

ÜNLÜ MENKUL DEĞERLERİ A.Ş.

2024 TSRS COMPLIANT SUSTAINABILITY REPORT



ÜNLÜ Menkul

Index

Introduction	3
Compliance with the Turkish Sustainability Reporting Standards (TSRS)	3
Connection with Financial Statements.....	3
Reporting Period	4
Transitional Provisions	4
About ÜNLÜ Menkul.....	6
1. Governance	8
Corporate Governance Committee	9
Early Detection of Risk Committee.....	9
Audit Committee	10
Sustainability Committee.....	11
Competence and Capability	13
Sustainability Policy.....	14
Management of Processes and Integration into Decision-Making	15
Performance Monitoring and Remuneration Policy	17
2. Strategy	17
Sustainability and Climate Change Strategy	17
Strategic Priorities on Sustainability and Climate Change	18
Risks and Opportunities Related to Sustainability and Climate	19
Business Model and Value Chain	20
Strategy and Decision-Making	21
Impact on Financial Position, Financial Performance, and Cash Flows	21
Climate Resilience	22
3. Risk Management	28
3.1 General Risk Management Approach	28
Early Detection of Risk Committee	30

3.2	Management of Sustainability and Climate Risks.....	30
	Risk Management Steps	31
4.	Metrics and Targets	38
	Metrics	38
	Climate-Related Metrics.....	38
	TSRS 2 Sector-Specific Disclosures	40
	Targets.....	41

Introduction

Compliance with the Turkish Sustainability Reporting Standards (TSRS)

The Turkish Sustainability Reporting Standards (TSRS), published in the Official Gazette dated December 29, 2023, numbered 32414(M), entered into force as of January 1, 2024, and are applicable for fiscal periods beginning on and after this date. Within this scope, sustainability reporting in accordance with TSRS 1 “*General Requirements for Disclosure of Sustainability-related Financial Information*” and TSRS 2 “*Climate-related Disclosures*” has become mandatory for entities that meet specific criteria.

ÜNLÜ Menkul Değerler A.Ş. (“ÜNLÜ Menkul” or the “Company”), as a capital markets institution subject to the regulation and supervision of the Capital Markets Board of Türkiye and exceeding the thresholds set forth in the TSRS, prepares its sustainability reporting in line with these standards. This report, prepared within this framework, aims to fulfill the disclosure requirements stipulated by TSRS and to inform the public regarding the activities carried out and performance achieved during the reporting period.

In preparing this report, the principles and frameworks published by the International Sustainability Standards Board (ISSB) and the sector-specific disclosure topics developed by the Sustainability Accounting Standards Board (SASB) have also been considered. Unless otherwise specified, the information and assessments provided in this report cover all activities of ÜNLÜ Menkul, its subsidiaries consolidated into financial reporting, as well as its entire value chain.

The TSRS Limited Assurance Statement has been obtained solely for the Turkish version of the report.

Connection with Financial Statements

The sustainability and climate-related disclosures presented in this report have been prepared to cover the activities of ÜNLÜ Menkul. The reporting period spans the 12-month period between January 1, 2024 and December 31, 2024, which is aligned with the

Company's consolidated financial reporting cycle. Detailed financial information can be accessed through ÜNLÜ Menkul's publicly available resources and the 2024 Annual Report, which is also published on the Public Disclosure Platform (KAP).

Reporting Period

For the 12-month fiscal period ending on December 31, 2024, ÜNLÜ Menkul has applied TSRS 1 and TSRS 2 concurrently and is publishing its first sustainability report within the scope of TSRS.

Transitional Provisions

In accordance with the *Transitional Provisions* set out in TSRS 1 Appendix E and TSRS 2 Appendix C, the exemptions considered within the scope of this report are explained in this section.

- Under TSRS 1 E3 and TSRS 2 C3, entities are not required to provide comparative information in their first reporting period applying TSRS. Accordingly, this report, covering the first reporting period of 2024, does not include any information for comparison with previous periods. Similarly, in line with TSRS 1 Appendix E6 (a) and (b), no comparative disclosures regarding risks and opportunities have been presented.
- Pursuant to TSRS 1 E5, in the first annual reporting period, entities are permitted to disclose only climate-related risks and opportunities in accordance with TSRS 2. Therefore, this report focuses exclusively on climate-related risks and opportunities, and the information presented under the governance, strategy, and risk management headings has been structured with due consideration of sustainability integrity.
- As per Provisional Article 3 of the “Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS),” entities are not required to disclose Scope 3 greenhouse gas emissions in their first two reporting periods under TSRS. Therefore, this report includes information only on Scope 1 and Scope 2 emissions.

- In accordance with Provisional Article 2 of the “Board Decision on the Scope of Application of the Turkish Sustainability Reporting Standards (TSRS)” (and likewise TSRS 1 E4(b)), entities may publish their sustainability reports for the first annual reporting period under TSRS after disclosing their financial statements for the relevant fiscal year. Accordingly, this report has been published in compliance with Provisional Article 2(b), without exceeding ÜNLÜ Menkul’s interim financial reporting deadline.

Reporting Boundaries and Measurement Approach

In reporting greenhouse gas emissions, the operational control approach has been applied. All Scope 1 and Scope 2 greenhouse gas emissions of ÜNLÜ Menkul have been included in the calculation.

Conceptual Foundations and General Principles

To ensure that the information presented in this report is more useful and functional, the preparation process has been guided by the principles of transparency, reliability, comparability, verifiability, timeliness, and clarity, in line with the conceptual foundations outlined below:

- **Fair Representation:** The contents of the report are presented in a complete, neutral, and accurate manner so as to reflect the actual situation.
- **Materiality:** Critical information regarding sustainability-related risks and opportunities that are reasonably expected to affect ÜNLÜ Menkul’s future financial resilience has been disclosed in the report.
- **Reporting Entity:** The financial statements associated with this report have been prepared and presented on a consolidated basis by ÜNLÜ Menkul.
- **Connected Information:** Through the information presented in the report, the relationships between governance, strategy, risk management, and metrics and targets are clearly demonstrated, thereby enabling key users to properly understand these interconnections.

- Sources of Guidance: In identifying sustainability-related risks and opportunities that are reasonably expected to affect its future financial resilience, ÜNLÜ Menkul applies TSRS 1 and TSRS 2. In addition, reference is made to disclosure topics for Investment Banking and Brokerage set out in TSRS 2 – Sectoral Appendix, Volume 18, which are derived from the SASB Standards maintained by the IBB, and the applicability of these topics is evaluated in terms of metrics and targets.

About ÜNLÜ Menkul

ÜNLÜ Menkul was established on December 28, 1990, under the trade name Işıklar Menkul Kiyimetler A.Ş., with the purpose of engaging in capital markets activities in compliance with the provisions of the Capital Markets Law and related regulations. Following the acquisition of Işıklar Menkul Kiyimetler A.Ş. by the partners of Dundas ÜNLÜ & Co. Ltd. on June 5, 2002, the Company's name was registered as Dundas ÜNLÜ Menkul Değerler A.Ş. on August 5, 2002, and published in the Turkish Trade Registry Gazette No. 5609 dated August 8, 2002, thereby entering into effect.

At present, the Company operates under ÜNLÜ Yatırım Holding A.Ş. (ÜNLÜ & Co) as a Broadly Authorized Intermediary Institution. The subsidiary structure and shareholding ratios of ÜNLÜ Menkul are summarized in Figure 1.

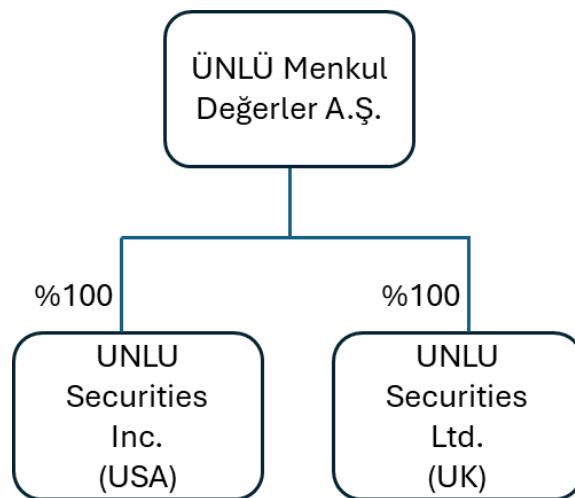


Figure 1: Subsidiary Structure of ÜNLÜ Menkul

ÜNLÜ Menkul's activities are summarized below:

- Brokerage Activities
- Portfolio Intermediary Activities
- Individual Portfolio Management Activities
- Investment Advisory Activities
- Public Offering Intermediation Activities (through underwriting)
- Limited Custody Services

ÜNLÜ Menkul offers customized capital markets products and brokerage services to both domestic and international, individual and institutional investors. The Company also conducts its activities in international markets through its subsidiaries in New York and London. Its main areas of operation are summarized below.

Table 1: Products, Services & Solutions

CORPORATE SERVICES	
Corporate finance advisory (capital markets transactions including IPOs, block and private placements, debt advisory, and venture advisory services)	
Debt capital markets and advisory (financial advisory and brokerage services for the arrangement, structuring, and procurement of all types of debt financing, from syndicated loans, acquisition finance, mezzanine finance, and project finance to issuance of bonds, bills, and other debt instruments)	
International institutional sales to foreign investors	
Sales to domestic institutional investors	
Treasury products	

Table 2: Products, Services & Solutions

INDIVIDUAL SERVICES	
Investment Advisory	Investment Funds
Equities	Eurobond Investments
Futures Transactions (VIOP)	Digital Channels (Piapiri)
International Stock Exchanges	Stock Market Analyses and Research Content

1. Governance

In accordance with Article 199 of the Turkish Commercial Code No. 6102, the Board of Directors of **ÜNLÜ Yatırım Holding A.Ş. (ÜNLÜ & Co)** reports on the Company's relations with its controlling shareholder and the companies affiliated with the controlling shareholder on a consolidated basis. Based on this framework, the corporate governance approach of **ÜNLÜ Menkul Değerler A.Ş. ("ÜNLÜ Menkul" or the "Company")** proceeds in parallel with ÜNLÜ & Co's processes.

While senior management directs the vision of the Company, it focuses on safeguarding stakeholder interests and creating long-term sustainable value. In addition, social responsibilities are also taken into account when making strategic decisions.

Board of Directors and Senior Management Responsibility

At ÜNLÜ Menkul, strategic decisions regarding sustainability and climate are shaped with the approval of the **Board of Directors of ÜNLÜ & Co**, and the strategy (as defined by ÜNLÜ & Co) is as follows:

- Identification of priority topics,
- Establishment of environmental, social, and governance (ESG) targets,
- Definition of thematic working groups,
- Establishment of the Sustainability Governance System (SGS).

As presented in **Table 3**, the roles of Chairman and Vice Chairman of the Board of Directors at ÜNLÜ & Co are held by the same individuals who also serve as Chairman and Vice Chairman of the Board of Directors at ÜNLÜ Menkul.¹

Table 3: ÜNLÜ Menkul Board of Directors

ÜNLÜ Menkul Board of Directors	
Chairman of the Board	Mahmut L. Ünlü
Vice Chairman of the Board	Can Ünalan
Board Member (General Manager)	Gamze Akgüney
Board Member	Zafer Onat
Board Member	Ş. Simru Sonar

Accordingly, in order to ensure that sustainability and climate performance is both traceable and measurable, the steps taken with the approval of the ÜNLÜ & Co Board of Directors are also applicable to ÜNLÜ Menkul. Within this framework:

- In line with the established ESG targets, each target has also been matched with department-based responsibilities within ÜNLÜ Menkul.
- The structuring of thematic working groups and performance monitoring responsibilities also covers ÜNLÜ Menkul's activities.
- The governance structure established within the scope of the SGS has been designed to include ÜNLÜ Menkul's processes as well.

Corporate Governance Committee

The Corporate Governance Committee of ÜNLÜ & Co evaluates whether corporate governance principles are being implemented within the Company. In cases where they are not, it identifies the reasons and the conflicts of interest arising from non-compliance and submits recommendations to the Board of Directors to improve corporate governance practices.

At the Committee meetings, issues such as the determination of the sustainability strategy, sustainability and climate-related reporting legislation and requirements, and related processes are also discussed, and recommendations and advice are provided to the Board. The Corporate Governance Committee is also the authorized committee responsible for monitoring sustainability-related risks and opportunities.

Early Detection of Risk Committee

At ÜNLÜ & Co, the Committee for Early Detection of Risk, composed of three members, is responsible for identifying risks that may endanger the existence, development, and continuity of the Company, ensuring that necessary measures are taken in relation to identified risks, and overseeing risk management activities.

The Committee regularly convenes to assess and evaluate all types of risks—including strategic, operational, financial, legal, and others—by detecting them at an early stage, evaluating their impact and likelihood, managing them in line with the Company's corporate

risk profile, reporting them, ensuring the implementation of necessary measures regarding identified risks, and considering them in decision-making processes. It also ensures the establishment and integration of effective internal control systems in this respect.

The Early Detection of Risk Committee is the final approving authority in the processes of identifying sustainability- and climate-related risks and opportunities. Detailed explanations on risk management processes are provided in **Section 3**.

Audit Committee

At ÜNLÜ & Co, the Audit Committee is responsible for overseeing the functioning of the Company's accounting and reporting systems in compliance with applicable laws and regulations, the disclosure of financial information to the public, and the operation and effectiveness of the independent audit and internal control systems. The Committee consists of two independent members of the Board of Directors.

The Committee submits its written opinions to the Board of Directors regarding the selection of independent auditors as well as the compliance, accuracy, and fair presentation of the annual and interim financial reports to be disclosed to the public. The role of the Audit Committee in monitoring sustainability- and climate-related risks and opportunities is explained in detail in Section 3.

The Board of Directors of ÜNLÜ & Co also monitored the development of processes and performance monitoring structures related to ÜNLÜ Menkul through presentations made in 2024 and provided recommendations. Going forward, the monitoring system is targeted to become fully operational and integrated into the Human Resources (HR) bonus system.

The ultimate authority to guide corporate sustainability and climate targets and to set related strategies rests with the Board of Directors of ÜNLÜ & Co. Through this governance structure, sustainability- and climate-related risks, opportunities, and other issues are embraced at the highest level by the Holding and incorporated into the strategic decision-making processes of ÜNLÜ Menkul.

The Board of Directors of ÜNLÜ & Co is the body responsible for the oversight of all processes related to its subsidiaries, including ÜNLÜ Menkul, and for making the final decisions in these processes. Accordingly, the primary responsibility and approval authority for

sustainability and climate efforts carried out within subsidiaries ultimately lies with the Board of Directors of ÜNLÜ & Co.

The governance structure of ÜNLÜ & Co, and accordingly of ÜNLÜ Menkul, with respect to sustainability and climate governance is illustrated in Figure 2.

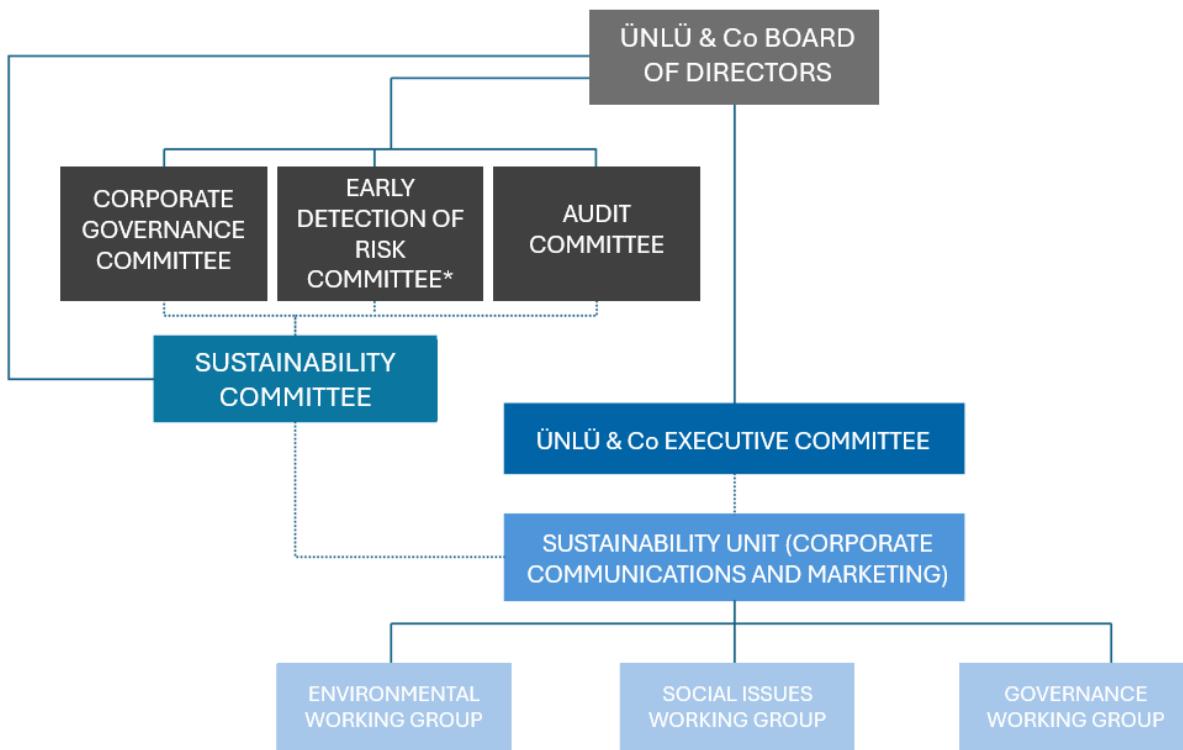


Figure 2: Sustainability and Climate Governance Structure

**The Vice Chairman of the Board of Directors of ÜNLÜ & Co and ÜNLÜ Menkul also serves on the Early Detection of Risk Committee and holds the authority to approve sustainability- and climate-related risks and opportunities.*

Sustainability Committee

There is no separate sustainability committee within ÜNLÜ Menkul. However, the Sustainability Committee at ÜNLÜ & Co, which is responsible for the strategic management and oversight of sustainability- and climate-related matters, also holds decision-making authority on behalf of ÜNLÜ Menkul. The structure of the Committee was redefined in 2024, and its members were updated as presented below. Through this structure, the Committee

also ensures senior management ownership and operational-level coordination responsibilities at ÜNLÜ Menkul.

Table 4: Sustainability Committee

ÜNLÜ & Co Sustainability Committee
<ul style="list-style-type: none"> • 1 Board Member (non-executive) • 2 Independent Board Members • 1 Investor Relations employee • 2 Corporate Communications and Marketing employees

Authorities of the Sustainability Committee:

1. Establishing the sustainability strategy, monitoring targets and KPIs, and directing working groups on priority issues,
2. Reporting to the Board of Directors on sustainability-related matters,
3. Ensuring compliance with regulations on sustainability issued by the Capital Markets Board of Türkiye (CMB) and the Public Oversight, Accounting and Auditing Standards Authority (KGK).

Main Responsibilities of the Committee:

- Establishing the sustainability and climate strategy in line with the Company's vision, mission, and corporate culture,
- Monitoring national and international regulations and developments,
- Identifying climate-related risks and opportunities,
- Monitoring the targets and KPIs set in line with the sustainability strategy,
- Ensuring that the sustainability culture created is disseminated throughout all layers of the Company, including external stakeholders,
- Defining the necessary actions required to achieve the targets set for each priority topic through working groups, and ensuring the follow-up of these actions,
- Reporting the decisions taken and the outputs of Committee meetings to the Board of Directors.
- Ensuring efforts are carried out to comply with the principles set forth in the Sustainability Principles Compliance Framework announced by the Capital Markets

Board of Türkiye (CMB), preparing the reports required under Capital Markets Legislation, and submitting them to the Board of Directors for approval prior to public disclosure,

- Carrying out efforts to ensure compliance with the Turkish Sustainability Reporting Standards (TSRS) published by the Public Oversight, Accounting and Auditing Standards Authority (KGK),
- Creating and promoting sustainability awareness and culture across the organization.

The Sustainability Committee convenes at least once a year; however, extraordinary meetings may be organized depending on needs and the agenda. With the monitoring and reporting mechanism planned to be established in 2025, the frequency of the Committee's meetings is expected to increase. The Corporate Communications and Marketing Department of ÜNLÜ & Co is responsible for the organizational ownership of sustainability- and climate-related matters as well as the coordination of the Committee. In this context, the head of the relevant department is responsible for ensuring and monitoring overall coordination. Committee decisions and meeting outputs are reported directly to the Board of Directors.

Competence and Capability

In determining the members of the ÜNLÜ & Co Sustainability Committee from among the Board of Directors, an assessment of strategic and governance competencies is carried out based on the individuals' prior years of experience. In particular, the Board representation of the Committee, which was restructured in 2024, is summarized below, with further details provided in the ÜNLÜ & Co 2024 Annual Report.

- Şebnem Kalyoncuoğlu Ünlü:

With an international finance background, former CEO roles at Credit Suisse and Alkhair Capital, and leadership in entrepreneurship and women's empowerment, she possesses strong competencies in ESG, particularly in terms of both social impact and governance.

- Özlem Yeşildere (Independent Member):

With extensive experience in financial transformation, digital strategy, and governance integrated with sustainability, she has held senior leadership roles at institutions such as Philips, Koton, and Mey Diageo. She is well-equipped in the operational and strategic integration of ESG.

- Mine Yıldız Günay (Independent Member):

She has expertise in asset management, sustainable finance, and institutionalization of foundations. She has played a leadership role in guiding sustainability-based structures at TEV (Turkish Education Foundation) and Cargill Türkiye.

These members play an active role not only in providing advisory input but also in making and monitoring decisions that directly shape the sustainability strategy. During the reporting period, no separate capacity-building initiative was carried out to further develop the skills and competencies of governance bodies or individuals.

Sustainability Policy

At ÜNLÜ Menkul, sustainability and climate-related matters are shaped within the framework of the Sustainability Policy of ÜNLÜ & Co. The Sustainability Policy of ÜNLÜ & Co covers the following aspects:

- Together with all employees, stakeholders, and business partners, commercial activities are carried out within an ethical, transparent, and accountable corporate framework, in full compliance with regulations without compromise, with the aim of contributing to a more livable world and a sustainable life.
- Relevant legislation on corporate governance is closely monitored, mandatory principles are applied, and non-mandatory principles are implemented as much as possible. For voluntary principles that are not implemented, the reasons for non-compliance are disclosed.
- In all geographies where the Company operates, social and environmental responsibilities toward society are fulfilled in cooperation with shareholders, employees, the public, non-governmental organizations, and other stakeholders.

- Commercial activities are conducted in compliance with legal responsibilities and national and international standards, while combating all forms of corruption.
- For a sustainable environment, efforts focus on minimizing consumption arising from operations and recycling waste. Environmental awareness among employees and stakeholders is enhanced to promote recycling and contribute to the preservation of natural resources.
- Occupational Health and Safety (OHS) is one of the top priorities. All necessary actions are taken to ensure the sustainability of an OHS culture in operations and to spread this culture among both employees and stakeholders.
- Acting with the goal of creating a better society and a more livable environment, the Company seeks to minimize the environmental impacts of its operations and makes voluntary efforts for a sustainable future.
- All relations with employees are conducted in line with the principles of diversity, equity, and inclusion. Equal opportunities are provided to every individual regardless of gender, language, religion, race, age, or any other distinction. A fair, respectful, and supportive working environment is ensured to foster the development of labor standards. Full compliance is maintained with relevant legislation on the protection of personal data and data security.

Management of Processes and Integration into Decision-Making

Processes related to sustainability- and climate-related risks and opportunities are carried out by teams composed of ÜNLÜ Menkul employees, covering ÜNLÜ & Co, ÜNLÜ Menkul, and other subsidiaries. The oversight of all processes, including risks and opportunities, is performed by ÜNLÜ & Co.

With respect to risks and opportunities, process responsibility and approval authority lie with the Vice Chairman of the Board of Directors at both ÜNLÜ & Co and ÜNLÜ Menkul, who is responsible for Internal Systems.

As of 2024, fundamental data control mechanisms have been defined within ÜNLÜ & Co for the collection and monitoring of sustainability data. Within this scope:

- With the alignment of ESG targets with departments, the individuals and units responsible for data collection have been designated.
- During the 2025 performance target-setting process, certain departments included data provision activities for the sustainability report among their own KPIs.
- The data flow is managed primarily under the coordination of the Corporate Communications and Marketing Department. The collected data is then consolidated, transferred into reporting tables, and presented as information to the Sustainability Committee.
- Controls and audits of sustainability- and climate-related activities are carried out by the Internal Systems Unit in alignment with other processes of ÜNLÜ & Co. The Internal Systems Unit consists of Internal Audit, Internal Control, Compliance, and Risk Management functions. Under the ultimate responsibility of the Board of Directors, these units perform the necessary measurement, evaluation, and reporting activities. The effectiveness and monitoring of processes are controlled within the framework of the Internal Audit Policy, Internal Control Procedure, Regulatory Compliance Manual, and the Principles on Risk Management and the Operation of the Risk Management Unit. The oversight of processes rests with the Sustainability Committee.

In the assessment of risks and opportunities, the Risk Management Department of ÜNLÜ & Co provides opinions for each identified risk and/or opportunity based on criteria such as “reporting suitability,” “realistic control mechanisms,” and “status of corporate ownership.” Final evaluations are then carried out together with the Board Member responsible for the Risk Management Department. Through systematic and regular activities conducted throughout the year, the Risk Management Department contributes to the work of the Committee for Early Detection of Risk. The Sustainability Committee also meets with the Risk Management Department at least once a year to evaluate sustainability- and climate-

related risks and opportunities. In monitoring, evaluation, and approval processes, while overseeing ÜNLÜ & Co's strategy, decisions on large-scale transactions, risk management processes, and related policies, trade-offs associated with sustainability-related risks and opportunities are also taken into consideration.

Performance Monitoring and Remuneration Policy

The Remuneration Policy aims both to reward individuals who contribute to the performance of the Company and to establish a structure in line with the principle of equality. In determining the remuneration of Board members and senior executives, factors such as the sector in which the Company operates, macroeconomic data, prevailing market salary levels, the size of the Company, and its long-term objectives are taken into consideration. Based on research and assessments conducted by the Corporate Governance Committee, recommendations are submitted to the Board of Directors. Sustainability- and climate-related performance criteria have not yet been incorporated into the Remuneration Policy.

2. Strategy

Sustainability and Climate Change Strategy

In 2024, ÜNLÜ Menkul took significant corporate-level steps to structure its sustainability strategy. Within the framework explained in detail in Sections 1 and 3, and in parallel with ÜNLÜ & Co, the Company identified the risks and opportunities in the ESG areas that need to be addressed within its business model and value chain, evaluated the financial implications of these risks and opportunities, and integrated them into the Company's strategic decision-making mechanisms.

Climate change-related risks and opportunities were assessed using the TCFD and TSRS approaches, and were incorporated into corporate risk management processes by considering short-, medium-, and long-term impacts. In this context, operational factors causing direct and indirect environmental and social impacts were reviewed; data collection systems were improved, and areas for development were identified.

This work has established a strategic foundation aimed at strengthening corporate resilience against risks. While shaping the Company's strategy around sustainability and climate, a roadmap aligned with both national and international regulations has been created; the Company's performance has been supported with metrics, making it measurable and trackable.

Thus, ÜNLÜ Menkul has focused both on managing current risks and opportunities and on enhancing its long-term resilience against systemic impacts such as climate change.

Strategic Priorities on Sustainability and Climate Change

The sustainability and climate strategy of ÜNLÜ Menkul, shaped under the leadership of ÜNLÜ & Co, has been structured around an impact-based approach, a strong governance framework, and data-driven practices. Sustainability issues are regarded not only within the framework of environmental and social responsibility but also as a strategic element that strengthens corporate resilience, enhances stakeholder trust, and supports long-term value creation.

With this approach, based on evaluations conducted with internal and external stakeholders, the key focus areas guiding the Company's sustainability and climate strategy have been identified. These areas, shaped in line with ÜNLÜ Menkul's business model, the sectors in which it operates, and sustainability dynamics, have been addressed within a holistic framework covering all ESG dimensions. As of the reporting period, the sustainability and climate change-focused areas identified are presented in Table 5.

Table 5: ÜNLÜ Menkul's Focus Areas on Sustainability and Climate

Focus Areas
Responsible Investment
Responsible Asset Management
Environmental Impacts of Operations
Financial Literacy
Corporate Governance
Business Ethics and Compliance
Social Initiatives
Corporate Equal Opportunity and Inclusion
Customer Experience and Satisfaction

Digitalization and Innovation
Information Security and Cybersecurity
Employee Satisfaction and Engagement
Talent Management and Development

The targets and performance indicators determined within the selected focus areas are presented in Section 4. ÜNLÜ Menkul does not limit this strategic framework solely to its own operations; instead, it approaches sustainability with a holistic management perspective by also considering its sphere of influence across different sectors through its affiliates and subsidiaries.

Risks and Opportunities Related to Sustainability and Climate

Climate change and sustainability are among the factors *that* may have an impact on ÜNLÜ Menkul's long-term strategic objectives, business model, and value chain. As ÜNLÜ Menkul is subject to regulations in different sectors and the requirements of supervisory authorities, this multifaceted operational structure is taken into consideration when identifying sustainability- and climate-related risks and opportunities.

Within the scope of the assessment conducted, potential sustainability and climate-related risks and opportunities that could affect ÜNLÜ Menkul's financial position have been considered. The identified risks and opportunities were analyzed in terms of their potential impact and likelihood over the short, medium, and long term, with time horizons aligned to the Company's strategic planning cycles.

In line with TSRS, the materiality threshold has been determined as 2% of the Company's annual gross profit for the reporting period, based on the Company's strategic decision-making processes. This value applies to the 2024 reporting year and may vary from year to year.

As with all risk management processes, sustainability- and climate-related risks and opportunities are assessed within specific time horizons aligned with the planning cycles used in strategic decision-making processes. These time horizons are presented in Table 6.

Table 6: Time Horizons Used for Sustainability- and Climate-Related Risks

Time Horizon	Duration	Description
Short	0 – 1 year	Daily/monthly transactions, operational risks, liquidity risk, immediate market movements.
Medium	1 – 3 years	Structural impacts such as the effects of new products, regulatory changes, system transformations, and workforce transitions.
Long	3 years and beyond	Strategic risks, technological transformation, permanent changes in customer behavior, long-term effects of regulations.

As a result of the assessments conducted, it has been observed that the evaluated risks and opportunities fall below the materiality threshold and are not expected to reasonably impact the Company's financial statements under current conditions. This outcome is based on the effectiveness of the strong internal control mechanisms and risk mitigation practices that have long been in place within the Company. Although these risks are not financially critical, they are continuously monitored in terms of strategic preparedness and long-term resilience. Since no sustainability- or climate-related risk with a material impact has been identified through the assessment, such risks are not presented in this section. Further details regarding risk management and the studies conducted are provided in Section 3. ÜNLÜ Menkul regards this assessment as a foundation for future work and plans to undertake studies in which sustainability- and climate-related risks will be addressed in greater depth. In line with the evolving data infrastructure, regulations, and industry practices, risk management processes will be continuously reviewed, and, when necessary, risks approaching the materiality threshold will be evaluated in more detail. The corporate approach is not only to monitor the current situation but also to establish a flexible and continuously evolving system that adapts to changing conditions.

Business Model and Value Chain

ÜNLÜ Menkul, as a financial services institution operating in areas such as asset and portfolio management, corporate finance advisory, multi-asset class research, and capital markets services, also reaches different sectors through its affiliates and subsidiaries. Therefore, it has a multi-stakeholder business model and an extensive value chain.

Although the business model has limited physical asset intensity, activities such as energy consumption, business travel, office operations, and the use of digital infrastructure are considered in terms of environmental impacts. In addition, due to the client profile served, ensuring that investment decisions with high indirect impact potential are aligned with sustainability and climate principles is regarded as a key strategic priority.

In the processes conducted with external service providers, suppliers, subcontractors, and clients within the value chain, the management of environmental and social impacts is also taken into account. While ÜNLÜ Menkul does not identify a particular asset class or region with significant risk concentration, it monitors and regularly evaluates all identified potential risks and opportunities.

Strategy and Decision-Making

ÜNLÜ Menkul aims to integrate sustainability- and climate-related risks and opportunities into its strategic management system and structures its decision-making processes accordingly. The fundamental approach set forth in the strategy documents is linked to long-term corporate objectives through focus areas identified in light of stakeholder expectations, internal process data, and sectoral developments.

The Company evaluates the practices it has implemented in response to risks and the opportunities it has identified through the factors that impact its business model, with the aim of reducing environmental impacts and enhancing social benefit.

Decisions taken during the year, particularly in the areas of digitalization of business processes, strengthening of information security infrastructure, enhancement of customer satisfaction, and promotion of corporate inclusiveness, have progressed in alignment with climate and sustainability objectives.

Impact on Financial Position, Financial Performance, and Cash Flows

During the reporting period, the risks and opportunities assessed were determined to have a limited potential impact to a reasonable extent. Nevertheless, there are uncertainties in clearly determining their effects on financial position, financial performance, and cash flows within the framework of reasonable efforts. Judgment-based inferences are made.

Deepening the financial impact assessment requires additional efforts such as sectoral maturity, the generation of sector- and climate-specific data in future periods, and trend monitoring in this respect. Based on the possibility of high uncertainty and margin of error, the risks and opportunities considered have been primarily subject to qualitative assessment, and improvement efforts continue in light of sectoral developments.

Climate Resilience

As a result of the processes of identifying, assessing, prioritizing, and monitoring risks and opportunities detailed in Section 3, it has been observed that ÜNLÜ Menkul's exposure to climate-related risks and opportunities is at a low level. Considering the low level of exposure to climate-related risks and opportunities, the limited skills, capabilities, and resources available in the current reporting period, and the fact that the sector is one in which scenario analysis is not widely conducted, a "proportionate" approach to climate resilience has been adopted, and therefore a qualitative scenario analysis has been performed. In subsequent reporting periods, both the level of exposure to such risks and opportunities and the capacity conditions will be reassessed.

In determining the appropriate approach, consideration was given to identifying a combination of inputs and analytical options that allow for the evaluation of reasonable and supportable information, including explanations regarding past events as well as current and future condition forecasts.

In 2021, Türkiye ratified the Paris Agreement and subsequently announced its 2053 Net Zero Emissions Target. On 13 April 2023, Türkiye submitted its first updated Nationally Determined Contribution (NDC) to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). Following these steps, the "Türkiye Long-Term Climate Strategy" was approved by the Climate Change and Adaptation Coordination Board (İDUKK) on 4 November 2024. This strategy document, which also shapes Türkiye's long-term climate policies, not only presents national mitigation and adaptation strategies for different sectors but also includes sectoral measures on technology, just transition, climate finance, and capacity building. These sectoral strategies are of critical importance for Türkiye's low-carbon development.

In determining the mitigation and adaptation policies, strategies, and actions aimed at enhancing climate resilience in Türkiye, climate hazards for both the present and future periods were assessed, and sectoral risk analyses were conducted. Within this framework, climate projections were also developed using the Representative Concentration Pathways (RCP 4.5 and RCP 8.5) in line with the IPCC Fifth Assessment Report. As part of the IPCC-based risk and vulnerability analysis, drought, heavy rainfall, heatwaves, forest fires, cold waves, and severe wind events were evaluated. Subsequently, sectoral impact chains were established, and climate change-related risks associated with identified hazards were calculated across 11 different sectors, considering the components of vulnerability, exposure, sensitivity, and adaptive capacity.

In line with the requirements of TSRS 2 and TSRS 2 Appendix B, entities are expected to use a scenario consistent with either a gradual transition to a lower-carbon economy or the legal commitments under the most recent international agreement on climate change. Accordingly, as explained above, the scenarios included in the “Türkiye Long-Term Climate Strategy,” which was prepared in parallel with Türkiye’s 2053 net zero target announced under the Paris Agreement, have been adopted.

Moreover, considering that Türkiye is expected to implement a national Emissions Trading System (ETS) in the near future and tighten its emissions regulations, ÜNLÜ Menkul’s assessments of the resilience of its strategy and business model to climate-related changes, developments, and uncertainties—taking into account climate-related risks and opportunities—have been based on the RCP 4.5 and RCP 8.5 scenarios. In addition, the TCFD guidelines, which are also referenced in TSRS 2 Appendix B, recommend considering scenarios that represent temperature increases of 2°C or below in resilience analysis. In this context, the SSP1-2.9 scenario, defined in the IPCC Sixth Assessment Report and aligned with the Paris Agreement’s 1.5°C target, has also been examined.

The RCP 4.5 scenario (intermediate scenario), as assessed by the IPCC, represents a moderate pathway in which greenhouse gas emissions peak around 2040 and subsequently decline. It is considered the most likely baseline scenario, assuming the absence of additional climate policies and taking into account the finite nature of non-renewable fuels.

Under this scenario, CO₂ emissions are projected to begin decreasing around 2045 and to fall to approximately half of 2050 levels by 2100. Methane (CH₄) emissions are expected to stop increasing by 2050, with CH₄ levels in 2040 estimated to be about 75% higher compared to the 1980–1990 period; meanwhile, sulfur dioxide (SO₂) emissions are projected to decrease by approximately 20% relative to the same period. This scenario points to a future in which average sea levels continue to rise through 2100, with a higher likelihood of global temperatures increasing between 2°C and 3°C.

According to the RCP 4.5 scenario, it is projected that a significant portion of energy production will be supplied from renewable sources, and that efforts required to prevent or reduce emissions will remain at a moderate level. These projections indicate medium-level adaptation efforts with moderate associated costs.

The RCP 8.5 scenario (pessimistic scenario) is defined as the highest baseline emission scenario, in which emissions continue to rise throughout the 21st century. Accordingly, the climate change impacts projected under RCP 8.5 are expected to materialize more severely compared to the RCP 4.5 scenario. This scenario, which often forms the basis of the most adverse climate change projections, is built upon assumptions of coal usage that are considered higher than what has been observed in reality. Nevertheless, it continues to serve as a reference framework for emission projections for the mid-century and earlier, in line with current and planned policies.

According to the RCP 8.5 scenario, it is projected that energy production will largely rely on fossil fuel sources, and the efforts required to prevent or reduce emissions will remain at a low level. This situation will necessitate high-level and high-cost adaptation efforts. According to the RCP 8.5 scenario, it is projected that energy production will largely rely on fossil fuel sources, and the efforts required to prevent or reduce emissions will remain at a low level. This situation will necessitate high-level and high-cost adaptation efforts.

The SSP1-1.9 scenario (optimistic scenario) represents the most favorable of the future emission pathways, assuming that the increase in global temperature will fall below 1.5°C by 2100 and deviate only slightly from the 1.5°C threshold throughout the 21st century. In this scenario, the efforts required for mitigation and adaptation are of low difficulty. It is

projected that the global population will peak around the middle of the century, while environmentally friendly technologies and renewable energy sources will become widespread. With the implementation of stringent climate policies, emissions are likely to reach net zero around or after 2050.

A qualitative assessment of ÜNLÜ Menkul's business model and strategy in terms of climate resilience is summarized in the table below. However, these assessments also incorporate uncertainties such as policy and regulatory changes, production and consumption trends, customer preferences, carbon prices, the cost of resources such as energy and water, the frequency and severity of extreme weather events, and market fluctuations.

Table 7: Climate Scenarios

RCP 4.5 Scenario	RCP 8.5 Scenario	SSP1-1.9 Scenario
Considering ÜNLÜ Menkul's climate resilience in line with its risks and opportunities, it is projected that physical climate risks—particularly temperature increase, drought, and water stress—may rise to a medium-high level, potentially leading to additional increases in operational disruptions and related costs. However, resilience against these risks could be strengthened through practices such as energy-efficient heating/cooling systems, water efficiency investments, business	Considering ÜNLÜ Menkul's climate resilience in line with its risks and opportunities, physical climate risks—particularly temperature increase, drought, and water stress—are expected to rise to a very high level, potentially leading to significantly greater increases in operational disruptions and associated costs compared to the intermediate scenario. Nevertheless, resilience strategies such as energy-efficient heating/cooling systems, water efficiency investments, business continuity practices, and early warning	In this scenario, where the average temperature increase is aligned with international targets, physical climate risks such as rising temperatures, drought, and water stress are expected to remain at lower levels, thereby reducing operational disruptions and related costs compared to the intermediate scenario. The transition from fossil fuels to renewable energy sources, along with the widespread adoption of energy-efficient practices in line with Türkiye's strategic objectives, is also expected to limit increases in resource costs.

RCP 4.5 Scenario	RCP 8.5 Scenario	SSP1-1.9 Scenario
<p>continuity practices, and early warning systems.</p> <p>In this intermediate scenario, the rising frequency of disruptions may drive further increases in resource costs, especially energy and water, while assumptions such as the introduction of carbon pricing mechanisms may also come into play. In response, energy and water efficiency practices, the use of renewable energy, emission management, and in-depth analyses of the impact of emission costs on revenues stand out as strategies to strengthen ÜNLÜ Menkul's resilience.</p> <p>If climate policies and regulations are implemented at a moderate rather than rapid pace, an increase in transition risks—such as regulatory, market, and reputational risks—appears likely. In particular, potential revenue losses faced by clients operating in sectors covered by or expected to be included in CBAM</p>	<p>systems could be implemented to mitigate these risks.</p> <p>Due to the continuous nature of disruptions under this scenario, resource costs—particularly for energy and water—are expected to rise substantially. In response to such adverse assumptions, strategies such as energy and water efficiency practices, the use of renewable energy, emission management, and increasing both the frequency and granularity of analyses regarding the impact of emission costs on revenues stand out as measures that would strengthen ÜNLÜ Menkul's resilience.</p> <p>If climate policies and regulations are implemented more slowly or less stringently, transition risks such as regulatory, market, and reputational risks may increase.</p> <p>In this scenario, carbon prices are also likely to be considerably higher. As a result, potential revenue losses faced by clients operating in carbon-intensive</p>	<p>Therefore, in this scenario, no additional resilience measures are anticipated with respect to operational disruptions and resource costs.</p> <p>On the other hand, since this scenario assumes the implementation of stringent and stable climate policies and regulations, an increase in transition risks—including regulatory, market, and reputational risks—may still occur if either ÜNLÜ Menkul or its clients fail to comply with regulatory requirements. If the scope of the ETS expands and/or carbon prices rise significantly, strategic efforts and reassessment of transition risks will gain importance.</p> <p>In such a case, strengthening ÜNLÜ Menkul's resilience strategy would involve closely monitoring long-term national and international strategies and targets, updating roadmaps accordingly, and enhancing the</p>

RCP 4.5 Scenario	RCP 8.5 Scenario	SSP1-1.9 Scenario
<p>and ETS regulations may adversely affect ÜNLÜ Menkul's portfolio. To minimize these negative impacts and enhance resilience, identifying carbon-intensive sectors within the client portfolio and deepening scenario analyses could be prioritized. On the other hand, these risks also present opportunities, including reshaping the business model, operating in sustainable product/service markets, and gaining a competitive advantage through improved pricing of clients based on their risk profiles.</p>	<p>sectors and the impact of related carbon costs on those sectors could increasingly affect ÜNLÜ Menkul's income streams negatively. To address these risks, steps such as conducting more frequent scenario analyses or stress tests for carbon-intensive sectors, incorporating additional ESG criteria into investment activities, establishing monitoring mechanisms, and including carbon price scenarios in credit limit assessments for high-risk sectors may be undertaken. Furthermore, detailed examinations of the impact of carbon costs on ÜNLÜ Menkul's revenues could help prevent portfolio- and operations-based losses.</p>	<p>depth of risk and scenario analyses. Measures could include conducting more frequent scenario analyses or stress tests for carbon-intensive sectors, integrating additional ESG criteria into investment activities in cases of elevated risks, establishing monitoring mechanisms, including carbon price scenarios in credit limit assessments for high-risk sectors, and reducing investment support and/or limits for climate-vulnerable clients. Detailed analysis of the impact of carbon costs on ÜNLÜ Menkul's revenues would also help prevent potential losses arising from client-related risks or non-compliance with regulations.</p>

Within the framework of assessments regarding ÜNLÜ Menkul's capacity to adapt or adjust its strategy and business model to climate change in the short, medium, and long term, the availability and flexibility of existing financial resources, the ability to repurpose, redeploy, upgrade, or decommission existing assets, and the impact of current and planned investments in mitigation, adaptation, and climate resilience opportunities have been

examined in order to respond to the scenario-based impacts described above. In this context, an investment has been made in a platform to ensure that data sources can be collected and utilized accurately, meaningfully, and comprehensively, and that risks and opportunities can be effectively monitored. To strengthen climate change adaptation capacity across all scenarios, it has been decided to update collateral ratios for certain equities included in the sustainability index in 2025. In addition, by ensuring the effectiveness of compliance, control, and audit mechanisms within the Internal Systems Unit, the capacity for adaptation against potential impacts under all scenarios will be enhanced.

3. Risk Management

3.1 General Risk Management Approach

ÜNLÜ Menkul's corporate risk management processes are carried out in an integrated manner with ÜNLÜ & Co's risk management framework.

In compliance with Capital Markets Board (CMB) regulations, Internal Systems established on a subsidiary basis consist of Internal Audit, Internal Control, Compliance, and Risk Management functions. These units, under the ultimate responsibility of the Board of Directors, conduct the necessary measurement, evaluation, and reporting activities.

The corporate risk management approach operates independently from executive units and consists of the steps of identifying, measuring, assessing, monitoring, and mitigating all risks to which the Company and its subsidiaries may be or are exposed. Proactive control and management of market, credit, liquidity, and operational risk categories are carried out by the ÜNLÜ & Co Risk Management Department, which also takes measures to mitigate, manage, or completely avoid such risks. Informing about risks and, where necessary, taking measures to reduce them also fall under the responsibility of the Risk Management Department. Responsibility and accountability for the acceptance of risks rest with the executive business lines. In parallel with its risk tolerance, ÜNLÜ Menkul aims to reduce risks

and thereby ensure that return and profitability plans are pursued alongside risks in both corporate and commercial decision-making.

Within the scope of risk and opportunity management, the duties of the Board of Directors include setting the overall boundaries of risks to be taken in line with the risk appetite determined by ÜNLÜ & Co and approved by the Deputy Chairman of the Board responsible for Internal Systems, establishing risk limits, ensuring these limits are monitored and controlled, and taking necessary actions through executive and/or Board committees established for this purpose. In addition, to ensure the early detection, timely implementation of solutions, and management of any strategic, operational, financial, or other risks that could endanger the Company's existence, development, or continuity, the ÜNLÜ & Co Board of Directors has established the Early Detection of Risk Committee. The Risk Management Department contributes to the Committee's activities through systematic and regular work conducted throughout the year.

The Internal Audit Department is responsible for controlling whether risk management processes are carried out effectively and efficiently. The activities carried out by the Internal Audit Department also support the achievement of strategic objectives. All audits are conducted and reported regularly within the framework of the annual audit program. Annual audit programs are submitted to the Board of Directors and/or the Board Member responsible for Internal Control as authorized by the Board, while audit findings are monitored and periodic activities are carried out to address such findings. Audit activities and results are reported periodically to the Audit Committee.

The management and monitoring of compliance risk—defined as the risk of incurring legal sanctions, financial loss, or reputational damage as a result of non-compliance with applicable laws, regulations, codes of conduct, and best practice standards—are carried out under the guidance of the Compliance Department. The Compliance Department develops policies for all compliance risks to which companies within ÜNLÜ & Co may be exposed; regularly reviews and updates these policies in line with changes in legislation, activities, and market conditions; and oversees their implementation. All business areas and

compliance risks to which the Company is exposed are regularly reviewed within the framework of a risk-based approach, and necessary measures are taken.

The Risk Management Department contributes to financial sustainability and strategic decision-making processes. Within the scope of daily and monthly reports prepared in this context, fundamental analyses such as Institutional Limits, Institutional Risk Report, Margin Trading Report, and Scenario Analyses are conducted, and market risks are closely monitored. These reports support the proactive management of risks, guide decision-making processes, and play a critical role in achieving long-term objectives.

Early Detection of Risk Committee

The Early Detection of Risk Committee, consisting of three members, is responsible for carrying out activities aimed at the early identification of risks that could endanger the existence, development, or continuity of the Company, taking the necessary measures regarding the identified risks, and ensuring their effective management.

At ÜNLÜ & Co, and consequently at ÜNLÜ Menkul, risk management systems are reviewed at least once a year. The Committee meets regularly to obtain information and make assessments on the early detection of strategic, operational, financial, legal, and all other types of risks; their evaluation; the calculation of their impact and probability; the management of these risks in line with the Company's corporate risk-taking profile; their reporting; the implementation of necessary measures regarding the identified risks; their consideration in decision-making mechanisms; and the establishment and integration of effective internal control systems in this context.

In 2024, the Committee convened six times. The processes for identifying sustainability- and climate-related risks and opportunities are also conducted and overseen under the coordination of the Risk Management Department and the Early Detection of Risk Committee.

3.2 Management of Sustainability and Climate Risks

The process of identifying sustainability and climate-related focus areas forms the foundation of the risk management activities carried out in line with the sustainability

strategy of ÜNLÜ & Co, and consequently ÜNLÜ Menkul. Within this scope, sustainability- and climate-related risks and opportunities have been assessed in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) and TSRS standards, thereby establishing a robust strategy. In the subsequent process, risk analysis studies have also been completed in the social and governance focus areas, and the identified risks and opportunities have been integrated into the Company's risk management processes. This integration aims to ensure organizational and operational preparedness for the potential impacts of sustainability- and climate-related risks and opportunities.

All activities are also integrated into ÜNLÜ & Co's—and thus ÜNLÜ Menkul's—strategy of "enhancing corporate working principles and management approach to achieve objectives and ensure sustainable success while maintaining market leadership." In line with this strategy, continuous improvement activities that respond to environmental and societal needs, aligned with both the business model and global and national trends, are prioritized while fulfilling environmental and social responsibilities.

Throughout 2024, with the structuring of the sustainability strategy at the corporate level, sustainability-related risks and opportunities have begun to be integrated qualitatively into the Company's strategy and decision-making processes.

Risk Management Steps

In risk management activities, the "Procedures on Risk Management and the Functioning of the Risk Management Department" are followed. Within the scope of the sustainability strategy in 2024, the approach adopted to integrate the processes of identifying, assessing, prioritizing, and monitoring risks and opportunities into the Company's overall risk management system consisted of the following steps:

1. Identification of Risks and Opportunities

At this stage, internal and external events, strategic objectives, threats, and opportunities that may be associated with all activities within the value chain are taken into consideration, and risks that may affect the achievement of corporate or core business unit objectives are identified.

During the reporting period, the following steps were taken in identifying sustainability- and climate-related risks and opportunities. In addition to ÜNLÜ Menkul's operations, upstream and downstream activities within the value chain were also considered:

- **Benchmark Analysis:** Reports and practices of local and international peer companies were reviewed, ESG-related key practices were compared, and company-specific topics were identified.
- **Prioritization through Stakeholder Engagement:** ESG topics were scored and prioritized through surveys conducted with the Board of Directors, Executive Committee, employees, and external stakeholders. As a result of this prioritization process, which was finalized with the approval of the Board of Directors, high-priority topics such as “Responsible Investment,” “Corporate Governance,” and “Environmental Impacts of Operations” were identified as fundamental areas of the corporate strategy and, consequently, the risk management process.

2. Assessment and Prioritization of Risks and Opportunities

In the evaluation of the identified risks and opportunities, sustainability- and climate-related risks and opportunities were structured and analyzed by category, taking into account the Company's business lines, activities, and stakeholder groups, with the support of external consultancy.

The “Impact-Likelihood Based Assessment” method was applied, and a risk inventory was created using the internationally recognized Risk and Opportunity Matrix. This work was carried out with contributions from the relevant departments and the Risk Management Department. The structure developed by linking the Company's sustainability and climate focus areas with ESG targets was submitted for approval to the Board Member responsible for Internal Systems and ultimately endorsed by the Board of Directors. Details regarding governance processes are explained in Section 1.

Impact-Likelihood Based Assessment

In this method, each risk item is scored on a scale of 1 to 5 in terms of its impact and likelihood. The overall risk score is then calculated by multiplying these two values, and risk levels are determined accordingly. These risk scores are used in prioritizing the risks.

Table 8: Risk Matrix

Impact x Likelihood		Impact				
		Very High	High	Medium	Low	Very Low
		5	4	3	2	1
Likelihood	Very High	5	25	20	15	10
	High	4	20	16	12	8
	Medium	3	15	12	9	6
	Low	2	10	8	6	4
	Very Low	1	5	4	3	2

Risk Scale:	Low: 1-6	Medium: 8-12	High: 15-25
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Risk scores classified as “High”, which are expected to have a significant impact on the Company’s financial position, are subject to stress testing and scenario analyses. These analyses are designed in connection with capital adequacy and prepared by considering factors such as underlying asset value, price volatility, interest rates, and operational losses that may lead to material changes in provisions for risk or operating expenses. Stress tests are carried out at least twice a year. In financial impact assessments, in addition to the limits set by the Board of Directors, numerical thresholds defined under the applicable legislation are also taken into account where relevant. As explained in Section 2, the materiality threshold defined under TSRS has been set at 2% of gross profit. However, during the reporting period, no significant risk exceeding this threshold was identified. As a result of the impact-liability based assessment, all risks were determined to fall within the “Low” or “Medium” categories. Nevertheless, for the benefit of investors, risks with a “Medium” score, which are considered relevant from a sustainability and climate perspective, are presented below.

Table 9: Operational Disruptions Caused by Chronic Climate Events

Risk Code ¹	R4
Risk Definition	<p>Operational disruptions caused by chronic climate events:</p> <ul style="list-style-type: none"> - Disruptions in business operations, including operational disruptions in the supply chain, due to extreme weather events such as floods, storms, heavy rainfall, hail (which have been observed frequently in Türkiye in recent years), and fires. - Damage to company property where activities are carried out as a result of sudden natural disasters caused by climate change, and inability to secure alternative property (office) in the short term to continue operations. - Collapse or malfunction of servers due to property damage, leading to the loss of backups. - Damage to artworks located within the property due to property damage.
Risk Score	Medium
Risk Category	Physical Climate Risk – Acute/Sudden Risk
Risk Area	Operational, Financial
Time Horizon	Medium
Related Focus Area	Customer Experience and Satisfaction, Corporate Governance
Relevant Stakeholders	Customers, Investors, Employees, Suppliers, Regulatory Authorities
Relevant Business Line	ÜNLÜ & Co and Group Companies (including New York and London offices)
Relevant SDGs	SDG 8, SDG 11, SDG 13
Risk Mitigation Activities	<ul style="list-style-type: none"> - Identification of potential risks such as natural disasters and climate change for ÜNLÜ & Co, development of crisis plans to address such risks, and regular review of these plans. - Use of cloud-based services and periodic checks of backup systems for servers and data storage. - Diversification of supply chain operations and preparation of a list of alternative suppliers to ensure business continuity in emergencies. - Utilization of insurance policies against risks such as natural disasters and fires. - Conducting drills for emergencies such as fires or property damage.
Opportunities Identified in Relation to the Risk	<ul style="list-style-type: none"> - Business continuity plans and risk mitigation measures can enhance ÜNLÜ & Co's operational efficiency and strengthen its resilience. This approach ensures faster and more effective management of unexpected events while delivering uninterrupted services to clients and stakeholders. - A robust risk management and crisis response plan can improve ÜNLÜ & Co's competitive advantage and reputation. When customers, investors, and other stakeholders see that the company is well-prepared and reliable in the face of crises, their trust in ÜNLÜ & Co may increase.

¹ Since the said risk falls below the materiality threshold, no disclosure regarding its financial impact has been provided.

Table 10: Resource Costs Arising from Operational Disruptions Caused by Chronic Climate Events

Risk Code ²	R5
Risk Definition	<p>Resource costs arising from operational disruptions caused by chronic climate events:</p> <ul style="list-style-type: none"> - Losses in labor productivity are expected, particularly in labor-intensive sectors and sectors where outdoor work is carried out (such as agriculture, construction, and mining), due to rising global average temperatures. - Increased water stress and drought caused by climate change adversely affecting production processes in water-intensive sectors. - Emergence of global epidemics and new virus and bacterial strains due to rising temperature fluctuations. - Office operations being affected and health risks arising as a result of potential water shortages.
Risk Score	Medium
Risk Category	Physical Climate Risk – Chronic
Risk Area	Operational, Financial
Time Horizon	Medium
Related Focus Area	Environmental Impacts of Operations, Responsible Investment
Relevant Stakeholders	Customers, Investors, Employees
Relevant Business Line	ÜNLÜ & Co and Group Companies (including New York and London offices)
Relevant SDGs	SDG 8, SDG 11, SDG 13
Risk Mitigation Activities	<ul style="list-style-type: none"> - Strengthening hygiene protocols in offices and implementing regular cleaning measures. - Making it mandatory for employees experiencing health problems to adhere to personal protective measures, such as hand hygiene and mask usage, when coming to the office. - Developing emergency plans to prepare for crises such as pandemics and providing training to employees, including written guidelines for managers on necessary preparations and requirements should remote working be adopted on a departmental basis. - Organizing awareness campaigns in offices to promote efficient water use and adopting policies that encourage responsible consumption of water.
Opportunities Identified in Relation to the Risk	<ul style="list-style-type: none"> - Strengthening hygiene protocols and implementing regular cleaning measures can protect employee health and ensure business continuity. - Enhancing occupational health and safety measures can improve employee satisfaction.

² Since the said risk falls below the materiality threshold, no disclosure regarding its financial impact has been provided.

Table 11: Resource Costs

Risk Code ³	R6
Risk Definition	Resource costs: Increases in the cost of resources such as energy and water in the short, medium, and long term.
Risk Score	Medium
Risk Category	Physical Climate Risk – Chronic
Risk Area	Operational, Financial
Time Horizon	Medium
Related Focus Area	Environmental Impacts of Operations, Responsible Investment, Corporate Governance
Relevant Stakeholders	Customers, Investors
Relevant Business Line	ÜNLÜ Investment Holding and Group Companies (including İVYŞ)
Relevant SDGs	SDG 7, SDG 12
Risk Mitigation Activities	<ul style="list-style-type: none"> - Evaluating energy-efficient alternatives for electronic devices in offices that are nearing the end of their lifecycle. - Training and raising awareness among employees on water and energy conservation. Encouraging conscious consumption habits to ensure more efficient use of water and energy. - Developing procedures to measure the environmental performance criteria of suppliers from which purchases are made
Opportunities Identified in Relation to the Risk	<ul style="list-style-type: none"> - Efforts in energy conservation can enhance the Company's corporate reputation. - Sustainability-focused business practices can position the Company as environmentally responsible in the eyes of customers, investors, and other stakeholders. - May trigger positive competition among suppliers to encourage them to offer environmentally friendly products.

³ Since the said risk falls below the materiality threshold, no disclosure regarding its financial impact has been provided.

Table 12: Governance Risk

Risk Code ⁴	R8
Risk Definition	<p>Governance risk:</p> <p>The emergence of credit risk (equity loans and derivative transactions) and potential company losses due to customers adversely affected by sustainability-related regulations, technological, market, and reputation-focused risks, resulting in some customers defaulting (acknowledging debt but being unable to pay).</p>
Risk Score	Medium
Risk Category	Sustainability Risk – Credit Risk
Risk Area	Financial
Time Horizon	Short
Related Focus Area	Corporate Governance
Relevant Stakeholders	Investors, Customers
Relevant Business Line	ÜNLÜ Investment Holding and Group Companies (including İVYS)
Relevant SDGs	SDG 8, SDG 13
Risk Mitigation Activities	<ul style="list-style-type: none"> - While determining collateral ratios in the Credit and Derivatives Committee, setting lower collateral ratios for shares of institutions where sustainability practices have not yet matured, thereby creating additional room for debt collection. - Requesting additional collateral in transactions with corporate clients where sustainability practices are not well established.
Opportunities Identified in Relation to the Risk	<ul style="list-style-type: none"> - Market Leadership: Strengthening market position and gaining the trust of clients and investors by taking a leadership role in sustainability. - New Business Models and Markets: Developing new sustainability-focused business models and operating in sustainable product/service markets to achieve growth and differentiation. - Risk-Based Pricing Models: Gaining competitive advantage through better pricing based on clients' risk profiles.

3. Monitoring of Risks and Opportunities

Most risks are monitored in the short term, typically on a daily basis. In this context, the definitions of risk and opportunity horizons are provided in Table 6. The monitoring process regarding changes in sustainability and climate-related risks and opportunities over time has not yet been initiated; however, improvements to these processes are planned for the future.

⁴ Since the said risk falls below the materiality threshold, no disclosure regarding its financial impact has been provided.

Activities carried out during the reporting period include:

- **Defining ESG Targets:** In 2024, ESG targets and related KPIs applicable to the institution were structured in line with TSRS and stakeholder expectations. These targets have not yet been assigned to departments, but such assignments are planned to be made through working groups in the upcoming period.
- **Reflections in Operational Decisions:** Decisions such as the implementation of green office transformations at Polaris Plaza and 42 Maslak offices indicate that the sustainability and climate perspective has been incorporated into operational areas.
- **Internal Corporate Review:** The tables were re-evaluated with the contributions of departments and the Risk Management Unit, thereby strengthening internal validity.
- **Defining Performance Indicators:** Appropriate KPIs were identified for each priority topic, and a plan was made to match these indicators with departments.
- **Integration into Decision-Making Processes:** Throughout 2024, sustainability and climate topics were included in high-level strategic presentations such as those made to the Board of Directors and its committees, as well as in the Executive Committee agenda, where all business units are represented at the highest level. With the awareness that the influence of ESG factors in corporate decision-making processes is steadily increasing, it is aimed to further strengthen this integration in the future as targets are assigned and become trackable.

4. Metrics and Targets

Metrics

Climate-Related Metrics

Greenhouse Gas Emissions

ÜNLÜ Menkul's greenhouse gas (GHG) emissions have been calculated and reported under the leadership of ÜNLÜ & Co. The calculations were carried out in line with the Greenhouse Gas (GHG) Protocol, covering Scope 1 (direct emissions) and Scope 2 (indirect energy-related emissions).

In accordance with the Transitional Article 3 of the Board Decision on the Scope of Application of TSRS, entities are exempt from disclosing Scope 3 GHG emissions during the first two reporting periods in which they apply TSRS. Therefore, this report only includes Scope 1 and Scope 2 emissions.

For the calculation of Scope 1 emissions, emission factors published by the Intergovernmental Panel on Climate Change (IPCC) were used. For Scope 2 emissions (indirect emissions from electricity and heating), both the 2024 factors published by the UK Department for Environment, Food & Rural Affairs (DEFRA) and data provided by the Republic of Türkiye Ministry of Energy and Natural Resources were taken into account.

Table 13: Greenhouse Gas Emissions

ÜNLÜ Menkul ⁵	
Scope 1	153,384.02
Scope 2	141,779.77
Total	295,163.79

As a result of the risk assessment carried out within the scope of climate-related transition and physical risks, no significant risk with a “high” score has been identified. Accordingly, during the reporting period, there are no vulnerable assets or business activities against climate-related transition or physical risks. Similarly, there are currently no assets or business activities aligned with climate-related opportunities. Within the scope of capital allocation, no capital expenditure, financing, or investment has been specifically allocated to climate-related risks and opportunities. Since the Emissions Trading System (ETS) has not yet been implemented in Türkiye and ÜNLÜ Menkul is not subject to any mandatory regulation, no carbon pricing mechanism is applied within the Company. In addition, as ESG scorecards have not yet been integrated into the HR performance monitoring system, climate-related issues are not included in executive remuneration.

⁵ UNLU Securities Inc. (USA) and UNLU Securities Ltd. (UK) were excluded from the greenhouse gas emissions calculation for the reporting period due to their low number of employees and the fact that the relevant employees work remotely.

TSRS 2 Sector-Specific Disclosures

In determining sector-specific metrics relevant to the business model and activities of ÜNLÜ Securities and its subsidiaries, the sector standards published by SASB and the sectors defined in the TSRS 2 Guidance on Sector-Specific Application were reviewed to assess the applicability of these metrics. Within this scope, the activities of ÜNLÜ Securities and its subsidiaries were evaluated alongside the sectoral guidelines, and the sectoral activity definitions contained therein were examined. As a result of these assessments, it was concluded that the activities and metrics set out in **TSRS 2 – Volume C, Chapter 18: Investment Banking and Brokerage** represent the applicable standard for ÜNLÜ Securities and its subsidiaries. Subsequently, applicable metrics were identified both from the SASB sector standards and from those defined under Chapter 18.

Further details regarding the approach to integrating ESG factors into investment banking and brokerage activities (FN-IB-410a.3) are presented in the relevant sections of this report.

Activity Indicators

Table 14: Activity Indicators

Activity Metric	Value	Unit	Code	Notes
Value of brokerage activities (total amount)	827,663,242	TL	FN-IB-000.A	
Number of advisory activities	3	Units		Eker Süt, Coca-Cola and ÜNLÜ Yatırım Holding bond issuances
Value of advisory activities	10,715,456	TL		
Revenues from securities trading activities	93.,087,936	TL		
Other financial income	144,368,561	TL		

Targets

UNLU Securities' sustainability and climate targets are determined jointly with ÜNLÜ & Co.

Following the identification of sustainability and climate focus areas, targets are set in alignment with the overall strategy by evaluating sectoral practices, mega trends, related risks and opportunities, as well as regulatory requirements. To enable systematic and measurable monitoring of progress, key performance indicators (KPIs) are defined for each target. The sustainability and climate targets of ÜNLÜ & Co, and consequently of UNLU Securities, are integrated into the principle of *“maintaining our market leadership by enhancing our corporate working principles and management approach, achieving our goals, and ensuring sustainable success.”*

The targets, which were reviewed and approved in the 2024 reporting year, are presented in Table 15. These targets are primarily related to sustainability. With the expansion of the scope of greenhouse gas emissions calculations to include Scope 3, UNLU Securities plans to define its long-term reduction targets more accurately. As comparable data on greenhouse gas emissions becomes available, climate-related targets will be further refined in future reporting periods, thereby clarifying UNLU Securities' net zero journey.

Table 15: UNLU Securities' Sustainability and Climate-Related Targets

Focus Area / Priority Topic	Target	KPI	Related SDG	Start Year	Target Year
Employee Engagement and Satisfaction	Improve employee engagement by 3 points	Employee Engagement Survey – engagement score (%)	SDG 8, 10, 16	2024	2027
	Improve employee turnover rate by 1 point	Employee turnover rate (%)	SDG 8, 10, 16	2024	2027
Talent Management and Development	Increase average training hours per employee by 5%	Annual average training hours per employee	SDG 4, 8, 10, 16	2024	2026
Corporate Opportunity Equality and Inclusion	Maintain the current female employee ratio of 50% and above	Female employee ratio (%)	SDG 5, 8, 10, 16	2024	Ongoing

Focus Area / Priority Topic	Target	KPI	Related SDG	Start Year	Target Year
Environmental Impact of Operations	Establish methodology and conduct pilot calculation for Scope 3 emissions ⁶	Development of methodology and preparation plan, pilot calculation output	SDG 13	2024	2026
Responsible Investment	Facilitate the issuance of a green debt instrument	Number of green bond issuances intermediated by UNLU Securities	SDG 8, 9, 11, 17	2024	2026
	Identify sectoral breakdown of companies in the investment portfolio	Determination of sectoral breakdowns based on NACE codes	SDG 8	2024	2026

⁶ Pilot calculations for Scope 3 emissions are planned to be conducted in 2025.

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