

# ÜNLÜ YATIRIM HOLDİNG A.Ş.

## 2024 TSRS COMPLIANT SUSTAINABILITY REPORT



ÜNLÜ & Co

# Index

Introduction .....	3
Compliance with the Turkish Sustainability Reporting Standards (TSRS) .....	3
Connection with Financial Disclosures .....	3
Reporting Period .....	4
Transitional Provisions .....	4
Reporting Boundaries and Measurement Approach .....	5
Conceptual Basis and General Provisions .....	5
About ÜNLÜ & Co.....	6
1. Governance .....	9
Board of Directors and Executive Management Responsibility .....	9
Corporate Governance Committee .....	11
Early Detection of Risk Committee.....	11
Audit Committee .....	11
Sustainability Committee.....	12
Competence and Capability .....	14
Sustainability Policy.....	15
Management of Processes and Integration into Decision-Making .....	16
Performance Monitoring and Remuneration Policy .....	17
2. Strategy.....	18
Sustainability and Climate Change Strategy .....	18
Strategic Priorities on Sustainability and Climate Change .....	19
Risks and Opportunities Related to Sustainability and Climate .....	20
Business Model and Value Chain .....	21
Strategy and Decision-Making .....	22
Impact on Financial Position, Financial Performance, and Cash Flows .....	22
Climate Resilience .....	23
3. Risk Management .....	29
3.1 General Risk Management Approach .....	29

Early Detection of Risk Committee .....	31
3.2    Management of Sustainability and Climate Risks.....	31
Risk Management Steps .....	32
4.    Metrics and Targets .....	40
Metrics .....	40
Climate-Related Metrics.....	40
TSRS 2 Sector-Specific Disclosures .....	41
Targets.....	43

## Introduction

### Compliance with the Turkish Sustainability Reporting Standards (TSRS)

The Turkish Sustainability Reporting Standards (TSRS) were published in the Official Gazette (issue no. 32414(M)) on December 29, 2023, and entered into force for reporting periods beginning on or after January 1, 2024. In this context, under TSRS 1 “*General Provisions for Disclosure of Sustainability-Related Financial Information*” and TSRS 2 “*Climate-Related Disclosures*”, sustainability reporting has become mandatory for institutions that meet the specified criteria.

ÜNLÜ Yatırım Holding A.Ş. (“ÜNLÜ & Co” or “the Company”), as an entity subject to the regulation and supervision of the Capital Markets Board and exceeding the thresholds defined in TSRS, prepares its sustainability report in accordance with these standards. This report aims to fulfill the disclosure obligations required under TSRS and to inform the public about the Company’s activities and performance 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 stated, the information and evaluations presented in this report cover all business lines of ÜNLÜ & Co, all consolidated subsidiaries included in financial reporting, and the entire value chain.

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

### Connection with Financial Disclosures

The sustainability and climate-related assessments presented in this report have been prepared to cover ÜNLÜ & Co’s operations. The report covers the 12-month period from January 1, 2024, to December 31, 2024, aligning with the Company’s consolidated financial

reporting process. Detailed financial data for this period can be accessed through ÜNLÜ & Co's publicly available sources and the 2024 Annual Report published on the Public Disclosure Platform (KAP).

## Reporting Period

ÜNLÜ & Co has applied both TSRS 1 and TSRS 2 for the 12-month period ending December 31, 2024, which marks the Company's first reporting period under TSRS.

## Transitional Provisions

In line with the *Transitional Provisions* set out in TSRS 1 Appendix E and TSRS 2 Appendix C, the following exemptions apply to this report:

- Under TSRS 1 E3 and TSRS 2 C3, companies are not required to present comparative information in their first reporting period. Accordingly, this first report for 2024 does not include prior-period comparisons. Similarly, as per TSRS 1 Appendix E6 (a) and (b), comparative disclosures on risks and opportunities have not been presented.
- Pursuant to TSRS 1 E5, in the first annual reporting period, companies are permitted to disclose only climate-related risks and opportunities (as per TSRS 2). Therefore, this report focuses exclusively on climate-related risks and opportunities, while information under governance, strategy, and risk management headings has been structured with sustainability integrity in mind.
- In accordance with Provisional Article 3 of the *Decision on the Scope of Implementation of TSRS*, companies are exempt from disclosing Scope 3 greenhouse gas emissions during their first two reporting periods under TSRS. Therefore, this report includes only Scope 1 and Scope 2 emissions.
- Under Provisional Article 2 of the same Decision (and TSRS 1 Appendix E4(b)), companies may publish their first sustainability report for the reporting period after publishing their financial statements for that same period. Accordingly, this report

has been published in compliance with this provision, without exceeding ÜNLÜ & Co's interim financial reporting date.

## Reporting Boundaries and Measurement Approach

The operational control approach has been applied in reporting greenhouse gas emissions. In this framework, the emissions of all consolidated subsidiaries have been fully included, and all Scope 1 and Scope 2 greenhouse gas emissions have been accounted for.

## Conceptual Basis and General Provisions

To enhance the usefulness and functionality of the information, this report has been prepared in line with the principles of transparency, reliability, comparability, verifiability, timeliness, and clarity, in compliance with the following conceptual bases:

- **Fair Presentation:** Content is presented fully, objectively, and accurately to reflect the actual situation.
- **Materiality:** Critical information on sustainability-related risks and opportunities reasonably expected to affect ÜNLÜ & Co's financial capacity in the future is disclosed.
- **Reporting Entity:** The financial statements associated with this report have been prepared and presented by ÜNLÜ & Co.
- **Connected Information:** The report presents the interlinkages between governance, strategy, risk management, and metrics & targets in a clear way, enabling users to understand these connections accurately.
- **Sources of Guidance:** ÜNLÜ & Co applies the TSRS to identify sustainability-related risks and opportunities reasonably expected to impact its future financial capacity. In addition, reference is made to sector-specific disclosure topics defined for Investment Banking and Brokerage under TSRS 2 Appendix Volume 18 (adapted from IBB-maintained SASB Standards), with their applicability evaluated in terms of metrics and targets.

## About ÜNLÜ & Co

Founded in 1996 as an independent advisory firm, ÜNLÜ & Co today offers a broad range of services, including corporate finance, capital markets and investment advisory, brokerage services, non-performing loans) management, treasury products and market-making, alternative investments, as well as fund and portfolio management. These services are delivered in an integrated structure through the Company's subsidiaries.

### Investment Services:

- Market-leader, independent M&A advisor
- Dominant player in equity capital markets transactions
- Leader in debt capital markets transactions with new products
- Tailor-made products and solutions offered to corporate clients for debt financing
- Custom-made financial advisory & brokerage services for individuals

### Asset Management Services:

- A fast-growing platform diversified across multiple asset classes
- Predominantly institutional investor base
- Leading company in non-performing loans management
- Private equity advisory
- Advanced portfolio management platform
- Customized portfolio products tailored to client needs
- Largest Turkey dedicated early-stage technology fund

ÜNLÜ & Co provides customized financial products and solutions to domestic and international, individual and institutional investors. For corporate clients, the Company offers financial advisory services on mergers and acquisitions, initial public offerings, and privatization projects. Its operations extend beyond Turkey, with international presence through representative offices in New York and London.

ÜNLÜ & Co's areas of activity are summarized below.

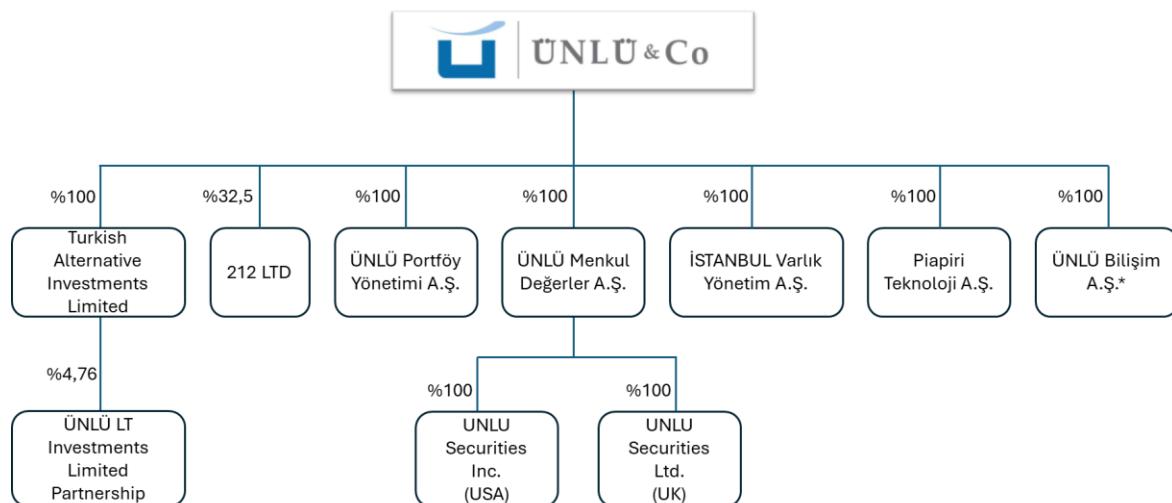
Table 1: Products, Services & Solutions

INVESTMENT SERVICES	CAPITAL MARKETS
<b>Corporate Finance Advisory</b>	Corporate brokerage services
Mergers and acquisitions	Domestic and international stock market placements
Privatization consulting	
Initial and secondary public offering	
<b>Debt Capital Markets Advisory</b>	Block sales / Secondary public offering
Foreign and local currency bond issuance	
CLNs, Eurobonds, private placements, convertible bonds, asset-backed securities	Fixed-income instruments
<b>Debt Advisory</b>	Research
Acquisition and project finance	Treasury
Structured subordinated loans	
Financial restructuring	UNLU Securities Inc. (USA)
	UNLU Securities UK Limited

Table 2: Products, Services & Solutions

DAHA INVESTMENT ADVISORY AND BROKERAGE SERVICES	ASSET MANAGEMENT SERVICES
Tailored investment advisory services on domestic and international capital markets, and brokerage services for stock exchange transactions	<b>Non-Performing Loans (NPL) Management</b>
Investment funds (variables, Eurobonds, gold, stocks, real estate, venture capital, statistical arbitrage)	Portfolio investments
Fixed income securities (government bonds, treasury bonds, private sector bonds, assets-based securities, and Eurobonds)	Restructuring
Structured debt instruments	<b>Fund and Portfolio Management</b>
Repo and Eurobond repo	Investment funds
Over-the-counter derivatives	
Brokerage services for hedging transactions at the London Metal Exchange (LME)	
IPO brokerage services	Alternative investments funds

The Company became publicly traded in 2021 through its initial public offering (IPO) and has since been listed on Borsa İstanbul (BIST). As of December 31, 2024, Mahmut Levent Ünlü is the controlling shareholder with a stake of 54.48%. ÜNLÜ Portföy UFT Equity Hedge Fund (Equity-Intensive Fund) holds 9.95%, while the remaining 35.57% is owned by other shareholders. The Company has two types of shares, Class A and Class B. All Class A shares are held by Mahmut Levent Ünlü, with each granting five (5) voting rights at the General Assembly. Class B shares provide one (1) voting right per share. Information regarding the trade name, business purpose, capital structure, Board of Directors' composition, General Assembly procedures, provisions related to privileged shares, and dividend distribution is included in the Articles of Association, prepared in accordance with the Turkish Commercial Code. The Articles of Association can be accessed through the Company's official website and the Public Disclosure Platform (KAP). ÜNLÜ & Co's subsidiaries and shareholding structure are presented in Figure 1.



\* ÜNLÜ Bilişim A.Ş. is currently under liquidation.

Figure 1: ÜNLÜ & Co Subsidiary Structure

## 1. Governance

The corporate governance approach of ÜNLÜ Yatırım Holding A.Ş. (“ÜNLÜ & Co” or the “Company”) is shaped by the principles of transparency, accountability, and ethical business practices, adopting an effective governance framework to establish a sustainable business structure with stakeholders. While the management directs the vision of the Company, it also prioritizes the protection of stakeholder interests and the creation of long-term sustainable value. Strategic decisions are taken with due consideration of social responsibilities.

### Board of Directors and Executive Management Responsibility

At ÜNLÜ & Co, strategic decisions related to sustainability and climate are shaped with the approval of the Board of Directors (BoD). The key issues forming the basis of the strategy are included in the agenda of the Board at various times throughout the year and are regularly evaluated. The structure of the Board of Directors is presented in Table 3.

Table 3: ÜNLÜ & Co Board of Directors

ÜNLÜ & Co Board of Directors	
Chairman	Mahmut L. Ünlü
Deputy Chair	Can Ünalan
Board Member	Şebnem Kalyoncuoğlu Ünlü
Board Member	İbrahim Romano
Independent Board Member	Özlem Yeşildere
Independent Board Member	Mine Yıldız Günay

The sustainability and climate strategy is pursued through the following building blocks:

- Identification of priority topics,
- Within the scope of managing risks and opportunities: defining the overall boundaries of the risks to be taken based on ÜNLÜ & Co’s risk appetite, determining risk limits, ensuring the monitoring and control of these limits, and taking necessary actions through executive and/or Board-level committees established to achieve these objectives,

- Setting environmental, social and governance (ESG) goals,
- Defining thematic working groups,
- Establishing the Sustainability Governance System (SGS).

Concrete steps are being taken to ensure that sustainability and climate performance are placed on a traceable and measurable foundation. In this context:

- ESG goals have been set and each goal has been matched with department- and individual-based responsibilities.
- Thematic working groups have been defined, and performance monitoring responsibilities have been structured accordingly.
- Through the SGS, the governance structure has been integrated with monitoring and reporting infrastructure.
- With the development of the ESG Scorecard system, efforts continue to monitor targets based on key performance indicators (KPIs) and to integrate these results into the corporate reporting structure.

Throughout 2024, the Board of Directors monitored the development of these processes and performance tracking structures through presentations and provided recommendations. The monitoring system is planned to become fully operational in the upcoming period and to be integrated into the Human Resources (HR) performance system.

Within the SGS framework, the ultimate authority for decision-making and strategy setting in steering corporate sustainability and climate goals lies with the Board of Directors. Thanks to this governance structure, sustainability and climate-related risks, opportunities, and other relevant matters are owned at the highest level within ÜNLÜ & Co and are incorporated into strategic decision-making processes. The ÜNLÜ & Co Board of Directors is the body responsible for the oversight of all processes related to subsidiaries and for making final decisions within these processes. Therefore, the primary responsibility and approval authority for sustainability and climate-related activities carried out in subsidiaries ultimately rest with the ÜNLÜ & Co Board of Directors.

## Corporate Governance Committee

The Corporate Governance Committee identifies whether corporate governance principles are being implemented within the Company and, if not, the reasons for non-compliance and the resulting conflicts of interest. The Committee provides recommendations to the Board of Directors to improve corporate governance practices. During Committee meetings, matters related to the determination of the sustainability strategy, sustainability and climate-related reporting regulations and requirements, and associated processes are also addressed, with recommendations made to the Board of Directors. The Committee is further authorized to monitor risks and opportunities related to sustainability.

## Early Detection of Risk Committee

The Early Detection of Risk Committee, 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 regarding identified risks, and overseeing risk management. The Committee convenes regularly to identify strategic, operational, financial, legal, and other risks at an early stage, evaluate their impact and likelihood, manage them in line with the Company's risk appetite, report them, and ensure that the required preventive measures are implemented. The Committee also ensures that such risks are considered in decision-making mechanisms and that effective internal control systems are established and integrated accordingly. Within the processes of identifying sustainability and climate-related risks and opportunities, the Early Detection of Risk Committee serves as the final approval authority. Detailed explanations on risk management processes are provided in [Section 3](#).

## Audit Committee

The Audit Committee is responsible for overseeing the operation of the Company's accounting and reporting systems in compliance with applicable laws and regulations, monitoring the disclosure of financial information to the public, and ensuring the

effectiveness of the independent audit and internal control systems. The Committee consists of two independent Board members. It provides the Board of Directors with written opinions on the selection of independent auditors and on whether the annual and interim financial reports to be disclosed to the public comply with the relevant principles, and whether they are accurate and fair. The Committee's role in monitoring and auditing risks and opportunities related to sustainability and climate is explained in detail in [Section 3](#). The governance framework of ÜNLÜ & Co regarding sustainability and climate matters is summarized in Figure 2.

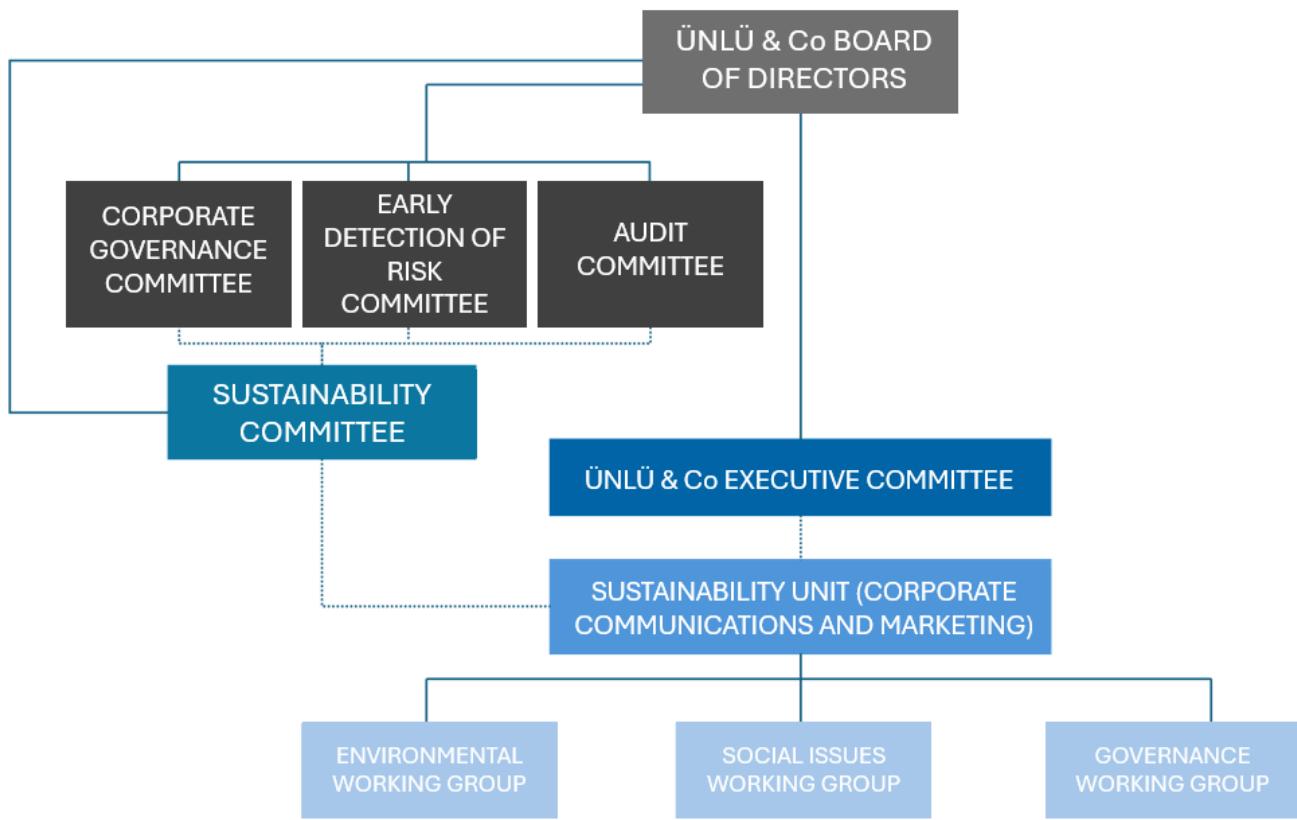


Figure 2: ÜNLÜ & Co Sustainability and Climate Governance Structure

## Sustainability Committee

At ÜNLÜ & Co, the senior ownership and strategic management of sustainability and climate-related issues, following the Board of Directors (BoD), fall under the responsibility of the Sustainability Committee. In 2024, the structure of the Committee was redefined, and

its members were updated as follows. This structure enables the Committee to ensure both senior management ownership and operational-level coordination.

*Table 4: ÜNLÜ & Co Sustainability Committee*

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

Authorities of the Sustainability Committee:

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

Responsibilities of the Committee.

- Establishing a sustainability and climate strategy aligned with the Company's vision, mission, and corporate culture,
- Monitoring national and international regulations and developments,
- Identifying climate-related risks and opportunities,
- Tracking targets and KPIs defined under the sustainability strategy,
- Ensuring that the sustainability culture created is disseminated across all layers of the Company, including external stakeholders,
- Defining necessary actions to achieve the targets set for each working group established for priority topics and ensuring their follow-up,
- Reporting Committee decisions and outcomes of meetings to the Board of Directors,
- Ensuring compliance with the principles set out in the CMB's Sustainability Principles Compliance Framework, preparing reports required under Capital Markets legislation, and submitting them to the BoD for approval before public disclosure,

- Ensuring compliance with the Turkish Sustainability Reporting Standards (TSRS) published by the KGK,
- Promoting and embedding sustainability awareness and culture across the organization.

The Committee convenes at least once a year, but additional meetings may be held depending on needs and agenda items. With the monitoring and reporting mechanism planned to be established in 2025, the frequency of meetings is expected to increase. The Corporate Communications and Marketing Department is responsible for the organizational ownership of sustainability and climate-related issues, as well as the coordination of the Committee. In this regard, the head of the department is accountable for ensuring and monitoring overall coordination. The Committee's decisions and meeting outputs are reported directly to the Board of Directors.

## Competence and Capability

In the appointment of Board members to the Sustainability Committee, a strategic and governance-related competence assessment is conducted based on their past professional experience. Particularly in 2024, when the Committee was restructured, the Board representation within the Committee is summarized below. Further details can be found under the Board of Directors section of the 2024 Annual Report of ÜNLÜ Yatırım Holding.

- **Şebnem Kalyoncuoğlu Ünlü:**

With an international finance background, former CEO of Credit Suisse and Alkhair Capital, and leadership in entrepreneurship and women's empowerment, she possesses strong competence in ESG, both from a social impact and governance perspective.

- **Özlem Yeşildere (Independent Member):**

Brings extensive experience in financial transformation, digital strategy, and integrated governance with sustainability, having held senior leadership positions at Philips, Koton, and Mey Diageo. She is well equipped in operational and strategic integration of ESG.

- Mine Yıldız Günay (Independent Member):

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

These members play an active role not only in providing oversight and advisory input but also in shaping, monitoring, and ensuring the implementation of the sustainability strategy. During the reporting period, no separate capacity-building activities were carried out to enhance the skills and competencies of governance bodies or individuals.

## Sustainability Policy

Sustainability and climate-related matters are shaped by the Sustainability Policy, in line with the principle of “valuing our business, people, society, and the environment”. In harmony with core corporate values and ethical standards, the following principles are adopted with the awareness that protecting people, society, and the environment is a fundamental priority in all activities and investments to support environmental, social, and economic sustainability:

- Conducting all business activities with uncompromising compliance with legislation, in an ethical, transparent, and accountable manner together with all employees, stakeholders, and business partners, with the aim of contributing to a more livable world and a sustainable life.
- Closely following corporate governance regulations, implementing mandatory principles, making efforts to adopt non-mandatory principles where possible, and providing justifications in cases where voluntary principles cannot be applied.
- Fulfilling social and environmental responsibilities in all geographies of operation through collaborative engagement with shareholders, employees, public authorities, non-governmental organizations, and other stakeholders.
- Ensuring compliance with legal obligations and both national and international standards in business practices, while combating all forms of corruption.

- Focusing on minimizing consumption arising from operations and recycling waste for a sustainable environment. Enhancing environmental awareness among employees and stakeholders to encourage recycling and contribute to the conservation of natural resources.
- Maintaining occupational health and safety (OHS) as a top priority, ensuring the continuity of OHS culture across operations, and taking all necessary actions to foster this culture among employees and stakeholders.
- Acting with the aim of creating a better society and a more livable environment by minimizing the environmental impacts of operations and making voluntary efforts for a sustainable future.
- Managing all employee relations in line with the principles of diversity, equity, and inclusion. Providing equal opportunities to every individual regardless of gender, language, religion, race, age, or other differences; ensuring a fair, respectful, and supportive working environment; promoting the development of labor standards; and ensuring full compliance with relevant legislation on personal data protection and data security.

## Management of Processes and Integration into Decision-Making

As of 2024, ÜNLÜ & Co has established fundamental data control mechanisms for the collection and monitoring of sustainability-related data. Within this scope:

- With the alignment of ESG targets to relevant departments, the units responsible for data collection have been designated.
- During the 2025 performance target-setting process, certain departments incorporated sustainability reporting data provision activities into their own KPIs.
- Data flow is primarily coordinated by the Corporate Communications and Marketing Department. The data collected is subsequently consolidated, transferred into reporting tables, and submitted to the Sustainability Committee for information.

- For risks and opportunities, process responsibility and final approval lie with the Deputy Chairperson of the Board of Directors responsible for Internal Systems at ÜNLÜ & Co.
- Controls and audits of sustainability and climate-related activities are carried out by the Internal Systems Department, in line with other corporate processes. The Internal Systems Department comprises Internal Audit, Internal Control, Compliance, and Risk Management units. These units, under the ultimate responsibility of the Board of Directors, conduct the necessary measurement, evaluation, and reporting activities. The effectiveness and monitoring of processes are ensured through the Internal Audit Policy, Internal Control Procedure, Compliance Guidelines, and the Principles on the Operation of the Risk Management Unit and Risk Management Procedures. Oversight of these processes falls under the Sustainability Committee.

In the evaluation of sustainability and climate-related risks and opportunities, the Risk Management Unit provides opinions for each identified risk and/or opportunity based on criteria such as *“reporting appropriateness,”* *“realistic control mechanisms,”* and *“corporate ownership status.”* Final evaluations are then conducted with the Board Member responsible for the Risk Management Unit. The Risk Management Unit contributes to the activities of the Early Detection of Risk Committee through systematic and regular work carried out throughout the year.

The Sustainability Committee also meets at least once a year with the Risk Management Unit to assess sustainability and climate-related risks and opportunities. In monitoring, evaluation, and approval processes, trade-offs associated with sustainability-related risks and opportunities are also considered while overseeing ÜNLÜ & Co’s strategy, major transactions, risk management processes, and relevant policies.

## Performance Monitoring and Remuneration Policy

ÜNLÜ & Co’s Remuneration Policy aims to recognize the contributions of its employees in a fair and competitive manner. The policy is designed both to reward individuals who

contribute to the Company's performance and to ensure a structure that upholds the principle of equality.

In determining the remuneration of Board members and senior executives, factors such as the industry in which the Company operates, macroeconomic indicators, prevailing market salary levels, the Company's size, and its long-term objectives are taken into account. Recommendations are made to the Board of Directors within the framework of research and assessments conducted by the Corporate Governance Committee.

As of the reporting period, 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 & Co took significant corporate-level steps to structure its sustainability strategy. Within the scope of ESG-related initiatives, risks and opportunities that need to be addressed both from a sustainability and climate perspective were identified and integrated into the Company's strategic decision-making mechanisms. Climate-related risks and opportunities were assessed in line with the TCFD and TSRS approaches, and incorporated into corporate risk management processes by considering short-, medium-, and long-term impacts. In this context, operational elements causing direct and indirect environmental and social impacts were reviewed; data collection systems were enhanced, and areas for improvement were identified. This work established a strategic foundation aimed at strengthening the Company's resilience against risks. While shaping its strategy around sustainability and climate, ÜNLÜ & Co has developed a roadmap aligned with both national and international regulations, ensuring that corporate performance is supported with metrics that render it measurable and trackable. In this way, the Company is focused not only on managing existing risks and opportunities but also on reinforcing its long-term resilience against systemic impacts such as climate change.

## Strategic Priorities on Sustainability and Climate Change

ÜNLÜ & Co's sustainability and climate strategy has been structured based on an impact-oriented 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 factor that strengthens corporate resilience, enhances stakeholder trust, and supports long-term value creation. Through this approach, and as a result of assessments carried out with internal and external stakeholders, the key focus areas guiding the Company's sustainability and climate strategy have been identified. Shaped by ÜNLÜ & Co's business model, the sectors in which it operates, and the dynamics of sustainability, these areas have been addressed within a holistic framework encompassing ESG dimensions. As of the reporting period, the sustainability and climate-related focus areas identified are presented in Table 5.

*Table 5: ÜNLÜ & Co's Sustainability and Climate-Related Focus Areas*

Focus Areas
Responsible Investment
Responsible Asset Management
Environmental Impacts of Operations
Financial Literacy
Corporate Governance
Business Ethics and Compliance
Community-related Efforts
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 defined within the selected focus areas are presented in Section 4. ÜNLÜ & Co does not limit this strategic framework solely to its own operations; through its subsidiaries and affiliates, the Company adopts a holistic

management approach to sustainability by also considering its sphere of influence across different sectors.

## Risks and Opportunities Related to Sustainability and Climate

Climate change and sustainability are among the factors that may have an impact on ÜNLÜ & Co's long-term strategic objectives, business model, and value chain. Through its subsidiaries and affiliates, the Company undertakes various investments and collaborations across different sectors. Due to this diversified structure, ÜNLÜ & Co is subject to sector-specific regulations and supervisory requirements, and this multidimensional operational framework is taken into account in the identification of sustainability and climate-related risks and opportunities. The assessment process has also included the Company's subsidiaries.

Within this evaluation, risks and opportunities associated with climate and sustainability that may potentially affect ÜNLÜ & Co's financial position have been considered. Identified risks and opportunities have been analyzed in terms of their potential impact and likelihood of occurrence in the short, medium, and long term, with time horizons aligned to the Company's strategic planning cycles.

In line with TSRS requirements, the materiality threshold has been defined as 2% of the annual gross profit for the reporting period, in accordance with the Company's strategic decision-making processes. This threshold 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 defined time horizons consistent with the strategic planning cycles. These time horizons are presented in Table 6.

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

Time Horizon	Duration	Description
<b>Short</b>	0 – 1 year	Daily/monthly transactions, operational risks, liquidity risks, and short-term market movements.
<b>Medium</b>	1 – 3 years	Structural impacts such as the effect of new products, regulatory changes, system transformations, and workforce transitions.
<b>Long</b>	3 years and beyond	Strategic risks, technological transformation, lasting changes in customer behavior, and the long-term impact 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 & Co regards this assessment as a foundation for future work and plans to address sustainability and climate risks in a more comprehensive manner in the coming periods. Risk management processes will be continuously reviewed in line with evolving data infrastructure, regulatory developments, and sectoral practices. Where necessary, risks approaching the materiality threshold will be evaluated in greater detail. The Company's institutional approach is not limited to monitoring the current situation but rather focuses on building a flexible and continuously improving system that adapts to changing circumstances.

## Business Model and Value Chain

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, ÜNLÜ & Co also gains access to various sectors through its subsidiaries and

affiliates. Accordingly, the Company 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 impact. In addition, given the profile of the client base served, ensuring that investment decisions—having a high potential for indirect impact—are aligned with sustainability and climate principles is regarded as a key strategic priority.

Within the value chain, the management of environmental and social impacts is also taken into account in processes conducted with external service providers, suppliers, subcontractors, and clients. While ÜNLÜ & Co does not identify a particular asset class or geography where risks are heavily concentrated, all potential risks and opportunities identified are regularly monitored and evaluated.

## Strategy and Decision-Making

ÜNLÜ & Co aims to integrate sustainability- and climate-related risks and opportunities into its strategic management system and structures its decision-making processes accordingly. The core approach set out in strategy documents is linked to long-term corporate goals, shaped in line with stakeholder expectations, internal process data, and sectoral developments across defined focus areas. To reduce environmental impacts and enhance social value, the Company assesses the practices implemented to address risks and the opportunities identified through elements that influence its business model.

During the reporting year, decisions taken—particularly in areas such as digitalization of business processes, strengthening information security infrastructure, enhancing customer satisfaction, and advancing corporate inclusiveness—were aligned with sustainability and climate objectives.

## Impact on Financial Position, Financial Performance, and Cash Flows

The risks and opportunities assessed during the reporting period were determined to have a limited potential impact. Nevertheless, there remain uncertainties in reasonably and clearly

determining their effects on financial position, financial performance, and cash flows. Judgment-based inferences are applied. Deepening financial impact assessments will require further efforts, such as the maturation of the sector, the availability of sector-specific and climate-related data in future periods, and systematic monitoring of emerging trends. Given the high level of uncertainty and potential margin of error, the risks and opportunities considered have predominantly been subject to qualitative evaluation, with ongoing improvement efforts pursued in light of sectoral developments.

## Climate Resilience

As a result of the processes of identifying, assessing, prioritizing, and monitoring risks and opportunities—outlined in detail in Section 3—it has been determined that ÜNLÜ & Co's exposure to climate-related risks and opportunities is at a low level. Considering the limited exposure, the restricted skills, capabilities, and resources available during the current reporting period, as well as the fact that scenario analysis is not yet widely implemented within the sector, a “proportionate” approach to climate resilience has been adopted. Accordingly, a qualitative scenario analysis was conducted. In subsequent reporting periods, both the level of exposure to such risks and opportunities and the capacity conditions will be re-evaluated.

In deciding on the appropriate approach, the combination of inputs and analytical options enabling the evaluation of reasonable and supportable information—including explanations regarding past events, as well as current and future conditions—was taken into account.

Turkey ratified the Paris Agreement in 2021, subsequently announced its 2053 Net Zero Emission Target, and on April 13, 2023, submitted its first updated Nationally Determined Contribution (NDC) to the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat. Following these steps, the “Türkiye Long-Term Climate Strategy” was approved by the Climate Change and Adaptation Coordination Board (İDUKK) on November 4, 2024. This strategic document, which also shapes Turkey's long-term climate policies, not only provides national mitigation and adaptation strategies for different sectors but also includes sectoral measures regarding technology, just transition, climate finance, and

capacity building. These sectoral strategies are critical for Turkey's low-carbon development.

In determining mitigation and adaptation policies, strategies, and actions to enhance climate resilience in Turkey, climate hazards were assessed for both current and future periods, and sectoral risk analyses were carried out. Within this framework, climate projections were developed using Representative Concentration Pathways (RCP 4.5 and RCP 8.5) in line with the IPCC Fifth Assessment Report. The IPCC-based risk and vulnerability analysis considered hazards such as drought, heavy rainfall, heatwaves, forest fires, cold spells, and strong wind events. Subsequently, sectoral impact chains were established, and climate change-related risks for 11 different sectors were calculated by integrating hazard-specific factors with the components of vulnerability, exposure, sensitivity, and adaptive capacity.

In accordance with the requirements of TSRS 2 and TSRS 2 Appendix B, entities are expected to use a scenario consistent with an orderly transition to a lower-carbon economy or with the legal commitments under the most recent international climate agreement. In this respect, as noted above, the scenarios included in Türkiye's "Long-Term Climate Strategy", prepared in parallel with Türkiye's 2053 Net Zero Target announced under the Paris Agreement, have been adopted. Furthermore, given that Türkiye is expected to implement a national Emissions Trading System (ETS) in the near future and tighten emissions regulations, the assessment of ÜNLÜ & Co's resilience of its strategy and business model to climate-related changes, developments, and uncertainties—taking into account climate-related risks and opportunities—has been based on the RCP 4.5 and RCP 8.5 scenarios. In addition, the TCFD guidelines—also referenced in TSRS 2 Appendix B—recommend that resilience analysis consider scenarios representing temperature pathways of 2°C or lower. Accordingly, the SSP1-2.9 scenario, aligned with the 1.5°C goal of the Paris Agreement and defined in the IPCC Sixth Assessment Report, has also been reviewed.

**The RCP 4.5 scenario (intermediate-adverse scenario)**, as evaluated by the IPCC, represents a moderate transitional pathway in which greenhouse gas emissions peak around 2040 and then begin to decline. It is considered the most likely baseline scenario in

the absence of strong climate policies, while accounting for the limited resource base of non-renewable fuels. Under this scenario, CO<sub>2</sub> emissions are projected to begin declining by around 2045 and to fall to nearly half of 2050 levels by 2100. Methane (CH<sub>4</sub>) emissions are expected to plateau by 2050, with CH<sub>4</sub> levels in 2040 being approximately 75% higher than in the 1980–1990 period. Sulfur dioxide (SO<sub>2</sub>) emissions, on the other hand, are projected to decrease by about 20% compared to the same reference period. This scenario points to a future in which average sea levels rise and global temperatures increase by between 2°C and 3°C by 2100, with higher probability within this range.

According to the RCP 4.5 scenario, it is projected that a large portion of energy generation will be sourced from renewable resources, with a moderate level of effort required to prevent or reduce emissions. These projections point to medium-level and medium-cost adaptation efforts.

**The RCP 8.5 scenario (adverse scenario)** is defined as the highest baseline emissions scenario, under which emissions continue to rise throughout the 21st century. Therefore, the climate change impacts projected under RCP 8.5 are expected to be more severe compared to those of RCP 4.5. Often forming the basis of the most adverse climate change projections, this scenario rests on assumptions regarding coal use that are considered to be higher than actual trends. Nevertheless, it continues to serve as a reference framework for emissions estimates for the mid-century and earlier, in line with current and planned policies.

Under the RCP 8.5 scenario, it is projected that energy generation will rely heavily on fossil fuels, while efforts to prevent or reduce emissions will remain low. This would necessitate high-level and high-cost adaptation measures.

**The SSP1-1.9 scenario (optimistic scenario)** represents the most favorable pathway among future emissions scenarios, assuming that global temperature increase falls below 1.5°C by 2100 and deviates only slightly from the 1.5°C threshold throughout the century. In this scenario, the effort required for mitigation and adaptation measures is relatively low, with global population expected to peak by the mid-century, alongside the widespread adoption of environmentally friendly technologies and renewable energy. With the

implementation of stringent climate policies, emissions are likely to reach net zero around or after 2050.

A qualitative assessment of ÜNLÜ & Co's business model and strategy in terms of climate resilience is summarized in the table below. However, this assessment also involves uncertainties such as policy and regulatory changes, production-consumption trends, customer preferences, carbon pricing, resource costs (e.g., energy and water), the frequency and intensity of extreme weather events, and market fluctuations.

*Table 7: Climate Scenarios*

RCP 4.5 Scenario	RCP 8.5 Scenario	SSP1-1.9 Scenario
In consideration of ÜNLÜ & Co's climate resilience within the context of risks and opportunities, it is anticipated that the medium-to-high increase in physical climate risks such as rising temperatures, drought, and water stress could lead to additional operational disruptions and consequently higher costs. Nevertheless, resilience against these risks could be enhanced through the implementation of energy-efficient heating/cooling systems, water efficiency investments, business continuity practices, and early warning systems.	In consideration of ÜNLÜ & Co's climate resilience within the context of risks and opportunities, the substantial increase in physical climate risks such as rising temperatures, drought, and water stress is expected to cause more severe operational disruptions and consequently greater costs compared to the moderate scenario. Nonetheless, strategies to enhance resilience—such as energy-efficient heating/cooling systems, water efficiency investments, business continuity practices, and early warning systems—can be	In the scenario where the average temperature increase aligns with international targets, the lower intensity of physical climate risks—such as temperature rise, drought, and water stress—is expected to result in fewer operational disruptions and reduced associated costs compared to the moderate scenario. With the transition from fossil fuels to renewable energy and the widespread adoption of energy-efficient practices in line with Türkiye's strategic objectives, the rise in resource costs will also remain limited. Therefore, under this scenario, additional resilience measures for

RCP 4.5 Scenario	RCP 8.5 Scenario	SSP1-1.9 Scenario
<p>In this moderate-adverse scenario, the increased frequency of disruptions may particularly drive up the cost of resources such as energy and water, while the introduction of carbon pricing mechanisms may further intensify the financial impact. In response, strategies such as energy and water efficiency practices, the use of renewable energy, emissions management, and in-depth analysis of the impact of emission costs on revenues stand out as measures that could strengthen ÜNLÜ &amp; Co's resilience.</p> <p>If climate policies and regulations are implemented at a moderate pace, rather than rapidly, an increase in transition risks—including regulatory, market, and reputational risks—appears likely. Clients operating in sectors covered by or expected to be included in CBAM (Carbon Border</p>	<p>implemented to mitigate these risks.</p> <p>In this severe scenario, where disruptions become frequent and persistent, energy and water costs are projected to rise significantly. In response to these adverse assumptions, measures including energy and water efficiency practices, renewable energy use, strengthened emissions management, and more frequent and granular analyses of the impact of emission costs on revenues emerge as key strategies to bolster ÜNLÜ &amp; Co's resilience.</p> <p>If climate policies and regulations are implemented slowly or with less stringency, an increase in transition risks—particularly regulatory, market, and reputational risks—may materialize. Within this scenario, carbon prices are also expected to rise considerably.</p> <p>As a result, clients operating in</p>	<p>operational disruptions and resource costs are not anticipated.</p> <p>On the other hand, this scenario assumes the implementation of stringent and stable climate policies and regulations. Should ÜNLÜ &amp; Co or its clients fail to comply with these regulatory requirements, there remains a risk of increased transition risks, particularly regulatory, market, and reputational risks. If the scope of the Emissions Trading System (ETS) is expanded and/or carbon prices remain high, the need for strategic initiatives and reassessments related to transition risks will become increasingly critical.</p> <p>In this context, ÜNLÜ &amp; Co plans to strengthen its resilience strategy by closely monitoring long-term national and international strategies and targets, updating roadmaps accordingly, and deepening risk</p>

RCP 4.5 Scenario	RCP 8.5 Scenario	SSP1-1.9 Scenario
<p>Adjustment Mechanism) and ETS (Emissions Trading System) may face potential revenue losses, which could in turn negatively affect ÜNLÜ &amp; Co's portfolio. To minimize such adverse impacts and enhance resilience, actions such as identifying carbon-intensive sectors within the client portfolio and deepening scenario analyses may be prioritized.</p> <p>On the other hand, these risks also present opportunities, including the reshaping of the business model, expanding into sustainable product and service markets, and achieving competitive advantage through improved risk-based pricing tailored to client profiles.</p>	<p>carbon-intensive sectors may face revenue losses, while sector-specific carbon costs could negatively affect ÜNLÜ &amp; Co's revenue streams.</p> <p>To mitigate such risks, actions may include more frequent scenario analyses or stress tests for carbon-intensive sectors, the integration of additional ESG criteria into investment activities, the establishment of monitoring mechanisms, the incorporation of carbon price scenarios into credit limit assessments for high-risk sectors, and detailed analyses of the impact of carbon costs on ÜNLÜ &amp; Co's revenues. Through these measures, potential portfolio- and operations-related losses could be minimized.</p>	<p>and scenario analyses. Measures such as more frequent scenario analyses or stress tests for carbon-intensive sectors, integrating additional ESG criteria into investment activities in high-risk cases, establishing monitoring mechanisms, incorporating carbon price scenarios into credit limit assessments for high-risk sectors, reducing investment support and/or limits for clients exposed to high climate risks, and conducting detailed analyses of the impact of carbon costs on ÜNLÜ &amp; Co's revenues will play a vital role in mitigating potential losses stemming from both clients and regulatory non-compliance risks.</p>

In line with the assessment of ÜNLÜ & Co's capacity to adapt 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 redeploy, repurpose, upgrade, or decommission current assets, and the impact of existing and planned investments aimed at mitigation,

adaptation, and climate resilience have been examined. Within this framework, an investment in a data platform has been made to ensure that data sources can be collected and utilized accurately, meaningfully, and comprehensively, while also enabling effective monitoring of risks and opportunities. To enhance climate 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, through oversight of compliance, control, and audit mechanisms within the Internal Systems Unit, the effectiveness of internal controls will be safeguarded, thereby strengthening the Company's adaptive capacity against potential impacts under all scenarios.

## 3. Risk Management

### 3.1 General Risk Management Approach

Through its subsidiaries and affiliates, ÜNLÜ & Co operates across multiple sectors, makes investments in these sectors and business lines, establishes partnerships and joint ventures, supports these entities, and manages them. Consequently, the Company is subject to various regulations imposed by different authorities overseeing these industries. In this context, Internal Systems organizations have been established on a subsidiary basis in accordance with the CMB (ÜNLÜ Menkul and ÜNLÜ Portföy) and BRSA (İstanbul Varlık) regulations. Internal Systems consist of Internal Audit, Internal Control, Compliance, and Risk Management units. These units operate under the ultimate responsibility of the Board of Directors, conducting the necessary measurement, evaluation, and reporting activities.

The corporate risk management approach functions independently of the executive units and comprises the identification, measurement, evaluation, monitoring, and mitigation of all risks to which the Company may be exposed through its operations and subsidiaries. Proactive control and management of market, credit, liquidity, and operational risks are carried out by the Risk Management Department, which also implements the necessary measures for mitigating, managing, or fully avoiding these risks. Providing information on risks and, where necessary, implementing mitigation measures also fall within the

Department's remit. Responsibility and accountability for risk-taking/acceptance rest with the executive business lines. ÜNLÜ & Co aims to ensure that its business lines and subsidiaries understand their inherent risks, mitigate them in line with risk tolerance, and thereby align return and profitability planning with risk considerations in both corporate and commercial decision-making.

The responsibilities of the Board of Directors regarding the management of risks and opportunities include defining the general limits of risk-taking in line with the Company's risk appetite, setting risk limits, ensuring these limits are monitored and controlled, and taking the necessary actions through executive and/or Board committees established for this purpose. To ensure the early detection, mitigation, and management of strategic, operational, financial, and other risks that may endanger the Company's existence, growth, or continuity, the 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 carried out throughout the year. The Internal Audit Department oversees whether risk management processes are implemented effectively and efficiently. Activities conducted by the Internal Audit Department also support the achievement of strategic objectives. All audits are performed regularly in line with the annual audit program and are reported accordingly. Audit programs are submitted to the Board of Directors and/or the Board Member responsible for Internal Control, findings are tracked, and periodic follow-up is conducted to address these findings. Group-wide audit activities and results are reported periodically to the Audit Committee.

The management and monitoring of compliance risk—defined as the risk of legal sanctions, financial loss, or reputational damage arising from non-compliance with applicable laws, regulations, codes of conduct, and good practice standards—are carried out under the direction of the Compliance Department. The Compliance Department develops policies addressing the compliance risks faced by all ÜNLÜ & Co entities, regularly reviews and updates these policies in line with regulatory, operational, and market developments, and ensures their implementation. Based on a risk-oriented approach, all business lines and compliance risks are regularly reviewed and necessary measures are taken.

The Risk Management Department contributes to financial sustainability and strategic decision-making processes. Within this scope, daily and monthly reports—such as Institutional Limits, Corporate Risk Report, Margin Trading Report, and Scenario Analyses—are prepared, and market risks are closely monitored. These reports support proactive risk management, 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 ensuring the early identification of risks that may jeopardize the Company's existence, growth, and continuity, implementing necessary measures in response to identified risks, and overseeing risk management. At ÜNLÜ & Co, risk management systems are reviewed at least once a year. The Committee regularly convenes to discuss the early detection, evaluation, and measurement of strategic, operational, financial, legal, and other risks, ensuring their management in line with the Company's corporate risk profile, their reporting, the implementation of mitigation measures, their consideration within decision-making mechanisms, and the establishment and integration of effective internal control systems. In 2024, the Committee met six times. Processes for identifying sustainability and climate-related risks and opportunities are also overseen and coordinated jointly by the Risk Management Department and the Early Detection of Risk Committee.

## 3.2 Management of Sustainability and Climate Risks

The process of defining sustainability- and climate-related focus areas forms the foundation of ÜNLÜ & Co's risk management practices within the scope of its sustainability strategy. In this context, sustainability and climate-related risks and opportunities have been assessed in line with the Task Force on Climate-Related Financial Disclosures (TCFD) and TSRS standards, establishing a robust strategy. Subsequently, risk analysis studies have also been completed for 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 carried out are embedded into ÜNLÜ & Co's strategy of "enhancing corporate working principles and governance practices in order to maintain its leading position in the market, achieve its objectives, and secure sustainable success." In line with this strategy, continuous improvement initiatives that respond to environmental and societal needs are prioritized, ensuring that responsibilities are fulfilled in both environmental and social dimensions, while remaining consistent with the Company's business model as well as global and national trends.

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

## Risk Management Steps

Risk management activities are conducted in line with the "Principles on Risk Management and the Functioning of the Risk Management Unit." Within the framework of the sustainability strategy in 2024, the approach followed to integrate the processes of identifying, assessing, prioritizing, and monitoring risks and opportunities into the Company's overall risk management system is summarized in the following steps:

### *1. Identification of Risks and Opportunities*

In this step, all internal and external events that may be associated with activities across the value chain—as well as strategic objectives, threats, and opportunities—are taken into account, and risks that may impact objectives or their achievement are identified for the Company or its core business units.

During the reporting period, the following steps were applied in identifying sustainability- and climate-related risks and opportunities. In addition to ÜNLÜ & Co's operations, downstream and upstream activities within the value chain, as well as subsidiaries, were taken into consideration:

- **Benchmarking:** The reports and practices of comparable local and international companies were reviewed, and key ESG topics relevant to the Company were identified.
- **Prioritization through Stakeholder Engagement:** ESG topics were scored through surveys conducted with the Board of Directors, Executive Committee, employees, and external stakeholders, and a prioritization ranking was created. As a result of this process—concluded with Board approval—topics such as Responsible Investment, Corporate Governance, and Environmental Impacts of Operations were identified as high-priority areas forming the basis of corporate strategy and, consequently, the risk management framework.

## *2. Assessment and Prioritization of Risks and Opportunities*

In evaluating the identified risks and opportunities, a structured, category-based analysis of sustainability and climate risks and opportunities was carried out, with consultancy support and contributions from business units, stakeholder groups, and the Risk Management Unit.

The Impact–Likelihood Assessment method was applied, and an internationally recognized Risk and Opportunity Matrix was used to establish the risk inventory. This framework—developed by linking the Company’s sustainability and climate-related focus areas with ESG targets—was submitted for approval to the Board Member responsible for Internal Systems and was ultimately endorsed by the Board of Directors. Further details on governance processes are provided in Section 1.

### **Impact–Likelihood Assessment:**

Under this method, each risk item is scored on a scale of 1–5 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 as the basis for prioritizing risks.

Table 8: Risk Matrix

Risk Matrix						
Impact x Likelihood		Impact				
		Very High	High	Medium	Low	Very Low
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

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 <sup>1</sup>	R4
<b>Risk Definition</b>	<p>Operational disruptions caused by chronic climate events:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- 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.</li> <li>- Collapse or malfunction of servers due to property damage, leading to the loss of backups.</li> <li>- Damage to artworks located within the property due to property damage.</li> </ul>
<b>Risk Score</b>	Medium
<b>Risk Category</b>	Physical Climate Risk – Acute/Sudden Risk
<b>Risk Area</b>	Operational, Financial
<b>Time Horizon</b>	Medium
<b>Related Focus Area</b>	Customer Experience and Satisfaction, Corporate Governance
<b>Relevant Stakeholders</b>	Customers, Investors, Employees, Suppliers, Regulatory Authorities
<b>Relevant Business Line</b>	ÜNLÜ & Co and Group Companies (including New York and London offices)
<b>Relevant SDGs</b>	SDG 8, SDG 11, SDG 13
<b>Risk Mitigation Activities</b>	<ul style="list-style-type: none"> <li>- Identification of potential risks such as natural disasters and climate change for ÜNLÜ &amp; Co, development of crisis plans to address such risks, and regular review of these plans.</li> <li>- Use of cloud-based services and periodic checks of backup systems for servers and data storage.</li> <li>- Diversification of supply chain operations and preparation of a list of alternative suppliers to ensure business continuity in emergencies.</li> <li>- Utilization of insurance policies against risks such as natural disasters and fires.</li> <li>- Conducting drills for emergencies such as fires or property damage.</li> </ul>
<b>Opportunities Identified in Relation to the Risk</b>	<ul style="list-style-type: none"> <li>- Business continuity plans and risk mitigation measures can enhance ÜNLÜ &amp; 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.</li> <li>- A robust risk management and crisis response plan can improve ÜNLÜ &amp; 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 &amp; Co may increase.</li> </ul>

<sup>1</sup> 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 <sup>2</sup>	R5
<b>Risk Definition</b>	<p>Resource costs arising from operational disruptions caused by chronic climate events:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- Increased water stress and drought caused by climate change adversely affecting production processes in water-intensive sectors.</li> <li>- Emergence of global epidemics and new virus and bacterial strains due to rising temperature fluctuations.</li> <li>- Office operations being affected and health risks arising as a result of potential water shortages.</li> </ul>
<b>Risk Score</b>	Medium
<b>Risk Category</b>	Physical Climate Risk – Chronic
<b>Risk Area</b>	Operational, Financial
<b>Time Horizon</b>	Medium
<b>Related Focus Area</b>	Environmental Impacts of Operations, Responsible Investment
<b>Relevant Stakeholders</b>	Customers, Investors, Employees
<b>Relevant Business Line</b>	ÜNLÜ & Co and Group Companies (including New York and London offices)
<b>Relevant SDGs</b>	SDG 8, SDG 11, SDG 13
<b>Risk Mitigation Activities</b>	<ul style="list-style-type: none"> <li>- Strengthening hygiene protocols in offices and implementing regular cleaning measures.</li> <li>- 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.</li> <li>- 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.</li> <li>- Organizing awareness campaigns in offices to promote efficient water use and adopting policies that encourage responsible consumption of water.</li> </ul>
<b>Opportunities Identified in Relation to the Risk</b>	<ul style="list-style-type: none"> <li>- Strengthening hygiene protocols and implementing regular cleaning measures can protect employee health and ensure business continuity.</li> <li>- Enhancing occupational health and safety measures can improve employee satisfaction.</li> </ul>

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

Table 11: Resource Costs

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

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

Table 12: Governance Risk

Risk Code <sup>4</sup>	R8
<b>Risk Definition</b>	Governance risk: 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).
<b>Risk Score</b>	Medium
<b>Risk Category</b>	Sustainability Risk – Credit Risk
<b>Risk Area</b>	Financial
<b>Time Horizon</b>	Short
<b>Related Focus Area</b>	Corporate Governance
<b>Relevant Stakeholders</b>	Investors, Customers
<b>Relevant Business Line</b>	ÜNLÜ Investment Holding and Group Companies (including İVYS)
<b>Relevant SDGs</b>	SDG 8, SDG 13
<b>Risk Mitigation Activities</b>	<ul style="list-style-type: none"> <li>- 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.</li> <li>- Requesting additional collateral in transactions with corporate clients where sustainability practices are not well established.</li> </ul>
<b>Opportunities Identified in Relation to the Risk</b>	<ul style="list-style-type: none"> <li>- Market Leadership: Strengthening market position and gaining the trust of clients and investors by taking a leadership role in sustainability.</li> <li>- New Business Models and Markets: Developing new sustainability-focused business models and operating in sustainable product/service markets to achieve growth and differentiation.</li> <li>- Risk-Based Pricing Models: Gaining competitive advantage through better pricing based on clients' risk profiles.</li> </ul>

### 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.

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<sup>4</sup> 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**

A comprehensive calculation of greenhouse gas (GHG) emissions has been carried out across all locations of ÜNLÜ & Co group entities, including ÜNLÜ Yatırım Holding (Maslak 42 Plaza and Polaris Plaza), ÜNLÜ Menkul (Maslak 42 Plaza, Polaris Plaza, Bağdat Street Branch, Ankara Branch, Antalya Branch, İzmir Branch, New York, and London offices), ÜNLÜ Portföy (Polaris Plaza), İstanbul Varlık (Maslak 42 Plaza and Mecidiyeköy), and Piapiri. The calculations were conducted in line with the Greenhouse Gas (GHG) Protocol, covering both Scope 1 (direct emissions) and Scope 2 (indirect energy-related emissions) categories. Pursuant to the Transitional Article 3 of the Board Decision on the Scope of Implementation of TSRS, entities are not required to disclose Scope 3 emissions during the first two annual reporting periods in which TSRS is applied; therefore, this report includes only Scope 1 and Scope 2 emissions.

For Scope 1 emissions, emission factors from the Intergovernmental Panel on Climate Change (IPCC) were applied. For Scope 2 emissions, related to electricity and heating, both 2024 DEFRA (UK Department for Environment, Food & Rural Affairs) factors and data from the Republic of Türkiye Ministry of Energy and Natural Resources were used as references. This approach provided a detailed emission profile of ÜNLÜ & Co, establishing a solid foundation for its sustainability strategies.

*Table 13: Greenhouse Gas Emissions*

ÜNLÜ & Co 2024 Greenhouse Gas Emissions	
<b>Scope 1</b>	311,376.87
<b>Scope 2</b>	243,627.76
<b>Total</b>	555,004.63

Table 14: Breakdown of Emissions by Subsidiaries

Distribution of ÜNLÜ & Co's 2024 Emissions by Subsidiaries (kgCO <sub>2</sub> e)					
	ÜNLÜ Yatırım Holding	ÜNLÜ Menkul	ÜNLÜ Portföy	İstanbul Varlık	Piapiri
<b>Scope 1</b>	44,145.46	153,384.02	29,515.04	39,348.26	44,984.08
<b>Scope 2</b>	23,651.94	141,779.77	16,354.26	61,833.34	8,45
<b>Total</b>	67,797.40	295,163.79	45,869.30	101,181.60	44,992.53

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.

## 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.

### *Sustainability Disclosure Topics and Metrics*

*Table 15: Sustainability Disclosure Topics and Metrics*

Metric	Value	Unit	Code	Explanations
Number of investments and loans incorporating environmental, social, and governance (ESG) factors by sector	2	Units		As of the UAR fund portfolio report dated 01.01.2025, this covers Hiwell Teknoloji A.Ş. and Fintegre, which have been deemed suitable for evaluation within the ESG scope.
Total value of investments and loans incorporating environmental, social, and governance (ESG) factors by sector	435,006.097	TL	FN-IB-410a.2	Reflects the total value attributable to ÜNLÜ Yatırım Holding of investments made in Hiwell Teknoloji A.Ş. and Fintegre, as reported in the UAR fund portfolio report dated 01.01.2025.

### *Activity Indicators*

*Table 16: Activity Indicators*

Activity Metric	Value	Unit	Code	Explanations
Value of brokerage activities (total)	827,363,242	TL	FN-IB-000.A	
Number of advisory activities	3	Units		Includes Eker Süt, Coca-Cola, and ÜNLÜ Yatırım Holding bond issuances conducted by ÜNLÜ Menkul Değerler A.Ş. Also includes transaction of Corporate Finance Department under the Holding Company.

Activity Metric	Value	Unit	Code	Explanations
Value of advisory activities	118,965,421	TL		
Revenues from securities trading activities	93,087,936	TL		
Revenues from non-performing loans (NPLs)	1,114,050,272	TL	FN-IB-000.B	
Portfolio management revenues	88,379,708	TL		
Other financial revenues	149,702,573	TL		
Number of sector-specific private investments and loans	4	Units		Number of securities included in the UAR fund portfolio report dated 01.01.2025 (number of invested ventures).
Value of sector-specific private investments and loans	3,955,555.22	TL		Amount allocated in proportion to the total value of the ÜNLÜ Yatırım Holding UAR fund as of the UAR fund portfolio report dated 01.01.2025.

## Targets

Since its establishment, ÜNLÜ & Co has implemented numerous practices that contribute to sustainability, such as its ethical business approach, the value placed on employees, efforts to ensure customer satisfaction, and steps taken to address social needs. Following the identification of sustainability- and climate-related focus areas, sectoral practices, mega trends, relevant risks and opportunities, and regulatory developments have been evaluated, leading to the definition of targets aligned with sustainability and climate strategy. To enable systematic and measurable tracking of progress toward these targets, specific Key Performance Indicators (KPIs) are defined for each. ÜNLÜ & Co's sustainability and climate targets are integrated into its guiding principle of “enhancing our corporate working

*principles and governance practices to maintain our leading market position, achieve our objectives, and secure sustainable success.”*

The targets, reviewed and approved during the 2024 reporting year, are presented in Table 17. These targets are primarily related to sustainability. With the expansion of the scope of greenhouse gas (GHG) emission calculations to include Scope 3 emissions, ÜNLÜ & Co's long-term mitigation targets are expected to be defined in a more comprehensive and accurate manner. As comparable data on GHG emissions becomes available, climate-related targets—and consequently ÜNLÜ & Co's net zero journey—will gain further clarity in future reporting periods.

*Table 17: ÜNLÜ & Co's Sustainability and Climate-Related Targets*

Focus Area / Priority Topic	Target	KPI	Relevant SDG	Start Year	Target Year	Companies Covered
<b>Employee Engagement and Satisfaction</b>	Improve employee engagement score by 3 points	Employee Engagement Survey – engagement score (%)	SDG 8, 10, 16	2024	2027	ÜNLÜ Yatırım Holding + All subsidiaries/affiliates
	Reduce employee turnover rate by 1 point	Employee turnover rate (%)	SDG 8, 10, 16	2024	2027	ÜNLÜ Yatırım Holding + All subsidiaries/affiliates
<b>Talent Management and Development</b>	Increase average training hours per employee by 5%	Annual average training hours per employee	SDG 4, 8, 10, 16	2024	2026	ÜNLÜ Yatırım Holding + All subsidiaries/affiliates
<b>Equal Opportunity and Inclusion</b>	Maintain the current $\geq 50\%$ ratio of female employees	Female employee ratio (%)	SDG 5, 8, 10, 16	2024	Ongoing	ÜNLÜ Yatırım Holding + All subsidiaries/affiliates
<b>Environmental Impact of Operations</b>	Establish methodology and conduct pilot calculation	Preparation of methodology and pilot calculation output	SDG 13	2024	2026	ÜNLÜ Yatırım Holding + All subsidiaries/affiliates

Focus Area / Priority Topic	Target	KPI	Relevant SDG	Start Year	Target Year	Companies Covered
	for Scope 3 emissions <sup>5</sup>					
Corporate Social Responsibility	Support at least 40 entrepreneurs annually, with a focus on women entrepreneurs	Number of supported women entrepreneurs	SDG 1, 5, 8, 10, 16, 17	2024	Ongoing	ÜNLÜ Yatırım Holding + ÜNLÜ Portföy
	Partner with at least 3 stakeholders annually to provide educational support	Agreements	SDG 4, 8, 17	2024	2026	ÜNLÜ Yatırım Holding
	Allocate 15% of donation, sponsorship, and NGO support budget to education	Ratio of education-focused donations and sponsorships to total NGO budget (%)	SDG 4, 8, 17	2024	2026	ÜNLÜ Yatırım Holding
Responsible Investment	Facilitate issuance of green debt instruments	Number of green bond issuances intermediated by ÜNLÜ Menkul	SDG 8, 9, 11, 17	2024	2026	ÜNLÜ Menkul
	Identify sectoral breakdown of companies in the investment portfolio	Sectoral breakdowns identified by NACE codes	SDG 8	2024	2026	ÜNLÜ Yatırım Holding + All subsidiaries/affiliates

<sup>5</sup> Pilot calculations for Scope 3 emissions are planned to be conducted in 2025.

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