

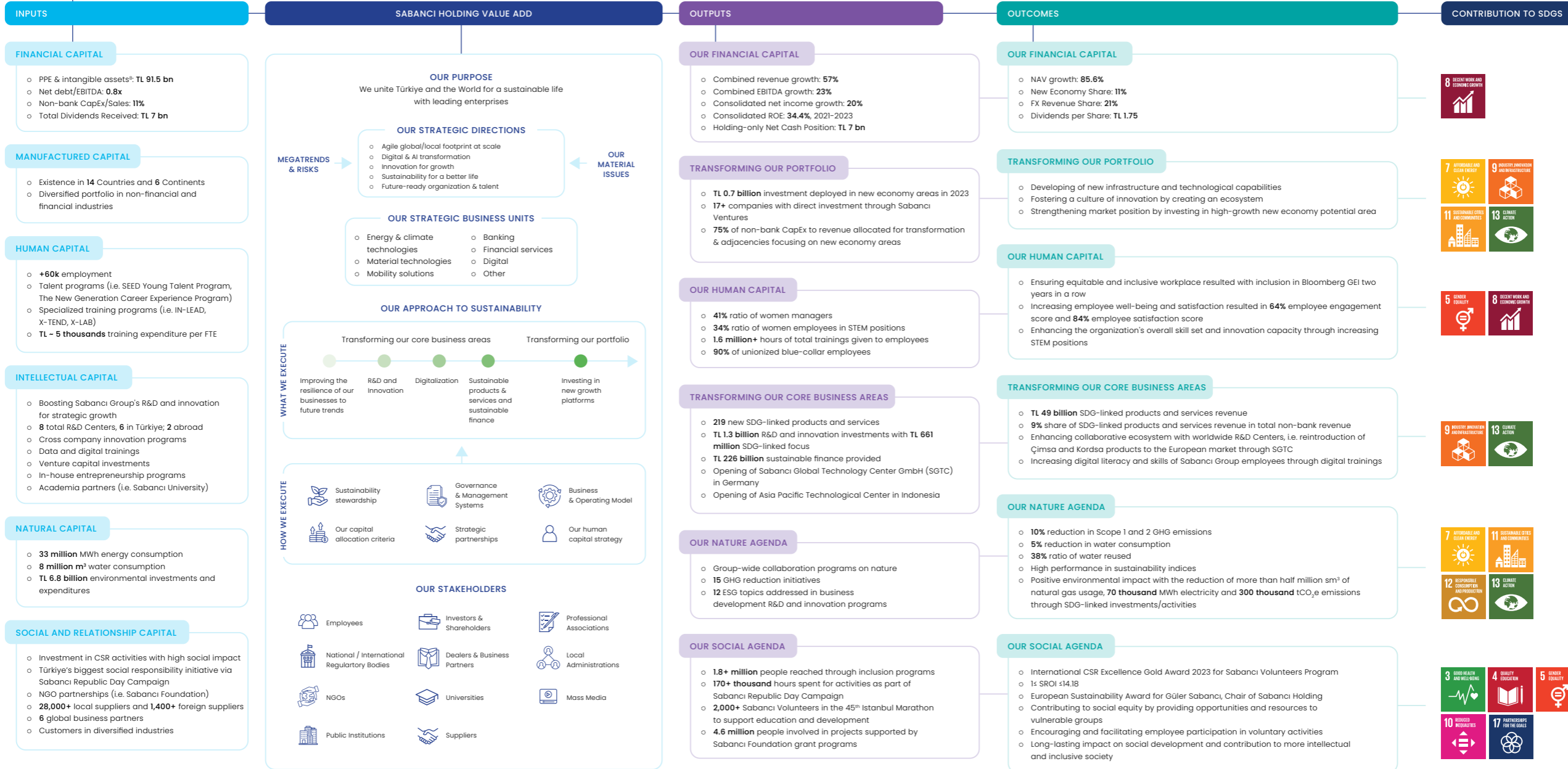
ECHOES OF _____ HARMONY

Navigating Change Through Value Creation

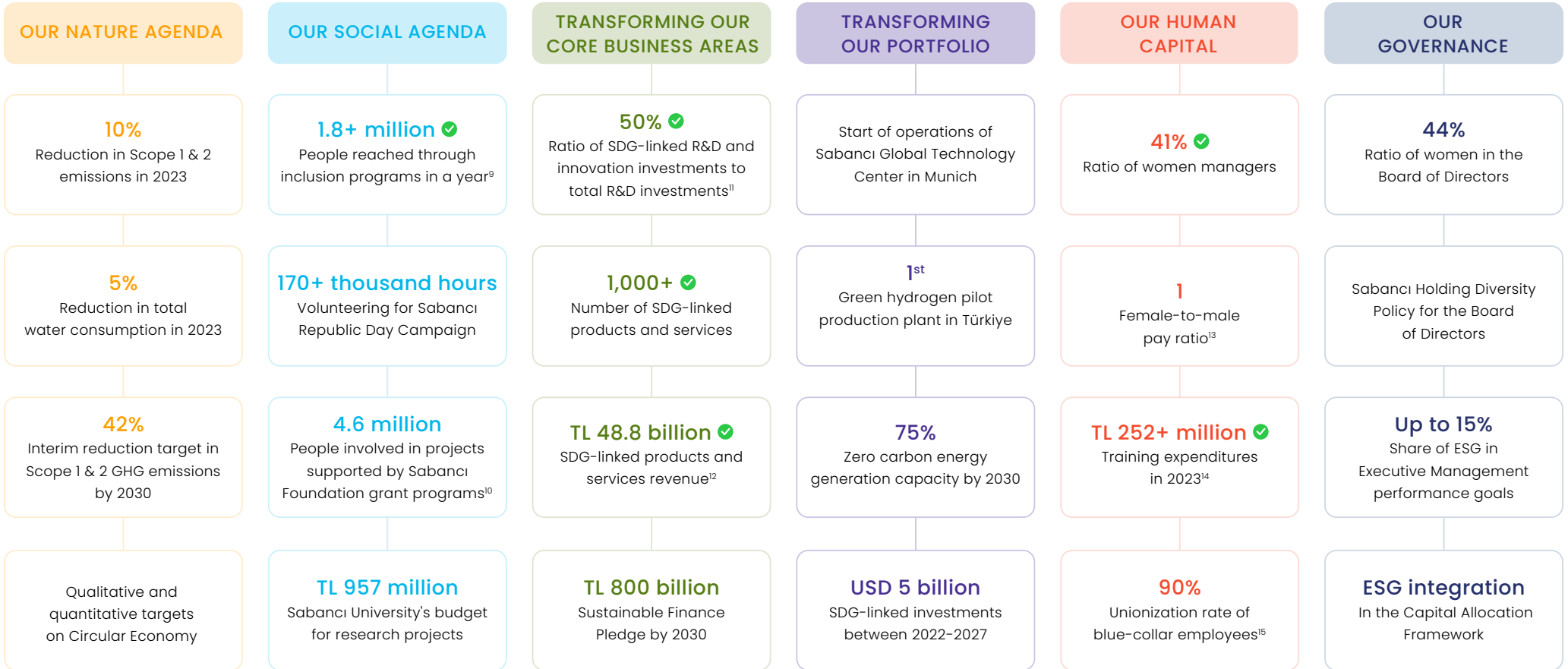
In Zen gardens, the particular arrangement of elements reflects an ongoing balance of preserving existing beauty while continuously adapting and reshaping to create new harmonies.

At Sabancı Holding, we embrace this dynamic approach by transforming our businesses and investing in new growth platforms, preserving our foundational strengths while innovatively creating value in an ever-evolving world.





2023 Sustainability Indicators at a Glance



⁹ Inclusion programs refer to the community investment programs developed by the group companies. The number of vulnerable groups reached through these programs was followed by the breakdown of citizens over the age of 65, youth, children and socio-economically disadvantaged groups. Akbank, Ağa, Aksigorta, Brisa, Carrefoursa, Çimsa, Enerjisa Üretim, Enerjisa Enerji, Kordsa, Temsa and Teknosa are included. ¹⁰ The figure represents the cumulative value for over 17 years. ¹¹ Ağa, Aksigorta, Akçansa, Brisa, Carrefoursa, Çimsa, Kordsa, Teknosa, Temsa, Enerjisa Enerji, Enerjisa Üretim, and SabancıDx are included. ¹² Akbank and SBS BV are not included. ¹³ This refers to the principle of equal pay for equal work. ¹⁴ Akbank is not included. ¹⁵ Carrefoursa, Akçansa, Çimsa, Brisa, Kordsa, Enerjisa Enerji and Temsa are included.

Preserving and Creating Value

In our business strategy, we focus on two main approaches; protect the value and create the value. By balancing these two focuses, we are ensuring the sustainability of our business while also fostering its growth and evolution. It is a dynamic approach that recognizes the importance of both preservation and progress.

Protecting value reflects the preservation of core businesses and how we manage our current operations and the culture we foster within them. Our management systems provide the framework for ensuring that sustainability and responsible practices are integrated into every aspect of our operations to improve the resilience of our businesses. Following a responsible business approach, we focus on sustainable products, services, and sustainable finance. R&D, innovation and digitalization help us find new ways to accelerate the transformation to serve sustainability for a better life.

Creating value reflects progress and growth to make a positive impact. We seek opportunities to expand our businesses in ways that generate financial returns while driving positive impacts for our stakeholders. Therefore, we seek opportunities to support innovative solutions that reshape industries and align with sustainable practices by investing in new growth platforms such as energy and climate technologies, material technologies and mobility solutions and digital technologies.

With energy and climate technologies, we seek solutions to address the challenges of the climate emergency for a sustainable future, while our investments in material technologies increase resource efficiency and resilience while promoting a circular economy and reducing waste. Leveraging digital technologies, we empower businesses to optimize their operations, minimize their environmental impact, and enhance social well-being.

By integrating sustainability into our investment decisions, we not only create value for our shareholders but also contribute to building a resilient and thriving global society for future generations. We believe this model of value creation is essential for the continuity of our planet, our society, and our business.

Commitment to the United Nations Sustainable Development Goals (SDGs)

Alignment to the United Nations Sustainable Development Goals (SDGs) serves as a guiding principle in our strategic decision-making processes, ensuring that every initiative we undertake contributes positively to the advancement of the SDGs. This approach not only drives financial performance but also generates positive impact for the communities we serve.

In 2023, 50% of our R&D and innovation expenses were dedicated to SDG-linked projects, reflecting our commitment to fostering a sustainable product and technology pipeline. Furthermore, nearly all our business development initiatives, including entrepreneurship programs, are strategically aligned with the themes encapsulated in the SDGs.

Our R&D teams across the Group are also focused on SDG-linked innovation, with some businesses allocating as much as 100% of their R&D expenses to projects aligned with the SDGs. This underscores our unwavering dedication to leveraging innovation as a driver of sustainable development across all sectors of our operations.

For details on our execution, please refer to '[Transforming our Portfolio](#)' and '[Transforming our Core Business Areas](#)' sections.

Aligning Financial Success with Long-Term Value Creation

In 2023, Sabancı Group delivered combined revenue of TL 811 billion and consolidated net income of TL 15 billion.

Holding-only cash more than doubled to TL 7.0 billion and net debt to EBITDA ratio remained well below mid-term target, keeping the balance sheet rock solid and providing a robust foundation for further investment.

MIDTERM GUIDANCE

Midterm financial targets announced at Capital Markets Day in November 2020 for the period of 2021-2025

	2021-2025 Targets	2021-2023 Figures	Status
Combined Revenue Growth	CPI + 8%	CPI + 28%	Delivered
Combined EBITDA ¹⁶ Growth	CPI + 10%	CPI + 34%	Delivered
New Economy Share ^{17,18}	~13%	11%	On track
Fx Revenue Share ¹⁷	30%+	21%	On track
Net Debt/EBITDA ^{16,19}	<2.0x	0.8x	Delivered
Consolidated ROE ²⁰	15%-20%	34.4%	Delivered

¹⁶ Excludes one-offs

¹⁷ in combined non-bank revenue and at the end of the period

¹⁸ New economy refers to revenues generated from energy and climate technologies, materials technologies and digital technologies

¹⁹ Non-bank and at the end of the period

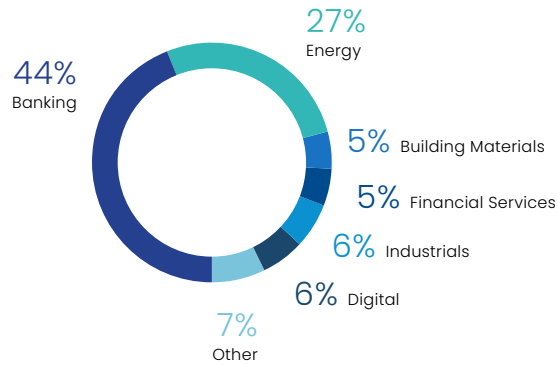
²⁰ Excludes one-offs, at the end of the period

Aligning Financial Success with Long-Term Value Creation

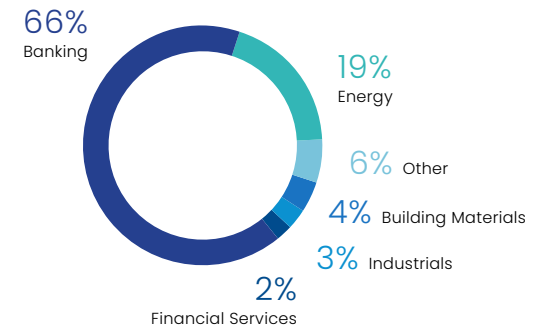
Dynamic portfolio management and leveraging synergies within Sabanci ecosystem represent the fundamental drivers of long-term value creation. Execution on 'new economy' continues at full speed.

In 2023, having a balanced portfolio once again played an important role in maintaining Sabanci Holding's solid performance in high volatility and challenging macro backdrop. Dynamic portfolio management and leveraging synergies within Sabanci ecosystem supports healthy NAV growth.

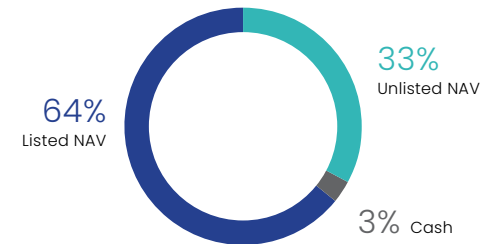
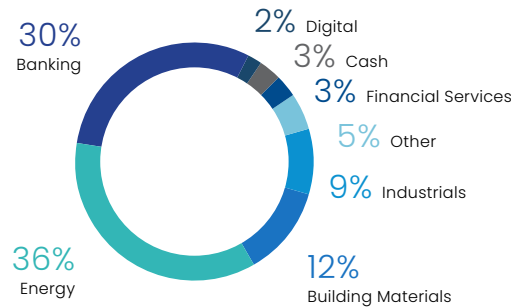
COMBINED REVENUE BREAKDOWN



COMBINED EBITDA BREAKDOWN



NET ASSET VALUE (NAV) BREAKDOWN²¹



²¹ As of 31.12.2023. Market values for listed assets, independent valuation for Enerjisa Üretim, Sabanci Building Solutions and Sabanci Climate Technologies, and book values for the rest of unlisted assets.

Pioneering Sustainability in Targets and Actions

SABANCI GROUP IMPLEMENTS PIONEERING AND EXEMPLARY PRACTICES TO ACHIEVE ITS SUSTAINABILITY GOALS.

Sabancı Holding is the first holding company in Türkiye to announce Net Zero Emissions target by 2050.

We have committed to a 15% reduction in Scope 1 & 2 GHG emissions by 2025 and a 42% reduction by 2030 versus 2021 baseline without using carbon offsets.

We are the first holding company to embed sustainability criteria into our capital allocation criteria.

Our efforts expanded to a comprehensive nature program, employing both an outside-in and inside-out approach. Sabancı Holding's Nature Agenda includes Decarbonization Initiatives, Water Management, Biodiversity and Circular Economy.

WE CONTINUE TO LEARN AND PROGRESS ON OUR NATURE AGENDA

	2020	2021	2022	2023	Targets	
					2030	2050
Decarbonization						
GHG emissions (Scope 1+2, Mt) ²²	10.10	11.20	9.95	8.94 ✓	6.49	Net Zero
GHG emissions (Scope 3, Mt)	11.21	11.59	10.29	9.37 ✓	6.72	Net Zero
Renewables						
Renewable Electricity Usage ²³	-	-	27%	54%	≥80%	-
CO ₂ -free energy generation ²⁴	42%	43.7%	45.5%	46%	75%	100%
Circularity						
Circularity KPIs to be published 2025 onwards						
Total waste (ton) ²⁵	31,574	42,761	52,445	55,279 ✓	Achieving circular inflow targets*	Achieving circular design and outflow targets*
Total recycled/reused (%) ²⁵	87%	80%	78%	94% ✓		

BEST AMBITION LEVEL IN SBTi

Sabancı Holding's target is aligned with 1.5°C pathway of the globally recognized Science Based Targets initiative (SBTi).

- 100% of material technologies companies
- 100% of mobility solutions companies are aligned with the SBTi 1.5°C pathway.

* Please refer to page 144 of this Report for details.
²² Sabancı Holding's GHG emissions have been calculated by using the equity share approach in accordance with the Greenhouse Gas Protocol. Accordingly, Sabancı Holding accounts for GHG emissions from operations according to its share of equity in the operation.
²³ Assumptions based on analysis conducted in 2023.
²⁴ Installed capacity.
²⁵ Excluding Enerjisa Üretim's ash waste.

Pioneering Sustainability in Targets and Actions

We are the first holding company to issue a Responsible Investment Policy.

By 2027, our cumulative SDG-linked investments will reach USD 5 billion.

We are developing Türkiye's first inter-city hydrogen bus following the launch of Europe's first intercity electric bus.

Sabancı Group operates Türkiye's largest electric vehicle high speed charging station network.

2023 marked the generation of our pilot green hydrogen in Türkiye's first Hydrogen Valley.

In 2023, 50% of overall Sabancı Group R&D and innovation investments were allocated to areas that serve SDGs.

Our renewables portfolio will reach 4 GW by 2026 including the largest onshore wind energy project in Europe.

A member of Net-Zero Banking Alliance, Akbank sets ambitious targets, aiming to become a Net Zero Bank by 2050. The Bank exceeded its TL 200 billion Sustainable Financing goal for 2030 by the end of 2023 with TL 226 billion and raised it to TL 800 billion.

Our CO₂-free energy generation rate will reach 75% by 2030.

OUR RESPONSIBLE INVESTMENT STRATEGY INTERSECTS WITH BOTH OUR NATURE AND SOCIAL AGENDAS

	2020	2021	2022	2023	2030 Targets
Sustainable Finance					
TL 200 billion Sustainable Finance Pledge ²⁶	8.2%	13.5%	30%	113%	Exceeded target with TL 226 bn in 2023 and raised Sustainable Finance Pledge to TL 800 bn
TL 15 billion sustainable investment funds balance	-	-	-	21%	
Responsible Investment					
Ratio of SDG-linked R&D and innovation investments	44%	51%	53%	50% ✔	≥70%*
USD 5 billion SDG-linked Investment Pledge ²⁷	-	-	10%	24%	100%

Akbank is committed to increasing the sustainable investment fund balance to TL 15 billion in Assets under Management by 2030.

²⁶ Committed by Akbank, in addition to their sustainable investment funds commitment reaching TL 15 billion until 2030. The target has already been exceeded in 2023. These are non-consolidated management reporting data. They include green (e.g., renewable energy, clean transportation, etc.) and social (e.g., access to basic services, women-owned SMEs) loans that are in compliance with the Sustainable Finance Framework, as well as Eurobonds and syndication acquisitions of the Sustainable and Social Eurobond ESG type. Akbank has established a new target which is amounting TL 800 bn Sustainable Finance Pledge until 2030. ²⁷ All figures are presented cumulatively. * The target is planned to be completed as of 2025.

Pioneering Sustainability in Targets and Actions

WE KEEP DIVERSITY, EQUITY AND INCLUSION AT THE CORE OF OUR SOCIAL AGENDA.

	Performance				Targets
	2020	2021	2022	2023	2030
Women leaders at Holding	38%	40%	41%	41% ✓	50%
Ratio of women in STEM positions	-	33%	33%	34% ✓	50%
Ratio of women in revenue generating positions	-	43%	44%	46% ✓	50%

Sabancı Group's Social Agenda highlights our keen commitment to making a significant, measurable impact on society.

In the last three years, Sabancı Group appointed 3 women CEOs and 3 women Executive Committee Members. All Group companies have women Board Member at their Board of Directors.

Sabancı Volunteers' project, Sabancı Republic Day Campaign, once again became Türkiye's most attended social responsibility initiative in 2023.

Sabancı Holding has implemented specific quotas to promote gender equality.

The Holding has achieved equal pay for equal work and established a 50% women quota in all development programs, along with a 30% women quota in the Senior Management recruitment shortlist.

These quotas are part of its broader goals of enhancing gender diversity and inclusivity within leadership, STEM and revenue generating roles by 2030.

Pioneering Sustainability in Targets and Actions

OUTSTANDING ACHIEVEMENTS IN CDP REPORTING

Sabancı Holding is the only holding company from Türkiye in CDP Climate Change Global A List.

We are among the CDP Türkiye Leaders with 9 Sabancı Group companies, 5 of which are on the CDP Global A List.

SABANCI GROUP COMPANIES EARN TOP ECOVADIS MEDALS

Sabancı Group companies Kordsa and Brisa earned Gold medals, ranking in the top 5%, while Temsa and Sabancı Group's cement company Çimsa attained Silver medals, placing them in the top 15% across all companies in all industries.

SABANCI HOLDING'S STELLAR SUSTAINABILITY PERFORMANCE RECOGNIZED GLOBALLY

Our commitment to sustainability and continuous progress is reflected in our 2023 assessments with leadership-level scores by the world's leading ESG rating institutions.

We received a rating of AA in the MSCI Inc. ESG Ratings assessment which reflects a four notch increase in 4 years.

We are the first and only holding company from Türkiye to be included in the Bloomberg Gender Equality Index for two consecutive years.

In the Morningstar Sustainalytics ESG assessment, we were evaluated in the 'Low Risk' category, placing us among the leading companies in the Diversified Financials Category.

We received a rating of 'A' in the Refinitiv ESG assessment, indicating excellent relative ESG performance and high degree of transparency in reporting material sustainability data publicly among more than 50 companies in the Investment Holding Companies category.

We are listed in the Borsa İstanbul Sustainability 25 Index, which includes companies in Türkiye with high sustainability performance.

Sabancı Holding is the only Holding company from Türkiye to be included in the 2024 Sustainability Yearbook of S&P as Sustainability Yearbook Member.

Sabancı Holding has been awarded with six diamonds by EFQM and won special award of Outstanding Achievement for Sustainability.

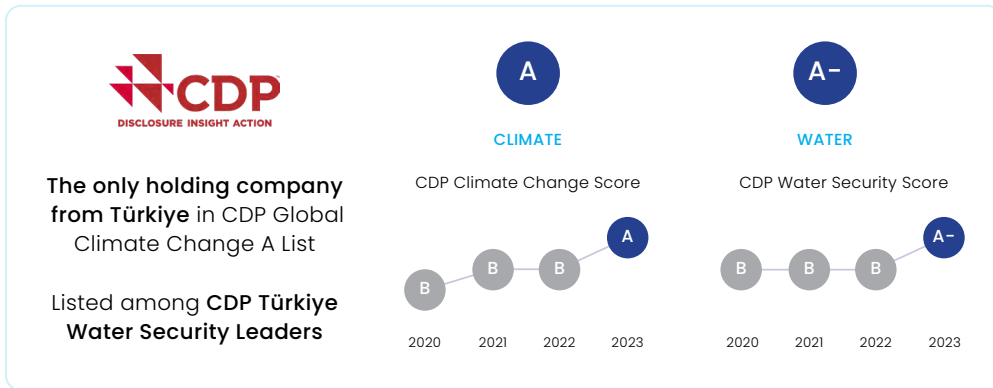
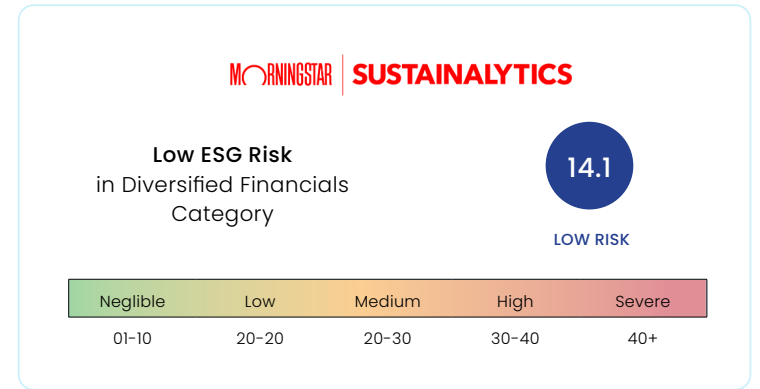
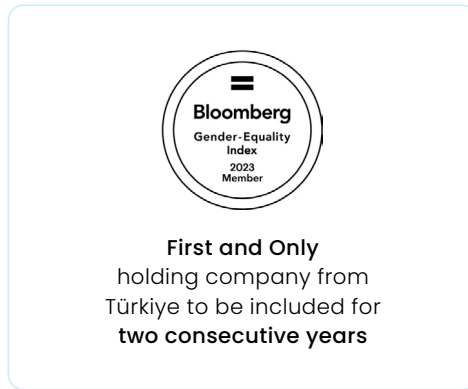
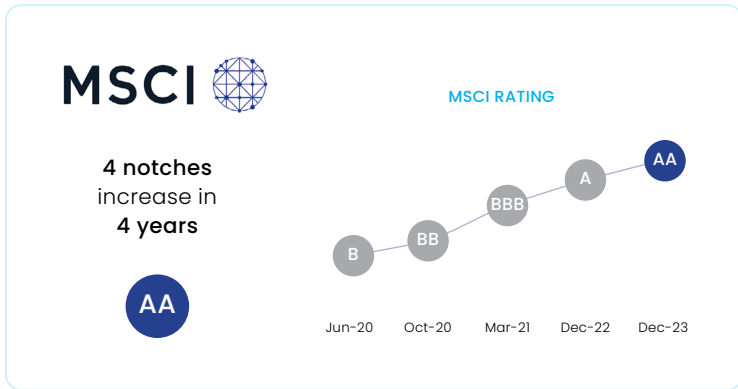
We have been ranked the highest among our local and global peers.²⁸



²⁸ Assessment based on Sabancı Holding's peer analysis conducted within the scope of Investor Relations Team Peer Group.
²⁹ As of the publication date of the Report for the results of 31 December 2023.

Pioneering Sustainability in Targets and Actions

Our stellar ESG performance was recognized globally.



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