providing infrastructure for high-performance products and technologies as well as maintaining and improving our market position and brand value into opportunities with a holistic risk management approach.

Our business model and structure strengthened with our subsidiaries allow us to seize opportunities in both domestic and foreign markets by diversifying our products and services against the risk of changes in legislation as a result of which we might lose market share.

Operational Risks

Our services are dependent on technological infrastructure. It is therefore important for achieving our business targets to accurately identify the risks our services are exposed to in order to manage them successfully. Incidents such as malfunctions, power cuts and natural disasters may have an impact on Türk Telekom's communication infrastructure and critical systems and affect our ability to serve our subscribers.

Business Continuity Management serves to identify potential threats to which our company may be exposed and the impact of these threats on key activities, if they materialise. These efforts help us to protect internal and external stakeholders, our company's reputation, brand value, products and activities. We implement a holistic management process that provides corporate flexibility. We subject our critical products and services to the Business Impact Analysis and Risk Assessment process, we carry out the necessary improvements after the performance monitoring which we perform by considering continuity targets.

Cyber security risks may arise as a result of a combination of threats and vulnerabilities in the digital environment and may affect the achievement of our strategic objectives by impairing the confidentiality, integrity and availability of information. We evaluate incidents and consequences such as the disruption of critical activities (Denial of Service [DDoS] attacks), damage to competitive power as a result

of loss of strategic data (theft of trade secrets), loss of customer trust and reputation as a result of unleashing of personal data, financial and operational losses as a consequence of the destruction of corporate data and systems as well as criminal sanctions that we may face as a result of failure to comply with relevant laws and regulations. We execute all information technology and network operations in the context of our security policies. We constantly analyse and control problems as per the early identification mechanisms that we have developed. Owing to fast digital transformation and remote working practices, we maintain appropriate controls to address increased digital security risk. We also provide trainings and perform awareness activities for employees.

We undertake extensive efforts to protect our Company and its subscribers against business disruptions and security breaches. We place significant emphasis on the implementation of correct practices, standards and policies and we take steps in this regard, including obtaining certificates such as ISO 22301 and ISO 27001. Our Company holds the PCI-DSS certification for the mobile network.

The nature of the sector involves working with a certain number of high technology suppliers. In this context, realisation of risks pertaining to suppliers and subcontractors could result in loss of reputation due to inefficiency in the value chain, negative customer experience due to reduced quality of products and services, security breach and data leakage or business interruption. For this reason, we target an effective procurement process, taking into account basic elements such as TCO (Total Cost of Ownership), supply chain risks and sustainability.

¹⁷ Hedged amount includes hedging of FX financial debt, currency protected time deposits, hedging of net FX trade payables and net investment hedge. The currency protected time deposit included in the hedged amount is valued at USD 248 million.

With the transformation of working models, the increasing demand for a new generation dynamic and digital workforce makes the importance of competent employees more evident. We monitor the risks and opportunities associated with the remote and hybrid working models on employee motivation, performance and commitment. Recruitment, training and retaining the suitable employees that match the requirements of the business are critical factors affecting the success of our Company. We implement various human resources practices in order to effectively manage the human power that we employ. Türk Telekom Academy continues to launch training projects which strongly support the development of our employees.

Sustainability Risk

As Türkiye's first integrated telecommunication operator working for the future of the country, we aim to integrate the universal principles of sustainability into our business model, strategies and corporate decisions, in line with the goal of leaving a liveable world to future generations. The communication industry provides basic solutions for economy, innovation, health, education, ensuring social equality, protection of the environment, combating the climate crisis, improving the quality of life and for many other areas. Thus, we directly serve the Global Sustainable Development Goals.

We consider the concept of sustainability not only as a risk management element, but also as an opportunity to create value. Our sustainability agenda focuses heavily on effectively managing the risks in Climate Change and Environment, Contributing to Society and Value for Human particularly since 2020 when we adopted a more holistic management approach.

Risk Management Lifecycle

We work towards managing potential risks effectively and holistically. Business and technology teams identify the risks that we are exposed to and analyse the root causes and potential consequences of the identified risks. The Bow-Tie Analysis used in this process helps to identify entire risk profile, end-to-end, from root causes to consequences on goals, including checkpoints. 4 basic options evaluated in this context are as follows:

- ▶ Accept the Risk
- ▶ Mitigate the Risk
- ▶ Transfer the Risk
- ▶ Avoid the Risk

We measure the current status of risks and monitor the progress by evaluating the likelihood of their occurrence and the possible impacts associated therewith. In our risk analysis, we take into account that the impact of a risk may occur in more than one area. We determine existing controls with regard to the risks that are identified, assessed and prioritised by relevant parties and further evaluate the effectiveness thereof. Considering the optimum risk and return, we plan actions in line with our risk appetite. Risk owners make cost-benefit analysis and take stakeholder expectations into account when making decisions to manage risk. We also consider whether managing risk requires specific expertise which may be unavailable across business units.

Internal Audit

Türk Telekom's Internal Audit Department conducts assurance and consultancy activities in Türk Telekom and all group companies in an independent and objective manner by evaluating the effectiveness of risk management, internal control, compliance with relevant legislation and governance processes. In order to carry out its activities independently and objectively, the Internal Audit Department reports directly to the Audit Committee formed under the Board of Directors, with the authority and responsibility it derives from the principles approved by the Board of Directors.

The internal audit activities performed evaluate the effectiveness of existing internal controls established to reduce risks in business processes that may prevent the achievement of strategic goals. Internal Audit Department analyses the causes and effects of the weaknesses identified as a result of audits, requests the administrative action plans aiming to eliminate problems from the relevant units and monitors whether these actions are implemented on time. In addition to audits, inspection and investigation are also performed when necessary.

The Department carries out its operations in accordance with International Standards for the Professional Practice of Internal Auditing. As a result of the quality assessment performed by an external qualified and independent audit team in order to evaluate the compliance with these standards, we received a qualified opinion confirming that the Department carries out its operations in accordance with International Standards for the Professional Practice of Internal Auditing.

The Department attaches importance to the professional competence and improvement of its employees and encourages auditors to gain internationally recognised certificates in the field of auditing. Majority of the auditors affiliated to the Department hold nationally and internationally recognised certificates such as CIA (Certified Internal Auditor), CISA (Certified Information Systems Auditor), CFE (Certified Fraud Examiner) and CPA (Certified Public Accountant). Audit teams perform financial, operational, information technologies and compliance audits depending on their competencies. As of the end of 2022, 4 reports have been submitted to the Audit Committee, at the end of each quarter.



Ethics, Compliance and Transparency

Maintaining and enhancing corporate reputation requires a strong ethical climate. We consider the values of ethics and transparency as the guiding principles that underpin our way of doing business and direct our activities. We are well aware of our responsibilities towards our customers, employees, stakeholders and society. We act in accordance with the principles of honesty, fair business practices and transparency while fulfilling these responsibilities.

Research reveals that consumers believe that companies with strong ethical values offer better-quality products and services than their competitors. In addition, Corporate Governance Principles require us to disclose our ethical code to the public and to act in accordance with these ethical code in our relations with all stakeholders. Ethical issues have impacts on employees, products and services, customers and business partners. Our company also has a Code of Business Ethics in which it acts in line with its vision and values. We consider the Code of Business Ethics within the scope of the Human Rights Policy and Anti-Bribery and Anti-Corruption Policy.


Our Code of Ethics applies to all our employees working at Türk Telekom and its subsidiaries. We include a clause with regard to compliance with the Code of Ethics in the agreements that we engage in with all related parties, hence we guarantee the parties to act in accordance with the Code of Ethics. We include articles to ensure compliance with Türk Telekom Human Rights Policy in the contracts we enter into with our suppliers and business partners. Herewith we establish collaborations that respect human rights and comply with the Code of Ethics.

We adopt a clear and concise approach in internal and external communication. We support our stakeholders' right to access information and share our operations through various reports. We transparently disclose our sustainability performance and progress to the public on an annual basis. We clearly express both our strengths and areas of improvement. We inform our investors and financial stakeholders based on complete and analytical data. We are aware that our non-financial performance also affects investors' decision-making process. We assure confidentiality of customer information and other sensitive data along with data security. We protect this data lawfully and responsibly.

With our commitment to ethical values, we maintain an effective management process to detect, address and resolve violations in this regard. Our approach towards reporting ethical violations aim to ensure all our stakeholders, inside and outside the company, to submit their violation notifications through a secure platform and further ensure that these notifications are handled fairly, confidentially, objectively and transparently.

The Business Ethics Committee examines notifications concerning ethical violations impartially and objectively based on the available evidence. The Committee includes members with various competencies and experiences. Business Ethics Committee conducts research and investigations with regard to violation notifications and resolves on the notifications according to the findings. The Committee, which reports directly to the Chief Executive Officer, provides consultancy services to employees on ethical issues.

Thanks to our
commitment to ethical
values, we carry out an
effective management
process.



We consider all our employees as volunteer auditors in line with our purpose to strengthen our commitment to business ethics principles and create a transparent working environment. This process serves as an independent audit mechanism to verify that our Code of Business Ethics is effectively implemented and followed. If any situation contrary to the Code of Business Ethics is detected or observed, it is expected that such situations be reported directly. All employees can contact any of our channels to report any violation, behaviour or practice, thought or concern that is contrary to the Code of Business Ethics.

At the end of an examination and/or investigation carried out without violating legal requirements and confidential information, we provide feedback to our employees who submit a notification for ethical violations. Our company takes the violations of the Code of Business Ethics seriously and all complaints and notifications are examined thoroughly. Although the time required to review each notification varies, we respond to all notifications as soon as possible. Ensuring a sensitive investigation, all

allegations are handled confidentially and the necessary actions with regard to the violations detected are implemented determinedly. Implementation of actions supports reinforcing the culture of business ethics and raising our ethical standards. A notification of an incident with regard to the violations of the Code of Business Ethics, clearly submitted by any employee, does not constitute a basis for a negative opinion to emerge on his behalf. Otherwise, this will constitute a violation of the Code of Business Ethics.

We constantly review our approach towards the notification of the violations of the Code of Business Ethics and make improvements in this regard. We also use feedback for the improvement of our process. Thus, we strengthen our commitment to our ethical values, improve the trust of our stakeholders and support an ethical culture in line with our sustainability vision.

As an indication of the emphasis that our company attaches to ethical values, we provide ethics trainings to our employees. These trainings serve to raise the awareness of our employees on ethical issues and to ensure that they apply ethical values more effectively in their daily professional life. For the purpose of these trainings, we offer our employees contents that will help them to develop their competencies in identifying, analysing and resolving ethical violations. While the average training time provided in 2020 was 66 hours, we increased this time to 196 hours in 2021 and to 238 hours in 2022. We provide these trainings with the aim of improving our employees' commitment to ethical values, protecting the reputation of our company and ensuring the sustainability of the ethical working environment.

Anti-Bribery and Anti-Corruption

We totally dismiss any level of bribery or corruption in order to create a business environment that reflects our business ethics values and sustainability approach. We take effective measures to combat bribery and corruption.

We adopt a comprehensive policy commitment to prevent and detect all forms of bribery and corruption. Our Anti-Bribery and Anti-Corruption Policy, approved by the Board of Directors, was published in 2020 and all our management employees were duly informed about the policy. As this policy has been published on the Türk Telekom Investor Relations page, it can be accessed by all individuals, institutions and organisations both inside and outside the company. All our employees are assigned a training with regard to this policy every year.

We also expect Türk Telekom Group Companies, suppliers and business partners to comply with the Türk Telekom Anti-Bribery and Corruption Policy and to encourage their employees in this regard. We add articles regarding the compliance with this policy to the agreements that Türk Telekom Group Companies will execute with suppliers and business partners.

Penalties related to non-compliance with laws and regulations, that have a significant financial impact, notified to our company are published on the Public Disclosure Platform. These are included in the footnotes of the financial statements announced every quarter.

We adopt a comprehensive policy commitment to prevent and detect all forms of bribery and corruption.

Human Rights

We support our commitment to human rights by being a UNGC signatory and we strongly reflect it in the way we do business and in all our business relationships. We communicate effectively with our business partners in our supply chain and organise activities towards raising awareness in order to support them to adopt a similar approach. We assure compliance with human rights through agreements.

We strengthen our audit and monitoring mechanisms in order to increase sensitivity against child labour and forced labour in the supply chain and to encourage compliance with our ethical standards. This approach reflects our determination to fulfil our responsibility towards our stakeholders.

We have adopted a Human Rights Policy that reflects our stance on the universality and integrity of human rights. This policy is based on the principles of respect for every individual, fair and equal treatment, non-discrimination and protection of fundamental freedoms.

Türk Telekom's **Human Rights Policy** is published in 2019. It commits full compliance with **Universal Declaration of Human Rights, International Labor Organisation (ILO) Conventions** ratified by Türkiye and the legal framework and legislation regulating human rights and the professional life in Türkiye. The policy on Human Rights and processes for implementing the policy were publicly disclosed and announced to all employees. This policy is an integral part of the Türk Telekom Code of Business Ethics, which was approved by the Board of Directors and disclosed to the public.

We place a high priority on creating a work environment that is free from forms of discrimination and verbal and physical harassment. Discriminatory and unfair behaviour is not tolerated in our company. We provide our employees with a work environment that is free from any kinds of abuse, intimidation and harassment. Necessary arrangements have been ensured within the company for compliance with the legislation and international norms with regard to discrimination. It is essential for us to provide a working environment where managers and employees do not discriminate each other or act in harassment/violence. No one in our company is discriminated against reasons such as age, language, race, ethnic origin, nationality, health status, gender, marital status, religion and sect, political thought, philosophical view or belief.

We value differences and recognise them as our wealth. We strive towards making our employees feel themselves a part of the company. Accordingly, we commit to equal opportunities and carry out recruitment, placement, development, training, remuneration, promotion and separation practices by taking into account

the employee's qualifications, performance, skills and experiences. With the awareness that diversity and differences in the workforce contribute to the achievement of company goals, we strive to recruit, develop, employ and retain candidates with different backgrounds and experiences. We comply with legal obligations regarding the employment of individuals with disabilities and disadvantages.

No case with regard to child labour, forced or compulsory labour, violation of the rights of local people has been reported as of 2022 and there are no lawsuits concluded against our company on the grounds of human rights violation.

Respect for human rights is a commitment that shapes all our activities as one of the core values of our company and reflects our responsibility towards our stakeholders. Within the framework of this policy, we constantly work towards monitoring and improving the compliance of our employees and suppliers with human rights. We aim to contribute to society's progress towards a more fair, equal and sustainable future by respecting human rights and upholding these values.

We have adopted a Human Rights Policy that reflects our stance on the universality and integrity of human rights.

Information Security and Cyber Risks

A new step towards strengthened cyber security

We launched the Next Generation Endpoint Security with a Shared EDR+ service, which detects threats that conventional security measures would otherwise miss against the ever-changing types of cyber-attacks and analyses unusual activity in the system.

We proceed our investments in cyber security, in a continuous and stable manner, with the aim of managing information security and business continuity risks against increasing cyber threats in the world and in Türkiye. In this context, we carry out our activities with the aim of strengthening technological infrastructures, improving the processes and meeting demand for qualified human resources. We continue our operations at full speed within the framework of our focus on localisation and we aim to provide our customers with quality products and services by going beyond fulfilling legal responsibilities.

Information Security Management Operations

We determine the steps to be taken for protection against cyber-attacks, unauthorised access and data leaks with various policies and procedures. Türk Telekom annually reviews these policies, procedures and standards in line with the world trends, regulations in our country and business requirements. Access, authorisation and controls to all these documents, which are open to personnel access through the Türk Telekom Corporate Portal, are carried out in line with these standards.

Our Company's technology infrastructure, information security management systems, business continuity and contingency plans were audited by external auditors in 2022 and the process was concluded successfully. TS ISO/IEC 27001 certificate was renewed as a result of the external audit conducted by TSI (Turkish Standards Institution). The PCI-DSS certificate, which is the data security standard in the credit card industry, was secured in the same year. Activities for raising awareness are carried out in the Company within the scope of the information security management system. Accordingly, the information security awareness of all employees is kept up to date. We assigned awareness trainings, in which more than 90% of employees participated, we sent out monthly information security awareness updates and e-mail warnings regarding phishing. Online panels and rewarding competitions were organised for the Company employees as part of the information security awareness week.

Security audits and improvement activities were carried out against the risks that may arise from the ecosystem of suppliers and business partners by giving priority to stakeholders related to critical services.



We carried out intensive studies throughout the Company for compliance with the Guidelines of the Digital Transformation Office of the Presidency of the Republic of Türkiye and completed our preparations for compliance. We filed the necessary applications in order to be qualified as an accredited company that audits compliance with DTO Information and Communication Security Guidelines. We plan to take place in the category of auditing companies in 2023. Our Company's technology infrastructure, information security management systems, business continuity and emergency plans were externally audited and the audit process was completed successfully.

Cyber Security Services

We provide cyber security services with more than 30 products and services to approximately 4 thousand institutions with Türkiye's largest cyber security portfolio. We prevent thousands of phishing, DDoS and malware attacks on our Türk Telekom infrastructure every month and intervene on-site when necessary. Statistically analysed, we blocked thousands of DDoS attacks every week. In 2022, we provided protection for a total of 3,131 large-scale attacks of 1 Gbps and above, which were rated in the critical attack category. Owning a security product portfolio to meet the 360° security needs of the customers, we managed to increase the number of our products and customers with shared e-mail security, attack level efforts and our cyber security maturity assessment services, in addition to manageable EDR (End Point Detection and Response) and incident response services in 2022. Our security teams responded directly or automatically to 6,177 categorised incidents in 2022.

Thanks to security incident monitoring, security testing, analysis, response, training and consultancy services, we constantly expand our services portfolio. The capacity increases and infrastructure improvements in shared security infrastructure services, helped us to expand our customer base for cyber security services by 60% compared to the previous year.

Pioneering many projects in terms of domestic product development in addition to existing corporate security services, we increased the rate of substituting import products with domestic products from 44% in 2021 to 56% in 2022.

Cyber security solutions

As the service provider that owns Türkiye's largest Cyber Security Centre, we ensure the security of our country's permanent communication infrastructure, while facilitating our customers' lives with our security service offers.

Responsible Supply Chain Management

In order to ensure the sustainability of our supply chain, we undertake activities to support and strengthen all our stakeholders with whom we cooperate. We ensure the sustainability of procurement by addressing the operations of our business partners and suppliers in environmental, social and governance aspects. We place emphasis on and follow fair labour, human rights and environmental protection throughout the supply chain.

We explain our core operating criteria that shape our activities and guide our supply chain through policies and commitments such as the Procurement Policy, Anti-Bribery and Corruption Policy and Human Rights Policy. In accordance with these operating criteria, we subject our supply chain to an audit process including sustainability issues every year. Taking into account environmental, occupational health, safety, social and ethical criteria, we evaluated 170 suppliers in 2022, which constitute 75% of our total purchasing budget. Assessments with regard to occupational health, safety and environment issues within our supplier performance management process are performed periodically. None of our suppliers have been found out to be inappropriate as a result of the assessments.

Security audits and improvement activities were carried out against the risks that may arise from the ecosystem of suppliers and business partners, by giving priority to stakeholders related to critical services.

We carry out our operations with our suppliers by taking the principles set out in our Procurement Policy as a guide. This policy not only stipulates a competitive approach in supplier selection and supply chain management, but also emphasises business ethics and transparency. We expect our suppliers to fully comply with national and international requirements, to adopt our Code of Business Ethics and contribute to our sustainability goals.

Our Anti-Bribery and Anti-Corruption Policy has been constituted with the purpose of maintaining openness and transparency in collaborations. This policy reflects our zero-tolerance approach to corruption and bribery, in both our internal and external relations and further encourages our suppliers to act in accordance with these values.

Our Human Rights Policy commits to respect and protect human rights in our supply chain. We expect our suppliers to comply with our policy against child labour and forced labour and to respect employee rights.

We ensure to maintain our relationships with our dealers, contractors and business partners in transparent, consistent and reliable manners. Our Company protects the rights of its stakeholders regulated by relevant legislation and mutual agreements in all its transactions and activities. In the opposite situation, it ensures that these rights are protected within the framework of goodwill and Universal Human Rights within the bounds of possibility.



We ensure the sustainability of procurement by addressing the operations of our business partners and suppliers in environmental, social and governance aspects.

Our Supplier Management Principles are;

- ▶ **Transparency**
- ▶ **Fair and equal distance**
- ▶ **Respectful and honest communication**
- ▶ **Retention of intellectual property and confidential information.**

The nature of the industry involves working with a certain number of high technology suppliers. We undertake our operations with a supplier network spread across a wide geography. As Türk Telekom, we attach importance to localisation efforts. We place the use of local resources at the core of our supply chain strategies. In order to ensure the sustainability of the supply chain and reduce supply risks, we collaborate with approximately 3,156 suppliers, 97.5% of which are established in Türkiye. This approach not only supports our domestic suppliers, which are one of the most significant components of Türkiye's development, but also helps us to focus on developing products and projects that will create added value for the country's economy.

Sustainable Procurement Approach

We adopt sustainable procurement principles in order to create value for our stakeholders in the medium and long-term and to act with common sense with all our suppliers. While ensuring sustainable growth, we aim to increase the positive impact and reduce the negative impact of our stakeholders in our supply and value chain. We expand our sphere of influence and draw inspiration from our stakeholders in our circle of interaction.

We adopt the transition from traditional procurement management to a sustainable procurement approach as a Company that aims to provide uninterrupted services in 81 provinces. Sustainability plays a significant role in procurement processes beyond economic and financial performance. Our Company's Procurement Policy reflects the environmental, social and governance criteria of the supply chain in a holistic manner.

We have established the Türk Telekom Procurement Policy with the objective to determine and implement procurement strategies that contribute to our goals, to segregate all procurement decisions and processes and maintain them in accordance with company policies, to support business units in achieving their business goals, to carry out the procurement process with the most appropriate quality, price and technical performance and to maintain supplier relations in a sustainable and effective manner by developing the Türk Telekom Group ecosystem. Procurement operations as well as setting and controlling of the standards for Türk Telekom and Group Companies are executed centrally by the Deputy General Directorate of Support Services and Procurement Management.

Deputy General Manager of Support Services and Procurement Management is responsible for implementing the Procurement Policy and updating it when necessary.

We organise in-class and online trainings on procurement and supply chain management. Approximately 800 of our employees participated in these trainings as of 2022.

In cases where we cannot find the material that meets 100% of the required specifications in the Turkish market, we, as Türk Telekom Group, take care to choose local alternatives of the products with the closest specifications or with equivalent labels unless there is a supply problem in the Turkish market conditions.

While ensuring sustainable growth, we aim to increase the positive and reduce the negative impact of our stakeholders in our supply and value chain.

As Türk Telekom;

- ▶ We take utmost care to timely fulfil our contractual obligations towards our suppliers,
- ▶ We pay strict attention to ensure that procurement processes are carried out in accordance with the laws and company policies,
- ▶ We try to ensure the suppliers' compliance with legal regulations and ethical rules and serve necessary notifications and warnings in cases of violation,
- ▶ We take utmost care to ensure that suppliers comply with labour laws and other related legislation that prohibit child labour, forced labour, the employment of illegal immigrants and foreigners without a work permit, and that grant the right to collective bargaining and freedom of association,
- ▶ We try to ensure that the Company and suppliers pay regard to human health and act in accordance with environmental policies,
- ▶ For the purpose of procurement activities, we compete within the framework of legal and ethical rules,
- ▶ We do not engage in attitudes or behaviours that would damage the brand value of Türk Telekom Group,
- ▶ We do not impose extra burden on suppliers outside of legal regulations and commercial practices,
- ▶ We treat suppliers fairly and equally in line with competition and market conditions,
- ▶ We evaluate the suppliers based on fair and objective criteria,

- ▶ We maintain our relations with suppliers transparently and fairly, avoiding conflicts of interest and without engaging in personal interests.

Türk Telekom Group Procurement Department shall not execute any agreements and/or purchase order process without prior information received by the requesting departments. This shall be considered a violation of the procurement procedure. Relevant sanctions shall apply to those who act in breach of the "Disciplinary Principles" and "Türk Telekom Group Code of Business Ethics". In accordance with the Company policies and confidentiality provisions, contracts shall be kept as long as the minimum term legally stipulated and shall not be disclosed to irrelevant or unauthorised third parties.

Responsible Supply Chain Management

We recognise the responsibility that we have throughout the entire value chain, starting with the supply chain to the end-user. We are committed to managing our environmental and social impacts throughout the value chain as part of a sustainable business approach. Accordingly we focus on the goals that we have set in this regard.

We closely follow the performance indicators that we have determined in order to achieve our sustainability goals within our corporate structure and we report the progress thereof to the Board of Directors through the Sustainability Committee. We apply our corporate governance approach while taking steps towards our goals and we transparently share the results achieved with our stakeholders.

We aim to align not only our own business but also our suppliers, business partners and stakeholders with sustainability principles. Being aware of the responsibility that we carry throughout our value chain, we continue to contribute to a sustainable future and create social impact.

We place principles of sustainability at the heart of our way of doing business.

With our products and services in the field of telecommunications and digitalisation, taking into account the changing world dynamics, we create significant added value in our value chain. We aim to increase our responsible products and services in this value creation process. We are constantly improving our information security and cyber security processes. We offer services that are compatible with both national and international markets.

In addition to providing solutions that meet the needs and expectations of society in the field of telecommunications and digitalisation, we place principles of sustainability at the heart of our way of doing business. We evaluate our contributions to society, which is an important stakeholder in our value chain, under our priority topic of Focus on Contributions to Society. We will continue to create added value throughout our value chain and maintain our position as the pioneer of sustainable telecommunications services.



Focus on Contributions to Society

All the projects that we carry out with the awareness of our corporate responsibilities, support the social welfare of our country and serve to contribute to society.

► Focus on Contributions to Society

Contributions to Society and Corporate Responsibility Projects

Corporate Responsibility Projects support companies in creating social impact, establishing a positive image and reputation in the public, improving employee engagement and focusing on sustainability goals. Our corporate responsibility projects stand out as an indispensable strategy element for our success and sustainable growth targets. All the projects that we carry out with the awareness of our corporate responsibilities, support the social welfare of our country and serve to contribute to society.

Meeting Point of Art and Technology: Atatürk Cultural Center (AKM)

We became the main sponsor of the Atatürk Cultural Center (AKM), which was renovated in 2022, and we named the heart of this valuable structure as Türk Telekom Opera Hall. Art brings people together by reflecting cultural diversity and forms the grounds of a sustainable society. We place "bringing art and society closer by strengthening the bond between art and technology" in our fundamental responsibilities. With its structure that embraces,



integrates and unites all segments of the society, AKM also fully overlaps with our understanding of accessible communication for all.

We equipped AKM with our free Wi-Fi service, 5G and high technology, in Robotcafe, Türk Telekom Open Air Stage, Türk Telekom Lounge and Türk Telekom Opera Hall. We hosted approximately 1.5 million visitors in the cultural centre in 2022. We will continue to make our presence felt at every point where art meets technology, as was the case with AKM, which by the way we made accessible for everyone with our Sesli Adımlar (Loud Steps) application.

The Leader of Digital Transformation

As the leader of Türkiye's digital transformation, we conveyed our technology and transformation experience to AKM visitors.

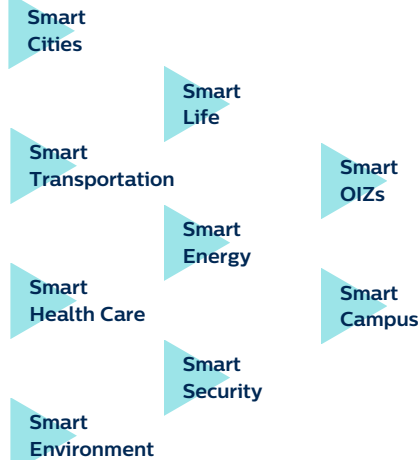
Bir Fark Yeter, Türkiye'ye Değer (Even the Smallest Difference Matters, Türkiye is Worth All Our Efforts)

Social responsibility projects that we carry out under our "Bir Fark Yeter Türkiye'ye Değer" motto include Smart City Management Platform, Dijitalde Hayat Kolay (Life is Simple on Digital), Telefon Kütüphanesi (Books on the Phone), Güneşli (Sunshine), EyeSense, Türk Telekom Okulları (Türk Telekom Schools), Türk Telekom Arama Kurtarma Ekibi (Türk Telekom Research and Rescue Team), Türk Telekom Amatör Spor Kulüpleri (Türk Telekom Amateur Sports Clubs). Local social responsibility activities undertaken by Provincial Directorates of Türk Telekom are also carried out under the umbrella of "Türkiye is Worth All Our Efforts".

Smart City Management Platform

With The Smart City Management Platform, part of the New Generation Cities project, we aim to establish the infrastructure for innovative products developed for our customers in different sectors, from municipalities to Organised Industrial Zones (OIZs), from university campuses to other corporate customers. We aim to optimize the customer experience by managing the smart applications of these products in an integrated manner over a single central infrastructure. We aim to transform the data collected with business intelligence to serve common values in order to more effectively meet customers' needs and expectations.

Smart City Management Platform is used in products specific to the following areas:



Dijitalde Hayat Kolay (Life is Simple on Digital)

We support women in their entrepreneurship journeys with the Dijitalde Hayat Kolay (Life is Simple on Digital) project. Women's participation to workforce and their employment are amongst the most important elements of sustainable development. This issue is also significant as it ensures continuity in economic growth and the full realisation of social development and social justice. We continue "Life is Simple with Internet for the Woman with Goals" project, which we started in September 2019 by serving Türkiye's digital transformation under the "Life is Simple on Digital" initiative. Aiming to increase women's knowledge on subjects such as information and communication technologies, e-services and e-commerce, the project executed in cooperation with the Union of Chambers and Commodity Exchanges of Türkiye (TOBB), United Nations Development Programme (UNDP) and Habitat Association, targets reaching 10 thousand women. For the purpose of the project, 6 thousand women received digital literacy and digital marketing trainings by the end of 2022.

A Mentoring and Grant Support Programme was offered to the women who participated in the trainings to allow them to improve their ventures on digital platforms. 20 women nominated for the programme, from among the applicants, received two weeks of mentoring support from experts.

We conducted a social impact analysis in 2023 to reveal the effects of our Life is Simple on Digital project. Results of social impact analysis conducted using the Social Return on Investment (SROI Value) Methodology revealed that the SROI value was 2.12. SROI value refers to the ratio of the total social value (TRY) derived from the project to the amount (TRY) invested in the project. This result is interpreted as each 1 TRY invested in the project created 2.12 TRY of social value at the end of the project.

Satisfaction surveys conducted with participants within the scope of social impact analysis also confirmed the positive social impact and success of our project.



**10 thousand
women
received "Digital
Literacy and Digital
Marketing Training".**

**500 women
participated in the
"Design Thinking
Workshop".**

**20 women
benefited from the
"Mentoring Program".**



Digital Literacy and Digital Marketing Training

79% of participants say they grow as people as a result of it.

93% of participants are pleased with the course materials.



Design Thinking Workshop

The majority (**78%**) of participants at the Design Thinking Workshop believe that it aids in their professional growth.

95% of participants say they have learnt what they needed to from the training.



Mentoring Program

76% of participants in the Mentoring Program feel it has helped them grow as people.

Almost all learners (**91%**) are pleased with the course material.

Telefon Kütüphanesi (Books on the Phone)

Telefon Kütüphanesi (Books on the Phone) project continues to serve as the address where visually impaired individuals can access information, books and various other content in an audible format for free. Türkiye's first Telefon Kütüphanesi project, carried out in cooperation with Boğaziçi University Technology and Education Laboratory for Individuals with Visual Disabilities (GETEM), has been providing the visually impaired people with access to information for 11 years. The library, where new and best-selling books demanded by the visually impaired are constantly added, has audiobooks and content in more than 50 categories. Total content has exceeded 3 thousand with the addition of one thousand new books and content in 2022.

In addition to books, Telefon Kütüphanesi has 50 audio content in total including descriptions of 20 paintings from the National Painting Museum together with the artistic interpretations thereof, instant news feeds provided by the Anadolu Agency, cash currency recognition, and audio access to prospectus of more than 6 thousand medications. Users' interest in the Telefon Kütüphanesi project has increased in 2022. Mobile application of Telefon Kütüphanesi project has been downloaded 54 thousand times whereas Kitaplara Ses application, which facilitates voluntary reading for the visually impaired, has been downloaded 68 thousand times. Thanks to the Kitaplara Ses application, approximately 5 thousand books have been voiced so far, thus enabling the visually impaired to access a variety of books.



Telefon Kütüphanesi

Telefon Kütüphanesi (Books on the Phone) offers audio descriptions of works, other than books, and allows audio access to prospectus of more than 6 thousand medications.

Güneşliği (Sunshine)

Our Güneşliği (Sunshine) Project facilitates equal participation of children with low vision in social life. Embracing the concept of low vision in Türkiye and pioneering the projects in this era, we touched the lives of a thousand children by implementing the Güneşliği Project. Güneşliği Project, which stands out as the only example in this field both in Türkiye and in the world, enables intervening the children with low vision at an early stage through distance education provided using Türk Telekom technology and infrastructure.

Güneşliği (Sunshine) Project, which has been carried out in cooperation with the Association for Living Without Obstacles (EyDer) since it was launched in 2014, aims to enable children with 1% - 10% vision to lead their lives without assistance through early intervention trainings, and allows them to participate in inclusive education instead of a school for the visually impaired.



Thousands of educators who teach at inclusive classes are also receive awareness seminars under the Okulmda Güneşliği (Sunshine in My School) trainings. Güneşliği Oyunları (Sunshine Games), designated as the first ever smartphone application in this field, is used by children with low vision as well as the elderly with impaired vision. The TahtApp software, which has been installed in inclusive classes at 26 schools in 11 provinces so far,

enables Güneşliği children, who have differences in reading and light perception, to benefit equally by making it easier to follow the lessons in the classroom. The scope of the project was expanded in 2022 to include veterans with visual impairment, the elderly, people with low vision above the age of 18 and educators. A total of 320 online trainings were provided to low vision children and their parents as well as veterans, the elderly and educators for eight months. 7 thousand participants in total have benefited from these trainings.

Güneşliği

Embracing the concept of low vision in Türkiye and pioneering the projects in this area, Türk Telekom touched the lives of a thousand children by implementing the Güneşliği (Sunshine) Project.

Güneşliği Project activities lasted throughout the year with events held on bayrams, holidays and special days such as April 23rd National Sovereignty and Children's Day, Father's Day, Mother's Day. We also supported the Güneşliği children in arts with activities held at the Atatürk Cultural Centre in 2022. On the occasion of the Disability Week, we held art workshops were held at the Atatürk Cultural Centre.

Throughout the year, we further supported the education of children by donating to the Güneşliği project on behalf of employees on their birthdays.

EyeSense

The EyeSense application, developed for the visually impaired for the first time in Türkiye, takes selfies and photos by making scene alignments for users. Visually impaired individuals can identify who was photographed by tagging the people photographed. The application also helps people who are not visually impaired to take selfies by providing audio guidance when the rear camera is used.

With its object recognition feature, the EyeSense application helps easily identify any objects. Visually impaired individuals can recognize objects, distinguish their colours of them and listen their descriptions by pointing their smartphones directly towards the objects.

Türk Telekom Okulları (Türk Telekom Schools) Project

Within the scope of the Türk Telekom Okulları (Türk Telekom Schools) project, initiated and successfully carried out by Türk Telekom, we provide education in a total of 53 schools all over Türkiye (34 high schools and 19 primary schools).

Türk Telekom Schools offer a modern education environment at 78 points, majority of which are located in the Eastern and Southeastern Anatolia regions, and thousands of students graduate every year from these schools.

Türk Telekom Search and Rescue Team (TTAKE)

Established and started its operations in 2010, Türk Telekom Search and Rescue Team (TTAKE) aims to aid all kinds of natural disasters, natural accidents and incidents that may occur both in our country or in the world and may require search and rescue activities, with 220 volunteer Türk Telekom employees across Türkiye.

Main Team, which was included in the accreditation processes initiated by the Disaster and Emergency Management Authority (AFAD) in 2022, was entitled to receive the "Urban Search and Rescue" certificate on April 14, 2022. The accreditation preparations in addition to the trainings that the regional teams receive during the year in line with the region-specific geographic conditions are still in progress.

In 2022, which was announced by the Ministry of Interior as the "Year of Drills", the TTAKE team was invited by AFAD to the drills held in different parts of the country. TTAKE's performance was appreciated by the local and national managers in all the organisations where TTAKE participated. Members of TTAKE continue to successfully complete the trainings assigned by the Company.

Türk Telekom Amateur Sports Clubs

We add value to Türkiye's sports activities. We provide sports equipment, allocate sports fields and provide financial support to 43 Türk Telekom Amateur Sports Clubs which have been operating in 33 different branches in 41 provinces for 12 years. Türk Telekom Amateur Sports Clubs, including 5,132 athletes engaged in 33 branches from basketball to fencing, from swimming to badminton, strive towards moving the country's performance in sports activities forward steadfastly.

In 2022, the athletes supported by Türk Telekom successfully represented Türkiye abroad, achieving significant degrees in the World, European, Balkan and Mediterranean Championships, and winning numerous medals in national and international competitions in different branches.



6 February 2023 Earthquakes

On 6 February 2023, two earthquakes of magnitude 7.7 and 7.6, centred in Kahramanmaraş stroke our country and affected 11 provinces, causing serious casualties and economic losses. We have done our best to heal the social wounds and have stood by our people since the earthquakes.

Below are the activities that we have carried out during and after the earthquakes:

- ▶ We immediately mobilised all our facilities and human resources to eliminate the disruptions in communication services as a result of the damage and power outages caused by the earthquake. All earthquake victims in the region, including our employees, and their needs became our top priority throughout this period.
- ▶ The Early Identification and Risk Management Committee organised in line with our crisis protocols from the first moments of the incident and implemented an end-to-end crisis management.
- ▶ We dispatched a total of 1,369 of our employees, including the 138-person TTAKE team, to the provinces affected by the disaster to support the operations carried out in the region. Our TTAKE team rescued 65 earthquake victims from under the rubbles.
- ▶ We provided free mobile communication to the region. On the fixed side, we have decided not to send invoices to subscribers who do not use their fixed lines until the end of 2023. We ensured the payphones in the region free of charge. We stopped charging activation and deactivation fees for both fixed and mobile phones. Additionally, we expanded the opportunity to freeze subscription lines for free.
- ▶ We provided free additional mobile data to everyone tasked in the region.
- ▶ We provided flexible conditions for the support teams dispatched to the earthquake-affected area so that they could act quickly and effectively and meet their urgent needs.

- ▶ We have decided to make a donation of TL 2 billion in the "Türkiye One Heart" campaign.
- ▶ To prevent any communication problems, we provided free additional mobile data to all our employees in the region.
- ▶ After the earthquake, we provided financial assistance to our employees and their families to meet their urgent needs.
- ▶ We offered accommodation options, primarily at Türk Telekom guesthouses and hotels (depending on the needs), to meet the accommodation needs of our employees, their family members and victims affected by the earthquake. We further helped the earthquake victims to meet their accommodation needs by providing many containers to the region.
- ▶ We communicated with hospitals through the Türk Telekom Health and Welfare Foundation to provide support for basic health needs.
- ▶ We set up iftar tents in the area affected from earthquake during Ramadan to support our employees, their families and everyone in need of food. We outsourced hot meals from various companies for earthquake victims.
- ▶ We organised the "Valuable Together" campaign to allow Türk Telekom Group employees to transfer their individual assistance to the earthquake victims, and thus we were able to convey the individual contributions of our employees to the earthquake victims.
- ▶ We provided communication services to the teams visiting the region from various countries for search and rescue efforts via providing free additional data and granting free lines.
- ▶ In order to support the employment in the region, we started our "Valuable Together" employment project in provinces directly affected by the earthquake and in the surrounding provinces.
- ▶ We carried out various initiatives to support the families of deceased employees.
- ▶ We provided counselling support with our company psychologist to our earthquake-affected employees and their family members.
- ▶ We sent our Technology Truck to the earthquake regions in order to support the children affected by the earthquakes emotionally and socially.

► Annexes

Affiliations

National:

- Corporate Communication Association (KİD)
- Turkish Public Relations Association (TUHİD)
- Mobile Telecom Operators Association of Türkiye (MTOD)
- International Association of Privacy Professionals- IAPP
- Informatics Industry Association (TÜBİSAD)
- Union of Chambers and Commodity Exchanges of Türkiye (TOBB)
- International Investors Association (YASED)
- Turkish Industry and Business Association (TÜSIAD)
- Access Providers Association (ESB)
- Intelligent Transportation Systems Association of Türkiye (ITS Türkiye)
- Telecommunications, Satellite and Electronic Industrialists Business People Association (TÜYAD)
- Television Broadcasters Association (TVYD)
- Foreign Economic Relations Board (DEİK)
- Turkish Informatics Foundation (TBV)
- Information Security Association (BGD)
- Turkish Investor Relations (IR) Society (TÜYİD)

International:

- International Telecommunication Union (ITU)
- GSM Association (GSMA)
- United Nations Global Compact (UNGC)

Corporate Governance Structure

Committees

Early Identification and Management of Risks Committee	
Yiğit Bulut	Committee Chairman / Independent Board Member
Dr. Ömer Fatih Sayan	Committee Member / Chairman of the Board
Mahmut Gürcan	Committee Member / Board Member
Audit Committee	
Yiğit Bulut	Committee Chairman / Independent Board Member
Selim Dursun	Committee Member / Independent Board Member
Corporate Governance Committee	
Enver İskurt	Committee Chairman / Independent Board Member
Selim Dursun	Committee Member / Independent Board Member
Metin İlhan	Committee Member / Board Member
Gülşen Ayaz	Committee Member / Investor Relations and Sustainability Director
Nomination and Remuneration Committee	
Yiğit Bulut	Committee Chairman / Independent Board Member
Dr. Ömer Fatih Sayan	Committee Member / Chairman of the Board
Salim Arda Ermut	Committee Member / Board Member
Sustainability Committee	
CEO - General Manager	Committee Chairman / Board Member
Finance Assistant General Manager	Deputy Committee Chairman
Support Services and Procurement Management Assistant General Manager	Committee Member
Marketing and Customer Experience Assistant General Manager	Committee Member
Human Resources Assistant General Manager	Committee Member
Head of Enterprise Risk and Business Continuity	Committee Member
Investor Relations and Sustainability Director	Committee Member
Corporate Communications Director	Committee Member
Director of Program and Affiliate Management Office	Committee Member



In 2022, the participation rate of the members in the committee meetings is 100%.

Performance Indicators

Economic Performance Indicators

Economic Indicators (Thousand TL)	2020	2021	2022
Consolidated Revenue	28,288,875	34,272,934	48,042,285
Return on Equity (ROE) (%)	26.4%	40.4%	20.7%
Total Investments	6,738,783	8,802,591	13,930,027
Total Assets	44,722,520	58,337,635	80,731,704
Net Debt	15,222,550	18,220,650	28,147,560
Operating Profit	7,463,514	8,111,012	9,301,008

Economic Indicators	Sub Indicators (Thousand TL)	2020	2021	2022
Total Economic Value Distributed	Operating Costs	20,712,565	25,057,918	38,218,663
	Wages and Benefits Paid to Employees	3,867,855	4,697,951	7,979,238
	Dividends Paid	601,650	1,872,535	4,954,565
	Tax paid to the State	225,685	574,757	512,761
	Donation	61,571	35,946	132,525

Environmental Performance Indicators

Total Energy Consumption by Source (MWh)	2020	2021	2022
Vehicle Fuels	107,347.00	123,352.96	153,272.98
Diesel	103,277.00	118,325.94	148,052.96
Petrol	4,070.00	5,027.02	5,220.02
Constant Combustion	102,571.00	74,612.47	79,998.06
Natural gas	56,499.00	63,333.44	67,187.91
Fuel Oil	411.00	232.60	175.21
Coal	3,341.00	899.37	770.17
LPG	-	-	-
Diesel	767.00	83.68	59.07
Generator (Diesel)	18,896.00	10,063.38	11,805.70
Generator (Petrol)	22,657.00	-	-
Purchased Electricity	1,218,924.00	1,218,420.00	1,178,800
Buildings Electricity	27,193.00	24,966.00	23,534.00
Data Centres	66,050.00	74,919.00	83,400.00
Transmission Systems	683,691.00	688,335.00	648,866.00
Base Stations	441,990.00	380,100.00	378,000.00
OMC Centres	-	50,100.00	45,000.00
Total	1,428,842.00	1,416,385.43	1,412,071.04
Renewable Energy Generated	2,100.00	4,563.00	5,931.00
Solar Energy	2,100.00	4,563.00	5,931.00
Large Total Net Energy Consumption	1,430,942.00	1,420,948.43	1,418,002.04

Greenhouse Gas Emissions (tonnesCO ₂ e)	2020	2021	2022
Total Greenhouse Gas Emission	719,815.10	670,044.69	583,469.60
Scope 1	131,691.10	130,576.20	129,978.67
Scope 2 (excluding I-REC)	581,414.00	556,698.55	570,539.20
Scope 2 (including I-REC)	581,414.00	529,284.41	426,875.42
Scope 3	6,710.00	10,184.08	26,615.51
Scope 1-2 Greenhouse Gas Intensity (tonnes CO ₂ e/thousand TL)	0.027	0.022	0.013
Scope 1-2 Greenhouse Gas Intensity (tonnes CO ₂ e/subscriber)	0.014	0.013	0.011
Annual increase/decrease rate of Scope 1+2 Emissions	1.0%	(7.5%)	(15.6%)
Decrease Rate of Scope 1+2 Emissions from 2020 Base Year	-	(7.5%)	(21.9%)



Scope 3 calculation has been conducted on a limited basis. A broader, science based inventory study in this category will be undertaken in the upcoming period.

Wastes by Type (Tonnes)	2020	2021	2022
Hazardous Waste	5,541	7,466	7,079
Non-hazardous Waste	9,076	20,955	22,215
Total	14,617	28,421	29,294

Water Consumption (thousand m ³)	2016	2018	2020	2022
Municipal water	940	749	433	441

Social Performance Indicators

Total Number of Employees by Position (Person)	2020		2021		2022	
	Female	Erkek	Female	Erkek	Female	Erkek
Blue Collar	895	9,602	733	9,591	670	9,297
Expert Group	2,452	3,971	2,440	3,985	2,513	3,955
Executive Group	195	993	217	1,019	230	1,030
TOTAL	3,542	14,566	3,390	14,595	3,413	14,282

Number of Employees by Age Group and Gender (Person)		2020		2021		2022	
		Female	Male	Female	Male	Female	Male
Blue Collar	<30	32	889	19	1,185	16	855
	30-50	821	7,321	694	7,594	622	7,772
	>50	42	1,392	20	812	32	670
White Collar	<30	385	342	366	511	388	580
	30-50	2,218	4,154	2,279	4,220	2,333	4,130
	>50	44	468	12	273	22	275
TOTAL		3,542	14,566	3,390	14,595	3,413	14,282

Number of Newly Recruited Employees (Person)	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
<30	84	405	150	764	193	404
30-50	107	704	135	844	168	263
>50	-	12	1	11	2	5

Total Number of Employees Quitting Jobs and Quitting Rate	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
<30 (Person)	18	40	65	143	73	230
30-50 (Person)	161	220	188	292	212	307
50> (Person)	56	535	182	1,142	40	426
Quitting rate (%)	6.6%	5.5%	12.6%	10.8%	9.6%	6.7%



The ratio of the number of employees quitting their jobs during the period to the average number of employees during the period.

Number of Disabled Employees (Person)	2020	2021	2022
Female	57	56	59
Male	358	331	333

Data on Returning to Work and Staying at Work after Maternity Leave by Gender	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of Employees Entitled to Maternity Leave (Person)	262	910	316	934	246	901
Number of Employees Taking Maternity Leave (Person)	262	910	316	934	246	901
Number of Employees Returning to Work after Maternity Leave (Person)	262	910	316	934	232	901
Number of employees who remained employed 12 months after their return from maternity leave (Person)	255	892	302	904	213	876
Ratio of Return to Work of Employees Taking Maternity Leave (%)	97%	98%	96%	97%	94%	100%



Refers to the legally permitted Paternity Leave period.

Distribution of the Board of Directors by Gender (Person)	2020	2021	2022
Female	0	0	0
Male	9	9	9



Includes information on the gender breakdown of the Board of Directors for Türk Telekom only.

Distribution of Senior Management by Gender (Person)	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
General Manager	-	1	-	1	-	1
Assistant General Manager (including the Director)	12	57	9	66	8	74
Mid-Level Management (Manager)	132	509	139	523	149	532

Number of Individuals in Governance Bodies by Age Group and Gender (Persons)							
Committee Name and Corporate Governance Metrics		2020		2021		2022	
		Female	Male	Female	Male	Female	Male
Audit Committee	<30						
	30-50		1		1		1
	>50		1		1		1
Corporate Governance Committee	<30						
	30-50	1		1		1	1
	>50		2		2		1
Early Identification and Management of Risks Committee	<30						
	30-50		1		1		2
	>50		1		1		1
Nomination and Remuneration Committee	<30						
	30-50						3
	>50						
Sustainability Committee	<30						
	30-50					2	3
	>50						5
Nomination Committee (Before 2022)	<30						
	30-50		1		1		
	>50		2		1		
Remuneration Committee (Before 2022)	<30						
	30-50						
	>50		2		2		



(7) Since the Sustainability Committee was recently established, data for previous years are not available.

(8) Nomination and Remuneration Committee was merged in 2022.

Average Hours of Training Received by Employees (Hours)	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Blue Collar	12.3	11.7	31.8	27.1	20	24.8
Expert Group	21.3	27.1	49.2	51.8	32.1	46.9
Executive Group	15.6	25.2	28.8	35.3	20.6	22.7
Senior Manager	31.6	63.1	22.5	64.0	1.3	28.4

Mandatory Legislation Trainings (Hours)		2020			2021			2022		
		Number of Employees Receiving Training	Total Hours	Average Hours	Number of Employees Receiving Training	Total Hours	Average Hours	Number of Employees Receiving Training	Total Hours	Average Hours
Blue Collar	Female	895	2,530	2.8	733	2,517	3.4	670	2,968	4.4
	Male	9,602	37,883	3.9	9,591	46,799	4.9	9,297	53,566	5.8
Expert Group	Female	2,452	4,299	1.8	2,440	5,230	2.1	2,513	7,656	3
	Male	3,971	14,052	3.5	3,985	11,033	2.8	3,955	19,600	5.0
Executive Group	Female	163	148	0.9	217	156	0.7	230	260	1.1
	Male	744	1,138	1.5	1,019	1,080	1.1	1,030	2,076	2.0

Training Hours by Gender (Hours)	2020	2021	2022
Female	45,669	149,659	98,787
Male	176,937	502,815	439,412
TOTAL	222,606	652,474	538,199

Training Hours by Position (Hours)	2020	2021	2022
Blue Collar	93,017	283,288	243,743
Expert Group	112,578	326,666	266,242
Manager	16,499	41,729	27,872
Senior	512	791	342
TOTAL	222,606	652,474	538,199

Training Type	2020	2021	2022
Human Rights Policy E-Training (person)	5,687	9,593	3,854
Anti-Bribery and Anti-Corruption Policy E-Training (person)	5,724	9,770	10,683
Human Rights Policy E-Training (hours)	800	1,311	370
Anti-Bribery and Anti-Corruption Policy E-Training (hours)	821	1,498	1,247

Average Hours of Training Received by Employees on Occupational Health and Safety (Hours)						
Years	2020		2021		2022	
Employee	Female	Male	Female	Male	Female	Male
Blue Collar	2.8	3.9	3.4	4.9	4.4	5.8
Expert Group	1.8	3.5	2.1	2.8	3.0	5.0
Executive Group	0.8	1.1	0.7	1.0	1.1	2.0
Senior Manager	0.7	4.2	0.0	5.4	1.0	6.9

Türk Telekom OHS Performance Indicators	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of accidents (Quantity)	15	236	6	308	10	319
Number of fatal cases (Quantity)	0	0	0	1	0	2
Number of occupational diseases (Quantity)	0	0	0	0	0	0
Absence due to accident (Days)	34	1,008	12	2,085	39	3,242
Accident frequency rate (IR)	1.81	7.15	0.76	9.15	1.25	9.45
Lost day rate (LDR)	0.004	0.031	0.002	0.062	0.005	0.096
Absenteeism rate (AR)	10.90	323.10	3.85	668.26	12.5	1,039

OHS Certificates Provided to Employees (Quantity)	2020	2021	2022
Vocational training certificate	118	1,057	1,913
Vocational competency certificate	28	18	8
Certificate renewal	664	418	491

By Gender and Employee Category Employee Data Subject to Performance Monitoring						
	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of Employees Subject to Performance Monitoring	2,521	4,703	2,548	4,693	2,688	4,801
Blue Collar (%)	0.0%	0.5%	0.0%	0.5%	0.0%	0.5%
Expert Group (%)	32.2%	51.4%	32.3%	50.6%	32.4%	50.7%
Executive Group (%)	2.7%	13.2%	2.9%	13.6%	3.0%	13.3%

By Gender and Employee Category Employee Data Subject to Career Development Evaluation						
	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Number of Employees Subject to Performance Monitoring	2,392	4,161	2,443	4,020	2,446	4,113
Expert Group (%)	34.2%	52.1%	35.6%	51.8%	34.9%	52.0%
Executive Group (%)	2.3%	10.4%	2.2%	10.1%	2.4%	10.4%

Declaration of Use: Türk Telekom has issued a report in accordance with GRI Standards for the period of January 1–December 31, 2022.

Within the Content Index – Essential Service, the GRI Services team reviewed that the GRI Content Index is clearly presented and the references for disclosures GRI 2-1 to 2-5 and GRI 3-1 to 3-2 align with relevant sections in the report.

GRI Standard	Disclosures	Page Number, Source and/or Direct Answers
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GENERAL DISCLOSURES

GRI 2: General Disclosures 2021	2-1 Organisational details	About the Report p.3
	2-2 Entities included in the organisation's sustainability reporting	About the Report p.3
	2-3 Reporting period, frequency and contact point	About the Report p.3
	2-4 Restatements of information	The company's value chain and services do not show any differences compared to the previous reporting period.
	2-5 External assurance	Personal Data Protection Law p.60 Information Security and Cyber Risks p.86 Responsible Supply Chain Management p.88
	2-6 Activities, value chain and other business relationships	Türk Telekom at a Glance p.8 Shareholding and Management Structure p.9 Responsible Supply Chain Management p.88
	2-7 Employees	Employee Experience p.68 Employee Engagement p.68
	2-8 Workers who are not employees	Human Resources Policy and Employment p.63
	2-9 Governance structure and composition	Shareholding and Management Structure p.9 Corporate Governance p.73
	2-10 Nomination and selection of the highest governance body	Corporate Governance p.73
	2-11 Chair of the highest governance body	Corporate Governance p.73
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance p.73
	2-13 Delegation of responsibility for managing impacts	Corporate Governance p.73

GRI Standard	Disclosures	Page Number, Source and/or Direct Answers
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GENERAL DISCLOSURES

GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Our Governance p.18
	2-15 Conflicts of interest	Corporate Governance p.73
	2-16 Communication of critical concerns	Corporate Risk Management and Business Continuity p.78
	2-17 Collective knowledge of the highest governance body	Corporate Risk Management and Business Continuity p.78
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Performance p.74 Social Performance Indicators p.99
	2-19 Remuneration policies	Human Resources Policy and Employment p.63 Corporate Governance p.73
	2-20 Process to determine remuneration	Human Resources Policy and Employment p.63 Corporate Governance p.73
	2-21 Annual total compensation ratio	Cannot be shared for confidentiality reasons.
	2-22 Statement on sustainable development strategy	Our Strategy p.17 Materiality Assessment p.23
	2-23 Policy commitments	Corporate Governance p.73
	2-24 Embedding policy commitments	Corporate Governance p.73
	2-25 Processes to remediate negative impacts	Our Strategy p.17
	2-26 Mechanisms for seeking advice and raising concerns	Ethics, Compliance and Transparency p.84 Human Rights p.85
	2-27 Compliance with laws and regulations	Corporate Risk Management and Business Continuity p.78 Ethics, Compliance and Transparency p.84
	2-28 Membership associations	Üyelikler s.96
	2-29 Approach to stakeholder engagement	Our Interaction with Stakeholders p.28
	2-30 Collective bargaining agreements	Social Dialogue and Labour Peace p.67 Social Performance Indicators p.99

GRI Standard	Disclosures	Page Number, Source and/or Direct Answers
GRI: 3 Material Topics 2021		
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment p.23
	3-2 List of material topics	Materiality Assessment p.23
	3-3 Management of material topics	Materiality Assessment p.23
Human Rights, Ethics & Integrity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Focus on Trust – Doing Business Responsibly p.72
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights p.85
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Resources Policy and Employment p.63
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights p.85 Responsible Supply Chain Management p.88
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights p.85 Responsible Supply Chain Management p.88
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Human Rights p.85
Energy Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Energy Management p.39
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy Management p.39 Environmental Performance Indicators p.98
	302-3 Energy intensity	Energy Management p.39 Environmental Performance Indicators p.98
	302-4 Reduction of energy consumption	Emissions Reduction and Energy Efficiency Projects p.42
	302-5 Reductions in energy requirements of products and services	Emissions Reduction and Energy Efficiency Projects p.42

Employee Engagement, Education, Talent & Career Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Focus on Value for Human p.62
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development: TT Academy p.69 Social Performance Indicators p.99
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Management p.69 Training and Development: TT Academy p.69
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Management p.69 Social Performance Indicators p.99
Strong Financial & Operational Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Financial Performance p.32
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Performance p.32 Sustainability Based Investments p.34 Economic Performance Indicators p.97
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risks & Opportunities p.38
	201-3 Defined benefit plan obligations and other retirement plans	Employee Experience p.68
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainability Based Investments p.34 Digital Transformation p.52 Contributions to Society and Corporate Responsibility Projects p.91
	203-2 Significant indirect economic impacts	Sustainability Based Investments p.34 Digital Transformation p.52 Contributions to Society and Corporate Responsibility Projects p.91
GRI 207: Tax 2019	207-1 Approach to tax	Financial Performance p.32
	207-2 Tax governance, control and risk management	Financial Performance p.32
Integrity & Accountability		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Anti-Bribery and Anti-Corruption p.85
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Bribery and Anti-Corruption p.85
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Bribery and Anti-Corruption p.85
	205-3 Confirmed incidents of corruption and actions taken	Anti-Bribery and Anti-Corruption p.85

Protection of Employee Rights

GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Human Resources Policy and Employment p.63
	401-1 New employees hire and employee turnover	Human Resources Policy and Employment p.63 Social Performance Indicators p.99
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Resources Policy and Employment p.63 Employee Engagement p.68
	401-3 Parental Leave	Human Resources Policy and Employment p.63 Social Performance Indicators p.99
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human Resources Policy and Employment p.63

Value-Oriented / Responsible Supply Chain

GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Responsible Supply Chain Management p.
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Our Governance p.18 Our Interaction with Stakeholders p.28 Responsible Supply Chain Management p.88
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Our Interaction with Stakeholders p.28 Responsible Supply Chain Management p.88
	308-2 Negative environmental impacts in the supply chain and actions taken	Our Interaction with Stakeholders p.28 Responsible Supply Chain Management p.88
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Our Interaction with Stakeholders p.28 Responsible Supply Chain Management p.88
	414-2 Negative social impacts in the supply chain and actions taken	Our Interaction with Stakeholders p.28 Responsible Supply Chain Management p.88

Occupational Health and Safety

GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Occupational Health and Safety p.70
	403-1 Occupational health and safety management system	Occupational Health and Safety p.70
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety p.70 Social Performance Indicators p.99
	403-3 Occupational health services	Occupational Health and Safety p.70
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety p.70
	403-5 Worker training on occupational health and safety	Occupational Health and Safety p.70
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Occupational Health and Safety p.70
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety p.70
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety p.70
	403-9 Work-related injuries	Occupational Health and Safety p.70 Social Performance Indicators p.99
	403-10 Work-related ill health	Occupational Health and Safety p.70 Social Performance Indicators p.99

Environmental & Social Contribution

GRI 3: Material Topics 2021	3-3 Öncelikli konunun yönetimi	Materiality Assessment p.23
		Emission Reduction and Energy Efficiency Projects p.42 Next Generation Cities p.58 Responsible Supply Chain Management p.88 Sustainable Procurement Approach p.88 Contributions to Society and Corporate Responsibility Projects p.91
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	

Transition to Low Carbon Economy

GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Emission Management p.40
	305-1 Direct (Scope 1) GHG emissions	Emission Management p.40 Environmental Performance Indicators p.98
	305-2 Energy indirect (Scope 2) GHG emissions	Emission Management p.40 Environmental Performance Indicators p.98
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Emission Management p.40 Environmental Performance Indicators p.98
	305-4 GHG emissions intensity	Emission Management p.40 Environmental Performance Indicators p.98
	305-5 Reduction of GHG emissions	Emission Management p.40 Emission Reduction and Energy Efficiency Projects p.42

Customer Satisfaction & Loyalty		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Focus on Customers p.50
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Our Interaction with Stakeholders p.28 Emission Management p.40 Emission Reduction and Energy Efficiency Projects p.42
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Emission Management p.40
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Experience p.50 Personal Data Protection Law p.60

Water Security & Responsible Management of Water Resources		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Water Management p.47
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management p.47
	303-2 Management of water discharge-related impacts	Water Management p.47
	303-3 Water withdrawal	Water Management p.47 Environmental Performance Indicators p.98
	303-4 Water discharge	Water Management p.47 Environmental Performance Indicators p.98
	303-5 Water consumption	Water Management p.47 Environmental Performance Indicators p.98

Existing Products & Services		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Ethics, Compliance and Transparency p.84
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Ethics, Compliance and Transparency p.84
	417-2 Incidents of non-compliance concerning product and service information and labeling	Ethics, Compliance and Transparency p.84

Responsible Waste Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Circular Economy and Waste Management p.45
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	Circular Economy and Waste Management p.45
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Economy and Waste Management p.45
	306-2 Management of significant waste-related impacts	Circular Economy and Waste Management p.45
	306-3 Waste generated	Circular Economy and Waste Management p.45 Environmental Performance Indicators p.98
	306-4 Waste diverted from disposal	Circular Economy and Waste Management p.45
	306-5 Waste directed to disposal	Circular Economy and Waste Management p.45

Inclusion, Equality, Diversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23 Diversity and Inclusion p.67
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Inclusion p.67 Corporate Governance p.73
Digitalisation & Innovation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Accessible Communication		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Communication with Stakeholders, Partnership for the Goals		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Digital Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Employment of Young Talents		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Smart Cities & Smart Tools		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Environmental Investments		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Cyber Security		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Wastewater Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Risk & Crisis Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Climate Related Physical & Transitional Risks		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23
Fight Against Climate Crisis		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Assessment p.23

UNGC Progress Table

Topics	Global Principles	References
Human Rights	Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights; and	Ethics, Compliance and Transparency p.84 Human Rights p.85
	Principle 2– make sure that they are not complicit in human rights abuses.	Ethics, Compliance and Transparency p.84 Human Rights p.85
	Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Diversity and Inclusion p.67 Employee Engagement p.68
Labour	Principle 4– the elimination of all forms of forced and compulsory labour;	Human Rights p.85
	Principle 5 – the effective abolition of child labour; and	Human Rights p.85
	Principle 6– the elimination of discrimination in respect of employment and occupation.	Diversity and Inclusion p.67 Human Rights p.85
Environment	Principle 7 – Businesses should support a precautionary approach to environmental challenges;	Focus on Climate Change and Environment p.37
	Principle 8 – undertake initiatives to promote greater environmental responsibility; and	Focus on Climate Change and Environment p.37
	Principle 9– encourage the development and diffusion of environmentally friendly technologies.	Focus on Climate Change and Environment p.37
Anti-Corruption	Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.	Internal Audit p.83 Anti-Bribery and Anti-Corruption p.85

**Limited Assurance Report****To the Board of Directors of Türk Telekomünikasyon A.Ş.**

We have been engaged by Türk Telekomünikasyon A.Ş. (the “Company” or “Türk Telekom”) to perform a limited assurance engagement in respect of the Selected Information stated in the Company’s CDP Climate Change 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 independent limited assurance work, set out on the section “Appendix 1: C6 Emissions Data Table” (“Data Table”) is summarised below:

- Total Scope 1 Emissions
- Total Scope 2 Emissions
- Total Scope 3 Emissions

Our limited assurance work was with respect to the year ended 31 December 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements, other than Selected Information included in the Data Table and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Selected Information is set out in section “Appendix 2: C6 Emissions Data Table - Reporting Principles” (“Reporting Principles”).

The Company’s Responsibility

The Company is responsible for the content of Selected Information in the Data Table 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 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 has not included 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, which requires the firm to design, implement and operate a system of quality management including policies or 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 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 Company.; 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 the Company'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 Company as a body, to assist them in reporting Türk Telekomünikasyon A.Ş.'s performance and activities related to the Selected Information. We permit the disclosure of this report within the Company's CDP Climate Change Report for the year ended 31 December 2022, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning an 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 Türk Telekomünikasyon A.Ş. as a body and the Türk Telekomünikasyon A.Ş. 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.

Mehmet Cenk Uslu, SMMM
Partner

Istanbul, 25 July 2023

Appendix 1: C6 Emissions Data Table

Emission Category	Emissions (tCO ₂ -e)
Total Scope 1 Emissions (tCO₂-e)	129,913.71
Total Scope 2 Emissions (tCO₂-e) – location based	570,539.20
Total Scope 2 Emissions (tCO₂-e) – market based	426,875.42
Total Scope 3 Emissions (tCO₂-e)	26,615.51

Appendix 2: C6 Emissions Data Table - Reporting Principles

Reporting principles provides information on the data collection and regarding the greenhouse gas (GHG) emissions (Scope 1, Scope 2 and Scope 3) included in Türk Telekomünikasyon A.Ş. ("Türk Telekom" or the "Company") 2023 CDP Climate Change Report ("the 2023 CDP Climate Change Report"). Indicators within the scope of the audit include data from Türk Telekom's buildings, data centers, operations and maintenance centers, cell sites, and transmission systems, unless otherwise stated.

This reporting principles provides information on the data preparation, calculation principles and reporting methodologies of indicators within the scope of the independent limited assurance of the Türk Telekom 2023 CDP Climate Change Report. These indicators include the greenhouse gas (GHG) emissions (Scope 1, Scope 2 and Scope 3). It is the responsibility of the Company's management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Principles.

The data included in this document is for the FY 22 (1 January – 31 December 2022), fiscal year ended December 31, 2022, covers the relevant operations and subsidiaries of Türk Telekom in Türkiye that are the responsibility of the Company.

General Reporting Principles

In preparing this principles document, consideration has been given to following principles:

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

Scope of Reporting

For FY22, the greenhouse gas (GHG) emissions data of the Company is related to:

Direct (Scope 1) Greenhouse Gas Emissions from owned or controlled sources:

- This indicator means the emission of greenhouse gases due to the use of natural gas, lingite, fuel-oil, diesel, gasoline consumption, refrigerants and fire extinguishers at the relevant locations of the Company during the reporting period.

Indirect (Scope - 2) Greenhouse Gas Emissions from the generation of purchased energy:

- This indicator means the emission of greenhouse gases due to the use of purchased electricity (location based), and emission remaining and from non I-REC certificated electricity (market based) at the relevant locations of the Company during the reporting period.

Indirect (Scope - 3) Greenhouse Gas Emissions (not included in Scope 2) that occur in the value chain of the reporting company, including upstream and downstream emissions:

- This indicator means the emission of greenhouse gases due to employee commuting, flights, paper and tuner purchasing, Waste Generated in Operations, Upstream Transportation and Distribution and Fuel & Energy Related Activities at the relevant locations of the Company during the reporting period.

Data Preparation**Greenhouse Gas (GHG) Emissions**

GHG emissions were calculated in accordance with IPCC, GHG Protocol, ISO 14064 and DEFRA, as reported in CDP question 5.2. The general methodology for calculating GHG emissions is: "GHG activity data multiplied by emission or removal factors". Boundaries of the organization were addressed with the operational control approach, and the sources causing greenhouse gas emissions related production facilities under the control of the Company are as follows:

Direct (Scope 1) Greenhouse Gas Emissions from owned or controlled sources:

- Stationary combustion data, including fuels used in buildings such as natural gas, fuel oil, lingite etc.,
- Mobile combustion data, including diesel and gasoline for company owned and leased cars,
- Fugitive gases data, including HFC gases (SF₆ and refrigerant gases).

Indirect (Scope - 2) Greenhouse Gas Emissions from the generation of purchased energy:

- Location Based: Electricity consumption (kWh) data, including consumption of purchased electricity,
- Market Based: Non-Renewable sourced (Non I-REC Certificated etc.) Electricity consumption (kWh) data.

Indirect (Scope - 3) Greenhouse Gas Emissions (not included in Scope 2) that occur in the value chain of the reporting company, including upstream and downstream emissions:

- Purchased goods and services (paper, carton and tuner),
- Fuel & Energy Related Activities,
- Upstream Transportation and Distribution,
- Waste Generated in Operations,
- Business travel and
- Employee commuting.

Scope 1, Scope 2 and Scope 3 emissions have been calculated in accordance with ISO 14064-1, with the principle of operational control within the framework of the "Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard".

In the calculations, CO₂ equivalent factors consisting of CO₂, CH₄, N₂O, HFCs (refrigerant gas) CO₂ equivalent emission factors were used. The emission factors used are detailed in the table below. Global Warming Potential (GWP) coefficients are from 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and Greenhouse Gas Protocol (<https://www.gov.uk/government/publications/greenhouse-gasreporting-conversion-factors-2021>) and the UK DEFRA 2022 Emission Factors list. The resultant ton CO₂ equivalent value is calculated by multiplying with the appropriate coefficients. Grid emission factor has been calculated by using the relevant annual data provided by Turkish Electricity Transmission Company (TEİAŞ).

Emission Source – Scope 1	Emission Factor (kg CO ₂ -e)
Diesel – company vehicles (kg/l)	2.68541
Gasoline – company vehicles (kg/l)	2.31413
Natural Gas (kg/sm ³)	2.15633

Fuel-oil (kg/l)	3.17523
Diesel – generators and other (kg/l)	2.65330
Refrigerant gases – R22 (kg/kg)	1,760.00
Refrigerant gases – R407C (kg/kg)	1,624.21
Refrigerant gases – R410A (kg/kg)	1,923.50
Fire Extinguishers – CO ₂ (kg/kg)	1.00

Emission Source – Scope 2	Emission Factor (kg CO ₂ -e/kWh)
Electricity Energy (from renewable resources)	0.000
Turkey Electricity (from grid)	0.484

Emission Source – Scope 3	Emission Factor (kg CO ₂ -e)
Employee Commuting (kg/vehicle.km)	0.487
Air Travel (Domestic) (kg/passenger.km)	0.14787-0.22652
Paper Consumption (kg/kg)	0.91939628
Tuner Consumption (kg/piece)	5.648
Transportation & Distribution (ton.km)	0.2078
Well to tank - Natural gas (kg/m ³)	0.3434
Well to tank - Diesel (kg/l)	0.6109
Well to tank - Fuel Oil (kg/l)	0.6972
Well to tank - Lingite (kg/ton)	442.7895
Well to tank - Gasoline (kg/l)	0.6325
Waste – Recycling (kg/ton)	21.294

Restatements

The measuring and reporting of carbon emissions data inevitably involves a degree of estimation.

Restatements are considered where there is a change in the data of greater than 5 percent at the Company level.

Glossary

3G (Third Generation): Third generation in mobile systems. It provides high-speed data transmission and more supportive multi-media applications such as full-motion video, video conferencing and Internet access. Pls. See "UMTS".

4.5G / LTE: It is the 4th generation mobile communication technology. It is the general name given to mobile communication systems that are developed to provide high-speed broadband services over mobile phones and have a fully IP-based network structure.

5G: It is the 5th generation mobile communication technology that offers enriched applications and services with high speed and low latency.

ADSL (Asymmetric Digital Subscriber Line): Data transfer technology that uses an access channel to provide network access to the Internet and other popular multimedia and data services at speeds of 2 to 6 Mbps, which is 50 times the transfer rate of shortband or dial-up Internet access.

Alternative Energy: Alternative energy is an inclusive term that means replacing an environmentally damaging energy source with an environmentally benign alternative energy source. For example, using solar panels and/or wind turbines instead of fossil fuels to reduce CO₂ emissions. The concept of "alternative energy" does not include nuclear energy sources.

ARPU (Average Revenue Per User): Calculates the average monthly revenue from each user (such as revenue from a mobile phone line or internet user)

Waste Minimisation: It aims to reduce the amount of waste generated as a result of production at the source and to avoid unnecessary consumption.

Waste Prevention: It aims to take all necessary measures to minimise the negative effects of the waste produced after production on human health and the environment.

Waste Management: It aims to evaluate all waste management steps as a whole and to ensure both environmental and economic sustainability. Effective waste management is only possible by combining all methods. According to the Waste Management Hierarchy, prevention and minimisation of waste at source is the first step. In cases where waste generation cannot be prevented, reuse and recycling stages are applied. Landfilling is also used for waste types that cannot be recycled.

Disposal: Waste that cannot be recovered or recycled is disposed of.

United Nations Declaration of Human Rights: The Universal Declaration of Human Rights is a declaration that recognises the fundamental rights of all people on earth, regardless of race, language or religion. Adopted on 10 December 1948 by the General Assembly of the United Nations.

United Nations Global Compact (UNGC - BMKIS) UNGC launched in 2000. In parallel with the increasing pace of globalisation, it is the most comprehensive platform established to produce and implement policies within the framework of sustainability and corporate responsibility approaches and is considered as an innovative corporate responsibility approach that proposes universal principles to create a common development culture for the business world. The United Nations Global Compact is a corporate

sustainability initiative. The Convention calls for compliance with ten fundamental universal principles:

A. Human Rights

- Principle 1- Businesses should promote and respect recognised human rights.
- Principle 2- Businesses should not be complicit in human rights violations.

B. Labour Standards

- Principle 3- Businesses should support workers' freedom of association and collective bargaining.
- Principle 4- The practice of forced and compulsory labour should be abolished.
- Principle 5- All forms of child labour should be abolished.
- Principle 6- Discrimination in recruitment and placement should be eliminated.

C. Environment

- Principle 7- Businesses should support precautionary approaches to environmental problems.
- Principle 8- Support all activities and organisations that will increase environmental responsibility.
- Principle 9- Support the development and diffusion of environmentally friendly technologies.

D. Anti-Corruption

- Principle 10 - Businesses should fight against corruption in all its forms, including bribery and extortion.

BIST Sustainability Index: Sustainability Indices are one of the important measurement tools developed to systematically monitor the value created by the efforts of listed companies in the fields of corporate social responsibility and sustainability in terms of economic and corporate reputation. It has been an important criterion in company valuation for investors. The aim of the BIST Sustainability Index is "to create an index that will include companies traded on Borsa Istanbul with high corporate sustainability

performance, and to increase the understanding, knowledge and practices on sustainability in Türkiye and especially among Borsa Istanbul companies".

BTK (ICTA): Information Technologies and Communication Authority

Digital: A method of storing, processing and transmitting information by means of independent electronic or optical vibrations representing binary numbers 0 and 1. Digital transmission and switching technologies use a series of pulses that represent information in response to analogue signals that are always changing. Compared to analogue networks, digital networks provide more capacity, automatic error correction, protection against line tapping and allow less interference. Signals are encoded into numbers for transmission.

Roaming: A mobile communications feature that allows subscribers of one network to use their own mobile phones and numbers within the coverage area of another operator.

Direct Emission: Direct emission is used to refer to greenhouse gas (GHG) emissions directly from an individual, event, organisation or product, such as greenhouse gases rising from a chimney. Direct emissions include pollutants from production processes, plant vehicles and any directly controllable source.

Indirect Emission: Indirect emissions are greenhouse gas emissions that originate indirectly from an individual, event, organisation or product. All emissions arising from the activities of an organisation and resulting from the use or purchase of a product fall within the scope of indirect emissions. For example, if the electricity supplied by a power plant causes emissions, this is also considered indirect emissions. Emissions from the production of raw materials are also of the indirect type.

Circular economy: It is an economic term based on the transformation and continuity of all kinds of materials and resources used instead of production, consumption and disposal stages. In the case of industrial production, the reuse of materials and energy is an example of circular economy.

DSL (Digital Subscriber Line): Pls. see "xDSL"

Ecosystem: It is the interaction of living and non-living things in a certain area. In other words, it is the general definition assigned to the interaction of plants, animals, air, soil and sun.

Emission: To spread, to export, to bring out.

ESG: It is the English abbreviation of the words Environmental, Social, Governance and is the term used by companies when reporting their work not only in financial but also in these areas. It is mainly used by organisations with a responsible business model. Investors question and expect companies to report on ESG practices, especially since they have an impact on the performance of corporate investments.

FTSE4Good: The FTSE4Good Index is a series of ethical social responsibility and ESG-based equity investment stock market indices launched by the FTSE Group in 2001. To be included in the FTSE4Good Index Series, companies must score high on measures of their environmental, social and governance (ESG) practices. In practice, this requires companies to have strong policies in areas such as respect for human rights, internal labour relations and workplace safety, lack of real or perceived corruption, and environmental sustainability of supply chains.

FTTC/B/H: Distribution of the fibre line to the cabinet (C), the building (B) and the house (H).

Broadband Service: A communication service with high transmission speed that requires content (such as video transmission).

Recycling (Recovery): Recycling of materials used in production and consumption processes into new products is called recycling. Recycling prevents the waste of potentially usable materials and reduces the consumption of new raw materials. In addition, recycling reduces energy use by reducing the need for "conventional" waste dumping, reduces air pollution and water pollution, and causes fewer greenhouse gas emissions compared to normal production.

Climate Change: Climate change is a change that occurs directly or indirectly as a result of human activities and changes the components of the atmosphere and weather conditions.

Internet Access Line: The network element that connects the subscriber to the nearest switch or concentrator. An access channel, which usually takes the form of a closed circuit and consists of a pair of copper wires and may also use fibre optic cables, microwave links or other technologies.

Business Ethics: Business ethics refers to contemporary organisational standards, principles, value sets and norms that govern the actions and behaviour of an individual in an organisation.

Carbon Footprint: It is the measurement of greenhouse gases emitted into the atmosphere from the production of any product that each person transports, heats, consumes energy or buys, from carbon dioxide equivalent. Every impact we leave on nature, such as the fuel consumed by our cars and the electricity we use in our homes, creates our carbon footprint.

Carbon Disclosure Project (CDP): CDP is an independent and global system that allows environmental risks to be measured, disclosed, managed and shared. CDP, an international non-profit organisation, facilitates publicly listed companies to report to investors on how they use natural resources and natural capital, how their activities affect the reproduction of limited resources and how they manage their risks in this area.

Corporate Risk Management: It is a risk assessment from a comprehensive organisational perspective. Thus, all kinds of uncertainties are taken into account by all parts of the organisation. The purpose of compiling all information on risks is to ensure consistency in decision-making mechanisms across all risk categories. Regulatory and supervisory authorities increasingly expect organisations to take a holistic approach to governance, risk and compliance.

Corporate Social Responsibility: It is one of the corporate communication practices that recognise that companies, as corporate citizens, are organisations that have legal and moral obligations towards future generations and thus towards society.

Corporate Sustainability: It is the adaptation of economic, environmental and social factors to company activities and decision-making mechanisms together with corporate governance principles and the management of risks that may arise from these issues in order to create long-term value in companies. It is accepted as an emerging management theory that has emerged as an alternative to the traditional growth and profit maximisation model.

Global Reporting Initiative (GRI): GRI's mission is to develop a globally applicable sustainability reporting guideline and to make triple bottom line reporting as routine and comparable as financial reporting, in close cooperation with United Nations programmes such as the United Nations Environment Programme and UN Environment Programme and UNCIS.

LEED: LEED is an internationally recognised green building certification system. LEED certifies that a building or structure has been designed and constructed using strategies to improve certain environmental factors. These factors are as follows: energy saving, water saving, CO₂ emission reduction, improving the indoor environment of the building, being sensitive to resources and their impact.

MNP (Mobile Number Portability): A service that allows subscribers to continue using their own mobile phone number when they change service providers.

Loss of Customers: A measure of customer turnover resulting from subscription cancellations as a result of customers terminating their subscriptions; customers switching to competing operators, service provider termination of services due to non-payment of fees and, in the case of mobile communication services, expiry of prepaid cards.

Net zero emission: Refers to the level of greenhouse gas emissions that countries need to achieve in order to meet the maximum global warming target of 1.5°C agreed under the Paris Convention.

Stakeholder: Any group and/or persons who may influence a company in achieving its objectives or who may be affected by the company's achievement of these objectives". Company shareholders and employees, investors, consumers, suppliers, trade unions, non-governmental organisations, regulatory authorities and government can be considered as stakeholders of companies.

Penetration: The ratio obtained by dividing the total number of subscribers by the population served, expressed as a percentage.

Greenhouse Gas Emissions: Greenhouse gases (sometimes referred to as GHG in abbreviated form) are gaseous components of the atmosphere, both natural and anthropogenic, that absorb and emit radiation at specific wavelengths within the spectrum of infrared radiation emitted by the Earth's surface, atmosphere and clouds. Due to these properties, they cause the greenhouse effect. Water vapour (H₂O), carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄) and ozone (O₃) are the main greenhouse gases.

Zero waste: It is a philosophy that encourages the redesign of resource life cycles to reuse all products. The aim is that no waste is sent to landfill sites, incinerators and the environment.

Sustainable Energy: Sustainable energy is the acquisition of energy in a way that meets the needs of the current generation without harming the ability of future generations to meet their needs.

Renewable energies such as biofuels, solar energy, wind energy, wave power, geothermal energy and tidal power are generally recognised as sustainable energy sources. This energy also brings technologies that improve energy saving.

Sustainable Development: The concept of "Sustainable Development" was first defined in the Brundtland Report published in 1987. According to this generally accepted definition, sustainable development is "meeting the needs of present generations without jeopardising the ability of future generations to meet their own needs".

Sustainable Development Goals (SDGs)

Sustainable Development Goals (SDGs), in other words, the Global Goals are a universal call to action to eradicate poverty, protect our planet and ensure that all people live in peace and prosperity. The 17 Goals, which were set after worldwide stakeholder consultation, build on the achievements of the Millennium Development Goals, while covering new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. Objectives are linked to each other; the key to success in an objective is to address issues that have commonalities with each other.

The Sustainable Development Goals entered into force in January 2016 and will guide United Nations policy and financing for the next 15 years. As the leading development agency of the United Nations, the United Nations works to put the goals into practice through its work in more than 170 countries and territories.

- SDG 1: To end all forms of poverty everywhere
- SDG 2: To end hunger, achieve food security and good nutrition and support sustainable agriculture
- SDG 3: To ensure a healthy and quality life at every age
- SKA 4: To ensure inclusive and equitable quality education and promote lifelong learning opportunities for all people
- SDG 5: To achieve gender equality and empower all women and girls
- SDG 6: To secure accessible water and wastewater services and sustainable water management for all people
- SDG 7: To ensure access to affordable, reliable, sustainable and modern energy for all people
- SDG 8: To promote stable, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 9: To build resilient infrastructures, promote inclusive and sustainable industrialisation and strengthen innovation
- SDG 10: To reduce inequalities within and between countries
- SDG 11: To make cities and human settlements inclusive, safe, resilient and sustainable
- SDG 12: To ensure sustainable production and consumption patterns
- SDG 13: To take urgent action to combat climate change and its impacts
- SDG 14: To protect and sustainably use oceans, seas and marine resources for sustainable development
- SDG 15: To protect, restore and promote sustainable use of terrestrial ecosystems; to ensure sustainable forest management; to combat desertification; to halt and reverse land degradation; to prevent biodiversity loss
- SDG 16: To build peaceful and inclusive societies for sustainable development, ensure access to justice for all people and to build effective, accountable and inclusive institutions at all levels
- SDG 17: To strengthen the means of implementation and revitalise the global partnership for sustainable development

Materiality Analysis of Sustainability Issues: It is the name assigned to the work carried out to identify and prioritise the most important issues for the company and its stakeholders.

Sustainable Investment: The investments that are planned and implemented with ESG (all impacts of environmental, social and governance issues on the investment are included in feasibility and practices) details beyond financial investments and expectations.

Reuse: A method that aims to use the waste produced to create another product.

xDSL: It broadly defines all types of digital subscriber lines, the two main categories of which are ADSL and SDSL. The other two types of xDSL technology are high data rate DSL (HDSL) and very fast DSL (VDSL). DSL technologies use advanced modulation programmes to pack data over copper cables. They are sometimes referred to as "last-mile technologies" because they are not used between switching stations, but only to establish a connection from a telephone switching station to a home or office.

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